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PROCEEDINGS AND DEBATES OF THE 76th CONGRESS, THIRD SESSION

SENATE

THURSDAY, JUNE 13, 1940

(Legislative day of Tuesday, May 28, 1940)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

The Chaplain, Rev. Zebarney T. Phillips, D. D., offered the following prayer:

Almighty and ever-living God, before whom the generations come and go, whose mercies are infinite, whose love is eternal: We beseech Thee to bless our country and help us here and now to advance the onward march of Thy kingdom of right and justice by the increase of our devotion to our national ideals and the reign of law and self-discipline.

Thou has shown us Thy ways and we have forsaken them; Thou hast brought us to great honor and we have wearied of Thy service; nevertheless, we beseech Thee to spare us from adversity and restore to us the vision lost in paths apart from Thee. Grant to us such calm and measured wisdom in all our deliberations, that confidence may everywhere prevail, that our people may be of one mind and one purpose in fulfilling the destiny unto which Thou dost call us. We ask it in the name of our Lord and Saviour, Jesus Christ. Amen.

THE JOURNAL

On request of Mr. BARKLEY, and by unanimous consent, the reading of the Journal of the proceedings of the calendar day of Wednesday, June 12, 1940, was dispensed with, and the Journal was approved.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Chaffee, one of its reading clerks, announced that the House had agreed to the concurrent resolution (S. Con. Res. 51) authorizing the enrollment with an amendment of the bill (S. 2598) for the relief of Kurt Wessely.

The message also announced that the House had passed the following bills, in which it requested the concurrence of the Senate:

H. R. 6207. An act to amend section 2810 (a), Internal Revenue Code, to exclude petroleum stills from the requirement of registration; and

H. R. 10055. An act making supplemental appropriations for the national defense for the fiscal year ending June 30, 1941, and for other purposes.

ENROLLED BILLS SIGNED

The message further announced that the Speaker had affixed his signature to the following enrolled bills, and they were signed by the Vice President:

S. 1024. An act for the relief of Harriett Boswell, guardian of Betty Fisher;

S. 3578. An act for the relief of Edward Smith;

H. R. 6044. An act to regulate the number of warrant and commissioned warrant officers in the Marine Corps;

H. R. 8026. An act to establish the composition of the United States Navy, to authorize the construction of certain naval vessels, and for other purposes;

H. R. 9209. An act making appropriations for the Military Establishment for the fiscal year ending June 30, 1941, and for other purposes; and

H. R. 9848. An act to authorize the construction or acquisition of naval aircraft, the construction of certain public works, and for other purposes.

CALL OF THE ROLL

Mr. MINTON. I suggest the absence of a quorum.

The VICE PRESIDENT. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Adams	Donahey	Lodge	Sheppard
Andrews	Downey	Lucas	Shipstead
Ashurst	Ellender	Lundeen	Slattery
Austin	George	McKellar	Smith
Bailey	Gerry	McNary	Stewart
Bankhead	Gillette	Maloney	Taft
Barkley	Green	Mead	Thomas, Idaho
Bilbo	Guffey	Miller	Thomas, Okla.
Bone	Gurney	Minton	Thomas, Utah
Bridges	Hale	Murray	Tobey
Brown	Harrison	Neely	Townsend
Bulow	Hatch	Norris	Truman
Burke	Hayden	Nye	Tydings
Byrnes	Herring	O'Mahoney	Vandenberg
Capper	Hill	Overton	Van Nuys
Caraway	Holman	Pepper	Wagner
Chandler	Holt	Pittman	Walsh
Chavez	Hughes	Radcliffe	Wheeler
Clark, Idaho	Johnson, Calif.	Reed	White
Clark, Mo.	Johnson, Colo.	Reynolds	Wiley
Connally	King	Russell	
Danaher	La Follette	Schwartz	
Davis	Lee	Schwellenbach	

Mr. MINTON. I announce that the Senator from New Jersey [Mr. SMATHERS] is absent from the Senate because of illness in his family.

The Senators from Virginia [Mr. BYRD and Mr. GLASS] and the Senator from Nevada [Mr. MCCARRAN] are necessarily detained.

Mr. AUSTIN. I announce that my colleague the junior Senator from Vermont [Mr. GIBSON] and the Senator from North Dakota [Mr. FRAZIER] are necessarily absent.

The Senator from New Jersey [Mr. BARBOUR] is unavoidably detained on official duties.

The VICE PRESIDENT. Eighty-nine Senators have answered to their names. A quorum is present.

PETITIONS AND MEMORIALS

The VICE PRESIDENT laid before the Senate a resolution of the Board of Education, Niagara Falls, N. Y., requesting that certain appropriations be made for the United States Office of Education to be allocated to State departments of education and local communities to cover the costs of a program of vocational training designed to prepare workers for employment in essential war industries, which was referred to the Committee on Appropriations.

He also laid before the Senate a resolution of the Board of Education, Niagara Falls, N. Y., offering the facilities of the Trott Vocational School to the New York State Department of Education and the United States Office of Education to be used as a center for training workers in essential war industries, which was referred to the Committee on Education and Labor.

He also laid before the Senate the petition of the Allied Marine Contractors Association, New York City, N. Y., praying that the United States promptly render all possible assistance to the allied nations by furnishing them with necessary equipment in the present war situation, which was referred to the Committee on Foreign Relations.

He also laid before the Senate resolutions of the Lions Clubs, of Greenwood, S. C., and Amarillo, Tex., endorsing the national-defense program and favoring the immediate enactment of legislation to stop subversive activities of citizens or aliens and the agents of foreign nations in the United States, which were ordered to lie on the table.

He also laid before the Senate a telegram in the nature of a petition from the president and members of the Pottstown (Pa.) Chamber of Commerce Minute Men, praying that Congress remain in session during the present emergency, which was ordered to lie on the table.

He also laid before the Senate a telegram in the nature of a petition from the Georgia Congress of Parents and Teachers, Atlanta, Ga., praying for the enactment of the so-called Norris-Sparkman bill, providing for tax replacement in connection with the operation of the Tennessee Valley Authority to each county and school district in Georgia lying in the Tennessee Valley, which was ordered to lie on the table.

Mr. TYDINGS presented the petition of the monthly meeting of the Society of Friends, Park Avenue, Baltimore, Md., praying for the adoption of certain peace measures as drafted by the National Peace Conference, which was referred to the Committee on Foreign Relations.

Mr. TOWNSEND (for Mr. BARBOUR) presented the following concurrent resolution of the Legislature of the State of New Jersey, which was referred to the Committee on Naval Affairs:

Whereas the port of New York Authority has reported after extensive research and investigation that a drydock adequate for the largest naval and mercantile ships is a vital need in the port of New York; and

Whereas several sites on the New Jersey side of the port of New York have been mentioned in the said report as possible locations for the said drydock; and

Whereas the New Jersey side by reason of its superior natural advantages is ideally situated for such purposes; and

Whereas the interests of the whole port of New York and of the Nation will be best served by the construction of a drydock and shipyard on the New Jersey side of the port: Now, therefore, be it

Resolved by the House of Assembly of the State of New Jersey (the senate concurring):

1. The Legislature of the State of New Jersey urges and petitions the Congress of the United States, the Navy Department, and the port of New York Authority to recognize the superior natural advantages of the New Jersey side of the port of New York, and to authorize at the earliest possible time, the establishment of a drydock and shipyard on the New Jersey side of the port of New York adequate for the largest naval and mercantile ships.

2. A copy of this concurrent resolution duly authenticated by the speaker of the house of assembly and attested by the clerk of the assembly be sent forthwith to the President of the United States, the Vice President of the United States, the Senators and Representatives of the State of New Jersey in Congress, the Navy Department, and the Port of New York Authority.

The VICE PRESIDENT laid before the Senate a resolution identical with the foregoing, which was referred to the Committee on Naval Affairs.

Mr. TOWNSEND (for Mr. BARBOUR also) presented the following concurrent resolution of the Legislature of the State of New Jersey, which was referred to the Committee on Commerce:

An assembly concurrent resolution memorializing Congress and the War Department of the United States to operate Central Airport, Camden, N. J., as an integral part of the United States defense program

Whereas a national-defense program is now under consideration to include the construction of 50,000 additional airplanes and the training of additional fliers; and

Whereas there is located in the township of Pensauken, adjacent to the city of Camden, N. J., an airport which has been used for 10 years as a base for the largest air lines and a landing field for the largest airplanes; and

Whereas this airport known as Central Airport has achieved a national reputation for safety, a point emphasized as recently as Friday, May 31, when 37 large airplanes, unable to reach La Guardia Field, N. Y., because of heavy fog, took haven at Central Airport; and

Whereas the opening of the Philadelphia Municipal Airport has caused commercial air lines to transfer their Philadelphia district base from Central Airport to Philadelphia Airport by July 1, 1940, with the result that the closing of Central Airport on that date has been announced; and

Whereas the Civil Aeronautics Authority, in a report published last year, estimated that 3,500 modern airports are necessary for civilian use under its expanded training program, even without regard to wartime needs; that airport facilities are so meager with only 20 Army and Navy air bases in the entire country that the United States could not even begin to cope with an aerial war and that the President's goal of 50,000 planes manufactured per year hardly will be worth achieving unless a comprehensive program of airport construction is begun immediately; and

Whereas Central Airport has many natural advantages, including its excellent location, sufficiently inland from the Atlantic seaboard to be protected and yet close enough to make an ideally situated base; easily accessible to freight, trucking, and shipping service and yet far enough from the Delaware River to escape the worst fogs; strategically located to defend the Philadelphia metropolitan area, and thoroughly equipped for a training field, with available land to the east and north for enlargement if deemed advisable: Now, therefore, be it

Resolved by the House of Assembly of the State of New Jersey (the senate concurring):

1. That the Congress and War Department of the United States be urged to take over the operation of the Central Airport in Pensauken Township, Camden County, N. J., as a training field for student fliers or in any other manner deemed important to the national defense; to prevent the abandonment of an adequate, well-equipped, excellently located airport in light of the proposed program and to remedy the shortage of airport facilities in this country; and

2. That certified copies of this resolution be forwarded to the President of the United States, to the President of the Senate of the United States, to the Speaker of the House of Representatives, to the United States Senators from New Jersey, to each Member of the House of Representatives from New Jersey, to the Secretary of War, and the Secretary of the Navy.

The VICE PRESIDENT laid before the Senate a resolution identical with the foregoing, which was referred to the Committee on Commerce.

REPORTS OF COMMITTEES

Mr. KING, from the Committee on the District of Columbia, to which were referred the following bills and joint resolution, reported them severally without amendment and submitted reports thereon:

S. 3870. A bill to amend the act entitled "An act authorizing the Commissioners of the District of Columbia to furnish Potomac water without charge to charitable institutions, etc., in the District of Columbia," approved February 23, 1905 (Rept. No. 1838);

S. 3993. A bill to authorize employees of the United States to testify on behalf of the District of Columbia and employees of the District of Columbia to testify on behalf of the United States and of the District of Columbia without loss of salary or annual leave (Rept. No. 1839);

S. 4048. A bill for the relief of Elizabeth P. Peeples (Rept. No. 1840);

H. R. 9633. A bill to enlarge and extend the power and jurisdiction of the Board of Education over degree-conferring institutions operating within the District of Columbia (Rept. No. 1841); and

H. J. Res. 559. Joint resolution authorizing a reduction in the rate of interest to be paid on certain loans and advances made to the District of Columbia by the United States of

America through the Public Works Administration (Rept. No. 1842).

Mr. KING also, from the Committee on the District of Columbia, to which were referred the following bills, reported them each with amendments and submitted reports thereon:

H. R. 9114. A bill authorizing advancements from the Federal Emergency Administration of Public Works for the construction of a recorder of deeds building in the District of Columbia, and for other purposes (Rept. No. 1843); and

H. R. 9791. A bill to amend the District of Columbia Unemployment Compensation Act (Rept. No. 1844).

Mr. HUGHES, from the Committee on the District of Columbia, to which were referred the following bills, reported them each without amendment and submitted reports thereon:

H. R. 8815. A bill to grant per diem compensation to the appointed members of the Board of Steam and Other Operating Engineers of the District of Columbia, and for other purposes (Rept. No. 1845); and

H. R. 9804. A bill to amend and clarify section 6, subsection 2, of the act approved June 1, 1938, known as Juvenile Court Act of the District of Columbia, and for other purposes (Rept. No. 1846).

Mr. BILBO, from the Committee on the District of Columbia, to which was referred the bill (S. 3720) to create and establish a Board of Funeral Directors and Embalmers for the District of Columbia and to prescribe its powers and duties, reported it with amendments and submitted a report (No. 1847) thereon.

Mr. BRIDGES, from the Committee on the District of Columbia, to which was referred the bill (H. R. 9299) to amend section 10 of chapter 5 of Public Act No. 436, Seventy-third Congress, approved June 19, 1934, reported it without amendment and submitted a report (No. 1848) thereon.

Mr. OVERTON, from the Committee on the District of Columbia, to which was referred the bill (H. R. 9907) to provide for the recording and releasing of liens by entries on certificates of title for motor vehicles and trailers, and for other purposes, reported it without amendment and submitted a report (No. 1849) thereon.

Mr. CLARK of Idaho, from the Committee on the District of Columbia, to which were referred the following bills, reported them each with amendments and submitted reports thereon:

H. R. 7865. A bill to amend the act for the regulation of the practice of dentistry in the District of Columbia, and for the protection of the people from empiricism in relation thereto, approved June 6, 1892, and acts amendatory thereof (Rept. No. 1850); and

H. R. 8692. A bill to amend the act to regulate the practice of podiatry in the District of Columbia (Rept. No. 1851).

Mr. GEORGE, from the Committee on Finance, to which was referred the bill (H. R. 9117) to eliminate the tax on brandy and wine spirits used in the fortification of wine; to increase the tax on wine; to compensate for the loss of revenue occasioned by the elimination of the tax on brandy and wine spirits used in the fortification of wine; and for other purposes, reported it without amendment and submitted a report (No. 1853) thereon.

TREATMENT OF IMPORTED NARCISSUS BULBS—REPORT OF COMMITTEE ON AGRICULTURE AND FORESTRY

Mr. SCHWELLENBACH, from the Committee on Agriculture and Forestry, submitted a report (No. 1852) to accompany the resolution (S. Res. 280) requesting the Secretary of Agriculture to issue an order concerning the treatment of imported narcissus bulbs submitted and also reported without amendment by Mr. SCHWELLENBACH from that committee on the 12th instant.

ENROLLED BILLS PRESENTED

Mrs. CARAWAY, from the Committee on Enrolled Bills, reported that on June 12, 1940, that committee presented to the President of the United States the following enrolled bills:

S. 1560. An act for the relief of Amos B. Cole;

S. 2013. An act to amend the Code of the District of Columbia to provide for the organization and regulation of cooperative associations, and for other purposes;

S. 2782. An act for the relief of Harold W. Kinderman;

S. 3683. An act to remove the time limit for cooperation between the Bureau of Reclamation and the Farm Security Administration in the development of farm units on public lands under Federal reclamation projects; and

S. 3813. An act to authorize the presentation of a special gold medal to William Sinnott.

BILLS INTRODUCED

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. HAYDEN:

S. 4134. A bill for the relief of John G. Hunter; to the Committee on Claims.

By Mr. GEORGE:

S. 4135. A bill granting the consent of Congress to the State Highway Board of Georgia to construct, maintain, and operate a free highway bridge across the Withlacoochee River, between Valdosta, Ga., and Madison, Fla., at or near Horns Ferry; to the Committee on Commerce.

By Mr. HOLMAN:

S. 4136. A bill for the relief of Herbert G. Fearey; to the Committee on Claims.

By Mr. McKELLAR:

S. 4137. A bill relating to transportation of foreign mail by aircraft; to the Committee on Post Offices and Post Roads.

HOUSE BILLS REFERRED

The following bills were each read twice by their titles and referred as indicated below:

H. R. 6207. An act to amend section 2810 (a), Internal Revenue Code, to exclude petroleum stills from the requirement of registration; to the Committee on Finance.

H. R. 10055. An act making supplemental appropriations for the national defense for the fiscal year ending June 30, 1941, and for other purposes; to the Committee on Appropriations.

PURCHASE BY R. F. C. OF STOCK OF FEDERAL HOME-LOAN BANKS—AMENDMENTS

Mr. WAGNER submitted four amendments intended to be proposed by him to the bill (S. 3938) to authorize the purchase by the Reconstruction Finance Corporation of stock of Federal home-loan banks; to amend the Reconstruction Finance Corporation Act, as amended, and for other purposes, which were severally ordered to lie on the table and to be printed.

ADDRESS BY HON. CHARLES G. DAWES ON THE NEXT PRESIDENT AND THE NATIONAL BUDGET

[Mr. BRIDGES asked and obtained leave to have printed in the RECORD an address delivered by Gen. Charles G. Dawes on April 30, 1940, before the twenty-eighth annual meeting of the Chamber of Commerce of the United States, Washington, D. C., on the subject, The Next President and the National Budget, which appears in the Appendix.]

ADDRESS BY WILLIAM POWER MALONEY AT COMMENCEMENT EXERCISES AT FISK UNIVERSITY

[Mr. MEAD asked and obtained leave to have printed in the RECORD the address delivered by William Power Maloney at the commencement exercises held at Fisk University, Nashville, Tenn., on June 3, 1940, which appears in the Appendix.]

TO THE BRINK, EDITORIAL FROM ST. LOUIS POST-DISPATCH

[Mr. CLARK of Missouri asked and obtained leave to have printed in the RECORD an editorial entitled "To the Brink," published in the St. Louis Post-Dispatch of Tuesday, June 11, 1940, which appears in the Appendix.]

AMERICA'S ROLE—EDITORIAL FROM BOSTON TRANSCRIPT

[Mr. VANDENBERG asked and obtained leave to have printed in the RECORD an editorial from the Boston Transcript entitled "America's Role," which appears in the Appendix.]

ADDRESS BY DR. WILLIAM J. THOMPKINS AT DOWNINGTOWN, PA.

[Mr. MINTON asked and obtained leave to have printed in the RECORD the address delivered by Dr. William J. Thompkins, recorder of deeds for the District of Columbia, at the Community Day exercises of the Downingtown Industrial and Agricultural School, at Downingtown, Pa., on May 19, 1940, which appears in the Appendix.]

AMERICANISM AND IMMIGRATION

[Mr. REYNOLDS asked and obtained leave to have printed in the RECORD a letter dated July 2, 1939, with an enclosed article from the Sunday Mirror of July 2, 1939, the article being entitled "Test Shows Many Afraid to Display Americanism Signs," which appear in the Appendix.]

AIRPLANES FOR NATIONAL DEFENSE

[Mr. REYNOLDS asked and obtained leave to have printed in the RECORD an article written by John T. Flynn and published May 22, 1940, under the headline "Plain economics," which appears in the Appendix.]

RELATIONS WITH JAPAN

[Mr. SCHWELLENBACH asked and obtained leave to have printed in the RECORD an article from the Washington Daily News of June 13, 1940, by Raymond Clapper, entitled "No Deal With Japan," which appears in the Appendix.]

SEISMOLOGY IN CONNECTICUT—ARTICLE BY EDWARD L. TROXELL

[Mr. DANAHER asked and obtained leave to have printed in the RECORD an article by Edward L. Troxell entitled "Seismology in Connecticut," which appears in the Appendix.]

STEPPING TOWARD WAR—EDITORIAL FROM SIOUX FALLS ARGUS LEADER

[Mr. GURNEY asked and obtained leave to have printed in the Appendix an editorial, entitled "Stepping Toward War," published in the Sioux Falls (S. Dak.) Argus Leader of June 11, 1940, which appears in the Appendix.]

PREPAREDNESS PLATFORM

[Mr. WILEY asked and obtained leave to have inserted in the Appendix of the RECORD an article prepared by Basil Brewer, publisher, of New Bedford, Mass., entitled "Preparedness Platform," Standard-Times Mercury of May 31, 1940, which appears in the Appendix.]

THE LEGION CALLED THE TURN—EDITORIAL FROM NATIONAL LEGIONNAIRE

[Mr. CLARK of Missouri asked and obtained leave to have printed in the RECORD an editorial from the National Legionnaire of June 1940 entitled "The Legion Called the Turn," which appears in the Appendix.]

MILITARY AND NAVAL EXPENDITURES—ADDRESS BY SENATOR BROWN

[Mr. SCHWARTZ asked and obtained leave to have printed in the RECORD an excerpt from a radio address delivered by Senator BROWN on May 28, 1940, in reference to present and past military and naval expenditures, which appears in the Appendix.]

PURCHASE OF FOREIGN SILVER

[Mr. TOWNSEND asked and obtained leave to have printed in the RECORD an article regarding the buying of foreign silver, which appears in the Appendix.]

APPROPRIATIONS FOR WORK RELIEF AND RELIEF

The Senate resumed the consideration of the joint resolution (H. J. Res. 544) making appropriations for work relief and relief for the fiscal year ending June 30, 1941.

The VICE PRESIDENT. When the Senate recessed yesterday there was no amendment pending. The question is on the third reading and engrossment of the joint resolution. The Senator from California [Mr. DOWNEY] has notified the Chair that he desires to address the Senate. Having had that notice, and the Senator from California being on his feet, the Chair recognizes the Senator from California.

SENATORIAL COORDINATING COMMITTEE

Mr. DOWNEY. Mr. President, yesterday I submitted a resolution (S. Res. 279) providing for the appointment and composition of a special committee of the United States Senate, to remain here in Washington from day to day in the event of adjournment or recess of the Congress. First, I desire to state that the submission of that resolution is no admission on my part that I think the Congress should adjourn. On the contrary, if a motion to adjourn is presented, my vote shall be cast against it. I desire, however, very briefly to present to the Senate today a discussion of the resolution I have submitted, because of the extreme possibility that a resolution for final adjournment may be presented sometime next week and hurriedly passed by Congress without any opportunity for an argument upon the pending resolution.

In order that Senators may be thoroughly informed of the nature of the resolution I have submitted, I ask unanimous consent that the clerk may read the resolution at this time.

The VICE PRESIDENT. Is there objection? The Chair hears none, and the resolution will be read.

The resolution (S. Res. 279) submitted by Mr. DOWNEY on June 12, 1940, was read as follows:

Resolved, That there is hereby established a special committee to be known as the Senatorial Coordinating Committee to consist of 21 Senators, 3 of each from the following standing committees of the Senate and appointed by the chairmen thereof: Appropriations, Banking and Currency, Finance, Foreign Relations, Military Affairs, Naval Affairs, and Post Offices and Post Roads. The special committee shall select a chairman from among its members. Any vacancy in the special committee shall not affect the power of the remaining members to execute the functions of the committee and shall be filled in the same manner as the original appointment.

The members of the special committee shall remain at the seat of Government during any recess or adjourned period of the Seventy-sixth Congress, and shall meet each weekday during any such period.

It shall be the duty of the special committee (1) to confer with and give advice to the President or his duly authorized representatives on matters relating to the existing world and national crisis, (2) whenever the committee deems it advisable, to recommend to the President that Congress be called into special session, and (3) to consider and investigate such matters as the existing emergency may present, including (a) the best methods of fostering friendly relations, commerce, and understanding among the nations of the Western Hemisphere, and providing for the defense of the peoples of such nations, their territorial boundaries, and their governmental sovereignties; (b) the best means of restoring the American people to full employment and the operation of their industries to full capacity; (c) the best methods of rebuilding the highways in the United States so that they may be effectively adapted to national safety, defense, commerce, and traffic, (d) the best methods of providing adequate financing for the future defense of the Western Hemisphere; (e) the advisability and best methods of shaping our national economy so that it may be self-sufficient in essential war materials; and (f) the best plan to be adopted to guard against so-called "fifth column" activities and the best way to mobilize our people, industries, and resources for the defense of this country and such other areas in the Western Hemisphere as may be deemed advisable.

The special committee shall make reports of its findings and recommendations to the President and the Senate at such times as it may deem advisable.

For the purposes of this resolution, the special committee, or any duly authorized subcommittee thereof, is authorized to hold such hearings, to employ such clerical and other assistants, to require by subpena or otherwise the attendance of such witnesses and the production of such books, papers, and documents, to administer such oaths, to take such testimony, and to make such expenditures as it deems advisable The cost of stenographic services to report such hearings shall not be in excess of 25 cents per hundred words. The expenses of the committee, which shall not exceed $, shall be paid from the contingent fund of the Senate, upon vouchers approved by the chairman.

Mr. DOWNEY. Mr. President, first I desire to make clear to the Members of the Senate that this resolution is in no way a reflection upon the Chief Executive of the Nation or upon our executive branch, but it is an implied criticism of the failure of the American Government to meet the problems developing in the past 2 years, including the Chief Executive, the Army, the Navy, and the Congress of the United States.

I shall now say some things that may perhaps seem harsh. I say them, not merely to be critical, but because I believe it is essential that we, the representatives of the American Government, shall awaken to action out of the apathy that has gripped us for the past 2 or 3 years.

Preliminary to that, I should like to recall to the Senators here that the first month I entered the Senate of the United States I attended a joint meeting of the Military Affairs Committees of the House and the Senate. We there heard

our two ambassadors to Great Britain and to France outline to us the military conditions existing in Germany, in France, and in England; and they then and there prophesied to us the coming of almost exactly what has happened in the past 60 days. They told us not only what would happen when this war began in earnest, but they told us why it would happen; and yet, with every governmental representative knowing exactly the military strength of the combatants in Europe, we apparently are surprised, excited, and shocked, and almost in a hysteria, because the war has turned out just the way we should have known it would turn out.

Ambassadors Kennedy and Bullitt told us that the air power of Germany was so great, and the air power of her adversaries so inadequate, that France and Great Britain could not withstand Germanic military assaults. As a matter of fact, they prophesied that the war would not last very long before both Paris and London would be compelled to capitulate or face destruction.

Mr. President, I understand now that our intelligence services at Berlin, London, and Paris have filled the archives of our Government with reports of the great mechanized instrumentalities of Germany and the weakness of France and Great Britain, showing that nothing could have happened in this war save what has happened. And let us not forget that more than 2 years ago Charles Lindbergh warned the world of the accelerating air power of Germany, but his warning was ignored, or at least it did not spur either France, England, or the American Government to energetic action.

Mr. President, in the face of those facts, why this hysteria and confusion when the war has resulted the way all of the military prophets said it would result? I might say that the President of the United States stated to me—and it is no violation of ethics when I say it, because he proclaimed it in the press—that the military power of Germany was so great that the overwhelming odds were in favor of Germany winning this war. Yet, knowing all those facts for 2 years, have we prepared ourselves adequately either for operations at home or abroad to meet this crisis? We have not.

Mr. LUNDEEN. Mr. President——

The PRESIDENT pro tempore. Does the Senator from California yield to the Senator from Minnesota?

Mr. DOWNEY. I yield.

Mr. LUNDEEN. I had the honor to attend the meeting of which the able Senator speaks, and I heard the statements made by these two Ambassadors and can testify to the absolute correctness of the able Senator's statement.

May I say that since 1919, 21 years ago, I have not only advocated supremacy in the air, and voted for the 6,000 planes when we had before the Senate a bill looking to that end some time ago, and a separate department of the air, which Germany has, Britain has, France has, and Japan and all the other great nations have. I am glad this subject is being brought to the attention of the country.

Mr. DOWNEY. I thank the able Senator from Minnesota who though he has consistently opposed our intervention in Europe has vigilantly urged national defense.

My reason for making the remarks I am making is not merely that I desire to be critical. I say that we are just as blind and apathetic today toward what we should undertake for the future as we were blind and apathetic 2 years ago as to what we should have been doing during the intervening 2 years.

I desire also to make this statement, that there has never been any conflict over national preparedness between Senators who believe in intervention in European affairs and those who believe in isolation or "continental insulation," if you prefer. While I myself voted against the President's program at the last extraordinary session, at that very time and in that session I urged that reasonable vigilance required the immediate preparation of an air fleet of from 25,000 to 50,000 planes, quoting Mr. Lindbergh and Eddie Rickenbacker, and our other war experts, as authorities on that subject.

That my own attitude on preparedness may be clear, I want here to quote from my remarks in the Senate at the special session last year on October 9, 1939. I would avoid the charge of hysteria, and therefore assert that the position I am now assuming is fundamentally the position I occupied 2 years ago.

Of course, I admit freely that I have been surprised and alarmed at the power of Germanic military might and believe we should accellerate our own defensive mechanism to meet all possible eventualities that may reasonably be expected in view of world conditions now known to exist.

My remarks, to which I have adverted, at the special session were as follows:

[Excerpt from Senator DOWNEY's 7-hour senatorial speech of October 9, 1939]

Mr. President, there is a wide difference of opinion among military experts themselves as to how efficient our Army is. The Senator from Texas [Mr. SHEPPARD], after long experience as chairman of the Military Affairs Committee, has assured me that he believes within 6 months we will be able to mobilize and have properly equipped from four to five hundred thousand first-class troops. Most of them could be assembled within 30 or 60 days. Many of the military men point out—and I think correctly—that we lack certain arms, certain ammunition, certain mobile artillery, and certain other implements of war for the greatest efficiency. So far as I am concerned, as a Member of the Senate, let me say to the military men of America: Make us safe against any foreign aggression without weakly counting upon the support of any other nation that well may fail us when we vitally need help. Whatever we ought to do by way of preparation we should do. And Congress, of course, must be guided by its military advisers. How idiotic we would be if, like the statesmen of European empires, we should allow ourselves to be overbuilt so that we could truly be said to be the prey of reasonable apprehension and fear. Whatever amount we have to spend for the protection of our people against foreign aggression should be cheerfully spent. Of course, I hate to say it, but I must say that such expenditures should come ahead of every other expenditure, even expenditures for the unhappy submerged half of the population, because, after all, national defense is the supreme necessity of all.

Colonel Lindbergh and our great war ace, Eddie Rickenbacker, have suggested that if we had 25,000 more military airplanes, then even the most timid and hysterical citizen in America would know that we were absolutely safe, because the first submarine, the first war vessel, the first soldier that came in a belligerent way within 500 miles of the Western Hemisphere would be destroyed overnight by our many airplanes. Some Senators may ask, "But what would be the cost of 25,000 airplanes?" I say to you it would be negligible.

I have secured from one of the great airplane companies—I must keep the name in confidence, because the information was so given to me, but I take it that any company would verify these figures—that with an expenditure of $250,000,000 we could build factories which would produce 3,000 first-class planes every month. I do not know whether or not Mr. Rickenbacker is right that we ought actually to build 25,000 planes, of which we are already building 5,500, but, in any event, I think the Government should undertake the financing of private airplane companies to build those factories, and let them stand as notice to the world that the first hostile vessel, the first submarine, the first soldier that dares to undertake aggressions in the Western Hemisphere will start the operation of those factories at full capacity.

One can easily see the immense value of an air force of twenty-five or fifty thousand planes. It could fly 25,000 or 50,000 soldiers to any point in the Western Hemisphere almost within a day. They could strike at any submarine bases. They could mobilize overnight to protect the whole Western Hemisphere. Who is so deluded as to suggest that we should fight battles in Europe to protect our western safety, with the loss of millions of lives and billions upon billions of dollars, when we can make ourselves invulnerable in the Western Hemisphere for a comparatively small amount, and be thereby assured no one will attack us?

(P. 379, CONGRESSIONAL RECORD, October 9, 1939.)

I am here appealing to the Senate of the United States to use its initiative and its high ability in the critical years which lie ahead, and that is why I want to point out, Mr. President, that for the last 20 years 9 out of 10 American citizens in the highways and the byways of our land have said that in the next great war the air power would be a tremendous instrument of offense and defense, 9 out of 10 of the laymen of America have said, "Why in heaven's name do we not appropriate substantial sums for our defense."

I have talked with Senators here over the past 2 years, I have heard them expressing themselves in the Committee on Military Affairs, and almost every Senator has made the same statement, that we should be investing more money in airdromes, the training of pilots, and in airplanes. But the Senate has never manifested its own will and wish in these matters.

When the airplane bill came before the Committee on Military Affairs, did that committee refuse what the President of

the United States or the military officials asked? No. Most of the committee thought their request was too small; some took the position that we could not hope to get anything more than might be requested by the executive department. Some believed we should accept without question the judgment of the Executive and military.

I say it is high time that the Congress, more directly representing the common-sense judgment of all our people than any other branch of our Government, should make its will, energy, and talent felt in our governmental operations.

Mr. TYDINGS. Mr. President, will the Senator from California yield?

Mr. DOWNEY. I yield.

Mr. TYDINGS. Just to make the record straight, I think it will be shown that for the last 4 or 5 years, perhaps longer, the Congress has approved every appropriation for the Army and for the Navy and for the air force which the President and the Bureau of the Budget have sent to us. While many have thought that their requests were too small, nevertheless, whatever has been asked for has been written into law.

Mr. DOWNEY. I thank the distinguished Senator from Maryland for that contribution, and I am sure he is correct, that every dollar of appropriation that has been asked by the Executive of Congress for military preparedness has been granted, and I think more, too.

Mr. MINTON. Mr. President, will the Senator yield?

Mr. DOWNEY. I yield.

Mr. MINTON. The Senator is a member of the Committee on Military Affairs, of which I am a member. Did the Senator attend the joint committee meeting when Ambassadors Bullitt and Kennedy appeared before us?

Mr. DOWNEY. I did.

Mr. MINTON. And the Senator criticized what was expressed by those men at that time—that Germany was in a position to win the war if they got into one. Did not the Senator do that?

Mr. DOWNEY. I am very sure I did not, though I do not know to just what the Senator refers. But let me answer his question in this way: It is true that I left that meeting amazed, questioning, and shocked, and wondering whether the statement given to us by the Ambassadors of the overwhelming military superiority of Germany was correct or whether it was for some reason exaggerated. But the President of the United States and the Intelligence Department of the United States knew whether or not those statements were true. I afterward came to believe they were wholly accurate.

Mr. TYDINGS. Mr. President, will the Senator yield?

Mr. DOWNEY. I yield.

Mr. TYDINGS. Let me point out to the Senator that for 4 or 5 years, at least that long, almost every government on the face of the earth has been informed of what was taking place in Germany. There have been perhaps four or five hundred books written on the subject, and in the last 2 or 3 years many of these books have been among the best sellers. Without attempting to escape any of the responsibility which, as the Senator well points out, falls upon Congress, because, after all, it is the legislative arm of the United States, there has not been any considerable thought in this country that any damage could be done here. We have been under the illusion that the Atlantic and the Pacific were as wide as they were 200 years ago, in spite of all the evidence. I am glad to see the Senator raising his voice today, because the information to which he alludes as to the strength of Germany's planes has been in the hands of this Government for 5 years, 4 years, 3 years, 2 years, and 1 year, as it has been in the hands of the French, the Polish, the Hungarians, the Czechoslovakian and all the other governments.

Colonel Lindbergh returned from Europe and gave some exposition of the air power of Germany. We have known about it all along. But the thought was that, no matter what happened in the whole world, we would not have to do any preparing here, even though we would not intervene, that we did not have to prepare here. The Senator is right; we should have had our ears open long before, and should have acted long before, and we would not have been so jittery and nervous today.

Mr. DOWNEY. I thank the Senator.

Mr. KING. Mr. President, will the Senator from California yield to me?

Mr. DOWNEY. I yield.

Mr. KING. I think we were justified, perhaps, in relying upon statements so often made by Mr. Hitler, that when he obtained Austria and when he obtained Danzig he would have no other territorial conquests in mind, that he was satisfied with the delimitations upon the Rhine, and that when he acquired those territories he would be satisfied. He assured Mr. Chamberlain of that fact. I did not believe his representations, but many people in Europe and many people in the United States believed Mr. Hitler was sincere. Obviously he was not. He simply was bent upon deceiving the people of Europe, as well as the people of the United States, by his subtle methods, and in the meantime he was preparing the most formidable military machine the world has ever seen. Now we are witnessing the result of the inertia and the lassez faire policy of many European governments, if not our own.

Mr. TYDINGS. Mr. President, will the Senator yield further?

Mr. DOWNEY. I thank the Senator from Utah for his fine contribution. I yield to the Senator from Maryland.

Mr. TYDINGS. Anyone who has read Mein Kampf, by Mr. Hitler himself, knows he is very frank in stating what he is going to do. His first plan was to harmonize all the German people in every country in the world, no matter where they were situated, and after he had worked them into a whole, with allegiance to the fatherland, he uses this expression:

> When we have done that, we can then settle our hunger for colonies.

Mr. Hitler said first he was going east; that he was not going west. Then he went west. So we cannot excuse ourselves on the ground that we have believed Mr. Hitler, because there have been a great many contradictions in the last 4 years between what Mr. Hitler has said and what he has done. The whole truth of the matter is that we have always assumed that, no matter what happened in Asia or in Europe, we did not need to prepare in this country even to defend ourselves; that the Atlantic Ocean and the Pacific Ocean, with a navy, were all we needed. That is why we are situated as we are today, and there is no other excuse, in my judgment.

Mr. DOWNEY. I thank the Senator for his very able contribution.

Mr. President, one of the issues I should like to present to the Senate, to be considered by the proposed committee if it should be appointed, is involved in the question of the strategic war materials.

I have no desire to discuss the policy of trade reciprocity generally, but let me say to the Senate that any nation that allows itself to depend upon the production of its strategic war materials from points five and ten thousand miles away, across the distant oceans, has placed itself in a position where it might, overnight, receive a blow to its financial, business, industrial, and defense structures that will rock them to their very foundation.

I know, as the President of the United States has recently informed us, that we are now scouring the earth in a wild and largely futile search to bring in what scanty hoards of tin, rubber, manganese, and other strategic materials we can. We are now trying to do in the course of a few months what we should have done over the course of years. Nine out of ten American citizens have proclaimed the wisdom of gathering strategic war materials; hundreds of our veteran and civic organizations have urged it. Bernard Baruch and Hugh Johnson vehemently have proclaimed the vital necessity of such action for years, but the Government has done nothing.

Let us consider the facts to show how grossly careless we have been. On January 1 of this year we actually had in the United States 92,000 tons of crude rubber—less than we had 1 year before. With the world aflame, with our own

Chief Executive cautioning us to take every vigilant step, we allowed our supply of crude rubber, which may become vital for our national existence, to depreciate to the lowest level that it has been in any recent year, and we were just as grossly careless with tin and other essential military supplies.

I take it that Mr. Stettinius, in whom I have the greatest confidence, is right now doing everything he can to gather from the four corners of the earth tin and rubber, and other metals and chemicals, whose lack might almost paralyze us if their supplies are cut off.

Mr. President, I say that this Nation, if it values its national existence and welfare, should tomorrow begin to go beyond that, and to shape its economy to produce synthetic materials and substitutes for tin and rubber and manganese and other military essentials that possibly, within 6 months, we will not be able to get from our accustomed sources.

Mr. LUNDEEN. Mr. President, will the Senator yield?

Mr. DOWNEY. I yield.

Mr. LUNDEEN. I may call the Senate's attention to the resolution introduced a long time ago by the able minority leader, the Senator from Oregon [Mr. McNARY], and the Senator from Massachusetts [Mr. LODGE], dealing with strategic war materials. It proposed an exchange of these necessary war materials for the billions of unpaid war debts due us from the Allies.

Nothing was done about that resolution. For months I have been asking that we acquire strategic war materials and apply them on the debts owing to us by the dearly beloved countries known as the Allies that we are worrying so much about, but nothing has been done about it. Let these great empires turn over their West Indian island bases to us. That is one method of real defense. Let them turn over strategic war materials and receive due credit on the debts owing to America from our advances to them in the first World War.

Mr. DOWNEY. I thank the Senator from Minnesota for his valued contribution to the discussion.

Mr. President, let me say that for the last 2 or 3 months I have done some study upon this question of lack of war materials in America, and the tremendous difficulty in rapidly building factories to produce substitutes and synthetics for our strategic war materials, I wish to say, without being an alarmist, because I do not want to be alarming to the Nation, that there are vast difficulties lying ahead of the American Nation if within the next year our supply of tin and rubber from the Dutch East Indies and Malaya is cut off. I do not say that those difficulties cannot be surmounted by American genius and talent. They can be. They will be, I am sure. But I say to the Senate that our failure to develop factories for the production of our own war supplies, our failure to lay in stock piles of strategic war materials, has been a grievous mistake. Let us make a few more such errors, and we will be out on the same kind of desperate stormy waves that now engulf the empires of France and Great Britain.

Mr. HATCH. Mr. President, will the Senator yield?

Mr. DOWNEY. I yield.

Mr. HATCH. I merely wish to ask the Senator from California if he recalls—I do not myself recall—what happened to the bill relating to the acquisition of strategic war materials. I know we passed a bill relating to strategic war materials. That bill, as I recall, encountered considerable difficulty before it was passed by the Congress of the United States. How did the bill, as passed, compare to the bill as it was introduced? Does the Senator from California recall that?

Mr. DOWNEY. The history of that bill was as follows: The Senator from Utah [Mr. THOMAS] was the chairman of the subcommittee of the Committee on Military Affairs which handled this question. I desire to compliment the Senator from Utah for the splendid battle he put up attempting to provide this Nation with strategic war materials, even though he was unsuccessful. The Senator from Utah has told me that from information given him by Mr. Baruch, from his own study and experience, he became convinced years ago that in our lack of tin, rubber, manganese, quinine, and other strategic war materials, there existed a dangerous defect in our war economy. The Senator from Utah, from the Military Affairs Subcommittee, reported a bill calling for the appropriation of $100,000,000 for the purchase of strategic war materials. There were several Senators on the Military Affairs Committee who had known that the War Department had expressed a desire for three or four hundred million dollars, and they said to the Senator from Utah, "Why not appropriate $250,000,000 or more?" The Senator from Utah said, "It will not do you any good. I do not believe that we can even get this measure passed, which provides for $25,000,000 a year for 4 years, or $100,000,000 in total. If we ask for any more we shall certainly fail."

After a statement of that kind the Military Affairs Committee reported to the Senate the strategic war materials bill calling for the appropriation of $25,000,000 a year for a period of 4 years. The bill did not pass in that form. There was a long argument in respect to the bill. The Senator from South Carolina [Mr. BYRNES] finally offered an amendment to the bill to reduce the amount from $25,000,000 per year to $10,000,000 per year, and upon a very close vote that proposal was adopted. Even with the assurance of the Senator from South Carolina that the President of the United States would not use the $25,000,000, and did not want it, still there were only 33 Senators who voted for the amendment proposed by the Senator from South Carolina while 31 voted against it.

I have here the statement made by the Senator from South Carolina at the time, and I will read it, since the Senator from New Mexico has asked for the information. This is taken from the CONGRESSIONAL RECORD of March 30, 1939, page 3534:

> Mr. BYRNES. Mr. President, I desire to offer an amendment.
>
> The PRESIDING OFFICER. The Clerk will read the amendment.
>
> The CHIEF CLERK. On page 5, line 7, it is proposed to strike out "$25,000,000" and to insert "$10,000,000."
>
> Mr. BYRNES. Mr. President, the question of the purchase of critical and strategic materials has been before the Committee on Appropriations for several years, particularly under consideration by an able subcommittee.
>
> I have communicated with the officials of the War Department, who state that the President has said that should the pending bill be passed he would not submit an estimate for more than $10,000,000 for this purpose. I have conferred with the Director of the Budget, who made the same statement to me.
>
> I, therefore, submit to the Senate that it would be unwise to authorize the appropriation of the sum of $25,000,000 a year, or a total of $100,000,000.

On the strength of that statement, many of the economy-minded Republicans voting with the Senator from South Carolina, and many of the Roosevelt-minded Senators voting against the amendment and against the alleged wishes of the President, the amendment was carried. It went into conference. Under the direction of an able representative whom I saw in the Senate Chamber a few minutes ago, in the conference the amount was lifted to $20,000,000 a year for 4 years, but when the Budget estimate came to the Appropriations Committee it called for only $10,000,000, and that was the amount granted by the Appropriations Committee.

I will say to the Senator from New Mexico that I believe that is the history of the legislation.

Mr. MINTON. Mr. President, will the Senator yield?

Mr. DOWNEY. I yield.

Mr. MINTON. I was going to suggest to the Senator from New Mexico that when the strategic-materials bill was voted on in the Senate, the Senator from California was not present.

Mr. DOWNEY. Yes, Mr. President; I was not present. On that afternoon we had a public hearing here in Washington of vital importance to the State of California, which I had to attend. I realize my own faults and limitations of time and space. I realize that every Senator here acts under great handicaps in endeavoring to carry on the work for his State, to do his political errands, his duties for his constituents, and to perform his other Federal duties.

No, Mr. President; I was not present and probably I am to be censured for that. But it made no difference, because, though the amount was increased in conference, the Bureau of the Budget did not even then avail itself of the added money.

Mr. President, I am not saying this to be critical and harsh. I am saying this for the reason that there is a grave possibility that 3 months, or 6 months, or a year from now, some condition may arise in Asiatic waters that will close to us our present rubber and tin supply. We can get ready for that now by beginning to find substitutes and synthetic materials. But let no Senator think it does not mean tremendous problems for business and industry to accomplish what must and should immediately be done. And the solution of the many problems that will arise in our own production of synthetic war materials will require the prompt and energetic action of both the Chief Executive and Congress.

I, for one, Mr. President, do not believe that job will be promptly undertaken and carried out unless it is initiated by the Congress of the United States, whose primary duty it is. I have no doubt of the large energy and high ability of Mr. Stettinius and Mr. Knudsen and the other members of the President's Emergency Defense Council who are now performing most valuable services for the United States, but they cannot wholly take over the duties of Congress in such vital respects as this. Consequently, Mr. President, I say to the Senate that if we adjourn or take a recess, a committee of Senators should certainly remain in Washington to familiarize themselves with the situation, to investigate, and to make plans for what lies ahead. If we do not do so, if we continue to follow the deluded path and the apathy of Mr. Chamberlain, there is at least a probability that we may ultimately meet with the same fate as the unfortunate opponents of Germany.

Mr. President, I am not prophesying that Germanic armies will undertake the conquest of the United States. I hope not. I pray not. Probably not; but in national defense the worst should be anticipated, and the most destructive possibilities should be guarded against. The worst we can anticipate in this respect is the cutting off of our supplies of tin, rubber, and manganese. Let us not lose a single day in acting upon the assumption that that will occur, and doing the best we can to meet the situation.

Mr. President, I shall not speak any further upon that provision of my resolution. I have no desire to be an alarmist. I should very much have preferred to present this matter solely in the executive session of some committee and thereafter in Congress but if the expected adjournment of Congress takes place that action would be futile unless this committee is created. Hence this statement on the hazardous position of the American people arising from our lack of war materials.

Mr. DANAHER. Mr. President, will the Senator yield?

Mr. DOWNEY. I yield.

Mr. DANAHER. Before the Senator leaves this particular part of his subject, I wonder if he recalls the fact that during the months of September, October, November, and December Russia became the No. 1 customer of the United States for the strategic and critical materials to which he refers, including molybdenum, gasoline, oil, tin, and rubber. In fact, exports of the latter two commodities became so voluminous that in January Assistant Secretary of War Johnson and Secretary of the Navy Edison were obliged to issue a pronunciamento calling upon American exporters not to export any more tin or rubber to Russia, for the reason that an emergency had been created in this country, and that less than 6 weeks' supply was on hand. Whatever the policy of the Government was over that period when Russia became our No. 1 customer for such materials, let it also be noted by the Senator from California that the Neutrality Act and its embargo provisions were applied to Poland, Germany, England, and France, then to Denmark, Norway, Holland, and Belgium, and finally to Italy, but never to Russia.

Mr. DOWNEY. I appreciate very much the contribution of the Senator from Connecticut.

Mr. WHEELER. Mr. President, will the Senator yield?

Mr. DOWNEY. I yield.

Mr. WHEELER. I invite the Senator's attention to the fact that when we first started the W. P. A. movement I suggested to the War Department and to the W. P. A. that we create some stock piles of manganese. I called attention to the fact that a great amount of manganese was produced in my home city of Butte, and neighboring cities. I called attention to the fact that those who owned the manganese mines were perfectly willing to go ahead and mine it and stack it, at a cost which would be the minimum cost plus about 6 percent; that they could use a large number of W. P. A. workers, put men to work, and at the same time build up a great stock pile of manganese so that we would not be dependent on foreign countries. The War Department and some of the other departments were very much in favor of the idea, but we were unable to get anything done with reference to the matter.

Mr. DOWNEY. I thank the Senator for his statement.

Mr. President, when the realization came to the American people a few short weeks ago—and apparently likewise to our executive department and our Army and Navy—that we had better begin to prepare to defend North America and the United States, I suppose everyone would concede that the most immediate duty before us was provision for pilots, airplanes, tanks, arms, artillery, and ammunition. I have no doubt that under the very able War Advisory Council appointed by the President, that duty is now being energetically and ably performed. Mr. Knudsen is a great industrial genius, beyond doubt. Mr. Stettinius is likewise of highest character and ability. Indeed, all of the personnel of the Council is of the very highest caliber.

We are also fortunate in the United States in having great industrial corporations such as the General Motors and the United States Steel with which Messrs Stettinius and Knudsen are connected. In these, and others like them, is found the greatest technical skill and organization genius in mass production in all the world. I think the Germans have been a great people in production, but I still think that American technicians, engineers, and industrial leaders are the best in the world. It should be heartening to the American people to hear the statements of Mr. Ford and his son Edsel of their ability to manufacture airplanes. I have no doubt that they are capable of following promise with performance.

It was called to Mr. Sloan's attention that some military men were disturbed about where the Army might get twenty-five or fifty thousand trucks immediately. Mr. Sloan called the attention of the public to the fact that General Motors turned out 200,000 trucks a year ordinarily, and could speed up to produce twenty-five or fifty thousand more without the installation of one new machine and, I doubt not, with the employment of only a few more workers.

I think, Mr. President, when once we can mobilize our great industrial corporations, our technical leaders, and the rank and file of American workers, the most loyal and ablest body of workers, I believe, in the world, we will have no difficulty getting into tremendous mass production to meet any aggression against this continent.

So, Mr. President, my attention has been turned rather to some other problems. What are "Achille's Heels" of our defense here in the United States? The first, the lack of essential war materials produced on this continent, I have already discussed. What is the second? I take it, it is the problem which has arisen because we have not used prompt and vigorous means to build up the harmonious cooperation with Mexico that we should.

I have no doubt that many internal disturbances will sweep the continents of North and South America within the next 2 or 3 years. I have no desire to discuss that subject on the floor of the Senate, but I do desire to point out that if we would take prompt, fair, generous means to tie the people of Mexico in with the people of the United States in the same sort of relationship that exists between our people and the Canadians, all the nations of North America would thereby incomparably better their defensive positions. As a matter of fact, I have been told by one of our leading

military experts that we cannot even successfully defend the Panama Canal against a heavy attack unless we can utilize the areas of Mexico and Central America in its defense.

Mr. President, I am not going to discuss this question at any length, but I should consider myself neglectful if I did not make one statement which I hope will be carried to the four corners of this land. I have discussed the question of United States cooperation with the Government of Mexico in planning our mutual defense, and, Mr. President, I have heard certain statements made that have shocked me to the heart because of the lack of ethics and morality and enlightened wisdom involved in them. It is being said by some few of our citizens, "Yes; we agree that the United States would be in a much stronger position if it could cooperate with the people and the Government of Mexico in mutual defense, but we think that the only thing to be done is for us to make an actual conquest with our Army of the territories and lands of Mexico." This sentiment is so violative of the very noble ideal that we in America have been preaching as to shock the conscience of the American people. As a matter of fact, there have been columnists and there have been editors who in the past 2 or 3 weeks by implication have urged that very thing. I say that if we are driven to a violation of our own standards which we have been urging upon the world in the last few years, then, indeed, is democracy destroyed right here in the United States.

Mr. President, I desire to point out that if the United States ever should move into Mexico with arms, and make any assault, not only would all the people of Mexico be aflame against us but almost every citizen in South America would consider it a holy crusade to help wage a war against the Colossus of the North.

I pray that we shall all soon perceive the necessity of closer cooperation between all the nations of North America, and that by just, generous, and noble standards we shall help to weld Canada, the United States, and Mexico into an unbreakable union in which all shall combine in the mutual defense of the sovereignties of their governments and the territorial boundaries of their lands.

Mr. KING. Mr. President, will the Senator yield?

Mr. DOWNEY. I yield.

Mr. KING. I regret to learn from the observations of the Senator from California that any American newspaperman or columnist or statesman or man in the humbler walks of life—and I think sometimes our statesmen are "in the humbler walks of life"—would express the view which has just been suggested by the able Senator, namely, that there was a possibility, or even a thought, of our Government invading Mexico. I confess that I have never heard such an idea expressed. I know a number of years ago, when Carranza and Villa were important factors in Mexico, when a good many Americans were driven out of Mexico, and their property, amounting to several hundred million dollars, was confiscated, there was considerable resentment in the United States, but I did not hear even then—and that was in 1918, 1919, 1920, 1921, and 1922—any suggestion that the United States should invade the territory of Mexico.

I do not believe that the people of this great Republic have ever contemplated the invasion of Mexico. I think they would resent it with as much vigor as would the people of Mexico themselves. I think that, on the contrary, the American people, by and large, have sympathized with Mexico because she has had economic and political problems which have pressed very heavily upon her. The American people have sympathized with the peons; they have sympathized with the underprivileged; they have sympathized with the Indians who have been denied, as many believe—and I am making no statement of fact for myself—privileges which they ought to have received under a democratic form of government.

I recall—and the Senator will pardon me for intruding longer upon his time—having had the honor to be chairman of the subcommittee of the platform committee of the Democratic Convention which met in New York in 1924, and I wrote the plank with regard to our relations to an interest in Latin America. After indicating that we must work in harmony with Latin America, that her problems were our problems, that we were together in this Western Hemisphere, and that whatever would make for their advancement would make for ours, I concluded the statement by saying, "God hath made us neighbors; let justice keep us friends."

I think that President Roosevelt and Secretary Hull have demonstrated over and over again their profound interest not only in Mexico but in all Latin America. They have looked, as I think most of the people of this Republic have looked, upon South America and Latin America as really a part of the Western Hemisphere, have considered that our interests are linked together, and that we should work together for the development of democratic institutions and for the preservation of the high ideals and religious sentiments which have animated the American peoples and have made such important contributions to the development of civilization throughout the world.

Mr. DOWNEY. I thank the Senator for his contribution. The distinguished Senator has said, much better than I could say, what I would have liked to have said. I agree with him that the present Government of the United States, in its conduct with Latin America, has displayed enlightened wisdom and high national standards, and I am glad to say that there is today a closer and kinder relationship, I think, than there has been for many years between the Government of Mexico and the Government of the United States.

I desire also to clarify the reference I have made by saying that in discussions which I mentioned it was, of course, assumed that the world was going into confusion and chaos and that in Mexico and in the United States, as well as elsewhere, there would be the threat of revolutionary movements and "fifth columnists" and saboteurs and spies, and it was in connection with that contemplation that several of the persons with whom I have talked made the statement of aggression against Mexico which I suggested. If the Senator desires I can furnish him privately with the columns and editorials to which I adverted. I have no desire to display them publicly.

Mr. President, let me say that I have the very highest opinion of and admiration for the present Mexican Government. I have no doubt that they will meet the American Government more than half way in any just plan for mutual cooperation.

I do not desire to protract this discussion very much longer, but I do say that right now there are things that ought to be done looking to the development of closer relations between the nations of this continent that are not being done, and I should like at least the opportunity to express my own ideas, humble as they are, before some committee of the United States Senate if in this critical hour we should decide to adjourn.

Mr. CHAVEZ. Mr. President——

Mr. DOWNEY. I yield to the Senator from New Mexico.

Mr. CHAVEZ. I have not heard the remarks of the Senator from California as a whole, but I came into the Chamber at the time he was discussing the possibility of a revolution across the line in Mexico.

Let me say to the Senator from California that I have been in Mexico on several occasions, and whenever I heard any talk there about a revolution it usually came from some representative of an industrial enterprise, not of Mexico, who was indulging in wishful thinking about a revolution.

There is not going to be any revolution as far as the Mexican people are concerned; and I feel quite confident that I know what I am talking about when I say that revolutions will not occur in Mexico any more, because Uncle Sam is not going to let anyone from this side start a revolution in Mexico.

Mr. DOWNEY. I thank the Senator for his very valuable contribution. He speaks with a much better knowledge of the subject than I do, and I am thoroughly in accord with the tenor of his statement.

Mr. President, I take it that there is another duty which the Congress of the United States should immediately undertake, and that is to restore all of our people to employment and all of our factories and resources to immediate

work. I dogmatically make the statement that if the Congress of the United States and the Chief Executive do not in the immediate present concentrate upon some plan of bringing about full employment in the United States within 1 year, we shall, indeed, be derelict in our duties.

In connection with the statement I made about Mexico, I should like to say to the Senator from New Mexico that I apprehend that if and when Hitler wins this war, the dictatorial governments will proceed to a tremendous industrial renaissance, and if that is not equaled in the Western Hemisphere we shall see right here in our own land, as well as in Mexico and South America, tremendous waves of disorder, discontent, and perhaps of revolution. Senators here are vastly disturbed about "fifth column" movements. Let me tell you that there is one very simple way to cut off the head of that horrid monster—a terribly destructive monster it may become—and that is the full employment of our people at just and adequate wages.

Do some Senators suggest that our present rearmament program is going to restore many of our people to employment? I say to you upon the advice of two of the ablest economists in two different bureaus of the Government that it is not going to do anything of the kind. It may not bring about any more employment than we have right now. One expert advised me that it might result in the employment of a million more men, and the other man said not to exceed 2,000,000; and we must remember, Mr. President, that hundreds of thousands of workers will be disemployed in our export industries in the next 6 months, and 2,400,000 young boys and girls will become 21 years of age. I say to you, Mr. President, that if we do nothing more than carry out the President's rearmament program, the unemployment in America will be just as great 1 year from now as it is today. Let me say further that when men begin to throw bouquets at Hitler because he is a conquerer of other nations, as later some may do, they are going to begin to compare our democracy and our economy with that produced by a dictatorship; and as much as I fear, dread, and hate a dictatorship I know there will be many jobless, frustrated, bitter, hungry men in the United States who will be inflammable material for the leadership of "fifth column" movements. Do not doubt it.

I listened the other day to the able Senator from Maryland [Mr. TYDINGS], for whom I have the highest admiration, for his brilliant intellect and his incisive method of statement. I agree with him that if we go into this era much longer, pyramiding our debt as we are, the destruction of our national solvency, with all that means, will come upon us; but I disagree with him about the necessity of cutting expenses and raising taxes. I say that what we should do is to increase our productivity and our wealth; and I desire to place before some committee of the United States Senate, if I can only get the opportunity, the statements of bankers, industrialists, economists, experts, that we have one way by which every unemployed person could become employed within 1 year, performing a social service of great permanent value for us civilly, and performing a vital duty for our military defense, and that is through the construction of great superhighway systems in the United States.

Mr. President, we think we have done some things of note in building great public projects in the United States during the past few years. We have not done anything that is really big. I greatly admire the T. V. A. project and the work of the Senator from Nebraska [Mr. NORRIS] in bringing it to fruition; but do you know that all of the T. V. A. units employed on an average less than 12,000 workers a year? We tell what a tremendous project that was in doing away with unemployment. It provided labor in actual construction to only 12,000 workers and perhaps to as many more in producing the materials that went into the various dams and other uses. We boast in the West because of our great projects, Bonneville and Grand Coulee, and our San Francisco bridges, and our Boulder Dam, and our Central Valley project in my State, near where I live. Why, Mr. President, not one of those projects employed as many as 5,000 men over a period generally of 4 or 5 or 6 years. We have in America millions upon millions of frustrated and bitter men asking the right to work, denied the right to recreate here in America a great empire with noble highways that could double the mobility of our artillery and our military defense; and we have not even time to stay in session to listen to experts telling us how it can be done. The experts, I may say, are almost a unit on the accuracy of the statements I am making here.

Mr. President, consider for a moment: The cement plants of America are today operating at about one-half capacity. The sand and gravel plants are operating at less than half capacity. Everywhere in the United States, in every State, almost in every city, are gigantic monsters of metal and human ingenuity ready to tear this Nation apart to rebuild and bring beauty where there are now scars, and safety where there is now danger. Multitudes of powerful machines that could build us a thousand T. V. A.'s, or tens of thousands of miles of highways, are here right now, ready to go at the touch of millions of men who want to assist in operating those machines.

Mr. President, I have been talking to some of the greatest contractors in the United States. They say that around every cement plant, around every gravel plant, around every sand plant, around every projected highway are thousands upon thousands of men anxious and begging to do this work; and out of the colleges of America would come the engineers to oversee it, if we would but employ them in this great proposed highway project.

Mr. President, we have not only 10,000,000 unemployed workers in America; we have as many more part-time workers. We have tremendous idle manpower in this Nation that is ready to and wants to work.

Is it not our duty to remain in session until we have achieved the rational plan to end all idleness?

I am told by expert advisers that in every city and every State the blueprints are ready for some great highway project which would tend to make that city and that State more beautiful, a safer place in which to live, a wealthier city and State, and a better place for military defense. Within 90 days, if Congress would remain in session and see that it was done, we could be rebuilding the highways of America, employing our people, increasing the striking power of our military defense.

The distinguished Senator from Maryland [Mr. TYDINGS] must agree with me in at least one thing, that there is one very great city in the United States which certainly could stand a few superhighways over it, under it, and around it, and that is the city of Baltimore. [Laughter.] If I can but be given the opportunity, I will present before a Senate committee the most noted traffic experts, if Senators want to listen to them, who will tell them that the prime foundation of adequate military defense is wide, broad highways. I heard one of our foremost traffic experts state day before yesterday—I do not know that he is correct, and one distinguished Senator cast some doubt upon his statement, but he is a great expert—that there is not one road along the Atlantic seaboard which for any considerable distance can carry the heavy artillery of America. The distinguished Senator from Maryland [Mr. TYDINGS], who knows much about the military, indicates that that is correct. One reason is that the bridges are not strong enough. I would feel apprehensive for Fredericksburg or Washington, D. C., if our military had to come from the other side of Baltimore at 75 miles an hour. There would not be very much of Baltimore left, or possibly of Fredericksburg or Washington, when our military forces arrived. [Laughter.]

Mr. President, I am not suggesting that we employ 10,000,000 men in rebuilding the highways of America. I doubt whether there would be over four or five millions employed in that work, including the subsidiary and supporting industries. But their larger purchasing power would result in a better market for merchants and farmers and railways and barbers and every other class in America, and we could so regulate our highway building as to bring about full employment. As a matter of fact, we should start upon that program, and we should not stop it until every man in the United States who wanted it had a job, and every able-bodied man on relief who would not work was put off relief. We will

have no right, in the chaotic days which lie ahead of us, to burden our economy with relief-supported men who could be doing some constructive work for this Nation, and earning two or three times as much for their families as they now receive.

Mr. President, I desire to present but one more point, and then I will have concluded. The economists and the experts tell us that if we would regain full employment within the course of 2 or 3 years we could so increase the national income, and thereby the Federal receipts, at the present tax rates, that we could finance a military defense program of seven or eight or ten billion dollars a year without higher taxes or without borrowing. I believe that any Senator who would sit down and listen to the experts for a week would reach the certain and definite conclusion that we are the wealthiest empire of all times and places, that all we have to do is to run our farms, factories, stores, and railroads at full capacity to increase our national income within a year or 2 or 3 from 25 to 50 percent, and thereby increase our Federal taxes far more than that, because as we go into the higher tax brackets in income levies the tax receipts are increased out of proportion to the national income.

I agree with the distinguished Senator from Maryland in his gloomy prophecies about what is going to happen to our solvency, our finances, and our business structures, in the way we are going, and I have no doubt that if he himself, with his brilliant intellect, would sit down around a table with the experts, he and they would reach some conclusion as to the way we must proceed if we are to restore this Nation to prosperity and our Government to solvency.

Mr. President, I dislike to say what I am about to say, but out in California we probably have 2,000,000 people frustrated, unhappy, miserable, their supporters seeking jobs and unable to get living wages. That group is almost to a man for the present administration because they are among the submerged and the unfortunate groups of our people. I have been at dinner with some of them where I have seen a lone piece of meat upon the table in my honor, and the children looking at it hungrily. Probably they had not had meat for months. I have been out in our jungles of our unfortunates and seen the children of the outcasts there, diseased, dirty, hungry, insufficiently clothed.

Almost every one of those people could and would be a loyal, patriotic American. But let this economy continue to function, with them as its victims for a few years longer, let them see their living standards further reduced by higher taxes and higher prices, and, knowing California, I say that they will be rich material for "fifth columns" and revolutionary activities which all the Army of the United States and all the agents of the F. B. I. and the Department of Justice will never be able to check.

We need have no fear of "fifth column" movements if our people are prosperous. There will be psychopaths, there will be Communists and bund leaders preaching disloyalty and treason, but our intelligence service can deal with them. It cannot deal with millions upon millions of frustrated, hungry, and unhappy people. Yes, general employment is the answer to our military defense, our "fifth column" activities, the financial difficulties of this Nation. I pray and hope that the Senators of the United States, who are of the highest ability and intelligence and devotion to duty, may undertake this problem with a sacred concentration upon their duties.

Mr. President, in the last few weeks there have been some words which seemed to me rather hysterical, from people in high offices here in the Senate and elsewhere, describing the terrible condition in which we would be if Hitler won the war. Those words seemed to me to be words of defeatism and despair. Here we are, a land of tremendous population, great wealth, resources, and technical skill. I declare that marshalling our people and our resources we can stand against all the world and hold the torch of democracy high and safe against every effort to dim its light. When leaders in high places again preach despair and defeatism, when they speak of our enslavement because the empires of France and Great Britain may crumble, I hope our citizens will go back to colonial days for inspiration, when a few million people, inhabiting a continent in which three great powers struggled for mastery, had the courage to enunciate this American dream of freedom and democracy, and in a world where tyranny everywhere prevailed, strike out against the greatest empire of the time.

Yes, Mr. President, there were leaders in those days who in a world of absolutism, though representing a weak and numerically small people, dared to preach the redemption of mankind, and to strike the blows against oppression and to emerge free. If we of the United States, now with 130,000,000 people, cannot hold our freedom and democracy, our national existence and independence, then we are no longer worthy of the heritage of democracy and freedom. And we shall lose them. But only despair anticipates that loss. The courage and hope of America will proclaim, and, if necessary, fight to preserve and glorify the American way of life. I am sure we shall come through this crisis safely and bravely to a yet greater destiny.

Mr. THOMAS of Oklahoma. Mr. President, I have offered an amendment, which is pending and lying on the desk. Before calling up the amendment, I suggest the absence of a quorum.

Mr. BYRNES. Mr. President, will the Senator withhold his suggestion of the absence of a quorum for a moment? I was out of the Senate Chamber when the Senator from California made a statement to which I wish to reply.

Mr. ADAMS. Mr. President, does not the Senator from South Carolina wish that the absence of a quorum may be suggested in order that more Senators may be present when he makes his statement?

Mr. BYRNES. I do not wish to cause delay. The statement I wish to make will take only a few minutes.

I wish to refer to the statement made by the Senator from California because I have been asked the question as to the barter arrangement for the exchange of cotton for critical materials. In May 1939, when the Senate was considering a bill providing for the purchase of critical materials for $100,000,000, the purchases to be spread over 4 years, it is a fact that, based upon a statement of the Navy Department to the Appropriations Committee, $5,000,000 was sufficient for the needs of the Navy for that fiscal year and an estimate for only $500,000 for the next year. I moved to amend to make the amount $40,000,000 instead of $100,000,000. Under that amendment, $10,000,000 would have been spent each year. But the bill was not passed in that form. While the Senate agreed to that amendment, when the bill went to the House, $100,000,000 was inserted, and the bill went to conference.

Before the bill was returned from conference, as the result of an investigation I reached the conclusion that the amount of $100,000,000 should not be reduced but should be agreed to, and, in addition, that we should use some of the surplus cotton owned by the United States Government to secure additional supplies of rubber and tin. With the Secretary of Agriculture, I submitted the proposal to the State Department. The Secretary of State succeeded in negotiating a treaty between the Government of Great Britain and the Government of the United States for the exchange of cotton which we held in warehouses for tin and rubber. Under that agreement, up to this date we have received approximately 20,000 tons of rubber; there are approximately 15,000 tons ready for delivery, and the remainder of the 80,000 tons we were to secure has actually been purchased by the representatives of the British Government. Because they did not possess the rubber, they had to go out and purchase it. We own the cotton. Under our agreement, we asked the British not to purchase the rubber all at one time, because it would affect the market price of rubber in the United States. But that rubber has been purchased for delivery in the very near future. Some will be shipped next week, some the following week. Our State Department is endeavoring to facilitate these shipments.

One reason why a larger amount has not been secured to date is that our own people insisted that the British ships available should be used to carry the cotton owned by individuals and shipped by exporters, instead of cotton owned by

the Government, which was to be exchanged for rubber. But that, I believe, is being worked out, and the deliveries will be facilitated so that the remainder of the 80,000 tons can be secured at an early date.

In addition to that I may say that under the $100,000,000 authorization, which was agreed to when the conference report was submitted to the Senate, $22,500,000 has been appropriated by this Congress within the year, to be applied on this $100,000,000 authorization. Pending in the Senate at this time is another bill making an appropriation of $47,000,000 for the purchase of critical materials. That will make the appropriation in 1 year of $80,000,000 instead of the appropriation of $25,000,000, which was authorized by the Congress for its program of 4 years.

I must say that I share the views in a great measure of the Senator from California as to the importance of the subject. I am not one of those who will say that 1 year ago, or 6 months ago, or 3 months ago, I knew what was going to happen in Europe. I did not. But after my investigation of the critical-materials subject, I became convinced of its importance, not only from the standpoint of defense, but from the standpoint of industry, should we ever have trouble.

I know that the Senate will hear shortly from the Senator from New York, who has charge of a bill he is anxious to have considered by the Senate, and under which undoubtedly other purchases of critical materials will be made.

Mr. DOWNEY. Mr. President, will the Senator from Oklahoma yield?

Mr. THOMAS of Oklahoma. I yield.

Mr. DOWNEY. I should like to express the opinion that the barter deal largely worked out by the Senator from South Carolina was a most advantageous and sound measure, and he and the others who participated in it deserve the congratulations of the country. I have no desire to minimize that. It was a very wise and a very helpful transaction. But that we may keep our perspective in this matter, let us recall that we use over one-half the rubber produced in the world. Our economy is largely dependent on rubber. As a matter of fact we consume more than 700,000 tons a year. Those 85,000 tons therefore that we were to receive were about 12 percent of what we consume in 1 year. Likewise do not forget that only about one-quarter of that is now in the United States.

Mr. BYRNES. When the Senator from California says "we consume," he means not the Government, but that industry consumes that amount.

Mr. DOWNEY. Yes.

Mr. BYRNES. Of the 80,000 tons included in the barter the Government now has 20,000 tons in this country today, 15,000 ready for delivery. The remainder has been purchased, and the reason it is not being delivered is because of the failure of this Government to ship the cotton which we owe the British on the trade. The $80,000,000 will make a substantial addition for the needs of the Army and Navy. We are not making purchases for private industries.

SENTIMENT AGAINST PARTICIPATION IN EUROPEAN WAR

Mr. WHEELER. Mr. President, much has been said with reference to telegrams which Members of Congress have been receiving urging that the United States take an active part in the war. I wish to call attention to some telegrams which came to me this morning from all parts of the country after I spoke yesterday.

The first telegram reads:

You are quite right in checking the direction our Nation is heading. Congratulations on your stand of yesterday.

THE NORWOOD ENTERPRISE,
(For 46 years a Democratic newspaper.)

Here is a telegram from New York:

Your statement today opposing American entrance into the European war voiced the sentiments of the inarticulate masses of our country who are almost unanimously against sacrificing their sons on European battlefields. Would you be willing to address a great antiwar rally in Madison Square Garden if I can arrange it within the next week or 10 days?

WILLIAM GRIFFIN,
Editor and Publisher, New York Enquirer.

Here is one from Jane Martin, a member of the New York State Democratic Committee:

Congratulations on your speech today. Glad to see that one liberal has not turned his coat.

Here is one from Louis B. Ward, of Pontiac, Mich. He was a candidate for the Democratic nomination for Senator and was defeated by a comparatively few votes: He says:

Heartiest congratulations your Senate speech today.

Here is one from St. Louis:

We feel that all mothers, as well as an overwhelming majority of clear-thinking Americans, agree with you, which is not involvement in the European war. Continue the good work, which we hope will stop the hysteria in this country.

A. D. NIEDRINGHAUS.
M. WILLIAMS.

Here is one from Ann Arbor, Mich.:

On behalf of American youth we command your stand against war.

CHESTER BEAMAN,
JEROME BURDICK,
EDWIN HUMPHREY,
Students, Ann Arbor, Mich.

Here is one from Las Cruces, N. Mex.:

Your pronouncement against war hailed by many here. Wild hysteria ill becomes anybody and our Senate should rise above any such.

Dr. B. B. MCGEE.

There are two telegrams from Albuquerque, N. Mex.; one from Rev. Edward F. Angluin, of Manchester, N. Mex.; and one from New Orleans.

Mr. President, I shall ask unanimous consent to have these telegrams printed in the RECORD as a part of my remarks, together with a letter signed by 40 or 50 women members of the State Junior Department, Farmers' Educational and Cooperative Union of America, Montana Division. I call attention to the fact that these telegrams all came in this morning, or were sent last night, after my statement on the floor of the Senate yesterday. In addition, I have received at least 1,500 or 2,000 letters commending the speech which I made the other night against our involvement in war. Those letters run at least 4 to 1 in approval of my speech. With respect to the telegrams which came in this morning, there were 6 telegrams opposing my stand, while there were a great number favorable to it, which I hold in my hand. I ask unanimous consent that the telegrams and the letter to which I have referred be printed in the RECORD as a part of my remarks.

There being no objection, the telegrams and letters were ordered to be printed in the RECORD, as follows:

NEW ORLEANS, LA., *June 13, 1940.*

Hon. BURTON K. WHEELER,
United States Senate, Washington, D. C.:

The British Empire has a population of 495,000,000. Why cannot it draft men from all its colonies and send them to France instead of expecting us to do so? Since we are sending them aircraft and munitions, the least they can do is to supply the fighters. We got nothing out of the Versailles Treaty. They got enough to arouse the enmity of Germany and Italy, the primary cause of the present war. Let them settle it themselves.

Mrs. S. W. BROWN.

MANCHESTER, N. H., *June 12, 1940.*

Senator BURTON WHEELER,
Senate Office Building, Washington, D. C.:

Congratulations on your speech; keep up fight against warmongers.

Rev. EDWARD F. ANGLUIN.

ALBUQUERQUE, N. MEX., *June 13, 1940.*

Hon. BURTON K. WHEELER,
Senate Building, Washington, D. C.:

Congratulations your speech to keep Nation out war. Your stand on issue excellent and should have support of every American. Great many New Mexicans with you.

ROBERT POAGE.

ALBUQUERQUE, N. MEX., *June 13, 1940.*

Hon. BURTON K. WHEELER,
Senate Building, Washington, D. C.:

Your speech on war fine. You have my best wishes for success in your stand. Could we obtain copies your speech?

E. L. COOMBS.

CHICAGO, ILL., *June 12, 1940.*

BURTON K. WHEELER,
United States Senator from Montana, Washington, D. C.:
American mothers and fathers wish you Godspeed in your battle to save American youth from slaughter on foreign battlefields.
HENRY O. NICKEL.

NEW YORK, N. Y., *June 13, 1940.*

Senator B. K. WHEELER.
MY DEAR SENATOR: Twenty million honest, hard-working, intelligent, thoughtful men and women, the backbone of the country, are with you, and when this senseless and criminal European conflict is settled your friends who stand for world peace will declare themselves in no uncertain terms against the master politician who has brought about the uncalled-for hysteria now prevailing.
Sincerely yours,
W. C. DURANT.

CINCINNATI, OHIO, *June 13, 1940.*

Hon. BURTON K. WHEELER:
Permit me to commend you very highly for your statement opposing any candidate who is likely to get us into a war. Hope you will push this conviction and get others to do so. It is our only hope.
R. E. HOWE,
President, Appalachian Coals, Inc.

DETROIT, MICH., *June 13, 1940.*

Hon. BURTON K. WHEELER:
Wish to congratulate you on stand against being pushed into war. The subterfuge used by the Government to sell war materials to Allies fits well with the policy of misleading by including war materials on order as available for defense, making inflammable speeches, and endorsing propaganda advertisements. We need more statesmen and fewer politicians.
R. B. RENFREW.

BELOIT, WIS., *June 13, 1940.*

Hon. BURTON K. WHEELER,
United States Senate, Washington, D. C.:
Your warning in Senate yesterday meets this section's full approval. The hysterics of the East are not here in the West. We perhaps deal in sounder things and are stirred by facts and not emotions. To break party ties is difficult, but we must look to you for your usual courage and wisdom to bring organized party opposition to combat present apparent desire to build war party and by speeches, actions, and inferences bring a declaration of war upon us which may not be of our choosing.
YATES AMERICAN MACHINE CO.,
ALVIN HAAS, *Vice President.*

PHILADELPHIA, PA., *June 12, 1940.*

Senator BURTON K. WHEELER,
United States Senate:
God bless you, great man of this hour, for opposing Roosevelt's war.
Rev. ZED H. COPP.

LOS ANGELES, CALIF., *June 12, 1940.*

Senator BURTON K. WHEELER.
Washington, D. C.:
Congratulations. Stop war hysteria now. Radio your stand to the American people at once.
GEORGE W. MERKLE.

BROOKLYN, N. Y., *June 12, 1940.*

Hon. BURTON K. WHEELER,
Senate Office Building:
Congratulations. God bless you for your courage. You will go down in history while others go down into oblivion.
BILL GOODWIN.

BUFFALO, N. Y., *June 13, 1940.*

Senator BURTON K. WHEELER,
Washington, D. C.:
Heartiest congratulations on your splendid Americanism. Would to God we had more Senators like you to check the President in his insidious efforts to lead us into war. Inarticulate millions in this country are with you and Senator HOLT in your patriotic and outspoken defense of our proclaimed neutrality. Strength to your arm to save the flower of our youth from this terrible holocaust.
Rev. L. F. SHARKEY.

CHICAGO, ILL.

Hon. BURTON K. WHEELER,
United States Senate, Washington, D. C.:
Before you vote, expose scheme voting defense billion while allowing Allies strip us clean. "Fifth column," centering White House, determine to engulf us.
Mrs. C. C. MORRISON.

MARION, OHIO, *June 13, 1940.*

Senator BURTON K. WHEELER,
Washington, D. C.:
As an average American citizen with one son of Army age, I cannot endorse your speech of yesterday too strongly. Keep us out of war.
D. R. BIGGERT.

WINNETKA, ILL., *June 13, 1940.*

Senator BURTON K. WHEELER:
Heartily in sympathy with your fight, as all my friends are. Keep it up.
FRANK F. FERRY.

WINNETKA, ILL., *June 13, 1940.*

Senator BURTON K. WHEELER,
The Senate:
Continue your good fight for nonintervention. Thousands are backing you.
JEANNETTE WELLS.

WINNETKA, ILL., *June 13, 1940.*

Senator BURTON K. WHEELER:
We agree absolutely with the stand you are taking. Keep up the good fight. We are behind you.
DEBORAH S. FERRY.

NEW YORK, N. Y., *June 13, 1940.*

Senator WHEELER:
Have just sent telegram to our President saying, give me a government of Americans by Americans and for Americans, or give me death.
MAURICE FIORITO.

CINCINNATI, OHIO, *June 13, 1940.*

Senator BURTON K. WHEELER:
Thanks for your stand against war. Keep up good work.
Mrs. LAURA BROSENE.

PATTERSON, N. J., *June 13, 1940.*

Senator WHEELER, of Montana,
Senate Chamber:
For God's sake carry on. America depends upon men like you.
Mr. and Mrs. L. SPIZZIRI.

NEW YORK, N. Y., *June 13, 1940.*

Senator BURTON WHEELER:
Congratulations on your stand. Hope you will not be dissuaded from it later on.
Mrs. PEYTON KNIGHT.

CHICAGO, ILL., *June 13, 1940.*

Hon. BURTON K. WHEELER:
Applaud your stand yesterday. Hope you will continue opposing interventionists.
WILLIAM M. TRUMBULL,
Highland Park, Ill.

WASHINGTON, D. C., *June 13, 1940.*

BURTON K. WHEELER:
May I express my sincere admiration for the stand you are taking against the obvious efforts to get this country in war. Your courage at this time is an inspiration to all true Americans.
CORINNE GRIFFITH MARSHALL.

NEW YORK, N. Y., *June 12, 1940.*

BURTON K. WHEELER,
Senate Office Building:
You are a great American, and there are not many of them.
COURTLAND SMITH.

NORTH HOLLYWOOD, CALIF., *June 12, 1940.*

BURTON K. WHEELER,
Washington, D. C.:
Thank God in Heaven, we have men left like you. Keep our beautiful country out of war.
AN AMERICAN MOTHER
(Mrs. Mauch).

SAYBROOK, CONN., *June 13, 1940.*

Senator BURTON WHEELER, of Montana:
Can't you hear us cheering? The crowd is with you.
Mr. and Mrs. JOHN M. FINNEY.

MILES CITY, MONT., *June 13, 1940.*

Senator B. K. WHEELER,
Washington, D. C.:
Congratulations on your stand regarding war. You will find much support among sober-thinking people.
R. R. RANDAL, M. D.

MILLBURN, N. J., *June 13, 1940.*

Senator WHEELER,
United States Senate, Washington, D. C.:
Senator, we agree wholeheartedly with your feelings regarding the international situation and are pleased to see you have courage to fight for your own conviction. Would that we had a Senator like you from New Jersey. May we express our appreciation and admiration to real man. Keep up the fight.

HENRY and RUTH BECKER,
Republicans.

NEW YORK, N. Y., *June 13, 1940.*

Senator BURTON WHEELER,
Washington, D. C.:
I heartily endorse your stand against sending our sons to foreign battlefields. Keep up the fight.

Mr. and Mrs. B. W. REUBEN.

NEW YORK, N. Y., *June 12, 1940.*

Senator BURTON K. WHEELER,
Senate, Washington, D. C.:
Your great speech this afternoon against our country being drawn into war is deeply appreciated by the undersigned.

JOHN B. TREVOR.

NEW YORK, N. Y., *June 12, 1940.*

Senator BURTON K. WHEELER,
Washington, D. C.:
Congratulations on your courageous stand against war. I hope other leaders of your party will have the courage to take the same attitude.

J. P. LINS.

NEW YORK, N. Y., *June 12, 1940.*

Senator B. K. WHEELER,
Washington, D. C.:
Sincerest congratulations, deepest support for your antijingoist speech of Wednesday.

NORMAN W. HAY.

BATON ROUGE, LA., *June 13, 1940.*

Senator WHEELER of Montana,
Capitol Building, Washington, D. C.:
Thanks for keeping alive the Washingtonian doctrine of no European entanglements. Have wired my Senators and Representatives to keep us out of war. Remember 1917–18.

J. ANDREW BALLINGER.

ST. LOUIS, MO., *June 12, 1940.*

Senator WHEELER, of Montana,
Washington, D. C.:
Congratulations on your stand taken in Senate today. Voices opinion of a majority of Americans. Suggest Congress start a stop-Roosevelt movement as a safety measure to United States of America.

FLORENCE and JOHN R. JACKSON.

PASADENA, CALIF., *June 12, 1940.*

Senator BURTON K. WHEELER,
Senate Office, Washington, D. C.:
Urge your powerful influence to keep America from European war. Congress should remain in session indefinitely to protect us. Work to defeat un-American Pepper bill.

Mrs. W. K. JEWETT.

NEW ORLEANS, LA., *June 12, 1940.*

Hon. BURTON K. WHEELER,
United States Senate, Washington, D. C.:
Fight to keep our boys at home. England has her Army scattered everywhere and millions to draw from. Let her call them in to help France. I can conceive of no greater tragedy than to send our boys to die or be maimed for life on foreign soil. Our duty is to our own Nation and only our own. We want no foreign entanglements.

F. W. SINCLAIR.

DALLAS, TEX., *June 12, 1940.*

Senator BURTON K. WHEELER,
Washington, D. C.:
We have heard all your public utterances and statements, all of which deal in realities and patriotic motives. Certainly the country will support you. Congratulations on your stand which will avoid any war abroad for this country.

Mr. and Mrs. HARRY J. RENKEN.

KANSAS CITY, MO., *June 12, 1940.*

Senator BURTON K. WHEELER,
Washington, D. C.:
Congratulations on your stand taken today to keep us out of war. Thousands of old-time Democrats are with you. Don't weaken on your position.

Mr. and Mrs. JOHN MAYER.

BERKELEY, CALIF., *June 13, 1940.*

Senator BURTON K. WHEELER,
Senate Office Building, Washington, D. C.:
Congratulations on your courage and clear vision in such times. The hope and faith of many true Americans still back your stirring fight for sanity.

HARRY E. STUARD.

NEW YORK, N. Y., *June 13, 1940.*

Senator BURTON K. WHEELER,
Washington, D. C.:
We and millions of Americans support your stand against war wholeheartedly and are looking to you for leadership in antiwar campaign. What can we do to help suggest you call for contributions for newspaper space and radio time? We would contribute. Congress should formally disavow administration's war provocations.

Mr. and Mrs. WILLIAM HELFER.

CULVER CITY, CALIF., *June 13, 1940.*

Senator WHEELER,
Washington, D. C.:
It is refreshing to learn that we common people still have representatives with their feet on the ground. Most of those with whom I associate believe we should stay out of war. Congratulations on your speech in the Senate today.

JAS. A. BROCK.

LOS ANGELES, CALIF., *June 13, 1940.*

Senator BURTON K. WHEELER,
Washington, D. C.:
Congratulations on your speech today. Every American appreciates your efforts to keep us out of war.

A. W. MILLS.

DAYTON, OHIO, *June 13, 1940.*

Senator BURTON K. WHEELER,
Washington, D. C.:
Congratulations on your speech in the Senate.

DON SHARKEY.

WICHITA FALLS, TEX., *June 13, 1940.*

Senator BURTON K. WHEELER,
Senate Office Building, Washington, D. C.:
Thank you for your courage in voicing the prayers of millions of troubled hearts.

EARL VANDALE.

LONG BEACH, CALIF., *June 13, 1940.*

Senator BURTON K. WHEELER,
Senate Office Building, Washington, D. C.:
We commend your stand against any involvement in European war and are with you wholeheartedly in opposing any war-minded Presidential candidate. We join you in condemning the President's unneutral dictatorial utterances. Please inform Senators HOLT, NORRIS, LA FOLLETTE, LUNDEEN, NYE, CLARK, JOHNSON, and DOWNEY we appreciate their antiwar stand.

BEVIER ROBINSON,
President, Olson Democratic League.
FRANK G. MAKEPEACE,
President, Democratic Union, Eighteenth Congressional District.

NEW YORK, N. Y., *June 13, 1940.*

Senator BURTON K. WHEELER:
My congratulations. Keep up the good work. Regards.

T. T. HARKRADER.

NEW YORK, N. Y., *June 13, 1940.*

Senator WHEELER,
Senate Office Building:
Congratulations. Keep up fight against war party.

Mrs. P. SALZBERG.

ELIZABETH, N. J., *June 13, 1940.*

Senator BURTON K. WHEELER:
Heartily approve your stand on war mongering. Keep us out.

K. M. SIEG.

STOCKTON, CALIF., *June 13, 1940.*

Hon. BURTON K. WHEELER,
United States Senate, Washington, D. C.:
As a loyal American citizen affiliated with the Democratic Party I, like the majority of our plain American citizens, although many of them do not or cannot express themselves as to our foreign affairs but who have to do the suffering and fighting for a certain clique of war mongers, profiteers, and tax-exempted coupon clippers, wish to thank you for your real American and courageous stand in the Senate of today. America first and all the time. Let Europe fight their own selfish wars. You for our next President.

FRED W. JUNKER.

BERKELEY, CALIF., *June 13, 1940.*

Senator BURTON K. WHEELER,
Senate Building, Washington, D. C.:

Congratulations on stand for true Americanism. We in the West are still thinking normally and of America first.

Mr. and Mrs. W. B. HIRST.

CHICAGO, ILL., *June 13, 1940.*

Senator BURTON K. WHEELER,
United States Senate, Washington, D. C.:

Your courageous and intelligent speech stamps you as the kind of man we need for President.

GEORGE ENZINGER.

SEATTLE, WASH., *June 13, 1940.*

Senator WHEELER,
United States Senator (Montana), Washington, D. C.:

Interviewed thousand individuals throughout 38 States; convinced numerous Democrats awaiting leader against military rule and foreign propaganda; offer services you and bolt.

M. WANNAMAKER.

HANOVER, N. H., *June 13, 1940.*

Senator WHEELER:

Congratulations on your peace stand; opponents to Roosevelt foreign policy are not being heard in the press. Neither are many college professors, who vigorously oppose warlike policy. When England wants to change policy and save face she changes premier. I earlier favored third term for Roosevelt, but now urge another Democratic progressive who can switch policy.

L. J. SALTER.

SEATTLE, WASH., *June 13, 1940.*

Senator BURTON K. WHEELER,
Washington, D. C.:

Deep appreciation for your common sense and courage.

FRED SHORTER,
Judge of the People, Seattle.

LOS ANGELES, CALIF., *June 13, 1940.*

Senator BURTON K. WHEELER,
Washington, D. C.:

We, the National Legion of Mothers of America, heard your stand of today, and we want to thank you. Please accept our gratitude and approval.

NATIONAL LEGION OF MOTHERS OF AMERICA,
CROSSROADS OF THE WORLD.

BUTTE, MONT., *June 13, 1940.*

Senator BURTON K. WHEELER,
Washington, D. C.:

Congratulations on your stand against war. Ninety percent of the people are with you praying that you consolidate the opposition against warmongers, including the man in the White House, to stop repeal of Johnson Act and other war hysteria. Your fight makes you the next President of the United States.

MARK J. DOEPKER.

BUTTE, MONT, *June 13, 1940.*

Senator BURTON K. WHEELER,
Washington, D. C.:

I am 100 percent in agreement with you on your recent stand in the war situation which is the opinion of 90 percent of the American people. Congratulations.

A. E. ANDERSON.

SAN MARINO, CALIF., *June 13, 1940.*

Senator BURTON K. WHEELER,
Washington, D. C.:

Your statement in the Senate today that you would break with war party gave us new hope as war frenzy grows. More power to you.

Mr. and Mrs. HERBERT BRAGG.

SALT LAKE CITY, UTAH, *June 12, 1940.*

Senator BURT K. WHEELER,
Washington, D. C.:

Permit me to congratulate you on your sane, patriotic, truly American stand on involvement in the European war.

A. B. LARSON.

ST. LOUIS, MO., *June 13, 1940.*

BURTON K. WHEELER,
United States Senator, Washington, D. C.:

Our national defense is so weak then why in the name of God does our President insist on giving away what little equipment we have. Adjournment should be delayed. No additional powers should be given President. May God give you and your colleagues strength to see that America remains out of any European war.

CHARLES J. BAKER.

NORTH HOLLYWOOD, CALIF., *June 12, 1940.*

Senator BURTON K. WHEELER,
Washington, D. C.:

Thanks for your attitude toward not sending American boys to Europe. All our friends feel same way. We are strong for national defense and material help over there but want to keep our boys at home.

GALE H. EAST.

BROOKLYN, N. Y., *June 12, 1940.*

Senator B. K. WHEELER,
United States Senate, Washington, D. C.:

All mothers are behind you 100 percent. I don't want my boy to be cannon fodder. Millions of unorganized Americans agree with your program. Senator, keep up the good work.

Sincerely,

Mrs. BECK.

BROOKLYN, N. Y., *June 12, 1940.*

United States Senator WHEELER,
Washington, D. C.:

Congratulations. Hoist your flag and form a new party. Real Americans are sick of Hopkins, Perkins, Roosevelt, Hoover, and Landon. For God's sake, give us a break against the New Deal British agents. Never quit. Millions will back you. Publish this if you can use it.

LLOYD A. TEITSWORTH,
Engineer, United States Navy.

PHILADELPHIA, PA., *June 12, 1940.*

BURTON K. WHEELER,
United States Senate Office Building, Washington, D. D.:

Congratulations on your stand against intervention. Keep it up, no matter how high the war hysteria rises. We cannot afford another fifty billions to play power politics in Europe.

W. BABCOCK CROWELL.

BROOKLYN, N. Y., *June 12, 1940.*

Senator WHEELER,
Senate, Washington, D. C.:

From the real veterans of the Three Hundred and Eighth Infantry, keep up the good work. We don't want a dictatorship in this country. The veterans are behind you.

A. M. BONNER.

WEST LOS ANGELES, CALIF., *June 13, 1940.*

Senator WHEELER OF MONTANA,
Senate Office Building, Washington, D. C.:

Your sentiments about breaking with the war party certainly hits the bull's-eye. On the outside it looks as if Washington is full of hotheads running off at the mouth. Their wild talk does no good now, while it makes wise efficiency in charting our best course extremely difficult.

C. D. KIMBALL.

MEADVILLE, PA., *June 12, 1940.*

Senator BURTON K. WHEELER,
United States Senate, Washington, D. C.:

As Americans of early settler stock, we wish to thank you for your courageous stand for the true welfare of our country.

CHARLOTTE and WALTER KIDDER.

CINCINNATI, OHIO, *June 12, 1940.*

Senator WHEELER OF MONTANA,
Washington, D. C.:

I admire your courage and agree with you 100 percent. If your colleagues would ignore the press and radio reports and ask the man in the street, they would surprise themselves. I come in contact with hundreds of loyal American citizens daily, and know that they are against us entering into the second World War or to do anything which might get us into this war. We talk about the Monroe Doctrine. Why not let Europe take care of their own affairs? America for Americans, Europe for Europeans.

Respectfully,

JOHN H. KOHSTALL.

PITTSBURGH, PA., *June 12, 1940.*

Senator WHEELER,
Washington, D. C.:

Keep us out of war.

E. L. STEVENS.
H. M. RYS.
L. V. RYS.
MARY STEVENSON.

WHITEHALL, N. Y., *June 12, 1940.*

Hon. BURTON K. WHEELER,
Senate, Washington, D. C.:

Congratulations. Spoken like a true American. We don't want war.

Lt. STEVE VINCIGUERRA.

LOCUST VALLEY, N. Y., *June 12, 1940.*

Senator BURTON K. WHEELER,
Senate Building, Washington, D. C.:

Congratulations on your stand. This country should not be thrown into war through a camouflage of political expediency or hysteria. Would like to know whether State Department took all necessary precautions to notify belligerents regarding passage of S. S. *Washington* in European waters.

NELSON SLATER.

LONG ISLAND CITY, N. Y., *June 12, 1940.*

Senator WHEELER,
Senate, Washington, D. C.:

Congratulations on your courageous stand to keep us out of European war.

Mr. and Mrs. C. F. SCHERZINGER.

WEST LOS ANGELES, CALIF., *June 12, 1940.*

Senator BURTON K. WHEELER,
Senate Office Building, Washington, D. C.:

Congratulations on your excellent fight. Keep America out of war.

HARRY A. SULLIVAN.

BAYSIDE, N. Y., *June 12, 1940.*

Senator BURTON WHEELER,
Washington, D. C.:

You have today rendered the greatest service to our country and mankind. May God bless you and yours.

ROBERT HARRISS.

CULVER CITY, CALIF., *June 12, 1940.*

BURTON K. WHEELER,
Senator from Montana, Washington, D. C.:

Congratulations. Am in full accord of your speech of today.

RUSSELL THOMAS.

SPRINGFIELD, OHIO, *June 12, 1940.*

Hon. BURTON K. WHEELER,
The Senate, Washington, D. C.:

Grateful for your stand on war. Think you truly trying to save the American people and our democracy. Wish poll of American leaders advocating our entry into war could show Nation whether war advocates will enlist for active service overseas.

BEATRICE ROSSELL.

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442 HOPKINSON AVENUE,
BROOKLYN, N. Y., *June 12, 1940.*

Senator WHEELER,
Washington, D. C.:

Millions of Americans support your courageous leadership in keeping America at peace. Roosevelt following Wilsonian pattern that plunged us into war. Extend no loans. American boys should defend American—not manure European—battlefields with their young bodies.

LYDIA GOLDMAN.

16747 PLAINVIEW,
Detroit, Mich., June 12, 1940.

Senator BURTON K. WHEELER,
Senate Building, Washington, D. C.:

Fully endorse your stand in neutrality to keep America out of the war. Wish you success in your fight.

JOHN RUMPEL.

NEW YORK, N. Y., *June 12, 1940.*

The Honorable BURTON K. WHEELER,
Senate Office Building, Washington, D. C.:

Congratulations for your splendid stand against war as expressed by you today in the Senate. I have traveled extensively during the past several months throughout the Middle West and South and know that the people of this country await leadership to keep this country out of war. If you take a forceful stand against our becoming involved in a war the issues of which do not concern the American people, you will be nominated by the Democratic Party and elected President of the United States. Countless young men today are making the statement that they would refuse to go to war in Europe. As an American citizen I feel deeply appreciative of your timely and forceful statement. My highest considerations.

J. EDWARD JONES.

CHICAGO, ILL., *June 12, 1940.*

Senator BURTON K. WHEELER,
The Senate, Washington, D. C.:

Congratulations to an American. The majority of the people are against war.

WILLIAM E. HARDTKE.
WILLIAM P. KUNDE.
WALTER P. KUNDE.
JOHN H. LENZ.

BROOKLYN, N. Y., *June 12, 1940.*

Senator BURTON K. WHEELER,
Washington, D. C.:

You are an American; you have the guts statesmen are made of—not politicians. I wish to congratulate you on your stand with reference to our Nation's welfare and also to your backbone in defying an all-powerful administration.

WILLIAM H. CLARKE.

BEVERLY HILLS, CALIF., *June 13, 1940.*

Senator WHEELER, of Montana,
Senate Office Building, Washington, D. C.:

Congratulations on your antiwar stand today. Some member Democratic Party must have strength to stop administration's apparent attempt to lead us into this war. Country is more important than party. Let's build our own defense to maximum.

R. H. THOMPSON.

OAKLAND, CALIF., *June 13, 1940.*

United States Senator WHEELER,
Washington, D. C.:

American people were thinking entire Congress elected from England. Thank God for those like you who represent America.

Mr. and Mrs. F. B. JONES.

LOS ANGELES, CALIF., *June 13, 1940.*

Senator BURTON WHEELER,
Washington, D. C.:

Thank God the United States still has in its official ranks men of your caliber who are not afraid either of official condemnation or of constituent criticism to state the facts and expose the propaganda that seems determined to draw us, the people, into a foreign war.

Dr. W. L. WEBER,
(And family.)

WAUWATOSA, WIS., *June 13, 1940.*

Senator BURTON K. WHEELER,
Senate Office Building, Washington, D. C.:

Thank God Senators WHEELER and HOLT have spoken. Your leadership Court packing went far to preserve American democracy. We sympathize with Allies but want no war. Want American institutions preserved for our children. Millions with you. Keep up the fight. We are private citizens, no personal axes to grind.

Mr. and Mrs. E. O. MILLER.

NEW YORK, N. Y., *June 13, 1940.*

Senator BURTON K. WHEELER, of Montana,
Senate Office Building, Washington, D. C.:

Warmest congratulations on your determined stand against involvement from one who is ripe for the fray. May good luck and success attend your patriotic efforts.

H. G. P. DEANS.

OMAHA, NEBR., *June 13, 1940.*

Senator BURTON K. WHEELER,
Senate Office Building, Washington, D. C.:

Hearty congratulations on your fight against sending Army, Navy supplies to foreign nations. America must avoid being dragged into Europe's war.

ROGER WEEKS.

LOS ANGELES, CALIF., *June 13, 1940.*

Senator BURTON WHEELER,
Senate Office Building, Washington, D. C.:

Approve your declaration to break with the Democratic Party. It is becoming a war party. Wilson was elected on a false promise to keep us out of war. Roosevelt's statements that he hates war seem to be only a hollow gesture. America wants Congress to keep us out.

R. S. PADGET.

WEST LOS ANGELES, CALIF., *June 13, 1940.*

Senator BURTON K. WHEELER, of Montana,
Washington, D. C.:

People here back your stand. Prepare defense. Prevent the administration plunging United States into Europe's commercial war.

MAURICE GERAGHTY.

BUTTE, MONT., *June 13, 1940.*

Senator BURTON K. WHEELER,
Washington, D. C.:

One hundred percent with you on your war-party declaration. Overwhelming majority of American women pray that your fight against war will bring back sanity to the Senate and House, who appear stampeded by war mongers and propaganda. Stop the stripping of our defense materials to bolster international deadbeats. One experience should be enough. We pray that you are the next President of the United States.

MARY HENNESSY.

TOPEKA, KANS., *June 13, 1940.*

Senator BURTON K. WHEELER,
United States Senate, Washington, D. C.:

Your stand courageous and patriotic. Don't give up. Too much hypocrisy has been shown in high places. Defense, yes; participation, never. The Nation will thank you forever. Good old American guts are needed now, if ever. See CLYDE REED and CAPPER. To your success.

A. J. BRIER, M. D.

DUBUQUE, IOWA, *June 13, 1940.*

Senator BURTON K. WHEELER,
Washington, D. C.:

God bless you and Senator HOLT for your patriotism and courage. America is behind you and condemns hysterical attitude of the President and Senator PEPPER.

GEO. H. MOST.

BOSTON, MASS., *June 12, 1940.*

Senator BURTON K. WHEELER, of Montana,
Senate Office Building, Washington, D. C.:

Congratulations; your's great antiwar speech. Peace sentiment of country is such that you can be elected President easily by more of same.

C. R. OWNES.
BERNARD FREEMAN.
ROBERT WOODRUFF.
CHARLES WHIPPLE.
GEORGE MARKHAM.
T. J. COLLINS.

BATON ROUGE, LA., *June 12, 1940.*

Senator BURTON K. WHEELER,
Senate, Washington, D. C.:

Hurray for BURTON WHEELER fearlessly putting American interests ahead of all foreign pressure. More power to you, Hop. An old supporter of 1924. Regards.

JOHN H. BERNHARD,
634 Common Street, New Orleans.

ST. PETERSBURG, FLA., *June 13, 1940.*

Senator BURTON K. WHEELER,
Washington, D. C.:

God and Senator WHEELER make a majority. You are under the right banner. Long may you wave it. Gratitude and encouragement to you.

ANN PORTER.

GREAT FALLS, MONT., *June 12, 1940.*

Senator BURTON K. WHEELER,
Senate Office Building, Washington, D. C.:

Congratulations your courageous warning in threat to bolt party if it becomes war party, which seems inevitable transition if current administration-inspired hysteria unchecked.

JOE HOWARD.

COLUMBIA, S. C., *June 12, 1940.*

Senator BURTON K. WHEELER,
United States Senate, Washington, D. C.:

Yours is the voice of courage and reason in these days of fostered fears and inspired passions. Our only chance for peace lies in the hope that you and a few others who have the courage to be sane will, before the zealots crucify you in the name of democracy and patriotism, make the Senate see these things: First, that its allegiance is to this Nation and not to any foreign power, no matter how sympathetic it may be to that nation's cause, and second, that the trust it holds is to protect the people even against the peoples' madness.

JAMES F. DREHER.

NEW YORK, N. Y., *June 13, 1940.*

Hon. BURTON K. WHEELER,
Washington, D. C.:

The New York County Committee of the American Labor Party welcomes your stand against the drive to put America into war. We are sure that you speak for the overwhelming majority of the American people who have consistently voiced their opposition to the involving of this country in the European conflict.

EUGENE P. CONNOLLY,
Chairman, New York County Committee American Labor Party.

BUTTE, MONT., *June 12, 1940.*

Senator WHEELER,
Washington, D. C.:

Your "Montana salon" of keeping out of war is endorsed by every parent-loving man and woman in America who loves their boys. I am standing with you in their behalf.

CLIFTON A. FARON,
Kansas City, Mo., and Butte, Mont.

STATE JUNIOR DEPARTMENT,
FARMERS EDUCATIONAL AND COOPERATIVE UNION OF AMERICA,
Great Falls, Mont., June 8, 1940.

Hon. BURTON K. WHEELER,
Senate Office Building, Washington, D. C.

DEAR SIR: We, the mothers of the soldiers who must fight in the world war if the United States should enter the conflict, beg and implore that you honestly, earnestly, and at all cost refuse your assent to any direct or indirect move that will cause the death of those to whom we gave life and for whom we would die.

We believe that other mothers in other nations, human like ourselves, have the same feeling. We can be enemies only if we are ignorant of each other—ignorant especially of our economic problems. We believe the problems of our potential enemies are the problems with which we ourselves are struggling.

We are firmly convinced that war will not solve but rather complicate these problems by adding fear, suspicion, and hatred to our already real miseries. We petition you, therefore, to seek to avoid war where the avoidance can alone be possible—in the respect of human rights; in the recognition that all men, not only Americans, have the right to life, liberty, and the pursuit of happiness. We wish that to all the peoples of the earth. We wish and we demand that for ourselves and for every potential enemy of any state and on both sides of the present European struggle.

We firmly believe the human family to be a family with God as our Father. We ask that you, in all your thinking, remember that we are God's children; that we are members of each other; that in that family Jew or Gentile does not matter. All that matters is that we are brothers in one bond.

As our representative you must not, you dare not, go beyond our will. If you hesitate in your mind as to what our will may be, recess the Congress and come to us and we will tell you.

We sincerely hope you will give heed to our petition.

Sincerely,

Farmers Educational and Cooperative Union of America, Leaders Camp, Fort Assiniboine, Havre, Mont.; Harriet Stoner, Outlook, Mont.; Lulu Mills, Fairfield, Mont.; Clara Bruyer, Kalispell, Mont.; Hilda de Young, Froid, Mont.; Leora Johansen, Dagmar, Mont.; Edna Hostetler, Conrad, Mont.; Esther Adams, Peerless, Mont.; Ruth Kopp, Girard, Mont.; Alice Thomas, Wolf Point, Mont.; Ruby Rimmer, Havre, Mont.; Charlotte Holtz, Portage, Mont.; Verna A. Carlson, Oswego, Mont.; Lillian Nyquist, Homestead, Mont.; Anna L. Olsrud, Kalispell, Mont.; Verna Huidekoper, Bole, Mont.; Gordon Twedt, Rudyard, Mont.; Myrtle I. Blair, Sidney, Mont.; Dixie McBride, Havre, Mont.; Ernest Lapke, Madoc, Mont.; Mrs. Verna Gunderson, Sidney, Mont.; Harry H. Norton, Simms, Mont.; Mrs. Hans Offett, Scoby, Mont.; Mrs. Agnes Gregerson, Peerless, Mont.; Ila Standish, Bole, Mont.; George J. Kapk, Havre, Mont.; Mrs. Hans Offett, Peerless, Mont.; Mrs. Palmer M. Hanson, Scobey, Mont.; Genetha Elliott, Girard, Mont.; Mildred Ragland, Hardin, Mont.; Dora Johnson, Froid, Mont.; Esther Harbo, Froid, Mont.; Albert Hellebust, Havre, Mont.; Erling Peterson, Havre, Mont.; Loraine Schulz, Great Falls, Mont.; Mildred K. Stoltz, Valier, Mont.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Chaffee, one of its reading clerks, announced that the House had agreed to the amendment of the Senate to the bill (H. R. 7074) to amend an act to authorize the Secretary of War and the Secretary of the Navy to make certain disposition of condemned ordnance, guns, projectiles, and other condemned material in their respective departments.

The message also announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 8913) making appropriations for the legislative branch of the Government for the fiscal year ending June 30, 1941, and for other purposes, and that the House receded from its disagreement to the amendment of the Senate No. 17 to the bill, and concurred therein with an amendment, in which it requested the concurrence of the Senate.

APPROPRIATIONS FOR WORK RELIEF AND RELIEF

The Senate resumed the consideration of the joint resolution (H. J. Res. 544) making appropriations for work relief and relief for the fiscal year ending June 30, 1941.

Mr. THOMAS of Oklahoma. I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. CHANDLER in the chair). The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Adams	Donahey	Lodge	Sheppard
Andrews	Downey	Lucas	Shipstead
Ashurst	Ellender	Lundeen	Slattery
Austin	George	McKellar	Smith
Bailey	Gerry	McNary	Stewart
Bankhead	Gillette	Maloney	Taft
Barkley	Green	Mead	Thomas, Idaho
Bilbo	Guffey	Miller	Thomas, Okla.
Bone	Gurney	Minton	Thomas, Utah
Bridges	Hale	Murray	Tobey
Brown	Harrison	Neely	Townsend
Bulow	Hatch	Norris	Truman
Burke	Hayden	Nye	Tydings
Byrnes	Herring	O'Mahoney	Vandenberg
Capper	Hill	Overton	Van Nuys
Caraway	Holman	Pepper	Wagner
Chandler	Holt	Pittman	Walsh
Chavez	Hughes	Radcliffe	Wheeler
Clark, Idaho	Johnson, Calif.	Reed	White
Clark, Mo.	Johnson, Colo.	Reynolds	Wiley
Connally	King	Russell	
Danaher	La Follette	Schwartz	
Davis	Lee	Schwellenbach	

The PRESIDING OFFICER. Eighty-nine Senators have answered to their names. A quorum is present.

Mr. THOMAS of Oklahoma. Mr. President, I ask that the amendment which I have offered, and which is now on the desk, be stated.

The PRESIDING OFFICER. The amendment offered by the Senator from Oklahoma will be stated.

The CHIEF CLERK. On page 17, line 17, after the semicolon, it is proposed to insert the following:

Provided, That no part of the sum herein appropriated shall be used to defray the expenses of transferring or maintaining the existing officers and personnel embraced in subdivisions (1) and (a) and (b) of (2) at points other than in the cities and States where now located.

Mr. THOMAS of Oklahoma. Mr. President, this amendment does not make any change in the amount of money carried in the joint resolution. It does not suggest that any item be transferred from one place to another. It relates wholly to the existing set-ups under the Treasury Department in the various States.

At the present time I am advised that every State has an accounting office under the Treasury Department. We have the procurement division, and likewise the disbursing division, already set up in the several States. These offices are being maintained in the States in connection with the relief work.

If the joint resolution is enacted as now written, without this limitation, I am advised that the State offices will be abandoned, and that regional offices will be set up to handle the work of two or more States.

At the present time we have a State office in my State of Oklahoma. We have employed there something like 100 persons handling the three activities, accounting, procurement, and disbursing. It is now planned practically to close the State offices and transfer the functions to regional offices. In the case of Oklahoma the agencies will be transferred to a proposed regional office located either in Texas or Missouri, and I understand the same thing is proposed for other States.

Mr. President, there are something like 5,000 employees in the various State set-ups. If the proposed program is carried out, 100 families in my city of Oklahoma City will be forced either to transfer to Texas or to Missouri or to lose their jobs. What happens to Oklahoma will happen to other States.

Mr. President, it seems to me that this is a poor time to propose such a violent readjustment of the relief agencies. My amendment has for its purpose providing that the State agencies shall be maintained where they now are at least until later in the year, or until we meet next January. I understand that if the proposed program goes through, the State offices now maintained in the State of Maryland will be consolidated with the offices in the District of Columbia. What happens to Maryland will happen to Oklahoma. What happens to Oklahoma will happen to Kansas, and to all the States except those in which the regional offices are proposed to be established.

I understand that regional offices are proposed to be established in the cities where there are Federal Reserve banks. That means that 12 regional offices will be established in the 12 States having Federal Reserve banks; and the other States, some 30 of them, will lose the existing personnel.

Mr. President, as I said before, this is a poor time to propose such a radical readjustment of the present set-ups in the various States of the Nation. For example, in my State, as in most other States, there is a W. P. A. organization. We have a number of W. P. A. relief persons, which necessitates the making and writing of about 100,000 checks a month. At the present time the checks are prepared in the capital of my State, Oklahoma City. If the office there is abolished, and the work is transferred to some other State, then my State must send its list of checks to another State where the same work must be done, and then the checks, a hundred thousand of them each month, must be sent back to my State. I do not think the saving, if there would be any saving, would be at all commensurate with the disadvantage and inconvenience the State would be put to in the event the proposed transfer were made.

So, Mr. President, I submit the amendment. Its only effect would be to maintain the status quo in the several Federal set-ups in the States under the Treasury Department. That is the whole force of the amendment, and, at the proper time, I shall ask for the yeas and nays.

Mr. ADAMS. Mr. President, if the amendment of the Senator from Oklahoma should be adopted, the amount of money appropriated by the bill would not be adequate to carry on the functions of the Treasury Department which are devoted to W. P. A. accounting and bookkeeping. The practical effect of the provision of the bill is that in an effort to economize there has been a program of regionalization. I do not happen to know whether or not it would affect my State; I assume my State would be affected the same as would Oklahoma. The saving which would be effected would be $1,200,000. It is merely a question as to whether or not we wish to spend an additional $1,200,000 in order to maintain the employees who are now distributed in the various States. If the amendment should be adopted, there should be provided enough money to carry on the work. In other words, there has been a reduction of $1,200,000 from the appropriation of last year for carrying on this work, and the Treasury Department feel that there will be an increase and not a decrease in efficiency.

Mr. THOMAS of Oklahoma. Mr. President, will the Senator yield?

The PRESIDING OFFICER. Does the Senator from Colorado yield to the Senator from Oklahoma?

Mr. ADAMS. Certainly.

Mr. THOMAS of Oklahoma. The Senator from Colorado in charge of the bill makes the statement that if this amendment should prevail, then the item should be increased in toto $1,200,000?

Mr. ADAMS. That is correct.

Mr. THOMAS of Oklahoma. Is it not a fact that if this amendment should prevail there are ample funds in these three items to maintain the present organizations at the present places until the meeting of Congress in January? Then, if we desire at that time, after further consideration, to concentrate and regionalize these offices, we can do so; but there will be no necessity for increasing these items now, as ample funds will be afforded to carry on until Congress meets again next winter.

Mr. ADAMS. That would be true if we disregarded the antideficiency law, which requires that money shall be apportioned over a 12-month period. If we desire to disregard the law, that can be done, but otherwise it cannot be done. This amount of money is appropriated for a 12-month period on a basis to make the saving I have suggested. I think the Senator should understand that, and I believe that, under conditions as they are, we ought to be willing to stand the removal of a few offices from our States. Only

some 500 employees would be affected throughout the United States. I suppose in a State such as my own, which represents, roughly, 1 percent of the population of the United States, five or six employees would be affected. In other States, I imagine, the State of Oklahoma, for instance, there would be perhaps twice that many.

Mr. THOMAS of Oklahoma. Mr. President, will the Senator yield?

Mr. ADAMS. Certainly.

Mr. THOMAS of Oklahoma. It would affect a hundred in my State, 85 in Alabama, and other States in proportion to population. In populous States such as New York, Pennsylvania, and Illinois, with millions of people, it would probably involve several hundred, and in smaller States, of course, a smaller number would be involved, but the average would be about a hundred for each State.

Mr. ADAMS. The Senator and I are differing in the use of the term affected. I mean there will be an economy by taking out from the service altogether some 500 employees. The Senator is thinking of those who would be transferred and who would still remain in the Government service.

Mr. THOMAS of Oklahoma. Will the Senator yield further?

Mr. ADAMS. Certainly.

Mr. THOMAS of Oklahoma. If this amendment should prevail, no doubt there would be some employees who would lose their jobs.

Mr. ADAMS. About 500.

Mr. THOMAS of Oklahoma. They would go on some form of relief in all probability. That is the first point. The second point is that, if the action contemplated is taken those residing in Denver and in Baltimore who fill the present positions must close their homes and move to some other town in another State. If they do not do that, they lose their jobs and go on relief. So, as I see the picture, it is about 50–50. If we turn these people out, and they cannot find other jobs—and but few can now find other jobs—then they go on the other side of the equation, the relief side. Under present conditions, I think it is a bad time to make such a radical change in our relief set-up. Upon that basis I submit the amendment.

Mr. ADAMS. Of course, the Senator and I draw opposite conclusions. It seems to me that this is just the time, when we are being driven to great expenditures for other purposes, to economize in the administrative agencies of the Government, when it can be done without sacrificing functions or efficiency in any way. So I have been inclined to feel that in my State I am willing to take what little consequences may come in order that we may make this very substantial saving without sacrificing efficiency.

Mr. HATCH. Mr. President, will the Senator yield?

The PRESIDING OFFICER. Does the Senator from Colorado yield to the Senator from New Mexico?

Mr. ADAMS. I yield.

Mr. HATCH. I am wondering if the Senator has made any investigation as to the question of efficiency and whether or not it would be sacrificed. We have had in New Mexico some rather unfortunate experiences in the transfer of State offices to regional offices. Some small saving may have been accomplished, but it has resulted in marked inefficiency in service to the people of my State.

Mr. ADAMS. The Senator, perhaps, has in mind the Home Owners' Loan organization situation?

Mr. HATCH. That is exactly it.

Mr. ADAMS. I am entirely in accord with the Senator in refrence to the Home Owners' Loan Corporation set-up. I think the regionalization of the Home Owners' Loan offices was improper, and I think it resulted in inefficiency. In that instance titles had to be examined and collections had to be made, which involved operations in the immediate locality.

Mr. HATCH. The Senator from Colorado has mentioned the very institution I have in mind. We were told at that time that the establishment of regional offices would work a great saving and work toward efficiency. Exactly the opposite has taken place in my State. I doubt whether there has been any saving from the standpoint of economy; and I know that there has been no increase in efficiency; but, on the contrary, a great deal of inefficiency has resulted.

Mr. ADAMS. I accept the Senator's statement. In this instance I do not answer as to efficiency, but I know there is a saving in the bill, for there is a reduction of $1,200,000 because of this proposed regionalization.

Mr. HATCH. I quite well understand what the Senator says, and I have been impressed with what he has said about the necessity, if the amendment of the Senator from Oklahoma were adopted, for increasing the appropriation. I do not see how, under existing law, we can possibly carry on under the plan suggested by the Senator from Oklahoma.

Mr. LUNDEEN obtained the floor.

Mr. THOMAS of Oklahoma. Mr. President——

The PRESIDING OFFICER. Does the Senator from Minnesota yield to the Senator from Oklahoma?

Mr. LUNDEEN. I yield.

Mr. THOMAS of Oklahoma. The amendment pending provides for maintaining State offices under the Treasury Department. It is suggested by the Senator from Colorado that if this amendment should prevail it would thereafter be necessary to either increase the items in the sum of $1,200,000 or else those items would be too small to maintain the offices in the States. That could be easily obviated, in the event my amendment should prevail, by offering three small amendments to increase these items in the total sum of $1,200,000.

Mr. HILL. Mr. President, will the Senator from Minnesota yield?

The PRESIDING OFFICER. Does the Senator from Minnesota yield to the Senator from Alabama?

Mr. LUNDEEN. I yield.

Mr. HILL. I concur thoroughly in what the Senator from New Mexico [Mr. HATCH] has said with reference to the H. O. L. C. offices. As he has said, we were told that abolishing those offices, and regionalizing or merging them, would make for efficiency and economy. On the contrary, experience has shown that that was not true.

Now, we are confronted with exactly the same situation today that we were confronted with about the H. O. L. C. offices. We ought not to permit the abolition of these offices; we ought to vote for and support the amendment of the Senator from Oklahoma, and assure the continuance of these offices.

If the Senator from Minnesota will yield for that purpose, I wish to indicate to the Senate the States where offices will be abolished. I read now from page 317 of the House hearings:

> In region No. 1 State offices would be abolished in Connecticut, Maine, New Hampshire, and Vermont.

These offices would be abolished and the people in those States, instead of being served as they are now being served, and as they have been served for the past 6 years, by their State offices, would have to petition or to take some other action to see if they could get some kind of service from the regional office in Boston, Mass.

In New York, region No. 2, there are two offices today. New York is one region unto itself, with an office at Albany, which is the capital of the State, and one in New York City. Under this proposal the office at Albany would be abolished, and persons would have to go to the great city of New York to see if they could get their problems attended to there.

Mr. ADAMS. Will the Senator allow me to make an inquiry?

Mr. HILL. I will be glad to do so if the Senator from Minnesota, who has the floor, will yield?

Mr. LUNDEEN. I yield.

Mr. ADAMS. The Senator makes the statement that people would have to go down to other cities. As a matter of fact, there is no occasion, except in the rarest instances, for people to go to the Treasury or the procurement division or the division of disbursements. It is a matter of mail service, and of mailing checks.

Mr. HILL. Oh, yes; I realize that any business may be transacted by mail; but there are times when, if it is desired to have a job done, it is necessary to go and attend to it in person. I realize that these checks perhaps will be sent through the mail.

Mr. ADAMS. Mr. President, this matter has to do merely with the accounting system.

Mr. HILL. It has to do with purchasing supplies. That is what the procurement office is for. I realize that you can send a letter down here, and if you do, you will get the nicest little form letter, No. 1,579,000,000, the same letter that all these other 1,579,000,000 folks have received. The Senator knows that.

Now to go to Region No. 3, the offices will be abolished in the States of Delaware and New Jersey, and all the work concentrated in Philadalphia, Pa.

Region No. 4: The Kentucky office will be abolished, and everything concentrated at Cleveland, Ohio.

The next region—the offices in the State of Maryland, the State of North Carolina, the State of Virginia, and the State of West Virginia will be abolished, and the Senator from Maryland [Mr. TYDINGS] must transact his business with the District of Columbia.

Mr. TYDINGS. Mr. President, will the Senator yield?

Mr. HILL. The Senator from Minnesota [Mr. LUNDEEN] has the floor.

The PRESIDING OFFICER. Does the Senator from Minnesota yield to the Senator from Maryland?

Mr. LUNDEEN. I yield to the Senator.

Mr. TYDINGS. In order that we may fix the responsibility for the nefarious crime which is about to be perpetrated on the State of Maryland, may I inquire whether this bill originated in the House of Representatives?

Mr. HILL. It is an appropriation measure, and originated in the House of Representatives; that is true. Let me say, however, that it lies within the power of the Senate of the United States to assert itself, here and now, to prevent this action from being taken. While the House of Representatives did it, we have equal responsibility with the House of Representatives. We are now confronted with the necessity of doing our part, meeting our responsibility, and stopping this action.

The next region: Offices will be abolished in Alabama, Florida, South Carolina, and Tennessee.

Mr. ADAMS. Mr. President, the Senator from Alabama is not disturbed about the abolition of the Alabama office; is he? [Laughter.]

Mr. HILL. Yes; I am disturbed, because I want the people of Alabama to have the right kind of service. That is why I am on the floor now. I am pleading for the people of Alabama, and for the people of all the other States. I want all of them, including my people and the Senator's people, to have the right kind of service. I will say to the Senator from Colorado that that is the reason why I am on the floor. When we get to the Senator's State, however, I think we shall find that his office will not be abolished, if my memory correctly serves me.

Mr. HATCH. Mr. President, will the Senator yield?

Mr. HILL. If the Senator from Minnesota will permit me to do so, I will yield.

The PRESIDING OFFICER. The Senator from Minnesota [Mr. LUNDEEN] has the floor.

Mr. LUNDEEN. I yield.

Mr. HATCH. I simply wish to ask the Senator from Alabama if the office for the region in which New Mexico is located happens to be in Denver.

Mr. ADAMS. No; it is not.

Mr. HATCH. The regional office?

Mr. ADAMS. No.

Mr. HATCH. We shall probably have to go to Dallas.

Mr. HILL. Why, certainly. Before the Senator from New Mexico leaves the floor I want to assure him that there is a regional office at Denver, Colo., in the home State of our distinguished friend, the great Senator from Colorado; and his office not only will not be abolished but it will be enlarged, increased, and augmented. It will greatly grow in size by drawing from the other States and the other offices.

Mr. ADAMS. Mr. President, the Senator realizes that that is inevitable by reason of the geographical location of Denver, and the beauty and attractiveness of the city.

Mr. HILL. Denver is one of the most beautiful cities I have ever seen. It is a city of rare beauty; but we do not establish offices on the basis of the beauty of the city. We sometimes do establish offices on other bases.

Region No. 8, Arkansas and Missouri: The office in Arkansas is abolished, and the part of it which is transferred will go to St. Louis.

Region No. 9: The offices in North Dakota and South Dakota are abolished and centralized in Minneapolis, Minn.

The next region: The offices in Kansas, Nebraska, and Oklahoma are to be abolished, and the people of those States will have to be served from another State, from Kansas City, Mo., which, from this table, is not even in that region.

Mr. THOMAS of Oklahoma. Mr. President, will the Senator yield?

The PRESIDING OFFICER. Does the Senator from Minnesota yield to the Senator from Oklahoma?

Mr. LUNDEEN. Yes.

Mr. THOMAS of Oklahoma. Since that hearing was held, the Department has decided to change the office for my State from Kansas City to Dallas, Tex. I have no objection to the change; but it simply shows that the office is to be taken away from my State either to Kansas City or to Dallas.

Mr. HILL. The Senator's office will be abolished just the same.

Mr. THOMAS of Oklahoma. That is correct.

Mr. HILL. The office in Nevada will be abolished, and the people of that State will have to get their service from California.

We next come to the Colorado region, where the office of Wyoming will be abolished, and the people of that State will have to go to the State of my distinguished friend from Colorado.

Mr. ADAMS. Mr. President, how many employees will be removed from Wyoming by that change?

Mr. HILL. Of course, that is only one office.

Mr. ADAMS. There is only one employee.

Mr. HILL. That is a small office. I am going to say something about the employees in a few minutes, and about the effect on the employees. I want the Senator to understand that, too.

Arizona also will have its office abolished, and the people of that State will have to go to Los Angeles, Calif.

The office in the State of the distinguished Senator from Utah [Mr. THOMAS] will be abolished.

Out on the far western coast, the office in Oregon will be abolished, and the people of that State will have to get their service, if such service be possible, from Seattle, Wash.

Mr. BONE. It will be promptly rendered.

Mr. HILL. Speaking about the personnel, let me say that the testimony shows that when these offices are abolished, a minimum of one-third of all the employees will absolutely lose their jobs on July 1. One-third more, I suppose, will have to be taken care of under the other provisions of the joint resolution which make provision for relief. They will be transferred, I suppose, to the relief rolls. In the case of the remaining third, some of them may be transferred to the regional offices, but there is no assurance that they will be transferred, or how many of them will be transferred; and even those who are transferred or have the opportunity to transfer on July 1 will have no assurance whatever that if they move from Wyoming, we will say, to Denver, Colo., they will be permitted to stay there over 30 days with a job. None of them will have any assurance at all that even if they are transferred they will not lose their jobs within 30, 60, or 90 days after being transferred.

So we have a situation in which we shall have some 29 State offices abolished, wiped out, and we shall have any number of persons discharged and turned out with no jobs; and so far as efficiency is concerned, we have before us a

striking example of the consolidation and regionalization of the H. O. L. C. offices. I do not believe there is anyone on this floor who will rise today and say that we did a wise thing or a good thing or an efficient thing when we abolished the H. O. L. C. offices.

Mr. BONE. Mr. President, will the Senator from Minnesota yield in order that I may make an inquiry of the Chair?

Mr. LUNDEEN. I yield.

Mr. BONE. I ask the Chair whether or not section 15 of the pending joint resolution is still subject to amendment. I desire later to tender an amendment to it, and I am compelled to leave the Chamber now, and do not want to be robbed of the opportunity to tender the amendment.

The PRESIDING OFFICER (Mr. HATCH in the chair). Subdivision (a) of section 15 would have to be reconsidered before an amendment to that part of the joint resolution would be in order.

Mr. BONE. It is a committee amendment, and I did not know whether or not it had yet been reached in our deliberations.

APPROPRIATIONS FOR THE LEGISLATIVE BRANCH

The PRESIDING OFFICER (Mr. HATCH in the chair) laid before the Senate a message from the House of Representatives announcing its action on an amendment of the Senate to House bill 8913, which was read, as follows:

IN THE HOUSE OF REPRESENTATIVES,
June 13, 1940.

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 17 to the bill (H. R. 8913) making appropriations for the legislative branch of the Government for the fiscal year ending June 30, 1941, and for other purposes, and concur therein with an amendment as follows:

In lieu of the matter inserted by said amendment insert:

"*Provided*, That hereafter the compensation of the legislative counsel of the Senate shall be at the rate of $10,000 per annum so long as the position is held by the present incumbent."

Mr. TYDINGS. I move that the Senate concur in the amendment of the House to the amendment of the Senate numbered 17.

The motion was agreed to.

ARMY BANDMASTERS—CONFERENCE REPORT

Mr. THOMAS of Utah submitted the following report:

The committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 3840) to amend the act entitled "An act for making further and more effectual provision for the national defense, and for other purposes," approved June 3, 1916, as amended, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendment of the Senate and agree to the same with an amendment as follows:

In lieu of the matter proposed to be inserted by the Senate amendment insert the following: That section 6 of the National Defense Act of June 3, 1916, as amended, is amended by adding at the end thereof the following:

"After the date this paragraph takes effect there shall be a number of commissioned officers, to be known as bandmasters, equal to the number of authorized bands of the Regular Army. Bandmasters shall be appointed by the President, by and with the advice and consent of the Senate, and there shall be one bandmaster for each such band who shall be the leader thereof in lieu of a warrant officer band leader. The Secretary of War shall select a chief bandmaster from the bandmasters so appointed who shall have the rank, pay, and allowances of a captain while so serving, who shall be charged with the duty of administering uniformly the affairs of all authorized bands of the Regular Army, and who shall advise the Secretary of War on all matters relating to the musical organizations in the Regular Army. Bandmasters shall be selected from band leaders in the Regular Army who are found to be physically qualified, and, subject to such examination as the President may prescribe, from noncommissioned officers and other enlisted musicians who have had at least one year of service in a band of the Regular Army, and from officers in the National Guard of the United States or in the Officers' Reserve Corps. Any bandmaster with service of less than 5 years shall be entitled to the rank, pay, allowances, and retirement benefits of a second lieutenant; and any bandmaster with service of 5 years or more shall be entitled to the rank, pay, allowances, and retirement benefits of a first lieutenant: *Provided*, That in computing such service in the case of any person appointed as a bandmaster all his active service as a band leader in the Regular Army prior to his appointment shall be counted: *Provided further*, That no person appointed as a bandmaster shall suffer the loss of any pay by reason of the provisions of this paragraph. Any warrant officer band leader who fails to pass the prescribed physical examination because of physical disability incident to the service shall be placed upon the retired list of the Regular Army with 75 percent of the pay to which he would have been entitled if he had been appointed as a bandmaster as hereinbefore provided."

SEC. 2. The limitations now prescribed by law upon the number of commissioned officers of the Regular Army, and the number of commissioned officers in the various grades, is hereby increased to, and only to, the extent necessary to give effect to the provisions of this act. The number of warrant officers authorized by law shall be decreased by the number of band leaders who receive commissions as bandmasters in pursuance of the provisions of this act.

SEC. 3. This act may be cited as the "Army Bandmasters' Act."

And the Senate agree to the same.

ELBERT D. THOMAS,
SHERMAN MINTON,
CHAN GURNEY,
Managers on the part of the Senate.

A. J. MAY,
DOW W. HARTER,
W. G. ANDREWS,
L. C. ARENDS,
Managers on the part of the House.

The report was agreed to.

FLOYD B. OLSON—PIONEER OF SOCIAL PROGRESS

Mr. LUNDEEN. Mr. President, in these days of relief legislation and huge defense appropriations we find 12,000,000 unemployed, ill-fed, ill-clothed, and ill-housed in the midst of unlimited abundance. It is now certain that the old parties have no remedy or solution for our problems of today. Some day, somehow, a new party founded on the great farmer-labor elements of our population will advance its program. The program and creed of a pioneer of social legislation, Floyd B. Olson, will then lead the Nation onward toward a better and a happier day.

America today, perhaps more so than at any time in its history, needs the social and economic philosophy of the late Floyd B. Olson and the Farmer-Labor Party of Minnesota.

On January 4, 1933, Olson, America's first Farmer-Labor Governor, in submitting a program of social and economic reforms to a conservative State legislature, said:

> We are assembled during the most crucial period in the history of our State and of our Nation. An army of unemployed, some 200,000 homeless and wandering boys, thousands of abandoned farms, an ever-increasing number of mortgage foreclosures, and thousands of people in want and poverty are evidences not only of an economic depression but of the failure of government and of our social system to function in the interest of the common happiness of the people.

Unquestionably we have made some advances since that time.

We enacted, to be sure, an Unemployment Compensation Act, for which Floyd B. Olson and the Farmer-Labor Party pioneered for years.

We placed the Wagner National Labor Relations Act and the Fair Labor Standards Act upon our statute books, both representing principles for which Floyd B. Olson and the Farmer-Labor Party pioneered.

We have set up the National Youth Administration, which is creating some opportunities for the young people of this country—a "brain child" of Floyd B. Olson.

T. V. A., Boulder Dam, Bonneville, and Grand Coulee, all attest progress in the direction of Government ownership of power. To a limited extent, we are taking care of some of the victims of the depression and looking after some of our more unfortunate citizens; we have taken initial steps in various forms of social insurance; we have started to do something by way of slum clearance and decent housing for the poor—all planks in every Farmer-Labor platform since the party's inception.

CRISIS STILL WITH US

It is, nevertheless, true that the crisis of which Governor Olson spoke in 1933 is still with us. The avenue of opportunity for great masses of our citizens remains closed to them. More than 10,000,000 men and women, capable and willing to do useful work, are unable to find employment. To take up this unemployment slack, we are looking forward to a wartime economy, which, sad experience tells us, must have

disastrous consequences. One-third of our population is still "ill-fed, ill-clothed, ill-housed." Wealth concentration in the hands of the few continues, while many persons are deprived of the material needs and comforts which a mass-production industry and almost limitless resources could easily supply them. Monopoly, operating in restraint of trade, now has greater control over commodity prices than ever before, and is fast destroying business competition and free private enterprise, gradually eliminating the independent merchant from American economic life. Youth has not yet found its proper place in the economic sun, and the aged have not been afforded that life of security and comfort to which they are entitled.

Government is still unable to function "in the interests of the common happiness of the people." We have not been able to keep pace with the crushing economic events of recent years because we refuse to tackle the fundamentals of our economic problems. We fear that in tackling these problems that the toes of the mighty will be trod upon. Therein lies the chief difference between the Farmer-Labor Party and the two old political parties.

AN AMERICAN LABOR PARTY

The Farmer-Labor Party is an American party, fighting for American principles, American rights, an American standard of living for all the people—a standard of living commensurate with the vast wealth which this country is able to produce.

The Farmer-Labor Party has its origin in the very soil of America. It came into existence because of the crying need for a solution of problems which neither of the old parties was able or willing to provide.

These principles and ideals, personified in Floyd B. Olson, are found in the Declaration of Independence, in this immortal passage:

> We hold these truths to be self-evident; that all men are created equal; that they are endowed, by their Creator, with certain inalienable rights; that among these are life, liberty, and the pursuit of happiness. That to secure these rights, governments are instituted among men; deriving their just powers from the consent of the governed; that whenever any form of government becomes destructive to these ends it is the right of the people to alter or to abolish it, and to institute a new government, laying its foundation on such principles and organizing its powers in such form as to them shall seem most likely to effect their safety and happiness.

THE BANNER TO CARRY ON

To know Floyd Olson is to realize the background from which he sprung. This great leader of the common people was a product of the economic and political trends of our Nation. His brilliant rise to public acclaim was the necessary answer to the needs of labor and farmer alike. Before there could be a Floyd Olson, before there could arise the active liberal party we have today, early political parties had to protest, fight, and die, leaving us with a banner to carry on their work. Their history and struggle is the groundwork leading to the rise of Floyd Olson and a new third party.

ORIGIN OF FARMER-LABOR PARTY

The political forbears of the Minnesota Farmer-Labor Party were the Greenback-Labor, Granger, Populist, and People's Party movements, the Farmers' Alliance, Equity Cooperative Exchange, Nonpartisan League, and other progressive movements which sought to remove economic inequalities and secure economic justice for the masses. They played their roles upon the political stage, and then left the arena of politics for others to carry on. But they left an unmistakable imprint upon American life—a very deep and wholesome imprint that we see and feel today. In that sense they never disappeared. The Granger movement swept the prairies in the eighties, and the Populist movement, whose chief support came from the Northwest, rose to its heights in the nineties.

At their peak, these movements each polled about a million votes. The correctness of their position is to be found in the fact that most of the things for which they stood—for which all of the movements I have mentioned stood—have since been enacted into law.

What were some of the reforms they demanded? The Grangers fought for popular election of United States Senators, woman suffrage, Government regulation of railroads, and graduated income and inheritance taxes. The Populist Party presented a platform including demands for Government ownership of railroads, taxation in accordance with ability to pay, a graduated income tax, the initiative and referendum, postal-savings banks, and similar reforms. Its convention significantly went on record condemning the use of Federal troops in labor disputes. The fight which they conducted against monopolistic tendencies in the United States is still going on.

EARLY PROGRESSIVE VICTORIES

These early progressive campaigns were not without some victories at the polls. The revolt in Minnesota sent Ignatius Donnelly to Congress as a Progressive Republican, where he served three terms, 1862–68. From the western part of the State the Farmers' Alliance elected Kittel Halvorson to Congress, 1890–92. There were numerous local victories in Minnesota and elsewhere. The People's Party achieved signal success in Minnesota in 1898 when it joined with the Democrats to elect liberal John Lind, Governor of the State on the Democratic ticket.

FARMER AND LABOR UNITED

The argument that the Farmer-Labor Party is an unholy alliance of labor and farmer which cannot endure because these two great producers of wealth are naturally hostile and have no mutual economic interests was raised in those days. But many workers and farmers then were able to see clearly through the specious nature of this argument as labor and farmers in Minnesota see through it today. They detected that its real purpose was to keep them separated, to make it easier for their enemies to exploit them. One of the outstanding contributions of the Farmer-Labor Party to the progressive political life of America is that it has not only proven that the worker and the farmer can cooperate to their mutual advantage politically, but that it is necessary that they do so if they are to attain real economic emancipation. Once that fact is brought home to the toilers of this country the ultimate victory of the common people is assured.

The immediate predecessor of the Farmer-Labor Party was the Nonpartisan League, which attained commanding political power in North Dakota and wielded much influence in adjoining States, particularly Minnesota. No political movement in this country was more deliberately vilified and misrepresented by the press than the Nonpartisan League. No impartial student of this movement, however, will dispute the fact that it brought great and lasting benefits to the people of North Dakota.

THE MINNESOTA MOVEMENT

In Minnesota the militant farmers, organized in the Nonpartisan League, joined hands politically with militant city labor, organized in the Working People's Nonpartisan Political League, forming the basis for the Farmer-Labor Party. At first the strategy was to capture the Republican Party, at that time the dominant political party of the State. Although the name "Farmer-Labor" first appeared on a Minnesota ballot in 1918, and in all subsequent elections, winning a signal success in the contest for the United States Senate in 1922, it was not until 1924 that they decided to disband the Nonpartisan League and the Working People's Nonpartisan Political League and to form a full-fledged political party.

This political movement of labor and farmer, which welcomed into its fold the independent business and professional people, entered the scene during the fitful days of the first World War. The party was opposed to America's entrance into that war; it opposed sending the flower of American youth to die on foreign battlefields for a cause that was not its own. That made it possible, once war was declared, for professional patrioteers to organize a merciless attack against its leaders. These superpatriots saw, in this period of war hysteria, a chance to overthrow a young, virile political movement that threatened to storm the citadel of entrenched wealth.

WITCH-HUNTING DAYS

It took courage to be Farmer-Labor in those days. Mob fury was whipped up against them. Tar and feathers, near-

lynchings, physical assaults, and many other forms of mob violence were the order of the day. Houses of Farmer-Labor leaders were painted yellow, and they were held up to public scorn and opprobrium. Goaded on by the notorious Minnesota Public Safety Commission, even the university board of regents engaged in vicious witch-hunting by discharging the head of the department of political science, a national authority in his field and one of the most beloved professors at the university, on a flimsy charge of pro-Germanism which had all the earmarks of having been trumped up. There was not even a semblance of a fair hearing. I am glad to say that the university regents, under a Farmer-Labor administration, have since removed this stain from the university's record by exonerating this professor and conferring upon him the title of professor emeritus.

OLSON ENTERS THE ARENA

In that era of witch hunting, a young and at that time unheard-of Minneapolis lawyer, Floyd B. Olson, went into the Hennepin County District Court to make a name for himself by defending James A. Peterson, a Minneapolis attorney, who was indicted for daring to oppose this country's entrance into the World War. This young lawyer was later to become the State's and the Nation's first Farmer-Labor Governor and a most outstanding champion of the underprivileged. The persecution of Peterson set off a spark in Olson that only death extinguished.

Following the war, growth of the Farmer-Labor Party was stimulated by the double-barreled campaign of the reactionaries to destroy labor unions and make the farmer the first victim of a heartless deflation.

The history of the progressive movements of the Northwest records a host of names of illustrious pioneers, now dead. In addition to Donnelly, Halvorson, and Lind, there are Charles A. Lindbergh, Sr., Sidney W. Owen, Dave Evans, Magnus Johnson, John A. Johnson, James Manahan, W. J. Carss, Knud Wefald, O. J. Kvale, George Loftus, Dr. L. A. Fritchie, Thomas Van Lear, Fred E. Tillquist, A. C. Welch, Thomas Meighan, Fred Pike, Andrew Devold, and many others.

BEGINS POLITICAL CAREER

Floyd Olson—humanitarian, man of peace, man of action, realist and dreamer, practical politician and idealist—started his political career as a member of the Democratic Party. In 1920, at the age of 29, while he was assistant Hennepin County attorney, he made the race as a candidate for Congress on the Democratic ticket from the Fifth Minnesota Congressional District.

At that time this was one of the Republican strongholds of the State, and his defeat from the outset was regarded as a foregone conclusion. This district is still conservative, though moving toward the liberal column.

Olson entered that campaign because he had a message for the people. This he delivered fearlessly. In that sense he achieved the victory he sought, because, sterling orator that he was, he got an audience, and people listened to him.

JOINS FARMER-LABOR PARTY

It did not take long for the leaders and the rank and file of the vigorous, fast-growing political movement of labor, the farmers, and the independent business and professional groups to discover that this young, raw-boned, confident, fighting giant, at whose eloquence people marveled, was of their own flesh and blood; that his ideology was their ideology; that he was fighting the same forces that they were fighting—that he and they were crusading in a common battle, with identical objectives. And it did not take long for this product of Minneapolis' melting pot to discover in this liberal movement the outlet for his own social and economic philosophy.

A movement with a genuine mission is always certain to find a dynamic leader, a personality with the necessary courage, fighting zeal, ability, and resourcefulness to take its message to the people. In Floyd Olson the Farmer-Labor Party found that leadership.

In 1924 Olson was nominated on the Farmer-Labor ticket for Governor. That was the year that "Fighting Bob" La Follette of Wisconsin, at the behest of the liberal forces of the Nation, made his bid for the presidency of the United States on an independent ticket. He campaigned the State for the national independents and for the Farmer-Labor Party, and himself came within 40,000 votes of being elected Governor. This amazing run stunned the Republican machine. In 1930 he was elected Governor by an overwhelming vote, and reelected in 1932 and 1934 by staggering majorities.

OLSON'S PHILOSOPHY

The crusading spirit of the Farmer-Labor Party appealed to him. Frequently, in addressing Farmer-Labor meetings or conventions, he called attention to that crusading spirit and the need for preserving it. As long as a political movement retains its crusading characteristic its ship will never be wrecked on the shoals of opportunism.

What were some of the things that Floyd Olson and the Farmer-Labor Party advocated? What was his philosophy of life, his philosophy of government—the Farmer-Labor philosophy of life and of government?

He and his party advocated stimulating business and restoring prosperity by aiding those at the bottom of the economic ladder rather than those at the top; developing a high standard of living through compulsory payment of living wages for the worker and placing agriculture on a parity with industry by Government guarantee of cost of production and a fair profit; removing the unfair advantages which the fast-expanding chains and monopolies enjoy in competition with independent business; equalizing educational opportunities; payment of decent professional salaries to school teachers and strengthening teachers' tenure; aiding growth of both consumer and producer cooperatives; Government ownership and operation of public utilities in the interest of the people; taxes based upon ability to pay; opening the door of opportunity to our young people; providing security for the aged, and the physically handicapped; maternity, health, accident, and other forms of social insurance; social security for all members of society.

Olson advocated an economy of abundance rather than an economy of scarcity. The latter he held to a be a confession of fatal error in our economic system. He opposed payment of benefits to farmers to produce less foodstuffs; he favored rather payment of benefits to farmers to produce more foodstuffs and to distribute this food to the hungry men, women, and children of this country.

WANT IN MIDST OF PLENTY

Suffering and want in the midst of plenty presented a challenge to the Nation's economists—and still does. Olson clearly saw the unjustified and unwarranted contradiction. Said he:

> We find granaries bursting and thousands starving; cotton piled high in warehouses, millions insufficiently clad, and prices so low as to be the despair of the planter; banks bulging with money, and widespread poverty; machinery equipment standing idle with multitudes in need of the things the machine could produce; mountains of coal and people freezing; ablebodied men and women, eager to work, forced to take the necessities of life for themselves and their children from charity.

He insisted that the industrial practices of the past were responsible for the deplorable conditions of today, and maintained that a system motivated by the element of "blind and selfish profit" must inevitably result in concentration of wealth on the one hand and concentration of poverty on the other. He read into the record of bankruptcies, business failures, and mortgage foreclosures the gradual elimination of the middle class.

> Had a foreign foe, he once said, invaded our shores, taken the savings away from millions of small bank depositors, driven hundreds of thousands of small farmers off their farms, seized furniture and chattels of millions of families, all the manpower of the Nation would be thrown into a titanic struggle to expel the invader. But our foe has come from within. And as the people of old ran to their Government beseeching protection from the raiding horsemen of the foreign foe, so today people are asking Government aid from the perils here at home.

DUTIES OF GOVERNMENT

While Floyd Olson was a severe critic of the present economic order, his criticism was constructive in nature. He

did not want to destroy anything that is good; he wanted to destroy only that which is evil. He wanted to build the house on a solid foundation. But he did not believe in glossing over faults; he did not hesitate to call attention to the pitfalls. He was convinced that unless we saw the picture clearly, faced the issues courageously, and possessed the intelligence to do something about it, there some day would come a sad awakening.

The chief fault, in his opinion, lay in our inability to distribute equitably the tremendous wealth which we are able to produce—that we were suffering not from overproduction but rather from underconsumption due to insufficient mass purchasing power. Economists are becoming more and more convinced that only a great increase in mass purchasing power, bringing about a higher standard of living, can bring permanent prosperous conditions and solve unemployment.

The remedy, Olson insisted, must come from governmental action. He had no confidence that industry, if left to itself, would or could do the job. He maintained that it was the duty of government to restrain the strong and defend the weak, and said that—

A nation cannot be preserved which does not preserve its citizens. Industry is retrenching—

He asserted—

reducing wages, lowering the standard of living, destroying buying power, and throwing more and more men and women on the streets to shift for themselves. Just how that is going to solve our economic problems is beyond understanding.

To the allegation that Government effort to bring about better economic conditions would be destructive of individual liberty, he once replied:

Whose liberty? Liberty for what purpose? Liberty of the Citizens' Alliance to arm thugs to shoot defenseless strikers in the back? Liberty of promoters of spurious stocks to fleece widows and orphans? Liberty of millionaires to escape taxation? Liberty to make slaves of workers and serfs of farmers? These are the individual liberties that these people mean.

OLSON'S YOUTH

Floyd Bjornsterne Olson was the offspring of immigrant parents—a Norwegian lumberjack, Paul A. Olson, who came to America from now war-torn Trondheim, and a Swedish servant girl whose birthplace was in Varmland, Sweden. They were married in Minneapolis and their only child was born to them on November 13, 1891.

Mrs. Olson selected Floyd as the first name for their son because she wanted to give him an American name and Floyd sounded nice to her. Bjornsterne was the father's choice for the second name in memory of the Norwegian poet, Bjornsterne Bjornson, whom he revered. But none of Floyd's friends ever knew that his second name was Bjornsterne, and he never took the pains to tell them. Matter of fact, his second name appears in his high-school records as William, a much "safer" name.

It was a modest, humble home in which Floyd Olson first saw the light of day—a poor workingman's home in a poor workingman's neighborhood, but a neat and refined home. The houses in the district have since been cleared away for a slum-clearance project, but friends of Olson's saw to it that the house in which he was born is preserved for posterity. It is now an attraction in one of the North Minneapolis parks.

But Floyd Olson's boyhood neighborhood was not depressive despite its unmistakable evidences of poverty. It was not a slum district in those days as we generally understand the meaning of that term. There were plenty of wide, open spaces for the boys to play in. The youngsters were a rough and ready sort, in whose company a mollycoddle was just out of luck—and there was nothing of the mollycoddle about Floyd. The boys were filled with the zest of life. They engaged in normal pastimes, played baseball, football, did ice skating, went fishing; they formed their gangs; fought—sometimes for the sheer fun of it; and sometimes played "hookey" from school.

HUMBLE BEGINNINGS

Floyd was pretty much like the rest of them. He liked his play, especially when the play was hard. He was particularly good at baseball, running, and skating; delighted in playing pranks; and always went along with the rest of them on their escapades.

He was a normal boy, but he had one distinct advantage over the rest of his playmates—his mental keenness made it easy for him to get his school work done in jig time. He thus seldom came to school with lessons unprepared, no matter how long he played. He liked to read, his tastes running to such works as Dumas' The Count of Monte Cristo, Victor Hugo's Les Miserables, and detective and Wild West stories. Even as Governor he was able to relax by reading good detective stories. Much of his spare time he devoted to memorizing and reciting passages, which varied from Casey at the Bat to Hamlet's soliloquy, To Be or Not To Be. These recitations greatly delighted his cronies, and they showed him off on occasions.

Most of the children in the neighborhood had to supplement their parents' meager incomes in various ways. Floyd sold newspapers. During the summer fishing season he picked up a few pennies by catching frogs and selling them for bait. He was fond of animal pets and went in for raising rabbits and pigeons not for financial reasons but rather as a hobby. That explains why he once kept a large delegation at the Capitol waiting for more than an hour because he took to a veterinarian "for repairs" an injured bird he observed fluttering alongside the roadway.

"THEY CAN'T TELL ME THAT'S RIGHT"—FLOYD

It was an impressionistic neighborhood in which Floyd Olson was reared. In a sense, it symbolized the very essence of Americanism—everything that America stands for. It was a neighborhood of mixed nationalities—of people who had come to this country to find not a life of ease, but rather reward for honest toil, opportunity for themselves and for their children, a chance in life. There were blond Vikings from the northland, deep-throated Germans, Irish, French, English, Welsh, Scotch, Jews, Slavs—in fact, all the races that form America's great melting pot which makes this country different from and more hopeful than any other land on earth.

On the outskirts of the neighborhood were many beautiful homes, and Floyd, even in his early days as a youngster, set to wondering why it was that some people could afford to live in those pretentious houses while other people, who worked infinitely harder, had to live in simple and even dilapidated houses; why the wives of the rich could employ servants to do their work while the equally good wives of the poor workers had to do scrubbing and mending and cleaning all day long which sapped from them all their energies. "They can't tell me that's right," he would remark. And he disliked the school teacher who preached a Pollyanna philosophy that "God's in His heaven, all's well with the world."

During his high-school years, when he achieved fame as a debater, those thoughts more and more impressed themselves upon his mind, and he was more intent on finding the answer. He discussed these matters with some of his teachers, who tried "to put his thinking straight." In reality it was he that was trying to put their thinking straight.

ANCHORED WITH THE POOR

More adventure was packed into the life of Floyd Olson from the time that he graduated from North High School in Minneapolis in 1909 to the time that he received his law diploma from the Northwestern College of Law in Minneapolis in 1915, from which he graduated as the valedictorian of his class, than is contained in the entire life of the average person. He went in for manual labor; became a freight handler in Minneapolis railroad yards; took to the harvest fields of Minnesota and the Dakotas; tried his hand as a house-to-house book salesman; did lumberjacking; worked as a scowman on the Fraser River in Canada; took a fling at gold mining in the Canadian Rockies; and attended the University of Minnesota College of Law for a year before entering the Northwestern College of Law.

American history is replete with tales of poor boys who "made good," and surely Floyd B. Olson, of humble beginnings and of humble origin, must be placed in that class. But that does not tell the real story—it does not give an accurate pic-

ture of the life and significance of this remarkable man. He never said "good-bye" to the world of poverty in which he was reared; he never pulled up his anchor from that world; he never left it behind him as so many others do. In that world he maintained his friends, his sentiments, his attachments; he always remained part and parcel of it. And he went through life with a burning mission to do something to help ease the life of all people who suffered, socially and economically, as did the working people in the district in which he grew up.

A REMARKABLE MAN

It is often asked how far Olson would have gone up the ladder of national fame had fate decreed for him a longer span of life. There is no telling. Possessing in abundance the sterling qualities of leadership that put men on top—vision, courage, capacity, a magnetic personality, the art of inspiring others—it is almost certain that the liberals of America would have selected him to head a new national political movement.

He possessed not only unusual charm and eloquence as a speaker but unusually marked ability in many directions. He was a man of almost unbelievable versatility and of great intellectual stature. Had he chosen the stage as a career, he unquestionably would have reached the foremost ranks of that profession. When he played the leading role in his senior high-school class play his teachers were so amazed at the display of histrionic talent by this youngster that they urged him to continue along that path. Had he chosen journalism as a profession he also would have excelled, since he wrote with an ease, a facility, a penetration, and a grasp of subject matter that was at once a source of envy and admiration of newspapermen and writers who knew him.

Hundreds of practicing lawyers in the Northwest today still remember Floyd Olson as their teacher at the Minnesota College of Law. He had the faculty of imparting knowledge to others with a lucidity that made the most intricate problem appear relatively simple; no other teachers at the law school could approach him in that respect. His classes were always crowded.

OLSON AS A LAWYER

As prosecuting attorney, Minnesota never saw the equal of Olson. His ready wit, his ability to anticipate every strategem of the opposition made him the scourge of criminal lawyers when he was Hennepin County attorney; he excelled them at their own game; he beat them to every punch, so to speak. Personally, these lawyers loved and admired him because he never violated his word; never took an unfair advantage; always kept their confidences. However, they dreaded the very sight of Floyd Olson taking the opposite seat in the courtroom.

But, as he excelled as prosecuting attorney, so was he equally effective in arguing a case at law before the court. Federal judges in Minneapolis will tell you that they never heard a more masterful presentation of State's rights than when Olson appeared personally before them to defend his action in calling out the National Guard and proclaiming martial law during the now famous truck drivers' strike when the antilabor forces sought to restrain him by Federal injunction action. The courts, you can be sure, did not seek to give the Farmer-Labor governor the best of it, but they nonetheless sustained his legal contentions.

The corporations of Minnesota were quick to recognize Olson's legal talents—and it is no secret that he was the the recipient of very flattering offers for his services if he should desire to give up his public career to enter private law practice. Fortunately for the common people of Minnesota—and the common people of America—he thought in terms of public service, not in terms of becoming a rich man.

As an orator, Olson had few who approached him—none who excelled him. At no time did he ever become boresome to his audience, no matter how late the hour nor how long the speech; no audience ever walked out on him. Now serious, now talking in a light vein, now accusing, now "calling the roll," as he called it, he was always able to keep the interest of his audience at a high pitch until he concluded.

HENNEPIN COUNTY ATTORNEY

The first public office held by Floyd Olson was that of assistant Hennepin County attorney, to which office he was appointed in 1919. This is the largest county in the State, in which is situated the city of Minneapolis. The board of county commissioners the following year named him county attorney when the chief was removed from office. He thus became the youngest man ever to hold that important office.

So excellent a record did Olson make as prosecutor that he was elected to that office in 1922 and reelected in 1926 by the biggest majorities that county had ever given a candidate for public office.

Two series of investigations, followed by successful prosecutions, which Olson conducted as county attorney, won for him national attention. The first was in 1925, when he went before a county grand jury and obtained indictments against several leaders of the Ku Klux Klan. These Klansmen were tried, convicted, and sent to prison—the first successful prosecution of the Klan in the entire country.

The young county attorney in 1926 again displayed his mettle when he conducted an inquiry into municipal graft and corruption in Minneapolis, and sent several members of the city council to the penitentiary for accepting bribes. Before entering upon this investigation he was warned that he could go through with it only with the most dire consequences to himself. These threats, instead of deterring him, merely made him more determined.

"JUSTICE"—HIS RECORD

Olson was different from other prosecutors in that he never enjoyed the smell of blood in "getting" his victim; he did not glory in having another successful prosecution chalked up to his record. He did not regard the record in itself as of primary importance. The only thing that counted was to what extent he had furthered the ends of justice. The role of prosecutor never hardened him; rather it gave him a keener insight into the frailties of man.

An implacable foe of the professional criminal, he differentiated between the criminally inclined and those led into the ways of crime through adverse economic circumstances. While his record of convictions obtained was one of the best in the country, he likewise appeared more often in court to plead leniency for defendants whom he thought would become useful members of society if extended a helping hand. Proportionately more first offenders received probation in Minneapolis and Hennepin County as the result of intercession by Olson with the court than in any other large city or county in the United States. The social correctness of Olson's position is supported by the fact that most of the first offenders for whom he obtained probation made good instead of becoming hardened criminals, which so often happens when they are sent to prison.

A case which serves as an excellent portrayal of Olson, the humanitarian, and his fearless social outlook was when a young man pleaded guilty to a charge of embezzlement of funds from his employer, one of the giant corporations of the Northwest. This young man, married, handled thousands of dollars of the bank's funds daily. He was compelled to maintain a social front in accordance with the "respectable" position that he held—and he had to do this on a monthly salary of less than $100. He succumbed to temptation.

Olson asked the court to extend probation to the defendant, and during the course of his plea for the young man he declared that the bank for which he worked was equally, if not more so, guilty of the crime. In the eyes of the court this was tantamount to committing lese majesty—an insolent slur against the very pillar of the city's financial respectability.

EXPOSES CITIZENS ALLIANCE PLOT

Another incident, still vividly recalled by newspaper reporters who covered the courthouse run in Minneapolis in those days, occurred during a labor strike in North Minneapolis.

The strike was in connection with an electrical job in a schoolhouse. There had been an explosion, apparently caused by dynamite, which had all the earmarks of sabotage. The damage was very slight—intentionally slight, as proved to be the case.

The same night, following the explosion, a drunken union man had been arrested in the vicinity by the police, who found several sticks of dynamite on his person. Obviously here was conclusive proof that the union was behind this dastardly dynamite plot.

The newsmen had gathered early the next morning at the county attorney's office for a statement, but the statement was not immediately forthcoming. This man, destined to become a prominent leader, was conducting an independent investigation of the case; he had refused to accept as conclusive the confession that the police had extracted from the prisoner. While the newspaper reporters were "cooling their heels" outside his office, Olson himself was examining this man.

When he was ready with his statement to the press it did not make the kind of a story for which the editors of the dailies were holding their presses. It was not the kind of a story for which the banner headlines held in readiness could be used.

Olson told the reporters that his investigation disclosed the fact that the prisoner the previous night had been in company of certain persons who got him intoxicated, that these persons purchased the dynamite and "planted" it on his person, and that a check as to the identity of these individuals further disclosed that they were stool pigeons in the employ of the Minneapolis Citizens Alliance, a notorious organization of the city's open-shop employers.

If there is to be a prosecution in this case—

He told the reporters—

it will not be of the prisoner but rather of the president of the Citizens Alliance. I charge specifically that this was a plot hatched by paid agents in his employ for the purpose of discrediting the union.

It was then that Olson first incurred the enmity of the Minneapolis Citizens Alliance—an enmity, be it said to his everlasting credit, that followed him to his very grave. Without question the Minneapolis Citizens Alliance was one of the most vicious antilabor organizations in the entire country, setting a national pattern for anti-labor practices.

OLSON ACCOMPLISHMENTS

In considering the accomplishments of the Olson administrations it is well to bear in mind that in not a single instance did he have the support of a liberal legislature. This fact makes these accomplishments the more remarkable.

Time after time, in order to compel legislative action on vital social measures, such as passage of relief bills, it was necessary for him to go before the people. This very often was productive of good results; it had a salutary effect upon the conservative members; they feared public opinion, and Olson was a master in marshaling public opinion to his aid.

This lack of legislative support was one of Floyd Olson's greatest disappointments in public office. Said he in his last address before a Farmer-Labor convention:

I look back at my three terms as Governor with one great regret. I did not have, on any occasion, a majority of the members of the legislature who agreed with the principles of this (Farmer-Labor) movement. To have had that, I say from my very heart—to have had that in any one session—would have been sufficient gratification so that I would have been willing thereafter to retire from public life.

The election of a liberal Governor and a conservative legislature is one of the anomalies of American political life.

His accomplishments, nevertheless, stand out as one of the most significant progressive achievements of modern-day America.

NATIONAL GUARD CALLED TO PROTECT LABOR

The workers and the farmers of Minnesota—the two large groups whose labor produces most of our social wealth—as well as the independent business and professional groups, know what it means to them to have political action of their own.

While old party politicians, even those claiming to be friends of labor, render lip service to the cause of the workers by talking of "the rights of labor," "the dignity of labor," and utter similarly flattering phrases, it remained for a Farmer-Labor Governor, Floyd B. Olson, to be the first State executive in America to call out the State militia during a labor strike for the purpose of protecting the civil rights of the workers and the public in general. He did not call out the troops against the strikers. Olson showed how a people's Governor acts in a crisis when he called out the National Guard during the now famous 1934 truck drivers' strike in Minneapolis.

I've covered a lot of strikes and I've seen a lot of National Guards in action—

Said the late Paul Y. Anderson, nationally known Washington correspondent and winner of the Pulitzer prize for reporting, when he came to Minneapolis to cover the strike for the St. Louis Post-Dispatch—

but this is the first time I have ever seen the National Guard being used to help the laboring man instead of shooting him down. In fact, it is so unusual that my paper thought it worth while to send me over a thousand miles to cover it. There are 47 Governors in 47 other States, and you can bet that they are watching this with a great deal of interest.

In this strike so-called employers' advisory committee, at the behest of the Minneapolis Citizens Alliance, declined to accept Governor Olson's proposed terms for settlement of the strike—terms extremely fair to both sides. Two things prompted the Citizens Alliance to reject Olson's proposals—they saw in the strike a golden opportunity to crush organized labor; they also refused because they feared that acceptance would add to the political prestige of the Farmer-Labor administration. The latter argument was definitely advanced when the committee met in executive session to discuss the proposal, several members of the committee later divulged.

Although the employers in the so-called market group voted 19 to 3 for settlement of their differences with their workers, they were restrained from doing so by the Citizens Alliance.

POLICE PROVOKE "INCIDENT"

The troops were called out by Governor Olson after an "incident" deliberately provoked by the Minneapolis police, at that time under the thumb of the Citizens Alliance. This occurred in the market district of the city, where a truck containing a handful of merchandise was moved under police convoy. The fact that the truck was going to be moved, as well as the exact time of moving, was advertised in advance by a news item in all Minneapolis papers.

The "incident" was carefully planned and ruthlessly executed. As soon as strikers got in the path of the truck to prevent its being moved, police opened fire. The workers, in panic, fled, but the police pursued them relentlessly, shooting some down as far as 4 or 5 blocks from the scene of disturbance. More than 50 workers were shot; some were killed. An investigation immediately conducted by Governor Olson produced the startling fact that virtually every one of the wounded and killed strikers was shot in the back. It was a cold-blooded assault upon unarmed men. Not a single striker was found to have carried firearms.

The police—and by police I do not mean the rank and file—were prepared to mop up on the workers at whatever price it entailed in human blood and win the strike for the Citizens Alliance. But they failed to reckon with the fact that Minnesota had a Farmer-Labor Governor. It did not, however, take them very long to find that out—and neither did it take the workers long to find out that they had in Olson a Governor different from any other Governor of any other State.

RAIDS CITIZENS ALLIANCE

Governor Olson was in possession of information of the part being played by the Citizens Alliance to prevent a settlement of the strike. He knew that employers who wanted to settle with their workers were being intimidated, and threatened with financial ruination if they did not follow the line laid

down for them. To fix responsibility he ordered the National Guard to conduct a raid of the Citizens Alliance headquarters.

Although it is known that a tip-off was received by the Alliance enabling them to remove a truckload of telltale evidence, sufficient documents were seized to establish responsibility for the strike. The documents disclosed not only the part that the small, controlling group within the Alliance had been playing in the current strike, but also revealed that the Alliance maintained an elaborate spy system within the labor unions; employed agents provocateur to stir up labor strife; and cooperated with other antilabor forces in various sections of the country in carrying on antilabor espionage, strikebreaking, and similar activities. It likewise showed that the Alliance maintained a powerful lobby at the statehouse for the purpose of defeating all labor and liberal legislation.

Governor Olson exposed the activities of the Citizens Alliance in a radio address to the citizens of Minneapolis, who were shocked by the revelations of the intrigue carried on by a group which did not represent the sentiments of the great majority of employers of the city. In such disrepute was the Alliance placed that it later felt it necessary to change its name. The Minneapolis Citizens Alliance no longer exists as such.

Federal mediators were called in to help settle the strike. After a bitter, needless struggle the terms finally accepted by both sides were substantially the same as the terms originally proposed by Olson as a fair basis of settlement. Several lives would have been spared, bloodshed averted, and millions of dollars saved had Olson's sage advice been accepted from the beginning.

HUMAN RIGHTS ABOVE PROPERTY RIGHTS

Olson regarded the preservation of human life as more important than the preservation of property. When the strikers at the Hormel plant in Austin, Minn., in 1933 seized the company property Olson, instead of calling out the National Guard to expel the workers by force, for which certain antilabor elements clamored, went there in person.

I am dealing with intelligent people on both sides, and I am satisfied that they will listen to reason—

He said. Both sides did listen to his intelligent appeal, and submitted their case for determination to the State industrial commission. The Hormel plant today enjoys a national reputation for its enlightened labor-relations policy.

In the case of two other labor strikes in Minneapolis—the Flour City Ornamental Iron Works and the Strutwear Knitting Co.—Governor Olson took drastic steps to close down the plants in order to prevent riot and bloodshed. In the Flour City strike two innocent bystanders were killed when the police broke up a group picketing the factory.

Not only did the Governor close the factory—

Commented the Pope County Tribune editorially—

but he had the real leaders in labor get together with the industrial leaders and iron out their differences. The result is that the factory is now operating and the differences have been adjusted.

Other newspapers in the State were not so fair to the Governor.

LABOR'S RIGHT TO ORGANIZE

Replying to the strictures of the Federal court for his closing of the Strutwear Knitting Co. plant, Governor Olson said it was "an impressive enunciation of the constitutional sacredness of property rights." But significantly added that the court might have included "a hint to the plaintiffs—the Strutwear Co.—respecting arbitration."

Olson believed not only in the right of labor to organize and to bargain collectively but in the need of labor organization as an instrument for developing a higher standard of living for the people.

The unorganized worker—

Said he in his 1932 campaign keynote address—

owes a debt of gratitude to his organized brother. If his living standard has not been beaten down to the level of the Russian peasant of the Czarist days, it is due to the demands the organized worker has been able to enforce. The former has benefited from the struggles and sacrifices of the latter.

In another address he declared:

The rights which labor has won labor must fight to protect. The rights which humanity hopes to acquire, that of social security, has not as yet been won, and labor must fight to win it. The only means through which labor can win its own battle and its fight for the entire human race is through organization.

UNEMPLOYMENT COMPENSATION

Governor Olson waged one of the first fights in this country for compulsory unemployment insurance.

In 1931, several years before the idea was advanced and enacted into law by the New Deal, he pleaded with a reactionary legislature to pass an unemployment insurance law. "Charity and doles," he told the legislature, "should not have to be depended on to protect the working people and to preserve buying power." The Governor's recommendations were not carried out.

Again, in a special message to the Minnesota Legislature on February 25, 1933, Olson, renewing the fight, recommended a program for compulsory unemployment insurance, and said:

If industry had taken care of this in the so-called prosperity years, we would not have this situation. The numbers of unemployed are increasing. It ill behooves industry to come forward and say that we should not do this. It now remains for the State to do what industry failed to do. This program is for the purpose of protecting the welfare of the people, not for the purpose of protecting profits.

Reaction also won the second round of this fight, and the program was turned down. Victory, however, finally rested on the banner of this mighty social pioneer. During his last term of office, already stricken by a dread disease, word came to him that Congress had passed the Social Security Act, with its provision for unemployment insurance under "Grants to States for unemployment compensation administration." Great credit should be given to Governor Olson and to the Farmer-Labor Party of Minnesota for helping to lay the groundwork for this law.

ADDITIONAL BENEFITS TO LABOR

Clearly foreseeing the need for a public works program to provide employment and to stimulate industry, Floyd Olson in 1931 succeeded in putting such a program through the legislature. This program consisted of construction of a new State office building, extensive work on State institutions which had been permitted to lapse into a state of disrepair as the result of a false policy of economy under a previous administration, and similar public works projects, thus giving employment to thousands of needy persons. This also was long before the Federal Government embarked upon a public works program to relieve unemployment.

When it was found necessary to reduce State expenditures Governor Olson vigorously opposed the conservative program to slash wages and salaries of State employees. He stated that he was not opposed to reduction of salaries of State officers and employees in the high-salaried brackets, but would not agree to salary reduction of those in the low-salaried brackets. He pointed out that, "when salaries are cut it is a long, tedious, and sometimes bitter process before they are restored to their proper level, even though economic conditions have righted themselves." Prevailing standards of pay for the rank-and-file employees were always maintained.

ANTI-INJUNCTION LAW

Although the State legislature declined to enact legislation recommended by the Governor—that wages paid on public works carried on either directly or indirectly by the State or by contract with the State "must be equal to the highest prevailing scale of wages paid for the particular kind of work performed"—Olson, nevertheless, directed the commisisoner of highways to formulate a contract code carrying out that principle.

Of great benefit to labor was an anti-injunction law passed by the legislature at the insistence of Governor Olson, patterned after the Norris-LaGuardia Federal injunction law. The workmen's compensation law was strengthened during Olson's administration and great advances made in plant inspection and installation of safety devices to protect workers.

Only a small percentage of the labor and social laws recommended by Governor Olson were adopted by the Minnesota Legislatures; but even in the legislation which failed passage the battle was not lost. In the social and economic struggle a good battle waged which does not reach its goal is not a battle lost; the ground is merely prepared for future successes.

BENEFITS TO FARMERS

Governor Olson, in 1933, did something for the farmers and the home owners not only of Minnesota but of the entire United States, which stands out as one of the most significant progressive achievements of recent years.

On February 4 of that year he issued a proclamation which marked a milestone in the great struggle for economic justice. If you will recall, that was a time when hundreds of thousands of people—in the cities and on the farms—were losing their homes acquired through a lifetime of savings through mortgage foreclosures because of inability to meet interest and principal payments. The economic factors which contrived to bring about that sad state of affairs were beyond the control of their victims; the depression was none of their making.

Go back with me to the dark days of 1931–32 and the early part of 1933. We see thousands of banks collapsing, millions of unemployed and hungry, thousands of families being driven from their homes, while the sound of the sheriff's hammer and the auctioneer's voice rose loud in the land—Bid! Bid! What will you bid for this old homestead?

People have suffered and died for this home. They fought the Indians, the plagues of nature, and the inhumanity of man for this little plot of land. They loved, they suffered, they bled, they died for this little home. But bid. Bid! Bid! Bid for a mother's heartache and a child's tear. Bid for a father's sullen anger and a youth's wild despair. Hoover says we must pay our debts in gold or grass will grow on the streets. The banks of Wall Street want a stable currency even if it unstabilizes the whole Nation. Bid, bid, bid for a vanished dream and a home that should have been a haven and a refuge.

While other Governors of equally sovereign States did nothing to ameliorate the sufferings beyond expressing sympathy with the plight of the poor wretches, Minnesota's Floyd Olson ordered—

That each and every sheriff and each and every constable and police officer of the State of Minnesota refrain and desist until May 1, 1933, or until further notice, from foreclosing or attempting to foreclose any mortgage upon real estate upon which the mortgagor has his residence, furniture, and household goods used by the householder mortgagor; farm machinery and livestock in use and possessed by a mortgagor actively engaged in farming and agriculture in the hands of the producer thereof.

MORTGAGE MORATORIUM LAW

In the eyes of the great financial interests of the State and of the Nation, Governor Olson's mortgage moratorium proclamation meant nothing short of revolution—an interference with the sacred rights of property. To Floyd Olson and to the people, however, it meant the savings of hundreds of thousands of city homes and farms for their rightful owners.

The proclamation, the legality of which was immediately challenged in the courts, gave to a harrassed people the necessary breathing spell. It brought the flood of mortgage foreclosures in the State to an abrupt stop.

But this was only the first step, a very bold and necessary step that accomplished its purpose. Before his opponents could bring him into court, Olson, marshaling public opinion to his side, presented to the State legislature his now famous mortgage moratorium law. A sullen body of lawmakers, sensing the temper of the people, passed the act, the first of its kind enacted in America.

A long fight in the courts followed, the law finally being held constitutional by the Supreme Court of the United States. This ushered in an altogether new concept of property rights—the right of the State to protect the property of its citizens during a period of great economic upheaval over which the people have no control. Minnesota, under a Farmer-Labor Governor, showed the country the way. Other States and the nation followed.

PROBLEMS OF FARMER

The Farmer-Labor Party program for the farmer, for which Floyd Olson fought, included Government guarantee to the farmer of cost of production plus a fair profit; scaling down of farm debts incurred during a period of heartless farm deflation; reduction of farm-mortgage interest rates; and reduction of farm taxes.

Government guarantee to the farmer of cost of production plus a fair profit is the keystone of this program, which must be enacted if agriculture is to be taken out of its state of chaos. The Government has protected railroads and other public utilities by fixing rates and charges which guarantee a fair return not only upon invested capital but upon watered stock as well.

They—

Meaning the utilities, said Olson—

have secured special legislation because they have a greater voice in government than have the farmers. If I had the power, I would not hesitate to fix prices of farm products commensurate with the cost of production and sound-business practice. No business can exist when it sells its products for less than it costs to produce them. When the farmer receives an inadequate price for his products he cannot purchase the products manufactured by capital through the agency of labor; labor is consequently unemployed, and capital becomes insolvent.

MORTGAGE RELIEF

In 1933 he asked the State legislature to set an example for the rest of the country in its approach to the farm problem by passing legislation enabling the State Rural Credit Bureau, which held millions of dollars in farm-mortgage loans, to adjust farm-mortgage indebtedness—

To enable the mortgagor not only to pay the State the reduced amount of principal, but also to retain his farm.

In effect, this is what Governor Olson told the legislature: The State made loans of $61,000,000 to the farmer. When these loans were made the purchasing power of the dollar was much less than it is today. To ask the farmer to pay back dollar for dollar is in reality asking him to pay back more than he received. Conditions now make it impossible for him to do this. We might as well approach the situation realistically and take our—the State's—losses now, if losses there be. So should every mortgage holder. It is an injustice to force payment of a dollar now for a dollar loaned in 1925. Besides, if we enforce collection we shall merely be taking the farms away from their rightful owners. The entire country will suffer.

The legislature did not pass such an act, but on the Governor's instructions the rural credit bureau did adopt a policy of leniency with respect to mortgage payments and foreclosures, and no farmer who wanted to stay on his land and operate his farm was driven off by the State.

I shall subsequently discuss aid to the farmer under Governor Olson's administration by way of tax relief, under the subject matter of tax reform.

When the Federal Government embarked upon a program of rural electrification, Governor Olson asked the Minnesota Legislature to pass enabling legislation to aid in carrying out this program in Minnesota because, as he said:

It offers the greatest opportunity the State of Minnesota ever had to assist its farm population.

All of Olson's recommendations were not carried out, but sufficient legislation was passed so that Minnesota farmers were able to avail themselves of much of the benefit of the Federal rural electrification program.

More than any other person, Floyd Olson is responsible for the Federal Government's seed and feed loan policy to the farmers, having personally intervened to bring about that program.

On the whole, however, the farmer's problems, being national in scope, must be solved by national rather than by State action. Floyd Olson and the Farmer-Labor Party

carried this fight for the farmer to the Halls of Congress, a fight which is still being carried on.

PIONEERED FOR YOUTH

Minnesota's illustrious Floyd pioneered in all phases of social legislation, but in none was his trail more blazing or more worthy than in the field of youth aid. He was the first Governor in America to consider the effects of the depression upon youth and really do something about it.

If I were asked—

Said Governor Olson—

to name the greatest tragedy that has followed in the wake of the depression, I would say that it has been the destructive effect upon the morale of our youth. If I were asked to name the chief victim of the present heartless order I would not hesitate to say "youth."

Let us return for a moment to the early depression days, when families losing their homes could not afford to keep their children in school. Those were the days when thousands of our young men and women, boys and girls, were forced to take to the roads. Many persons undoubtedly have been startled by the conditions described in John Steinbeck's novel, Grapes of Wrath. Many think these conditions are new. They are not. They existed in a much more aggravated form in the early days of the depression. They were described in a book by Thomas Minehan, Boy and Girl Tramps of America. Mr. Minehan at that time was professor of sociology at the University of Minnesota; and in gathering material for his book he left the classroom and went out on the road himself, living with the so-called tramps. The conditions described in this book do not make pleasant reading, but I recommend a perusal of it to those who are not afraid to become acquainted with some naked truths.

NATIONAL YOUTH ADMINISTRATION

For the purpose of devising a practical program for youth, Governor Olson called a State-wide conference of educators in Minnesota in the spring of 1933. As a result of that conference the so-called Minnesota plan was formulated, "whereby worthy youths could receive aid from State and Federal relief funds for the furtherance of their education."

The plan called for contributions by the State and Federal Governments to provide for the employment of youths attending school. It was immediately placed in operation in Minnesota, and attracted so much favorable attention that in the early part of 1934 Harry Hopkins, then F. E. R. A. Administrator, adopted this form of student work relief.

Governor Olson in person presented the Minnesota plan at a White House conference; and in June 1935, when the President by Executive order established the National Youth Administration, the heart of it was student aid in the form of work relief as proposed by Governor Olson and put into operation in the State of Minnesota.

Floyd looked upon youth as the future hope of the Nation. Said he:

The Nation is crying for young men and women to lead it. Our opponents defend the system which crushes youth; we attack it. We need youth to help make over this sick and palsied structure in which we try to live into a better and finer social order.

EDUCATIONAL STANDARDS

As part of his program for youth, Governor Olson fought not only for preserving educational standards at a time when educational standards throughout the country were being lowered in the interest of economy, but for raising them. His reply to the campaign of the so-called taxpayers' leagues to cut down school expenditures was, "We need more education, not less." He observed that many of the schools in the poorer sections of the State were inferior to schools in the more well-to-do sections; that on the whole, rural schools were inferior to city schools; that rural districts could not afford to pay higher taxes to improve their schools; that higher taxes would drive the families off the land; and that many rural children, particularly those in the high-school grades, could not attend school because of transportation costs.

As a result of his efforts, the amount of State aid to schools was virtually doubled during Governor Olson's administration; a State income tax was passed, and mining company taxes raised, the major share of which went to equalizing education; a series of "school aids for transportation" were put through, providing for free transportation of rural high-school students and transportation of crippled children to school; and a bill was passed providing aid for special schools for crippled children.

Olson also aided education by successfully opposing the cutting of teachers' salaries, by strengthening laws relating to teachers' tenure, and by conducting one of the leading fights in the country for academic freedom in our schools and colleges.

TRUE FUNCTIONS OF EDUCATION

The true function of education—

Wrote the Governor in an article for a local parent-teacher publication—

is to show the way to life—to teach us to live. To accomplish this purpose, there must be complete academic freedom, not only for university professors and instructors, but, even more so, for the teachers in our elementary schools. We cannot hide the truth from our children and expect them to grow into manhood and womanhood with clear eyes and with clear brains.

The real teacher must possess a state of mind akin to the scientist—and that state of mind must be imparted to the pupil. That is the laboratory state of mind. It is a state of mind that is open to the truth, no matter where the truth may lead, and ever ready to embrace the truth, once it is definitely identified. All study must be motivated by the quest for truth.

I am not attempting moral generalizations. I am thinking in positive and concrete terms. I mean that when teachers indulge in distortions of the truth because of economic self-interest they defile their classrooms. The products of such classrooms, then, are young folks who enter into life with perverted ideas—young people incapable both of analyzing the weighty problems of today and of finding the remedy for these problems.

Give this country one generation taught to seek the truth, a generation unafraid to follow the truth after it is found, and I am satisfied that economic and social problems which seem so knotty today will become quite simple of solution. Such a generation will teach us to live and obtain for us the full measure of the richness of life.

PENSIONS—NOT CHARITY TO AGED

As Olson sought to give youth greater opportunity, a better chance to find itself, so also did he seek to bring security to the aged. Here, also, he was carrying out the philosophy of the Farmer-Labor Party.

From the very beginning, the Farmer-Labor Party campaigned for adequate old-age pensions. It took the position that the aged were entitled to such pensions not as a matter of charity but as a matter of right—something which society owes to those who devote their lives to contributing to our social wealth, and who, in the sunset of their lives, find themselves in want. A life entirely free from want, a life of ease and comfort, is the least we must assure to the aged. It is to the everlasting disgrace of this rich country that it has not as yet done this.

During his first term of office, the Governor pleaded with the legislature to adopt a State-wide compulsory old-age pension plan, but it was rejected. However, he kept up his fight, and in 1933 a State-wide compulsory old-age pension law was placed upon the statute books.

In the face of conservative pressure to weaken the act, Governor Olson succeeded, in the 1935 legislative session, in putting through features to liberalize it, although not all of his recommendations as to amounts paid, age limits, and length of residence were adopted.

FIGHT FOR ADEQUATE RELIEF

Floyd Olson's humanitarian principles and ideals came to the fore most strikingly when he made his outstanding fight for adequate appropriations for the State's needy during the desperate winter of 1933. That fight focused national attention upon Minnesota.

It was a situation which required drastic measures to meet a drastic situation, and Olson took such drastic measures. A preponderantly conservative State senate, with extreme bitterness and tenacity, opposed Governor Olson's relief

program. Addressing a group of relief marchers on the State capitol, the Governor served this warning upon those who were more concerned with saving a few dollars in taxes for the mining companies and the utilities than they were with the fact that people were faced with the problem of not having anything to eat:

I am making a last appeal to the legislature. I want to say to the people of the State of Minnesota that if the legislature—the senate in particular—does not make ample provision for the sufferers in the State who through no fault of their own are in that condition, and if the Federal Government refuses to aid, as it properly may, because of refusal of the State legislature to handle the situation, and the communities become unable to take care of the people, I shall invoke the powers that I hold, and I shall declare martial law.

A lot of people who are now fighting the measure because they happen to possess considerable wealth will be brought in by provost guard and be obliged to give up more money than they would now. As long as I sit in the governor's chair there is not going to be any misery in the State if I can humanly prevent it.

STARTLED THE NATION

Never before had a Governor in the United States proposed martial law during an economic depression in order to see that the hungry were fed. The Tory press in Minnesota and throughout the entire country vigorously denounced Olson. Olson replied in a radio address:

Only a few years ago we engaged in a great World War. The total cost of the war to the United States is estimated to be approximately $44,000,000,000. If this were allotted among the States it would amount to almost a billion dollars for each State. During the war we made no objection to the appropriation of money to insure victory.

We are now engaged in a great war against poverty and distress, in which the fundamentals involved are a hundredfold greater than the issues involved in the World War. For fighting, killing, and destroying life and property there is plenty of money, but for relieving the misery and starvation of our citizens the appropriations are negligible. Are we so miserly and so lacking in an understanding of our obligations to our fellow citizens who are in need that we must refuse the performance of our plain duty?

Olson refused to compromise, and he won a complete victory. The relief bill—which included also relief for drought-stricken farmers—was passed in its entirety. There were no bread lines or soup kitchens in Minnesota that winter. Neither was it necessary for Governor Olson to call out the troops.

In Minnesota the State executive council had power to extend relief to persons suffering only by reason of action of the elements. Floyd Olson secured a change in the law to empower the council to extend relief to persons suffering by reason of economic causes beyond their control. This was an advance step, since in effect it was recognition on the part of the State of an obligation to relieve suffering caused by economic depressions.

DECREASED HOMESTEAD TAXES

Minnesota under Governor Olson assumed national leadership in the campaign for a tax system based upon ability to pay.

In an effort to shift the cost of government from those least able to pay to those best able to pay, Olson obtained passage of an income-tax law, which was a cardinal plank in the Farmer-Labor Party program, for which progressives and liberals of the State had unsuccessfully campaigned for 35 years.

Olson regarded a tax system under which most of the money is raised through a tax upon real property, commonly known as the general property tax, as obsolete, economically unsound, and morally unjust. He said:

With practically every civilized nation on the globe having discarded the system, predatory wealth in America, which sees in the income tax an obstacle to continued concentration of wealth, has been able to retain the general property tax as the basic principle and cornerstone of our tax structure. A government that blindly continues to make those who can least afford to pay bear the brunt of the burden is building a house of glass and laying a foundation in quicksand. Of course, there is no reason why successful incomes should not support the government that makes these incomes possible.

The first homestead tax law in the United States lowering the tax rate on small homes and moderate farms was enacted under Governor Olson. The Farmer-Labor Party had always contended for preferential tax treatment.

In the growth of chains and monopolies Olson saw the greatest threat to the average citizen seeking a career in business. To protect the independent merchant against unfair chain-store competition, he forced the passage—I use the word "forced" advisedly—of a graduated chain-store tax. The Farmer-Labor Party was the only political party in Minnesota which, by deeds rather than by words, did something to protect the independent businessman.

VETOES SALES TAX

Thanks to Floyd Olson, the sales tax—the tax on poverty—never came to Minnesota. Not that there was not a determined effort to bring it there. There was, but it did not succeed.

In 1935 a reactionary legislature passed what was known as an omnibus tax bill, the principal feature of which was a general sales tax. By the device of incorporating the sales-tax feature in the omnibus bill, sales-tax proponents went on the theory that the Governor would be compelled to accept it, since the entire bill had to be either accepted or rejected. But they did not correctly estimate the courage of Floyd Olson. His warnings that he would veto the bill if the sales-tax provision were included went unheeded. But Governor Olson did veto it and the opposition did not even attempt to pass the bill over his veto. They were stunned. Opposition in Minnesota to a sales tax has since frustrated every conservative effort to force such a tax on the people.

The Olson administration also conducted a very vigorous campaign against the wealthy tax dodger, and millions of dollars' worth of carefully concealed wealth which had theretofore escaped taxation was uncovered.

CONSERVATION OF STATE RESOURCES

The story of the dissipation of Minnesota's natural resources constitutes one of the darkest chapters in the history of our State. The magnificent forests of white and Norway pine were turned over to the timber barons for looting; private capitalists, mostly from the East, were given almost carte blanche authority to exploit the State's iron-ore resources, the richest deposit of this valuable mineral in the world; the State's principal power sites were surrendered to the Power Trust.

With Governor Olson and the Farmer-Labor Party in power, there came an end to this era of squander of the natural resources of the State. All conservation activities were coordinated and placed under one head, and a far-reaching, comprehensive policy for conserving and restoring, so far as possible, these natural resources and utilizing them in the interest of all the people was put into effect.

Governor Olson believed, as he stated in his second inaugural message to the legislature, that conservation, "above all, should be concerned with human values," and that "if it fails to do that, then conservation is mere sentiment—a beautiful sentiment but of no social significance."

Achievements in conservation under Governor Olson are too great to be recounted here. I shall cite but a few.

When he took office in 1931 the State did not have even a semblance of a forest policy. Under his administration, a forest policy looking far into the future was put into effect. An aimless policy of forest annihilation was replaced by a policy of selective cutting of timber on State-owned lands, assuring against timber cutting greater than its replacement by Nature; the area of legally established State forests was increased from 35,000 acres to more than 4,000,000 acres, and a reforestation program put into effect. Not a single foot of virgin timber belonging to the State was cut down during the entire 6 years of his administration.

Governor Olson gave the State its first scientific program for park development through creation of a special division of parks within the department of conservation; he gave the State one of the most ambitious programs for water conservation in the country; and he converted the division of game and fish from a political dumping ground to a meritorious service.

LAND-UTILIZATION POLICY

A conservation achievement of Governor Olson which will become more important with the passing of time was his appointment of a land-utilization committee, headed by the late Dr. Coffman, president of the University of Minnesota. This committee also included the director of the Lake States Forest Experiment Station, one of the most noted authorities in the country on matters of conservation. The purpose of the committee was to make a study of land use to lay the foundations for a future scientific land-use policy for the State.

The committee undertook a study of this most important subject and submitted a report that undoubtedly will become a blueprint for the ultimate formulation of a land-use policy. When this is done it will prevent recurrence of many of the tragic episodes of the past brought about through haphazard land use and settlement—use of land for purposes not intended by nature. Minnesota knows the meaning of such tragedies, particularly its experience with a land-shark boom, when water was drained away from swamp peat land in the northern part of the State and sold as good farming land—leaving a trail of blasted hopes, broken homes, and bankrupt communities in its wake.

I have cited some of the accomplishments of the Olson administration. I could easily cite many more. I could cite the abolition of the silence system at the State penitentiary and the practice of handcuffing prisoners to their cell doors; general improvement of all State institutions in methods of management as well as physical improvement; humane treatment of the unfortunate wards of the State; passage of legislation granting pensions to the blind and pensions to dependent children; legal regulation of the sale of State timber that broke up the monopoly held by the powerful timber interests.

FARMER-LABOR PROGRAM

The complete Farmer-Labor program was not realized. This could only have been realized with the aid of a State legislature sympathetic to that program. The last legislature under Governor Olson defeated his proposals for maternity, health, and accident insurance; for additional rural electrification enabling legislation to give the farmers the full benefits of the Federal program; for State aid to schools in full; tenure for rural school teachers; further increases in the chain-store tax; amendments to strengthen the mortgage-moratorium law; safety regulation for railway employees; outlawing of loan-shark corporations; the 48-hour week for women; reduction of legal interest rates; making workmen's compensation insurance compulsory; tax delinquency collection on large business properties; prohibition of deficiency judgments on farm and home debt, and other advanced social legislation.

The single great achievement of Floyd B. Olson and the Farmer-Labor Party, however, was that it proved that liberal, democratic government can be made to serve "in the interests of the common happiness of the people."

NATIONAL LEADERSHIP

By the close of 1935 the liberal movement, developing political consciousness in America, began to look to this dynamic figure in the Northwest for national leadership. It also looked to the Minnesota Farmer-Labor Party as the springboard for the launching of a political movement of its own.

Governor Olson visioned the formation of a national Farmer-Labor Party. He knew that a political movement confined to State lines could never be an end in itself but only a means to an end, that, in fact, relatively little can be accomplished by a State party to bring about solution of fundamental social and economic problems.

This great Farmer-Labor leader knew also that neither of the old parties could be entrusted with the job of carrying out the liberal program. He knew that, while the liberals in one of the old parties may gain the ascendency, it would be but temporary and that powerful reactionary forces still remaining within the party were certain to hold back and hamper the carrying out of the program. Such has always been the case in the past. Neither of the old parties can be depended upon to support genuine liberal leadership over any sustained period.

THIRD PARTY MUST ARISE

Writing in Common Sense magazine in April 1935, on My Political Creed, Olson said:

A third party must arise. * * * The platform of the third party must be based upon this vital economic issue. It must demand the taking of any and all steps necessary to guarantee human liberties and a decent standard of living. It must have a humane concept based upon the rights of the people to "life, liberty, and the pursuit of happiness." It must educate people to a realization that government is but an instrument for the attainment of their inalienable rights.

Liberals in the East, weighing the chances of formation of a national political party, invited Floyd Olson to address them in New York. They wanted to look over the man whom liberals throughout the country were talking so much about. Olson appeared, and in a plea for the need of a national third party over a Nation-wide radio network on November 15, 1935, told the liberals of America:

For the third time in American history, America stands at the crossroads, facing a crisis.

The first time was when we had to decide whether this country was to remain a vassal colony of the Old World or to become a free nation. We had then, and have now, those who warned against the change—some because they were just timid souls and others because the status quo served their own selfish interests.

The second crisis was when we had to make a decision whether this Nation was to remain half slave and half free, or whether we would, theoretically at least, liberate all those in bondage.

So today we are again standing at the crossroads, forced to make a decision even more momentous—one which will test severely our courage and our wisdom.

In a sense, the crisis which we face is a world rather than an American crisis, but we will have to deal with it in an American way. Want in the midst of plenty has no scientific basis for justification. Production and distribution of wealth are social functions.

In the cities and on the farms millions of individuals have been compelled to eke out a mere existence in the obscurity of dark slums and unsanitary farm shacks. From the standpoint of the industrialist these slums were highly desirable; they served to provide large quantities of cheap labor. And when crime and degeneracy worked their way into society, instead of seeking to relieve causes we dealt harshly with the malefactors assuring ourselves, smugly and righteously, that society was being protected. We mistook the symptoms for the disease and bungled the cure.

The Government has poured billions of dollars into the economic stream, but even this vast sum has failed to improve the lot of the common man, although big business has been enjoying handsome profits. In a period of rising commodity prices, money wages have remained either stationary or have decreased. This means that real wages—the standard of living—have been going steadily down even though a considerably larger part of the population is living on a bare subsistence level. This is an inevitable result of an economy of false scarcity. When an economy, presumably of plenty, is so artificially stimulated as to bring about a price rise without creating distribution facilities which will permit satisfying the true demand, the forces of progress and of production are withheld from the masses.

A new system based upon a production to meet need must be set up. Its creation will be ruthlessly opposed. Only Government can set up a new economic system.

We can expect only reaction from one of the old political parties and sincere but ineffectual reform from the other. The only way lies in a third party preaching an economy of abundance and production for use instead of for profit, with an opportunity for work and a decent standard of living.

The road is clear if we but have the courage to venture forth. Why fear to leave the darkness—to go forth into the sun? We are building for the future. Our ranks are thin and we need recruits, but we need no mercenaries. We need men and women of vision, of courage, of idealism, who will join us in the most inspiring crusade that anybody can partake in—the task of making this a country where life, liberty, and the pursuit of happiness is a reality and not an empty phrase.

ACCLAIMED BY LIBERALS

While the conservatives of the Nation bitterly criticized Governor Olson for this address the liberals acclaimed him. It was obvious to them why Minnesota, under his leadership, had become the spearhead of the entire progressive movement of the country. And as the liberals of Minnesota had placed this champion of human rights and of the underprivileged at the helm of their State movement so were the

liberals of America preparing to place him at the helm of a new national political movement.

But, stirring as was Floyd Olson's appeal, the liberals of the East on that occasion did not see the real Olson—the man who fired his audiences with his eloquence, the man who was able to instill, by the force of his magnetic personality, in others the same crusading spirit that he himself possessed. They saw an Olson whose body had already been ravished by a disease for which science has not as yet found an effective cure. His cheeks were hollow, his eyes sunken. There were telltale lines on his features. Little did that group realize that they had gathered to listen to what was in reality a departing message from this great man—a message to carry on without him. But it was a message of hope that he gave them; he painted not the sunset but the sunrise of a new and better day.

PRESERVING SPIRIT

Seldon Rodman, an eastern journalist who had known Olson and had seen him just 2 months previously, did notice that a change had come over him. Wrote Rodman after Olson's death:

He was entering the national political picture for the first time, pleading eloquently for a national Farmer-Labor Party. There were little lines around his eyes that afternoon and he looked older somehow. He spoke effectively in the evening, but without the thunder and lightning that used to bring the most bitten audiences of independent farmers to their feet as a single man.

After the meeting a few of us took him to a late show, trying to cheer him up, he looked so tired. At the table there, or dancing, he was conspicuous. People didn't know who he was but they sensed that he was "somebody." For even then with fatal sickness creeping over him, he radiated a graceful power, a magnetic fellowship that was irresistible. There were no tables when we came in—but the waiter took a look at Floyd and found one. He looked about him slowly, obviously a stranger here, yet at home. And people who saw him that night must have wished, as we were wishing, that they could see him again soon. Unlike us, though they could not have been aware that this was but a breath-taking before an important engagement, a rest after a very minor skirmish, another pause before a battle in which he was bound to play a leading, if not a decisive, role.

And today that battle is nearer than before. The forces are gathering, now deflected by false prophets, now rallied, now reassembling where the rank and file sense the worthiness of the issue and a glorious outcome; still unprepared, now confident, now hesitating, ready.

But Floyd Olson is dead.

FARMER-LABOR CONVENTION SPEECH

It was but a matter of weeks after Olson returned to his home State that he was taken to the Mayo clinic at Rochester for an exploratory operation. It was the beginning of a gallant battle for life which his physicians said they never before had witnessed for its display of courage and consideration for those who attended him.

He was, however, to make two more important addresses before he passed on.

One of Olson's greatest speeches was his last before a Farmer-Labor convention, which met in the St. Paul Auditorium on March 27, 1936. This was on the eve of his intended campaign for the United States Senate.

Only his doctors and a few of his most intimate friends knew of his true condition. He spoke for nearly 2 hours, keeping the audience spellbound all the time, carrying on only by an indomitable will which did not know the meaning of the word "surrender."

CREDITED PARTY FOR ACCOMPLISHMENTS

Olson in that speech spoke of the accomplishments of his 6 years of office as accomplishments of the Farmer-Labor movement, rather than as accomplishments of his administration. He claimed the credit for his party—not for himself. The following paragraph is typical:

I cite you the fact that this movement (the Farmer-Labor movement) sponsored and brought about the passage of the first compulsory old-age pension law; that this movement has always stood upon the principle of taxations based upon ability to pay. I cite you the fact that despite years of struggle in this State to bring about the passage of an income-tax law—it was not until the Farmer-Labor movement gained control of the executive branch of the government and the Farmer-Labor movement enlisted the aid of popular opinion and public sentiment—not until then, despite all those years of struggle—was there an income-tax law in the State of Minnesota.

Floyd Olson opposed giving to the United States Supreme Court power to veto acts passed by the Congress for the social and economic welfare of the people. He had campaigned on that issue with "Fighting" Bob La Follette in 1924.

There is no living being who can place a law affecting social and economic change alongside the Constitution and find any definite statement in the Constitution authorizing or forbidding that law—,

he told the convention.

INTERPRETATION OF LAW

He continued:

The phrase "necessary and proper" means to the reading judge what he thinks it ought to mean in the light of his own viewpoint of life and of social and economic conditions. So with "due process of law." What is "property"? What emphasis should be laid upon the "property" in the Constitution when property rights come into conflict with the rights of "life, liberty, and the pursuit of happiness"? Which is the end to be attained in our Government—life and liberty, or property? Is "property" a means to the end that we may have "life, liberty, and the pursuit of happiness," or is it an end in itself in which "life, liberty, and the pursuit of happiness" must yield? What is a "person"? The Court says it includes corporations, but the Constitution does not so state.

When a judge undertakes to interpret words of general import in the Constitution, can he do other than interpret them in the light of his own convictions and his own experiences? If he be conservative in thought, he will interpret the Constitution from a conservative social and economic viewpoint. If we examine the decisions of the Supreme Court, we find conclusively that it has interpreted legislation, State and National, not only with a conservative viewpoint but with a conservative bias.

These interpretations of law, Olson insisted, in effect constituted lawmaking, a power which he said the courts were usurping. "They read in the Sherman Act," he said by way of illustration, "an interpretation that labor unions engaged collectively in a strike were operating in restraint of trade and in violation of the Sherman antitrust law." Of course, we here in Congress—at least most of us—know that the Sherman Act was never intended to be used against labor unions.

As a remedy Olson advocated not an enlarged Court but rather an amendment to the Constitution to—

Provided that members of the Supreme Court of the United States and its inferior courts shall hold office for a period not to exceed 10 years, and that they shall continue to be appointed by the President, with the advice and consent of the Senate.

In other words, he wanted to limit their tenure of office to prevent the judiciary from becoming a permanent obstacle in the road of progress.

LAST PUBLIC ADDRESS

Olson's last speech and his last public appearance were on June 28, 1936, at the Swedish Day fete at Minnehaha Falls, "Laughing Waters," immortalized in verse by the famous American poet, Longfellow.

It was on a hot summer's day, and more than a hundred thousand persons turned out at the celebration to do honor to their Viking ancestors and reflect on the many and substantial contributions that they made to the onward march of civilization. With the spectacle of what is transpiring in Europe today, one feels chary about the use of the word "civilization"; but I am confident that this is but a dark chapter in the history of the human race, and that many bright chapters are to follow. Virtually all conflicts, whether they be of nations, of races, or of classes, have their origins in social and economic injustices. When these injustices disappear these struggles also are certain to disappear and we will then have found the solution to the problem of war. That was Floyd Olson's philosophy; and it is today and always has been the philosophy of the Farmer-Labor Party.

Olson came to that meeting of Scandinavian Americans against the advice of his physicians. He was thin, wan, pale, but his eyes still flashed, concealing to some extent his real physical condition.

He spoke for more than 30 minutes. His voice was somewhat weaker than usual, but it still contained much of its fire and its charm. Holding onto the rostrum of an improvised platform because of physical weakness, he yet maintained his superb platform poise. He spoke to an audience representing persons of all shades of social and political opinion, and he kept them spellbound. It was one of his

extemporaneous addresses, in which he was always at his best, but the context of which is preserved only in the minds of the men and women who heard him, and in the incomplete excerpts of his speech contained in the newspaper accounts of the celebration.

STATESMAN ELOQUENT

Recalling proudly his own Scandinavian ancestry, he told of the material and spiritual contributions of these sturdy pioneers to the well-being of democratic America, particularly the part they played in shaping and developing the great Northwest, the very cradle of modern-day American democracy.

Then, in a manner characteristic of Floyd B. Olson, his right hand held out and his forefinger pointing, he hurled a challenge at all smug, self-satisfied Americans, a challenge to the American rugged individualists, to look beyond the seas to tiny Scandinavia to learn how a peace-loving, industrious people, possessed of lofty social ideals and an abiding faith in the democratic way of life, have been able to achieve a high standard of living with almost infinitesimal resources when contrasted to the bounties which Nature bestowed upon this country. His plea was for a social order in which man's inhumanity to man would be replaced by man's consideration for man, and in which the supreme goal of society would be the attainment of happiness for all the people, the goal of the founding fathers.

That speech sapped every ounce of strength from his once-powerful frame. He faltered as he left the platform, and started to make his way toward his waiting automobile, in which sat Harry Hopkins, who had come to Minnesota to discuss matters of mutual W. P. A. interest with Olson. But things grew dark before his eyes, and the automobile seemed very, very far off. He would have collapsed had he not motioned to a friend and received assistance. Nobody in the vast audience knew, or even suspected, what had happened, and the fete program went on uninterrupted, as Olson wished. He would not permit his near collapse to mar the celebration.

A GREAT MAN PASSES

Shortly thereafter Floyd Olson was taken to Rochester, where he died on August 22, 1936, at the age of 44 years 9 months and 9 days—an age when most men are just starting out on their careers. He left a widow, Mrs. Ada Olson; a daughter, Patricia; his aged parents, now dead; and the common people of Minnesota and of America to mourn their loss.

Until the very last day Olson, who must have known of the serious nature of his illness, did not give up hope of getting into the coming political fight. The idea of quitting just was not in him. All his life, obstacles were merely things in the way to be overcome. That was part of life. But when all physical resistance had vanished, when he finally saw the image of the Grim Reaper, when he realized that there was one obstacle that could not be overcome, he called to his nurse and said:

This has got me. Don't worry; it must be all for the best.

And so he passed on, a thoroughbred.

TRIBUTE TO A FALLEN LEADER

At his funeral, tens of thousands gathered for the services in the Minneapolis Auditorium—the largest and most impressive funeral which Minnesota had ever given a man in either public or private life. Two hundred thousand people lined the streets and followed the hearse to the grave.

The rich and poor alike gathered—the poor to pay their last tribute to their friend and champion; the rich to pay their respects to a man who played the game hard but fair. A great American had passed on.

Thus fate snatched this leader of the common people as he was about to ascend the threshold to carry on the battle for them on the national scene.

GREATNESS RECOGNIZED

Said the St. Paul Daily News, at no time a supporter of the Olson administration:

Floyd Olson died on the threshold to greater things. A seat in the United States Senate was just a step away. The Presidency of the United States was a possibility.

In the event that he had achieved either, history would have recorded him, we believe, as among the great Americans. The idealistic policies he advanced will be accepted as commonplace in the next 10 years.

The cause of progress and liberalism has received a heavy blow in his death. There are other leaders, perhaps, who saw as he saw. There are advanced thinkers, no doubt, who can carry on from the point where Floyd Olson, because of his tragic death, left off. We know of none, however, who has the Olson combination of brains, humanity, personality, and energy—a combination necessary to the accomplishment of radical and essential changes in a society shown, during the past generation, to be sadly out of gear.

And the Minneapolis Star commented editorially:

Floyd B. Olson, a friend of man, is dead. Minnesotans, without respect to political persuasion, race, or creed, sorrow at the taking away of their brilliant Governor in the midst of a career that held so much promise.

Minnesotans all sorrow at the death of Floyd Olson. But to the man who struggles for a livelihood, the man who works and earns by the sweat of his brow, in shop or on farm, his passing is particularly and deeply poignant.

Possessing those rare qualities that go into the making of a champion of men, Floyd Olson, on a thousand platforms, in countless forums, fought tirelessly for the people as he understood their cause.

The future alone must determine whether the philosophy this man advocated in his pleadings is wise. He did venture far into untried fields of economics in his theories. And in administration he utilized methods that called upon him severest criticism. How much of it was just, it is not the place here to say.

But that the man was ardent in his efforts for equality, there can be no doubt. Appraisal of his theories and methods must await the perspective of years. The man was magnificent even to those who thought him wrong.

EULOGIES OF THE LIBERAL PRESS

Said Common Sense magazine:

If he had been only a prolabor Governor, Floyd Olson would have had neither the support he consistently won nor the place in American history which future progressives will give him. He was far more than that. For Floyd Olson was the first major political figure in our history to recognize the economic problem in its essence and espouse its solution.

The Journal of Electrical Workers and Operators credited Olson with elucidating "a labor philosophy more convincingly than any other man on the platform."

The Minneapolis Labor Review gave expression to the grief that had fallen upon the hundreds of thousands of Floyd Olson's followers in Minnesota when word of his death was received. Said the Labor Review:

The great heart that beat for the oppressed is stopped forever; his smile that shone through all the baseness of slander and abuse radiates no more.

Minnesota bows in sorrow at the grave of its noblest son. Floyd is gone, and among the farmers and city workers there is a lonesomeness and a sadness.

And yet that big hand that seemed always on our shoulders giving us confidence and courage, the kind hand of the courageous Viking, though he is dead we still can feel it. But, too, there is a void so great that all the millions of tears that are being shed will never fill it.

He will not lead us into the cooperative commonwealth, and yet no man ever did more to make the road clear, and to give us the courage to make the march and overcome whatever obstacles may beset.

It was for that Floyd Olson lived. It was for that he died. Shall we contend for less?

A MAN OF THE PEOPLE

How far would Floyd Olson have gone up the national ladder of fame had fate decreed for him a longer span of life? There is no telling. Possessing in abundance those sterling qualities of leadership that put men on top, it is almost certain that the liberals of America would have selected him as the standard bearer of a new liberal political movement.

Olson thought in terms of service to his fellow man. Gold had no lure for him. The powers that be could never purchase his soul; it belonged to the people.

An intimate of Olson's provides the following glimpse of this side of his character:

We were coming home from a political meeting at Duluth a few yeart ago. It had been a great meeting, and the Skipper—

He was known among his close friends and associates as the Skipper—

made a particularly inspiring talk. We fell to musing, talking about why so many men, when they reach the position where they can really give the masses more than lip service, sell out. They say that every man has his price, and those who seek to bribe our public officials certainly have whatever is necessary to pay.

"I am not afraid of that"—

Olson commented.

"They can take me to the top of the mountain and show me the Promised Land; they can show me the valleys below with their fabulous stores of hidden riches; but I am certain they will never get me. I haven't sufficient love of money—I do not crave gold."

Anybody who is at all familiar with the recent history of Minnesota and the history of the Farmer-Labor Party knows of the determined efforts that were made to buy Floyd Olson; and they know that when these efforts failed—when those making them discovered that here was a man who had no price—they sought to destroy him by every means at their command, fair or foul. There was no weapon too mean, no tactic too vile for them to employ. But they did not succeed. He was more than a match for them.

PLACE IN HISTORY

Floyd Olson earned for himself an important place in American history. With the passing of years his receding figure will loom larger on the horizon of time, and some day his name will become a symbol in this country of the struggle of the masses for social and economic justice.

Said Wisconsin's Phil La Follette, in his oration at Olson's funeral:

He recognized that for unnumbered centuries the human race lived in a world which could not produce enough food and shelter to provide for the human family. It was an age when progress was advanced by individual explorers constantly in search of new lands, new inventions, and new methods for increasing our material resources. It was a period when the common welfare was promoted by individualistic activity.

Within Governor Olson's generation all of this untold individual effort produced the machine age and mass production.

The human family for the first time in its history lived in a world that could produce more than enough for all. Floyd Olson understood this basic change from an age of scarcity to an age of plenty. He understood that the social usefulness of selfish individualism was ended. He saw that there must be a new spirit of cooperation if this great power of production were to serve the common welfare. Floyd Olson and the movement of which he was the leader alined themselves with this great current of change—a change going on throughout the world. He supplied the function of leadership by giving constructive direction to the force of change in the period in which he lived.

A COURSE FOR A NATION TO FOLLOW

Olson exemplified a life of love, not hatred, of human beings. He fought what he regarded as the evils of a system, and all those who stood in the way of bringing about a better social order. But he was not interested—nor is the party he represented—in taking away any of the good things in life from anybody. He was interested—and so is his party—in bringing the good things of life to everybody who, by hand or brain, contribute to our social wealth.

He realized that a State government of itself could do very little toward raising the living standard of the people. What it could do was to be a pioneer in the field of social legislation and fix a course for the Nation to follow.

To my mind the greatest service Floyd Olson and his party rendered America was a demonstration that democracy in this country can be made to serve the interests of all our citizens rather than the interests of a privileged few. And if democracy is to survive, that is what it must do. When our democracy is able to supply our people with security and a decent standard of living it will have become something worth fighting for—and no outside force, no matter how powerful, will be able to threaten it. To that end we must mold our Government.

Floyd Olson thus had a profound effect on his time. He had a profound effect upon America. And, as the things he stood for—the things that the Farmer-Labor Party stands for today—become better understood, they are certain to play an even more important part in shaping the future course of our people for a fuller and better life.

VICTORY AHEAD

Floyd Olson kept faith with the common people of Minnesota and the liberals of America. The common people of Minnesota and the liberals of America will keep faith with him by carrying on the battle until victory is won. To that end this great American gave his life—and I am sure not in vain.

There may be dark days ahead. The storm clouds may gather. They always do. The thunder and lightning may drive some to cover. But ultimately the people's cause, sometimes retarded, will ride through the storm. In the end, the sun comes out. Victory comes to those who persevere.

Said Olson:

Human progress is sometimes arrested; the shackles are tightened on the common man. In these periods we despair; we lose faith in the human race having the stuff to create a better system, an ordered society founded on social and economic justice. But history shows that after periods of set-backs, we drive on again, recapture the ground we lost, and advance to new positions.

So I say to the progressives of America: Listen to the voice of Floyd B. Olson speaking to the progressives of his State in the campaign of 1932:

The Farmer-Labor Party presents a cause, yes, a crusade—a crusade for better government in the interests of the many, and to promote the happiness of the many. And, to use the inspiration of that immortal document, the Declaration of Independence: We of the Farmer-Labor Party invite all good citizens to help us; and to the support of the cause of human rights and equal justice we mutually pledge to each other and to you our lives, our fortunes, and our sacred honor. We, the people, have seen Floyd Olson rise to great heights championing the cause of labor, the poor, and the jobless. His unfailing courage remains with the party. We cherish his principles and carry on remembering that

. . . "When he fell. . . . . .
He went down as when a lordly cedar, green with boughs,
Goes down with a great shout upon the hills,
And leaves a lonesome place against the sky. . . ."

Upward and onward we progress to eventual victory—victory that comes to all true and honest causes.

Mr. President, I recount the life and struggles of Minnesota's first Farmer-Labor Governor. Here we have the creed, here we have the program, of a great and a mighty leader. Here we have the party and its platform which helped lift Minnesota to a higher and better plane of living. We have the program and plan and creed and solution which must come eventually to the United States someday; this program must be adopted before we can solve the great problems which now trouble our times.

THE BASIC ELEMENT OF AMERICAN LIFE

These problems will be solved when the great farm element of the United States, which, after all, is the basic element of all American life, the producers of agricultural products, and those who labor and toil in our factories join hands with the small independent businessmen and stand behind this creed. This program—the planks here outlined, which I have quoted—I wish to place in the RECORD so that those who may be interested in research may find inspiration for an advance into the struggle and the battle which is before us.

We cannot permit a situation in the United States to continue indefinitely in which more than 10,000,000 are out of work, a situation which led the President of the United States to state on the front steps of this great Capitol not so long ago that one-third of our people were ill-housed, ill-fed, and ill-clothed. Our problems must be solved. In God's good time they will be solved.

YOUTH AND THE FUTURE OF AMERICA

Mr. President, I am not a pessimist, I am an optimist; I believe in the future of this great country, no matter how many errors and mistakes we make or how we stumble along the dark road. If we cannot solve them, youth will come up the great, mighty road of American progress with the creed of Olson, with the creed of our party, and contribute to the greatness and glory of the United States.

Mr. President, I ask that there be inserted at the close of these remarks a bibliography of the writings and speeches of this great man and a chronology of his life. I thank the Senate.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Minnesota?

There being no objection, the matters were ordered to be printed in the RECORD, as follows:

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Third inaugural message and special message to the Legislature of Minnesota, January 9, 1935. Hon. ERNEST LUNDEEN in the Senate of the United States, CONGRESSIONAL RECORD, Seventy-fifth Congress, 1937, volume 81, part 9, Appendix, page 762.

THE CHRONOLOGY OF FLOYD B. OLSON

November 13, 1891: Born in Minneapolis, Minn., the son of Norwegian and Swedish parents, Paul A. Olson and Ida Maria Nelson Olson.

1897–1905: Attended Grant and Logan grade schools.

1905–9: Attended and graduated from North High School, Minneapolis, Minn.

1909: Freight handler for Northern Pacific Railway.

Summer, 1910: Farm work in North Dakota.

1910–11: Attended the University of Minnesota.

Summer, 1911: Traveling salesman of farm machinery.

1911–14: Odd jobs; scowman on the Frazier River, silver mining in Canadian Rockies, and an attempt to strike gold in Alaska.

1914: Returned to Minneapolis and entered the law office of Frank D. Larrabee and Otto D. Davies, attending night classes of the Northwestern College of Law, Minneapolis, Minn.

1915: Graduated from the Northwestern College of Law, Minneapolis, as valedictorian of his class. Passed the State bar examination.

1918: Married Miss Ada A. Krejci, of New Prague, Minn. To them was born one child, Patricia.

1919: Appointed special assistant in the office of the county attorney of Hennepin County.

1920: Appointed county attorney by the county commissioners. Defeated for Democratic nomination for Congress in fifth district.

1922: Ran for election to position of county attorney and won by 70,938, the greatest plurality ever received for that office.

1924: Made his first run for Governor of Minnesota on the Farmer-Labor ticket and lost by only 40,000 votes.

1926: Reelected county attorney by 33,580 majority and led successful fight against municipal graft and corruption.

1930: Became the first Farmer-Labor Governor of the State and Nation, defeating his Republican opponent by a plurality of 183,626 votes. He held this position until his death.

1932: Second victory in election as Farmer-Labor Governor of the State of Minnesota by a majority of 188,357.

1934: Third victory in election as Farmer-Labor Governor of the State of Minnesota by a majority of 72,453.

1936: Nominated as Farmer-Labor candidate for the United States Senate, June 15, 1936, by an overwhelming majority of 161,700.

August 22, 1936: Death of Gov. Floyd B. Olson at Rochester, Minn.

APPROPRIATIONS FOR WORK RELIEF AND RELIEF

The Senate resumed the consideration of the joint resolution (H. J. Res. 544) making appropriations for work relief and relief, for the fiscal year ending June 30, 1941.

Mr. THOMAS of Oklahoma. I make the point that there is not a quorum present.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Adams	Donahey	Lodge	Sheppard
Andrews	Downey	Lucas	Shipstead
Ashurst	Ellender	Lundeen	Slattery
Austin	George	McKellar	Smith
Bailey	Gerry	McNary	Stewart
Bankhead	Gillette	Maloney	Taft
Barkley	Green	Mead	Thomas, Idaho
Bilbo	Guffey	Miller	Thomas, Okla.
Bone	Gurney	Minton	Thomas, Utah
Bridges	Hale	Murray	Tobey
Brown	Harrison	Neely	Townsend
Bulow	Hatch	Norris	Truman
Burke	Hayden	Nye	Tydings
Byrnes	Herring	O'Mahoney	Vandenberg
Capper	Hill	Overton	Van Nuys
Caraway	Holman	Pepper	Wagner
Chandler	Holt	Pittman	Walsh
Chavez	Hughes	Radcliffe	Wheeler
Clark, Idaho	Johnson, Calif.	Reed	White
Clark, Mo.	Johnson, Colo.	Reynolds	Wiley
Connally	King	Russell	
Danaher	La Follette	Schwartz	
Davis	Lee	Schwellenbach	

The PRESIDING OFFICER. Eighty-nine Senators having answered to their names, a quorum is present.

The question is on agreeing to the amendment of the Senator from Oklahoma [Mr. THOMAS]. The yeas and nays have been requested.

Mr. ADAMS. Mr. President, have the yeas and nays been ordered?

The PRESIDING OFFICER. They have been requested, but not ordered. Is there a sufficient second?

The yeas and nays are ordered.

Mr. ADAMS. Mr. President, I simply wish to add a word or two to what was said by the Senator from Alabama [Mr. HILL]. The problem is rather plain and simple. In the effort to economize in the administration of the W. P. A. the appropriation, as recommended by the House committee, as recommended by the House, as recommended by the Senate committee, represents a very substantial reduction below the appropriation for similar purposes last year.

The joint resolution itself does not specify anything in reference to change in the location of offices. It is probably true, and I think the officials recognize, that if they are to administer the work within the limits of the funds which are provided in the measure, some means of economy, involving probably regionalization of some of the functions of the Treasury Department, will have to be agreed upon. If the present set-up of State offices is continued it will involve either consuming the appropriation considerably before the end of the year, or adding $1,200,000 to the appropriation.

The Senator from Alabama very carefully pointed out from tables contained in the House hearings that some employees will necessarily be moved from certain States, to the regional offices, and that there will have to be some dismissals. I gathered from the Senator's remarks that he feels it would be improper economy to dismiss an employee, since such action might force the employee upon relief.

Personally it seems to me that the W. P. A. organization should be operated as economically as possible, and particularly in these days when such tremendous obligations are being imposed upon the Government for defense purposes.

We are simply confronted with this question: If we want to maintain State offices, if we want to maintain 700 employees who can be dispensed with, we should vote for the amendment of the Senator from Oklahoma. If we are willing to dispense with practically 750 employees in order to save the Government $1,200,000, the answer is clear. That is the issue; on one side economy, as against placement and location on the other.

I think efficiency will not be substantially affected one way or the other. There will be a diminution in the number of employees in every State if the provisions which are now in the bill are adopted. It is a question whether or not we are willing to accede to a certain reduction in the personnel administering the functions which the Treasury Department performs for the W. P. A., and thus make a saving.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Oklahoma [Mr. THOMAS].

Mr. McKELLAR. Mr. President, I dislike to disagree with the position taken on this question by the Senator from Colorado [Mr. ADAMS], the chairman of the subcommittee, and I dislike to disagree with the majority of my colleagues on the committee about this or any other matter. I also certainly want the Government to be economical, and if I were at all assured that the proposed amendment would result in one-fifth of the saving which is claimed, I might be in favor of the committee provision, but I do not believe it will make any saving. I believe in the end it will cost more.

I have been a Member of the Senate for quite a long time, and have served on the Appropriations Committee for a number of years. I and other Senators have seen many representatives from various bureaus and departments come forward and say, "We would save a great amount of money by a consolidation here and a consolidation there and by removal of employees here and removal of employees there," but when the time comes for appropriations to be made for the

next year, the appropriations are usually increased instead of decreased.

What does the proposed appropriation do? At the present time there are procurement offices in the States. The States are reasonable subdivisions. They are natural subdivisions. They are the subdivisions of the Constitution. No one wants to abolish State lines. It would not be right or constitutional to do so. But what we do in effect by the provision in the bill, so far as this particular activity is concerned, is to abolish all State lines and establish 13 regions. What do we do? We transfer the purchasing of Government supplies for the W. P. A. from our own States to a State selected by the Department.

Mr. President, I cannot better express the situation than was expressed to me in a letter which I received from an honored constituent from Nashville, Tenn., and I shall read one paragraph of it:

> It is apparent to us that the service should be kept open for the States and not regionalized. As you, of course, know, there are millions of dollars being spent annually for various kinds of materials, supplies, and merchandise through this office for the many activities of the Government in this State. Our merchants and contractors in Tennessee do not deserve and do not wish to have any advantages over the merchants and contractors of any other State, but they do want, and they emphasize that they be given an equal opportunity with other merchants and contractors, and it is our opinion that the way to insure an even distribution of these funds, which is certainly to be desired from the standpoint of the national good, is to insist that these offices remain on a State basis.

What could be a more natural position to take than that we should continue this work on a State basis?

This work has been in operation for 7 years. Seven years is a good long time. The organization has operated on a State basis for 7 years. Now, after 7 years the Bureau of the Budget comes forward with the regional plan of action.

Mr. BANKHEAD. Mr. President, will the Senator yield?

Mr. McKELLAR. I yield.

Mr. BANKHEAD. I call the Senator's attention to the fact that the testimony of the Treasury Department before the subcommittee clearly shows that this change is not instituted by the Treasury Department. They have been satisfied, and are still satisfied. The change was proposed at the suggestion of the Bureau of the Budget. Those who have been operating under the present system are satisfied with it, and are perfectly willing to keep it in operation.

Mr. McKELLAR. I thank the Senator from Alabama. What he says is true. The Procurement Office, so far as I know, has not made a request that this change be made. The W. P. A. did not originate the proposal. It has been made by the Bureau of the Budget. I do not know what experience the change is based on. For 7 years we have been told that the way to purchase these supplies is through the various State offices. I think our experience is worth something. The W. P. A. has done a good job. The Procurement Office of the Treasury has done a good job. I think we ought not to go into an untried field. In other words, suppose there are $2,000,000 of contracts to be let in the State of Colorado, and the Colorado State office is moved to Los Angeles, Calif. I do not remember whether or not it is proposed to be moved at all, but I am considering that it may be moved to Los Angeles, or to a nearer State.

It practically eliminates the contractors from bidding on those supplies. They must go to Los Angeles to bid. The contractors must take up the matter at Los Angeles. In other words, the purchase of those supplies would virtually be moved to California and would no longer exist in the State of Colorado.

A similar situation exists in Tennessee. Our contractors would have to go to Atlanta. I know nothing about the matter, and have never had anything to do with it. I do not know the man who purchases the supplies; but, as I understand, we have been purchasing supplies under the present system for 7 years. I have never heard of any friction over it or any claim that the system had not been honestly, fairly, and justly administered. I have never heard of the Procurement Office of the Treasury being criticized for what it has done during the past 7 years.

It is now proposed to change the system and consolidate it into 13 districts. The purchase of all the supplies for the W. P. A. is to be consolidated into 13 districts. I do not think such a plan is fair to the States. I do not think it is a good policy. We have regional offices in some other departments, but only here and there.

I now yield to the Senator from Colorado.

Mr. ADAMS. Mr. President, I wish to call two things to the attention of the Senator from Tennessee. Of course, no department ever originated any reduction in its own personnel. That is too obvious to deserve comment.

Mr. McKELLAR. That is true. That is just what I am complaining about. The purpose is not to lessen the number of personnel. The purpose is not economy. The number of employees will be as great as before. The only difference is that they will be consolidated in 13 States instead of 48.

Mr. ADAMS. Mr. President, the Senator stated that he did not believe there would be any economy. The economy is written into the joint resolution. Last year the Procurement Division had $5,200,000. This year, under the joint resolution, it receives $3,225,000. Last year the Division of Disbursements had $2,500,000. The joint resolution provides $1,724,000 for it. Last year the Office of Commissioner of Accounts and Deposits in the Division of Bookkeeping and Warrants had $5,973,000, and the joint resolution provides $3,827,000 for that office. In other words, under the terms of the joint resolution there is a positive reduction, a positive economy.

Mr. McKELLAR. The appropriation this year is about two-thirds of what it was last year. It is a little more than a fourth of what it was 3 or 4 years ago. The Senator does not give the relation of the figures. The appropriations this year are less than they were last year.

As I understand, the amendment of the Senator from Oklahoma does not increase the appropriation. So far as I am concerned, I am willing to take the appropriation as it is in the joint resolution. I do not want to increase the appropriation; but the procurement of supplies ought not to be taken out of 48 States and put in the hands of the merchants of 13 States.

Mr. ADAMS. Mr. President, the procurement of supplies will not be taken from the States. That is not the provision.

Mr. McKELLAR. Just a moment, if the Senator will permit me.

Mr. ADAMS. May I read from the testimony?

Mr. McKELLAR. I yield.

Mr. ADAMS. Mr. Schoeneman, who is in charge of that matter, said:

> Now, the regionalization in the case of procurement offices is not exactly comparable to the regionalization of offices of accounts and disbursements, because the Procurement Division has no intention of regionalizing all of its functions—merely its vouchering and administrative functions.

Mr. McKELLAR. Oh, no.

Mr. ADAMS. There is a saving in that connection of about $175,000.

Mr. McKELLAR. Mr. President, the Senator is entirely mistaken.

Mr. ADAMS. I am reading from the record.

Mr. McKELLAR. I do not care what the Senator is reading from. Some of the State offices would be kept in each State, and that is why there would be no saving or economy. There would be these employees in addition to the big number in the regional office. Some sort of an office would be kept in each State, and that office would be permitted to purchase small amounts of supplies, probably not to exceed $500. The State offices might be permitted to buy a few spools of cotton, a few picks and shovels, and perhaps a hoe occasionally. They might buy a few plows, but that is about all. Some sort of a State office will have to be retained to keep certain persons in office in the various States; but the large contracts will all be moved to the 13 great cities provided for in the joint resolution.

I am opposed to it. I do not think it ought to be done, and I hope the Senate will agree to the amendment of the distinguished Senator from Oklahoma [Mr. THOMAS].

I do not think we ought to obliterate State lines in this way. Why should we undertake, in a roundabout manner, to obliterate State lines? Why should we vote against our own States in favor of the 13 States favored by the Budget Director?

I like the Budget Director. He is a very fine man. I do not criticize him; but I do not think the Budget Director has authority to abolish State lines. So far as my vote is concerned, I will not vote to give him the authority to abolish State lines.

Mr. HILL. Mr. President, will the Senator yield?

Mr. McKELLAR. I yield.

Mr. HILL. Who has a greater duty than Members of the Senate to protect the States? Senators represent their respective States. They ought to protect their States.

Mr. McKELLAR. I thank the Senator. I do not know about the relative duty; but so long as I am able to hold up my hand and have a place in this body I will stand by my State, and I will stand by the rights of all other States as well.

Mr. ADAMS. Mr. President, I trust the Senator may be spared many, many years, so that he may grace this body and hold up his hand and fight for his State.

Mr. McKELLAR. I thank the Senator, and I join in that hope.

Mr. ADAMS. I am sure the people of Tennessee, in the coming November, will echo our hopes.

However, in this particular matter State lines are not necessarily involved. The Senator and I have repeatedly voted against proposals which have come from the other side of the aisle to reduce W. P. A. appropriation and management to State lines. We have taken the position that the obligation is national. We have declined to turn the control back to the States, and have repudiated the argument that we must not disregard State lines.

The purpose of this provision is to bring about economy. One result will be that some persons will lose their jobs if the economy is effected. Another result will be that some persons will be moved from where they now are. A third result will be that some persons will not be able to sell who now are able to sell. If the Senate wants to oppose the saving of $1,200,000, of course, that is for the Senate to decide. The committee, with the exception of two of its most distinguished members, voted to make the saving, even though some employees in various States will lose their places.

Mr. McKELLAR. Mr. President, I agree that the obligation to administer W. P. A. is national, and that we must treat it as national. However, the National Government has no right to destroy State lines. The Constitution under which we operate provides for States. It nowhere provides for regions. The word "region" does not appear in the Constitution.

Mr. ADAMS. Mr. President, did the Senator vote for the Federal Reserve System?

Mr. McKELLAR. I did. That system is not in the Constitution, but it is an entirely different matter from the one here discussed. The purpose of the Federal Reserve System was to look after the currency and the money of the entire country, a constitutional requirement. It was not the purpose of the Federal Reserve System to affect the purchase of supplies in various States.

Mr. President, I want Senators to know what they are voting for when they vote against the amendment of the Senator from Oklahoma. I take up the several regions.

Connecticut, Maine, New Hampshire, and Vermont will turn over to Boston, Mass., the purchase of such goods, wares, and merchandise as may be sold to the United States Government.

Mr. BANKHEAD. Mr. President, will the Senator yield?

Mr. McKELLAR. I yield.

Mr. BANKHEAD. I wish to call the Senator's attention to the fact that, in addition, all employees now in the Office of Accounts and Deposits, as well as the Disbursement Division, will be moved out of the State.

Mr. McKELLAR. Of course, ostensibly or technically they may be moved out; but we know that persons who have lived in a State all their lives will not be moved out. The places will go to others, in the States in which the offices are established.

The second region, New York State, does not make any difference, because that is a district within itself.

What about the third district? Where is Delaware? Delaware and New Jersey will turn over to Philadelphia all the purchases which now take place in those States. I do not object at all to the home city of my friend the Senator from Pennsylvania [Mr. GUFFEY] receiving the benefit of the sale of goods for three States, but I think it is very hard on Delaware and New Jersey.

Mr. HUGHES. Mr. President, will the Senator yield?

Mr. McKELLAR. I yield.

Mr. HUGHES. I object to transferring the offices to Philadelphia. We have had an office in our State for 7 years. It has worked satisfactorily. However, I have heard that it is proposed to move it to Philadelphia. I am rather averse to this regional shifting around, and I think the office ought to remain where it now is.

Mr. McKELLAR. I think the Senator is entirely correct.

Mr. GUFFEY. Mr. President, will the Senator yield?

Mr. McKELLAR. I yield.

Mr. GUFFEY. I quite agree with the Senator from Delaware. I hope neither the Delaware office nor the New Jersey office will be moved to Philadelphia. In my opinion, they should remain where they now are.

Mr. McKELLAR. I thank my friend, the junior Senator from Pennsylvania, for the manly, courageous, and fair position he takes on this question.

I have my hand on the shoulder of the majority leader, the Senator from Kentucky [Mr. BARKLEY], and I want to call his attention to what has been done to Kentucky. They did not even pay any attention to the majority leader when they established these new regions, for hereafter the purchase of several million dollars of supplies for the State of Kentucky will be made in Ohio. They will be bought at Cleveland, Ohio. They did not even select a place close to my friend from Kentucky; they could have put it at Cincinnati, which is a great city, but the Budget Director—a fine man, I have no doubt—put Kentucky in Ohio, and in Cleveland, Ohio. [Laughter.]

Mr. BANKHEAD. Mr. President——

The PRESIDING OFFICER. Does the Senator from Tennessee yield to the Senator from Alabama?

Mr. McKELLAR. I yield.

Mr. BANKHEAD. I hope the Senator will not fail to emphasize to the majority leader and to other Senators that, in addition to the removal of purchases, either all the employees in these divisions will be discharged or they will be moved out of the State—one or the other. To me that is more important than is the matter of purchasing supplies.

Mr. McKELLAR. It means something, of course, but the purchasing of supplies ought to be made in the State in which they are used.

Mr. BARKLEY. Mr. President, will the Senator yield?

Mr. McKELLAR. I yield.

Mr. BARKLEY. It is not the first thing they have done to me, for Kentucky has to go to Cleveland to borrow money, when it could borrow it at Louisville. [Laughter.]

Mr. McKELLAR. Now I come to the next one, region 5. Oh, we are going to lose the word "State" from our vocabulary. It will not be long, if the plan works well in this instance, until we will move other activities to these great regions.

Mr. ADAMS. Mr. President, the Senator did not confine the T. V. A. to State lines, did he?

Mr. McKELLAR. No. A national project is to be treated nationally. We have no reason for a region in connection with the T. V. A. [Laughter.]

The T. V. A. is truly national in its scope and character. It is in five or six States, but, thank Heaven, it has not been placed in a region.

Mr. BARKLEY. God made the Tennessee River, but he did not make these regional offices. [Laughter.]

Mr. McKELLAR. It will not be long before the Budget Director will be rearranging the Tennessee River just as he is rearranging the Ohio River. [Laughter.]

I next come to Washington. Where are the Senators from Maryland, North Carolina, Virginia, and West Virginia? [Laughter.] I do not know whether they are here or not, but in their several States the purchases made for W. P. A. are going to be taken out of those several States and turned over to Washington. Great Washington City! Long may she wave and prosper. She is doing pretty well; I have nothing but the kindest feelings and interest toward Washington; I like to live here a part of the year; but I do not think that Washington should be preferred over Baltimore in this matter.

Mr. ADAMS. Mr. President, I ask the Senator to tell me where he derives the statement that purchasing will be taken away from the States where they are now made?

Mr. McKELLAR. I will read from a statement:

Our merchants and contractors in Tennessee——

Mr. ADAMS. May I ask from what the Senator is reading?

Mr. McKELLAR. From Mr. R. B. Beal, a gentleman from Nashville, Tenn., who wrote me about it.

Mr. ADAMS. He is not connected with W. P. A., is he?

Mr. McKELLAR. Not in any way, so far as I know.

Mr. ADAMS. There is not in the bill now under consideration any provision which would in any way remove purchasing authority and power from where it now is. I will say to the Senator that the record shows that it would only take $175,000 to keep the procurement offices where they are now, and that is not a major issue in this particular matter.

Mr. McKELLAR. We all know that merchants in Memphis, for instance, will not care to go to Atlanta, which is 350 or 400 miles away. Yet our merchants will have to go there to bid; they cannot bid unless they do go there, and when they go there they are outside looking in; they no longer have any local position; the Atlanta officials may not be particularly interested in Memphis sellers. Probably the Mississippi merchants—I will find out from the Mississippi people, as I see the Senator from Mississippi [Mr. HARRISON] looking at me. [Laughter.]

Mr. HARRISON. Mr. President, I ask the Senator not to mention that, because that is a sad story with me. [Laughter.]

Mr. McKELLAR. I know it is a sad story. I wish the Maryland Senators and the North Carolina Senators were present. They are detained on official business.

Mr. HILL. I will say that the Senator from North Carolina has been here during most of this debate, diligently looking after the interests of North Carolina, and he is wholeheartedly in favor of the amendment of the Senator from Oklahoma.

Mr. McKELLAR. I am happy to hear that. I know both Senators to be able and splendid Senators.

I come to region No. 6. No longer is it the proud State of Georgia, no longer is it the proud State of Tennessee or the the proud State of Florida or the proud State of South Carolina; no, they have been merged into the region of Atlanta, Ga.

Alabama; I think Alabama is all right. Both the Senators from Alabama are here. Florida. I do not know how Florida is, but the Senators from Florida are all right. I am sorry they are not here. The rights of their citizens are being invaded by a disregard of their State's rights provided for by the Constitution of the United States.

I next come to region No. 7. Wisconsin is blotted out; Michigan is blotted out; Iowa is blotted out; Indiana is blotted out. Where is——

Mr. MINTON. Here I am. [Laughter.]

Mr. McKELLAR. You are no longer from Indiana; you are from a region of Chicago. [Laughter.]

Mr. PEPPER. Will the Senator yield?

The PRESIDING OFFICER. Does the Senator from Tennessee yield to the Senator from Florida?

Mr. McKELLAR. I yield.

Mr. PEPPER. I wish to thank the Senator from Tennessee for the solicitude he evidences for my State and to tell him that I share very heartily in his expression of views and am going to vote that way when I get an opportunity.

Mr. McKELLAR. I thank the Senator. He is going to have the opportunity in a few minutes to vote for his State so far as I am concerned.

I return, by request, to the region in Washington. I see the Senator from West Virginia [Mr. NEELY] has come in. I am looking for the other Senator from West Virginia. I am sure he feels the same way about his State. The people of West Virginia will have to come to Washington under this bill.

Mr. NEELY. Mr. President, will the Senator yield?

The PRESIDING OFFICER. Does the Senator from Tennessee yield to the Senator from West Virginia?

Mr. McKELLAR. I yield.

Mr. NEELY. Let me assure my distinguished and beloved friend from Tennessee that, so far as my vote is concerned, the Treasury's employees who are now stationed in West Virginia will not be transferred to Washington.

Mr. ADAMS. Mr. President, will the Senator yield?

The PRESIDING OFFICER. Does the Senator from Tennessee yield to the Senator from Colorado?

Mr. McKELLAR. I yield.

Mr. ADAMS. I wish that this fervent objection to people leaving their States and coming to Washington might have prevailed during the earlier days of the present administration, when there was a great army besieging Washington. They left Tennessee and West Virginia to come to Washington, and they are now here by the tens of thousands. They had no reluctance about coming to Washington then, and I know, so far as my State is concerned, they are still willing to come here.

Mr. McKELLAR. The Senator was a little too fast for me. If any Tennesseeans came to Washington, it was so long ago that I have forgotten what a new Tennesseean in Washington looks like. [Laughter.]

Mr. ADAMS. They are willing to come.

Mr. McKELLAR. They may be willing, but they do not get the opportunity.

I next come to region No. 8; no longer Missouri and Arkansas, but region No. 8. Here is one of the Senators from region No. 8, the distinguished senior Senator [Mrs. CARAWAY], one of the best-known women in the world, an able and distinguished woman. I wonder if she wants to abolish the Arkansas State lines and become a part of the "region of Missouri"?

Mrs. CARAWAY. Mr. President, I beg leave to state that I am for the amendment of the Senator from Oklahoma [Mr. THOMAS], and shall vote for it.

Mr. McKELLAR. Fine. I thank the Senator. Where is the colleague of the senior Senator from Arkansas?

Mr. MILLER. Here I am.

Mr. McKELLAR. The Senator is right on the job; and I now see him. The Senator does not want to abolish his State, does he, so far as the purchase of these supplies is concerned?

Mr. MILLER. I shall not consent to the abolishment of the State offices, and shall vote for the amendment of the Senator.

Mr. O'MAHONEY. Mr. President, will the Senator yield?

Mr. McKELLAR. I yield.

Mr. O'MAHONEY. I merely wish to announce that I have been called to the telephone so that if I am absent the Senator will realize why I am absent. I am listening with great approval to what he is saying. [Laughter.]

Mr. McKELLAR. I thank the Senator. He is an able Senator, and represents a great State.

I next come to Minnesota, region No. 9; North Dakota and South Dakota have been abolished. Let me say

to my handsome young friend sitting in front of me that, so far as his State is concerned, all purchases are going to be given to Minnesota. But that is not all. There is another region—Kansas, Nebraska, and Oklahoma.

Here is my distinguished friend, GEORGE NORRIS, who served in the House—I started to say "one of the elder statesmen," but I would not have been correct about that—when I went there 30 years ago, and has been serving in Congress all this time with fidelity and honor. He thought he was coming from Nebraska. He has always said he came from Nebraska; but under this joint resolution he comes from region No. 10. [Laughter.]

I now come to California and Nevada. California is the region, and Nevada becomes a part of California in that region.

The next is Arizona; and California gets that State too. California gets two of them. Nevada was one. Arizona was the other.

Here is region No. 13. When I first came to the House, 30 years ago, one of the handsomest, one of the most dashing, one of the most eloquent men in the House at that time—I think I heard him 2 or 3 days after I got there, and I had no idea there were any such orators in the country as he was—was my friend PAT HARRISON. I was told he was from Mississippi, but that was wrong. He is not from Mississippi. He is from region No. 14, at New Orleans. [Laughter.]

Mr. HARRISON. Mr. President, I am in sympathy with what the Senator is saying.

Mr. McKELLAR. I thank the Senator.

The next States are Idaho and Utah. Idaho is swallowed up by Utah, and Oregon is swallowed up by Washington.

The remarkable thing about the Budget Director is that he has disposed of the States of both the majority leader [Mr. BARKLEY] and the minority leader [Mr. MCNARY]. He puts the majority leader in Ohio and he puts the minority leader in Washington. I do not think he is right in either case.

I think I need not pursue this matter further. We have pursued it somewhat in a good-humored way this afternoon, but I have brought it to the attention of the Senate in this way just to show the true situation.

Mr. GREEN and Mr. ADAMS addressed the Chair.

The PRESIDING OFFICER. Does the Senator from Tennessee yield, and, if so, to whom?

Mr. McKELLAR. I yield first to the Senator from Rhode Island. Then I will yield to the Senator from Colorado.

Mr. GREEN. Mr. President, I have listened with great admiration to this catalog of States, and the tributes paid to each; but I exceedingly regret that the Senator from Tennessee has been guilty of a sin of omission. I know he is often guilty of sins of commission, but not of sins of omission. Of the 48 States he has enumerated 47, and has omitted the greatest in every respect except geographical size, and that is the State of Rhode Island.

I hope he will not omit that State, because I know that all the residents of Rhode Island, when they read the CONGRESSIONAL RECORD tomorrow, will be very much disappointed, and I probably shall receive a thousand telegrams asking me why Rhode Island was overlooked.

Mr. NEELY. Mr. President, will the Senator let me lend him a pair of microscopic glasses so that he can see the State of Rhode Island? [Laughter.]

Mr. McKELLAR. Mr. President, I thank the Senator, but I have been in the State of Rhode Island. It is not a large State, but it is a wonderful State. It has many factories. It has many industries. There are many businesses there. It is a great State. The people of Rhode Island are a great people.

When the Government buys wares and merchandise through the W. P. A. for use in the State of Rhode Island, it ought to buy them from the merchants and businessmen of Rhode Island. In some way it seems that the Senator's State is not included in these lists as I hastily looked at them. That is the only reason why I happened to omit it. I want to say to the Senator from Rhode Island that there was nothing personal about my action, either to him or to his State, because the Senator is a splendid representative of his State, whom I honor very, very greatly. He serves on the Appropriations Committee with me, and I know there is no more diligent or faithful or able Senator in this body than the distinguished Senator from Rhode Island.

Mr. GREEN. I thank the Senator from Tennessee for his tribute; and I am only sorry that I am not running for reelection this year. [Laughter.]

Mr. McKELLAR. I hope the Senator will be reelected often.

I now yield to the Senator from Colorado.

Mr. ADAMS. Mr. President, I simply want to say that I heard the Senator refer to his own remarks as humorous. I should not want his patriotic appeal to be referred to lightly, or as humorous, because I know that some of us who have endeavored to stand up against the "blitzkrieg" feel as little Holland felt when assailed by Hitler. This is certainly a most patriotic, serious matter, and I appreciate what is happening.

Mr. McKELLAR. Mr. President, in conclusion let me say that when the Government purchases supplies for use in a State, if there are in the State mercantile establishments and business houses and factories from which the supplies can be purchased, probably more reasonably than elsewhere, and without the payment of freight charges and commissions, it seems to me the Government will save money by purchasing the supplies there. I believe the plan which has been so admirably, so honestly, so fairly, and justly carried on during these 7 years of W. P. A. should be continued. Nobody has ever heard a complaint about the system from the Purchasing Department of the Treasury during that time, and I do not think it ought to be changed now. I do not think it ought to be consolidated in the way that is proposed.

Take the State of Missouri as an example: Missouri has two offices. One was not enough. Somebody felt extremely kindly toward Missouri. The present Presiding Officer of the Senate, the Senator from Kentucky [Mr. CHANDLER], was put in Ohio; but some people in States around Missouri were put in the eastern part of Missouri at St. Louis, and others were put in the western part of Missouri at Kansas City. I have nothing in the world against Missouri or St. Louis or Kansas City, but I think these activities ought to be carried on in each of the States where they can be better managed and more economically managed, as shown by actual experience. I think the business ought to be transacted in the various States.

I certainly hope the Senate will adopt the amendment offered by my distinguished friend from Oklahoma [Mr. THOMAS].

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Oklahoma [Mr. THOMAS]. On that question the yeas and nays have been ordered. The clerk will call the roll.

The Chief Clerk proceeded to call the roll.

Mr. SHIPSTEAD (when his name was called). I have a pair with the senior Senator from Virginia [Mr. GLASS] which I transfer to the junior Senator from Vermont [Mr. GIBSON], and will vote. I vote "yea."

The roll call was concluded.

Mr. MINTON. Mr. President, the Senator from Washington [Mr. BONE], the Senator from Nebraska [Mr. BURKE], the Senator from Missouri [Mr. CLARK], the Senator from California [Mr. DOWNEY], the Senator from West Virginia [Mr. HOLT], the Senator from Colorado [Mr. JOHNSON], the Senator from North Carolina [Mr. REYNOLDS], the Senator from Georgia [Mr. RUSSELL], the Senator from Missouri [Mr. TRUMAN], the Senator from Maryland [Mr. TYDINGS], the Senator from Virginia [Mr. BYRD], the Senator from Nevada [Mr. MCCARRAN], and the Senator from Indiana [Mr. VAN NUYS] are necessarily detained.

The Senator from New Jersey [Mr. SMATHERS] is detained by illness in his family.

The Senator from North Carolina [Mr. REYNOLDS] is paired with the Senator from Georgia [Mr. RUSSELL]. If present

and voting, the Senator from North Carolina [Mr. REYNOLDS] would vote "yea," and the Senator from Georgia [Mr. RUSSELL] would vote "nay."

Mr. AUSTIN. The Senator from New Jersey [Mr. BARBOUR] if present would vote "yea." He is unavoidably detained on official duties.

The Senator from Michigan [Mr. VANDENBERG] has a general pair with the Senator from Missouri [Mr. TRUMAN].

The Senator from North Dakota [Mr. FRAZIER] has a general pair with the Senator from Maryland [Mr. TYDINGS].

My colleague, the junior Senator from Vermont [Mr. GIBSON], would vote "yea," if present. He is necessarily absent.

The result was announced—yeas 69, nays 7, as follows:

YEAS—69

Andrews	Donahey	Lee	Schwellenbach
Ashurst	Ellender	Lodge	Sheppard
Austin	George	Lundeen	Shipstead
Bailey	Gerry	McKellar	Smith
Bankhead	Gillette	McNary	Stewart
Barkley	Green	Maloney	Thomas, Idaho
Bilbo	Guffey	Mead	Thomas, Okla.
Bridges	Gurney	Miller	Thomas, Utah
Brown	Hale	Minton	Tobey
Bulow	Harrison	Murray	Townsend
Capper	Hatch	Neely	Wagner
Caraway	Hayden	O'Mahoney	Walsh
Chandler	Herring	Overton	Wheeler
Chavez	Hill	Pepper	White
Clark, Idaho	Holman	Pittman	Wiley
Connally	Hughes	Radcliffe	
Danaher	King	Reed	
Davis	La Follette	Schwartz	

NAYS—7

Adams	Lucas	Nye	Taft
Byrnes	Norris	Slattery	

NOT VOTING—20

Barbour	Downey	Johnson, Calif.	Smathers
Bone	Frazier	Johnson, Colo.	Truman
Burke	Gibson	McCarran	Tydings
Byrd	Glass	Reynolds	Vandenberg
Clark, Mo.	Holt	Russell	Van Nuys

So the amendment of Mr. THOMAS of Oklahoma was agreed to.

Mr. ADAMS. Mr. President, I send an amendment to the desk, which I ask to have stated.

The PRESIDING OFFICER. The clerk will state the amendment.

The LEGISLATIVE CLERK. It is proposed to add a new section at the end of the joint resolution to read as follows:

SEC. 40. The President is hereby authorized through such agency or agencies as he may designate to purchase exclusively in the United States and to transport and distribute as hereinafter provided, agricultural, medical, and other supplies for the relief of refugee men, women, and children, who have been driven from their homes or otherwise rendered destitute by hostilities or invasion. When so purchased, such materials and supplies are hereby authorized to be distributed by the President through the American Red Cross or such governmental or other agencies as he may designate. The cost of such distribution shall be paid out of the appropriation herein provided for.

There is hereby appropriated, out of any money in the Treasury not otherwise appropriated, the sum of $50,000,000 for the purpose of carrying out the provisions of this section.

On or before December 31, 1940, the President shall submit to the Congress an itemized and detailed report of the expenditures and activities made and conducted under the authority herein conferred.

Mr. ADAMS. Mr. President, this amendment is suggested to carry out the recommendation which the President of the United States made by letter a few days ago, to provide a fund of $50,000,000 for the relief of refugees in Europe made destitute by invasion and by hostilities. It is not only to carry out the recommendation of the President, but it follows very closely the lines of a resolution which has been pending here, offered by the Senator from Connecticut [Mr. MALONEY]. It is something which has been very close to his heart; and to a certain extent we have taken it out of his hands, but the amendment carries out his idea. The Senator from Kentucky [Mr. BARKLEY], the majority leader, has also been instrumental in formulating the amendment. As I have said, it carries out the idea and purpose of extending help to those in Europe who have been reduced to a most unfortunate condition of destitution as a result of the outrages which have been perpetrated in their countries by invasion.

Mr. BARKLEY. Mr. President, will the Senator yield?

Mr. ADAMS. I yield.

Mr. BARKLEY. It has just occurred to me that, inasmuch as Congress may not be in session on the 31st of December, 1940, but will meet on January 3, 1941, that date be substituted as the date on which the President should make his report.

Mr. ADAMS. I accept the modification.

The PRESIDING OFFICER. Without objection, the amendment is modified as suggested.

The question is on agreeing to the amendment offered by the Senator from Colorado as modified.

The amendment as modified was agreed to.

Mr. MURRAY obtained the floor.

Mr. ADAMS. Mr. President, will the Senator from Montana permit me to add one word to what I have heretofore stated regarding the amendment just adopted?

Mr. MURRAY. I yield.

Mr. ADAMS. The Red Cross is named as one of the agencies through which the President may act. The amendment was not offered at the instance of the Red Cross; that is, they are not requesting the appropriation. They are willing to act as an agent, but they have heretofore, so far as their own solicitation is concerned, solicited funds only from private individuals. The purchases of property under the amendment will be handled by the Federal Government, and the Red Cross will merely act as a distributing agency.

Mr. THOMAS of Oklahoma. Mr. President, if the Senator from Montana will yield for a moment, the amendment adopted a few moments ago provides that the State offices shall be retained in the identical places where they are now. The Senator from Colorado, in charge of the joint resolution, made the statement that it would take more money to maintain them where they are. If that is true, it would be a persuasive argument in conference to disagree to the amendment just agreed to, unless the money is provided. I submit an amendment providing that $1,200,000 be properly distributed. The amendment will apply in four places, but I ask that it may be considered as one amendment.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and the amendment will be stated.

The LEGISLATIVE CLERK. On page 17, line 10, it is proposed to strike out "$5,600,000" and to insert "$6,300,000"; on line 11, to strike out "$3,225,000" and to insert "$3,625,000"; on line 12, to strike out "$1,724,516" and to insert "$1,924,516"; on line 17, to strike out "$9,429,916" and to insert $10,729,916."

Mr. ADAMS. Mr. President, I did not catch where the amendments would appear in the joint resolution. Is there to be an addition to the appropriation for the General Accounting Office?

Mr. THOMAS of Oklahoma. In four items on page 17. The first item is increased by the sum of $700,000.

Mr. ADAMS. The General Accounting Office is not involved in this discussion at all. The General Accounting Office appropriation is increased $1,000,000 over last year's appropriation already in the joint resolution. The General Accounting Office is now doing $3,000,000 worth of work for activities other than relief. There should under no conditions be an increase in this appropriation.

Mr. THOMAS of Oklahoma. This will go to conference, and if the conferees find that these sums are too large, or are not needed, I am sure that under the leadership of the distinguished Senator from Colorado they will be eliminated.

The second item is on page 17, line 11, the third on line 12, and the fourth on line 17.

Mr. ADAMS. We cannot even take it to conference.

Mr. BANKHEAD. Mr. President, if the Senator will yield, I have the figures which were testified to by the Treasury Department in the hearings. The exact figures necessary to retain the situation as it is now were given.

Mr. THOMAS of Oklahoma. I withdraw the amendment temporarily.

Mr. BANKHEAD. I move to change the figures——

Mr. THOMAS of Oklahoma. I withdraw the amendment, if I may have permission.

The PRESIDING OFFICER. Without objection, the amendment is temporarily withdrawn.

Mr. MURRAY. Mr. President, I have two amendments on the desk which I desire to have stated.

The PRESIDING OFFICER. The clerk will state the amendments.

The LEGISLATIVE CLERK. On page 2, line 1, it is proposed to strike out "$975,650,000" and to insert in lieu thereof "$1,488,000,000", and on page 7, to strike out beginning with line 18 through line 13 on page 8, and to insert the following:

The amount which may be obligated for administrative expenses of the Work Projects Administration in the District of Columbia and in the field for the fiscal year 1941 shall not exceed 5 percent of the sum appropriated in subsection (a) of this section.

Mr. MURRAY. Mr. President, my first amendment provides for an increase of the amount appropriated for W. P. A. by about 50 percent, for the purpose of utilizing a greater number of the unemployed workers of the country in connection with our national-defense program. The second amendment is to set a maximum of 5 percent of the total W. P. A. appropriation for administrative expenses.

In this period of great national emergency, I submit that an adequate W. P. A. program can and should be provided to effectively fit into our national-defense plans. I think it can be clearly demonstrated that this can be done.

Mr. President, aside from the threat of war now hovering over us, unemployment is the most serious danger to our national security.

Mr. BARKLEY. Mr. President, will the Senator yield?

Mr. MURRAY. I yield to the Senator from Kentucky.

Mr. BARKLEY. I apologize to the Senator for interrupting his remarks, but I wish to express the hope that Senators will remain here in the effort to dispose of the pending bill tonight. There are two or three important measures awaiting consideration that are a part of the national-defense program. It is very desirable and necessary that they be disposed of this week, because the Finance Committee will report the tariff bill either tomorrow or Saturday, and it is contemplated that we will begin consideration of that bill Monday. Therefore, I hope Senators will remain here and cooperate as much as possible to try to conclude consideration of the pending bill today, so that we may be able to dispose of these other measures before we adjourn for the week.

Mr. MURRAY. Mr. President, as I was saying, aside from the threat of war that hangs over our country, the greatest threat to our national security is the serious unemployment condition that continues in this country. It constitutes a continuing threat to our internal peace and safety. I, therefore, contend that if these millions of unemployed workers can be utilized in carrying out any part of our national-defense program, there can be no reasonable excuse for our failure to do so.

Under my first amendment, I propose to expand the W. P. A. from an average of 1,900,000 jobs to an average of 3,000,000, and put these men to work on the most essential national-defense projects that can be conceived; projects absolutely indispensable in connection with our program of national defense.

Mr. TAFT. Mr. President, will the Senator yield?

Mr. MURRAY. I yield.

Mr. TAFT. Am I to understand that the Senator's amendment not only increases the amount, but permits the President to use the increased amount in 8 months?

Mr. MURRAY. The Senator is correct.

Mr. TAFT. So that, as a matter of fact, the proposed appropriation would represent approximately two and one-quarter million dollars for the year, if the President were to exercise that power?

Mr. MURRAY. No; my amendment expresses exactly what is intended. The amount is appropriated for the 8 months as specified in the measure.

If we expend our naval and military air forces as proposed in the measures already passed, we must certainly be required to expand our air bases, landing fields, runways, airway beacons, airway markers, underground hangars, and buildings and plants of various kinds necessary to accommodate the enormously expanded air forces contemplated. Likewise, the mechanization and expansion of our military forces will require a tremendous program of construction of a character W. P. A. may undertake, such as armories, barracks, warehouses, cantonments, military roads, training fields, machine shops, and various plants and buildings necessary to house a greatly expanded and mechanized Army. My amendment undertakes to provide such a program. If we follow such a course we will contribute in a large measure to the removal of the greatest threat in this country to our national prosperity and unity.

Because I am convinced that this work-relief measure, if made effective through these proposed amendments, is vital to our program of national defense; and because I firmly believe that in this period of national emergency a W. P. A. program can be made to tie in closely with our plans for national defense I would like to take the time to discuss the problem in some detail.

I need not now dwell on the history of unemployment during the past 10 years or the tragic suffering and destitution caused by the break-down of our economic system which made necessary the adoption of our present policy of national relief for the unemployed. Every humane-minded citizen in the country has recognized the necessity for the assumption by the Federal Government of this obligation to relieve the distress of our workers who, through no fault of their own, were rendered jobless and destitute during the period of the depression. That policy had the practically unanimous approval of the American people. It was recognized as the only humane thing that the Government could do under the circumstances.

It is to be regretted, however, that soon after the adoption of this Federal policy, political propaganda designed to discredit it began to have its effect; and at no time during the depression has the policy of national relief been permitted to operate fully and effectively. We have experienced a series of ups and downs in the administration of national relief, but the net result of the entire program was to furnish only partial assistance to a very limited number of the Nation's unemployed. Notwithstanding all this, our national policy of work relief will stand out in the future history of this period as a great accomplishment of the present Democratic administration.

W. P. A., intended for the relief of millions of unemployed and destitute citizens, early became a national political football and has been kicked around the halls of Congress and the country at large ever since its inception. Efforts to destroy it and force the unemployed back on charity and local relief have been constantly and vigorously pressed throughout the depression. On one occasion its enemies succeeded in so seriously curtailing W. P. A. appropriations that a serious recession resulted, making it necessary for the Congress to make prompt and greatly increased appropriations to offset the disastrous conditions that had developed. Appropriations for W. P. A. have been constantly opposed, limited, and circumscribed in such a manner and to such a degree that it is really remarkable that W. P. A. was able to accomplish the splendid record it has. Every time a relief measure was considered it was charged that the relief program was destroying the Nation; that we could not afford these large sums for the relief of unemployed and destitute workers. It was charged here that the W. P. A. was an imported, socialistic scheme, foreign to our democracy, and that it was designed principally to perpetuate in office the New Deal administration. It was claimed that the recipients of relief were unworthy, lazy, good-for-nothing, and that they did not want to work. It was charged that its only result would be to bankrupt the Nation.

Speaking on the floor a few days ago the distinguished senior Senator from Washington [Mr. BONE] said, as will be found in the CONGRESSIONAL RECORD of Thursday, June 6, 1940, at page 7676:

I have learned to have great respect and admiration for the men in this body. I have heard man after man in this Chamber assert

without any challenge that adding more debt to our presently inflated debt structure would be fatal to America. That is correct, is it not? Is there any dissent from that?

A number of gentlemen who are at the present moment candidates for nomination on the Republican ticket are saying to the people of this country from platform after platform that if we add any more to the present national debt damnation lies at our door. Many of my own brethren on this side of the aisle, in the Democratic Party, have assured us time after time that if we continue to add to our debt we are going to hell financially.

So those people who have been opposing a national work-relief program were willing to have the country go to damnation socially, morally, and economically so long as they were able to defeat appropriations and discredit the W. P. A. But today there is no dissent in this body in regard to the enormous appropriations we are making for necessary national defense. We are talking today of spending fifty billions for national defense if necessary. We are enthusiastic about such appropriations because we are impressed that it is essential for the safety and security of the Nation. We are all willing to appropriate billions in a war to defend democracy from without.

Mr. President, true defense of our country is not merely a matter of armaments or airplanes. It is a matter of loyal and patriotic spirit in the hearts of our people. That cannot be brought into existence by a program for expanded armaments. I wonder if it would not be a wise policy to appropriate a few extra millions now to strengthen our democracy within and let the great masses of our unemployed feel that they occupy a place under our democratic system. I think that would be sound statesmanship. It would accomplish more for the real defense of democracy than all the armaments we may be able to provide through the billions of dollars we are appropriating.

Huge appropriations for armaments, billions spent for national defense, will not alone be sufficient to safeguard and defend our country. These things standing alone may only hasten our dissolution. Our first line of defense must always be a loyal, contented, and patriotic people at home.

I will not attempt to discuss the cause of this great scourge of unemployment which has been inflicted on our country. It is not necessary to undertake to place the blame for it in connection with the situation now confronting us. It is sufficient for the purpose now under consideration to point out that at the present time we have over 10,000,000 workers, willing and able to work, who are unable to find employment in private industry. Currently, the W. P. A. is employing only about 1,900,000 out of this great horde of unemployed workers. I understand that before June 30, the end of the present fiscal year, this number will be further reduced to 1,700,000, a reduction of 200,000 in 2 months. During the fiscal year 1940, W. P. A. will have carried an average of 1,900,000 workers on its rolls. The present W. P. A. relief measure, as reported, provides $975,000,000 for the work program, which, if expended during the first 8 months of the next fiscal year, will furnish an average of 1,900,000 jobs for that period. This would represent less than 20 percent of the Nation's unemployed.

What, then, is to be done about the remaining millions of unemployed workers? Can the Government afford, in times like these, to ignore the dangerous consequences to our national morale of such a colossal failure of government and industry to provide work for unemployed citizens? If they are permitted to remain idle, their skills deteriorate and their morale is shattered. Their health, and the health of their families, are affected.

It is people like these, Mr. President—discouraged and disillusioned workers who are made to feel that they are not wanted and not needed in our society—who make suitable raw material for a "fifth column" in this country.

With all the work that needs doing in this country, when we should be straining every effort for our national defense, when we should be doing everything in our power to prove the successful operation of democratic institutions, in my judgment it is almost criminal to permit millions of our able-bodied citizens to rust in idleness. The Federal Government cannot afford to shirk this responsibility.

When the W. P. A. was created in the spring of 1935 it was intended that the Federal Government should take the major responsibility for workers who are in need, and who are able to work, by giving them employment on a works program; and the States, cities, and towns kept the major responsibility for the unemployables—the aged, the blind, the dependent children, and all those who, because of physical or mental defects, are unfitted for work. The States and localities are taking care of their unemployables, and are contributing 25 percent of the cost of W. P. A. projects. But the Federal Government does not employ all our needy employables. Instead, those whom the W. P. A. cannot employ also go to the local direct relief agencies, and increase the already heavy burdens of our communities.

My first amendment, to increase the appropriation by approximately one-half billion dollars, would permit the Federal Government to carry out its share of the responsibility on a more adequate basis. It would put a million more people who are employable and in need to work on the W. P. A. program, and thus relieve the financial pressure on our States and communities. At the same time we should be constructing essential national defenses.

Hard work, Mr. President, has been the cornerstone of American democracy. By depriving millions of our workers of the chance to earn a living for themselves and their families by their own efforts and labor, we are endangering our American democracy. We are setting up a class apart from the main body of our citizens. We are saying to these people, "We don't need you. We don't want you. You are economic outcasts." That is not the American way, Mr. President. Such an attitude is not worthy of us as a democracy.

We need the loyalty and devotion of every American citizen in every State, city, county, and village, however humble he may be. Unemployment and destitution are foundations of sand in building patriotism. To place this Nation on a solid foundation we must give assurances, and put those assurances into action, that this Nation can, and will, provide work for those of its citizens who cannot find employment in private enterprise, but who are able, willing, and anxious to work. We have not been realistic in dealing with the problems inherent in widespread and persistent unemployment. We have hoped that, somehow or other, the problem would vanish, that some miracle would happen to provide jobs for all the unemployed. But that miracle has not happened; and we cannot base legislation on the possibility of a miracle.

Today there are between eight and nine million more Americans who have jobs than were employed in 1933; and still we have some 10,000,000 unemployed. These figures sound contradictory, but they are not. We must remember that in 1933 we had at least 14,000,000 unemployed. Since then the labor market has been augmented by more than 600,000 workers each year, or more than 4,000,000 additional workers in the past 7 years. That is why we still have 10,000,000 unemployed workers today. I should be the last person to deny that we have made great forward strides in meeting our unemployment problem, both in reducing the number of unemployed and in the technique of handling relief. But I feel that our unemployment problem is still our No. 1 problem, more important than any other problem facing us; more important, even, than our problem of defense; because I believe a nation cannot build an adequate defense system without some semblance of economic security and without a high morale of its citizenry.

When the European war broke out last summer, many persons believed that the titanic struggle in Europe would solve our unemployment problem in the United States. Now, they thought, the troublesome problem of unemployment will vanish into thin air. Now there will be more jobs than available workmen. But what happened? Soon after the outbreak of the war there was a decided increase in industrial activity. Large orders were placed with manufacturers on the strength of increased exports. But many firms were placing large orders merely to build up their inventories in

anticipation of price increases. The industrial production index rose from 103 in August to 128 in December of last year. The December index figure surpassed even the best achievements of 1929. Our production index was at an all-time high. During this period employment increased by 1,140,000 workers. We were told by some optimists and wishful thinkers that we no longer needed a W. P. A. program. In their enthusiasm they even forgot that a portion of this increase was the normal seasonal increase which occurs every year. But, unfortunately, we soon learned that the increase in employment was to be short lived. Soon our merchants found themselves with large inventories on their hands, and without customers to absorb them. While exports to some countries increased, to other countries they were curtailed, and to still other countries they were completely cut off. The industrial production figure declined from its high of 128 in December of last year to 102 in April of this year, a most disastrous drop. During the same period industrial employment rapidly decreased by about 1,000,000. It is estimated that by August industrial employment may rise to approximately 108. This, even if true, will be but a slight improvement over present conditions.

War orders have speeded up some isolated industries, but on the whole business in this country is not sound. Our agricultural situation has been aggravated. Our export and import trade has been disrupted. Our shipping industry has been hurt. Every time another country is dragged into the war, our trade suffers. Italy's recent entrance, and the extension of the theater of war over the entire Mediterranean Sea, means a tremendous interference with our foreign trade, and a further drop in industrial production. The gains we have made in a few industries which manufacture airplanes, engines, tanks, and machinery have been more than offset by the dislocations in the rest of our economy. But now there are those who believe that our new defense program will absorb all our unemployed; that they will all find jobs in private industry; that unemployment will vanish from the American landscape. Let us not be too optimistic about this. Let us not again be fooled.

The editor of the United States News, discussing this subject, said:

> The matter is by no means so simple. The labor required will be largely in specialized, highly skilled employments, and the plant capacity utilized will not be spread, but will be concentrated, for the most part, in a few heavy industries capable of turning out planes, tanks, guns, ammunition, and ships.

The President has already publicly stated that the national-defense program which he has set forth will not substantially lessen the plight of those who are eligible for W. P. A. employment. We must remember that the amount appropriated will necessarily be spent slowly, and whatever stimulation the defense program will give to industry will not be of great momentum before the end of the calendar year.

Mr. BRIDGES. Mr. President, will the Senator yield?

Mr. MURRAY. I yield.

Mr. BRIDGES. Am I to understand that the Senator from Montana thinks the present defense program will not absorb any appreciable number of unemployed before next January?

Mr. MURRAY. That is exactly true, and it is borne out by the studies of statisticians and economists.

Mr. BRIDGES. With the world aflame in June, we shall not get the program under way before the first of the year. Is that the Senator's idea?

Mr. MURRAY. The program will not appreciably increase employment until toward the end of the year. This is due to the dislocation of industry in other respects because of the war.

Mr. BRIDGES. In other words, the Senator believes that the program will not get going until January 1?

Mr. MURRAY. I do not say it will not get going before January 1. It will be started, but it will not and cannot absorb the millions of unemployed in the country or make an appreciable impression on unemployment until the first of next year. This is due in a degree to the new unemployment in other industries by reason of the war.

Mr. BRIDGES. With the world aflame, someone will be very negligent if the program does not get going before next January 1.

Mr. MEAD. Mr. President, will the Senator yield?

The PRESIDING OFFICER (Mr. LA FOLLETTE in the chair). Does the Senator from Montana yield to the Senator from New York?

Mr. MURRAY. I yield to the Senator from New York.

Mr. MEAD. I wish to recall the fact that in the early part of his speech the Senator emphasized the fact that our shipping was being dislocated, that our commerce was being curtailed, and that naturally unemployment would follow as the result of these curtailments; and that, while employment would result from war industries, it would not in any measurable degree affect the totals of unemployment for the time being.

Mr. MURRAY. That is exactly correct. Economists who have studied the situation point out that as a result of the destruction of our import and export trade, the loss in shipping, and the manner in which our industry generally is affected as a result of the war, there would be a severe and dangerous panic in the country at the present moment were it not for the fact that a national-defense program is under consideration. As I pointed out in the early part of my remarks, more than a million men were laid off in private industry during this spring.

Mr. MEAD. Mr. President, will the Senator yield again at that point?

Mr. MURRAY. I yield.

Mr. MEAD. I have here a clipping from the New York Times dated as late as April 27, after Great Britain had been in the war for approximately 8 months. This clipping states that Great Britain at that time had 1,121,212 persons wholly or temporarily unemployed, and Great Britain at that time had 2,000,000 men under arms. Besides that, she had her war industries working 24 hours a day; and as late as April 27—a very short, brief time ago—she had an unemployment program involving over 1,000,000 persons.

Mr. MURRAY. The Senator has stated the situation exactly. The same conditions exist in this country, but in a much exaggerated degree. In this country, instead of only a million or two unemployed, we have between nine and ten million unemployed. Does this country propose to allow to remain in idleness those nine or ten million men who will be candidates for "fifth column" activities if our Government does not do something about the matter? I think it would be the most unwise policy for our Government to pursue. The only safe thing for us to do is to strengthen ourselves at home. While we are preparing for defense from enemies abroad, let us protect ourselves from the danger of trouble from within.

We must remember, too, that the defense funds will be spent in industries which employ relatively little common labor. Even if employment in aircraft, machine-tool, and shipbuilding industries were doubled from their April level, and employment in steel mills returned to the peak it reached last fall—and this is a very optimistic assumption—it would mean the employment of only 290,000 workers. This is but a fraction of the number of unemployed. Armament reemployment will be concentrated in specific skilled trades. There are but very few skilled workers of the type necessary for an armament program on the W. P. A. rolls. Some indirect employment, resulting from factory expansion and from increased transportation, will materialize from the defense program, but not enough measurably to affect the unemployment problem. Even if indirect employment resulting from the defense program is eventually twice the amount of direct employment, the total new employment to be hoped for will not exceed 800,000, or 8 percent of the total number unemployed; and very little of this employment can come about in the next few months.

Mr. BRIDGES. Mr. President, will the Senator yield?

Mr. MURRAY. I yield to the Senator from New Hampshire.

Mr. BRIDGES. Does not the Senator think that instead of putting more money and still more money into projects

along the line of his amendment we ought at this time to be spending the money we have available, outside of taking care of the actual relief needs, for national defense?

Mr. MURRAY. That is exactly what I am trying to accomplish by this amendment. We have established the fact that the W. P. A. is competent to construct naval air bases and military air bases, landing fields, and work of that character. It has already proven its capacity to do work of that kind.

I have here on my desk a report showing the marvelous record of the W. P. A. along those lines. For instance, here is a report from the National Aeronautic Association for use in the National Aeronautics Magazine. This is not W. P. A. propaganda. It comes from the National Aeronautics Association.

It makes a lengthy statement of what has been done by W. P. A. in preparing this country for defense. I shall not take the time to read it. Attached to the article is a list of the W. P. A. airports and airway projects and military fields. They have already been constructed under the W. P. A.; and yet there are in this country persons who want to discredit W. P. A. and make it appear that it contains only a gang of lazy, good-for-nothing persons. It has been making a marvelous record, as shown by this report, in practically every State in the Union.

I ask that this report from the National Aeronautics Association be printed in the RECORD in connection with my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

The article is as follows:

GROUND FACILITIES FOR NATIONAL DEFENSE

The American Nation, confronted with the task of building quickly a national air defense adequate in view of existing war conditions abroad, has at least an encouraging start in the expansion during the last 5 years of its airport and airways facilities.

Strategically spaced throughout the country are nearly 200 new airports that did not exist in 1935 and nearly 370 airports that have been extended or improved since that time. This work has been the contribution of the Work Projects Administration, which, while aiding civil aviation, at the same time provided facilities important to the country's air forces in time of war.

Approximately $200,000,000 in Federal and sponsors' funds has been expended on the expansion of the Nation's network of airports, landing fields, and aviation facilities. In carrying out this program W. P. A. workers have constructed and improved a total of 51 airports of a strictly military and naval character at Army, Navy, and National Guard sites. In addition to this work, carried out under W. P. A. State programs at a total cost of approximately $17,000,000, the Army and Navy have expended, as of March 31, 1940, nearly $15,000,000 of W. P. A. funds, transferred by W. P. A. to the War and the Navy Departments for the construction by W. P. A. workers of naval and military aviation facilities. Forty-four military and naval air stations and flying fields (exclusive of air facilities at regular military and naval posts) have benefited from work completed or under way with these W. P. A. funds.

Even before W. P. A. airport projects had received attention under the work-relief program, $32,036,241 worth of work was performed by the Civil Works Administration and the Federal Emergency Relief Administration, W. P. A.'s predecessors, between 1933 and 1935.

W. P. A. has been the principal contributor to the rapid development of airports and aviation facilities in recent years. The Civil Aeronautics Authority in a report sent to Congress in March 1939 said:

"The Work Projects Administration has been the paramount factor in the airport development of the last 4 years. * * * Federal expenditures made through the agency of the Work Projects Administration represent nearly one-third of the total amount spent on all airport developments from 1911 up to the present time, and more than 55 percent of the expenditures since 1932."

Work performed on strictly military fields and bases has included, in addition to improvements of fields and bases themselves, such as lengthening of runways, grading, leveling, draining, etc., construction and improvement of buildings, not only of hangars but of barracks, mess halls, and other structures necessary to the proper quartering of planes and personnel.

The W. P. A. and the Navy Department cooperated in $1,000,000 worth of improvements at the naval air base at Squantum, Mass., scene of tremendous activity in 1917 and 1918. Work of similar magnitude was carried on at Army's Lowry Field, Denver; Bolling Field, Washington, D. C.; Mitchel Field, Long Island; and Navy's Reeves Field, Los Angeles. Some $2,000,000 was spent on improvements at Miller Field, New York, used by both the Army and the National Guard, while $1,500,000 was spent on the development of the Sand Point Naval Air Station at Seattle, Wash. Some of the work performed by the War and Navy Departments, operating with funds allocated directly to them from relief appropriations, was carried on at airports and bases where projects also were operated under the W. P. A. State programs. The Federal agency program also included work at fields in the strategically important possessions of Alaska, Puerto Rico, and the Virgin Islands.

Aside from the work performed directly on military air fields, W. P. A.'s general airports program has been of great military significance, studding the country as it has with airports and landing fields suitable for military use in emergencies. Since 1935 the W. P. A. has built and improved airports and landing fields, constructed better, longer, and safer runways, seaplane ramps, and landing platforms and has provided a variety of other improvements. Some 90 percent of the Nation's regular air-line stops now in actual use have been benefited by the W. P. A. program.

However, in this field of civil-aviation development W. P. A.'s work has gone far beyond service to fields important to trunk-line flying. Landing fields have been made available in all parts of the country in communities where, because of lack of regular air travel, there had been no place where aircraft might land safely in emergency. The construction and modernization of civil airports in the less populous sections of the country may be considered of particular military value.

South Dakota, for example, until recently without any regular aviation facilities, now has airports in Pierre, Huron, Rapid City, and Spearfish, thus linking all sections of the State. In Maine, to mention but another instance, regular air service has been made available to the Canadian border.

The new municipal airport at Denver, Colo., is a commercial airport, but as an example of its military value, even in peacetime, the work there has included the construction of a reinforced concrete hangar for the Colorado National Guard. The hangar provides space for 24 planes, with two 2-story wings in which space is included for photographic, radio, medical, armament, and parachute sections, operations office, locker rooms, enlisted men's and officers' clubrooms, conference, and instruction rooms. The hangar is 121 by 140 feet with a concrete floor, a 2-inch plank roof supported by 7 steel trusses on 14 steel columns on each side of the building, tubular steel hangar doors of the around-the-corner type, and 20,000 square feet of concrete-surfaced apron at the entrance. A 10-car concrete garage also was built for the national guard.

As of April 1, 1940, W. P. A. workers had constructed a bituminous runway, 150 feet wide and 6,740 feet long, a bituminous taxi strip 50 feet wide and 3,045 feet long, and 74,000 square yards of bituminous apron. A sand and clay runway 150 feet wide and 5,280 feet long, and a concrete taxi strip 100 feet wide and 250 feet long also were built, while 10 floodlights and 72 boundary lights have been installed.

For drainage, 73 catch basins, 7 manholes, 11,188 feet of French drain, 10,400 feet of drainage ditch, and 12,800 feet of sewer were installed, along with a gasoline line aggregating 5,000 feet of 3-inch diameter.

A considerable number of both large and small fields have been equipped with one or more types of buildings—administrative buildings, terminal buildings, hangars, and miscellaneous structures. The latest W. P. A. inventory lists 387 new buildings and 600 improved structures of all types, of which 155 new buildings and 159 improved structures were hangars.

The W. P. A. program was launched at a time when radical changes in seaplane design necessitated many changes in ramps and landing platforms, and W. P. A. engineers and their technical advisors were careful to insure that their construction kept pace with new developments. At the W. P. A.-built seaplane base at Charleston, S. C., for example, specifications were changed at the last minute to provide a timber ramp with a marine railway and to provide other equipment for the handling of the longer, heavier type of seaplane then coming into use.

This new base, which already has been used as an emergency terminal by a west-bound clipper ship from Europe unable to alight either at New York or Baltimore because of adverse weather, has many natural advantages, among them the year-round favorable climate, and the existence 110 miles inland of Lake Murray, an artificial body of water that can be used as an alternate landing area in event of stormy weather on or near the coast.

W. P. A.'s latest summary shows that 1,756,000 feet of new runways have been built, of which 1,065,000 feet were of high-type surface, and that 372,000 feet of existing runways were improved. Considerable research also has been made by the W. P. A. into various types of hard-surfaced runways. The airport at Purdue, Ind., is serving as a research field, where 12 types of paving are being tried, including concrete, standard bituminous, bituminous stabilization, and calcium chloride with a stabilized base with cotton fabric under bituminous tread; and in conjunction with the Pennsylvania Department of Highways, the W. P. A. has placed 14 different types of paving at the Harrisburg, Pa., airport. This field also is being used for research purposes by the State Highway Department of Pennsylvania and the W. P. A.

A variety of facilities to make flying safer and navigation easier, such as airway markers, beacons, and airport lighting systems has been installed by the W. P. A. Boundary lighting has entailed the installation of 7,873 new standards and improvement to 1,449, the lighting systems varying to meet the peculiar needs of each field. One field whose lighting system has been praised by pilots in the Indianapolis Municipal Airport where the lights used on the W. P. A.-installed instrument approach are set flush with the ground at 100-foot intervals and 50 feet distant from each side of the 5,600-foot runway. Blue mercury vapor lights mark the first 800 feet, white lights the last 2,000, the two colors aiding the pilot to determine the distance along the runway.

Among other safety devices, W. P. A. has established 9,588 new markers and improved 1,559, while building 65 new beacons and improving 10.

W. P. A. has sought to make flying popular, at the same time it labored to make aviation safe. Its recreation division has established classes in airplane model making throughout the United States and at many points instruction in aviation theory has been taught as part of the education program. Instruction in radio aeronautics, for example, has been added to the courses taught at Hasbrouck Heights, N. J., where a former Army Signal Corps officer is in charge. Classes in the theory of flying are held in Hackensack, N. J., and cities in other States, although none presumes to augment instruction with actual flying.

The contemplated program of airplane construction and pilot training makes further expansion of the Nation's airways system an immediate necessity, but the work performed from coast to coast and border to border during the last 5 years has made the job far less formidable than it might have been without the contribution of the Federal work program.

Attached is a list of the principal military and naval air stations and flying fields where W. P. A. workers have made valuable contributions to national defense:

W. P. A. AIRPORT AND AIRWAYS PROJECTS ON MILITARY FIELDS[1]

(Sites as of April 1, 1940)

Alabama: Anniston (Riley Field), Army; Birmingham (Roberts Field), National Guard; Montgomery (Maxwell Field), Army.

California: Los Angeles (Reeves Field), Navy; Los Angeles (Griffith Park), National Guard; Riverside (March Field), Army; Sacramento (Army Air Depot); San Francisco (Crissy Field), Army; San Rafael (Hamilton Field), Army; Sunnyvale (Moffett Field), Army; San Diego (Naval Air Station); San Pedro (Naval Air Station).

Colorado: Denver (Lowry Field), Army; Golden (Camp West), National Guard.

District of Columbia: Bolling Field, Army; Anacostia (Naval Air Station).

Florida: Opalocka (Naval Air); Pensacola (Naval Air); Valparaiso (Army Gunnery Base), Elgin.

Georgia: Columbus (Fort Benning), Army; (Lawson Field).

Indiana: Indianapolis (Stout Field), National Guard; Indianapolis (Schoen Field), Army.

Illinois: Belleville (Scott Field), Army; Rantoul (Chanute Field), Army; Rockford (Camp Grant), National Guard; Chicago (Municipal Airport).

Kansas: Fort Riley (Marshall Field), Army.

Kentucky: Fort Knox (Godman Field), Army.

Louisiana: Shreveport (Barksdale Field), Army.

Massachusetts: Ayer (Fort Devens), National Guard; Chicopee Falls (Army Northeast Air Base); Squantum (Naval Air).

Michigan: Grosse Ile (Naval Air); Mount Clement (Selfridge Field).

Missouri: Nevada (National Guard).

Nebraska: Omaha (Fort Crook), Army.

New York State: Hempstead (Mitchel Field), Army; Newburgh (Stewart Field), Army.

New York City: Miller Field (National Guard), Army.

New Jersey: Cape May (Naval Air); Lakehurst (Naval Air); Wrightstown (Camp Dix), Army.

North Carolina: Fort Bragg (Pope Field), Army.

Oklahoma: Fort Sill (Post Field), Army.

Ohio: Dayton (Wright Field), Army; Fairfield (Patterson Field), Army; Cincinnati (Lunken Airport).

Pennsylvania: Middletown (Army Air Depot).

Texas: Dallas (Hensley Field), Army; San Antonio (Duncan Field), Army; San Antonio (Kelly Field), Army; San Antonio (Randolph Field), Army; San Antonio (Brooks Field), Army.

Utah: Ogden (Hill Field), Army; Salt Lake City (Camp Williams), National Guard.

Virginia: Langley Field, Army; Norfolk, Naval Operating Base.

Washington: Fort Lewis (Gray Field), Army; Fort Lewis (McChord Field), Army; Seattle (Sand Point) Naval Air; Vancouver (Pearson Field), Army.

Wisconsin: Camp Douglas, National Guard.

Alaska: Bethel, Tanana Crossing, Ruby, Nulato, McGrath, Takotna, Cordova District.

Puerto Rico: Boringuen Field, Army; San Juan Naval Station.

Virgin Islands: Charlotte Amalie, Army; St. Thomas, Marine Corps Flying Field.

Mr. BRIDGES. Mr. President, the Senator will admit, will he not, even as strongly as he feels on the subject, that many projects have been constructed by W. P. A., such as monkey houses and mill ponds and things of that kind, that do not contribute greatly to national defense?

Mr. MURRAY. I do not know of any monkey houses that were built by the W. P. A. I regard the W. P. A. as a competent, able agency of the United States Government, which has done splendid things for the American people. When the history of this period is finally written, I think it will record the fact that the W. P. A. has been one of the greatest activities this administration has undertaken. I do not have the patience to listen to men who want to belittle an agency of that character, which was designed by the Government for the purpose of carrying out a humane program, a program to take care of millions of unemployed persons in this country who are unable to take care of their families, and who are suffering, as a result, from lack of food and from ill health brought on by a depression which they had nothing to do with creating.

Mr. BRIDGES. Mr. President, I do not quarrel with the basic purposes of relief. I have always supported it; but I think that instead of giving this glorious picture of the administration of W. P. A., instead of its being one of the glorious pages of American history, it will be one of the blackest.

Mr. MURRAY. I disagree with the Senator. He has a different conception than I have of what the W. P. A. has accomplished. I have visited, in my own State, the marvelous projects that the W. P. A. has constructed there. I have seen the projects constructed in the States of Oregon and Washington. I have seen the McCord Air Field in the city of Tacoma, which is one of the greatest defense projects in the country. I have also had described to me the great naval air base at Sand Point, near the city of Seattle, which is regarded as one of the greatest naval air bases in this country, and other air bases of a similar character—for instance, at San Pedro, Calif., and at San Diego.

Mr. SCHWARTZ. Mr. President, will the Senator from Montana yield to me?

The PRESIDING OFFICER. Does the Senator from Montana yield to the Senator from Wyoming?

Mr. MURRAY. I yield.

Mr. SCHWARTZ. I heard a story about this alleged monkey house. I do not know just what it was, but the individual had started out and had driven in an automobile across the State where the monkey-house was supposed to be. He passed a great building in a university that had been built by W. P. A. labor and P. W. A. labor; he passed schoolhouses; he drove across overpasses, but all he saw was the monkey house, because that was a habitation with which he was familiar. He had a monkey mind. [Laughter.]

Mr. BRIDGES. Mr. President, will the Senator from Montana further yield?

Mr. MURRAY. I yield.

Mr. BRIDGES. The Senator from Wyoming evidently is casting aspersions upon me. So far as that is concerned, I am very willing to stand here and be a critic of W. P. A., as well as to commend the good things it has done.

Mr. MURRAY. I welcome the Senator's criticism.

Mr. BRIDGES. I have been on the floor of the Senate and have heard certain United States Senators compare Harry Hopkins, as Administrator of W. P. A., with the Almighty. That is going to a great extreme. The Senator from Wyoming is going to great extremes. The Senator from Montana is going to extremes.

Of course, the W. P. A. has done some good work. Of course, some form of relief is needed; but all through it has been colored, as I said, with very black pages, with many disgraceful proceedings. Politics has been played all the way through it, and it has been done at the expense of the unfortunate people of the country.

Mr. MURRAY. Mr. President, I beg to differ with the distinguished Senator. I think he exaggerates the mistakes which may have occurred in W. P. A. I think he may find a few isolated instances of poor projects; there may be some instances where politics entered into the W. P. A.; but I assert again that, on the whole, the W. P. A. program has been one of the best things this administration has accomplished for the people of this country, as is recognized by leading economic experts. For example, Fortune magazine has had experts study the W. P. A., and I intend to refer to its report

[1] This list does not include aviation facilities and improvements made by the War and Navy Departments with W. P. A. funds at regular Army posts and naval stations, where such facilities are only incidental to broader programs of work. Neither does this list include sites of projects carried out by the Coast Guard with W. P. A. funds.

later on in my remarks. They have found that the W. P. A. is worthy of great respect, even from the big-business interests of the country, because it has greatly helped in saving from bankruptcy some of the large industries of the United States.

Mr. BRIDGES and Mr. MEAD addressed the Chair.

The PRESIDING OFFICER. Does the Senator from Montana yield; and if so, to whom?

Mr. MURRAY. I yield first to the Senator from New Hampshire.

Mr. BRIDGES. I am glad to learn from the Senator's remarks what he considers the outstanding achievement of the New Deal. I am glad to know he thinks it is the W. P. A.

Mr. MURRAY. If the Senator will read some of the conservative Republican papers, such as Fortune magazine, he will get a little education on this subject.

I yield now to the Senator from New York.

Mr. MEAD. In view of the fact that the Senator from Montana has mentioned the Fortune magazine, which is a conservative publication, let me read a sentence or two from what that magazine said in February last. It stated:

> W. P. A.'s worst leaf-raking days are over. From the men who carve toy ducks for poor children out of old Surplus Commodities fruit crates on New York's Tenth Avenue to the women who carry saddle bags of books to the mountain people of Kentucky, there is scarcely a project anywhere that is not eloquent, even if at a whisper, with a sort of social utility.

W. P. A.'s leaf-raking days are over, says Fortune magazine, and in the same article to which I just referred Fortune magazine states:

> W. P. A.'s use of idle skills for the good of society has resulted in a list of accomplishments that read like a psalm to a modern Pharaoh.

That is from Fortune, and it occurs to me that anyone who seeks to indict W. P. A., in view of the volume of evidence in its favor, is not making a very helpful or wholesome contribution to the solution of our unemployment problem.

Mr. MURRAY. I thank the Senator from New York. I appreciate the contribution he has made.

Mr. HUGHES. Mr. President, will the Senator from Montana yield?

Mr. MURRAY. I yield.

Mr. HUGHES. I do not know what the experience in the different States may be, because it is impossible for any one man to ascertain unless he makes it a point to travel all over this great country, but I do know conditions as they exist in my own State.

In Delaware, W. P. A. has been considered one of the very best activities of the Government, not only for the assistance of people needing relief, those who have needed the things which the W. P. A. was supposed to provide, but because of the various projects in the State which have been undertaken. I am not speaking from a partisan standpoint, not because I happen to advocate the New Deal, but I could bring evidences from every Republican paper in our State of the value of the W. P. A. Every daily newspaper in Delaware is Republican, and I could bring clippings from every one of those Republican newspapers to the effect that in Delaware there has been no politics in W. P. A. The Wilmington Every-Evening, the Morning News, and the Star, are all Republican papers, and it has not been a month since I noted in their editorial columns statements to the effect that there has been no politics in W. P. A. in Delaware. It may be that it is not so in other States, and it is unfortunate if that be the case. It has also been said that the numerous projects which have been carried on by W. P. A. in Delaware, and the numerous things they have done, were good accomplishments, that they were satisfactory, and that the newspapers had no criticism to make of the W. P. A. in Delaware.

Mr. MURRAY. I thank the Senator from Delaware. I think Senators from practically every State in the Union could verify the observations made by the distinguished Senator from Delaware. I know that in my own State, where all the newspapers are corporation controlled, the editors have been writing editorials praising the program of the W. P. A. They could not avoid doing that, because the programs which have been carried out were of the very finest character, resulting in building up the State, and improving the various communities in which the projects were constructed. There have been built dams and reservoirs, roads and schoolhouses, and all sorts of projects which have improved the social and economic conditions of our State. As I have said, editorials in all the Republican-controlled newspapers of the State have approved the program.

I have tried in my remarks to show that the program I have in mind in connection with W. P. A. is not a program of work of an unnecessary character, merely to provide employment for the men employed. I am seeking to put these men to work on projects of an essential character in connection with our national-defense program.

It must be obvious to every intelligent person that if we expand our national armaments and air force, about which we are talking in the Senate, a very extensive program of works in the various sections of the country will be required in order to make the program operative.

As I pointed out earlier in my remarks, there is a definite tie-in between this work-relief program which we are discussing and the national-defense program. I wish to emphasize this with all the force I can. A great deal of work which comes under the category of national defense can be done by W. P. A. The W. P. A., for instance, has already built, as I have pointed out, some of the finest national-defense projects to be found in the Nation today. We know they can do this, because they have done it in the past. Recently the W. P. A. published an inventory of accomplishments for the first 4½ years of its operation. Let us examine a few items in this report, and see what W. P. A. workers have already done to bolster our national defense.

Let us first take the matter of airports. The relationship between airports and national defense must be obvious. There is hardly an airport in this country which has not been built or improved by the W. P. A. or one of its predecessors, the C. W. A. or the F. E. R. A. Whether we talk of airports such as the New York City airport, which was built entirely as a W. P. A. project, or of small emergency landing fields, such as we find in every State in the Union, relief workers helped to make them possible.

Mr. WAGNER. Mr. President, will the Senator yield?

Mr. MURRAY. I yield.

Mr. WAGNER. The Senator referred to what is now called the LaGuardia Airport. That airport will stand for all time, in my opinion, as a monument to the work which the administration has been able to do, because it is regarded as not only the finest airport in this country but as the finest airport in the world today. It not only accommodates the airplanes which come from all over our country, but it is the base for the Pan-American Airlines. It will always stand as a monument to the work of the W. P. A.

Mr. MURRAY. The work of the W. P. A. in the New York project is an answer to the unwarranted attacks made on W. P. A. It proves absolutely the efficiency of the W. P. A., and shows that it has accomplished a great program of improvement in the United States.

The project to which the Senator from New York has just referred is not the only one constructed by the W. P. A. Hundreds of them have been constructed by the W. P. A. They have been constructed in every State of the Union The W. P. A. has not only constructed airports, such as the one mentioned by the Senator from New York, but has constructed naval air bases and military air bases of the finest character, recognized by the Army and the Navy as perfect projects.

This morning I talked to Admiral Moreell. He called my attention to the splendid work done by the W. P. A. in connection with the Sand Point Naval Base in Seattle, which is regarded as one of the finest naval air bases in the world. There is nothing to excel it. The Army air base at McCord Field, Tacoma, which I believe the distinguished Senator from

North Carolina [Mr. REYNOLDS] had the opportunity to visit sometime ago, is one of the finest air bases in the country.

I do not need to dwell on those things. I hate to hear people attempt to malign the W. P. A. I hate to hear them misrepresent and deceive the public with regard to the W. P. A. To do so is certainly unfair and unjust, and it is unpatriotic. When they do so they are injuring the feelings of men who have taken great pride in the work they have done. In the eastern end of my State, which was affected by the drought, the W. P. A. has built great reservoirs, and the men in charge take great pride in what they have there accomplished. The men in charge of the projects there dwell on the splendid character of the men employed, and the good work they have accomplished, and they feel they are constructing something which is of benefit to their fellow citizens. I feel utterly out of patience with those who attempt to misrepresent the W. P. A. and deceive the people of the United States with respect to a matter of such significance to the welfare of our Nation.

Whether you talk of the great airports in the country, such as the New York City Airport which was built entirely as a W. P. A. project, or of small emergency landing fields, such as you find in every State, relief workers helped make them possible. It is safe to say that if it were not for the increased ground facilities created by relief workers, aviation in this country could not possibly have advanced to where it is today. If it had not been for the W. P. A. program we would indeed be in a sorry situation today with reference to our national defense.

Let us get back to the W. P. A. accomplishment report and see what was done for aviation in just 4½ years. W. P. A. workers constructed 197 new airports, and they reconstructed, made additions to, or made improvements on, 372 others. They have built 1,756,000 feet of new runways, they have improved 372,000 feet of existing runways and they have surfaced 170,000 additional feet. They have built 387 airport buildings and reconstructed or improved 600 others. In addition, they have built thousands of ground lights, airway beacons, and airway markers.

Let us consider what W. P. A. workers have done for automobile transportation—certainly a major item in national defense. W. P. A. workers have constructed or improved a total of 457,000 miles of roads in a 4½-year period. In addition, they have constructed 56,000 new bridges and reconstructed or improved 37,000 others.

In the field of public buildings I will select two items which are definitely related to national defense. W. P. A. workers constructed 156 new hospitals and reconstructed 1,500 others. W. P. A. workers have built 222 new armories—which certainly should be regarded as helpful in our national-defense program—and reconstructed or improved 370 others.

These accomplishments are only a few from a long list. Surely the figures I have quoted above are impressive, and surely the work they represent is of tremendous value in our national defense. These accomplishments were made as part of a general work program—not as a special defense program—yet they represent a very valuable contribution to national defense. Mr. President, what I am getting at is this: If we increase our W. P. A. working force now to 3,000,000, as I am proposing, and if we direct the work insofar as may be possible toward national-defense projects, we can make rapid progress in carrying out a gigantic program of national defense. While we are doing this, we are giving our unemployed citizens an opportunity to support their families by their own efforts, and we are showing them that they are not to be regarded as outcasts but as loyal, patriotic citizens of our Republic.

I think we are fortunate at this time to have as Commissioner of the W. P. A. a Regular Army officer and engineer. While I do not speak for Colonel Harrington, I think it is obvious that he will direct the W. P. A. program to national defense, insofar as he is permitted to do so under the bill the Congress passes. I do not mean that W. P. A. workers will be set to making guns, planes, engines, tanks, or battleships. For the most part, they are not trained for that type of work. But they can—they have demonstrated that they can—work on projects which are vital for our national defense. They can work on airports, on roads, on barracks, on armories, on warehouses, on rifle ranges, on Army and Navy bases.

It seems to me poor economy, from any point of view, to limit the number of people to be employed on the W. P. A. program to less than 3,000,000 and thus retard our defense program. If someone should ask me, "Can we afford it?" I would answer, "Can we afford not to do it?" If we cannot afford to look after our own democratic system and our own people who are in real jeopardy, then we had better really be concerned for our safety as an independent Nation.

Mr. President, let me warn this body, with all the force my meager ability is capable of, that the safety and security of the United States does not rest alone in a great mechanized army or a super navy. Without a loyal, patriotic citizenry armaments will prove to be a futile means of preserving the Nation. "An army in overalls," as one thoughtful editor says, "is today as essential to national preparedness as an army in uniform." By arms alone, absolutely indespensable though they are, neither this Nation nor any other can make itself secure. A nation, however highly armed, must have a sound internal policy or it will find itself at last in mortal peril.

The great threat to the security and happiness of our country rests today in the battalions of our unemployed. It rests in the millions of men, women, and children menaced by poverty and ill health. No powerful combination of warlike nations can threaten the United States half so seriously as those conditions which are of our own making. Let us, therefore, arm now against this dangerous enemy within our gates which threatens to undermine our country. Put these unemployed to work on our defense program and block the development of "fifth column" activities at home while we face the danger of a ruthless enemy abroad. That is the American way of meeting this issue.

I have concluded my discussion of the first amendment which I have presented. I will now refer to my second amendment. My second proposal concerns itself with the administrative expenses of the W. P. A. My proposal is to set a flat maximum of 5 percent of the total for the administration of the program.

The W. P. A. is a huge and complex agency. It has offices in every State and city in the United States. It works on every conceivable type of public project. It is the largest employer of labor in the United States, and yet we expect this agency to operate the vast program efficiently and intelligently on a shoestring. Every year we increase their burdens, and every year, instead of raising their administrative budget, we cut it.

During this fiscal year the W. P. A. is operating on the basis of 3.7 percent for administrative expense, yet the House proposes to cut this small item by 20 percent. To me, this seems like poor business. The purpose of the cut is obvious to all. It is designed to hamstring and discredit the W. P. A. The proponents talk piously of economy, while Mussolini-like, they stick the harpoon into the body of W. P. A.

Mr. ADAMS. Mr. President, will the Senator yield?

Mr. MURRAY. I yield.

Mr. ADAMS. As the Senator knows, the W. P. A. has been reducing its expenses. In some years past, in relief bills, we established a maximum of 4 percent for administrative expenses, which the W. P. A. said was adequate. Then the percentage was reduced. This year the House cut 10 percent from the Budget figures. The Senate committee recommended the restoration of the Budget figure, which the W. P. A. says will be adequate, although it will have to be economical and careful. The percentage is about 3.7 percent. We have felt that the W. P. A. would not be willing to cut its forces below the number needed.

Mr. MURRAY. I am glad to hear the distinguished Senator from Colorado make that explanation. I am not familiar with the hearings, but I know that the Senator from Colorado is very familiar with the W. P. A. I am very glad

to know that he has given consideration to that point, and that the Senate committee has restored the cut which was made in the House. However, in view of the fact that we have placed additional burdens on the W. P. A. in the way of making additional reports and investigations, which I shall mention later, I still think we should to some degree at least increase the administrative expenses of that organization. I do not think the Administrator would ask for an increase unless he thought it was necessary.

About the time the hearings were in progress I called up the W. P. A. office, and I understood at that time that the W. P. A. was greatly injured by the attempt to reduce its administrative expenses. That was the reason why I became interested in the matter. I want the administration to be efficient and the program effective.

Mr. BARKLEY. Mr. President, will the Senator yield to me for the purpose of making a unanimous-consent request?

Mr. MURRAY. I yield.

Mr. BARKLEY. I ask unanimous consent that following the address of the Senator from Montana, and during the further consideration of the joint resolution now under consideration, no Senator shall speak more than once or longer than 30 minutes on the joint resolution or any amendment thereto.

Mr. McNARY. On the joint resolution or any amendment?

Mr. BARKLEY. On the joint resolution or any amendment.

Mr. McNARY. That would allow an hour.

Mr. BARKLEY. It would allow an hour if any Senator should wish to use an hour.

Mr. McNARY. I have no objection.

The PRESIDING OFFICER (Mr. MEAD in the chair). Is there objection to the request of the Senator from Kentucky? The Chair hears none, and it is so ordered.

Mr. MURRAY. Mr. President, I ask any Senator or any industrialist if 5 percent of the total appropriation to operate a program as far flung and complicated as is the W. P. A. is too much. I invite comparison with any other governmental agency—or, for that matter, with any private agency—to prove whether or not the administrative expense allowed W. P. A. is pitifully insufficient.

In 1937 Fortune magazine conducted an extensive research into the operations of W. P. A. Certainly no one would suspect that magazine of bias in favor of this Federal agency. Let me quote from the editor of Fortune, discussing its survey:

One conclusion of this research will perhaps startle you.

Says Fortune.

This impartial and wholly unbiased survey gave strongest support to the feeling that the machinery of the damned and despised W. P. A. functions with an efficiency of which any industrialist would be proud.

We expect the W. P. A. to make periodic surveys of the needs of its workers. We tell it that it must not employ aliens, Communists, or members of the Nazi bund, and we expect it to carry out these provisions to the letter. We chastise it, and cry "boondoggling" whenever we find a W. P. A. project, no matter how small, which to us seems poorly handled. We expect the W. P. A. to eradicate all political influence on its projects. We expect every project to be well planned before work starts. We expect the W. P. A. engineers to make periodic inspections to see that the jobs are progressing on schedule. It must apportion its funds in an equitable manner. It must be sure that no work is done on private property. It must arrange for sponsors' contributions. It must make thousands of reports—to the Treasury Department, to the Attorney General's office, to the Comptroller General's office, to the President, and to the Congress. It must be sure that every proposed project is socially worth while. It must be sure that suitable labor is available before a project begins. It must watch each project closely, so that the final costs do not exceed the initial estimates. I do not say that all these things should not be done. What I do say is that we should give the W. P. A. sufficient money so that they can be done properly. By so doing, in the long run we should save money.

The average W. P. A. administrative wage is considerably less than the average Government wage. I do not know why that should be. The jobs of W. P. A. administrators are just as difficult, if not more so, just as important, as those of any other bureau or agency. Yet we persist in underpaying them. I am familiar with the W. P. A. situation in my own State, as other Senators no doubt are familiar with the situation in their States. I know that the administrative staffs in the State office and in the district offices are made up of hard-working, intelligent men and women. I know, too, that they are underpaid, understaffed, and overworked. I do not think we should practice economy in that way. I predict that if we increase W. P. A. administrative expense to 5 percent of the total appropriated, we shall have a more efficient and effective W. P. A. program.

Mr. President, we are today facing a crisis in this country caused by the tragic international situation. Democracy is on trial as never before. We must think seriously of what we are doing. This is no time for dilly-dallying, for bickering, or for political pettifoggery and deception. We must get down to brass tacks, and do so promptly. We must consolidate all our forces. We must give work to our unemployed, so that they may play an important role in our defense program. We can no longer sit back and merely say, "Nobody in this country will starve." This is a negative attitude, and it is not enough. Besides, malnutrition, discouragement, and poverty may be just as devastating as starvation. What we should say is, "Let every American produce his or her share for the national defense and general welfare of the Nation. Let every man and woman become a part of our American defense program and a part of our society." We must provide the unemployed the opportunity to participate in this program—not as charity, but because they need work, and because we need their loyalty and patriotism.

Mr. President, there can be no safety or security for a nation infected by the dangerous plague of unemployment and destitution. We have millions of unemployed workers who are able and willing to work. It seems to me only logical that we should utilize these workers, as far as possible, in our national defense program. By providing useful—nay, essential—work for 3,000,000 of our unemployed fellow citizens through the W. P. A. program, we shall go a long way toward providing genuine national defense, both within and without our borders. We shall have provided insurance against communism or totalitarianism. We shall have reunited our country and our people and strengthened our democracy, and we shall be able to face the whole world without fear.

ATTITUDE OF AMERICA TOWARD EUROPEAN WAR

Mr. BARKLEY. Mr. President, in view of the lateness of the hour, I think we cannot finish the joint resolution tonight; and inasmuch as we have already secured a limitation on debate, it may be advisable to have it go over.

Mr. PEPPER. Mr. President, is the Senator about to move a recess?

Mr. BARKLEY. I was about to do so; yes.

Mr. PEPPER. Will the Senator allow me 5 or 6 minutes before he does that?

Mr. BARKLEY. Certainly.

Mr. PEPPER. I thank the leader for his kindness.

Mr. President, I have just learned through newspaper sources that the city of Paris is practically on the verge of capitulation—news which, I am sure, must bring tears to the eyes of the Members of this body and to the American people.

No wonder the Premier of France addressed to the President of the United States the plaintive appeal which is carried in this afternoon's newspapers, reading as follows:

Mr. President, I wish first of all to express my gratitude for the generous aid which you have decided to give us in the matter of aviation and armament.

For the past 6 days and 6 nights our divisions have been fighting without an hour's respite against an army having crushing numerical and material superiority. Today the enemy is near the gates of Paris.

We are fighting in front of Paris, we are fighting behind Paris, we are inclosing ourselves in one of our provinces and if we are chased therefrom we shall go to North Africa and if necessary to our American possessions.

REYNAUD JOINS ARMY

Part of the government has already left Paris. I myself am getting ready to leave for the armies. This is to intensify the struggle with all our forces we still have and not to abandon the fight.

May I request, Mr. President, that you explain all that to your people, to all American citizens, telling them that we are determined to sacrifice ourselves in the struggles we are leading for all free men.

At the moment I speak to you another dictatorship has hit France in the back. A new frontier is menaced. A naval battle is about to begin. You generously replied to the appeal I launched a few days ago over the Atlantic. Today, June 10, 1940, it is new aid, even wider, that it is my duty to ask of you.

At the same time that you expose the situation to the men and women of America I beg you publicly to declare United States' accord with the Allies and moral and material aid by all possible means excepting the dispatch of an expeditionary corps.

I beg you to do this before it is too late.

I realize the gravity of such a gesture. The gravity necessitates that it does not come too late.

You, yourself, said on October 5, 1937: "I am compelled and you are compelled to look ahead. The peace, freedom, and security of 90 percent of the world population begins to be jeopardized by the remaining 10 percent who are threatening to break down all international law.

"Surely the 90 percent who want to live in accordance with the moral standards that have received almost universal acceptance through centuries can and must find some way to make their will prevail."

The hour has come for these 90 percent of the citizens of the world to unite against the mortal danger menacing all. I have confidence in the solidarity of the American people, in this vital battle the Allies are waging for their own salvation, but also for the salvation of American democracy.

Mr. President, a few days ago prominent Members of this body were heard to say that the Allies had not requested aid of the American people. If anybody ever had a doubt that any of the other sentiments coming appealingly across the water were not official in character and did not come from the hearts of the Allied governments, that doubt is now definitely dispelled beyond question by the direct appeal made to the head of our Government by the Premier of the Republic of France.

Mr. President, it will be noted, in the alternative presented by the Premier of France, that yet closer and closer to our own continent, and closer and closer to our own country, comes the reach of the wings of this vicious vulture of war. There are growing up in our Congress those who, I can see, already are becoming the champions of the philosophy of appeasement in America. They say, "We are too weak, and therefore we had better not antagonize Hitler." They say, "Wait awhile, and perhaps he will spend his force and be exhausted so that he cannot get out of the Old World." They say, "Wait awhile yet, and perhaps he will not attack this continent. Wait awhile, until we are stronger and surer that we can resist defensively any encroachment he may hurl upon us."

Yesterday another important speech was made, Mr. President. It was made by the head of the Government of Brazil. That speech spoke complimentarily and approvingly of the virility of the new governments and peoples. That must have had an ominous sound to the ears of every Member of this body and every citizen of this country. Either that speech indicated that the head of the Government of Brazil—one of the major republics of the 21 on this continent—was already, in faith and in philosophy, at one with the opponents of democracy, or he must have thought there was a sentiment of that character so strong in his own country that he was obligated to recognize it at a time when he paid some tribute to the democracies.

I wonder, Mr. President, where these champions of appeasement are going to make their stand.

Mr. O'MAHONEY. Mr. President, will the Senator yield?

Mr. PEPPER. Will the Senator pardon me for just a moment? If not on the Rhine, if not at the Meuse, at the Somme, at the Seine, on the Loire, at Paris, at Tours; not in Europe, if not in South America, where do the champions of appeasement propose to say, "Here we stand," and fight as men who were worthy always have fought for the things they held dear?

There seems to be a growing conspiracy in certain places to denounce some of us, and the President of the United States, and the Democratic Party under its present leadership, as being a war group and a war party. That policy is too obvious, Mr. President, for its slimy trail not to be odiously observable to everyone of us. Let history decide who is the war party of America. Let history decide who spills the blood of American boys. Let history decide whether the battle might have been avoided, but by the appeasement champions was ultimately and inevitably brought to the shores of this country they profess to love.

So I say, Mr. President, that appeasement is a germ which destroys the red corpuscles of every body politic in which it has been permitted to live.

If our body politic, if our Government, is once infected with that virus, it, too, will go the way of all others which have nourished it hospitably in their blood.

So, as Paris is about to fall, as the battle moves down to one of the provinces of France, as the government turns its eyes to the nations of the world appealing for succor, not for troops—and I cannot make it too clear that no Senator on this floor would more definitely vote against that than I would—appealing to this Government for what aid it can render short of war, if this Government now, in this crucial hour, fails to heed that plaintive appeal from the heart of crucified and expiring France, Mr. President, it not only constitutes ingratitude for what France did for us in an earlier day when we appealed to them, but it will mark the day when we choose to forfeit our standing in the family of the respected peoples of the world.

If we now decline to espouse a cause in which we profess to believe, and those who are our first line of defense there will come eventually the terrible day of realization that the champions of Chamberlainian appeasement led us not to peace but to a ghastly war in this hemisphere, if not in our country.

Mr. O'MAHONEY. Mr. President, I sought to interrupt the Senator in order that I might ask him a question.

Mr. PEPPER. I yield.

Mr. O'MAHONEY. I was prompted to interrupt by his reference to the recent remarks of the President of Brazil. I have not had opportunity of reading the entire text of what the Brazilian executive said. I wonder whether the Senator from Florida has had that opportunity.

Mr. PEPPER. I regret to say that I have read only the newspaper accounts of it; I have not read the entire text.

Mr. O'MAHONEY. I thought that was probably the case, and that is what prompts me to say that perhaps it would be a little bit premature to pass judgment now upon the full meaning and the full significance of what President Vargas actually said.

I think that what has been printed may justify the conclusion, not that he has expressed any hostility toward or any doubt in the virtue of democracy, but, rather, that he has expressed an opinion that organization is needed to protect and promote democracy. I felt, perhaps, it would be well for us to withhold judgment before expressing on this floor an opinion about a speech the meaning of which certainly cannot be clear to us until we have read the entire speech.

Mr. PEPPER. Mr. President, I appreciate the spirit of caution which is contained in the words of the able Senator and my friend from Wyoming. No Senator on this floor is a greater admirer of the Government of Brazil than I—its very splendid and able Ambassador to Washington and his lovely wife, and its foreign minister, whom I was privileged to meet upon his last visit to this country. No one has looked with greater approval upon the spirit of cordiality and cooperation with which Brazil has entered into the family of nations constituting the 21 American republics. But in these crucial times we need more plain speaking than less, and the sentiments uttered by the President of Brazil were extremely

disturbing to me either way, whether they indicated the sentiment of the President himself as giving approval to the totalitarian philosophies because of their vigor and efficacy, or whether he thought it necessary, because there are more than a million Germans in Brazil who are quite an influential factor in its population, to express approval of the totalitarian philosophies. Either, I say, has an ominous sound in the ears of the other republics of this hemisphere.

I certainly hope and pray that the sentiments in the hearts of the people of Brazil will always be the sentiments of democracy, but this is no time to talk of appeasement with totalitarianism, and if our friends to the south of us are beginning to appease the dictators, beginning to speak well of them, to be cordial and hospitable to the receipt of their doctrines and their philosophy, it is time we knew it now, because there may come a time when the United States will have to know who are its friends and who are its enemies.

What I am appealing for is that the Congress of the United States shall stand up unafraid and say, "We denounce totalitarianism, we denounce Hitler, we denounce Mussolini, we declare anew our sentiments of democracy and Americanism, we reaffirm our Monroe Doctrine, we propose to give all aid short of war to the Allies now, beginning now, not tomorrow; and tomorrow giving yet more material aid as our capacity expands."

The Congress, however, has not even the courage to stand up and utter those sentiments. We quibble, we equivocate, we evade, we hesitate, we wait; and even the Congress does not stand up and say, "Hitler stinks in democracy's nostrils, and so does his ally and confederate in crime, Mussolini; and so do their philosophies, and all they stand for." We cannot even get the Senate to say that. Therefore I should not be very much surprised if, knowing the Senate of the United States will not say that, the President of Brazil, a country in which there are over a million German citizens, will not dare to say it. So as he stands on a battleship speaking of the glories of Brazil in times past, of victories won, he thinks he had better put in a good word for the dictators, because Hitler is at the gates of Paris, and the great Italian air force and Army are poised ready to strike. The dictators are about to win, the democracies are decadent, are afraid, they cannot make up their minds, and they let Chamberlains lead them. They will not say what they think, for to do so might make some dictator angry.

If that is the kind of example the American Congress is going to set the South American republics, if their ambassadors are going to be able to tell their people, "Roosevelt has gone away out in front, and he has himself out on a limb, but you don't hear much from Congress, do you? They have not said these things"—do you not think they will all begin to say, "We had better play up to Hitler a little"? Then the next time they make a speech they will say, "While we appreciate the sentiments of democracy, we cannot withhold our compliments from the new virility and the new faith."

That is the trouble; if the dictators win, if Paris falls, and France is destroyed, how long do you suppose these smaller countries are going to stand up when Herr Hitler says, "All right. I want your wheat; I want your cattle; I want your lard; I want your cotton, and here are goods in return," and we, through our State Department, say, "Don't deal with Hitler. You are playing up to the totalitarian philosophy. You are making it impossible for these nations ever to restore themselves to power."

Do you think they are going to listen to us? They will not listen to a democracy that is afraid to say anything as against Hitler, who is neither afraid to say nor to do what his beastly will may dictate. So that the time has come when we would better make up our minds whether we are going to set an example of courage, or whether, in our equivocation, under the leadership of the champions of appeasement, we will give fearful and costly encouragement to the dictators.

Mr. O'MAHONEY. Mr. President, I am rather sorry I interrupted the Senator now, because I think it provoked him to make even a more grave charge against the leader of a great American republic than he had previously made.

The point I offer is that the Senator has not read the speech of President Vargas. It seems to me it is inadvisable, at least, for any Member of this body to link the leader of an American republic with the leaders of totalitarian states abroad, because it is possible that if the Senator had had the opportunity of reading the entire speech, a different conclusion might have been drawn. I do not pretend to say that President Vargas agrees with the opinion expressed by the Senator from Florida, but I do say that it behooves us, sitting in this Chamber, to speak with caution about the opinions expressed by leaders of other American republics until we know definitely what those opinions are.

I can sympathize completely with the Senator's denunciation of totalitarianism. I can sympathize, and I do, with his repudiation of the philosophy which is guiding Hitler and Mussolini; but I am not yet ready to link any American President with either of those two dictators, and I believe that the evidence is not at hand to justify any Senator to link them together. That is the only reason I interrupted the Senator.

Mr. BARKLEY. Mr. President, I move that the Senate proceed——

Mr. REYNOLDS. Mr. President, will the Senator yield? I should like to make an observation.

Mr. BARKLEY. I yield.

Mr. REYNOLDS. While we are denouncing Hitler and Mussolini, I think we ought to include Mr. Stalin, of Russia. I think Stalin is accomplishing as much devilment in this country as is anyone else.

In view of the fact that my distinguished friend the Senator from Florida made mention of the South American situation, which really is a very serious one, and naturally an extremely interesting one, I now ask, without comment, to have published in the RECORD at this point, in connection with the remarks of the Senator from Wyoming, an editorial which I read this afternoon, appearing in the Washington Daily News.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

[From the Washington Daily News of June 13, 1940]

TNT—THE MONROE DOCTRINE TODAY

Among Latin American nations Brazil has long been regarded as the most friendly to the United States. Over the years her foreign policy has frequently been deliberately alined with our own. Hence the shock resulting from Tuesday's pro-Fascist speech at Rio of her dictator President, Getulio Vargas.

Defending "vigorous peoples," Vargas attacked the "sterile demagogy of political democracy." Since this may mean us, it again becomes necessary that we take another look at our political hand. Once more it looks as though loose talk in Washington may have gotten us into a tight spot abroad.

A few days ago a congressional resolution dramatized the Monroe Doctrine as a war issue in these words:

"The United States would not recognize any transfer and would not acquiesce in any attempt to transfer any geographic region of the Western Hemisphere from one non-American power to another non-American power."

The resolution's threat, pointed at Germany, is substantially what Monroe said in different words back in 1823 when the target was France, Spain, and the Holy Alliance. "Not acquiesce in" are fighting words. Considering the amount of armament we have "on order" and the amount we have "on hand," fighting words do not appeal to us as much as preparedness actions.

Frankly, we think the whole subject of the Monroe Doctrine is loaded with political TNT; that it is a little known but widely misunderstood document that may very easily involve us in trouble more quickly than some of the more obvious threats. It is our baby. Latin America has never adopted it, seldom liked it, and has generally hated it. For us to assume that the nations south of the Rio Grande have changed their views overnight is at least naive.

There are many scars. Dollar diplomacy, 30 invasions by us into the internal affairs of 9 supposedly sovereign and independent Latin American nations, the story of how we got the Panama Canal, the activities of our marines in Central America and the Caribbean—a long and often sordid tale of the build-up over a century of distrust and suspicion of Yankee imperialism.

President Roosevelt, by his good-neighbor policy, has made a commendable effort to heal old wounds. But he was dealing with a Latin psychology and Latin suspicions. The best that has eventuated from conferences at Buenos Aires, Lima, and Panama, conferences designed to make the Monroe Doctrine a real pan-American

doctrine, has been an agreement to confer when danger threatens anywhere in this hemisphere—as would be the case in any attempt, for instance, to transfer the Dutch West Indies from a conquered Holland to a conquering Germany.

But there is a tremendous gap between agreeing to confer and agreeing to act. Since by the congressional resolution we are committed to action, we may have assistance or we may have only conferees. As a result of talking first, Congress has saddled us with a responsibility that stretches from pole to pole, from ocean to ocean, and from hell to breakfast—without any assurance that President Vargas, or any of his fellow Latin American dictators and presidents, includes us in his group of vigorous peoples.

Question: Why should we be the I'll-help-youse Happy Hooligan of the Americas? If the Monroe Doctrine idea—when the showdown comes—can't be turned into an iron-clad, mutually respected military alliance, then why should we stick our neck out way down south of the Equator?

Suggestion: Cut out the conversation and the resoluting. Call a conference, or page every nation in Latin America, and find how far, if at all, each of them is willing to go in a move for the joint protection of the Western Hemisphere—a move which would be the common task of all, not the self-imposed but deeply resented task of Uncle Sam.

Mr. BONE. Mr. President, will the Senator yield?

Mr. BARKLEY. I yield.

Mr. BONE. So that the day-to-day record may be duly kept up to date, let me call the attention of my brethren to the fact that a few days ago that great diurnal, the Washington Star, published a very interesting news story by one of its contributors, pointing out that a few years ago German military experts came to this country and made a very careful examination of our mobilization plans, as a result of which Germany adopted the mobilization plans of the War Department of the United States of America, and is now employing them in its successful "blitzkrieg" against France, Belgium, Holland, and Great Britain. Therefore, when we hear totalitarianism savagely denounced on this floor we can all say, "Amen" to the denunciation, but hope to God that we will never have to adopt the things that Hitler adopted after looking over our plans.

Mr. ADAMS. Mr. President, will the Senator yield?

Mr. BARKLEY. I yield.

Mr. ADAMS. I am reluctant to say anything at this late hour, but it seems to me that in the remarks of the Senator from Florida are some things to which exception should be taken.

The Senator denounces those whom he criticizes as the "apostles of appeasement." There is no occasion for appeasement on the part of America. Appeasement comes into play when there is controversy, when there is difference. There are some who are apostles of peace rather than of appeasement. I say to Senators that what America wants is peace. What American citizens—men, women, and the young folks—want is peace, but the very things that are being said on this floor, and elsewhere, by public officials, are jeopardizing the peace of America.

As a citizen I am interested in peace. As the father of two sons of military age I am interested in peace. I am not willing, without entering my protest, that everyone who insists that America go its way and mind its own business should be denounced. I am unwilling to have those denounced who, like myself, think we should not participate in the affairs of Europe. I have sat here day by day and heard made various speeches which apparently sought to create such a situation that America would not have a single friend in the association of nations. One Senator denounces Germany, another Senator denounces Italy and its leaders, another denounces England, another denounces France, another denounces Russia. We leave no nation undenounced.

My judgment is that in the affairs of nations, as in the affairs of men, friends are what count, not enemies. We may disapprove, we do disapprove, we abhor what is going on in Europe, but how many American boys are we willing to throw upon the altar of martial sacrifice in order that affairs in Europe may be conducted and regulated as you and I would have them conducted and regulated? I say, unfortunate, disastrous, distressing, and tragic as are conditions in Europe, I am not willing to have the Senate of the United States or the Government of the United States take a position or move forward in a way that will cost the life of a single American boy. It is for peace, not appeasement, I speak.

Mr. PEPPER. Is it the friendship of Hitler the Senator wants to retain?

Mr. ADAMS. I am not interested in his friendship, but I am not trying to incur his enmity. I would rather have Hitler's good will than his ill will. There is no reason to go out and invite danger. There is no reason to denounce ideas or ideologies which we do not like. In other words, I am interested in the welfare of this country. I am interested in the men, in the women, and in the boys of this country.

I fear that the things the Senator from Florida says are nothing more nor less than a demand that America go into war. We cannot go as far as we choose and then say, "No, we were not making war." In time of war we cannot say to one side, "We will give you everything we have; we will do everything short of war for you," and then expect the other party to say, "Of course, inasmuch as you say that what you do is not war, it is not war." You can go so far, but if you go beyond that you drag and you drive and you impel war upon us. That is what we want to avoid.

I merely differ with the conclusions which the Senator from Florida draws; I am afraid he is talking war when he means peace.

MESSAGE FROM THE HOUSE—ENROLLED BILLS AND JOINT RESOLUTION SIGNED

A message from the House of Representatives, by Mr. Chaffee, one of its reading clerks, announced that the Speaker had affixed his signature to the following enrolled bills and joint resolution, and they were signed by the President pro tempore:

S. 2598. An act for the relief of Kurt Wessely;

S. 3196. An act to amend the act approved May 24, 1938, entitled "An act for the relief of the Comision Mixta Demarcadora de Limites Entre Colombia y Panama" and for the relief of Jose Antonio Sossa D;

S. 4026. An act providing for the reorganization of the Navy Department, and for other purposes; and

S. J. Res. 59. Joint resolution authorizing the Bureau of Labor Statistics to collect information as to amount and value of all goods produced in State and Federal prisons.

EXECUTIVE SESSION

Mr. BARKLEY. Mr. President, I do not yield further.

I move that the Senate proceed to the consideration of executive business.

The motion was agreed to; and the Senate proceeded to the consideration of executive business.

EXECUTIVE REPORTS OF COMMITTEES

Mr. McKELLAR, from the Committee on Post Offices and Post Roads, reported favorably the nominations of sundry postmasters.

Mr. HUGHES, from the Committee on the Judiciary, reported favorably the nomination of Frank C. Blackford, of New York, to be United States marshal for the western district of New York.

The PRESIDENT pro tempore. If there be no further reports of committees, the clerk will state the nominations on the calendar.

THE JUDICIARY

The legislative clerk read the nomination of J. Cullen Ganey to be United States district judge for the eastern district of Pennsylvania.

The PRESIDENT pro tempore. Without objection, the nomination is confirmed.

DIPLOMATIC AND FOREIGN SERVICE

The legislative clerk read the nomination of John Campbell White to act as diplomatic agent and consul general at Tangier, Morocco.

The PRESIDENT pro tempore. Without objection, the nomination is confirmed.

POSTMASTERS

The legislative clerk proceeded to read sundry nominations of postmasters.

Mr. McKELLAR. I ask that the nominations of postmasters be confirmed en bloc.

The PRESIDENT pro tempore. Without objection, the nominations of postmasters are confirmed en bloc. That completes the calendar.

RECESS

Mr. BARKLEY. As in legislative session, I move that the Senate take a recess until 12 o'clock noon tomorrow.

The motion was agreed to; and (at 6 o'clock and 10 minutes p. m.) the Senate took a recess until tomorrow, Friday, June 14, 1940, at 12 o'clock meridian.

CONFIRMATIONS

Executive nominations confirmed by the Senate June 13 (legislative day of May 28), 1940

UNITED STATES DISTRICT JUDGE

J. Cullen Ganey to be United States district judge for the eastern district of Pennsylvania.

DIPLOMATIC AND FOREIGN SERVICE

John Campbell White to act as diplomatic agent and consul general at Tangier, Morocco.

POSTMASTERS

ARIZONA

William I. Welker, Bowie.
James A. Metzger, Grand Canyon.

ARKANSAS

Sarah Abington, Beebe.
William Earl Polk, Corning.
Charles Roy Wise, Thornton.

LOUISIANA

Mary K. Roark, Marion.

MAINE

Ralph H. McEwen, Bowdoinham.
Wilbur F. Goodwin, Kennebunk Port.
Alice S. Fitzgerald, Smyrna Mills.
Clara M. Colcord, Stockton Springs.

MASSACHUSETTS

John Robert Crowley, Monson.

MICHIGAN

Clara C. Hollister, Bronson.
Ralph Edward Peterson, Frankfort.
Roland J. Boudreau, Garden.
Gordon M. Gould, Lawrence.
Charles S. Clark, Jr., St. Johns.

MONTANA

Emma M. Minette, Cut Bank.

TEXAS

Oliver A. Hale, Abilene.
Peter Hilton Williams, Albany.
Zack Thomason Burkett, Archer City.
Edith M. Bursey, Brackettville.
Alvin Henry Lohoefener, Burkburnett.
Odis A. Brown, Eliasville.
Oliver P. Ford, Fabens.
Lizzie Crawford, Marathon.
John M. Meiners, Moulton.
Wade W. Barnett, Oakwood.
Cora Read, Plains.
Marcus E. Jud, Riesel.
Hattie Waller, Trinity.
Jennie C. Jenkins, Tuscola.
Edwin C. Dickschat, Washington.

HOUSE OF REPRESENTATIVES

THURSDAY, JUNE 13, 1940

The House met at 12 o'clock noon and was called to order by the Speaker.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

Our Father in heaven, with the light of this day, renew the sunlight of our spirits and the childhood of our hearts. Remind us that life is redeemed by sacrifice and service. Revive within us the sympathy that feels another's grief and shares another's gladness. The Lord help us to forgive that we may be forgiven; cleanse Thou us from secret faults. Grant that our faith in God, in man, and in our country may never die away. We earnestly pray Thee to give our national life a deeper, richer tone that preserves us from those powers of chaos and anarchy which are darker than unstreaked midnight. Thou hast made everything beautiful in Thy time, fair and sublime forms, yielding us their wealth as we pause to listen to their whispers. We praise Thee, our Father, that there is still something beyond, better than bread, more radiant than June skies, more blessed than the silences at twilight; something that urges us to bow and pray: Bless Thou the truth to us, dear Lord, as Thou didst bless the bread by Galilee. In the name of our dear Redeemer. Amen.

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Frazier, its legislative clerk, announced that the Senate had passed a joint resolution of the following title, in which the concurrence of the House is requested:

S. J. Res. 277. Joint resolution making an appropriation to control the chinch-bug menace in the Corn Belt.

The message also announced that the Senate agrees to the amendments of the House to a bill of the Senate of the following title:

S. 3196. An act to amend the act approved May 24, 1938, entitled "An act for the relief of the Comision Mixta Demarcadora de Limites Entre Colombia y Panama" and for the relief of Jose Antonio Sossa D.

The message also announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 4026) entitled "An act providing for the reorganization of the Navy Department, and for other purposes."

The message also announced that the Senate agrees to the amendments of the House to the amendments of the Senate numbered 18, 34, 50, 63, 64, 69, 85, 100, 101, and 111 to the bill (H. R. 8745) entitled "An act making appropriations for the Department of the Interior for the fiscal year ending June 30, 1941, and for other purposes," and that the Senate recedes from its amendments numbered 95 and 110 to said bill.

EXTENSION OF REMARKS

Mr. ANDERSON of Missouri. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include therein an editorial from the St. Louis Post-Dispatch.

The SPEAKER. Is there objection to the request of the gentleman from Missouri [Mr. ANDERSON]?

There was no objection.

Mr. SMITH of Washington. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include an article by Richard L. Neuberger.

The SPEAKER. Is there objection to the request of the gentleman from Washington [Mr. SMITH]?

There was no objection.

Mr. MARTIN J. KENNEDY. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and at this point to include a very short letter from the New York State Federation of Labor concerning Senate bill 591.

The SPEAKER. The Chair may say that under the agreement entered into in reference to extension of remarks everything except the remarks of the Member will have to go in the Appendix.

Mr. MARTIN J. KENNEDY. Mr. Speaker, I will modify my request and ask that it be placed in the Appendix of the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from New York [Mr. MARTIN J. KENNEDY]?

There was no objection.

Mr. ALEXANDER. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to insert a telegram from a group of editors in the State of Minnesota on adjournment.

The SPEAKER. Is there objection to the request of the gentleman from Minnesota [Mr. ALEXANDER]?

There was no objection.

Mr. THORKELSON asked and was given permission to extend his own remarks in the RECORD.

Mr. THORKELSON. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include copies of diplomatic letters from the Polish Legation.

The SPEAKER. Is there objection to the request of the gentleman from Montana [Mr. THORKELSON]?

There was no objection.

ADJOURNMENT OF CONGRESS

Mr. TREADWAY. Mr. Speaker, I ask unanimous consent to proceed for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts [Mr. TREADWAY]?

There was no objection.

Mr. TREADWAY. Mr. Speaker, let us keep the record straight. On June 7, in an extended article in the press, President Roosevelt informed Democratic leaders that it was imperative that Congress adjourn by June 22. On June 12, when signing the Navy fund bill, he stated he saw no reason for Congress to remain in session more than 10 days or a fortnight.

Yesterday, in his able address on the floor of the House, the gentleman from Virginia, Congressman WOODRUM, said that Congress should remain in session in accordance with the unanimous vote of the Virginia delegation. He also stated he was very glad to see in the press a statement correcting an article of a few days ago saying that the President wanted Congress to get out of Washington. While I have searched the papers with care, I do not find any reference to the change of mind on the part of the President. He certainly wanted Congress out of his way, but now that public opinion has been aroused by the Republicans against adjournment, he is running to cover.

Mr. RAYBURN. Mr. Speaker, I ask unanimous consent to proceed for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Texas [Mr. RAYBURN]?

There was no objection.

Mr. RAYBURN. Mr. Speaker, when gentlemen quote the President as saying he wanted Congress to get out of town or he wanted it to adjourn, they are quoting something that never happened. The President never made any such statement to the press or anybody else.

There has been a great deal of talk about adjournment. It reminds me of a certain bug that looks one way and pushes another. A great many gentlemen talk against adjournment, but it would be my opinion that a great many of them, if there was a secret ballot, would vote to adjourn by an overwhelming majority. Under the circumstances, however, I think I may state that in all probability all gentlemen will have all the time to stay in Washington this summer that they desire. [Applause.]

AMENDMENT TO SECTION 2803 (C) AND 2903 OF THE INTERNAL REVENUE CODE

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill H. R. 9909, to amend sections 2803 (c) and 2903 of the Internal Revenue Code.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts [Mr. McCORMACK]?

Mr. McLEAN. Mr. Speaker, reserving the right to object, will the gentleman from Massachusetts explain what this bill is?

Mr. McCORMACK. Yes; this is a bill reported unanimously by the Ways and Means Committee. Under the present law, over the top of a bottle of distilled liquors is placed a strip stamp that costs 1 cent apiece to purchase. Of course, the regular tax is paid on the liquor. This strip is for the protection of the revenue, and also to protect the purchaser against poor and bootlegged liquor. If those stamps are damaged, for example by water, a refund can be made, or they may be redeemed by an equivalent amount of stamps, but if completely destroyed, for example by fire, the purchaser then must sustain a complete loss.

A distillery purchased $4,500 worth of these stamps. There was a fire. These stamps, incidentally, are under the control of the Government at all times. The distiller has to get an order from the storekeeper-gager at his plant to buy a certain number of stamps. He has to go to the collector, present the order, and when the collector sells the stamps to him they are not delivered to the distiller or to his representative, but delivery is made to the storekeeper-gager. So at all times the Government knows what stamps have been issued, and what stamps have been used. This is simply to allow the Government to reimburse either in money or by the issuance of additional stamps in lieu of those actually destroyed.

Mr. MARTIN of Massachusetts. There is no chance for fraud, is there?

Mr. McCORMACK. No; because the Government has complete control at all times. When the stamps are sold they are sold only upon the order of the storekeeper-gager at the plant, and the stamps are delivered to the storekeeper-gager, who is an employee of the Government. The Government is in control of the stamps at all times and has a record of them at all times.

Mr. McLEAN. Mr. Speaker, may I say that this bill comes here with the unanimous report of the Committee on Ways and Means, and I have no objection.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts [Mr. McCORMACK]?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That section 2803 (c), Internal Revenue Code, be amended to read as follows:

"(c) Unused stamps; exchange, refund, etc: The Commissioner of Internal Revenue, under regulations prescribed by him and approved by the Secretary of the Treasury, may redeem or make allowance for any unused stamps issued under section 203 of the Liquor Taxing Act of 1934 or subsection (b) of this section by exchanging them for other stamps of the same kind or by refunding moneys received therefor: *Provided*, That stamps may be exchanged or the value thereof refunded only in quantities of the value of $5 or more: *And provided further*, That no claim for the exchange of strip stamps or refund therefor shall be allowed unless presented within 2 years after the date on which such stamps were lawfully issued. There are hereby authorized to be appropriated annually, out of any money in the Treasury not otherwise appropriated, such sums as may be necessary to carry out this provision."

SEC. 2. Section 2903, Internal Revenue Code, is hereby amended by relettering subsections (e), (f), and (g) as (f), (g), and (h), respectively, and by inserting a new subsection (e) to read as follows:

"(e) Unused stamps; exchange, refund, etc.: The Commissioner of Internal Revenue, under regulations prescribed by him and approved by the Secretary of the Treasury, may redeem or make allowance for any unused case stamp, with all coupon strip stamps attached thereto, issued under section 1 of the act entitled 'An act to allow the bottling of distilled spirits in bond,' approved March 3, 1897 (29 Stat. 626), or under said section 1, as variously amended, and may redeem or make allowance for unused strip stamps issued for bottles of distilled spirits bottled in bond under said section 1, as amended by the act of July 9, 1937 (50 Stat. 487), or under subsection (d) of this section, by exchanging them for strip stamps for bottled-in-bond spirits, or

by refunding moneys received therefor: *Provided*, That stamps may be exchanged or the value thereof refunded only in quantities of the value of $5 or more: *And provided further*, That no claim under this subsection for redemption or allowance in respect of case or strip stamps shall be allowed unless presented within 2 years after the date on which such case or strip stamps were lawfully issued. There are hereby authorized to be appropriated annually, out of any money in the Treasury not otherwise appropriated, such sums as may be necessary to carry out this provision."

SEC. 3. Notwithstanding the limitations contained in sections 2803 (c) and 2903 (e), Internal Revenue Code, as amended and inserted, respectively, by this act, as to the time within which claims under such sections must be presented, claims under such sections for the exchange of or refund for stamps lawfully issued prior to the date of enactment of this act may be allowed if presented within 2 years from the date of enactment of this act.

The bill was ordered to be engrossed and read a third time, was read the third time and passed and a motion to reconsider was laid on the table.

EXTENSION OF REMARKS

Mr. LEAVY. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and include therein an article appearing in the Nation magazine by Richard L. Neuberger of the Portland Oregonian in reference to the Grand Coulee Dam and the Columbia Basin project.

The SPEAKER. Is there objection to the request of the gentleman from Washington?

There was no objection.

DISPOSITION OF CONDEMNED ORDNANCE

Mr. MAY. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 7074) to amend an act to authorize the Secretary of War and the Secretary of the Navy to make certain disposition of condemned ordnance, guns, projectiles, and other condemned material in their respective departments, with a Senate amendment thereto, and concur in the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment as follows:

Page 2, line 2, after "Republic," insert "posts of the Veterans of Foreign Wars of the United States."

The SPEAKER. Is there objection to the request of the gentleman from Kentucky?

Mr. MARTIN of Massachusetts. Reserving the right to object, Mr. Speaker, will the gentleman from Kentucky explain this bill and the amendment?

Mr. MAY. The original House bill merely authorized the War and Navy Departments to make sales of surplus guns and other material to the American Legion Posts. The Senate added the posts of the Veterans of Foreign Wars.

Mr. MARTIN of Massachusetts. This is obsolete material?

Mr. MAY. Yes, obsolete material.

Mr. MARTIN of Massachusetts. I thought you were sending all that over to help in the fight across the waters.

Mr. MAY. We are keeping a little of it for these posts, to keep their patriotism up, too, like mine and that of the gentleman from Massachusetts.

The SPEAKER. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

The Senate amendment was concurred in.

A motion to reconsider was laid on the table.

EXTENSION OF REMARKS

Mr. GEYER of California. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and include therein the result of a poll.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. NELSON. Mr. Speaker, I ask unanimous consent to extend my own remarks in the Appendix of the RECORD and include therein a brief poem, The Two Altars.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

Mr. STEARNS of New Hampshire. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and include therein an editorial from the June issue of World Affairs, organ of the American Peace Society.

The SPEAKER. Is there objection to the request of the gentleman from New Hampshire?

There was no objection.

Mr. REES of Kansas. Mr. Speaker, I ask unanimous consent to extend my own remarks in the Appendix of the RECORD and include therein an able address delivered by my colleague the gentleman from Kansas [Mr. GUYER].

The SPEAKER. Is there objection to the request of the gentleman from Kansas?

There was no objection.

Mr. GIFFORD. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and include therein a few brief suggestions on preparedness by the editor of my largest newspaper.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. LELAND M. FORD. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and include therein two resolutions, one from the city of Santa Monica with reference to national preparedness, and one from Inglewood, Calif.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

PERMISSION TO ADDRESS THE HOUSE

Mr. YOUNGDAHL. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

Mr. YOUNGDAHL. Mr. Speaker, I should like to read to the Members of the House the contents of a telegram received by me this morning from leading publishers and editors of trade magazines and leading citizens of the State of Minnesota:

The undersigned think it most important that Congress remain in session during the much-talked-of crisis, if one actually exists. We also regard the defense program as urgent, and earnestly ask your support. It is our opinion that if this country faces a great emergency, the blame rests directly upon a policy of meddling and of too intemperate talking. Let's set matters right in our own country before attempting world-wide reformation. We insist upon no foreign interference in this hemisphere. Why should we interfere in the affairs of Europe?

Mr. Speaker, I concur in the sentiments expressed in this communication.

[Here the gavel fell.]

Mr. BOLLES. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

Mr. BOLLES. Mr. Speaker, I was shocked this morning to read in the Washington Post an Associated Press dispatch which quoted from the London Times as follows:

We have to appeal to our American friends for haste and yet more urgent haste. It is essential to send, and send immediately, every available unit that can by any means be equipped. This is a necessity, by common consent, that takes absolute precedence to the defense of these islands.

By what manner of reasoning should the London Times ask that the United States of America send units of their men over to fight on foreign fields? [Applause.]

[Here the gavel fell.]

EXTENSION OF REMARKS

Mr. THORKELSON. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD, and to include certain quotations from the CONGRESSIONAL RECORD, which is in addition to the request I made a while ago.

The SPEAKER. Is there objection to the request of the gentleman from Montana?

There was no objection.

PERMISSION TO ADDRESS THE HOUSE

Mr. EBERHARTER. Mr. Speaker, I ask unanimous consent to proceed for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. EBERHARTER. Mr. Speaker, I have read a letter which was sent by our colleague the gentleman from Michigan to some of his colleagues in the Congress. I can hardly conceive that many of us will harbor the same sentiments that were expressed by him in that letter. I propose that hereafter, so that we can distinguish this particular missive from other missives, that we call it The Hymn of Hate by Hoffman.

Expressions such as were contained in that letter are a distinct disservice to the Government and to the people of this country. They retard the preparedness program, they promote and encourage "fifth column" activities, and I would say they do not discourage treason and disloyalty to the Government of the United States. I feel sure that there are very few Members of this Congress who will follow the suggestions made by the gentleman from Michigan, and I am sure that we Democrats on this side of the aisle will particularly watch to see if any Member of this body follows the leadership of the gentleman from Michigan. [Applause].

[Here the gavel fell.]

Mr. FISH. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. FISH. Mr. Speaker, why should not President Roosevelt give the Congress the benefit and use of the War Resources Board report made last fall? The Board, appointed by the President and headed by Mr. Edward R. Stettinius, Jr., made a detailed study and report of the condition of our war resources. The main reason for the report was to have the facts in case an emergency should arise. Time and money have been spent to collect these facts. The Congress, and particularly the Military, Naval, and Appropriations Committees, whose duty it is to establish our military and naval policy, should have access to it. Why is it being held up?

What possible excuse can the President give for withholding this important data and refusing to turn the entire report over to the legislative branch of the Government during its consideration of our war resources for purposes of national defense?

There should be no partisanship in the question of preparedness and national defense, and all available facts should be presented to the Congress so as to expedite sound and necessary measures for the protection of the American people and the safeguarding of our national interests.

LEGISLATIVE BRANCH OF THE GOVERNMENT APPROPRIATION BILL, 1941—CONFERENCE REPORT

Mr. RABAUT. Mr. Speaker, I call up the conference report on the bill (H. R. 8913) making appropriations for the legislative branch of the Government for the fiscal year ending June 30, 1941, and for other purposes, and ask unanimous consent that the statement may be read in lieu of the report.

Mr. TABER. Mr. Speaker, I object.

The Clerk read the conference report.

The conference report and statement are as follows:

CONFERENCE REPORT

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 8913) making appropriations for the Legislative Branch of the Government for the fiscal year ending June 30, 1941, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendment numbered 29.

That the House recede from its disagreement to the amendments of the Senate numbered 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, 15, 16, 18, 19, 20, 21, 22, 23, 24, 25, and 26; and agree to the same.

Amendment numbered 27: That the House recede from its disagreement to the amendment of the Senate numbered 27, and agree to the same with an amendment, as follows: In lieu of the sum proposed insert "$1,256,920"; and the Senate agree to the same.

Amendment numbered 28: That the House recede from its disagreement to the amendment of the Senate numbered 28, and agree to the same with an amendment, as follows: In lieu of the sum proposed insert "$122,080"; and the Senate agree to the same.

Amendment numbered 30: That the House recede from its disagreement to the amendment of the Senate numbered 30, and agree to the same with an amendment, as follows: In lieu of the sum proposed insert "$148,000"; and the Senate agree to the same.

Amendment numbered 31: That the House recede from its disagreement to the amendment of the Senate numbered 31, and agree to the same with an amendment, as follows: In lieu of the sum proposed insert "$16,500"; and the Senate agree to the same.

The committee of conference report in disagreement amendment numbered 17.

LOUIS C. RABAUT,
J. O. FERNANDEZ,
JAMES MCANDREWS,
ROBERT F. RICH,
Managers on the part of the House.

M. E. TYDINGS,
JAMES F. BYRNES,
ALVA B. ADAMS,
JOHN H. OVERTON,
FREDERICK HALE,
STYLES BRIDGES,
Managers on the part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 8913) making appropriations for the legislative branch of the Government, for the fiscal year ending June 30, 1941, and for other purposes, submit the following statement in explanation of the effect of the action agreed upon and recommended in the accompanying conference report as to each of such amendments, namely:

On Nos. 1 to 15, inclusive: Provides certain small increases in salary to various employees of the Senate, the proposal to make such increases being concurred in by the House.

On No. 16: Appropriates $2,000 for a contested-election case expenses as proposed by the Senate.

On Nos. 18, 20, 24, 25, and 26: Provides total increases of $4,274 in appropriations for salaries of employees under the jurisdiction of the Architect of the Capitol in order that certain administrative promotions may be made. The House has concurred in the action of the Senate in providing these additional funds.

On No. 19: Eliminates, as proposed by the Senate, an appropriation of $350,000, which had been provided by the House for reconstruction and repair of the terraces of the Capitol Building. The House managers recognize the need for this improvement work to be done but have deferred their approval thereof until next year in order that exclusive attention may be given to the sizable task of replacing the roofs on the House and Senate wings of the Capitol.

On Nos. 21 and 22: Appropriates $306,745, as proposed by the Senate, for expenses of maintaining the Senate Office Building, instead of $254,503 as provided by the House, and makes $10,000 of this sum available for certain painting and $5,000 for the purchase of rugs as proposed by the Senate.

On No. 23: Makes $3,000 of the appropriation for maintenance of the Senate Office Building available for certain rewiring work in the Senate Office Building as proposed by the Senate.

On No. 27: Appropriates $1,256,920 for salaries in the Library of Congress proper, instead of $1,255,120, as proposed by the House, and $1,263,420, as provided by the Senate.

On No. 28: Appropriates $122,080 for salaries, Legislative Reference Service, Library of Congress, instead of $102,080, as proposed by the House, and $142,080, as provided by the Senate.

On No. 29: Makes $5,000 of the appropriation for acquisition of books, Library of Congress, available for traveling expenses, as proposed by the House, instead of $10,000, as provided by the Senate.

On No. 30: Appropriates $148,000 for purchase and acquisition of books for the Library of Congress, instead of $118,000 as proposed by the House and $158,000 as provided by the Senate.

On No. 31: Makes $16,500 of the appropriation to provide books for the adult blind available for payment of personal services, instead of allowing $13,000 for this purpose as proposed by the House and $20,000 as provided by the Senate.

On No. 17, relating to the pay of the legislative counsel of the Senate, is reported as in disagreement.

LOUIS C. RABAUT,
J. O. FERNANDEZ,
JAS. MCANDREWS,
ROBERT F. RICH,
Managers on the part of the House.

Mr. RABAUT. Mr. Speaker, I yield 5 minutes to the gentleman from New York [Mr. TABER].

Mr. TABER. Mr. Speaker, I hate to have to take the floor and oppose a conference report of the legislative appropriation bill, but the situation is such that I feel most keenly that I would not be doing my duty if I did not call some attention to some of the things that have been going on. I hate to do this for another reason. I believe that, generally, the legislative appropriations subcommittee has done a very good job and has held things down and they have refused to stand for increases, but there is one particular item in connection with Senate Amendment No. 28 which I feel calls for attention. I feel that the membership of the House should have its attention called to this item which relates to the legislative-reference service.

I wonder how many Members of the House realize that there are in that set-up speech writers for Members of the House. Why, I am informed that two or three of them are accustomed to gather in one Member's office.

Mr. HOFFMAN. Mr. Speaker, will the gentleman yield?

Mr. TABER. Yes.

Mr. HOFFMAN. What is the objection to telling us who it is?

Mr. TABER. Well, I am not going to do that right now, but I would say that these fellows have solicited the writing of speeches for Members.

Mr. HOFFMAN. Mr. Speaker, will the gentleman yield?

Mr. TABER. Yes.

Mr. HOFFMAN. Does the gentleman mean that some Member of the House has Government-paid officials writing his speeches for him, or assisting in the writing of them?

Mr. TABER. I do know they are soliciting the writing of speeches and they were asked why they did not go to me and ask me if they could not write my speeches and they said they would not dare.

Mr. KNUTSON. Mr. Speaker, will the gentleman yield?

Mr. TABER. I yield.

Mr. KNUTSON. That probably accounts for the low order of speeches that are delivered on the other side. [Laughter.]

Mr. TABER. Well, I would not be surprised if some of the things that have happened here in the last year are due to that fact.

Now, the man in charge of this legislative reference service is Dr. Luther Evans. Dr. Evans was an instructor at Princeton until his communistic activities required his separation.

Mr. BULWINKLE. Mr. Speaker, will the gentleman yield?

Mr. TABER. In a moment, when I have finished this description.

He was then the head of the writers' project on the W. P. A., and anybody who would read the productions that that outfit got out would realize that he was a total failure in that job, and as a result of his being a total failure he qualified for appointment under the new Librarian last winter as Chief of the Legislative Reference Service.

Mr. BULWINKLE. Mr. Speaker, will the gentleman yield?

Mr. TABER. In a moment, I will yield.

I wonder if the House wants that kind of stuff to go on. Personally, I do not.

I now yield to the gentleman from North Carolina.

Mr. BULWINKLE. Referring back to this speech-making, I hope and trust that none of this crowd is engaged in letter writing such as I have seen floating around here lately.

Mr. TABER. I do not know anything about letter writing. I can write my own letters and I hope the gentleman writes his.

Mr. HOFFMAN. Mr. Speaker, will the gentleman yield right there about the letter writing?

Mr. TABER. Well, I ought to yield to the gentleman from Michigan [Mr. HOFFMAN].

Mr. HOFFMAN. I suppose the remark of the gentleman refers to a letter that I wrote to the Republicans on the 5th of June, and which in some way came into the hands of somebody on the majority side. Now, you know that eavesdroppers and fellows who get somebody else's mail and then have it reproduced and circulated never enjoy the contents; but I intend to take occasion before the session is over to give you the facts and show that the statements in the letter are true.

Mr. BULWINKLE. Mr. Speaker, will the gentleman yield?

Mr. TABER. Yes.

Mr. BULWINKLE. I will say to the gentleman from Michigan that the Lord knows that nobody would ever accuse anybody else of writing such a letter but you.

Mr. HOFFMAN. And now, if the gentleman will yield further.

Mr. TABER. Yes.

The SPEAKER. The time of the gentleman from New York has expired.

Mr. TABER. May I have 1 minute more and I shall not yield further?

Mr. RABAUT. Mr. Speaker, I yield an additional minute to the gentleman from New York.

Mr. COCHRAN. Mr. Speaker, will the gentleman yield?

Mr. TABER. Oh, I could not do that without the permission of the chairman of the subcommittee.

Mr. COCHRAN. But this is in reference to the speech that he is making concerning the conference report.

Mr. TABER. But I promised not to yield to anybody and to use it myself.

Mr. RABAUT. Mr. Speaker, I yield 3 additional minutes to the gentleman from New York provided he confines his argument to the bill.

Mr. TABER. Then I yield to the gentleman from Missouri.

Mr. COCHRAN. Mr. Speaker, shortly after the new Librarian was appointed, there came to my desk from the legislative reference service, prepared by them, a digest of bills. It was not really a digest, but simply an announcement of bills as contained in the CONGRESSIONAL RECORD. I took that matter up with the new Librarian and called his attention to it, saying it was an absolute waste of money.

He agreed with me, and agreed it should be discontinued. I think if the gentleman will call to the attention of the new Librarian what he has just related, with reference to the legislative reference service, writing speeches for Members of Congress, that the new Librarian will see to it that they will stop writing speeches for Members of Congress or anybody else.

Mr. TABER. I would hope so, and wish I had warned the Librarian at the time he made this appointment of what he might expect. Approximately $86,000 was asked of the House committee and the House committee did not give them any of it. The Senate committee gave $42,000, and there is a compromise here of cutting the difference in two. Personally, I don't want to see this service have any more money and I am therefore opposed to this conference report. I hope that it will be rejected.

Mr. RABAUT. Mr. Speaker, I yield 5 minutes to the gentleman from Illinois [Mr. DIRKSEN].

Mr. DIRKSEN. Mr. Speaker, I think that every Member of the House should contemplate the pending conference report, and particularly the bill, as constituted, in a rather profound and solemn way, because it is an echo from the past. This legislative bill is unlike any other appropriation bill that comes to the floor of this House. It is something of a landmark. It is like plunking a stone into the recesses of memory that go back for many years. The bill reminds me of that area around Dunkerque, France, where a great rear-guard action was fought to protect retreating troops, because this legislative bill is something like that. It is a vantage point from which we fight a rear-guard action as we seek to resist the administrative and procedural "blitzkrieg" that has been changing the appropriating procedure of Congress during the last 8 years. If you have noticed this legislative appropriation bill, it identifies particularly every employee and the salary he gets. It controls the expenditures of every committee, and indicates the number of employees that shall work for the House or the Senate, in the Botanic Gardens,

the Congressional Library, and elsewhere. But note the great departure there has been from this procedure. Pick up any other appropriation bill, and you will find a paragraph substantially as follows:

For salaries and administrative expenses, $4,526,433—

Or some other like figure.

There is no mention of the number of employees.

There is no mention as to the salaries that each one shall receive; there is no mention of administrative promotions or otherwise. But in this bill everything is particularized. Once upon a time that was the procedure that was followed in every appropriation bill that came to this floor.

So I say that unlike the 12 or 13 regular, supplementary, and deficiency bills that find their way through the Congress in every session there stands out apart, and singularly apart, the legislative appropriation bill which still conforms to the old procedure. There is much to be said for it. We can control the expenditures of this Government. We can control particularly the administrative abuses if we would go back to that kind of procedure. [Applause.]

[Here the gavel fell.]

Mr. RABAUT. Mr. Speaker, I yield myself such time as I may require.

Mr. Speaker, I think a brief explanation of the conference report will suffice as there were no items of real contention between the House and Senate.

The bill as finally approved by the conferees carries a total appropriation of $23,671,220, which is a reduction of $2,118,392 in the Budget estimates, or nearly a 9-percent reduction. It is with some pardonable pride that I point to this accomplishment in effecting these measurable savings in the appropriations for our own establishment, and it is at least evidence that Congress, although making tremendous appropriations for all other activities of Government, is most economical when it comes to making provision for itself. I think it might be appropriate to observe, as a testimonial of some kind or another to our work, that this conference report is the first conference report that the distinguished gentleman from Pennsylvania [Mr. RICH] has seen fit to attach his name to within the last 2 years.

As a matter of collateral interest, I might say that I am planning to introduce within the next few days a concurrent resolution which proposes the creation of a joint House-Senate committee to study the pay rates of all the employees of the House and Senate with a view of establishing comparable rates of salary for comparable duties performed in each of the two Houses and with the further purpose of arriving at some formula for making regular promotions to employees of the legislative establishment, who, by dint of long and faithful service merit some such consideration being shown them.

Under the present system of making appropriations for the various administrative agencies, moneys that the administrative heads are able to save as a result of lapses in salary caused by deaths, resignations, or transfers of employees can be used to make administrative promotions of employees. The net result of this practice is to afford means for the regular and consistent promotion of personnel of the administrative branch of the Government. But contrast this procedure with the manner by which we make provision for the employees of the legislative branch. We have no system whatever for affording merited step-ups in salary to our personnel. Those employees that have the ear of an influential Member are frequently successful in having their salary increased, while other employees, not having avenues for a successful approach to their purpose of gaining additional compensation, are foreclosed from consideration. Some of the salaries paid in both the House and Senate are too high and should be reduced, although I do not believe that such reduction should affect the present incumbent of any such position. On the other hand, there are undoubtedly some positions being compensated for at entirely too low a level. The joint committee my resolution proposes to set up, can proceed to correct these inequities. The Senator from Maryland, Senator TYDINGS, will introduce a resolution identical in terms in the Senate, and I sincerely hope that Congress will see fit to make provision for this study. [Applause.]

Mr. Speaker, I move the previous question on the conference report.

The previous question was ordered.

The SPEAKER. The question is on agreeing to the conference report.

The question was taken; and on a division (demanded by Mr. TABER) there were ayes 86 and noes 48.

Mr. TABER. Mr. Speaker, I object to the vote on the ground that a quorum is not present, and I make the point of order that a quorum is not present.

The SPEAKER. Evidently there is no quorum present. The roll call is automatic. The Doorkeeper will close the doors, the Sergeant at Arms will notify absent Members, and the Clerk will call the roll.

The question was taken; and there were—yeas 240, nays 129, not voting 62, as follows:

[Roll No. 149]

YEAS—240

Allen, La.	Dickstein	Kefauver	Patton
Allen, Pa.	Dies	Keller	Pearson
Anderson, Mo.	Dingell	Kelly	Peterson, Fla.
Arnold	Dirksen	Kennedy, Martin	Peterson, Ga.
Ball	Disney	Kennedy, Md.	Pfeifer
Barnes	Doxey	Kennedy, Michael	Pierce
Barry	Duncan	Keogh	Pittenger
Beam	Dunn	Kerr	Poage
Beckworth	Eberharter	Kilday	Polk
Bell	Edelstein	Kitchens	Rabaut
Bland	Edmiston	Kleberg	Ramspeck
Bloom	Elliott	Kocialkowski	Randolph
Boehne	Ellis	Kramer	Rankin
Boland	Evans	Lanham	Rayburn
Boren	Faddis	Larrabee	Reece, Tenn.
Boykin	Fenton	Lea	Richards
Bradley, Pa.	Ferguson	Leavy	Robinson, Utah
Brewster	Fernandez	Lesinski	Rogers, Okla.
Brooks	Fitzpatrick	Lewis, Colo.	Romjue
Brown, Ga.	Flaherty	Luce	Ryan
Bryson	Flannery	Ludlow	Sabath
Buck	Ford, Miss.	Lynch	Sacks
Buckler, Minn.	Ford, Thomas F.	McAndrews	Sasscer
Buckley, N. Y.	Fries	McArdle	Schafer, Wis.
Bulwinkle	Fulmer	McCormack	Schuetz
Burgin	Garrett	McGehee	Schulte
Byrne N. Y.	Gathings	McGranery	Schwert
Byrns, Tenn.	Gavagan	McKeough	Scrugham
Byron	Gearhart	McLaughlin	Secrest
Caldwell	Gehrmann	McMillan, Clara	Shanley
Camp	Gerlach	McMillan, John L.	Shannon
Cannon, Mo.	Geyer, Calif.	Maciejewski	Sheppard
Carter	Gibbs	Mahon	Smith, Conn.
Cartwright	Gore	Maloney	Smith, Ill.
Casey, Mass.	Gossett	Mansfield	Smith, Maine
Celler	Grant, Ala.	Marcantonio	Smith, Wash.
Chapman	Green	Martin, Ill.	Smith, W. Va.
Church	Gregory	Mason	Snyder
Clark	Griffith	Massingale	Somers, N. Y.
Claypool	Hare	May	South
Cochran	Harrington	Mills, Ark.	Sparkman
Coffee, Nebr.	Hart	Mills, La.	Starnes, Ala.
Coffee, Wash.	Harter, Ohio	Mitchell	Sullivan
Cole, Md.	Havenner	Moser	Sweet
Collins	Healey	Mouton	Tarver
Colmer	Hendricks	Murdock, Ariz.	Terry
Connery	Hennings	Myers	Thomas, Tex.
Cooper	Hill	Nelson	Thomason
Costello	Hobbs	Nichols	Van Zandt
Cravens	Hull	Norrell	Vinson, Ga.
Creal	Hunter	Norton	Voorhis, Calif.
Crowe	Izac	O'Connor	Wallgren
Crowther	Jarman	O'Day	Warren
Cullen	Johnson, Luther A.	O'Leary	Weaver
Cummings	Johnson, Lyndon	O'Neal	Whelchel
D'Alesandro	Johnson, Okla.	O'Toole	Whittington
Davis	Johnson, W. Va.	Pace	Williams, Mo.
Delaney	Jones, Tex.	Parsons	Wolverton, N. J.
Dempsey	Kee	Patman	Woodruff, Mich.
DeRouen	Keefe	Patrick	Zimmerman

NAYS—129

Alexander	Bolles	Curtis	Gifford
Allen, Ill.	Bolton	Ditter	Gilchrist
Andersen, H. Carl	Bradley, Mich.	Dondero	Gillie
Andresen, A. H.	Brown, Ohio	Dworshak	Goodwin
Andrews	Carlson	Eaton	Graham
Angell	Case, S. Dak.	Elston	Grant, Ind.
Arends	Chiperfield	Engel	Gross
Austin	Clason	Englebright	Guyer, Kans.
Barton, N. Y.	Clevenger	Fish	Gwynne
Bates, Mass.	Cluett	Ford, Leland M.	Hall, Edwin A.
Bender	Corbett	Gamble	Hall, Leonard W.
Blackney	Crawford	Gartner	Halleck

Hancock	Knutson	Reed, Ill.	Talle
Harness	Kunkel	Reed, N. Y.	Thill
Harter, N. Y.	Lambertson	Rees, Kans.	Thomas, N. J.
Hartley	Landis	Robsion, Ky.	Thorkelson
Hawks	LeCompte	Rockefeller	Tibbott
Hinshaw	Lewis, Ohio	Rodgers, Pa.	Tinkham
Hoffman	McDowell	Rogers, Mass.	Treadway
Holmes	McGregor	Routzohn	Vorys, Ohio
Hope	McLean	Rutherford	Vreeland
Horton	McLeod	Sandager	Wadsworth
Jarrett	Marshall	Schiffler	Wheat
Jeffries	Martin, Iowa	Seccombe	White, Ohio
Jenkins, Ohio	Martin, Mass.	Seger	Wigglesworth
Jensen	Michener	Short	Williams, Del.
Johns	Miller	Simpson	Winter
Johnson, Ill.	Monkiewicz	Smith, Ohio	Wolcott
Johnson, Ind.	Mundt	Springer	Wolfenden, Pa.
Jones, Ohio	Murray	Stearns, N. H.	Youngdahl
Jonkman	O'Brien	Stefan	
Kilburn	Oliver	Sumner, Ill.	
Kinzer	Powers	Taber	

NOT VOTING—62

Anderson, Calif.	Drewry	Merritt	Sumners, Tex.
Barden, N. C.	Durham	Monroney	Sutphin
Bates, Ky.	Fay	Mott	Sweeney
Burch	Flannagan	Murdock, Utah	Taylor
Burdick	Folger	Osmers	Tenerowicz
Cannon, Fla.	Hess	Plumley	Tolan
Cole, N. Y.	Hook	Rich	Vincent, Ky.
Cooley	Houston	Risk	Walter
Courtney	Jacobsen	Robertson	Ward
Cox	Jenks, N. H.	Satterfield	Welch
Crosser	Jennings	Schaefer, Ill.	West
Culkin	Kean	Shafer, Mich.	White, Idaho
Darden, Va.	Kirwan	Sheridan	Wood
Darrow	Lemke	Smith, Va.	Woodrum, Va.
Doughton	Maas	Spence	
Douglas	Magnuson	Steagall	

So the conference report was agreed to.

The Clerk announced the following pairs:

On this vote:

Mr. Fay (for) with Mr. Hess (against).
Mr. Barden of North Carolina (for) with Mr. Mott (against).
Mr. Woodrum of Virginia (for) with Mr. Culkin (against).
Mr. Cooley (for) with Mr. Douglas (against).
Mr. Merritt (for) with Mr. Cole of New York (against).
Mr. Burch (for) with Mr. Maas (against).
Mr. Doughton (for) with Mr. Jennings (against).
Mr. Flannagan (for) with Mr. Kean (against).
Mr. Satterfield (for) with Mr. Plumley (against).
Mr. Drewry (for) with Mr. Jenks of New Hampshire (against).
Mr. Robertson (for) with Mr. Osmers (against).
Mr. Smith of Virginia (for) with Mr. Shafer of Michigan (against).
Mr. Darden of Virginia (for) with Mr. Anderson of California (against).
Mr. Hook (for) with Mr. Darrow (against).

General pairs:

Mr. Cox with Mr. Welch.
Mr. Durham with Mr. Burdick.
Mr. Folger with Mr. Rich.
Mr. West with Mr. Lemke.
Mr. Vincent of Kentucky with Mr. Risk.
Mr. Kirwan with Mr. Magnuson.
Mr. Schaefer of Illinois with Mr. Houston.
Mr. Courtney with Mr. Wood.
Mr. Spence with Mr. Monroney.
Mr. Steagall with Mr. Taylor.
Mr. Walter with Mr. Sheridan.
Mr. Sumners of Texas with Mr. Ward.
Mr. Jacobsen with Mr. Sweeney.
Mr. White of Idaho with Mr. Tenerowicz.
Mr. Crosser with Mr. Murdock of Utah.
Mr. Sutphin with Mr. Tolan.
Mr. Cannon of Florida with Mr. Bates of Kentucky.

Mr. LEWIS of Ohio changed his vote from "aye" to "no."

The result of the vote was announced as above recorded.

The doors were opened.

The SPEAKER. The Clerk will report the amendment in disagreement.

The Clerk read as follows:

Amendment No. 17: On page 26, line 22, after the word "Representatives", insert *"Provided,* That after the date of enactment of this act the rate of compensation of the Legislative Counsel of the Senate shall be the same as that of the Legislative Counsel of the House of Representatives."

Mr. RABAUT. Mr. Speaker, I move that the House recede from its disagreement to Senate amendment numbered 17 and agree therein with an amendment which I send to the Clerk's desk.

The Clerk read as follows:

Mr. RABAUT moves that the House recede from its disagreement to the amendment of the Senate numbered 17 and agree to the same with the following amendment: Strike out all the matter inserted by said Senate amendment and insert in lieu thereof the following: *"Provided,* That hereafter the compensation of the Legislative Counsel of the Senate shall be at the rate of $10,000 per annum so long as the position is held by the present incumbent."

The motion was agreed to.

A motion to reconsider was laid on the table.

PERMISSION TO ADDRESS THE HOUSE

Mr. O'TOOLE. Mr. Speaker, I ask unanimous consent that on tomorrow, at the conclusion of the legislative program of the day and any other special orders, I may be permitted to address the House for 10 minutes.

The SPEAKER. Is there objection?

There was no objection.

DEPORTATION OF HARRY RENTON BRIDGES

Mr. COLMER. Mr. Speaker, I call up House Resolution No. 511.

The Clerk read as follows:

House Resolution 511

Resolved, That immediately upon adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the state of the Union for consideration of H. R. 9766, a bill to authorize the deportation of Harry Renton Bridges. That after general debate, which shall be confined to the bill and shall continue not to exceed 1 hour, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Immigration and Naturalization, the bill shall be read for amendment under the 5-minute rule. At the conclusion of the reading of the bill for amendment the Committee shall rise and report the same to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

Mr. COLMER. Mr. Speaker, I yield 30 minutes to the gentleman from New York [Mr. FISH].

Mr. Speaker, I yield myself 5 minutes.

The SPEAKER. The gentleman from Mississippi is recognized for 5 minutes.

Mr. COLMER. Mr. Speaker, this is an open rule on the so-called Bridges resolution. This is frankly an unusual piece of legislation; but, equally frankly, it is to meet an unusual condition. And I wish at the outset to compliment the distinguished gentleman from Louisiana [Mr. ALLEN] for his industry and patriotism in sponsoring this legislation.

Harry Bridges has been a guest of the United States for approximately 20 years. He is an alien, a resident of Australia, and is within the borders of the United States as a guest of this country. As such he, of course, is amenable to the laws of the country and certainly should comport himself as a guest and comport himself with the laws that govern our own American citizens. I do not have time to go into all of the details of the history of the sojourn of Mr. Bridges in this country. Suffice it to say that he has been a troublemaker. He has not comported himself in the manner that has met with the approval of American citizens generally. He has been a disturbing factor and ought to be deported from this country.

We are now in the process of expending billions of dollars of the people's money to prepare this country to meet any eventuality. The first thing we ought to do in this country is to get our own house in order and to see that we do not have within our own borders those who are guilty of or who likely would be guilty in time of a national crisis of sabotage and subversive activities. We do not want to have to wait in this country until we are spilling the lifeblood of our own nationals in defense of the country in order to rid ourselves of unwelcome guests.

I think this man ought to have been deported a long time ago. Although the conclusion of the Landis report was that he should not be deported, I say that in that report he is indicted as an unwelcome visitor to this country.

Mr. LESINSKI. Mr. Speaker, will the gentleman yield?

Mr. COLMER. I am sorry, my time is rather limited.

I say that the Landis report shows that while he is not an admitted Communist, he has associated intimately with and has been in conference with and has gone along with the leadership of the communistic element within the borders of

this country. This being true, he having alined himself with this communistic element within the country, he has not comported himself with proper respect for the institutions of our country and its Government.

CONSTITUTIONAL QUESTION

There can be no doubt that the power of Congress to regulate and control the admission, rejection, and deportation of aliens is an absolute one (*Hawe May* v. *North*, 183 F. 89 (C. C. A. 9th, 1910), cert. den., 223 U. S. 717 (1911)).

This is true even though an alien is entitled to the protection of the fourth, fifth, sixth, and fourteenth amendments (*Skeffington* v. *Katzleff*, 277 F. 129 (C. C. A. 1, 1923)). The rights of an alien to these protections does not deprive the Congress of its power to order the deportation of an alien whose presence in the country is deemed hurtful (*Ng Hung Fo* v. *White*, 259 U. S. 276 (1922)).

It must be remembered that there is no constitutional limit to the power of Congress to exclude or expel aliens—see Skeffington against Katzleff, supra. As a matter of fact, Congress may exercise this power, even in times of peace, for any reason it may deem sufficient (*Chay Chan Ping* v. *United States*, 130 U. S. 581 (1889)). In addition to this power that may be exercised at any time, it has been held that an alien acquires no rights by a domicile in this country that will relieve him of the effect of a decision ordering deportation by an agent of Congress, the Department of Labor (*Ex parte Crawford*, 165 F. 830 (D. C. N. Y. 1908)).

From the above it can be seen that the power of Congress with regard to the control of aliens is practically absolute. The question then is whether or not the exercise of this power violates article I, section 9, of the Constitution, which reads:

> No bill of attainder or exposed facto law shall be passed.

A bill of attainder has been defined as a legislative act which inflicts punishment without a judicial trial. However, if the punishment is less than death, the act is termed a bill of pains and penalties. In its interpretation of this provision, though, the Supreme Court has held that the bill of attainder includes the bill of pains and penalties. *Cummings* v. *State of Missouri* (4 Wall. 277, 323 (1867)). In that case the Supreme Court held unconstitutional a provision of the Missouri constitution that required a so-called expurgatory oath for any person in the position of trust or responsibility. The oath was the result of the high feeling engendered during the War between the States. In holding the provision unconstitutional the Supreme Court, through Mr. Justice Field, said:

> It [the constitution] intended that the rights of the citizen should be secure against deprivation for past conduct by legislative enactment, under any form, however disguised. * * * *Cummings* v. *Missouri* (supra, at 325).

From the quotation thus given it can be seen that the concern of the Supreme Court was directed toward the invasion of rights of citizens, not of persons who had not attained the status of citizenship. This construction is borne out by the constitutional debates where the founding fathers were concerned principally with the bills of attainder that had originated in England and had been applied for the purpose of banishing various persons that had become undesirable. This bill was used in England for the last time in the case of Sir John Fenwick. See Hutchinson, the Foundation of the Constitution 138, 157. Bills of attainder were not unknown in the colonies, as they had been used on several occasions to secure the banishment of undesirable persons. Several colonial constitutions prohibited these bills prior to the adoption of the provision in the Constitution above referred to.

It appears clear that these bills had been aimed at persons who were citizens, as otherwise they would have been unnecessary, due to the control that is inherent in a sovereign State over its alien population. Thus the purpose of the framers of the Constitution must have been to protect the rights of citizens from being invaded by the legislature through the enactment of bills of attainder.

The absolute control of Congress of the exclusion and ejection of aliens, plus the fact that the constitutional provision prohibiting bills of attainder could only have been aimed at the protection of citizens, make it clear that an alien may be ordered to be deported by the Congress without infringing the constitutional prohibition against bills of attainder.

[Here the gavel fell.]

Mr. COLMER. Mr. Speaker, I yield myself 1 additional minute.

The SPEAKER pro tempore (Mr. NICHOLS). The gentleman from Mississippi is recognized for 1 additional minute.

Mr. COLMER. We are going to hear a lot during the debate on the rule and the bill it makes in order about hysteria, about civil rights, civil liberties, and so forth. But let me point out to you that this man is an undesirable alien, that for 20 years he has stirred up trouble in this country. One of the first things we ought to do at this time is to get our own house in order. We should be controlled neither by hysteria nor false sentiment. False sentiment should not lead us to try to protect aliens in this country who work against the interests of the country. If this man were an American citizen rather than a guest of the country and we had the laws to deport him, he ought to be deported. If that unfortunate time should come that we get into a great international crisis, this man, even though he were a citizen of the United States, would be interned.

I think the rule ought to be adopted. [Applause.]

[Here the gavel fell.]

Mr. FISH. Mr. Speaker, I yield myself 5 minutes.

Mr. Speaker, this is a bill to remove Madam Perkins' Bridges. [Applause.] You will probably hear a great deal during the discussion of this rule and the bill that follows as to the constitutional powers of the House of Representatives to act. This is not exactly a new matter with me. Ten years ago when I was chairman of the Committee to Investigate Communist Activities and Propaganda in the United States the committee unanimously urged the deportation of alien agitators. I submit, Mr. Speaker, that the Congress has the power to deport any alien agitators. I do not care whether they come from the left or the right; whether they are Communists, Nazis, or just alien agitators. Even if we did not like the color of their eyes or the color of their hair, the Congress has full power under the law and the Constitution to deport them; and we have the power today to deport Harry Bridges as an undesirable alien. You do not have to prove that he is a Communist; you do not have to prove anything else except that he is an alien agitator and an undesirable alien. And I go even further: You do not even have to prove that he is an undesirable alien if the Congress thinks it is in the interest of America and our institutions to deport such a person as Harry Bridges. We not only have the right to do so, but it is our duty to do so.

Mr. MARCANTONIO. Mr. Speaker, will the gentleman yield?

Mr. FISH. For a question.

Mr. MARCANTONIO. Does not the gentleman believe that a person should be deported pursuant to the statutes the Congress has enacted? And if Congress feels that those statutes are inadequate, should we not have proper remedial general legislation rather than to have the entire Congress of the United States set itself up against one man?

Mr. FISH. We are not setting ourselves up against one man.

Mr. MARCANTONIO. That is what you are doing.

Mr. FISH. This man is a symbol; he is a symbol of un-American activities and the "fifth columnists" in our midst. My only regret is that we have delayed so long. We should have enacted this bill 5 years ago. [Applause.] The trouble with Congress is that we tolerate these un-American activities too long. No other nation in the world would tolerate the insidious activities of an alien agitator like Harry Bridges in its midst. The time has come to find out whether Harry

Bridges, an Australian alien, or the Congress of the United States runs this Government. [Applause.]

Mr. ALLEN of Pennsylvania. Mr. Speaker, will the gentleman yield?

Mr. FISH. I yield.

Mr. ALLEN of Pennsylvania. Is not the Constitution designed to defend its citizens and not its enemies?

Mr. FISH. Certainly. And we have more to fear from our enemies from within than from our enemies from without. [Applause.] We have spent a lot of our time talking about our enemies from without, but it is time to clean our house from our enemies from within.

Mr. SCHAFER of Wisconsin. Will the gentleman yield?

Mr. FISH. I yield to the gentleman from Wisconsin.

Mr. SCHAFER of Wisconsin. With reference to the statement made by the gentleman from New York about the general immigration law, is it not a fact that although we have a general immigration law covering importation of aliens, we do import many aliens under special acts of Congress? This Congress has imported many aliens under special acts for which the gentleman from New York voted. Only last week the gentleman voted for such alien-import bills on the Private Calendar. If we can import aliens by special acts of Congress, we can export them by special acts.

Mr. FISH. There is no question about the power of Congress to do this. Article I, section 1 states:

> Congress shall have the power to establish uniform rules of naturalization.

We have this power and we also have the power to regulate deportations. Many years ago I went as far as to say, and I believe it today more than ever before, that we do not even have to say that an alien is a Communist, we do not even have to say he is a "fifth columnist," we do not even have to say he is an undesirable alien or an agitator; all we have to say is we do not want him in this country. We may even say we do not like the color of his hair. I hope the Congress will use its constitutional and legislative power and send this alien agitator, Harry Bridges, back to Australia where he belongs. [Applause.]

[Here the gavel fell.]

Mr. COLMER. Mr. Speaker, I yield 5 minutes to the gentleman from New York [Mr. DICKSTEIN].

Mr. DICKSTEIN. Mr. Speaker, I do not take the floor at this time to defend Bridges, nor do I take the floor to argue or persuade you to vote down the rule. I take the floor in defense of democracy and in defense of our constitutional form of government. I will give a man a chance to speak freely and I will defend that man under our Constitution. I loathe Communists as much as any Member of this House. They have no business here, and we should provide proper procedure to solve the problem by statute in order to dispose of our enemies from within. This is a problem I have talked about in this Congress for 6 long years. My appearance on this floor today is solely to bring out the fact that I do not question the right of the committee to vote out this bill, nor do I infer any bad motives. I have the highest regard for every member of my committee, and I respect their opinions. They saw the thing one way, and I may have seen the matter in another way.

The only fact I want to bring to your attention at this time is, regardless of whether it be Bridges or anyone else, he ought to have his day in court. Although I might have agreed with the committee that Bridges is an undesirable alien and should be deported, it is my contention and I still believe that Bridges should have received a hearing at the hands of the committee so that he could present, as I understand he wanted to do, his side of the case. It seems to me that this sort of procedure is wrong. I have pleaded with the members of my committee, whose opinions I regard highly, to give the man a hearing, but this was voted down. I am not here defending Communists, and I want that clearly understood. I do not want any Member to come back and say that I am right on the job in the defense of communism. My record speaks for itself. I am speaking, Mr. Speaker, about our constitutional form of government, which provides that a man has a right to his day in court, which Bridges did not receive, and that is the point I am making before this House today.

Mr. JOHNSON of Oklahoma. Will the gentleman yield?

Mr. DICKSTEIN. I yield to the gentleman from Oklahoma.

Mr. JOHNSON of Oklahoma. Is it not true that this man Bridges has four times applied for citizenship, then when the storm was over he has withdrawn his application?

Mr. DICKSTEIN. I do not know Bridges, and I do not want to know him. But the fact remains that in the Stryker case, which is a parallel with the Bridges case, the Supreme Court exonerated Stryker. The Landis opinion exonerated Bridges. I agree with the gentleman from New York [Mr. FISH] that we have the right, that the committee and the Congress have the right; but do you want to exercise that right and go that far? It would permit any Member to introduce a private bill to deport anyone in this country for some reason or other, and I do not think that this should be done without a hearing before a committee so that evidence may be presented to sustain the facts.

Mr. JOHNSON of Oklahoma. Did not the gentleman introduce some bills to import them?

Mr. DICKSTEIN. I do not yield. I told you a moment ago—and I want the gentleman who injected that question to listen—that I have not introduced bills to import them. I have not introduced any bill to import anybody, and I do not question the right of the committee or the Congress to pass this bill. I am only appealing to your sense of justice that a man ought to have his day in court and he should be given a hearing. That is all I am presenting to you.

[Here the gavel fell.]

Mr. FISH. Mr. Speaker, I yield 5 minutes to the gentleman from New Jersey [Mr. THOMAS], a member of the Dies committee.

Mr. THOMAS of New Jersey. Mr. Speaker, back in March 1939 I introduced a resolution to impeach the Secretary of Labor and two of her assistants for their failure—I called it conspiracy—to take the necessary action which would result in the deportation of Harry Bridges. My resolution was referred to the Judiciary Committee, which carried on extensive hearings and made an investigation. The result was there was no impeachment. But a lot of water has gone over the dam since then. If there was reason then, as I was certain there was, to deport Harry Bridges, there is more reason today for doing so. All you have to do is to read the testimony given in the hearings before the Dies committee to come to a definite conclusion that Harry Bridges should be deported from the United States. I now want to read some of it to you—a paragraph from the published hearings held by the Dies committee. This is from volume No. 4. This is testimony given to the committee by Capt. John J. Keegan, chief of detectives of the Portland, Oreg., police department, a man who has made a study of not only the Bridges case but Communist activity on the Pacific coast, and this is what Captain Keegan said to the committee:

> We found that Harry Bridges, leader of the Longshoremens' Union on the Pacific coast, was an alien and a member of the Communist Party of the United States of America, and also that Harold Pritchett was a Canadian subject and also a member of the Communist Party. He is president of the Timbermens' and Saw Mill Workers' Union International; and that these two men have been active in and around the Portland area as well as in other areas on the Pacific coast; and that while they are working under the guise of labor leaders, they are in reality both members of the Communist Party; and that, based upon his investigation and the affidavits which he is in a position to furnish to the committee, he would say that their real purpose, in my belief, is to undermine the Government and overthrow it by force and violence when the proper time comes.

Since we got that particular testimony, the Dies committee has received any amount of additional testimony which conclusively shows that Harry Bridges is a Communist and a menace to our form of government and to the people of this country. This man Bridges is not only a menace to our institutions and to our Government but he is also a menace to the very people he says he represents—labor. He is more of

a menace to labor in the United States than is any one other person in the country. He is doing an irreparable harm to labor. I think that labor should be more interested in having this man deported than any other group in this country.

May I say in conclusion that the people of this Nation are sick unto death with the way we have pussyfooted on this question of "fifth columnists." They are disgusted at the way the Department of Labor has coddled this man Bridges. They know he has been the blond-haired boy of the Department of Labor for the last number of years. They now want action. They are certain that the only place they can get action is in this body, the House of Representatives, so I think that today we must take favorable action not only on the rule but also on the bill in order to forthwith deport Harry Bridges, and make him an example to the entire country. [Applause.]

[Here the gavel fell.]

Mr. COLMER. Mr. Speaker, I yield 5 minutes to the gentleman from California [Mr. HAVENNER].

Mr. HAVENNER. Mr. Speaker, section 9 of article I of the Constitution of the United States contains the following statement: "No bill of attainder or ex post facto law shall be passed." The annotated Constitution, as published by the Government Printing Office, defines a bill of attainder as a legislative act which inflicts punishment without a judicial trial.

In this case the House committee in charge of the bill now before us refused to give the person to be punished even a hearing, and ignored the fact that in a previous trial under due process he was acquitted from all the charges made against him and a warrant of deportation against him was dismissed.

The bill is clearly a bill of attainder within the meaning of the Constitution. Its passage would be a violation of the limitation of power imposed by the Constitution upon Congress, a violation made flagrant by the fact that the committee which reported the bill refused, by a vote of 9 to 3, to give Bridges or his counsel any hearing at all. The committee report frankly states that it deliberately recommends the deportation of Bridges without giving any reason therefor.

Last year the Department of Labor issued a warrant for the arrest of Harry R. Bridges, an alien, on the ground that he was subject to deportation under the provisions of section 2 of the act of October 16, 1918, as amended by the act of June 5, 1920 (8 U. S. C. sec. 137). The specific charges made in the warrant against Bridges were as follows:

First. That, after he entered the United States, he became a member of an organization that advises, advocates, and teaches the overthrow by force and violence of the Government of the United States.

Second. That, after he entered the United States, he became affiliated with such an organization.

Third. That, after he entered the United States, he became a member of an organization that causes to be written, circulated, distributed, printed, published, and displayed printed matter advising, advocating, and teaching the overthrow by force and violence of the Government of the United States.

Fourth. That, after he entered the United States, he became affiliated with such an organization.

Thereafter, in the congressional district which I represent, hearings were conducted for a period of 11 weeks to enable Bridges to show cause why he should not be deported. Rarely has any defendant in a criminal action in this country been subjected to a more searching and extensive trial.

The trial examiner appointed by the Secretary of Labor to conduct this hearing was James N. Landis, dean of the Harvard Law School.

The testimony covers 7,724 pages, exclusive of 274 exhibits. As indicative of the time consumed respectively by the parties, a rough count would attribute 2,900 of these pages to interrogation of witnesses by the Government, 3,600 to interrogation of witnesses by counsel for the alien, 500 to interrogation of witnesses by the examiner and the balance to proceedings of a miscellaneous nature. Of the 274 exhibits, 138 were introduced by the Government and 136 by the alien.

Contrary to the usual procedure in such cases, the hearings were open to the public.

On December 28 last, the trial examiner, Dean Landis, reported to the Secretary of Labor that—

> My conclusions are that the evidence does not permit the finding that Harry R. Bridges is either a member of the Communist Party or affiliated with that party.

In his report, the trial examiner, Dean Landis, made a very lengthy analysis of the testimony of all of the important witnesses who testified during the hearings, and set forth carefully the features of their testimony which led him to his conclusions.

The Committee on Immigration and Naturalization has completely ignored the trial and acquittal of Bridges. The bill now under consideration would authorize his deportation by an arbitrary act of Congress, without giving any reason therefor. This is stated plainly in the committee report on this bill.

In other words, although Harry Bridges has been arrested, kept in jeopardy of deportation for a period of 11 weeks during one of the most searching and exhaustive trials in the history of American immigration law, and finally exonerated and acquitted by the findings of one of the most eminent legal scholars in America who acted as the trial examiner, it is now proposed by this legislation to disregard all of these facts and deport him forthwith without regard to right or justice.

My opposition to this bill is not in any sense a plea for the leniency to the individual, Harry Bridges. My acquaintance with him is very slight.

But I am deeply concerned with the violence which such an action would do to certain fundamental American principles which I hold dearer than anything else in life. The intense inquisition to which this man was subjected during his lengthy trial last year did not reveal a single ground upon which a criminal action could be brought against him. But he has been the leader of a powerful and militant branch of organized labor and has led the membership of his organization through several bitter strikes. I say to you without hesitation that the enmities aroused by his militant leadership in these industrial conflicts are primarily responsible for the determined campaign to deport him from this country. Whether the Members of Congress realize it at the time or not, if Harry Bridges is deported by this action it will be because he has been a militant leader of labor. Congress could, and should, logically proceed, therefore, to punish by special legislation all labor leaders who have conducted strikes in which violence has occurred.

I am an advocate of complete preparedness for national defense, and as a Member of the Naval Affairs Committee of the House I have given my wholehearted support to the program of expansion of national armament which is now under consideration. If I believed for one moment that the continued presence of Harry Bridges in this country constituted a menace to the safety of the Nation because of a danger that he might become a leader in a "fifth-column" activity, I would undoubtedly give my support to legislation designed to remove such a menace. But there is no justification for such a belief except the suspicions and unsupported accusations directed against him by those who hate his labor record.

I am under no illusions as to the unpopularity in certain circles of the position which it is my duty to assume here today. The gentleman from Louisiana, who is the author of this bill, said he could not conceive how any American could oppose it. I say to you that it is because I am an American—because the America I love, and which my forefathers helped to create, is the America of tolerance, of freedom from oppression, of refuge for political exiles, of civil liberties for all—and because I fear that these sacred institutions of freedom which constitute the very heart of the America which I love are endangered by the exercise of ruthless power such as is here contemplated—because of all these things I am constrained to ignore the criticism which

I know is in store for me, and to appear here in opposition to this rule.

One hundred and forty-two years ago the Federalists, representative privileged and money classes, were responsible for the adoption of drastic Alien and Sedition Acts. President Thomas Jefferson later drafted resolutions declaring the alien and sedition acts null and void and in violation of the Constitution.

Congress, in considering this measure, should remember the inscription on the Statue of Liberty:

Give me your tired, your poor, your huddled masses yearning to be free, the wretched refuse of your teeming shore; send these, the homeless, the tempest-tost to me; I lift my lamp beside the golden door.

Does Congress wish this inscription on the Statue of Liberty to be erased? [Applause.]

Mr. FISH. Mr. Speaker, I yield myself one-half minute, and I ask unanimous consent to proceed out of order.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. FISH. Mr. Speaker, Premier Reynaud's message to President Roosevelt, made well before his speech at Charlottesville, said, "Italy has struck her neighbor in the back with a dagger."

President Roosevelt in his speech Monday night said, "Italy has driven a dagger into the back of her neighbor."

I hope that the time has not come in America when our President's state papers are dictated and copied from foreign capitals. [Applause.]

[Here the gavel fell.]

Mr. FISH. Mr. Speaker, I yield 5 minutes to the gentleman from Illinois [Mr. DIRKSEN].

Mr. DIRKSEN. Mr. Speaker, the gentleman from California, who preceded me, was clearly in error as to whether or not the Congress can deport Harry Bridges. Two questions present themselves to the Congress. The first one is, can we deport Harry Bridges? The second one is, should we deport Harry Bridges? Those who say we cannot do it rely upon constitutional provisions which interdict a bill of attainder or an ex post facto law. Let us look for a moment at what Mr. Justice Field said in the case of *Cummings* v. *State of Missouri* (4 Wall. 277):

A bill of attainder is a legislative act which inflicts punishment without prejudicial trial.

If the punishment be less than death, the act is termed a bill of pains and penalties.

Within the meaning of the Constitution, bills of attainder include bills of pains and penalties.

Remember that word "punishment" because that is vital.

By an ex post facto law is meant one which imposes a punishment for an act which was not punishable at the time it was committed, or imposes additional punishment to that then prescribed, or changes the rule of evidence by which less or different testimony is sufficient to convict than was required.

Let us see whether or not under that definition the bill before us constitutes a bill of attainder or an ex post facto law. I quote from the case of *Wong Wing* v. *United States* (163 U. S. 229, at p. 236), the opinion of Mr. Justice Shiras, May 18, 1896:

The order of deportation is not a punishment for crime.

It is not a punishment; that is where the gentleman from California fell into error.

It is not a banishment in the sense in which that word is often applied to the expulsion of a citizen from his country by way of punishment.

It is but a method of enforcing the return to his own country of an alien who has not complied with the conditions upon the performance of which the Government of the Nation, acting within its constitutional authority and through the proper departments, has determined that his continuing to reside here shall depend.

So it is not a punishment for a crime. Get that in mind. Congress is clearly within its authority. This is not an ex post facto law or a bill of attainder.

Mr. MARCANTONIO and Mr GAVAGAN rose.

Mr. DIRKSEN. I have no time; I am sorry.

Now, let me quote just a little further upon the advisability and the wisdom and the authority of the judicial branch to impose any restriction upon the Congress in this matter, quoting now from the case of *Li Sing* v. *United States* (180 U. S., p. 486), the opinion of Mr. Justice Shiras:

The question whether and upon what conditions these aliens shall be permitted to remain within the United States being one to be determined by the political departments of the Government, the judicial department cannot properly express an opinion upon the wisdom, the policy, or the justice of the measures enacted by Congress in the exercise of the powers confided to it by the Constitution over this subject.

What more is necessary in answering question No. 1 as to whether the Congress can deport Harry Bridges? The Congress can do so, and it is neither ex post facto nor a bill of attainder.

The second question is, Shall we deport Harry Bridges? I think the answer to that can be found in the special report which was filed by Dean Landis on special appointment as trial examiner in the Harry Bridges case, and all you need to do is to read his conclusions regarding the activities of Harry Bridges. Here is what Dean Landis says:

Bridges' relationships to the Communist Party have already been sketched at length. They are, in general, his well-defined opposition toward "red" baiting; his acceptance of aid and assistance in his industrial struggles from the Communist Party—indeed, his solicitation of that aid; his expressed disinclination to disavow that help; his association with persons admittedly Communists, an association that derives primarily from his requests for and acceptance of such aid. There are, specifically, his support of the Western Worker during the 1934 maritime strike; his requests for aid in connection with such issues as the King-Ramsay-Connor and Modesto cases and the United Labor Party ticket; his not infrequent conferences with the Communist officials on the Pacific coast in regard to these and other matters; his admiration of the sincerity of persons in the trade-union movement, some of whom were avowedly Communists; and his willingness to work with them in the realization of his trade-union ideas.

This evidence, however much it may disclose lack of judgment or associations that may be regarded by others as reprehensible or unfortunate, falls short of the statutory definition of affiliation. Persons engaged in bitter industrial struggles tend to seek help and assistance from every available source. But the intermittent solicitation and acceptance of such help must be shown to have ripened into those bonds of mutual cooperation and alliance that entail continuing reciprocal duties and responsibilities before they can be deemed to come within the statutory requirement of affiliation. Judge Chase, in *Kettunen* v. *Reimer* (79 F. (2d) 315), and the other judges in the cases heretofore reviewed, insist upon the application of this standard. To expand that statutory definition to embrace within its terms ad hoc cooperation on objectives whose pursuit is clearly allowable under our constitutional system, or friendly associations that have not been shown to have resulted in the employment of illegal means, is warranted neither by reason nor by law.

[Here the gavel fell.]

Mr. PLUMLEY. Mr. Speaker, I yield the gentleman 2 additional minutes.

Mr. DIRKSEN. Mr. Speaker, the language of Dean Landis himself, who rendered a 150-page opinion in this case, indicates to all the world the answer to the second question, the undesirability of keeping Harry Bridges in the United States.

The authorities are clearly all on one side that we can deport him, and I think the evidence is all on one side that he should be deported. As I make this statement I want to pay my gracious testimony to the gentleman from Pennsylvania, Mr. LOUIS GRAHAM, on the Republican side, former United States District Attorney at Pittsburgh, former Assistant Attorney General of the United States, who has handled many deportation cases and who has dug out much of the law. I am willing to go along with that gentleman because he is an expert from long practice and from an experience of 38 years at the bar. When he says to me we can do it and that he has done it, as a practical matter, that resolves question No. 1 whether we can deport Harry Bridges.

On question No. 2, take the record of Dean Landis and it is an answer as to whether he should be deported.

Let me add that the bill before us ought to be modified in language so as to make it absolutely mandatory, so that there is no power in or out of government to stop these deportation proceedings. [Applause.]

Now to summarize the situation before us, the decisions are quite clear and unequivocal that the element of punishment must be present to make a legislative act fall within the prohibition of the Constitution on bills of attainder and ex post facto enactments. Deportation in the language of the court is not a punishment. Therefore, the measure before us is neither a bill of attainder or an ex post facto act. Congress can therefore deport Harry Bridges.

As to the question of whether Congress should issue a legislative mandate to deport him, the record is abundantly clear on that point. His undesirability has been fairly well established.

Mr. COLMER. Mr. Speaker, I yield such time as he may desire to the gentleman from Illinois [Mr. SABATH].

Mr. SABATH. Mr. Speaker, ladies and gentlemen of the House, I fully appreciate, especially at this time, that it will be very unpopular to say anything in the defense of Harry Bridges, or in opposition to the deportation bill pending before us, but notwithstanding that fact, I feel it my solemn duty to call attention to the House and the country that such legislation is in violation of the Constitution of the United States and the Bill of Rights.

I feel there is not a lawyer of experience who is a Member of the House who will have the temerity to claim that the bill will be held constitutional. But notwithstanding this, they may and probably will support the bill, because it will subject them to the lesser amount of criticism. I predict there will be very few who will have the courage to vote according to their innermost convictions.

However, Mr. Speaker, if ever there was a time to give real serious consideration to a measure before deviating in any way from our constitutional restrictions and privileges, this is the time. But, unfortunately, due to the well-organized and Nation-wide attacks upon this labor leader, and I deplore and regret the fact he is not an American citizen, I fear the country believes him to be a dangerous person who should not be permitted to remain in the United States. One can hardly blame the people for being of this opinion in the face of a persistent and systematic campaign to have him publicized as an extreme and dangerous Communist. Unfortunately, those who ordinarily believe in fair and square dealing and just treatment never were able to obtain his side of the case.

The Committee on Immigration and Naturalization reported the bill without giving him or his attorney a minute's time, and even when the bill was before the Rules Committee no one was given a chance to show that many of these charges and accusations were not founded on facts. Personally, I have received hundreds of telegrams and letters from nearly all the labor organizations, urging that opportunity be granted Mr. Bridges to defend himself, but it was of no avail. The resolution, same as the bill, was forced through without granting his appeals and requests. Only a few days ago I received a personal letter from Mr. Bridges, and I presume a similar letter was mailed to others, and I feel that you Members who are going to vote for the rule and his deportation may some day, after you have acted and have had time to peruse this letter, realize that Mr. Bridges clearly and positively denies all the accusations, and, for that reason, I am going to ask unanimous consent to extend my remarks at this point and include this letter in the CONGRESSIONAL RECORD.

The SPEAKER pro tempore. The gentleman from Illinois asks unanimous consent to extend his remarks and to include therein a letter from Harry Bridges. Is there objection?

There was no objection.

Mr. SABATH. Mr. Speaker, since obtaining the unanimous consent to insert Mr. Bridges' letter in the RECORD, the gentleman from New York [Mr. MARCANTONIO] has obtained unanimous consent to read the letter, and, therefore, to save space and prevent repetition, I shall not avail myself of the unanimous consent, because that letter will appear in Mr. MARCANTONIO's remarks.

In lieu of his letter, I will quote extracts from an editorial by Chester Rowell, one of the most prominent editors on the Pacific coast, which appeared in the San Francisco Chronicle May 24, 1940, and which is entitled to our thought and consideration:

> Congress is still playing with the idea of deporting Harry Bridges by bill of attainder, regardless of the constitutional prohibition of such a process. It is a curious paradox that those who shout most loudly for the Constitution are often those least familiar with its provisions and least concerned for granting to others the rights it guarantees to themselves. In this case, since the effort to deport Bridges by due process of law failed on a finding of want of proof, it is proposed to substitute undue process of attainder. For surely, these objectors conclude, Bridges is an "undesirable alien," since they do not desire him. And if it is pointed out that there is no general law for the deportation of aliens merely because they are "undesirable," what could be simpler than a special law for the deportation of this particular undesired one?
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> The general right of an alien who legally entered the country to remain here unless found guilty of deportable offense cannot be taken away by a special legislative act declaring him guilty of that offense without hearing and imposing on him a penalty not thereby applied to others. This is the exact "bill of attainder" which the Constitution forbids. It had been a real evil, under despotic governments in England. It has since passed so far out of use and memory that most people had forgotten even the constitutional provision against it. This Bridges resolution is the first time it has been proposed in American history.
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> In these times, when feeling runs high and when the "fifth column," which has proved so dangerous elsewhere, may have to be dealt with here, it is especially important that we realize the importance of proceeding against only actual evils, and not even against them by denying rights whose protection is important to all of us. There was too much of that, under less provocation, in the last war. The temptation may be greater now, which is the greater reason for being on our guard against it.

Mr. Speaker, I wish to repeat what I have said on the floor a dozen times, that I am just as much opposed to communism as nazi-ism, and you know my position on nazi-ism and fascism. But this man, whom we are about to order deported, positively states that he is not a Communist, and that he believes in a democratic form of government. The fact that his son has served and has reenlisted in the Army of the United States, and in view of the further fact that he, himself, by telegraph, nearly 2 years ago called attention of the President and the Department of Justice to some of the subversive activities of the real culprits, namely, certain members of the German Bund and the Nazi organizations, should satisfy anyone that he cannot be a Communist.

He admits that he has received aid from many organizations, religious and political leaders, including even Communists, in his effort to organize the International Longshoremen's and Warehousemen's Union, which he accomplished and which is one of the strongest and most democratic and representative labor organizations in the United States today. Not only does he make clear that although every effort has been made to bribe him, he remained steadfast in his duties toward his coworkers, which brought about higher wages and shorter hours. I view this fight as one angle of the eternal effort of great and powerful employers to descredit organized labor—as only that and nothing more.

Some day, in the near future, the country will know what organization or what men are really guilty of subversive activities specialized in by agents of the "fifth column." In fact, in the last few days it has been made clear that it is the Nazis and the Fascists in our country who are the dangerous elements within our midst, but, as I stated sometime ago, in their shrewd and clever manner, they continue to insinuate and accuse every progressive labor leader of being communistic so as to divert attention from their own subversive activities.

Mr. Speaker, I am informed that among others that will speak for the resolution will be the gentleman from Wisconsin [Mr. SCHAFER], and I predict he will continue to assail Mr. Bridges as a Communist and as a danger to America. I am commencing to strongly feel that this may be for the purpose of distracting attention from the activities of the "fifth columnists," namely, the Nazis.

Mr. Speaker, I have talked with several of the Members of Congress from the State of California, who know Mr. Bridges and of his activities, and with the exception of two Members, they all feel that the shipping interests are be-

hind the movement to bring about this action which we are about to take.

The specific charges made in the warrant against Bridges were four in number:

(1) That, after he entered the United States, he became a member of an organization that advises, advocates, and teaches the overthrow by force and violence of the Government of the United State.

(2) That, after he entered the United States, he became affiliated with such an organization.

(3) That, after he entered the United States, he became a member of an organization that causes to be written, circulated, distributed, printed, published, and displayed printed matter advising, advocating, and teaching the overthrow by force and violence of the Government of the United States.

(4) That, after he entered the United States, he became affiliated with such an organization.

Bridges went through 9 weeks of investigation and trial, and throughout he was courteous, respectful, and helpful to the court and investigators, frankly answering all questions, showing no resentment nor evasiveness at any time. The trial examiner was James M. Landis, dean of the Harvard Law School, especially selected by the Labor Department because of his recognized ability and standing with the American bar. His finding, covering 152 printed pages, was a complete exoneration of Bridges, and was as follows:

Conclusion: The evidence therefore establishes neither that Harry R. Bridges is a member of nor affiliated with the Communist Party of the United States of America.

Out of the hundreds of telegrams and letters that I have received protesting the passage of this bill I will tax the RECORD with but a few:

We vigorously urge the House Rules Committee to reject and bury H. R. 9766. The matter of the deportation of Harry Bridges has been acted upon by the recognized judicial bodies of this country and his innocence has been duly established. For your committee now to recommend any action contrary to the decision handed down by those judicial bodies would, in our opinion, be a miscarriage of justice and a violation of basic democratic principles.

SAN FRANCISCO-OAKLAND
NEWSPAPER GUILD,
CHARLES L. IRVINE,
Executive Secretary.

Five hundred marine radio officers, members American Communications Association, protest against and urge defeat of H. R. 9766, intended to deport Harry Bridges, C. I. O. director in California, as nullifying the Bill of Rights and denial of civil liberties.

AMERICAN COMMUNICATIONS ASSOCIATION,
Local 2, New York City.

International Woodworkers of America, representing 100,000 organized woodworkers in 23 States, unqualifiedly denounce H. R. 9766 as being not only discriminatory and designed to crush organized labor but as unconstitutional and opposed to the democratic rights on which our governmental structure is based.

B. J. MCCARTY,
Secretary-Treasurer, Seattle, Wash.

Some of the speeches here today are suggestive of that state of hysteria that was prevalent in this Chamber in the days preceding the vote that put us in the World War. Calm judgment becomes almost impossible where hysteria exists.

Some of the speakers painted Bridges as the foremost lawbreaker of the country. If he has broken even one of our laws, why has he not been arrested, convicted, and put in jail?

Most of the speakers say that he was an agitator, and that he made people discontented. Every single step of progress that the human race has achieved since the curtain rose on the dawn of civilization was the result of agitation. If there had not been agitation by Patrick Henry, Thomas Jefferson, and a lot of others, we would not be under the American flag today, but still under the flag of Great Britain. If we ourselves had not done a little agitating among our home folks, all of us would still be down on the farm, or to say the least, we would not be here.

If there had not been 50 years of agitation, women today would not have the vote. Before the Constitution was amended to make woman suffrage constitutional, it was held that women were not "people" within the meaning of the Declaration of Independence and the Constitution of the United States and therefore were not eligible to vote. But the women started agitating, resorting to such tactics as chaining themselves to lamp posts, and in other ways making themselves so disagreeable that their agitation finally brought results.

If there had never been any agitating, there would never have been any labor unions, and if there had never been any labor unions, workers would still be working 12 and 14 hours per day at pitifully small wages as they were in the steel mills before organized labor succeeded through agitation in making the workers so discontented they went on strikes until thereby they finally succeeded in improving their conditions and standards of living. Agitation has been responsible for every bit of progressive legislation that has ever passed this House of Representatives in which we today have been so vehemently decrying and denouncing agitation. When agitation ceases, all reforms and improvements will cease, and we will become a decadent people and Nation.

Mr. Speaker, though I know the bill under consideration will pass by a tremendous majority, I, myself, personally, conscious of my oath of office to uphold the Constitution of the United States and the Bill of Rights, cannot bring myself to the point of being willing to take the responsibility of voting for this bill which I believe is unjust, definitely unconstitutional, and a violation of the Bill of Rights.

Mr. PLUMLEY. Mr. Speaker, I yield 5 minutes to the gentleman from Wisconsin [Mr. SCHAFER].

Mr. SCHAFER of Wisconsin. Mr. Speaker, the gentleman from Illinois [Mr. DIRKSEN] has properly presented the case in behalf of this bill to deport Harry Bridges. I am glad that the gentleman from New York [Mr. DICKSTEIN], chairman of the Immigration Committee of the House, has admitted that by special act of Congress we can legally export individual aliens, because day after day his committee favorably reports special act bills to import individual aliens. I respectfully submit these facts to my friend the gentleman from New York [Mr. MARCANTONIO], who has voted for many special act bills to import individual aliens.

I hold in my hand—and this is not hearsay—a 72-page document entitled "Why Communism?" by M. J. Olgin. I shall quote briefly from this Communist document, which is published by the Workers Library Publishers, of New York City, which is the official Communist publishing house in the United States. At the bottom of the last page, page 72, appears a symbol which is not the symbol of the United States, but the hammer and sickle, symbol of the Communist bloody red butchers of Moscow. Beneath this symbol appear the words, "Emblem of the Communist Party."

I now quote from page 72 of this Communist publication, as follows:

The seat of the Comintern is Moscow because this is the capital of the only workers' and peasants' government in the world, and the Comintern can meet there freely. As the workers become the rulers of other countries the Comintern will not have to confine its meetings to Moscow alone.

The Communist Party of the United States of America is thus part of a world-wide organization which gives it guidance and enhances its fighting power. Under the leadership of the Communist Party the workers of the United States of America will proceed from struggle to struggle, from victory to victory, until, rising in a revolution, they will crush the capitalist state, establish a Soviet state, abolish the cruel and bloody system of capitalism and proceed to the upbuilding of socialism.

This is why every worker must join the Communist Party.

Mr. Speaker, from page 32 of this Communist bible I quote the following:

We Communists say that there is one way to abolish the capitalist state, and that is to smash it by force. To make communism possible the workers must take hold of the state machinery of capitalism and destroy it.

Mr. Speaker, chapter 6 of this Communist booklet is entitled "The Revolutionary Overthrow of Capitalism and the Dictatorship of the Proletariat," and I now read from page 59, as follows:

It is not necessary that this final blow, i. e., the revolution, should come in connection with an imperialist war, although this is very likely. Capitalism will seek to prevent a revolution by

plunging the country into war. War is to serve not only as a way out of the crisis but as a means to arouse the patriotism of the masses, to increase governmental terror (martial law), and to divert public attention from internal affairs. War, under such conditions, for a while retarding the revolutionary movement, may hasten it later when the war sufferings begin to tell on the masses.

A time comes when there is demoralization above, a growing revolt below; the morale of the army is also undermined. The old structure of society is tottering. There are actual insurrections; the army wavers. Panic seizes the rulers. A general uprising begins.

Workers stop work, many of them seize arms by attacking arsenals. Many had armed themselves before as the struggles sharpened. Street fights become frequent. Under the leadership of the Communist Party, the workers organize revolutionary committees to be in command of the uprising. There are battles in the principal cities. Barricades are built and defended. The workers' fighting has a decisive influence with the soldiers. Army units begin to join the revolutionary fighters; there is fraternization between the workers and the soldiers, the workers and the marines. The movement among the soldiers and marines spreads. Capitalism is losing its strongest weapon, the army. The police as a rule continue fighting, but they are soon silenced and made to flee by the united revolutionary forces of workers and soldiers. The revolution is victorious.

Mr. Speaker, under a heading entitled "The Question of Force and Violence," which appears on page 61, we find:

But this is force and violence, somebody will contend. Don't you Communists know that the use of force and violence is wrong? We reply to this, first, that if being a red-blooded American means anything, it means that you must not take punishment lying down, that you must offer resistance; secondly, that it is not the workers but the capitalists and their state that start the use of force and violence.

Mr. Speaker, we also find in chapter 6 of this Communist publication under the heading "The Soviet state" the following language, which appears on page 63:

This Government has the great task of taking away from the owners the plants, factories, railroads, banks, and turning them into public property to be administered by the workers for the common benefit of all. In other words, it is the task of the Soviets to abolish private property in the means of production and to establish socialist production and distribution.

This cannot be accomplished peacefully. The exploiters won't give up their loot, even after their state power is crushed. They will have to be routed. The Soviet Government will have to expropriate the expropriators by force. The latter will conspire and plot against the new system; they will organize counterrevolutionary uprisings. The Soviet state will have to crush these with an iron hand. The former exploiters will be given no quarter. The old system of robbery with all its rubbish will have to be cleared away. This means that the Soviet state must be ruthless; it must destroy the counterrevolutionary forces—the quicker the better for the workers and for the future of mankind. This is why the Soviet State is named Dictatorship of the Proletariat. It is the reverse of capitalist dictatorship. It does not pretend to be a government treating all on the basis of equality. It openly declares itself to be a class government, directed against the former ruling class. It is avowedly an instrument for the expropriation and suppression of the former exploiters and oppressors. It is a government of the former exploited and oppressed. And it does away with exploitation and oppression forever. As soon as private property is abolished, as soon as the industrial machinery of the country has become socialized; as soon as the individual farmers have been induced, for their own advantage, to unite in collective farms, exploitation of man by man ceases to exist. That means freedom.

Mr. Speaker, the alien British subject Harry Bridges was the ringleader of the indefensible San Francisco general strike. Let us examine the record of this Communist manifesto and observe that this strike was a part of the Communist United Front program.

From page 56 of this Communist booklet I now read the following:

It is for this reason that we Communists have been advocating and organizing the United Front for the last few years. While we have met with resistance on the part of many reformist union leaders and leaders of the Socialist Party, we have met with response among the workers and farmers. Thus, united May Day demonstrations, united anti-Facist and antiwar demonstrations, united fights for home relief, united campaigns for social insurance, and, above all other things, the great San Francisco general strike have been brought about.

Mr. Speaker, that is the destructive general strike which was led by Harry Bridges, the alien British subject. He is a Communist agent and an able leader of the "fifth column," linked with the bloody "red" Communist butchers in Moscow by their own publication which I hold in my hand and from which I have quoted. Alien Harry Bridges has been carrying on a guerilla warfare in order to paralyze and obtain control of our American merchant marine, which is an essential arm of our national defense, just as essential as airplanes, cruisers, submarines, and battleships.

Mr. Speaker, are we going to permit an alien Communist controlled and directed foreign agent like Harry Bridges to hamstring and control our American merchant marine which is an essential arm of our national defense? With all of the potential dangers confronting our country are we going to permit an alien agent of Communist Russia or any other foreign country to control any part of our national defense, whether it be the battle fleet, a squadron of airplanes, or our merchant marine? I do not intend to do so, and will therefore vote for this pending bill to deport alien Harry Bridges, a big-shot leader of the Communist United Front.

Mr. Speaker, the record of Bridges is such as would justify a unanimous vote to deport this alien Communist agent who has been doing everything he can to advance the Communist program to destroy the Government of the United States from within and replace it with a Soviet Communist system as outlined in the Communist publication from which I have quoted verbatim. Let no one who votes against this Bridges deportation bill ever claim to be opposed to alien "fifth columns" whose purpose is to destroy our American constitutional system of government.

Mr. Speaker, this Communist publication indicates that the Communists in the United States are linked directly to the Communists in Soviet Russia and that they aim by revolution to transform our American constitutional democracy into a collective Soviet state, destroy lives and savings of our people, penalize success, discourage thrift, destroy private business enterprise and sacred rights and liberties while smothering the vital energies of a free people and shackling them in bonds of regimented political and economic slavery.

The record reveals that the Communists in Russia have effaced in blood every trace of justice, liberty, morality, and individual human and private property rights. We know that the Communists in all lands including the United States openly proclaim their loyalty to the hammer and sickle red flag and regard Moscow as the world capital and Red Soviet Russia as their fatherland. This attitude harmonizes with the international character of the constitution of the Soviet Union adopted in Moscow in 1923, the first article of which describes the world as a battlefield divided between socialism and capitalism. The record also conclusively proves that the Communists in Russia have not only repealed the Ten Commandments of the Supreme Ruler of the Universe, but have confiscated private property, destroyed sacred rights and liberties, and the lives of millions of people in order to chain the living in bonds of gangster autocracy.

Mr. Speaker, in view of the record I believe that there is no more fitting way to uphold, defend, and preserve our American constitutional form of Government with its sacred rights and liberties than to overwhelmingly vote for this bill to deport Harry Bridges, to the end "that this Nation, under God, shall have a new birth of freedom, and that Government of the people, by the people, and for the people, shall not perish from the earth" as nobly said by the martyred Abraham Lincoln. [Applause.]

Mr. COLMER. Mr. Speaker, I yield 5 minutes to the gentleman from New York [Mr. MARCANTONIO].

Mr. MARCANTONIO. Mr. Speaker, I think we ought to pause for a moment and analyze the procedure that we are following here and then ask ourselves the question as to whether or not we should feel ashamed of ourselves.

We are asking that the Congress of the United States, in all its dignified might, direct the deportation of one individual. The only basis upon which that request is being made is a statement contained in the supplemental report accompanying the bill to the effect that Bridges is regarded by the framers of this bill as a menace to the interests of this country. In other words, we are asked to deport one individual—all of Congress against this one individual—based on the conclusion contained in the report from this

committee. Bridges was not given any hearing before the Committee on Immigration. He was not permitted to be heard before the Rules Committee. This is the first time in the history of this country that a man is being convicted and sentenced without being given an opportunity to defend himself. Any alien, no matter how heinous the crime may be for which he is being deported, is given a hearing. He is given a hearing before the immigration officials. Then that hearing is reviewed. It is reviewed before a Board of Appeals of the Labor Department. Then that alien has an opportunity to go to court and be heard on a writ of habeas corpus. But in this case no hearing, no opportunity to be heard at all was afforded, and we consider that perfectly sound American procedure. If that is sound American procedure and the majority of Congress is going to put its stamp of approval on this type of procedure, I do not believe I am mistaken when I say that the day is not far off when those same Members who put their stamp of approval on this procedure will be ashamed of the action that they are about to take today. We all know the real reason for this attempted deportation of Bridges. Bridges organized the workers on the west coast and made the labor exploiters pay decent wages. Now, taking advantage of the war hysteria, these same labor exploiters seek his deportation and use Congress for this foul job.

I have before me a letter from Harry Bridges. I think it is only fair that Bridges be accorded just this opportunity to have some Member of Congress read an answer to the charges that have been made against him. I now place this proposition before the House: I ask unanimous consent, Mr. Speaker, that I be permitted to read this letter, which is seven pages long, and that it not be taken out of my time.

The SPEAKER pro tempore (Mr. NICHOLS). The gentleman from New York asks permission to read a letter and that it not be taken out of the time for debate on this resolution. Is there objection?

Mr. ELLIOTT. Mr. Speaker, I object.

Mr. DUNN. Mr. Speaker, a parliamentary inquiry.

The Speaker pro tempore. Does the gentleman yield for a parliamentary inquiry?

Mr. MARCANTONIO. I yield.

Mr. DUNN. I would like to know if it is in order to make a motion to that effect?

The SPEAKER pro tempore. The Chair will state that it can only be done by unanimous consent.

Mr. MARCANTONIO. Mr. Speaker, since objection has been heard——

Mr. ELLIOTT. Mr. Speaker, I withdraw my objection.

The SPEAKER pro tempore. The gentleman from California withdraws his objection. Is there objection to the request of the gentleman from New York [Mr. MARCANTONIO]?

Mr. HAWKS. Mr. Speaker, I object.

The SPEAKER pro tempore. The gentleman from New York is recognized.

Mr. MARCANTONIO. Mr. Speaker, I am not going to comment on the objections that have been made to my request, but I do think that now it becomes very, very obvious to every Member in this Chamber that you are asked to convict and sentence a man without giving him an opportunity to even have a Member of Congress read a letter which presents his answer to the charges that have been made on the floor of the House, leave alone the fact that you have already denied him every opportunity to be heard.

Mr. THOMAS of New Jersey. Mr. Speaker, will the gentleman yield?

Mr. MARCANTONIO. I yield to the gentleman.

Mr. THOMAS of New Jersey. I agree with the gentleman that he should be given an opportunity to read the letter, and I hope the gentleman will ask permission to read it under general debate.

Mr. MARCANTONIO. I would be denied this privilege under general debate.

Mr. MASON. Will the gentleman yield?

Mr. MARCANTONIO. I yield.

Mr. MASON. I want to suggest that the gentleman will have plenty of time to read that letter when the bill is being read, by striking out the last word, and I hope he does it.

Mr. MARCANTONIO. May I say to the gentleman that I will be in no different position then than I am now. When the bill is being read for amendment all I will have is 5 minutes and I will have to make the same request which has been objected to.

The SPEAKER pro tempore. The time of the gentleman from New York has expired.

Mr. MARCANTONIO. All right. Let us proceed with the legislative lynching.

Mr. HAWKS. Mr. Speaker, I withdraw my objection, to the gentleman's request.

Mr. ANDREWS. Mr. Speaker, I ask unanimous consent that the gentleman from New York [Mr. MARCANTONIO] be allowed to proceed for 7 minutes without its being taken out of his time.

The SPEAKER pro tempore. The gentleman from Wisconsin has withdrawn his objection. Does the gentleman from New York wish to renew his unanimous-consent request?

Mr. MARCANTONIO. Mr. Speaker, I ask unanimous consent that I be permitted to read the letter dated June 1, comprising 7 pages, addressed to me by Harry Bridges.

The SPEAKER pro tempore. Is there objection?

Mr. LELAND M. FORD. Mr. Speaker, I object. This man has had too much time already, and the sooner you find that out the better.

Mr. MARCANTONIO. You would not hear him before the committee. Why? Do you not want the Congress to have his side before it?

The SPEAKER pro tempore. The time of the gentleman has expired.

Mr. BENDER. Mr. Speaker, I move that the gentleman from New York be given 15 minutes' additional time.

The SPEAKER pro tempore. The Chair cannot recognize the gentleman to make such a motion. Under the rules the time is controlled by the gentleman from Mississippi and the gentleman from New York. The gentleman's motion is not in order. It can only be done by unanimous consent.

Mr. LELAND M. FORD. Mr. Speaker, I withdraw my objection.

Mr. EBERHARTER. Mr. Speaker, I demand the regular order.

The SPEAKER pro tempore. The regular order has been demanded. The regular order is, Is there objection to the request of the gentleman from New York to read this letter?

There was no objection.

The SPEAKER. The gentleman from New York [Mr. MARCANTONIO] is recognized. [Applause.]

Mr. MARCANTONIO. Mr. Speaker, the letter from Harry Bridges reads as follows:

INTERNATIONAL LONGSHOREMEN'S AND WAREHOUSEMEN'S UNION,
San Francisco, Calif., June 1, 1940.

Hon. VITO MARCANTONIO,
House of Representatives, Washington, D. C.

DEAR SIR: My purpose in addressing this communication to you is in order that you may know certain facts concerning the attempts at my deportation and certain facts in connection with my official and personal background that may not be generally known.

First, as to my personal record in connection with citizenship. On March 26, 1940, Representative LELAND M. FORD placed a letter in the CONGRESSIONAL RECORD including an article that appeared in the American Legion magazine. This letter was full of misstatements and inferences and unwarranted conclusions. The magazine article was a reprint from a metropolitan daily newspaper, the Capitol Daily, of Washington, D. C., of February 15, 1939, and the statement is made that this article itself provides sufficient evidence of my undesirability.

I first filed application papers for citizenship in 1921. In 1928, prior to the expiration of my papers, I filed for second or final papers in the city of San Francisco and, after the application had been sent to Washington, was notified to appear in the United States District Court in San Francisco with witnesses to receive my final papers.

I appeared with witnesses at the time and place indicated by the notice and was then notified by the local immigration authorities that all final steps, including the actual granting of final papers, must be taken prior to the expiration of first papers. I have the records to prove this, including the notice to appear at the district

court with a notation in red pencil on the notice by the immigration authorities to pay particular attention to the date as my papers expired soon.

The point is that I almost completed the getting of my final papers, even to appearing at court with witnesses. I have since been informed by my attorneys that the advice that I received at that time was faulty and that I was legally entitled to go ahead as long as my application for final papers was filed, as it was, prior to the expiration of the first papers.

Immediately following this I filed another application for citizenship papers but was forced, of course, to wait 2 years under the law until I could apply for second or final papers.

Two years later—that is, when it was time for me to again apply for second and final papers—the country as a whole and myself were affected by the depression. Very frankly, from 1930 and the following several years the necessary money, around $20, to secure final papers was beyond my ability to raise.

I had been and was still in difficulties with the company union on the water front and suffered blacklisting and discrimination for that reason.

At that time it took me 2 or 3 weeks to earn $20, and I had a wife and two children to support.

Late in 1932, September to be exact, and from then on through 1933 and 1934 my activities along organizational lines became very much the concern of the company union and the shipowners on the water front.

My second set of first papers expired in 1935. From 1933 on, I was active in union matters, and the union was engaged in a series of disputes with the shipowners. Because of my activities in these disputes, the shipowners were out to get me.

At the particular period my papers should have been procured the maritime unions were engaged in a sympathetic boycott or strike in support of British Columbia water front workers, and I, together with other officials, was called back to Washington, D. C., by Assistant Secretary of Labor Edward F. McGrady on this matter.

Incidentally, at this time I was publicly being accused of being a British secret agent concerned with disrupting American shipping to the advantage of British shipping inasmuch as British ships were able to ply to and from the ports of British Columbia but the American ships refused to handle strike-bound or unfair cargo in support of the striking B. C. workers.

All in all, at this time my own conclusions, together with advice and information from sources I had no reason to doubt, were that I would be denied citizenship if I attempted to complete my application, mainly for the reasons I have stated here.

There were other reasons, none of them, however, the reasons charged against me by my enemies.

In addition, numerous charges had already been made against me by employer groups, the American Legion subversive activities committee headed by one Harper Knowles, and others, and again it was definitely my opinion, based on advice of many to whom I went, that I would have a hard time procuring any citizenship papers until these charges were investigated by immigration authorities or some other governmental authority and I was cleared of these charges.

I was afraid to risk being refused citizenship, knowing that such refusal based on false statements would react against me and my union activities.

The American Legion article claims other acts that make me undesirable, namely, not behaving as a person of good moral character, and second, by swearing to false statements.

These charges are made on the basis of conclusions not drawn from facts but on baseless assumptions regarding my marriage and the legitimacy of my daughter.

The facts are as follows: I have two children—one a stepson and one my own daughter. My stepson, Kenneth McCley, was born on July 27, 1916, in Marshfield, Oreg., and my daughter, Betty, was born December 26, 1924, in San Francisco. It should be noticed that the immigration official checking the records merely stated that he found no records and from this failure to find records the deduction is made that I am not married, and therefore my daughter is illegitimate. It is also claimed that I have made false statements, because on one set of papers I said I had one child and on the other set that I had two children.

It is correct that on one set of papers, the recent ones, I stated I had one child living at home, my own daughter. My stepson at that time had left home. He left home to join the United States Army, and in the last 2 or 3 weeks has just reenlisted for his second period and is now stationed at the San Francisco Presidio.

My marriage is legal. I have my marriage certificate. I should not be held responsible for failure of investigators working secretly to find such records. At no time was I asked or approached by any Government official to produce the records.

I might also mention that at no time did I make any effort to conceal anything from the local immigration authorities in San Francisco and that I sought their advice regarding the filling out of my application papers for citizenship.

Certain other matters should be mentioned. In addition to being an organizing force in the trade-union movement on the west coast, I have engaged in other forms of activity in connection with my official position.

No one can deny the improvement in the conditions of the maritime workers since they were organized. No one can deny that the organization of the longshoremen in 1934 led to the organization of all other maritime unions where before that time none existed. Through organization the Pacific coast longshoremen have won American wages, hours, and working conditions, and eliminated longshore unemployment. The method of hiring and dispatching longshoremen to so equalize the work, create jobs, and relieve unemployment was made the subject of a study by the United States Government, and the conclusions reached by this study enthusiastically endorsed the progress made through waterfront organization and the beneficial effect on the maritime industry.

All charges of union dictatorship and gangsterism that have been made can best be answered by simply pointing out that I have taken the lead and been mainly responsible, together with other of our union leaders and members of the rank and file, in building what is, as far as we know, the most democratic union in the America labor movement.

All officials of our international union, including myself, are subject to an initiative petition of recall that can immediately remove us from office, upon being signed by any 15 percent of our membership in good standing.

The recall can remove any official, including myself without a trial and our union constitution prevents any retaliatory steps being taken against those persons or groups that initiate the recall petition. After the recall petition is circulated, the officials are immediately removed and then placed on trial. If necessary, the results of the trial can be referred by the petition signers to a secret ballot of our entire membership.

All officials including myself must be elected each year by a secret ballot of our entire membership and must receive a majority of all votes cast to be elected. Both primary and final elections are held in order to assure a majority of votes being received by the elected officials.

In the last 3 years I have been unopposed for office despite numerous nominations made against me, all of whom declined.

In addition to union activities, organizations, etc., given solely to the matters of hours, wages, and working conditions, we have also been in the forefront on issues of a somewhat different nature.

It is less than 2 years ago that I wired the President of the United States concerning Nazi spy and sabotage activity in west coast aircraft plants. I personally sat down with Congressman JERRY VOORHIS on this matter and did everything possible to bring it to the attention of the proper governmental authorities, including the Department of Justice. It was also brought to the attention of the Government that the brother of one of the German agents that was arrested in the New York spy ring some time ago was still at that time holding an important position in the Boeing Aircraft plant in Seattle, together with other Nazi bund members.

I attempted to bring to the attention of the Federal Government and also stated to Congressman VOORHIS that our union people in the aircraft plants had noticed that German and Japanese agents apparently buying airplanes had easy access to airplane manufacturing plants in California, whereas many American people were closely questioned and excluded from these plants.

It should be remembered that my telegram to the President of the United States concerning this Nazi activity was dispatched just a few hours prior to the crash of the Douglas plane at the Douglas flying field in southern California, when it developed that a so-called Douglas mechanic turned out to be a French Army officer flying in the plane in complete violation of the law. We knew at that time that the same had occurred with agents of other foreign governments.

During the Italian campaign in Ethiopia our men protested bitterly against the quantity of war materials that were being shipped over Pacific coast water fronts to the Italian forces and Government, although ostensibly destined for the Italian Red Cross.

On numerous occasions we bitterly opposed placing aboard American and Japanese ships huge shipments of scrap iron, airplane engines, chemicals, and other war materials for shipment to Japan to be used against defenseless and innocent Chinese people. Our men have handled, against their will, thousands of tons of this material, knowing well what it was to be used for, and knowing well that at some time in the future it might be returned to us from Japanese airplanes in the form of Japanese bombs and from Japanese cannon in the form of shells.

We have on numerous occasions done everything possible to bring to the attention of the public and authorities the extent of Japanese spy activities in the Pacific coast fishing fleets. We know and everyone should know that oceangoing fishing craft with a cruising radius of some 6,000 miles, powerful, up-to-date, two-way radios, better mine- and submarine-detecting equipment than is carried on United States naval craft, operate along the entire Pacific coast seaboard. On numerous occasions our fishermen organized into the C. I. O. have observed these craft in forbidden waters, such as naval anchorages, mine areas, etc.

My supporters in the union and I were of the opinion that the thorough airing of the charges in the 9 weeks' trial on Angel Island had cleared the way for me to gain citizenship. This hearing has been attacked as a "whitewash" on the part of Dean James M. Landis.

I need make no defense of Dean Landis, the Immigration Department, or any others concerned, but the fact remains that no one Government witness in the hearing could point to a single example, even though they were asked to, or any statement or action by me or our unions tending to undermine or overthrow the American form of government, or to any action of the unions that could be considered un-American.

The main witness who was employed by the steamship interests of the Pacific coast to build a case against me, no matter what methods must be used, we found impossible to get on the witness stand, namely, Stanley Morton Doyle, an employers' labor spy who

utilizes his badge of membership in the American Legion to cover and further carry on his activities.

The decision of Dean Landis, his reasons, and the record in this case speak for themselves. The charges were found to be merely hearsay charges originating with the employers' paid labor spies and agents and sympathetic officials in the police department and governmental agencies of some Pacific coast cities.

The point is made in connection with the present alien deportation bill that I admitted association with "known Communists."

Of course, being on the witness stand and under oath, I told the truth in every detail without attempting to evade any question. I explained that as the ranking official of the International Longshoremen's and Warehousemen's Union and, in addition, as the west coast C. I. O. director of all the Pacific Coast States, it was my official duty to meet with politicians and persons representing every type of organization.

I can give instances where I have had associations with numerous political and religious leaders that did not at all commit me to their policies. The same is true as to meetings with any Communist officials. I accepted help from any source, including Communists, if I believed that such help was given in good faith and was of benefit to our union movement.

In not a single instance has it been shown that such associations were for any other purpose or used for any other purpose.

I should like to mention finally the fact that at present we are engaged in negotiations attempting to secure a contract covering longshore work on the Pacific coast. For some months past we have attempted to have American shipowners and operators execute a contract for a period of at least 3 to 5 years, aimed at preventing any stoppages of work or strikes between longshoremen and employers for this length of time.

Our union membership and I well know that the present attempts to railroad me out of the country simply because I am undesirable to a minority group of American people is being used to prevent the successful negotiating of this contract.

I have never been, and I am not now, concerned with my own personal welfare in these matters. In 1934 I was offered, first, $50,000, and then an offer to name my own price if I would betray the union. This offer came from those interests who have constantly sought my deportation under false charges.

I am a resident in this country by choice, not by accident, and I am very familiar with American institutions, civil liberties, and American democracy, and I appreciate and support them.

I myself sought the investigation and hearing by the Government into the charges against me with a view of getting them out of the way so that I could complete my citizenship. Those forces that howl so much against my not being a citizen are the same forces that will leave no stone unturned to prevent me from becoming naturalized.

The passage of the Allen bill will be a victory for powerful minority forces. It will certainly not be a defeat for me or what I represent. The defeat will be to American civil liberties and democracy and will be looked back on in the future, if successful, as such acts that occurred in the last World War were ultimately regarded, such as the changing of the name of "hamburger" steak to "liberty" steak, etc.

In concluding this somewhat lengthy communication I merely want to repeat what I said at the outset, that I believe that the Representatives in Congress should know the facts of this case. The facts as I have stated them here are correct and are a matter of official record in some form or another.

With the personal appreciation of myself and the full appreciation of our union membership for your past efforts on our behalf, I trust that everything possible will be done in the interests of the American labor movement and American democracy to prevent the passage of this piece of private-interests legislation.

Very truly yours,

H. R. BRIDGES, *President.*

Mr. KNUTSON. Mr. Speaker, will the gentleman yield?

Mr. MARCANTONIO. If I have any time.

The SPEAKER. The gentleman's time has expired.

Mr. ALLEN of Illinois. Mr. Speaker, may I inquire how the time stands?

The SPEAKER. The gentleman from Illinois has 8 minutes remaining, and the gentleman from Mississippi has 8 minutes remaining.

Mr. ALLEN of Illinois. Mr. Speaker, I yield 5 minutes to the gentleman from California [Mr. LELAND M. FORD].

Mr. LELAND M. FORD. Mr. Speaker and my colleagues, particularly the gentleman from New York [Mr. MARCANTONIO], I may say that he is not the first man who has been misled by Harry Bridges.

I believe that Harry Bridges is one of the most destructive labor leaders who has ever hit the United States. Many good labor people have been misled by Mr. Bridges.

I think Dean Landis, wherein he sought to whitewash but did not exonerate Harry Bridges, had to go to great lengths to make the decision he did; and I am going to quote some page numbers wherein you may verify that. See footnotes and pages 122, 124, 125 clear through to page 151 of the Landis report where he refused to deny his communism. Time will not permit me to go into this as much as I would like to. I just want to say that the gentleman from New York read a lot of words into the RECORD, but not a word in Harry Bridges' defense. He did not present it because he did not have any, he just simply did not have any, and I am going to read the record on this, too. He went to great lengths to say that the Department of Immigration did not know anything about his marriage. Of course, the Department of Immigration would not know, but he did not say anything about the registrar of vital statistics. I am going to read the record. On May 7, 1920, Harry Bridges came to the United States and registered as an alien. On July 13, 1921, he filed his first papers for application for American citizenship. On August 9, 1928, he again filed his first papers. Now, there was a reason for that. He did not mention marriage in his first application. He got afraid. There was a very logical reason why he filed again. This time making his declaration before the clerk of the United States District Court of Northern California, he stated under oath that he was married and that his wife's name was Agnes McClay Bridges. That was in 1928. On May 2, 1936, 8 years later, he filled out a preliminary form for declaration of intention and signed it. In the above form he stated that he was married on May 1, 1934, at San Francisco. Bridges stated that he was married on December 2, 1923, under the name of Harry Renton Bridges to Agnes McClay Bridges.

We had this matter looked up by the registrar of vital statistics of California, whose duty it is to find out these things, and here is what he says:

> There is no record in California of Harry Renton Bridges and Agnes Bridges, or McClay, having been married either on December 2, 1927, May 1, 1934, or on any other date between July 1905 and June 30, 1938.

There is your answer to Mr. Bridges' defense. That is the complete statement. He could not defend himself because he did not have any defense.

Mr. GEYER of California. Mr. Speaker, will the gentleman yield?

Mr. LELAND M. FORD. No.

Mr. GEYER of California. I thought so.

Mr. LELAND M. FORD. You just thought so to get your nose in.

Mr. GEYER of California. I think——

The regular order was demanded.

The SPEAKER. The regular order is: The gentleman from California [Mr. LELAND M. FORD] will proceed.

Mr. LELAND M. FORD. Now this man comes before us and he hollers and he screams for his rights under the Constitution of the United States. I read into the record, in the N. L. R. B. hearings, some of the letters written by his crowd, in which he said to business:

> We are going to call on you, and your men are going to come peacefully to our union, or, if they do not, it is just going to be too bad.

I also read in here the letters that went to the workers:

> You are going to come into our union; and if you do not come in peacefully, you had better take a look at some others who refused to come in.

And those others had broken arms, their own arms broken over their knees, or jaws with broken bones that stuck out in two or three places—injuries inflicted by the thugs of Harry Renton Bridges. I ask you what consideration did he give to the rights of others? It seems to me that in this country individual right is interpreted to mean that you may do what you wish to do provided you do not infringe on the rights of others.

Here is a man who has no respect for others. In sit-down strikes, like in the Douglas strike, they moved into those plants; they got into those plants and sat there. They did not own those plants. I ask you, is that due process of law when you take possession of the other fellow's property? You people scream for the rights of Harry Bridges; you scream for the rights of these others, but I ask you to square the actions of those men with their requests for recognition.

Mr. Speaker, I am very sorry I have not 25 minutes longer to discuss this matter.

[Here the gavel fell.]

Mr. COLMER. Mr. Speaker, I yield 4 minutes to the gentleman from West Virginia [Mr. RANDOLPH].

Mr. RANDOLPH. Mr. Speaker, George Washington, the Father of his County, made a strikingly significant and unforgettable statement when he said:

> Citizens by birth or choice of a common country; that country has a right to concentrate your affections.

We are increasingly becoming aware in this Nation that there are far too many individuals who, with lying tongue and false prophecy, are spreading discord in the ranks of labor, bringing about unnecessary strikes, and tearing apart the solidarity of the American system of government. [Applause.]

AFFIRMATIVE NOTICE WILL BE SERVED

The Congress of the United States, by favorable action on the bill to bring about the deportation of Harry R. Bridges, will serve notice, not only to him but other thousands in this country, that we are finally alert to this problem. Far, far too many of such persons are allowed to continue to live in the Republic and accept the privileges, the profits, and the protection of America, but assume none of the responsibilities of citizenship at the same time. [Applause.]

Facts will be adduced in the debate later today which will bring clearly to our attention and to the attention of the citizenry of this Republic the reason why favorable action on this measure should be speedily forthcoming. In many States of the Union there are large populations of aliens, and I want to make myself clear on that score.

NATURALIZED CITIZENS ARE VALUABLE

Naturalized citizens are just as important to America as are native-born citizens. I have aided scores of men and women to receive their papers of naturalized citizenship. I know their loyalty and faith centers in the United States. They join hands today in patriotic union with native-born citizens as we all awaken to the fact that aliens are besmirching the good name of those who are responsive to the challenge of real citizenship. All of us are descended from those who came to our shores, either at an early or late date, and in fighting for true Americanism we fight in a common cause. In the State of Pennsylvania, to cite an example, there are today reported to be 130,000 aliens. That is not the most disturbing figure. It is that only 21 percent of those 130,000 individuals have even signified or declared their intention of becoming citizens of the country in which they reside. The percentage is believed to be approximately correct. What about the 79 percent? What is their answer? Those individuals have remained as residents of the United States on an average of from 15 to 17 years. That is a tragic situation.

AMERICA FOR AMERICANS

Mr. Speaker, today there is more at stake than merely acting on the case of Harry R. Bridges. There is a call to the membership of this House, regardless of party, to so publicize our position clearly at this hour that the country and the world will know that we have come to the time in the history of this Nation when we mean to make America safe for Americans. [Applause.]

Mr. ALLEN of Illinois. Mr. Speaker, I yield 3 minutes to the gentleman from Tennessee [Mr. JENNINGS].

Mr. JENNINGS. Mr. Speaker, it has been said that Mr. Bridges has not had his day in court. He is having his day in court in the only forum in this land which has the right to enact laws defining the rights of an alien to come in here and his right to remain. He is here by sufferance, not by right. We have the undoubted right to say that an alien shall not come in. Coupled with that is the right to say when one is undesirable we may put him out.

A reference has been made here to the finding of Mr. Landis. I have read Mr. Landis' report upon the record made in that case, and the findings and opinion of Mr. Landis are the finest example of a constipation of ideas and a diarrhea of words that I ever saw in my life. As a matter of fact and of law, it is hard to prove some offences of which men are guilty. One of those offences is fraud, which is akin to the activities of Mr. Bridges since he has been here. One great judge once said that—

> Fraud is hatched in secret; it hides in the hollow of a tree, and, like a snail, it must be trailed by the slime which it leaves behind.

The facts of the Bridges investigation amply justified Mr. Landis in ordering his deportation. That he is a Communist is shown by his associations, his subversive activities, and his devious moves with respect to naturalization. He has "wormed in and wormed out and endeavored to leave everyone in doubt as to whether the snake that made the track was coming in or backing out." It would be interesting to inquire just what state of facts would lead Mr. Landis to conclude that an undesirable alien should be deported. The anomalous thing about a man like Bridges is that he assails with pick and crowbar the foundations of our institutions, then when he is caught in un-American activities he flees to the courts and lays hold of the horns of the altar and appeals to the laws and institutions which he seeks in season and out of season to destroy.

As a matter of fact, this is a long-delayed action. Bridges has sinned away his day of grace. His deportation is long overdue. It is the beginning of what must be a concerted move on the part of the Congress, and that is to delouse the body of Uncle Sam of these undesirable aliens like Bridges. [Applause.] Then, when we have done that, let us give the body politic a good, strong dose of legalistic vermifuge and clean out the internal parasites that now afflict us. [Applause.]

[Here the gavel fell.]

Mr. COLMER. Mr. Speaker, I yield the balance of the time on this side to the distinguished gentleman from Texas [Mr. DIES]. [Applause.]

Mr. DIES. Mr. Speaker, from the testimonies of former members of the Communist Party who sat with Harry Bridges in Communist meetings, from his own public statements, and from information which has come to me from reliable sources, I am convinced that Harry Bridges is a Communist and, therefore, subject to deportation. My opinion is not based upon biased testimony or hearsay evidence, and it is confirmed by the fact that Bridges has religiously followed the Communist Party line. Naturally, it is difficult to prove by membership books the affiliation of any Communist with the party. This is because the Communist Party conceals its records and, under existing laws, we are unable to compel them to produce these records. It is also the practice of the party to classify certain influential members as members at large, known only to the top-ranking Communists in this country and in Russia. The evidence received by our committee justifies and compels the finding that Bridges is a Communist and an undesirable alien. He should have been deported years ago. When Secretary Perkins selected Mr. Landis to pass upon this question, I predicted that Bridges would not be deported. No one will deny that there was ample evidence before Mr. Landis to authorize the deportation of Bridges.

Bridges could have been deported under existing laws and, in the interest of America, he should have been deported. As an alien, he occupies the status of a guest. The courts have held repeatedly that Congress has a right to terminate the stay of an alien guest at any time and for any reason. The argument that this bill is unconstitutional is without merit. If I thought for a moment that it was unconstitutional or came under the classification of bills of attainder, I would vote against it. I do not believe that we should violate the Constitution or the Bill of Rights in our determination to rid this country of undesirable aliens, but the status of an alien is wholly different from that of a citizen. It is unfortunate that we have been compelled to resort to a private bill to expel Bridges from this country. It should have been done by the Secretary of Labor in the enforcement of existing laws. It is also regrettable that we cannot secure additional legislation along the lines of the bill which I recently introduced, which would make it mandatory for the Department of Justice to deport all undesirable aliens in this country. But since the laws were not enforced and it is improbable that we can secure the necessary general legislation at this session there is no other alternative left to the Congress. The very people

who are opposing this bill have favored or introduced similar bills to exempt aliens from deportation. They have gone on record in favor of withholding the deportation of aliens who are mandatorily deportable and have been ordered deported by the Department of Labor.

I do not think that it can be justly said that the deportation of Harry Bridges constitutes punishment. He has shown that he does not appreciate the hospitality which America has extended to him as a guest. He has shown that he does not believe in our form of government, and he has not hesitated to denounce it. In view of this attitude, it should be a favor to Mr. Bridges to get him out of a country that he does not like. It is fairly certain that passage of this bill in the Senate will be prevented. But favorable action by the House will serve notice upon the enforcement agencies of our Government that the Congress is determined to rid this country of undesirable aliens. This will have a wholesome effect upon the entire country, and it will remove any doubt in the minds of any Government official with respect to the overwhelming desire of the American people to expel Communist, Fascist, and Nazi aliens.

Harry Bridges has become a symbol of the kind of aliens who are not wanted in America. The passage of this bill by an overwhelming vote may bring about a fearless and honest enforcement of our deportation laws.

Mr. COLMER. Mr. Speaker, I move the previous question on the resolution.

The previous question was ordered.

The SPEAKER. The question is on agreeing to the resolution.

Mr. MARCANTONIO. Mr. Speaker, I demand the yeas and nays.

The yeas and nays were ordered.

The question was taken; and there were—yeas 351, nays 21, not voting 59, as follows:

[Roll No. 150]

YEAS—351

Alexander	Case, S. Dak.	Fitzpatrick	Hull
Allen, Ill.	Celler	Flaherty	Hunter
Allen, La.	Chapman	Flannery	Jarman
Allen, Pa.	Chiperfield	Ford, Leland M.	Jarrett
Andersen, H. Carl	Church	Ford, Miss.	Jeffries
Anderson, Mo.	Clark	Fries	Jenkins, Ohio
Andresen, A. H.	Clason	Fulmer	Jennings
Andrews	Claypool	Gamble	Jensen
Angell	Clevenger	Garrett	Johns
Arends	Cluett	Gartner	Johnson, Ill.
Arnold	Cochran	Gathings	Johnson, Ind.
Austin	Coffee, Nebr.	Gavagan	Johnson, Luther A.
Ball	Coffee, Wash.	Gearhart	Johnson, Lyndon
Barnes	Cole, Md.	Gehrmann	Johnson, Okla.
Barry	Colmer	Gerlach	Johnson, W. Va.
Barton, N. Y.	Cooper	Gibbs	Jones, Ohio
Bates, Mass.	Corbett	Gifford	Jones, Tex.
Beam	Costello	Gilchrist	Jonkman
Beckworth	Courtney	Gillie	Kee
Bell	Cox	Goodwin	Keefe
Bender	Cravens	Gore	Kefauver
Blackney	Crawford	Gossett	Kelly
Bland	Creal	Graham	Kennedy, Martin
Bloom	Crowe	Grant, Ala.	Kennedy, Md.
Boehne	Crowther	Grant, Ind.	Kennedy, Michael
Boland	Cullen	Green	Keogh
Bolles	Cummings	Gregory	Kerr
Bolton	Curtis	Griffith	Kilburn
Boren	D'Alesandro	Gross	Kilday
Boykin	Davis	Guyer, Kans.	Kinzer
Bradley, Mich.	Delaney	Gwynne	Kitchens
Bradley, Pa.	Dempsey	Hall, Edwin A.	Kleberg
Brewster	Dies	Hall, Leonard W.	Knutson
Brooks	Dingell	Halleck	Kocialkowski
Brown, Ga.	Dirksen	Hancock	Kramer
Brown, Ohio	Disney	Hare	Kunkel
Bryson	Ditter	Harness	Lambertson
Buck	Dondero	Harrington	Landis
Buckler, Minn.	Doxey	Hart	Lanham
Bulwinkle	Dworshak	Harter, N. Y.	Larrabee
Burdick	Eaton	Harter, Ohio	Lea
Burgin	Edmiston	Hartley	Leavy
Byrne, N. Y.	Elliott	Hawks	LeCompte
Byrns, Tenn.	Ellis	Healey	Lesinski
Byron	Elston	Hendricks	Lewis, Colo.
Caldwell	Engel	Hennings	Lewis, Ohio
Camp	Englebright	Hill	Luce
Cannon, Fla.	Evans	Hinshaw	Ludlow
Cannon, Mo.	Faddis	Hoffman	Lynch
Carlson	Fenton	Holmes	McAndrews
Carter	Ferguson	Hope	McCormack
Cartwright	Fernandez	Horton	McDowell
McGehee	O'Leary	Routzohn	Taber
McGregor	Oliver	Rutherford	Talle
McKeough	O'Neal	Ryan	Tarver
McLaughlin	Osmers	Sandager	Taylor
McLean	O'Toole	Sasscer	Terry
McLeod	Pace	Schafer, Wis.	Thill
McMillan, Clara	Parsons	Schiffler	Thomas, N. J.
McMillan, John L.	Patman	Schuetz	Thomas, Tex.
Maciejewski	Patton	Schulte	Thomason
Magnuson	Pearson	Schwert	Thorkelson
Mahon	Peterson, Fla.	Scrugham	Tibbott
Maloney	Peterson, Ga.	Seccombe	Tinkham
Mansfield	Pierce	Secrest	Treadway
Marshall	Pittenger	Seger	Van Zandt
Martin, Ill.	Plumley	Shafer, Mich.	Vinson, Ga.
Martin, Iowa	Poage	Shanley	Vorys, Ohio
Martin, Mass.	Polk	Shannon	Vreeland
Mason	Powers	Sheppard	Ward
Massingale	Rabaut	Short	Warren
May	Ramspeck	Simpson	Weaver
Michener	Randolph	Smith, Maine	West
Mills, Ark.	Rankin	Smith, Ohio	Wheat
Mills, La.	Rayburn	Smith, Wash.	Whelchel
Mitchell	Reece, Tenn.	Smith, W. Va.	White, Ohio
Monkiewicz	Reed, Ill.	Snyder	Whittington
Moser	Reed, N. Y.	Somers, N. Y.	Wigglesworth
Mouton	Rees, Kans.	South	Williams, Del.
Mundt	Rich	Sparkman	Williams, Mo.
Murdock, Ariz.	Richards	Spence	Winter
Murray	Robinson, Utah	Springer	Wolcott
Myers	Robsion, Ky.	Starnes, Ala.	Wolfenden, Pa.
Nelson	Rockefeller	Steagall	Wolverton, N. J.
Nichols	Rodgers, Pa.	Stearns, N. H.	Woodruff, Mich.
Norrell	Rogers, Mass.	Stefan	Youngdahl
O'Brien	Rogers, Okla.	Sumner, Ill.	Zimmerman
O'Connor	Romjue	Sweet	

NAYS—21

Casey, Mass.	Ford, Thomas F.	Marcantonio	Smith, Ill.
Connery	Geyer, Calif.	Miller	Voorhis, Calif.
Dickstein	Havenner	Murdock, Utah	Wadsworth
Dunn	Hobbs	O'Day	
Eberharter	Izac	Sheridan	
Edelstein	Keller	Smith, Conn.	

NOT VOTING—59

Anderson, Calif.	Drewry	McArdle	Smith, Va.
Barden, N. C.	Duncan	McGranery	Sullivan
Bates, Ky.	Durham	Maas	Sumners, Tex.
Buckley, N. Y.	Fay	Merritt	Sutphin
Burch	Fish	Monroney	Sweeney
Cole, N. Y.	Flannagan	Mott	Tenerowicz
Collins	Folger	Norton	Tolan
Cooley	Hess	Patrick	Vincent, Ky.
Crosser	Hook	Pfeifer	Wallgren
Culkin	Houston	Risk	Walter
Darden, Va.	Jacobsen	Robertson	Welch
Darrow	Jenks, N. H.	Sabath	White, Idaho
DeRouen	Kean	Sacks	Wood
Doughton	Kirwan	Satterfield	Woodrum, Va.
Douglas	Lemke	Schaefer, Ill.	

So the resolution was agreed to.

The Clerk announced the following pairs:

General pairs:

Mr. Fay with Mr. Hess.
Mr. Barden of North Carolina with Mr. Mott.
Mr. Woodrum of Virginia with Mr. Culkin.
Mr. Cooley with Mr. Douglas.
Mr. Merritt with Mr. Cole of New York.
Mr. Burch with Mr. Maas.
Mr. Flannagan with Mr. Kean.
Mr. Drewry with Mr. Jenks of New Hampshire.
Mr. Smith of Virginia with Mr. Welch.
Mr. Darden of Virginia with Mr. Andrews of California.
Mr. Hook with Mr. Darrow.
Mr. Doughton with Mr. Lemke.
Mr. Vincent of Kentucky with Mr. Risk.
Mr. Robertson with Mr. Fish.
Mr. Houston with Mr. Schaefer of Illinois.
Mr. Wood with Mr. Monroney.
Mr. Walter with Mr. Sumners of Texas.
Mr. Jacobsen with Mr. Sweeney.
Mr. Crosser with Mr. Bates of Kentucky.
Mr. Sutphin with Mr. Tolan.
Mr. Pfeifer with Mr. Folger.
Mr. Collins with Mr. McArdle.
Mrs. Norton with Mr. Wallgren.
Mr. Sullivan with Mr. Duncan.
Mr. McGranery with Mr. Tenerowicz.
Mr. Buckley of New York with Mr. Patrick.
Mr. Satterfield with Mr. DeRouen.
Mr. Kirwan with Mr. Sachs.
Mr. Durham with Mr. White of Idaho.

Mr. CONNERY changed his vote from "yea" to "nay."

Mr. FISH. Mr. Speaker, how am I recorded?

The SPEAKER. The gentleman is not recorded.

Mr. FISH. Mr. Speaker, I desire to vote "yea."

The SPEAKER. Does the gentleman qualify?

Mr. FISH. No, Mr. Speaker; I do not qualify.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

Mr. CHAPMAN. Mr. Speaker, my colleague——

Mr. CANNON of Missouri. Mr. Speaker, I very much regret that I shall have to object to any statement as to how a colleague would have voted if present.

Mr. McLEAN. Mr. Speaker, my colleague the gentleman from New Jersey, Mr. KEAN——

Mr. CANNON of Missouri. I am sorry to have to object to any announcements as to how colleagues would have voted. It is a flagrant violation of the rules of the House, is unfair to other absent Members, places a trying obligation on spokesmen for other delegations, wastefully consumes the valuable time of the House, cumbers the RECORD, encourages delinquency, is in effect proxy voting, against which there is strict law, and, in addition, renders no real service to the absent Member whose solicitous colleague, usually without his knowledge or consent, impose on the Speaker and the House by making such announcements. In response to sentiment throughout the membership of the House, I am constrained to raise the point of order against all such inconsiderate, unwarranted, and unwanted breaches of order.

The SPEAKER. The gentleman from Missouri objects to such announcements.

Mr. LESINSKI. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of the bill (H. R. 9766) to authorize the deportation of Harry Renton Bridges.

Mr. MARTIN J. KENNEDY. Mr. Speaker, in view of the great interest in this bill, I ask unanimous consent that the time for general debate be extended 1 hour, the time to be equally divided and controlled by the gentleman from Michigan [Mr. LESINSKI] and the gentleman from Illinois [Mr. MASON].

The SPEAKER. Is there objection to the request of the gentleman from New York?

Mr. RAYBURN. Reserving the right to object, Mr. Speaker, it is very necessary in order that the program may go along that the consideration of this bill be completed today. Under the rule, there is an hour of general debate, which would certainly take until 4:15 to conclude. There will be at least two roll calls, I understand, on the motion to recommit and on the passage of the bill. This would run us up until in the neighborhood of 5:30 even though there were no debate under the 5-minute rule. I understand several amendments are to be offered. If the time for general debate is extended, we may be here until 6 or 7 o'clock. As far as I am individually concerned, I am not going to object, but I do want to call attention to the situation.

Mr. RAMSPECK. I object, Mr. Speaker.

Mr. MASON. I object, Mr. Speaker.

The SPEAKER. The question is on the motion offered by the gentleman from Michigan.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union for the consideration of the bill H. R. 9766, with Mr. CALDWELL in the chair.

The Clerk read the title of the bill.

The first reading of the bill was dispensed with.

Mr. LESINSKI. Mr. Chairman, I yield myself 2 minutes.

When the bill was introduced for deportation of Harry Bridges, the Committee on Immigration and Naturalization discussed this question at its several committee meetings, and by majority vote, voted the bill out for further consideration of the House.

In the discussion by members of the committee on Immigration and Naturalization, the committee members had not been satisfied with the findings of the Secretary of Labor and feel that if private bills are passed by Congress for relief of aliens, then that Congress has the same power to deport undesirable aliens

Mr. Chairman, I yield 10 minutes to the gentleman from Louisiana [Mr. ALLEN].

Mr. ALLEN of Louisiana. Mr. Chairman, the bill which we are today considering, proposes to deport immediately the famous alien, Harry Renton Bridges. His activities are known all over the United States. Incidentally, I understand that he has sometimes given his name as "Albert" instead of "Harry." But a whole Nation knows the person against whom this bill is directed.

Four times the Immigration Committee has had this bill before it, and each time a vote was taken either upon the bill as a whole or upon some phase of the legislation—and let it be said to the eternal credit of that committee that in spite of all the pressure that has been brought to bear to stop this bill, the committee never wavered in the least. When the roll is called today, I think you will still find every member of the committee standing behind the bill except two. I am especially indebted to my colleague JAMES VAN ZANDT for his able assistance and full cooperation in this matter.

The Immigration Committee went almost in a body to the Rules Committee and that fine committee also took a courageous position and granted a rule by a unanimous vote to bring the bill to the floor of the House.

I desire to pay tribute here to my colleague the gentleman from Mississippi, BILL COLMER, who handled the bill for the Rules Committee on the floor. He remained steadfast in his determination to press for action on this bill and rendered invaluable service not only to his own Rules Committee but to the entire Congress. He deserves the gratitude and support of patriotic Americans for his vigorous action and able support of this bill and other legislation to rid America of undesirable aliens.

And so, today we have the bill here. I think the Members of this House are sufficiently aware of the tremendous pressure that has been brought to bear to keep the bill from coming to a vote. I have been astounded at the influence and strength manifested by elements seeking to destroy this legislation. I have been receiving a great deal of correspondence from all over the United States on this bill and I am happy to say that the writers, for the most part, are anxious to see the bill passed. However, I have received some very severe criticism from Communists and their sympathizers. The following quotation from a letter is typical:

> By your introduction of the bill to deport Harry Bridges you have started an action which may finish your political career. The C. I. O. will help to retire you to political oblivion.

My answer to that, Mr. Chairman, is that I am going to place my country first and I will not be intimidated by Communists, Nazis, Fascists, nor any other subversive element bent upon destroying our country.

Mr. Chairman, if certain high public officials had discharged their plain duty, there would have been no necessity for this bill. We had hoped that Mme. Perkins would change her attitude toward the undesirable alien question, but our hope was in vain. Finally, the President, evidently noting the increasing resentment in Congress and in the country toward the Secretary of Labor, removed the Bureau of Immigration from the safe haven of that official. I believe that the introduction of this bill contributed to that decision and has thus served a very useful purpose. I trust that the situation will be better in the Justice Department; certainly, it could not be worse.

If I correctly read the mind of Congress on this question dealing with undesirable aliens and subversive elements, Congress is tired of the sham that has been perpetrated upon the American people, and I believe that it is ready to take such action as it necessary to remedy this situation. Let us in this bill solemnly but courageously notify not only Harry Bridges, but all of his kind, that America cannot and will not tolerate them. Let them know that Congress has a way, or will make a way, to protect America. Let the message go to Hitler, to Stalin, and to Mussolini that their parachutists will not land in the waiting and welcome arms of those who would destroy this Republic. Let us see to it that if they undertake to land here the reception committee will consist of good, honest-to-God Americans, appropriately dressed and properly outfitted to give them such a reception that even the "Mad Man of Munich" may not fail to understand.

Here today is an opportunity to translate into action the verbal protests which have been rising from all over America. We are called upon to answer a universal demand. Failure to take decisive, affirmative action to rid this country of undesirable aliens will meet the condemnation which it deserves. A vote against this bill today will properly be construed as a license to these undesirable alien elements to pursue their dirty work of striking down America from the rear. I cannot overemphasize the importance of this vote and what it means to the security of our Nation. It is a direct step, a bold action, to route the enemy within. The fact that it is new is no argument against it. To the charge that the remedy is drastic, I answer that the disease is serious. Ask the bleeding nations of Europe, overrun by enemy aliens, if they would consider the remedy too drastic. The fact that the Maritime Federation of the Pacific, largely controlled by Bridges, went on record a few days ago in opposition to the defense program speaks for itself. But I say to him and his kind that we are rearming so that this land of the free will never become a part of the Russian Soviet Union. We have been called upon even this week to vote billions of dollars to defend this country and the Congress has cheerfully done so. It is as necessary to rid this country of enemies within as it is to arm to protect it from the enemy without. So, Mr. Chairman, this is purely an American bill. It was introduced in the American Congress, to be voted upon by Americans for the American Nation. Let no man evade his responsibility today. There is no middle ground. Pretext will satisfy neither the conscience nor the people. We have just witnessed the fall of Norway, Belgium, Holland, and Luxemburg—accomplished largely by the work of alien enemies. The great French people, stabbed in the back, today are struggling against insurmountable odds, and perhaps before the sun sets, Hitler may be marching through the streets of Paris. Gentlemen of the Congress, this is no time to temporize, no time to theorize, no time to speculate. Selfish ambition and desire should go. One motive and only one motive is worthy in this House today, and that is to do the thing that is best for America.

Whence comes the defense of Harry Bridges and other alien enemies? What voices are raised for them? Can any person say that Harry Bridges wants to defend America? Does he love America? Will he fight for our institutions? Nay, gentlemen. Read the record in this case. It is bristling with evidence which leads me to the irresistible conclusion that Harry Bridges was and is a Communist. The evidence is as clear as the noonday sun that he is a very undesirable alien. Even the report of Dean Landis is most damaging to Bridges. I quote from the dean's report, and he certainly put it in the most favorable light possible for Bridges:

> There is no doubt but that Bridges had at that time (1934) and has since, friends and associates who are Communists. At no time was he hesitant to admit these associations nor to deny that on occasion he has sought the help of the Communist Party.
>
> Bridges has also refused to adopt any policy whereby his unions would exclude or discriminate against any person upon the ground of membership in the Communist Party. * * * Bridges offered no apologies for the Communists that were in his unions. He regarded them, in the main, as "militant and sincere" and as good union men.
>
> Bridges admitted that he had occasionally dropped in at the Communists' headquarters when they were at 37 Grove Street, but that all he had done on those occasions was to purchase some pamphlets at the bookstore that they maintained in that building.

Time does not permit me to go into the evidence offered by the Government. To my notion, that was conclusive that he was a Communist in belief, in sympathy, and in action. Here is a case of a man who has been in this country more than 20 years and has never made a serious attempt to become a citizen of the United States. The Dies committee, which has rendered a great patriotic service to America, took a great deal of testimony upon the Bridges case, and all of that testimony was incorporated in and made a part of the hearings by the Committee on Immigration and Naturalization of the House. No fair-minded person can read that report, I think, without reaching the conclusion that Bridges is not only a dangerous radical alien, wholly undesirable as a citizen, but also a Communist.

Mr. Chairman, this House will without doubt take this important step to defend America. I want the vote to be decisive. I want it to be a warning to those who come here and abuse the privileges of American hospitality. [Applause.]

Mr. MASON. Mr. Chairman, I yield myself 5 minutes.

Mr. Chairman, I want to summarize the Bridges case for the benefit of the Members of the House as calmly and as dispassionately as I know how to do it, and this summary is based upon the evidence that is contained in the records of the Dies Committee.

First. Bridges is an alien, a guest within our gates, and he has become, by his actions, a very undesirable guest, as judged by a great majority of the American people. To illustrate, if I am a guest in your home and I criticize the way you run your home and I demand that you change the method of operation in your home, you have the right to say to me as your guest, "If you do not like the way I run my home, you should get out."

Now, a guest in your home only has the privileges that you grant to that guest. He has no rights as a member of the family, and an alien only has privileges granted to him and no rights by virtue of being a citizen.

Second. Bridges, according to the evidence, is a Communist and has advocated the overthrow of this Government by force. Twice he has been picked up to face deportation proceedings and the first time the proceedings were canceled by the Secretary of Labor. The second time the proceedings were postponed, waiting a decision from the Supreme Court in the Strecker case.

Now, to the lawyers in this House the Strecker case was not a parallel case to the Bridges case. The Strecker case was based entirely upon past membership in the Communist Party and whether past membership in the Communist Party was a deportable offense under our laws. The Supreme Court ruled that it was not, and therefore the Bridges case was brought to trial. But was it brought to trial in front of the court—the Federal court—and the Federal judge by whom Bridges was to be tried?

No; that Federal judge had ordered the deportation of others that were indicted before that court for the same offenses that Bridges was indicted, and the Department of Labor demanded a special judge in this case, and Judge Landis, the dean of the Harvard Law School, and I am told, one of the best legal minds in the United States, was selected as the trial judge. The Department of Labor, through its agents, prosecuted the case. The Department of Labor presented much flimsy and contradictory evidence in the case before Judge Landis, and the Department of Labor neglected to present real evidence that was available in that case, and Judge Landis, as any other judge, cannot go beyond the evidence presented in his court in deciding the case. He must decide it upon the evidence presented and Judge Landis decided that the case against Bridges as to being a Communist, was not substantiated by the evidence presented to him and he cleared Bridges of that indictment and therefore Bridges was permitted to go free.

[Here the gavel fell.]

Mr. MASON. Mr. Chairman, I yield 5 minutes to the gentleman from Wisconsin [Mr. KEEFE].

Mr. KEEFE. Mr. Chairman, I shall vote for this bill when it reaches that final action. I shall vote for it, despite the fact that there may be serious question in the minds of some lawyers as to what ultimate decision may be made of it should it finally be enacted into law when it reaches the Supreme Court of the United States. The subject is one for intrigue to a lawyer to investigate and study whether or not this proposed legislation may be in contravention and in violation of the Constitution. However, my own studies upon the subject as a lawyer have convinced me that if the matter is finally fairly presented to the Supreme Court there is a fair chance that the Court will hold this legislation to be constitutional, and for that reason I intend to support it.

There is another reason why I intend to support this legislation, and that is because it shall serve as a notice to the people of America that the Congress of the United States

is finally, and at last, going to respond to the demands of the people that something be done to rid our Nation of those who are out to destroy it. [Applause.] Would you expect Harry Renton Bridges to admit that he is a Communist? No. I am surprised that the gentleman from New York [Mr. MARCANTONIO], in reading the statement that was presented to him by Harry Bridges, did not investigate a little bit further into the situation in connection with the report of Judge Landis, and had he done so he would have very clearly found that from the mouth of Harry Bridges himself he made admissions before the committees of this Congress in which he admitted his cooperation with Communists. Moreover——

Mr. MARCANTONIO. Mr. Chairman, will the gentleman yield?

Mr. KEEFE. I have only 5 minutes.

Mr. MARCANTONIO. The gentleman mentioned my name.

Mr. KEEFE. The gentleman's name has been mentioned many times, and I expect will be mentioned many times more in connection with this throughout the entire country. I ask the gentleman to let me finish. I refuse to yield. If you read the report of Judge Landis you will observe that one of the bases for the charge by the Department of Labor for his deportation was that he had become affiliated with Communist organizations. Judge Landis listened to the testimony on the subject of his affiliations, and he also listened to the testimony on the subject of his membership. He found that he was not a member and further found that he had not been affiliated with Communist organizations under the very strained and technical rules of law by which he interpreted the use of the term "affiliation"; and you will find his discussion in that regard on page 133 of his report, in which he uses these words:

> Persons engaged in bitter industrial struggles tend to seek help and assistance from every available source. But the intermittent solicitation and acceptance of such help must be shown to have ripened into those bonds of mutual cooperation and alliance that entail continuing reciprocal duties and responsibilities before they can be deemed to come within the statutory requirement of affiliation.

And he held that there was no evidence to show that there was cooperation between Harry Bridges and the Communist Party, and as the basis of that he held that there was no proof of an alliance between Bridges and the Communist Party. Harry Bridges was before the Committee on Merchant Marine and Fisheries in May.

The CHAIRMAN. The time of the gentleman from Wisconsin has expired.

Mr. MASON. Mr. Chairman, I yield the gentleman 1 more minute.

Mr. KEEFE. When he was before that committee he was examined by members of that committee, including the distinguished gentleman from New York [Mr. O'BRIEN] and the distinguished gentleman from Alabama [Mr. BOYKIN]. He said in answer to questions which were asked him:

> Mr. BOYKIN. Have you ever counseled with them—referring to Communists—or cooperated with them?
> Mr. BRIDGES. I have.

That will be found in the record of the proceedings, and there from the mouth of Harry Bridges himself is his own statement that he not only has counseled with Communists in connection with his work as a labor leader, but that he cooperated with them, the very thing that Judge Landis used as the basis of his decision in holding that he was not affiliated with the Communist Party. I take it from the mouth of Harry Bridges himself. [Applause.]

Mr. MASON. Mr. Chairman, I yield one-half minute to the gentleman from Illinois [Mr. DIRKSEN].

Mr. DIRKSEN. Mr. Chairman, the question of doubt raised by the gentleman from Wisconsin [Mr. KEEFE], in respect to the constitutionality of this action is best answered by Mr. Justice Brandeis in the case recorded in Two Hundred and Fifty-ninth United States Reports, page 276, May 29, 1922. This is Mr. Justice Brandeis talking:

> Congress has power to order at any time the deportation of aliens whose presence in the country it deems hurtful and may do so by appropriate executive proceedings.

Similar language was used by the Court on May 12, 1913, in the case of *Bagajewitz* v. *Adams* (228 U. S. 585) in which Mr. Justice Holmes used the following language as reported on page 591:

> It is thoroughly established that Congress has power to order the deportation of aliens whose presence in the country it deems hurtful.

Here are the opinions of two outstanding liberals which I deem to be squarely in point on the issue before us.

Mr. LESINSKI. Mr. Chairman, I yield 3 minutes to the gentleman from Pennsylvania [Mr. SHERIDAN].

Mr. SHERIDAN. Mr. Chairman, I have sat here for many months watching my colleagues in the House, and I think I will take this occasion to disagree with the potential majority vote on this bill. I cannot reconcile myself to the position that where a man has been tried under our Federal constituted jurisdiction and procedure and found not guilty that this House should deport him. I do not think there is one man in this House who questions the integrity of Dean Landis, of the Harvard Law School. If he did, I do not think there is a Harvard man who would permit his—Dean Landis'—continuance in that high position. I may say for your information I am not a Harvard man.

I sometimes wonder whether you are fair and honest, because I do not know Bridges from Adam; but why take these proceedings piecemeal? How many Members of this House have read the incorporated report upon which Dean Landis has predicated his decision? I will wager not 10 percent of the House has read it. He was in a position to see the demeanor and the facial expression of the witnesses appearing before him. Many of the witnesses were perjurers and paid witnesses, as disclosed by the testimony. Upon that testimony you want to deport Bridges. It is not Bridges that is involved here. It is the American principle, our procedure of government. If we pass this bill, it will be an indelible blot upon this House, not on Bridges, because I do not think this bill will ever pass the Senate. That is my own conclusion. But we can never erase the blot on this House.

I heard my colleague from Wisconsin state "that the strange and technical principles of the law." I happen to be a lawyer myself. I know it always has been a principle of our law that he who affirms must prove. There is no duty devolving on Bridges or any other person who comes before our Federal procedure that he has to answer one iota. Many times, as lawyers, we assume the obligation of not putting our clients on the stand when we feel that the Government has not proved its case.

[Here the gavel fell.]

Mr. MASON. Mr. Chairman, I yield 5 minutes to the gentleman from Pennsylvania [Mr. VAN ZANDT].

Mr. VAN ZANDT. Mr. Chairman, for the first time in the history of our Government, Congress is called upon as representatives of the people to direct the Attorney General of the United States to deport without equivocation one who is recognized as an undesirable alien and a serious menace to the welfare of our Nation. Gentlemen, I refer to Harry Renton Bridges.

For years the American people have been menaced by the presence of such alien influences who have been permitted to spread their poisonous doctrines and false philosophies unmolested.

In the case of Harry Renton Bridges, public sentiment long ago demanded that he be deported. Why was he not deported? Simply because certain officials in responsible positions in our Government adopted a sympathetic attitude that ended with a complete whitewashing of charges that would have been sufficient cause for deporting anyone else so charged.

In considering this type of legislation there is unfolded before our eyes the workings of a real democracy. The American people, through their form of government, are immune from the wanton neglect of any appointed official to

discharge the duties of his office. Hence, Congress is called upon to recognize the will of the American people by deporting this undesirable alien.

This brazen individual has from time to time defied the American people by preaching doctrines that are incompatible with American institutions and the American way of life. He has had the gall to declare war against that great veteran organization—the American Legion—composed of more than a million men and women whose services during the last World War are a source of pride and honor in the history of our country.

The American Legion has a right to speak in defense of real Americanism because many of its members learned what it means to fear death in the form of an enemy submarine, a burst of shrapnel, the deadly fire of a machine gun, or the sudden explosion of a hand grenade. They know what it is to seek shelter from the hail of lead in the mud and filth of a stinking trench. They know the utter weariness and the hunger of suffering, of endless marches under the cover of darkness. They know, too, the scream of a dying comrade—crucified on a cross of barbed wire because he was willing to give his life to protect our Americanism.

The American Legion has no selfish interest in advocating that this so-called agent of Moscow be deported and is not alone in its crusade to ferret out individuals of his stripe.

The American Legion supports this bill and is upheld in its course by 99 percent of the American people. They know, and we Members of Congress should be quick to realize, that aliens of the Bridges type are accountable for the admitted existence in our country of such a despicable group as the "fifth column."

Every American citizen is conscious of the danger of the "fifth column," recalling with vivid memory the fate of Czechoslovakia, Poland, Belgium, Holland, Norway, and other countries. While it was Hitlerism in those lands, in this country it is the scourge of communism.

The adoption of this bill will sound the death knell to such vultures from Moscow who are bent on enjoying the privileges of a democracy, and, on the other hand, are engaged in destroying a form of government that represents a masterpiece of statesmanship.

The action of this House in approving this measure should also convey to the heads of our Government, and especially to the Department of Justice, that they must redouble their efforts to purge the Federal pay rolls of hundreds of Communist fellow travelers who openly boast of their affiliation with such Moscow-minded organizations while receiving their livelihood from the taxpayers of America.

These followers of Stalin who receive annual salaries ranging from $1,080 to $10,000, for a total of $1,800,000, are a serious threat to not only our form of government but are preparing now to worm their way into responsible positions in the national-defense program.

Gentlemen, I repeat again, this is an eventful moment in the history of the United States. As representatives of the people, this Congress has a grave responsibility. By passing this bill we can demonstrate that we are alive to the danger that the "fifth column" presents to our national existence.

Our duty is clear and unmistakable. Let us move promptly in banishing from our shores such un-American trash that too long have been permitted to enjoy a hey-day at the expense of liberty-loving America.

On June 14 we as a nation will observe Flag Day and pay tribute to Old Glory. I can think of no greater observance than to rededicate ourselves to the principles for which our flag stands in keeping America for Americans, and thereby recall the words of Theodore Roosevelt:

> Above all, we must stand shoulder to shoulder for the honor and greatness of our country.

[Applause.]

Mr. LESINSKI. Mr. Chairman, I yield 3 minutes to the gentleman from New York [Mr. EDELSTEIN].

Mr. EDELSTEIN. Mr. Chairman, I have been sitting here listening to those gentlemen who are in favor of the passage of this bill. Thus far I have heard nobody utter one word, one fact which would justify the passage of this bill. Our duty as Members of the House of Representatives is to act upon legislation being considered by this body only after due deliberation and upon full information. I do not believe that anybody can reasonably say that this House is considering this bill with due deliberation and upon proper information.

I hold no brief for Bridges. Assuming that he is all the proponents of this bill claim that he is, the principle involved in the passage of this bill is more important than Bridges or a thousand Bridges. That principle is whether this House is proceeding, in the traditional, Democratic, American way, whether we are proceeding in accordance with the principles of justice and democracy which underlie consideration of all special legislation, for that is what this bill is. I am not concerned at this time with whether or not this bill is unconstitutional because it is a bill of attainder. We may be all convinced that it is, but I am willing to leave that for the decision of the Supreme Court, within whose jurisdiction it properly is. What I do object to is the establishment by this bill of a precedent which is dangerous, which is harmful, which is undemocratic, a precedent which is the first step along the road toward the adoption of that form of Government which now prevails on the greater part of the European continent. If we adopt this bill, if we can do this to Bridges now, there is no reason why we cannot do it to anybody else with or without a reason. That, I say, is the principle involved in the matter now before us. Let me illustrate the proposition.

Mr. RICH. Mr. Chairman, will the gentleman yield?

Mr. EDELSTEIN. I cannot yield. I only have 3 minutes.

Mr. MAGNUSON. Will the gentleman yield for a question?

Mr. EDELSTEIN. I cannot yield. I only have 3 minutes.

On June 6 I wrote a letter to the chairman of the Committee on Immigration and Naturalization and I said:

> MY DEAR COLLEAGUE: I note that in the report filed on behalf of the committee to accompany H. R. 9766, the last paragraph therein reads as follows:
>
> "Special evidence was produced before the committee in the hearing of a general bill in which the record of this alien was fully set forth. Such record was felt sufficient to justify the introduction of this bill."
>
> I am desirous of acquainting myself with the evidence offered to support that conclusion, and, upon inquiry, find no printed report was made. Will you please be kind enough to direct the clerk of your committee to lend me a copy of the minutes of that hearing wherein testimony was taken with reference to the conclusion stated in the said report?

Mr. ALLEN of Louisiana. Will the gentleman let me answer the question? You want some evidence. I am going to give it to you.

Mr. EDELSTEIN. I do not yield. Ever since I sent that letter I have not been able to obtain a copy of the record. I have not been able to examine the record in order to determine for myself that the claim which is contained in the last paragraph of the report of the committee is justified by the contents of the hearings which they held. In other words, I have been asked to vote for a bill on the ground that there is evidence heard by the committee which justifies deportation from this country of a named individual, and yet I have not been able to see and examine that evidence for myself. Although I have made a persistent and continuous effort to obtain even for a short space of time a copy of the minutes from the office of the clerk of the Committee on Immigration and Naturalization, I have not been successful in doing so.

Mr. ALLEN of Louisiana. Does the gentleman want to see the report?

The regular order was demanded.

Mr. EDELSTEIN. As I have said, at no time could I obtain the evidence upon which the committee made its decision and without which I cannot conscientiously and honestly make my decision. Let us consider what is the acknowledged evidence with respect to the deportation of Bridges.

We all know that Mr. Bridges was arrested upon a warrant issued by the Department of Labor for his deportation on the ground that he was, or is, a member of, or affiliated with, an organization whose primary objective is the overthrow of our democratic form of government. I have no sympathy, nor is any Member of this House in sympathy, with anyone who would overthrow our form of government, or effect any

change in that form of government except in the constitutional way provided for making such changes. The hearings were conducted before a special trial examiner, James M. Landis, who is now dean of the Harvard Law School, and who before that was Chairman of the Securities and Exchange Commission and whose adherence to democracy and our constitutional form of government cannot be doubted by anybody. Mr. Landis conducted a long and careful hearing, at which both the Government and the alien were permitted to present their side of the matter in full detail.

At the end of that hearing Mr. Landis took the record, sat down with it, and prepared his decision based upon what had taken place at the hearing and what he found in the record. His careful and scholarly report I recommend to all of you as required reading in voting upon this bill. Mr. Landis came to the conclusion that he could not find Mr. Bridges to be a Communist or affiliated with the Communist Party. This conclusion he based upon the fact that the evidence offered by the Government, that is, the testimony of the Government's witnesses, on the whole, was unreliable, contradictory, and not worthy of belief. While he did not entirely agree with all the testimony offered on behalf of the alien, pointing out contradictory and weak points in the testimony offered on behalf of Bridges, he found that the Government had not proven its case; that Bridges had made out a strong case that he was not a Communist, but, rather, one whose philosophy of life was based upon democratic principles and whose only fault was, as far as the evidence before Mr. Landis showed, that he was a strong and active trade-union leader.

I have recited what took place before Mr. Landis not because I believe that Mr. Bridges is an angel or a paragon of all the virtues, but because there are people, of whom I am one, who are inclined to the belief that this effort to deport Mr. Bridges is based upon his active role as a trade-union leader rather than upon any connection which he may have with an organization which intends to overthrow our democratic form of government. If we deport Bridges, who is an active leader in one trade-union, there is no reason why we cannot deport an active trade-union leader of another organization, nor why we cannot deport all of them. If we can deport a trade-union leader, we can deport a person because we do not like the race from which he comes, or do not like the church in which he worships our Creator, or because we do not like the color of his hair; in fact, just because we do not like him.

From time to time in this country we are subject to waves of antialien hysteria. Any Member of this House who cares to consult the files of the Committee on Immigration and Naturalization, the Committee on the Judiciary, the Committee on Interstate and Foreign Commerce, the Committee on Labor, can readily see the great number of bills against the employment of aliens and realize that we are again in the midst of such a period.

We must, of course, take necessary measures to defend our country, to prepare against attack from without and within, but that is no reason why we should throw away all judgment and attack everybody merely because a label has been p'nned upon him. Such a procedure is un-American, undemocratic, and a terrible indictment of the way in which democratic processes function under strain.

If the committee which considered this bill received evidence which shows Bridges is a Communist or is affiliated in any way with the Communist Party the course of action is clear. Our immigration laws provide for the deportation of such individuals upon service of a warrant and upon a fair hearing. The committee states that in hearings upon a general bill it received sufficient evidence to justify the introduction of this special bill. I am reliably informed that although several of the members of the committee requested that Mr. Bridges be called to appear before the committee to answer such evidence that the majority of the committee objected to calling him. I do not think that such procedure is democratic or American. I do believe that it violates every tenet and every tradition of our system of justice. It might be possible perhaps that this evidence was so strong nothing Mr. Bridges might say would overcome it. In that case certainly such evidence should have been made public. Even if it were that strong Mr. Bridges should have had an opportunity to appear before the committee to answer such evidence. An ex parte trial and ex parte condemnation is not the foundation upon which our country has prospered.

The evidence which the committee has should have been submitted to the Department of Labor for further action by it, for issuance of another warrant and another hearing. If the committee believes the evidence to be as strong as it claims then certainly the only result of the hearings on this warrant before the Department of Labor would be an order for his deportation. That is the American way.

There has not been cited one precedent in support of this special bill. Never before has Congress by special legislation singled out for deportation one individual or even a few individuals. Always it has provided a procedure for deportation of undesirable classes of aliens, specifying the conditions which determine undesirability. Always undesirability has been determined by a quasi-judicial hearing held by the Department of Labor. At such hearings the alien was given a full opportunity to present his defense against the charges leveled at him. Today, for the first time in our history, we propose to deport one individual without conforming to traditional procedure and without giving him an opportunity to be heard in his own defense.

More than any other Member in this House, I stand to gain from the deportation of aliens who are members of or affiliated with the Communist Party. My record and my stand with respect to communism are clear. I was elected a Member of this House at a special election held on February 6 of this year. Unlike my Republican opponent, I openly declared my hostility toward communism and successfully defeated the Communist candidate, Earl Browder, by an overwhelming majority. While the deportation of alien Communists would improve my political position, what I have to consider here, however, is not what is the easy way for me, which is to vote with the majority, but what is the proper way for me to act on this bill even though it be not the way of the majority.

If it were consonant with American principles, American traditions, American democracy, to deport a single individual upon ex parte accusations, I would, of course, vote for this bill, but that is not my conception, or the conception of most people in this country, of democracy. We must remember that this same charge was made against Bridges and that upon a fair and full hearing the charge was not sustained. I cannot hold my self-respect and assert hereafter that I believe in the American way, in our constitutional form of government and the principles which underlie our democracy if I cast my vote for the passage of this bill. I trust that a majority of this House will not support this bill, because there is no evidence to justify its adoption, because it constitutes the establishment of a vicious precedent in these troublesome days, and because it clearly is a violation and contradiction of our democratic way. [Applause.]

The CHAIRMAN. The time of the gentleman from New York has expired.

Mr. LESINSKI. Mr. Chairman, I yield 3 minutes to the gentleman from New York [Mr. MARTIN J. KENNEDY].

Mr. MARTIN J. KENNEDY. Mr. Chairman, I am opposed to this bill (H. R. 9766) because I think it proposes to do something which is fundamentally wrong. This bill of five lines contains enough political dynamite to blast into dust the constitutional and legislative pillars which are the foundation stones of our democratic system of government. In brief, this bill directs the Attorney General "notwithstanding any other provision of law" to deport an individual named therein. Such a mandate would be an historical departure from our American tradition. This is the first time in the history of our Government that an act of Congress has singled out a named individual for deportation. Since the passage of the Alien and Sedition laws, a century and a half ago, it is the only bill that has provided for a deportation without a hearing or without giving the accused what our Nation has long known as "due process of law."

Mr. Chairman, the man at whom this bill is directed was lawfully admitted to this country, but it is now charged that he is here in violation of the law. After a lengthy hearing, and the taking of over 7,000 pages of testimony, it was the opinion of Mr. James Landis, dean of the Harvard Law School, who presided at the hearings, that the accused man should not be deported. The Secretary of Labor approved the findings of the trial commissioner. This bill would reverse the action of the Secretary of Labor.

The precedent that would be established by the passage of this bill would be detrimental to the general welfare of every citizen. As an American, I will not, for the sake of my own liberty, deny the protection of uniform and indiscriminatory laws, and of fair hearings to any other person. For the sake of argument, I am willing to concede that the person named in this bill is an undesirable person and should be deported. However, in our desire to deport one man, do not let us do violence to a precious heritage—the Bill of Rights! The sound timbers with which the Ship of State was built were shrewdly and wisely selected—by thinkers, idealists, soldiers, and philosophers. In its structure there is a plank that guarantees every person equal rights before the law. Our forefathers objected to a Government where "whatever pleased the prince had the force of law". There can be no doubt that the framers of our Constitution were determined that every man should have his day in court. If this bill passes, we shall, in my opinion, be striking a deadly blow at that sacred right.

I think that the pending bill goes so perilously near to being a bill of attainder as to be almost indistinguishable from one. I believe that it could be regarded as an ex post facto law. The Constitution of the United States says: "No bill of attainder or ex post facto law shall be passed (art. 1, sec. 9).

Ex post facto, arising or enacted after the fact; retrospective; retroactive, ex post facto law, any law which contemplates the penalizing in any degree of any act or of the omission of an act, which acts and omissions were respectively permissible and not punishable before its passage. Such laws are declared to be unconstitutional by article 1, section 9, paragraph 3, of the United States Constitution, nor can they be made virtually effective by giving them a civil form; in England, however, Parliament is not enjoined from passing such laws.

During this debate I have heard the proponents as well as the opponents cite the same authority for their position. It is found in *Cummings against Missouri.*

A bill of attainder is a legislative act which inflicts punishment without a judicial trial. "Bills of this sort," says Mr. Justice Story, "have been most usually passed in England in times of rebellion, or of gross subserviency to the Crown, or of violent political excitements, periods in which all nations are most liable, as well the free as enslaved, to forget their duties and to trample upon the rights and liberties of others." These bills are generally directed against individuals by name, but they may be directed against a whole class. *Cummings* v. *Missouri* 71 U. S. (4 Wall.) 277, 323, 18 L. ed. 356).

Mr. Chairman, there is an unbroken line of authorities supporting the Cummings case. Cummings against Missouri held unconstitutional an act passed by the legislature of Missouri that denied, not to an individual, but to a class, ministers of the gospel, the right to preach the gospel unless they took an oath that they had not been affiliated with the Confederacy during the period of the Civil War. A Catholic priest saw fit to violate the law in Missouri. He was arrested. His name was Cummings. The case went to the Supreme Court on the issue that the law was in the nature of a bill of attainder. It was held to be a bill of attainder and in violation of section 9, article I of the Federal Constitution.

Mr. Chairman, without doubt this bill is unconstitutional because it is a denial of "due process" under the fifth amendment to the Constitution.

At this time, I wish to reply to a statement that has been repeatedly made here this afternoon to the effect that an alien has no rights. An alien resident in this country, if he was lawfully admitted, has every right of judicial trial, every protection, and every safeguard that the Constitution gives to any human being.

It is well at this very moment, when passion and prejudice run so high, to be ever mindful of the rich and wholesome restraining influence of our Constitution. Even the meanest, lowliest human being must not be denied the rights secured by that sacred document, which has carried us through our entire national existence and is now the beacon light of hope to a weary, unhappy, and suffering world.

Since the beginning of my legislative career as a State Senator in 1924, right down to the present day, I have opposed and voted against class legislation of every kind. My vote today, on this bill, will be in keeping with that perfect record.

My parents were born in Ireland and, through them, I met many immigrants from Ireland as well as from other foreign countries. In my experience, most of these aliens made good neighbors and became loyal citizens. I deplore the sinister attacks that are constantly being made by certain groups in this country against alien residents because of their race, or their creed, or their color. As a Member of Congress, I shall continue to fight against any attempt to discriminate or penalize a person because of his religious or his political views.

I wish the vote on this measure could be postponed until next week in order to allow every member sufficient time to analyze the bill and contemplate the irreparable damage to one's constitutional rights that will inevitably result from such a law.

By voting for this bill, in a moment of legislative wrath, we would repudiate forever a priceless legacy—equality before the law—no person shall be deprived of life, liberty, or property without due process of law. By voting against this bill we shall retain that legacy and the blessings of a free country.

In order to obtain the rights we now enjoy under our Constitution, our forefathers pledged their lives, their fortunes, and their sacred honor.

Can we do less for our children?

[Here the gavel fell.]

Mr. MASON. Mr. Chairman, I yield 4 minutes to the gentleman from Alabama [Mr. STARNES].

Mr. STARNES of Alabama. Mr. Chairman, this is an unusual procedure, but it has been made necessary because of the unusual conduct of the officials of the Federal Government in failing and refusing to deport undesirable aliens. [Applause.]

No one here has stated that Harry Bridges is a desirable person to live within the United States. The Congress has the power to pass whatever legislation it desires or feels necessary to protect the best interests of the country; hence this bill before us today. Those who criticize the procedure may be honest and sincere, but they have voted time and time again for private bills amending basic law in order to keep aliens in the United States. Oftentimes they have voted for private bills to permit aliens to remain in this country who entered unlawfully and who had been convicted of crime. Now, however, when it becomes necessary to pass a private bill, or a bill of this character, in order to get rid of an undesirable alien, these same people rise in great horror and cry out on the floor of the House, "Undemocratic! Un-American"! [Applause.]

There has been sufficient evidence adduced before congressional committees—more than one of them—to the effect that Harry Bridges has associated with and has cooperated with Communists; and there is very strong evidence in the records of congressional committees given under oath by responsible and reliable witnesses to the effect he is a Communist and that he has been sympathetic with their program. No one can point to a single good thing he has done which would entitle him to the reward of being allowed to continue to live in this country. He has done more to disturb the peace and the security of certain sections of our country than any alien we have ever had. He has done more to destroy the merchant marine of this sovereign Government of ours than the Confederate States did during the war between the States; yet there are those who would like to keep him

in the United States. I cannot understand the spirit or psychology motivating those who want to keep him here. It is ridiculous to assert the United States does not have the power to protect itself by deporting undesirable aliens.

It may be true that Dean Landis is a learned lawyer. It may be true that his students have a great regard for him, but I venture the assertion here and now there is not a Member of this House who thought Dean Landis would hold other than he did in the Bridges case in order to take the heat off of somebody else. [Applause.]

The gentleman from Louisiana [Mr. ALLEN] is to be commended for his untiring efforts to give us protection from undesirable aliens. He has been a leader in the fight for selective and restrictive immigration. In his fight to preserve America for decent, law-abiding, and God-fearing people he is deserving of our praise and support. [Applause.]

Mr. LESINSKI. Mr. Chairman, I yield 5 minutes to the gentleman from Washington [Mr. LEAVY].

Mr. LEAVY. Mr. Chairman, I voted in the affirmative on the rule. I intend to vote in the negative on the passage of this bill if it remains in the condition it now is. If it is amended so as to come within what in my humble judgment is constitutional, I shall gladly vote for it.

I am not going to find fault with any of my colleagues who differ with me in their conclusions, and I want to say that it would be the easier way for me in the congressional district that I represent, being far removed from the coast and having virtually no C. I. O. labor in it, to vote as the great majority evidently will vote from the expressions we have heard; but I cannot in good conscience, consistent with my oath as a Member of this House, likewise as a member of the bar of the State of Washington, of the Supreme Court of the United States, and also as a judge of a court of general jurisdiction for 10 years before coming here, bring myself to the belief that this legislation is constitutional, much as I might feel that Mr. Bridges should not be here. Feeling this way, it is my plain duty to vote against it if it remains as it is now written.

It is unconstitutional, in my judgment, upon two grounds: First, it is a bill of attainder, which Congress is prohibited from enacting.

I shall cite the same authority cited by the distinguished gentleman from Illinois [Mr. DIRKSEN], to wit, Cummings against Missouri:

> A bill of attainder is a legislative act which inflicts punishment without a judicial trial. "Bills of this sort," says Mr. Justice Story, "have been most usually passed in England in times of rebellion, or of gross subserviency to the Crown, or of violent political excitements, periods in which all nations are most liable, as well the free as enslaved, to forget their duties and to trample upon the rights and liberties of others." These bills are generally directed against individuals by name, but they may be directed against a whole class. (*Cummings* v. *Missouri*, 71 U. S. (4 Wall.), 277, 323, 18 L. ed. 356.)

It is well at this very moment, when passion and prejudice run so high, to ever be mindful of the rich and wholesome restraining influences of our Constitution. Even the meanest, lowliest human being must not be denied the rights secured by that sacred document, which has carried us through our entire national existence and is now the beacon light of hope to a weary, unhappy, and suffering world.

Mr. Chairman, there is an unbroken line of authorities supporting the Cummings case. Cummings against Missouri held unconstitutional an act passed by the legislature of Missouri that denied, not to an individual, but to a class, ministers of the gospel, the right to preach the gospel unless they took an oath that they had not been affiliated with the Confederacy during the period of the Civil War. A Catholic priest saw fit to violate the law in Missouri. He was arrested. His name was Cummings. The case went to the Supreme Court on the issue that the law was in the nature of a bill of attainder. It was held to be a bill of attainder and in violation of section 9, article I of the Federal Constitution.

Mr. Chairman, this bill is unconstitutional also because it is a denial of due process under the fifth amendment to the Constitution and I want to take the argument that is so repeatedly made here this afternoon that an alien has no rights. An alien resident in this country, if he lawfully came in here, has every right of judicial trial, every protection, and every safeguard that the Constitution gives to any human being if he lawfully came in. If he unlawfully came in then he has not acquired rights and if you will follow the authorities, and there is a wealth of material on this, you will find that no alien nonresident has the right to say that he could come to America. The Congress alone fixes that. It is a privilege extended or withheld, but when once extended and he comes to the country, that privilege ripens into a right and no person can be denied or deprived of his rights without due process of law and that irrespective of citizenship. We have set up a quasi-judicial tribunal to try anyone not a citizen charged with being here unlawfully. We go even further than that. We say to that individual, "The burden is upon you to show cause why you should not be deported." But when we seek to deny him the right to any form of hearing we deny him the right of due process as defined in the fifth amendment to the Constitution. I am frank to say that the seven-page letter read here today written by Mr. Bridges in his own defense did not convince me that he carried the burden, but that does not mean that I will violate my oath to uphold the Constitution as I see it and support this legislation to meet the popular clamor of the moment.

In my humble judgment, Mr. Chairman, it would be a serious mistake to pass legislation of this kind. [Applause.]

[Here the gavel fell.]

Mr. MASON. Mr. Chairman, I yield 5 minutes to the gentleman from Nebraska [Mr. CURTIS].

Mr. CURTIS. Mr. Chairman, I shall support this bill. I believe Harry Bridges and all of his kind should be deported. He is a troublemaker of the first order and America is not the place and now is not the time for troublemakers.

In answer to the argument advanced by the distinguished gentleman who just preceded me on this floor, may I say that I believe this bill is constitutional. Much has been said concerning a bill of attainder, but I remind you that this is not an action that inflicts punishment for a crime. It is an act by the legislative body against a single individual, but deportation is not punishment for a crime. Deportation is a civil proceeding, not a criminal prosecution.

Mr. DIES. Will the gentleman yield?

Mr. CURTIS. I yield to the gentleman from Texas.

Mr. DIES. Is it not a fact that an alien cannot even appeal a deportation order?

Mr. CURTIS. That is right.

Mr. DIES. Whether there is any evidence to sustain it or not, he has no right of appeal?

Mr. CURTIS. That is right. The prohibition in the constitution of ex post facto laws and bills of attainder refers to criminal proceedings and not to civil proceedings. As has been said, deportation is not punishment for a crime, but a civil proceeding.

This bill comes here with almost the unanimous support of the Committee on Immigration and Naturalization. The distinguished gentleman from California [Mr. LELAND M. FORD], presented this matter to the committee in a general bill and as a result of his able presentation of the facts, the gentleman from Louisiana [Mr. ALLEN], introduced this bill before the Congress.

Mr. Oppenheim in his work on international law, says:

> Just as a state is competent to refuse admission to an alien, so, in conformity with its territorial supremacy, it is competent to expel at any moment an alien who has been admitted into its territory.
>
> It is an accepted maxim of international law that every sovereign nation has the power, as inherent in sovereignty, and essential to self-preservation, to forbid the entrance of foreigners within its dominion, or to admit them only in such cases and upon such conditions as it may see fit to prescribe.

That statement was made by the Supreme Court of the United States in a case involving the constitutionality of the Immigration Act of March 3, 1891.

The absolute right of control over immigration by a nation is essential to the preservation of its national existence.

The expulsion of aliens is necessarily embraced in the power to regulate their admission and exclusion.

Mr. DIES. Is there any difference in principle between this bill and the many private bills that have been introduced by the Immigration Committee and supported by many of these gentlemen who are now opposing this bill? We have had many bills where aliens were mandatorily admitted. The Congress said notwithstanding the law and notwithstanding the fact you made other aliens leave the country under like conditions, yet we, the Congress, withhold deportation of the alien. What is the difference in principle?

Mr. CURTIS. There is no difference in principle and in fact it is an established rule where authority to do a certain act the authority to do the contrary is implied. We have court decision after court decision that says that if a certain official has power to appoint subordinates, he likewise has the power to discharge, and it follows that if we have the authority to disregard the general law and admit an individual alien, we have the right to expel an individual alien.

Charles Hyde, in his work on international law declares that a—

State may doubtless decide for itself whether the continued presence within its territory of a particular alien is so adverse to the national interests that the country needs to rid itself of him. If such be its decision, the right of expulsion must be acknowledged. A conclusion in favor of expulsion need not necessarily coincide with one to which the state of which the alien is a national would, under like circumstances, assent.

[Here the gavel fell.]

Mr. LESINSKI. Mr. Chairman, I yield 4 minutes to the gentleman from Alabama [Mr. HOBBS].

Mr. HOBBS. Mr. Chairman, I have the highest regard for the gentleman from Louisiana [Mr. ALLEN], the author of this bill, and for the members of the committee who have seen fit to report it favorably. I have the highest regard for the membership of this House, which has just now almost unanimously voted the adoption of the rule for its consideration.

I have the highest regard for the gentleman from Pennsylvania [Mr. VAN ZANDT], and I wish to take his opening remarks as the text of mine. He said, and I am sure that he would not have so stated unless he had ascertained that the statement was true, that this is the first time in the history of our Government that a bill aimed at one man has been brought before Congress.

Mr. Chairman, without any passion, without any prejudice whatsoever, heartily favoring the deportation of Harry Bridges, loving everyone in this House, I must call your attention, if I am to be honest with myself, to the fact that this is supposed to be a Government "of laws and not of men"; that bills of attainder, ex post facto laws and the like, are outlawed by our Constitution; that the legislative branch of our Government should not usurp the prerogative of our judicial or administrative tribunals, if we would preserve our historic, constitutional doctrine of separation of powers. Yet today, for the first time in our history, if the gentleman from Pennsylvania [Mr. VAN ZANDT] is correct, we have a bill before us aimed exclusively at one, named, man.

It is so perilously near being a bill of attainder as to be almost indistinguishable from one. It is almost, if not quite, an ex post facto law. The Constitution of the United States says:

No bill of attainder or ex post facto law shall be passed. (Art. I, sec. 9.)

I happen to have been the chairman of a special subcommittee of the Committee on the Judiciary, charged with the duty of making the investigation under the resolution for the impeachment of the Secretary of Labor, the Commissioner of Immigration and Naturalization, and the Solicitor of Labor. In that investigation we read every word of the evidence in the files of the Labor Department, and the report of the Dies committee, against Harry Bridges. I doubt if anything could be said in condemnation of Harry Bridges which I would question. Not only do I have a fixed conviction that he should be deported, but I have tried assiduously to accomplish that desirable end by drawing and assisting in drawing legislation under which he could not escape deportation. This House passed one of the bills to which I refer in May 1939, when we passed the Smith bill, H. R. 5138, with only 48 dissenting votes. I sincerely hope and pray that it will be passed by the Senate and become a law at this session of Congress.

I cannot quarrel with anyone for supporting the bill before us now, but I simply cannot go along. [Applause.]

None of my reasons is based on technicality. It would be unworthy of this occasion, a crisis in the legislative history of our Nation, to deal in technicalities, or fine-spun theories. I favor, strongly, the end. I deplore, strongly, the proposed means. I could not bring myself to take this position unless my reasons were, in my opinion, well grounded and impelling. Here, we are face to face with a challenge to do a legislative job in a workmanlike manner. We all wish that job done. Yet, by this bill we confess our inadequacy—we admit that we cannot draw a bill which will do that job in accordance with the time-honored landmarks of our profession. With the best of motives, this bill frankly transgresses one of the cardinal principles which our founding forefathers would have died to preserve inviolate. Rarely, if ever, since the Barons of Runnymede wrung Magna Carta from the unwilling hand of King John, has any such piece of legislation been seriously considered.

Even the alien and sedition laws, of odious memory, did not name the objects of the then legislative wrath.

Is the bill under consideration (H. R. 9766) a bill of attainder?

A bill of attainder is a legislative act which inflicts punishment without a judicial trial. "Bills of this sort," says Mr. Justice Story, "have been most usually passed in England in times of rebellion, or of gross subservience to the Crown, or of violent political excitements, periods in which all nations are most liable, as well the free as enslaved, to forget their duties and to trample upon the rights and liberties of others." These bills are generally directed against individuals by name, but they may be directed against a whole class. (*Cummings* v. *Missouri*, 71 U. S. (4 Wall.) 277, 323, 18 L. Ed. 356.)

The term "bill of attainder," within the meaning of the Federal Constitution, included a general statute passed after the Civil War, which required all attorneys at law to take an oath that they had never voluntarily borne arms against the United States, or given aid, countenance, counsel, or encouragement to persons engaged in armed hostilities thereto, as a condition to their right to practice in the Supreme Court of the United States. In this leading case the majority opinion was written by Justice Field, and was based to a large extent upon a prior decision in the same term of *Cummings* v. *State of Missouri* (4 Wall. 277), in which the statute of Missouri, requiring ministers of the gospel to take a similar oath as a condition to their right to exercise the privileges of their profession, was held unconstitutional. Mr. Justice Miller, on behalf of himself, the Chief Justice, and Justices Swayne and Davis, delivered a dissenting opinion in Ex parte Garland, which is expressly made applicable not only to that case but to the case of *Cummings* v. *State of Missouri*, in which he says "the word 'attainder' is derived by Sir Thomas Tomlins, in his law dictionary, from the words 'attincta' and 'attinctura,' and is defined to be 'the stain or corruption of the blood of a criminal capitally condemned; the immediate inseparable consequence of the common law on the pronouncing the sentence of death.' The effect of this corruption of the blood was that the party attainted lost all inheritable quality, and could neither receive nor transmit any property or other rights by inheritance. Upon an attentive examination of the distinctive features of this kind of legislation, I think it will be found that the following comprise those essential elements of bills of attainder, in addition to the one already mentioned, which distinguish them from other legislation, and which made them so obnoxious to the statesmen who organized our Government: (1) They were convictions and sentences pronounced by the legislative department of the Government instead of the judicial. (2) The sentence pronounced and the punishment inflicted were determined by no previous law or fixed rule. (3) The investigation into the guilt of the accused, if any such were made, was not necessarily or generally conducted in his presence or that of his counsel, and no recognized rule of evidence governed the inquiry." The conclusion of the majority of the Court was denied by the dissenting judges on the ground that the laws in question did not contain the essential requirements, in the definition of "bill of attainder," of working a corruption of blood, or in describing any person or class of persons by name or description. (Ex parte Garland, 71 U. S. (4 Wall.) 333, 387, 18 L. Ed. 366.)

A bill of attainder is a legislative act which inflicts punishment without a judicial trial. If the punishment be less than death, it is a bill of pains and penalties. As the term "bill of attainder" is used in the Federal Constitution, it includes both bills of attainder particularly, and bills of pains and penalties. (*Cummings*

v. *Missouri*, (71 U. S. (4 Wall.) 277, 18 L. Ed. 356); *Drehman* v. *Stifle* (75 U. S. (8 Wall.), 595, 601, 19 L. Ed. 508); *Pierce* v. *Carskadon*, 83 U. S. (16 Wall.) 234, 239, 21 L. Ed. 276.)

Quoting further from the dissenting opinion in ex parte Garland:

It is no cause for wonder that men who had just passed successfully through a desperate struggle in behalf of civil liberty should feel a detestation for legislation of which these were the prominent features. The framers of our political system had a full appreciation of the necessity of keeping separate and distinct the primary departments of the Government. Mr. Hamilton, in the seventy-eighth number of the Federalist, says that he agrees with the maxim of Montesquieu, that "There is no liberty if the power of judging be not separated from the legislative and executive powers."

And others of the ablest numbers of that publication are devoted to the purpose of showing that in our Constitution these powers are so justly balanced and restrained that neither will probably be able to make much encroachment upon the others. Nor was it less repugnant to their views of the security of personal rights, that any person should be condemned without a hearing, and punished without a law previously prescribing the nature and extent of that punishment. They therefore struck boldly at all this machinery of legislative despotism, by forbidding the passage of bills of attainder and ex post facto laws, both to Congress and to the States.

The dissenting opinion in the Garland case attempts to justify its contention by saying that the act of Congress there in question did not contain the name or any designation of a person or persons, and that the barring of attorneys from the practice of their profession who had not taken a prescribed oath, was not a punishment for a criminal offense. But the prevailing opinion of the Supreme Court of the United States swept aside these contentions and held the act to be unconstitutional and void; saying:

The statute is directed against parties who have offended in any of the particulars embraced by these clauses. And its object is to exclude them from the profession of the law, or at least from its practice in the courts of the United States. As the oath prescribed cannot be taken by these parties, the act, as against them, operates as a legislative decree of perpetual exclusion. And exclusion from any of the professions or any of the ordinary avocations of life for past conduct can be regarded in no other light than as punishment for such conduct. The exaction of the oath is the mode provided for ascertaining the parties upon whom the act is intended to operate, and instead of lessening, increases its objectionable character. All enactments of this kind partake of the nature of bills of pains and penalties, and are subject to the constitutional inhibition against the passage of bills of attainder, under which general designation they are included.

But wholly aside from the question whether or not the pending bill is unconstitutional because a bill of attainder or a bill of pains and penalties or because it is an ex post facto law, please permit me most earnestly to call your attention to the following considerations:

First. In this bill Harry Bridges is not charged with any deportable offense, nor with any offense at all. Far from being denied, this fact is asserted with evident satisfaction in the report accompanying the bill. See Report No. 2200.

Second. The motivating predicate of this bill, as set out on page 2 of the report, is as follows:

Bridges is regarded by the framers of this bill as a menace to the interests of this country. His close association with known Communists was brought out and admitted by him in the Government's warrant hearing in his deportation case during the summer of 1939.

Thus do we revert to the days of the original alien and sedition laws, which constituted so sad a chapter in the history of the American Congress. But now it is boldly admitted in this report that what was then declared unconstitutional when asserted by mere innuendo has become a legislative virtue. This frankness is commendable. It does not, however, change the fact that this bill would order the deportation of Harry Bridges without charging any offense whatsoever save that he is regarded by the framers of this bill as a menace to the interests of this country.

Third. This bill denied Bridges the right to any hearing whatsoever, although even an alien, as has been repeatedly held by the Supreme Court of the United States, is entitled to due process of law under the fifth amendment to the Constitution of the United States.

Fourth. This bill utterly ignores our traditional doctrine of the separation of the powers of government among the three independent, coordinate branches of our Government—legislative, executive, and judicial. It is a flagrant attempt to have the legislative branch usurp the judicial prerogative hitherto exercised exclusively by administrative or judicial tribunals.

Finally, brethren, whatsoever things are true, whatsoever things are honest, whatsoever things are just, whatsoever things are pure, whatsoever things are lovely, whatsoever things are of good report; if there be any virtue, and if there be any praise, think on these things.

In my opinion, Harry Bridges is a menace to the interests of this country, just as the framers of the pending bill regard him. He should be deported. But I maintain that he should be deported by due process of law. His banishment should be decreed for cause, ascertained by legally constituted tribunals—not by legislative usurpation.

He should be deported for what he is: an alien termite seeking to destroy our Government. He should not be magnified by being dealt with in a special, personal bill, even if it were constitutional. But we should not destroy the house of our government of laws to rid the house of one termite.

Lynching is frequently defined as the taking of the law into unauthorized hands. In the light of this definition, may not the passage of this bill be called lynching? [Applause.]

Mr. GAVAGAN. Mr. Chairman, I ask unanimous consent that the gentleman from Alabama may proceed for 10 additional minutes.

The CHAIRMAN. The time has been fixed by the House, and the Committee of the Whole cannot extend the time.

Mr. LESINSKI. Mr. Chairman, I yield the remainder of my time to the gentleman from Montana [Mr. O'CONNOR].

Mr. O'CONNOR. Mr. Chairman, I was too late in securing time, therefore I cannot discuss the constitutional phase of this bill.

I voted for the rule. I usually vote for a rule to bring a bill before the House for consideration. But having practiced law since 1904, having served upon the bench, and having appeared before the various courts of this country, I cannot this afternoon, regardless of what the sentiment is here, support a bill such as this containing the provisions it does. We are dealing with something bigger than a man; we are dealing with the fundamental principles of this country. We are dealing with the laws and with the Constitution of this country. Bridges may come and Bridges may go, but it is our hope that the Constitution of the United States will go on forever. [Applause.]

[Here the gavel fell.]

Mr. MASON. Mr. Chairman, I yield the balance of the time on this side to the gentleman from Kansas [Mr. REES].

Mr. REES of Kansas. Mr. Chairman, certainly I see no reason why the membership of this House should get excited about this matter. I realize, as you do, that it is important, but after all has been said on this measure, each of us can vote as we feel about it. We may use our own reason for voting for or against it.

Mr. Bridges, according to his statement, came to the United States 20 years ago last April. He has never become a citizen of the United States. He has never availed himself of the right to appear before any one of our courts for a hearing, as provided by law, asking that he be granted the rights of citizenship. And yet he has been here for 20 years. He said in his statement, that was read by the distinguished member from New York, that in 1921 he filed his declaration to become a citizen of the United States. That he permitted the period of 7 years, as provided by law, to elapse before he thought of filing his petition for a hearing before a court to ask for the granting of a certificate of citizenship. Just a little strange that a man who could read and understand the English language, and who claims to be interested in the affairs of Government, would neglect so important a matter. The cost of a certificate of arrival is $2.50 and the cost of filing the petition is $5.

Furthermore, according to his statement, he almost immediately after his declaration of intention had expired, filed a new declaration, for which he paid the sum of $2.50. Then he says in the statement that we have before us this after-

noon he did not file the petition for final papers because of lack of funds. This expense would have been, as I have said before, $2.50 for certificate of arrival and $5 for filing the petition for citizenship and the right to go before the court to ask that he be granted the rights of citizenship. Of course, if his witnesses who were to testify as to his good character and their general knowledge of him would charge him for that service, such expense would be additional.

Now, Mr. Chairman, let us be fair about some of these things. What did he do about that declaration that he procured in 1928? He let it lapse; that is what he did. He let it go past the 7-year period and did not during that 7 years even attempt to complete his citizenship. Then what does the record show? In 1935 or 1936, for the third time, he paid the fee of $2.50, and again, and for the third time, filed his declaration to become a citizen of the United States. So far as the record discloses, he has not appeared before a court to ask for a hearing on the granting of final citizenship. Now, I know that this does not condemn him. He does not have to try to complete his rights of citizenship unless he wants to do so. As I said before, here is a man who claims that he is particularly interested in the affairs of this Government. He even says that he wants to help this Government to get rid of certain persons who are obnoxious to the Government of this country. It just seems strange that a man who claims leadership of a great body of American citizens could have proved his sincerity to his attachment to the principles of our Government by attempting to complete his right to become a citizen. Now, Mr. Chairman, he has answered that question rather plainly. We have his statement. It is not the statement of the Member from New York. It is the statement of the man in question. He says that if he should have attempted to complete his citizenship, the courts would not be fair to him. Read his own statement in the RECORD tomorrow. He criticizes the courts before whom he has not even requested a hearing on this question.

Mr. Chairman, something had been said about the Landis report. This report has been made a part of the report of this committee. As I understand it, the question there turned principally on a technicality as to whether or not there was sufficient proof to show that he was "affiliated" with certain organizations. You have that report before you.

Not only that, Mr. Chairman, you have a statement of the man who is the subject matter of this bill before you. His statement, consisting of several typewritten pages, has been read to you by a Member of this body. Not to a committee, but by unanimous consent of this membership, the Congressman of New York was granted the privilege of taking the time to place the entire statement before us. I am very glad, indeed, that it was done.

Mr. Chairman, this bill does not inflict punishment on anyone. It does not put anyone in jail or in the penitentiary. It does not relieve him of any of his property. It does not attempt to cancel the citizenship of anyone. It simply says, in substance, that, so far as the Government of the United States is concerned, that this alien has so conducted and demeaned himself that his further presence in this country is undesirable. That during the 20 years he has been a guest of this country his conduct and demeanor are such that he should be invited to return to his native country of Australia, if that is the place from whence he came.

Mr. Chairman, I realize that the situations that I am about to mention may not quite fit into each other, but a good deal has been said about the right of Congress to deport an alien in this manner. But there are Members of this body who are opposed to this measure, who have private bills pending before the Committee on Immigration, asking that certain individual aliens be permitted to remain in the United States, the application of the law notwithstanding. A number of these bills, for various reasons, have merit. As a matter of fact, this Congress has approved many such bills during this and other sessions. Many have been passed by unanimous consent and without debate.

One thing more, Mr. Chairman; the gentleman from New York quoted Mr. Bridges as saying that he was offered $50,000 if he would resign his leadership of a certain group and join a group or organization who offered the $50,000. That is a pretty strong indictment. I think that if the gentleman really wanted to be really fair, if he is the kind of a person he claims for himself, then in view of this much of his statement he should disclose the name of the person or persons who made the offer and should furnish such further information on this matter as would be of interest to this Government. I believe it is his duty to do it. As a matter of fact, if he wants to be open and aboveboard, he should provide the information or explain why it should not be done. [Applause.]

[Here the gavel fell.]

The Clerk read as follows:

Be it enacted, etc., That the Secretary of Labor be, and is hereby, authorized and directed to take into custody and deport to Australia, the country of which he is a citizen or subject, the alien, Harry Renton Bridges, in the manner provided by sections 155 and 156, title 8, United States Code.

Mr. LESINSKI. Mr. Chairman, I offer a committee amendment.

The Clerk read as follows:

Committee amendment offered by Mr. LESINSKI: Mr. LESINSKI moves to amend the title by striking out the word "authorize" and inserting the word "direct."

Mr. LESINSKI. Mr. Chairman, in explanation to the House, the committee wants it mandatory that Harry Bridges be deported.

The committee amendment was agreed to.

Mr. VAN ZANDT. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. VAN ZANDT: Strike out all after the enacting clause and insert the following:

"That notwithstanding any other provision of law, the Attorney General be, and is hereby, authorized and directed to take into custody forthwith and deport forthwith to Australia, the country of which he is a citizen or subject, the alien, Harry Renton Bridges, whose presence in this country the Congress deems hurtful."

Mr. VAN ZANDT. Mr. Chairman, this amendment is to prevent any attempt to find a loophole, through a technicality of any description, which would tend to prohibit or prevent the Attorney General of the United States or any individual from evading the intent and purpose of this bill which is a mandate by the Congress of the United States to deport this undesirable alien, Harry Renton Bridges.

Mr. MICHENER. Mr. Chairman, will the gentleman yield?

Mr. VAN ZANDT. I yield.

Mr. MICHENER. What would happen if Bridges were arrested according to the direction of Congress and Australia refused to accept him?

Mr. VAN ZANDT. That becomes a problem for the Department of Justice.

Mr. MICHENER. If the gentleman will yield further, I think I can give him some information.

Mr. VAN ZANDT. I yield.

Mr. MICHENER. As I understand the situation, if an alien is ordered deported and arrested and the country of his origin or where he belongs refuses to accept him, he is then in custody in the United States. We have had a number of similar cases, as I understand. Russia will not receive a Communist who is ordered deported. Therefore he is in the custody of the United States, and the practice, as I understand it, has been to release him on his own recognizance. The Hobbs bill was introduced here and passed the House in an effort to remedy that situation, but it has not been remedied.

Mr. VAN ZANDT. In reply to the gentleman from Michigan, according to information furnished by the Department of Labor, the United States has encountered no difficulty with the British Government or her possessions about the return of aliens.

Mr. MICHENER. I think that is correct.

Mr. VAN ZANDT. We should not encounter any difficulty in the return of Mr. Bridges since the Department of Justice will be compelled to comply with such a mandate of Congress.

Mr. SCHAFER of Wisconsin. Mr. Chairman, will the gentleman yield?

Mr. VAN ZANDT. I yield to my distinguished colleague the gentleman from Wisconsin [Mr. SCHAFER].

Mr. SCHAFER of Wisconsin. The British Government, of which Harry Renton Bridges is a subject, can use him to good advantage in the fighting lines and we will at the same time be removing him from the guerrilla bushwhacking lines where he is trying to destroy our country's national defense through disruption of the merchant marine of our country.

Mr. GWYNNE. Mr. Chairman, will the gentleman yield?

Mr. VAN ZANDT. I yield to the distinguished gentleman from Iowa [Mr. GWYNNE].

Mr. GWYNNE. Does not the latter part of this amendment bring this bill in line with the decisions and statements of our own Supreme Court?

Mr. VAN ZANDT. The gentleman is correct.

Mr. MARCANTONIO. Mr. Chairman, will the gentleman yield?

Mr. VAN ZANDT. I yield to the gentleman from New York [Mr. MARCANTONIO].

Mr. MARCANTONIO. Has the gentleman given any consideration to the fact that if his amendment is carried out to its utmost that he even deprives Mr. Bridges of an opportunity to sue in the courts for a writ of habeas corpus?

Mr. VAN ZANDT. An alien who is here for the purpose of destroying our form of government is not entitled to the protection of our courts and has the gall to expect such consideration.

Mr. MARCANTONIO. Has no right to a writ of habeas corpus?

Mr. VAN ZANDT. Not under the provisions of this bill.

Mr. GWYNNE. Is it not a fact that the court has already said that the Congress may deport a person and that he has no right to a trial in the courts?

Mr. VAN ZANDT. That is correct.

Mr. GWYNNE. That is the decision of the court?

Mr. VAN ZANDT. Yes.

Mr. MAGNUSON. Will the gentleman yield for a question as to the last part of that amendment which, as I understand it, states that the Congress deems his presence to be hurtful? I am wondering about the advisability of that language, and will the gentleman explain that?

Mr. MASON. Mr. Chairman, will the gentleman yield?

Mr. VAN ZANDT. I yield to the gentleman from Illinois [Mr. MASON].

Mr. MASON. That phrase was included in the bill to bring it in line with the Supreme Court decision which uses that specific language.

Mr. MAGNUSON. Does not that put the Congress in the position of sitting in judicial review and forming conclusions?

Mr. MASON. No.

Mr. DIRKSEN. May I say to the gentleman from Washington that that decision was written by Mr. Justice Holmes in 1913, and a similar one by Mr. Justice Brandeis in 1922.

Mr. BOLLES. Mr. Chairman, will the gentleman yield?

Mr. VAN ZANDT. I yield to the gentleman from Wisconsin [Mr. BOLLES].

Mr. BOLLES. This action is supported by the Supreme Court in two decisions, one of *Mahler* v. *Eby*, (264 U. S. 32 (1924), and *Bugajewitz* v. *Adams* (228 U. S. 585 (1913)), where it was held that the right to expel aliens is a sovereign power, and the fact of prior conviction, even under laws since repealed—the espionage and selective draft acts—may be made the basis for classification as an undesirable subject to deportation.

Mr. VAN ZANDT. In offering this amendment, I want to take the privilege of calling the attention of the House to the fact that this action is nonpartisan, since Democrats and Republicans support this urgent legislation.

My colleague the gentleman from Louisiana, the Honorable A. LEONARD ALLEN, is a comember of the House Committee on Immigration and Naturalization and is the author of this bill. He is to be warmly commended by Democrats and Republicans alike for his stanch Americanism.

The intent of the Allen bill is without doubt one of the greatest contributions that an American can make in these trying days to the welfare of our country. This bill brings to the attention of the House that a democracy can function irrespective of any dilatory tactics on the part of high officials of the Government.

The people of Louisiana may point with pardonable pride to the courage, loyalty, love, and devotion to America that their Representative, the gentleman from Louisiana, A. LEONARD ALLEN, has so ably demonstrated in introducing this timely and patriotic measure. [Applause.]

[Here the gavel fell.]

Mr. MILLER. Mr. Chairman, I am saddened and disappointed to think that with but an hour's debate we should contemplate passing such a far-reaching bill as this, particularly at a time like this. It has been said on this floor that more is at stake in this resolution than the deportation of Harry Bridges. With that I agree. I think there is a great deal at stake. I do not think it is necessary to preface my remarks by saying I am opposed to Communists and communism and to Nazis and nazi-ism. I do not question the desirability of deporting Harry Bridges. From all that I have heard, from all that I have read, I believe that he is an undesirable alien; but if our laws are not adequate to protect us from undesirable aliens then it is certainly the duty of this Congress to stay in session and enact such legislation as will give us the protection that we are entitled to, and we should not be asked to pass on bills of this kind with an hour's debate. I am not a lawyer. I cannot discuss the constitutional question involved, and I am inclined to be glad sometime that that ambition was never realized. It has been said that it is not punishment to deport an alien. Perhaps, legally, it is not; but if I happened to be an alien and I had a wife and two children here, and I was ordered deported, I would think that I was being punished by somebody.

The substitute, or amendment, that we are asked to pass now even deprives this alien of whatever rights he may have had under our laws, such as the right to a writ of habeas corpus. It deprives him of any rights that he may have under the Constitution.

If this bill is passed, I fear that we will have an epidemic of bills to deport this man or that man, this woman or that woman, and I fear, perhaps in a spirit of hysteria that may manifest itself if world conditions stay as they are, that some Member may even rise in the Well of this House and propose to deport his alien mother-in-law, or even suggest the deportation of aliens who happen to have red hair, if that color happens to become unpopular during the present war. The only evidence we have before us is in the report of the committee reporting out this bill that in the opinion of the sponsors Harry Bridges is a menace to the institutions of this country, and that he has had close association with known Communists. That is all the evidence we have. If a man can be deported without a hearing, without a trial, without the right of appeal because he has associated with Communists, and because the framer of a bill, regardless of whom he may be, thinks that he is a menace, then the Bill of Rights, the Constitution and all civil liberties have gone out of the window. I hope in the few minutes that now remain before we vote on this bill that we will consider its far-reaching effect and govern ourselves accordingly.

Mr. MARCANTONIO. Mr. Chairman, will the gentleman yield?

Mr. MILLER. Yes.

Mr. MARCANTONIO. The bill is distinctly unconstitutional, and now by suspending the operation of the writ of habeas corpus, it is making the bill doubly unconstitutional.

Mr. MILLER. I leave that for the attorneys in the House to decide.

Mr. O'CONNOR. Mr. Chairman, I move to strike out the last word. If we pass this bill this afternoon—and I have no word in defense of this man, I would not know him if I saw him—the precedent that we will establish will plague every Congress as long as there is a Congress held under the Constitution of the United States. This is a time when we must keep our feet on the ground. This bill as originally drawn

might give a man a chance for a trial, because it says that he would be deported in the manner provided by sections 155 and 156 of the United States Code. As a matter of fact, the bill would really be ineffective as of itself to deport him.

Mr. MURDOCK of Utah. Mr. Chairman, will the gentleman yield?

Mr. O'CONNOR. In a moment. The bill provided as originally drawn for deporting him in accordance with the provisions of those sections. Those provisions give the man a right to be tried, and find out whether or not he is guilty of the things that would cause him to be deported. Everything was a question of fact there. Section 156 provided for the contingency which is met by the gentleman from Michigan [Mr. MICHENER] when he asked, Supposing Australia refuses to accept him? Section 156 would meet that, but that has been eliminated. If Australia does not accept him, you can keep him here in jail until he rots, by the amendment now proposed.

Mr. JOHNSON of Oklahoma. He needs to rot.

Mr. O'CONNOR. That is not the question. We are dealing more with law than a man. It is not necessary for me to tell you that this is a government not of men, but a government of law, unless we have lost our heads and senses. Such legislation leads to a breaking down of the fundamental principles that the founders of our Constitution gave us. I fully realize that the word "alien" today seems of itself to bring to the surface emotions that tend to override our deliberate judgment. This should not be the case unless we are descendants of Indians as we are all descendants of, at one time, aliens. I do not believe we should be squeamish about the word "alien." Aliens have the same Constitutional rights and the same rights to due process of law as have citizens. It might be of interest to read United States Code of 1934, title 18, article 52.

We still have a government by law. I have gone through some of this in 1917. Yes, Mr. Chairman, among other things I have seen mobs take a man out on the street and make him kiss the flag or else be hanged. For what? Because he used more bread than the local committee thought he ought to have used. Those are the things that will live to plague us in the future.

We have got something at stake here today much bigger than Harry Bridges. Of course, I will agree with my friend; I think he ought to rot. The gentleman is right. But that is not the case. Do you want your Constitution to become punctured with holes like this, by reason of which it will gradually be broken down? My friends, this is a serious problem. I would not know Bridges if I met him in the road, branded, but I do know something about our Constitution. I do know that our Constitution and laws rise above men. This man will be gone in years to come; perhaps shortly. People will forget him. But the precedent we are establishing this afternoon will rise up to plague us in the future. It will plague the Congress in the future.

Mr. MURDOCK of Utah. Mr. Chairman, will the gentleman yield?

Mr. O'CONNOR. I yield.

Mr. MURDOCK of Utah. My question is this: Certainly the gentleman does not take the position that Harry Bridges will be accorded any kind of a trial if the original bill is passed? That is the very thing the bill is to be passed for—to deny the right of trial.

Mr. O'CONNOR. Yes; I agree with the gentleman from Utah that that is the purpose of the bill; but, in my opinion, the one who drafted the bill slipped a cog, for if you read the language of the bill you will find it says that Bridges will be deported in the manner provided by sections 155 and 156. Now, section 155 goes into detail and sets forth the various acts for which an alien may be deported. Now, if we pass this bill, before such deportation could take effect he would have to be arrested and charged with a violation of section 155, and, when so charged, necessary proof would be required. Consequently it would mean a sort of a trial or, in other words, some evidence would be required to support the arrest. Section 156 deals with the port to which the alien may be deported, and costs of transportation, and so forth. I fully realize that no such procedure was contemplated by the author of this bill, but, as I said before, I think the bill is subject to such interpretation; and, as I said, I do not think the bill would accomplish his deportation without trial.

[Here the gavel fell.]

Mr. LESINSKI. Mr. Chairman, I move that all debate on this amendment and all amendments thereto close at 5 o'clock.

The motion was agreed to.

Mr. JOHNSON of Oklahoma. Mr. Chairman, I move to strike out the last two words.

Mr. Chairman, during the past 2 hours of heated discussion on the pending bill to deport the radical Communist agitator, Harry Bridges, the burden of the argument of those Members who are so violently opposing this legislation is, first, that the bill is unconstitutional, and, second, that they fear the far-reaching effect of this legislation on the future of this country. I shall, therefore, confine my remarks primarily to an effort to answer these two arguments.

Answering the first argument, which has been stressed, as I recall, by every opposition speaker, let me say I yield to no man in my love and devotion to the Constitution of the United States. I believe sincerely that our forefathers were inspired by divine guidance when they wrote that great, sacred document. It is unquestionably the greatest and most profound document of its kind ever penned by mortal man. [Applause.]

During my several years' service in the Congress I have to the best of my ability endeavored to support the spirit as well as the letter of the Constitution of the United States. But I must confess that I am somewhat surprised to find gentlemen here who have never raised a constitutional question against any other bill during their sojourn in this Congress until this day. It is amusing to hear men stand in the Well of this House and plead for the Constitution of the United States who, during the past several years, never thought of raising the question against dozens of other important measures when the question of constitutionality had been seriously raised. It would seem that it depends altogether upon whose ox is being gored as to whether some Members of this body are really concerned as to the constitutionality of legislation under consideration.

The gentleman from New York [Mr. MARCANTONIO], with a husky voice and almost with tears in his eyes, pleads for his fellow traveler, Harry Bridges, in the name of the Constitution of the United States. He has suddenly become very much exercised lest the Congress of the United States might pass an unconstitutional act. It is significant that the gentleman from New York has the distinction of being the only Member of this House who has consistently opposed all of the President's national-defense program.

The fact is that this House has been very charitable in permitting him to read into the RECORD a long, belabored address supposedly prepared by this ex-Communist leader, whose only excuse for not taking out naturalization papers in the 19 years that he has been an unwelcome guest from his native Australia is that he feels that the courts are all bad and prejudiced against him and would not give him a square deal. Frankly, my own feeling is, from a study of his record, that if he had received a square deal that Bridges would have been deported by this Government years ago. [Applause.]

That this body is willing to hear that long statement of defense of Bridges which begs the question and attempts to inject prejudices and side issues into the discussion is a compliment to our democratic form of government. I have repeatedly said that in my judgment we have been entirely too tolerant with the alien enemies within our midst. That is especially true of this particular undesirable alien.

Another distinguished gentleman from New York [Mr. DICKSTEIN] talked with a tearful voice about the Constitution of the United States. He, too, has suddenly become deeply concerned about the Constitution. He read into the record a case decided by the court in an effort to prove his contention that this Congress has no legal right under the Constitution

to deport an undesirable alien. You will recall I asked the gentleman how he reached the conclusion that Congress is forbidden under the Constitution to deport an alien while at the same time he himself has introduced more bills than any other Member of Congress to import aliens into the United States and to keep them here after they have been imported. [Applause.]

I have noticed that a number of our learned legal lights of this body, most of whom freely admit that they are great constitutional lawyers, when a bill is presented here in which the public is particularly interested that does not suit them and they can find no other excuse for opposing it, some of them will rush to the Well of this House, get their voices down in their boots, and declare over and over that they are not against the purposes of the bill but their great legal training prevents them from giving their full support to a measure because they are so fearful that the Supreme Court of the United States might declare such legislation unconstitutional.

I have sometimes said that I can take a stick as long as my two fingers and write that one word, "unconstitutional," on the end of it and scare some of the so-called big lawyers on both sides of this aisle almost out of this Capitol.

Let me say in passing that I do not pretend to be a great constitutional lawyer, as so many here today profess to be. I have seriously studied that Constitution since I was a small child. I was taught to memorize not only the preamble but many of its provisions before I was old enough to go to school. I have studied constitutional law all of my life. I have read the constitution of many of the States of the Union and of many of the countries of the Old World. I have studied constitutional law, not only in our schools in America but in one of the best law schools in the Old World, and the more I study our own great Constitution of the United States, the more I am impressed with the necessity of carrying out not only the letter but the spirit of our Constitution. [Applause.] It occurs to me that if the framers of that great document could be listening in on this debate that they would be amazed and somewhat chagrined that Members of the Congress of the United States would actually have the gall to defend an alien enemy who has caused more disturbance in our laboring groups and done more to tear down the spirit of the Constitution of the United States than any other man in America during the past generation. I sincerely believe that the spirit of our beloved and heroic forefathers, if here today, would impel us to send not only alien agitators but all of his kind back to the country from which they came. [Applause.]

But I must not spend all of my time talking about the Constitution. The other point that so many have stressed as to the far-reaching effect of this legislation must not be overlooked. Yes; I agree that this bill, when passed and signed by the President of the United States, will have a far-reaching effect. There is no question about that. It will have the effect of saying to thousands of other alien agitators and racketeers to cease their activities or be prepared to be deported to their home lands. It will have the far-reaching effect of giving notice to the dictators and other enemies of democracy everywhere that there is no room for those who advocate the overthrow of our Government or preach any other ism than old-fashioned Americanism. [Applause.]

It will have the far-reaching effect of giving notice to that entirely too large army in the United States, which we now call the "fifth column," that the Trojan horses in America on which they ride, will not in the future, have such green pastures on which to graze. [Applause.]

Now just a word about the committee amendment.

Mr. CURTIS. Mr. Chairman, will the gentleman yield?

Mr. JOHNSON of Oklahoma. I will be glad to yield.

Mr. CURTIS. As a matter of fact, this committee amendment merely clarifies what the original bill intended to do. It does not deny the right of habeas corpus to determine the question of the right of Congress to pass this bill.

Mr. JOHNSON of Oklahoma. Undoubtedly the gentleman is correct. Let me say here that no Member of this House, so far as I know, would deny anyone their civil rights. And all this talk about denying a citizen or even an alien the right of habeas corpus is absurd and beside the issue. Of course the Congress has the right to pass a bill to deport an alien within our gates. They are here by the grace of our great benevolent Government. To those aliens who appreciate the protection of American institutions I have nothing but a most kindly feeling, but to that horde of undesirable aliens, who accept the protection of our Government and yet owe their allegiance to a foreign country are in a poor position to whine about their inalienable rights. [Applause.]

My own feeling is that Harry Bridges should count himself lucky to be only deported. In months to come enemy aliens will undoubtedly be dealt with more harshly than just being deported. But bear in mind that is the only thing this committee is now asking—just deport an un-American radical agitator; to send him back to the country that he really loves; send him back to the country that he undoubtedly owes his first and only allegiance. We do not need him and his kind here. Oh, yes; his deportation will have a far-reaching effect, all right. [Applause.]

The record is that Harry Bridges came here in 1921. It took him 7 years to decide that he wanted to take out his second papers, and then when the storm blew over he decided he did not want to become a citizen. Four times he has taken out his first papers and four times he decided he did not think enough of this country to become a citizen of the United States. He has been warned over and over. Again, I say he is fortunate, considering his shameful record, to be only deported back to his homeland. [Applause.]

A few years ago I visited most of the so-called Lowland Countries of Europe. For years all of them have tolerated "fifth column" agitators. Leaders in those countries actually thought such a policy was the liberal thing to do. It was the enemy within their gates that attributed most to their defeat. Surely we have learned a valuable lesson from what we have seen and heard in those little countries of Europe.

Let the word be flashed around the world that the American Congress has finally decided that our Nation will no longer tolerate alien enemies, parasites, or "fifth column" agitators, spies, saboteurs, and other enemies within our borders. They hate our American Constitution, yet when trouble befalls them would use it to protect their dastardly deeds. From henceforth let our motto be lifted high like a beacon light, so that all who run may read, "America for Americans." [Applause.]

[Here the gavel fell.]

Mr. MICHENER. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. MICHENER. Is the amendment now pending in the form of a substitute?

The CHAIRMAN. The amendment now pending strikes out all after the enacting clause and inserts other language.

Mr. MICHENER. If that is the case, if this amendment when voted upon is carried there will be no opportunity for further amendment.

The CHAIRMAN. Not if the amendment is adopted.

Mr. MICHENER. So that all debate must be had on this amendment. The motion to close debate was on this amendment and all amendments thereto. The result, as I understand it, is to close debate on the whole resolution unless the amendment should perchance be voted down.

The CHAIRMAN. It is the opinion of the Chair that if the substitute is agreed to under the rule the committee would rise and report the bill to the House.

The Chair has a list of eight Members who have asked for time on this amendment. Sixteen minutes remain. Without objection, the Chair will recognize these gentlemen in the order in which their names appear on this list, for 2 minutes each.

Mr. O'CONNOR. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. O'CONNOR. Is an amendment to the substitute in order? I have a substitute for the pending amendment.

The CHAIRMAN. A substitute for the pending amendment would be in order.

Mr. O'CONNOR. I offer a substitute for the pending amendment.

The Clerk read as follows:

Amendment offered by Mr. O'CONNOR as a substitute for the amendment offered by Mr. VAN ZANDT: Strike out lines 3, 4, and 5, and insert "That the Attorney General of the United States be, and he is hereby, directed to immediately institute proper proceedings in the proper court to deport Harry Bridges, an alien, in accordance with sections 155 and 156, title VIII, U. S. Code."

The CHAIRMAN. The gentleman from Montana is recognized for 1 minute.

Mr. O'CONNOR. Mr. Chairman, in support of this amendment permit me to call attention to the fact that only recently the President of the United States transferred from the Department of Labor to the Department of Justice all matters dealing with immigration. This plan was approved by the Congress. Why? Because the Congress had confidence in the Department of Justice.

If this amendment is adopted, the Attorney General is directed—he would have no discretion—he is directed to institute proper proceedings for the deportation of this man in accordance with the laws of this country.

Mr. MURDOCK of Arizona. Mr. Chairman, will the gentleman yield?

Mr. O'CONNOR. I yield.

Mr. MURDOCK of Arizona. I am heartily in sympathy with the gentleman's amendment and shall support it. I wish Bridges and many others like him were out of the country. We have laws and we have courts. If our laws are inadequate, let us make them adequate and then depend upon our courts to see that due process of law is carried on. Let us not do the right thing in the wrong way by passing an unconstitutional bill. It should be amended.

Mr. O'CONNOR. I thank the gentleman. He is always right. I hope the other Members of the House will also vote for the amendment. Such proceedings would be in accord with our laws.

The CHAIRMAN. The gentleman from California [Mr. LELAND M. FORD] is recognized for 1 minute.

Mr. LELAND M. FORD. Mr. Chairman, I have heard many men raise their voices here today in defense of Harry Bridges. But do you realize there are hundreds of thousands, yes, millions of people in this country whose rights have been violated? I have not heard these men raise their voices in their protection.

I want to say to you that Harry Bridges by his own handwriting, by documentary evidence, has perjured himself, according to the record I have read here today. He is guilty of perjury, he is guilty of moral turpitude, he is guilty of disturbing the peace, he is a lawbreaker, he is a "fifth columnist."

It is difficult to conceive that a man can go out on the Pacific coast and blockade that whole coast, all the ports on the Pacific coast, and that man still be allowed to remain in the country. I cannot understand this thing. I do not understand the attitude of you people who defend him.

Mr. BRADLEY of Pennsylvania. Mr. Chairman, will the gentleman yield?

Mr. LELAND M. FORD. No; I have only a short time.

If this is a special bill I say to you that by his actions Harry Bridges has created a special lot of trouble for this country and should be taken out on that account. [Applause.]

[Here the gavel fell.]

Mr. MASON. Mr. Chairman——

The CHAIRMAN. For what purpose does the gentleman from Illinois, a member of the committee, rise?

Mr. MASON. To submit a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. MASON. Is the substitute motion before us now, or the committee amendment?

The CHAIRMAN. The substitute for the amendment offered by the gentleman from Pennsylvania.

Mr. MASON. And all time for debate on the committee amendment and the substitute will expire at 5 o'clock?

The CHAIRMAN. The gentleman is correct.

If the Committee will indulge the Chair, the Chair will state that the Chair has a list of eight Members who were on their feet at the time the gentleman from Montana offered his substitute amendment. Without objection the Chair will recognize these gentlemen in the order in which they appear on this list.

The gentleman from Missouri [Mr. ANDERSON] is recognized.

Mr. ANDERSON of Missouri. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. ANDERSON of Missouri to the amendment: After the word "deport", in line 4, strike out the remainder of the bill and insert the following: "any undesirable alien who advocates the overthrow of the Government of the United States."

Mr. ANDERSON of Missouri. Mr. Chairman, the amendment speaks for itself, and I ask for a vote.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Missouri [Mr. ANDERSON].

The question was taken; and on a division (demanded by Mr. ANDERSON of Missouri) there were—ayes 66, noes 87.

Mr. ANDERSON of Missouri. Mr. Chairman, I demand tellers.

Tellers were ordered, and the Chair appointed Mr. ANDERSON of Missouri and Mr. LESINSKI to acts as tellers.

The Committee again divided; and the tellers reported that there were—ayes 76, noes 119.

So the amendment was rejected.

The CHAIRMAN. The Chair recognizes the gentleman from California [Mr. GEYER] for one-half minute.

Mr. GEYER of California. Mr. Chairman, I do not agree with my good friend, the gentleman from California [Mr. LELAND M. FORD] very often, and again I do not agree with him. I want to read a telegram which shows that not all the people on the Pacific coast feel just exactly as my friend, the gentleman from California [Mr. LELAND M. FORD].

This telegram reads as follows:

SAN FRANCISCO, CALIF., *June 5, 1940.*

Hon. LEE GEYER,
House Office Building, Washington, D. C.:

Understand House Immigration Committee has just sought to force H. R. 9766 to floor of House. Also understand Congressman KRAMER stated "7,000,000 people in California suffering from the activities of Bridges." We have wired Congressman KRAMER that 200,000 members of Labor's Nonpartisan League of California seriously disagree with him. Opposition to Bridges comes from employer group only. Millions of California workers have benefited directly and indirectly from organizational work of Bridges, who has acted in accordance with law and whose record is without a blemish. His deportation is attack on wages, working conditions, and civil liberties and is without legal or moral justification. Request you inform Congress of incorrectness KRAMER's statement and do all possible to defeat this bill.

E. E. WARD,
State Secretary, Labor's Nonpartisan League of California.

Mr. Chairman, oh, patriotism, what crimes are committed in thy name.

I cannot say that I know Harry Bridges personally as I have met him only casually on two occasions.

I do know this, that several thousand members of his union living in my district have implicit faith in him. They attribute to him the fact that working conditions and wages they receive are much better than before he took the leadership of their organization.

To this fact add that even now this union is negotiating a new contract and you will have the real reason why some deem him to be undesirable. Boiled down to the last analysis we do not hesitate to state that this is the old battle between the union and the employers. Is this Congress going to take sides in this controversy? Are we going to fail to face the issue squarely? Or will we, under the cloak of Americanism, violate those very principles of democracy that we claim to espouse?

I maintain that this body should be the last in the world to succumb to hysteria and establish such a precedent as this just because it is good politics in an election year.

I did not think things would come to such a pass that I should ever hear a member of the Rules Committee so flout the principles of democracy as to make such a statement as I heard in that committee the other day when this bill was

being considered. The gentleman from New York [Mr. FISH] stated, "The Congress needs no reason for deporting a man. It is enough if we do not like the color of his eyes."

This coming from a high-ranking minority member of that powerful committee. If this is an indication of the stabilizing effect of keeping the Congress in session during these critical days then I say the sooner we go home the better.

Much has been said against this man and the labor organization he heads. He has been proved by a judicial procedure not to be guilty as charged. In the United States I thought only the guilty were punished and then after due process of law. We are importing Hitler methods. Can we protect democracy by destroying it?

The CHAIRMAN. The Chair recognizes the gentleman from Washington [Mr. COFFEE].

Mr. COFFEE of Washington. Mr. Chairman, I want to commend the gentleman from New York [Mr. WADSWORTH] and the gentleman from Alabama [Mr. HOBBS], neither one of whom can be accused of being sympathizers with subversive activities. They have ascended to the heights of true statesmanship today, rising above passion, and voting their convictions to maintain the Constitution, which they swore to uphold and defend against enemies from within and without. They are great statesmen and they voted their constitutional convictions. [Applause.]

A few days ago I was one of those who blocked unanimous consent for the House passage, without debate or study, of the Allen bill to deport Harry Bridges. My reason for doing so was that the measure was highly controversial and that I wanted ample time to be accorded to the proponents and opponents to discuss it. Personally, I was and am convinced that the proposed bill is unconstitutional and that the Members should know the course they were pursuing in this connection. For that reason I voted today in favor of the rule on the bill. I hoped that full and fair discussion would be given to the merits and demerits of the measure and that it might be amended so as to make it apply to general classes rather than to individuals; and, failing that, that we might get the bill recommitted with specific instructions to improve it.

Mr. Chairman, we are again approaching the hysteria days of 1916–17, when rational people seem to be inspired by hatred and intolerance, when emotions often dethrone reason, and when normally sober citizens in their excitement favor legislation which they ordinarily would quickly condemn. I am not on this floor today in the capacity of a champion of Harry Bridges. I hold no brief for or against him. It may be that he is guilty of all of the charges of misconduct and subversive activities directed against him. For the sake of argument it might even be assumed that he was a Communist, though Dean James M. Landis, dean of the Harvard Law School, after protracted hearings and listening to full evidence, exonerated him of that charge. The fate of Harry Bridges is not the point. He is but an incident. I personally condemn individuals and organizations who plot to overthrow our form of government by force and violence. Nevertheless, Mr. Chairman, our Constitution guarantees to every resident of our land full civil rights and the democratic process. Some of the leading newspapers in America, in their editorial columns, have condemned this measure on the ground that it is unprecedented; that it would establish a dangerous precedent; that it violates the Constitution in that it is a bill of attainder, prohibited by section 9, article I, of the Constitution of the United States. By permission of the House I am including a few pertinent extracts from these editorials. It will be noted that these editorials are taken from some of the most conservative Republican newspapers in the United States.

One of our main difficulties is to divorce cold logic from sentiment. It has often been said that no person is eligible for a judgeship who is incapable of hearing testimony and making decisions without emotional bias. A man is said to possess a judicial temperament when he can view a situation objectively, dispassionately, and realistically. One of the foibles of mankind, however, is that too many of us decide questions from our subjective reactions rather than from our objective reactions. In the trial of a criminal case opposing counsel and the judge sedulously endeavor to secure a jury which will decide the facts of the case impartially. We do not go into a criminal case with our minds made up against the criminal beforehand.

Even to the most despicable criminal, palpably guilty of the most revolting crime, we who are lawyers, and who under oath have sworn to uphold the Constitution, should and would insist there be given every protection guaranteed under the law—that is the principle for which our remote Anglo-Saxon ancestors fought through the centuries and which was graven in the Magna Carta at Runnymede in 1215. Are we going to proclaim here today that the Constitution be suspended in periods of excitement, when we are worried about a war in Europe, though this country itself is not engaged in war? Are we going to take an action which will be tantamount to a blackout of civil liberties for those with whom we disagree? Are we going to deny the soundness of the immortal statement ascribed to the French novelist, Voltaire, when he said substantially in these words: "I wholly disagree with what you say, but I will fight to the death to uphold your right to say it"? Does this Congress repudiate the political philosophy of Thomas Jefferson, who drafted, sponsored, and guided through to enactment our Bill of Rights, the first 10 amendments to the Constitution of the United States? Are we going to be intimidated here today into failing to do our sworn duty and into flouting the Constitution because of fear of political repercussions?

I deny that a no vote on the pending bill proves, or even indicates, a sympathy for Harry Bridges personally, or approval of the course he has pursued as a labor leader or as a resident of our country. I emphatically deny such a conclusion. I denounce those who visit upon us condemnation for doing our constitutional duty. Every criminal should be accorded his day in court. Even a murderer has a right to a trial by jury; the right to be confronted by his accusers; the right to be represented throughout his trial by counsel; the right to help in the selection of the jury; and other kindred privileges. These we have denied the prisoner at the bar here today.

O, Mr. Chairman, this Congress is about to embark upon an unprecedented course. We are going to pass a bill which has no parallel in American history. This bill denies due process guaranteed under the fifth amendment. The committee reporting out this bill refused to accord Bridges even a hearing. If the bill is valid, why has no similar bill ever passed Congress?

I am including herein a brief which I contend overwhelmingly establishes the invalidity of this measure. The Van Zandt amendment makes the measure even more unconstitutional in that it attempts to deny the right of securing a writ of habeas corpus to the person affected. I have heard some peculiar law discussed on this floor today. It has been said that because Congress passes private bills permitting certain designated aliens to remain in the country, or granting them rights under the immigration laws, Congress ergo has the corresponding right in a private bill directed against one named individual to deport an alien.

With all the vehemence and emphasis at my command I deny the logic of such an argument. It is not recognized in the courts. It is elementary law, that in the former case we are granting a privilege, while in the latter case we are imposing a penalty. In Anglo-Saxon jurisprudence these categories have been clearly distinguished through the centuries.

The truth of the matter is there are some here who unconsciously would deny civil liberties to aliens, or who sincerely believe that the Constitution was not intended to be a bulwark of protection to those with whom we disagree on economic or political matters.

Senators Norris, of Nebraska, La Follette, of Wisconsin, and the late Senator Borah, of Idaho, have frequently insisted that the most distinguishing characteristic of a democracy is its guarantee of civil rights to all within the borders of that democracy. One of Senator Borah's last speeches was a warning that under the impact of a war hysteria, amid the

jitters generated by fears and hatreds springing from the problems of a war-torn world, there would be a crack-down upon liberal groups and individuals, upon labor leaders and organizations, upon religious leaders and sects, upon racial groups and dissident minorities in general.

Germany went through that process. We want no Hitlerism here. No matter in what beguiling dress tendencies toward fascism may be cloaked, I warn this House we must resist them. I affirm my patriotism and loyalty to the United States—no one need question that. I repudiate extremisms. It is because I love my country and its institutions that I want no law passed here which aims at its vitals. My colleague the gentleman from Washington [Mr. LEAVY], a jurist of distinction and wide and varied experience, has given us his considered opinion to the effect that this bill was clearly unconstitutional. When such a high-minded statesman as the gentleman from New York [Mr. WADSWORTH] indicates by his vote his conclusions that this bill is invalid, it should be reassuring to many. It will be noted that among those voting "no" on this measure are some of the most conservative Members of this House, men who despite their hearty disagreement with the philosophy and activities of Harry Bridges nevertheless cannot stomach this method of attack upon him.

Of course, this Congress has the right to deport aliens—not by directing a bill against an individual without providing that that individual be accorded every right under the law, but by passing a bill dealing with aliens in categories. I shall discuss that matter more fully in the brief.

In my home city of Tacoma there is published the Tacoma Labor Advocate, the official organ of the central labor council of that city. This is the federation of unions affiliated with the American Federation of Labor. There has been friction between Bridges and these unions for some time, as he has been an officer of a rival labor organization. Nevertheless, despite the bitter anger of the A. F. of L. unions at Bridges and their condemnation of him personally and as a labor leader, these unions, speaking through their official organ, the Tacoma Labor Advocate, denounced the Allen bill as "an absurd proposal." The editorial clearly sets forth the strong feelings of these A. F. of L. unionists in antipathy to everything about Bridges, but they warmly declare in this editorial that the Allen bill is a "disgraceful move" and that it is an "ungodly measure."

The editorial is as follows:

[From the Tacoma Labor Advocate of May 24, 1940]

AN ABSURD PROPOSAL

Just about the time that Harry Bridges is losing prestige among the workers, someone, somewhere, devises a way of galvanizing his reputation, however faded as a labor leader, back into life.

The latest effort in this direction is to pass a special law to deport him. No excuse is offered for such summary legislation. It is just a means of getting rid of one that is presumed to be objectionable.

Now no labor or other paper has indulged in strictures to the extent of the Tacoma Labor Advocate against Harry Bridges, and from first to last we have frankly regarded him as a fakir of the first degree. But in spite of that we may say that we are definitely opposed to any such legislation as that now pending in the Congress to get rid of the Australian.

Bridges, as a British subject, has as much right here as any American, under treaties with Great Britain. As long as he is not shown to be violating the law, his presence here is condoned by treaty which precedes any law that Congress may enact. And because that is the case, we suspect that back of this legislation there is a sinister effort to popularize and to rehabilitate Bridges in the public mind.

He can pose as a martyr for the working-class doctrines that he pretends to hold. And just as the trial or hearing by Dean Landis proved such a mint to the cause, so this new statute which it is proposed to enact to deport him is so well calculated to restore Bridges to popular good will, we regard it with a good deal of suspicion.

The workers cannot at the present stage of things regard Bridges as anything else but a phoney fourflusher. And his scheme stolen, according to Faisie, from the bosses, of a 5-year peace, should have the effect of weaning the last vestige of favor from this man who betrays them.

We don't know who has been backing Bridges. We don't know what form of support has been forthcoming to supply him with a martyr's garb every time that his stock gets below par. We do know that that is exactly what has happened, and we are very suspicious of these efforts to deport Bridges, whose actions in our estimation show that he is not the friend of the longshoremen but the friend of the groups definitely opposing the longshoremen.

Whether this group is the Railroad Trust, as some suspect, or not, we cannot pretend to know; nor can we say that they have any hidden or open alliance with Bridges.

We do know that as a result of Bridges' operation and administration of the Pacific coast water-front union business, general business has sunk and sunk until it reached so low a minimum that its revival is impossible to figure. We note that the perishable trade, the citrus trade, the lumber trade, the many and various kinds of freight that once were brought and shipped hither and yon by the shipping on the Pacific coast, now goes that way no more. Instead the freight finds its way by truck or by railroad car, while, bit by bit, the coastal shipping trade languishes.

That trade languishes because they couldn't depend upon the operation of the docks and the movement of freight, what with strikes of one kind or another sponsored or authorized under Bridges' administration, and things have reached such a pass that it seems to many that freight movements by sea have been lost forever to coastal shipping, while railways and trucks enjoy it instead—and Bridges organizes his inland warehousemen, or says he does.

The last act for which Bridges acquired fame was a proposal to sell the workers down the river for a 5-year peace pact, with arbitration thrown in, and the workers compelled to accept present conditions as if, even with war in Europe or in America, prices could be stabilized and wages with them. This notorious act has scandalized even some of Bridges' most loyal followers. He may explain that he desires this peace so that he can march inland to secure into his organization the warehousemen far beyond the Cascades, the Sierras, and the Rockies, and for which organization the longshoremen must pay.

Naturally, Bridges needs some sort of a restorative to a waning reputation, and naturally the bill to deport him—to deport him personally as a special order of Government business—is just what is calculated to make the people believe that he is still the matchless leader, still the militant chief, still the undaunted hero that won all his strikes, and all that sort of "hooey" which his "Commy" colleagues built up for him must be true.

We wonder what stooge of the party line, posing as an opponent of subversive doctrines, suggested that ungodly measure to deport Bridges—to deport him just now when his stock has sunk below the zero mark.

I have been much influenced in my course on this bill by the conclusions of this editorial. There is no question but what the passage of this measure will have a tendency to martyrize Bridges in the eyes of extremists. There are legal and illegal ways of accomplishing one's objective. I consider this Allen bill ultra vires of Congress under the Constitution. I denominate this measure by a term commonly found in the parlance of lawyers, "sui generis"—a kind unto itself. I defy the bill's proponents to find any justification in the writings of legal scholars, in the decisions handed down by jurists, to justify their contention that this bill will survive in the Federal courts.

Therefore, Mr. Chairman, I shall vote against the instant measure, convinced as I am that the bill is unconstitutional.

From the New York Herald Tribune comes the following editorial:

DANGEROUS DEPARTURE

Very possibly Congress has the constitutional right to order the deportation of Harry Bridges. But, to pass a bill for the purpose aimed at an individual would be an unprecedented step which all Americans should view with grave misgivings.

The readers of this newspaper hardly need a reminder of its attitude toward the west coast labor leader and its demand that he be put through the mill of deportation proceedings. But though we found it difficult to agree with Dean Landis, who conducted the hearings in the case, that Bridges was not a Communist or otherwise a fit subject for deportation, his formal verdict, we felt, should end the controversy.

It should end it for the simple reason that, whether mistaken or not, it was arrived at after a full and fair consideration of the facts, and by that due process of law which is the bulwark of our liberties. Bridges is not a citizen of the United States. Technically, therefore, he may not be immune to congressional action of the sort contemplated. Nevertheless such action, if not a violation of the Constitution, would constitute a breach of the traditional policy of the country that aliens, as well as citizens, are entitled to the equal protection of its laws. We can far better afford to harbor Bridges than to permit Congress to single him out for punishment.

The Los Angeles Times has been famous in the past for its fights with labor unions and leaders. Yet it strongly questions the wisdom of this bill.

TO DEPORT BRIDGES

The House Immigration Committee took the unusual step yesterday of voting to approve, after only 1 day's consideration, a bill to deport Harry Bridges, alien radical labor leader. The bill was introduced by Representative ALLEN of Louisiana on Tuesday.

ALLEN declared Congress should act specifically when alien radicals escape through a technicality.

The technicality in this case is that James M. Landis chose not to believe the sworn testimony of American citizens and to believe Bridges and that Secretary of Labor Frances Perkins backed him up with an almost audible sigh of relief.

Congress would be justified in feeling considerable impatience under the circumstances, but such legislation sets a rather bad precedent. If the heavy artillery of a congressional enactment must be dragged out to demolish all the nuisances that need deportation, it would seem simpler to revise the existing deportation machinery. Why not transfer immigration and deportation to the State Department? Secretary Hull would have Bridges out of the country in short order.

See also the editorial appearing in the Grand Rapids (Mich.) Press:

DEPORTING BRIDGES

When Dean James M. Landis, of Harvard, decided in a special hearing for the Department of Labor that Harry Bridges, west-coast, Australian-born labor leader, was not a proven Communist and therefore not deportable, it was freely predicted that this was not the final word on the Bridges case. Now the House Immigration Committee has approved a bill aimed specifically at the deportation of this man.

Whether this measure would stand up in the courts may be doubted. Even if it would, it seems to establish a very bad precedent. The enactment of special legislation for the deportation of a specific individual would set up the possibility of many abuses. It would then be possible to frame measures to get rid of any person against whom popular prejudice might be directed by specific charges framed to fit the case.

It has been suggested that it might be wholly proper to enact regulations which would call for the deportation of aliens who have failed to take out citizenship papers after remaining in this country a certain number of years. Even legislation of this type would require careful exceptions so that injustices would not be done.

It seems quite logical, nevertheless, to insist that aliens who come into this country to make their homes should be required to accept citizenship after a specified period unless there is some good excuse for not doing so. Bridges has had ample opportunity to become a citizen but has failed to take advantage of it.

It would not be wise, however, to seek Bridges' ouster through a special measure aimed at him alone. Unless he is deportable under laws applicable to all aliens and under regulations that would apply impartially to all, it would be better that he remained. What the Immigration Committee is proposing is, in effect, the substitution of legislative for judicial procedure. It is an encroachment of the legislative on the judicial branch of the Government, which is a practice that has been roundly condemned.

The author of the bill, the gentleman from Louisiana [Mr. ALLEN], admits frankly that he is "striking out on a new and untried route." The Nashville (Tenn.) Banner, in an editorial summarizes the situation by saying that the proper way to get at the situation is not through the form of such a bill as is proposed.

In the Evening Post, of New York City, appears an editorial which speaks for itself:

IN CONTEMPT OF LAW

Congress has before it a bill which would deport Harry Bridges, leader of the C. I. O. on the West Coast. It is an extraordinary measure. It makes no attempt to establish a rule which would apply to all aliens or define some new class of offense which would be grounds for deportation. The bill simply says point blank, that Harry Bridges should be made to leave the United States.

Those responsible for drawing the legislation apparently forget the fundamental tradition in America that aliens as well as citizens are entitled to the equal protection of our laws.

Mr. Bridges has already gone through the proper process of deportation proceedings. After a careful and full consideration of the facts of his case it has been determined, by formal verdict, that he is not a fit subject for deportation.

Congress should not now attempt to short-circuit the due process of the deportation by passing a law directed at a single person. No individual could be as dangerous as the principle the bill contains.

The San Francisco Chronicle recently published an article by a leading conservative Republican, Chester Rowell, closely identified with Herbert Hoover, in which he denounces the bill as unconstitutional and a highly dangerous and unprecedented step. The Chronicle has editorially expressed opposition to the bill, likewise. As the Chronicle articles have appeared already in the CONGRESSIONAL RECORD I shall not include them again here.

Here is an interesting editorial from the News of Charlotte, N. C.:

KILLING CURE—A BILL WHICH ADOPTS NAZI PRINCIPLES TO GET A "RED"

The bill to deport Harry Bridges, west coast labor leader, reported out by the Immigration Committee of the House, is a cunning attempt to capitalize on the alarm in the country to accomplish an ulterior end.

There are few people left in the country who will deny that in the present case Bridges is dangerous. Whether he is a Communist or not, he is certainly taking the Communist line, and at his instigation his maritime unions are busily denouncing the Roosevelt arms program as a capitalist plot to betray the country into war.

He ought to be got rid of, and so ought the rest of the Communist agents in the unions, but by a law which shows some decent regard for the safety of the rights guaranteed under the Bill of Rights.

The present bill is in effect an effort to deal with the Trojan horse danger in the country by plopping whole hog for Nazi methods. It violates every American tradition in singling out an individual and making a law against him for what is not, under existing law, a crime in itself

One of the strongest of a series of editorials appearing in that great newspaper, the Washington Post, is the one which was printed in its issue of May 30, 1940, and which refers to the instant measure as "striking at democracy." This is the editorial:

STRIKING AT DEMOCRACY

A bill by Representative ALLEN of Louisiana, calls for the deportation of Harry R. Bridges, west coast labor leader. Naturally, protests have come from the defense committee formed when Bridges was facing deportation proceedings. But the larger issue raised by this proposal is whether a breach shall be made in the Constitution to strike at a leader of the C. I. O.

James M. Landis, dean of the Harvard Law School, presided for many weeks at hearings to determine whether Mr. Bridges was deportable as an enemy of the established political order. Mr. Landis concluded that the tactics followed by the C. I. O. labor leader were not revolutionary but in accord with democratic principles. The case against Mr. Bridges was accordingly dropped, and there is no excuse for treating him as other than a law-abiding citizen.

The Allen bill is plainly unconstitutional, and it seems entirely unlikely that it will receive serious consideration. However, it is well to call attention to the extremes to which some Members of Congress are prepared to go to rid the country of aliens whom they regard as undesirable.

The framers of the Constitution were aware of the dangers of permitting the Legislature to punish individuals without benefit of trial. Hence they forbade Congress to pass bills of attainder—bills that are a species of extrajudicial procedure, for the direct punishment of political offenders.

It does not require a knowledge of constitutional law to realize the enormity of a proposal that would condemn a man to deportation by a mere legislative decree. Lightning thus invoked might strike anybody who happened to incur the displeasure of Congress. It would not be necessary to limit attacks to aliens whose radical views and union activities have made them objects of dislike and suspicion to influential groups.

Even Mr. Bridges' worst enemies would have cause to regret his departure if it were effected by ignoring constitutional prohibitions against the kind of legislation Representative ALLEN of Louisiana has proposed.

I call the attention of the Members that two veterans of the first World War who have as outstanding records for bravery and courage as any men in the United States, voted against this measure, along with some other veterans. These men are the gentleman from California [Mr. IZAC], who is a holder of the Congressional Medal of Honor, and the gentleman from Connecticut [Mr. MILLER], who lost both legs while serving in the aviation branch of the American Expeditionary Forces in France. I make this statement in praise of these two gentlemen without any invidious reflection upon the other veterans who are Members of this House.

I now come to the legal argument from the constitutional angle which I have prepared and which I suggest be read carefully by those lawyers in the House who have an open mind.

THE BILL (H. R. 9766) TO DEPORT HARRY BRIDGES IS UNCONSTITUTIONAL

H. R. 9766 would authorize and direct the Secretary of Labor to take into custody and deport to Australia the alien, Harry Bridges. This bill is an unprecedented attempt to have Congress depart entirely from its legislative function and pass judgment upon a single individual. The sponsors of the bill undoubtedly rely upon the fact that the power of Congress over the admission and deportation of aliens has been upheld by the courts in very broad terms. They have apparently assumed that the broad power of Congress over this subject permits it to disregard the Constitution entirely in dealing with aliens. There is no basis for this assumption. On the contrary, the Constitution does apply, and it does set certain limits upon the action of Congress, limits which are exceeded by the present bill.

Two provisions of the Constitution are pertinent, the prohibition against bills of attainder in article I, section 9, and the due-process clause of the fifth amendment. Persuasive analogy condemns the bill under the first of these clauses; precedents clearly in point establish its invalidity under the second. Since the case is so strong under the due-process clause, and there are no decisions directly in point under article I, section 9, it is unnecessary to venture the prediction that the bill would be held a bill of attainder. The few authorities which have discussed bills of attainder do show, however, the radical conflict between the present bill and the basic constitutional concepts which the courts have read into the due-process clause. They thus strengthen the argument that the proposed bill violates the fifth amendment. For this reason, consideration will be given first to the clause prohibiting bills of attainder, and then to the authorities establishing the invalidity of the bill under the fifth amendment.

I. BILLS OF ATTAINDER

Article I, section 9, imposes upon Congress the restriction that, "No bill of attainder or ex post facto law shall be passed." That provision, and the like prohibition upon the States imposed by article I, section 10, have been extensively discussed by the Supreme Court only in the test oath cases that arose immediately after the Civil War (*Cummings* v. *Missouri*, 4 Wall. 277; *Ex parte Garland*, 4 Wall. 333). The legislation there before the Court prohibited the holding of office and the practice of the professions by persons who failed to take an oath that they had not adhered to the cause of the enemies of the United States. The Missouri statute had been applied to prevent Cummings from practicing as a priest. The Federal statute had been applied to prevent Garland from appearing as an attorney in the courts of the United States. Both acts were held invalid as bills of attainder. In the *Cummings case*, the Court wrote (4 Wall. at 323):

> A bill of attainder is a legislative act which inflicts punishment without a judicial trial.
>
> If the punishment be less than death, the act is termed a bill of pains and penalties. Within the meaning of the Constitution, bills of attainder include bills of pains and penalties. In these cases the legislative body, in addition to its legitimate functions, exercises the powers and office of judge; it assumes, in the language of the textbooks, judicial magistracy; it pronounces upon the guilt of the party, without any of the forms or safeguards of trial; it determines the sufficiency of the proofs produced, whether conformable to the rules of evidence or oherwise; and it fixes the degree of punishment in accordance with its own notions of the enormity of the offense.

Since it will undoubtedly be argued that the present bill is not a bill of attainder because deportation is not a criminal proceeding, it is significant that the acts held invalid by the Supreme Court in the test oath cases did not unconditionally impose criminal penalties.

It has been held that the prohibition against bills of attainder bars legislative acts confiscating property no less than those which impose punishment upon the individual (*Gaines* v. *Buford*, 31 Ky. 481, 509–510).

See also a statement to the same effect by Chief Justice Marshall in *Fletcher* v. *Peck* (6 Cranch 87, 138). And in the only case that has been found in which this clause of the Constitution has been considered in relation to a deportation law, the Court wrote:

> A legislative act which undertakes to inflict the punishment of banishment or exile from the United States on a citizen thereof, and thereby deprive him of the right to live in the country, for any cause or no cause, or because of his race or color, is a bill of attainder within the clause of the Constitution of the United States prohibiting the passage of such bills and is therefore void (*In re Yung Sing Hee*, 36 Fed. 437, 439).

The case for the present bill is not aided by the authorities (e. g. *Mahler* v. *Eby*, 264 U. S. 32) holding that the prohibition against ex post facto laws does not apply to statutes specifying the grounds for deportation. It is firmly established that that prohibition relates only to criminal laws (*Calder* v. *Bull*, 3 Dall. 386, 390; *Johannessen* v. *United States*, 225 U. S. 227, 242).

The authorities which have been cited show that bills of attainder are not so limited. Since they include acts confiscating property and those depriving persons of the liberty to engage in a profession, there is every reason why the law imposing the much more drastic penalty of deportation should be held within the constitutional ban. For the essential vice of a bill of attainder is the corruption of the legislative process that it represents. The case against them was put by Mr. Justice Story in the following words:

> Bills of attainder, as they are technically called, are such special acts of the legislature as inflict capital punishments upon persons supposed to be guilty of high offenses, such as treason and felony, without any conviction in the ordinary course of judicial proceedings. If an act inflicts a milder degree of punishment than death, it is called a bill of pains and penalties. But in the sense of the Constitution, it seems that bills of attainder include bills of pains and penalties; for the Supreme Court has said, "A bill of attainder may affect the life of an individual, or may confiscate his property, or both." In such cases, the legislature assumes judicial magistracy, pronouncing upon the guilt of the party without any of the common forms and guards of trial, and satisfying itself with proofs, when such proofs are within its reach, whether they are conformable to the rules of evidence or not. In short, in all such cases the legislature exercises the highest power of sovereignty, and what may be properly deemed an irresponsible despotic discretion, being governed solely by what it deems political necessity or expediency, and too often under the influence of unreasonable fears, or unfounded suspicions. * * * The punishment has often been inflicted without calling upon the party accused to answer, or without even the formality of proof; and sometimes, because the law, in its ordinary course of proceedings, would acquit the offender. The injustice and iniquity of such acts, in general, constitute an irresistible argument against the existence of the power. In a free government it would be intolerable; and in the hands of a reigning faction it might be, and probably would be, abused to the ruin and death of the most virtuous citizens. Bills of this sort have been most usually passed in England in times of rebellion, or of gross subserviency to the crown, or of violent political excitements; periods in which all nations are most liable (as well the free as the enslaved) to forget their duties, and to trample upon the rights and liberties of others. (Story on the Constitution, 4th edition, vol. 2, sec. 1344).

The relevance of Justice Story's comments to the present proposal need not be elaborated. It is sufficient to note that this bill has been advanced not, as Story put it, "because the law, in its ordinary course of proceedings, would acquit the offender," but after he has been acquitted in the ordinary proceeding.

II. THE DUE PROCESS CLAUSE

As has been stated, if the present bill were attacked in the courts, it would be unnecessary to decide whether or not it is a bill of attainder because the case against it is so clear under the due process clause of the fifth amendment. Regardless of the nature of the proceeding, that clause affords to every person threatened with the loss of life, liberty, or property a certain safeguard regarding the procedure by which the threatened deprivation may be effected. It applies as fully to the entry of a money judgment without notice and opportunity for hearing as to a conviction for crime without opportunity for defense. (*Pennoyer* v. *Neff*, 95 U. S. 714; *Powell* v. *Alabama*, 287 U. S. 45). Its guaranties protect not only citizens but also aliens who are within the borders of the United States (*Yong Wing* v. *United States*, 163 U. S. 228, 230; *The Japanese Immigrant Case*, 189 U. S. 86, 100–101; *Russian Volunteer Fleet* v. *United States*, 282 U. S. 481, 492).

The case in support of the present bill is necessarily based upon the extremely broad power of Congress over the deportation of aliens, a power which has been characterized by the Supreme Court as "political," not one which punishes for crime (*Mahler* v. *Eby*, 264 U. S. 32, 39, 40; see also *Fong Yue Ting* v. *United States*, 149 U. S. 698; *Lem Moon Sing* v. *United States*, 158 U. S. 538).

The effect of those and the many other decisions on the point is well summarized in *Zakonaite* v. *Wolf* (226 U. S. 272), where the Court wrote, at page 275:

> It is entirely settled that the authority of Congress to prohibit aliens from coming within the United States, and to regulate their coming, includes authority to impose conditions upon the performance of which the continued liberty of the alien to reside within the bounds of this country may be made to depend; that a proceeding to enforce such regulations is not a criminal prosecution within the meaning of the fifth and sixth amendments; that such an inquiry may be properly devolved upon an executive department or subordinate officials thereof; and that the findings of fact reached by such officials, after a fair, though summary, hearing, may constitutionally be made conclusive. * * *

In this very case, however, the Court considered on the merits the claim advanced by the alien as a matter of constitutional right that there was no adequate evidence to support the deportation order. In spite of the validity of the statute making final the determination of the Secretary of Labor, that question—and all other contentions going to the unfairness of the procedure followed by the Secretary—may be reviewed on habeas corpus. (See *Turner* v. *Williams*, 194 U. S. 279; *Bilokumsky* v. *Tod*, 263 U. S. 149; *Vajtauer* v. *Commissioner*, 273, U. S. 103.)

This use of habeas corpus is not expressly provided for by statute. It is permitted because of the constitutional right of the alien to a degree of fairness in the proceeding, the minimum essential element of due process of law. As the Court stated in the *Vajtauer case, supra* (273 U. S. at 106):

> Deportation without a fair hearing or on charges unsupported by any evidence is a denial of due process which may be corrected on habeas corpus.

See also *Kwock Jan Fat* v. *White* (253 U. S. 454, 464), where the Court wrote, at page 464:

> The acts of Congress give great power to the Secretary of Labor over Chinese immigrants and persons of Chinese descent. It is a power to be administered, not arbitrarily and secretly but fairly and openly, under the restraints of the tradition and principles of free government applicable where the fundamental rights of men are involved, regardless of their origin or race. It is the province of the courts, in proceedings for review, within the limits amply defined in the cases cited, to prevent abuse of this extraordinary power, and this is possible only when a full record is preserved of the essentials on which the executive officers proceed to judgment. For failure to preserve such a record for the information, not less of the Commissioner of Immigration and of the Secretary of Labor than for the courts, the judgment in this case must be reversed.

The invalidity of a deportation order based on the direction of Congress, with no semblance of a hearing or proceeding of any kind to which the alien is a party, is established beyond a doubt by those cases in which orders have been annulled on habeas corpus. In Kwock Jan Fat against White, supra, the vice in the procedure followed by the officer who heard the case was that no record was kept of important testimony, which was thus not placed before the Secretary of Labor or made available for the consideration of the courts on habeas corpus. In *Chin Low* v. *United States* (208 U. S. 8) a writ was issued because the petitioner had been denied an opportunity to obtain witnesses in support of his right to enter the country.

The attempt to support the present bill by argument from the admitted power to entrust the function of adjudication to administrative officers proves too much. For, at least in the case of one arriving at our borders and seeking admission to the country, administrative power may finally determine the rights not only of aliens, but also of citizens (*United States* v. *Ju Toy*, 198 U. S. 253).

In that case it was held that where admission is denied by the administrative official to whom the power of final decision was conferred, a claim of citizenship—without a showing that the administrative procedure had been unfair—did not authorize the issuance of a writ of habeas corpus. To hold, therefore, that the power to commit adjudication to an administrative officer establishes the power of Congress to make the adjudication itself would require the conclusion that Congress could, by special act, bar admission to this country to an American citizen who had temporarily gone abroad. This shocking conclusion would not be countenanced by any court.

Of far greater importance than the treatment to be accorded to the single individual against whom this bill is directed is the effect of this proposed legislation on the maintenance of our constitutional form of government. For the first time in our history Congress proposes to depart from its traditional function of prescribing the rule by which adjudication, whether in the courts or by administrative officers, is to proceed, and to make the adjudication itself. By this invasion of the field which the Constitution marks out for the other branches of the Government, Congress would do a wrong not only to Harry Bridges but to the very system which it seeks to protect against Harry Bridges. The wrong to Bridges is a denial of due process of law, which the courts would correct by writ of habeas corpus. The wrong caused by an ill-considered attempt to usurp unconstitutional power is one which Congress alone can prevent.

[Here the gavel fell.]

The CHAIRMAN. The Chair recognizes the gentleman from California [Mr. VOORHIS] for one-half minute.

Mr. VOORHIS of California. Mr. Chairman, I cannot vote in favor of this bill providing specifically for the immediate deportation of Harry Bridges. I do not believe that anyone who listened to the very profound speech of the gentleman from Alabama [Mr. HOBBS] can have any doubt that the bill violates some of the most basic provisions of the Constitution of the United States and is, in fact, a usurpation of judicial functions which properly belong to the administrative and judicial branches.

The practical effect of the passage of this bill is obvious to me. It will bring about an entirely disproportionate magnification of the importance of Harry Bridges in the eyes of many people. I will not be surprised if effort will be made to get up a national movement for the protection of Bridges' rights. Money will be raised from all sorts of people for this purpose. The Senate will be bombarded with appeals of every sort. Should the bill pass that body, the President will then be confronted with the problem of either signing a bill which has been clearly shown to violate the Constitution, or to veto a bill aimed at the deportation of a man who has been for many years in this country without becoming a citizen and whose influence within the labor movement has been, to state the matter conservatively, by no means always constructive. Should the bill become law, there will then be started by interested groups a process of litigation in the courts of the country which undoubtedly will be carried to the highest court in the land, where, in the opinion of far abler students of constitutional law than I, there is hardly a chance that it will be upheld. The net effect of a process of this kind on the apparent importance of Mr. Bridges in the country is too obvious to require any expansion on my part.

For the information of the House, I may say that I know that there are a great many solid leaders within the ranks of labor on the Pacific coast, including the C. I. O., who believe that the labor movement would be much better off if Mr. Bridges were not in this country. Nor can I substantially disagree with many of the things that have been said on the floor today about his altogether probable past connections with the Communist Party. The fact remains, however, that through the use of the due process set-up for dealing with cases of this kind, the Government has so far not succeeded in proving charges against Mr. Bridges which would give ground for his deportation. What Congress is really doing here is saying that, although a deportation trial has been held, and although the decision was rendered against the deportation of Bridges, nevertheless the House just does not like him, and although it is not able to charge him with any deportable offense which has been proved, it proposes to deport him on general principles and without any further hearing, although even as an alien he is unquestionably entitled to due process under the fifth amendment to the Constitution. Such a bill as this has never in all the history of the Republic been passed by the Congress; nor, so far as I know, has such a bill ever been introduced. Those who have urged so vigorously that an object lesson be provided through the case of Mr. Bridges can, it seems to me, feel that this has been done by these facts alone. The possible consequences, however, of having Congress embark upon a procedure of this kind at a time like this, when there is so much tendency throughout the country already to short-circuit the law and our democratic procedure, are perfectly tremendous.

Many Members have already stated that this would be but the first of a series of similar actions. In other words, we are to have bills introduced against many specific individuals who have offended some Member of Congress or other and calling for the deportation of those persons.

I could name a dozen aliens in the country, one of them at the head of a great foreign-propaganda organization which pours out literature in defense of a foreign dictatorship by the ton, that I personally would like to see out of the country.

Once we start on this process, however, with regard to any human being, the very human rights which our national-defense program aims to protect are likely to be worth very little. Then there is the further question as to whether we would have this bill before us if Bridges had not been an aggressive labor leader.

Finally, let me point out that only recently we have transferred the Bureau of Immigration to the Department of Justice, that there is an orderly and established process whereby deportation proceedings can be carried on and that this is the process which should be used. Along this line, I voted in favor of an amendment offered by the gentleman from Montana [Mr. O'CONNOR] which would have directed the Attorney General to proceed in this manner, and I would have voted for the bill had that amendment replaced its present language. I also voted in favor of the amendment of the gentleman from Missouri [Mr. ANDERSON], since it would have made the bill a matter of general law without reference to a particular individual and would have thus removed its unconstitutional features. In this and all similar cases, if the law contains loopholes which render it impossible to take orderly action in cases of real subversive activity, then it is the law which should be changed rather than to try to circumvent it by legislative monstrosities of this sort. Furthermore, do any Members of the House doubt for a moment that constant surveillance is being maintained by interested groups to catch Mr. Bridges in some action which would offer substantial and provable grounds for his deportation under the provisions of existing law?

I wish to include herewith with my remarks portions of two editorials appearing on this subject, one from the San Francisco Chronicle, an outstanding conservative California newspaper, and the other from the Washington post.

San Francisco Chronicle:

Congress is still playing with the idea of deporting Harry Bridges by bill of attainder, regardless of the constitutional prohibition of such a process. It is a curious paradox that those who shout most loudly for the Constitution are often those least familiar with its provisions and least concerned for granting to others the rights it guarantees to themselves. In this case, since the effort to deport Bridges by due process of law failed on a finding of want of proof, it is proposed to substitute undue process of attainder. For surely, these objectors conclude, Bridges is an undesirable alien, since they do not desire him. And if it is pointed out that there is no general law for the deportation of aliens merely because they are undesirable, what could be simpler than a special law for the deportation of this particular undesired one?

The Washington Post:

The framers of the Constitution were aware of the dangers of permitting the legislature to punish individuals without benefit of trial. Hence they forbade Congress to pass bills of attainder—bills that are a species of extrajudicial procedure, for the direct punishment of political offenders.

It does not require a knowledge of constitutional law to realize the enormity of a proposal that would condemn a man to deportation by a mere legislative decree. Lightning thus invoked might strike anybody who happened to incur the displeasure of Congress. It would not be necessary to limit attacks to aliens whose radical views and union activities have made them objects of dislike and suspicion to influential groups.

Even Mr. Bridges' worst enemies would have cause to regret his departure if it were effected by ignoring constitutional prohibitions against the kind of legislation Representative ALLEN has proposed.

The CHAIRMAN. The Chair recognizes the gentleman from Pennsylvania [Mr. MCDOWELL].

Mr. MCDOWELL. Mr. Chairman, I have been gathering material for 2 years to write a speech about Harry Bridges, and now I get a half minute to make it in. I shall vote for the Van Zandt amendment.

[Here the gavel fell.]

The CHAIRMAN. The Chair recognizes the gentleman from South Dakota [Mr. CASE].

Mr. CASE of South Dakota. Mr. Chairman, much has been said about this bill becoming a precedent. Let it be a precedent and let those who should, take warning.

Today happens to be the day when, I understand, the Bureau of Immigration goes over to the Department of Justice. Let it also be the day when America takes charge of her own destiny and says that we have the right to combat the "fifth column" according to the means that we find necessary in order to preserve the integrity and the life of the United States. [Applause.]

We have been told by the chairman of the Dies committee that the "fifth column," so-called, presents a new problem in the life of nations; that Norway was unable to meet it successfully; that other nations have found it difficult to meet.

I do not maintain that the passage of a bill that singles out one solitary individual for deportation is the answer to the problem—far from it, yet it is the only opportunity that has been given this body to speak what America thinks of this thing—the insidious penetration of our institutions by aliens who seek to undermine the country whose guests they are. They come here as guests; they should not pull down the pillars of the house.

There is only one reason that legislation of this kind is here before us today. It is that the American people have the overwhelming conviction that someone whose job it was to administer certain immigration and naturalization laws has fallen down on the job in the face of a threatening situation.

It is a similar conviction that finally reached the head of the present administration that resulted in the reorganization order that transferred the Bureau of Immigration from the Department of Labor to the Department of Justice, which is effective today. Four-sevenths of the personnel of the Labor Department will be transferred under that order, I am told. It is a shocking thing, that such a step is taken as a means to correct that situation.

This is a shocking thing—the passage of a bill to deport one alien, but it represents the determination of Americans to do something about a situation they do not approve.

They are tired of sit-down strikes fomented by self-styled leaders who disregard the rights and desires of a vast majority of the workers. They are tired of aliens who seem glad to come here to reap what they can, but who avoid the vows and the responsibilities of citizenship. We have been told here today that this man Bridges four times took out his first papers, but as many times went no further.

This bill may be unconstitutional; the lawyers here seem divided on that question; the balance of us can only register the heart and mind of America on the broad question involved.

Can an alien come to this country, engage in I. W. W. activities when the country is at war, as Bridges did in 1918; file false statements regarding his marital relationships, as Bridges did; work himself into control of destructive radical labor groups and lead them into sit-down strikes, taking possession of the property of other persons, violating the rights and desires of other workmen to work, disrupting the country's ability to produce and to carry its produce even in a time of national emergency—can a man, an alien, do these things and retain the welcome of the country where he is a guest?

Cannot the Congress which passes laws, both general and individual, that permit an alien's entry, also pass a law to deport the alien who outrages the hospitality he accepts?

That, as far as the American public is concerned, is the principle involved. And in this time when America is looking to her defenses, there is only one answer. We have been told that the passage of this bill would be a blot on our history. The blot in history will be of those democracies that fail to assert the inherent rights in sovereignty of keeping out or kicking out those aliens who are or who become enemies of national security. Let this be known as the day when America takes charge of her own destiny. [Applause.]

The CHAIRMAN. The Chair recognizes the gentleman from Washington [Mr. MAGNUSON].

Mr. MAGNUSON. Mr. Chairman, I offer an amendment, which I send to the Clerk's desk.

The Clerk read as follows:

Amendment offered by Mr. MAGNUSON: Strike out all after enacting clause and insert "That any alien who, at any time after entering the United States, is found to have been at the time or entry, or to have become thereafter, a member of the Nazi, Fascist, or Communist Party, or who advises, advocates, or teaches the doctrines of nazi-ism, fascism, or communism, or who is a member of, or affiliated with, any organization, association, society, or group, that advises,

advocates, or teaches the doctrines of nazi-ism, fascism, or communism, shall, upon the warrant of the Secretary of Labor, be taken into custody and deported in the manner provided in the Immigration Act of February 5, 1917."

Mr. LESINSKI. Mr. Chairman, I doubt that that amendment should be voted on, as it is general legislation, and we have before us a private bill, not general legislation. The amendment is not germane to this bill.

The CHAIRMAN. Does the gentleman from Michigan make a point of order against the amendment?

Mr. LESINSKI. I do, Mr. Chairman.

Mr. MAGNUSON. That is why I have submitted the amendment. I think there should be general legislation on this subject rather than specific legislation.

Mr. LESINSKI. I agree with the gentleman that there should be general legislation, but it is a private bill we are discussing today, and the amendment is not germane to this bill.

The CHAIRMAN. Does the gentleman from Washington desire to be heard on the point of order?

Mr. MAGNUSON. Yes. The amendment of the gentleman from Missouri [Mr. ANDERSON] was in the nature of general legislation.

The CHAIRMAN. No point of order was made against that amendment. If one had been made, it would have been sustained.

The Chair sustains the point of order.

All time has expired.

The question is on the substitute amendment offered by the gentleman from Montana [Mr. O'CONNOR] to the amendment offered by the gentleman from Pennsylvania [Mr. VAN ZANDT].

Mr. O'CONNOR. Mr. Chairman, I ask unanimous consent that the amendment may again be reported so the Members may know what it provides.

The CHAIRMAN. Without objection, the Clerk will report the amendment.

There was no objection.

The Clerk again read the O'Connor amendment.

The CHAIRMAN. The question is on the substitute amendment.

The substitute amendment was rejected.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Pennsylvania [Mr. VAN ZANDT].

The amendment was agreed to.

The CHAIRMAN. Under the rule, the Committee rises.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. CALDWELL, Chairman of the Committee of the Whole House on the state of the Union, reported that the Committee having had under consideration the bill (H. R. 9766) to authorize the deportation of Harry Renton Bridges, pursuant to House Resolution 511, he reported the same back to the House with an amendment adopted by the Committee of the Whole.

The SPEAKER. Under the rule, the previous question is ordered.

The question is on the Van Zandt amendment.

The amendment was agreed to.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

Mr. MILLER. Mr. Speaker——

Mr. HAVENNER. Mr. Speaker, I offer a motion to recommit.

Mr. MARTIN of Massachusetts. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. MARTIN of Massachusetts. Mr. Speaker, I should like to know who has the privilege of offering a motion to recommit. If a gentleman on the minority side is ready to offer a motion to recommit, is he not entitled to recognition for that purpose?

The SPEAKER. The rule is that a minority Member who qualifies as being opposed to the bill is entitled to recognition if that point is raised. Does the gentleman raise that question?

Mr. MARTIN of Massachusetts. Yes; I certainly do.

The SPEAKER. Is the gentleman from Connecticut opposed to the bill?

Mr. MILLER. I am, Mr. Speaker.

The SPEAKER. The Clerk will report the motion to recommit.

The Clerk read as follows:

Mr. MILLER moves to recommit the bill H. R. 9766 to the Committee on Immigration and Naturalization.

The SPEAKER. The question is on the motion to recommit.

The motion to recommit was rejected.

The SPEAKER. The question is on the passage of the bill.

Mr. MASON. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The question was taken; and there were—yeas 330, nays 42, answered "present" 1, not voting 58, as follows:

[Roll No. 151]

YEAS—330

Alexander	Cummings	Hope	Monkiewicz
Allen, Ill.	Curtis	Horton	Moser
Allen, La.	D'Alesandro	Houston	Mouton
Allen, Pa.	Davis	Hull	Mundt
Andersen, H. Carl	Delaney	Hunter	Murray
Anderson, Mo.	Dempsey	Jarman	Myers
Andresen, A. H.	DeRouen	Jarrett	Nelson
Angell	Dies	Jeffries	Nichols
Arends	Dirksen	Jenkins, Ohio	Norrell
Arnold	Disney	Jennings	O'Brien
Austin	Ditter	Jensen	O'Leary
Ball	Dondero	Johns	Oliver
Barnes	Doxey	Johnson, Ill.	Osmers
Barry	Dworshak	Johnson, Ind.	O'Toole
Bates, Mass.	Eaton	Johnson, Luther A.	Pace
Beam	Edmiston	Johnson, Lyndon	Parsons
Beckworth	Elliott	Johnson, Okla.	Patman
Bell	Ellis	Johnson, W. Va.	Patrick
Bender	Elston	Jones, Ohio	Patton
Blackney	Engel	Jones, Tex.	Pearson
Bland	Englebright	Jonkman	Peterson, Fla.
Bloom	Evans	Kee	Peterson, Ga.
Boehne	Faddis	Kefauver	Pittenger
Boland	Fenton	Kelly	Plumley
Bolles	Ferguson	Kennedy, Md.	Poage
Bolton	Fernandez	Kennedy, Michael	Polk
Boren	Fish	Keogh	Powers
Boykin	Fitzpatrick	Kerr	Rabaut
Bradley, Mich.	Flaherty	Kilburn	Ramspeck
Bradley, Pa.	Flannery	Kilday	Randolph
Brewster	Ford, Leland M.	Kinzer	Rankin
Brooks	Ford, Miss.	Kitchens	Rayburn
Brown, Ga.	Fulmer	Kleberg	Reece, Tenn.
Brown, Ohio	Gamble	Kocialkowski	Reed, Ill.
Bryson	Garrett	Kramer	Reed, N. Y.
Buck	Gartner	Kunkel	Rees, Kans.
Buckler, Minn.	Gathings	Lambertson	Rich
Bulwinkle	Gavagan	Landis	Richards
Burdick	Gearhart	Lanham	Robinson, Utah
Burgin	Gehrmann	Larrabee	Robsion, Ky.
Byrne, N. Y.	Gerlach	Lea	Rockefeller
Byrns, Tenn.	Gibbs	LeCompte	Rodgers, Pa.
Byron	Gifford	Lesinski	Rogers, Mass.
Caldwell	Gilchrist	Lewis, Colo.	Rogers, Okla.
Camp	Gillie	Lewis, Ohio	Romjue
Cannon, Fla.	Goodwin	Ludlow	Routzohn
Cannon, Mo.	Gore	Lynch	Rutherford
Carlson	Gossett	McAndrews	Ryan
Carter	Graham	McCormack	Sandager
Cartwright	Grant, Ala.	McDowell	Sasscer
Case, S. Dak.	Grant, Ind.	McGehee	Schafer, Wis.
Chapman	Green	McGregor	Schiffler
Chiperfield	Gregory	McKeough	Schuetz
Church	Griffith	McLaughlin	Schulte
Clark	Gross	McLean	Schwert
Clason	Guyer, Kans.	McLeod	Scrugham
Claypool	Gwynne	McMillan, Clara	Seccombe
Clevenger	Hall, Edwin A.	McMillan, John L.	Secrest
Cluett	Hall, Leonard W.	Maciejewski	Seger
Coffee, Nebr.	Halleck	Mahon	Shafer, Mich.
Cole, Md.	Hancock	Maloney	Sheppard
Colmer	Hare	Mansfield	Short
Cooper	Harness	Marshall	Simpson
Corbett	Harrington	Martin, Ill.	Smith, Maine
Costello	Harter, N. Y.	Martin, Iowa	Smith, Ohio
Courtney	Harter, Ohio	Martin, Mass.	Smith, W. Va.
Cox	Hartley	Mason	Snyder
Cravens	Hawks	Massingale	Somers, N. Y.
Crawford	Healey	May	South
Creal	Hendricks	Michener	Sparkman
Crowe	Hinshaw	Mills, Ark.	Spence
Crowther	Hoffman	Mills, La.	Springer
Cullen	Holmes	Mitchell	Starnes, Ala.

Stearns, N. H.	Thomas, N. J.	Ward	Williams, Mo.
Stefan	Thomas, Tex.	Warren	Winter
Sumner, Ill.	Thomason	Weaver	Wolcott
Sumners, Tex.	Thorkelson	West	Wolfenden, Pa.
Sweet	Tibbott	Wheat	Wolverton, N. J.
Taber	Treadway	Whelchel	Woodruff, Mich.
Talle	Van Zandt	White, Ohio	Youngdahl
Tarver	Vinson, Ga.	Whittington	Zimmerman
Taylor	Vorys, Ohio	Wigglesworth	
Thill	Vreeland	Williams, Del.	

NAYS—42

Barton, N. Y.	Ford, Thomas F.	Leavy	Sabath
Casey, Mass.	Fries	Luce	Shanley
Celler	Geyer, Calif.	Marcantonio	Sheridan
Cochran	Hart	Miller	Smith, Conn.
Coffee, Wash.	Havenner	Murdock, Ariz.	Smith, Ill.
Connery	Hennings	Murdock, Utah	Smith, Wash.
Dickstein	Hill	Norton	Terry
Dingell	Hobbs	O'Connor	Voorhis, Calif.
Dunn	Izac	O'Day	Wadsworth
Eberharter	Keller	O'Neal	
Edelstein	Kennedy, Martin	Pierce	

ANSWERED "PRESENT"—1

Magnuson

NOT VOTING—58

Anderson, Calif.	Drewry	McArdle	Sullivan
Andrews	Duncan	McGranery	Sutphin
Barden, N. C.	Durham	Maas	Sweeney
Bates, Ky.	Fay	Merritt	Tenerowicz
Buckley, N. Y.	Flannagan	Monroney	Tinkham
Burch	Folger	Mott	Tolan
Cole, N. Y.	Hess	Pfeifer	Vincent, Ky.
Collins	Hook	Risk	Wallgren
Cooley	Jacobsen	Robertson	Walter
Crosser	Jenks, N. H.	Sacks	Welch
Culkin	Kean	Satterfield	White, Idaho
Darden, Va.	Keefe	Schaefer, Ill.	Wood
Darrow	Kirwan	Shannon	Woodrum, Va.
Doughton	Knutson	Smith, Va.	
Douglas	Lemke	Steagall	

So the bill was passed.

The Clerk announced the following pairs:

On this vote:

Mr. Barden of North Carolina (for) with Mr. Magnuson (against).

Until further notice:

Mr. Fay with Mr. Hess.
Mr. Robertson with Mr. Mott.
Mr. Woodrum of Virginia with Mr. Culkin.
Mr. Cooley with Mr. Douglas.
Mr. Merritt with Mr. Cole of New York.
Mr. Burch with Mr. Maas.
Mr. Flannagan with Mr. Kean.
Mr. Drewry with Mr. Jenks of New Hampshire.
Mr. Smith of Virginia with Mr. Welch.
Mr. Darden of Virginia with Mr. Anderson of California.
Mr. Hook with Mr. Darrow.
Mr. Doughton with Mr. Lemke.
Mr. Vincent of Kentucky with Mr. Risk.
Mr. Satterfield with Mr. Knutson.
Mr. Walter with Mr. Keefe.
Mr. Steagall with Mr. Andrews.
Mr. Buckley of New York with Mr. Tinkham.
Mr. Wood with Mr. Monroney.
Mr. Jacobsen with Mr. Sweeney.
Mr. Crosser with Mr. Bates of Kentucky.
Mr. Sutphin with Mr. Tolan.
Mr. Pfeifer with Mr. Folger.
Mr. Collins with Mr. McArdle.
Mr. Sullivan with Mr. Duncan.
Mr. McGranery with Mr. Tenerowicz.
Mr. Kirwan with Mr. Sachs.
Mr. Durham with Mr. White of Idaho.
Mr. Schaefer of Illinois with Mr. Wallgren.

Mr. MAGNUSON. Mr. Speaker, I have a pair with the gentleman from North Carolina, Mr. BARDEN, and therefore I withdraw my vote of "nay" and answer "present."

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

The title was amended.

PRIZE-FIGHT FILMS

Mr. DELANEY, from the Committee on Rules, submitted the following privileged resolution, which was referred to the House Calendar and ordered printed:

House Resolution 524

Resolved, That immediately upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of S. 2047, an act to divest prize-fight films of their character as subjects of interstate or foreign commerce, and for other purposes. That after general debate, which shall be confined to the bill and shall continue not to exceed 1 hour, to be equally divided and controlled by the chairman and the ranking minority member of the Committee on Interstate and Foreign Commerce, the bill shall be read for amendments under the 5-minute rule. At the conclusion of the reading of the bill for amendment the Committee shall rise and report the same to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

VESSELS AFFECTED BY THE NEUTRALITY ACT OF 1939

Mr. CLARK, from the Committee on Rules, submitted the following privileged resolution, which was referred to the House Calendar and ordered printed:

House Resolution 523

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of Senate Joint Resolution 260, a joint resolution to make emergency provision for the maintenance of essential vessels affected by the Neutrality Act of 1939, and for adjustment of obligations with respect to such vessels. That after general debate, which shall be confined to the bill and continue not to exceed 1 hour, to be equally divided and controlled between the chairman and ranking minority member of the Committee on Merchant Marine and Fisheries, the bill shall be read for amendment under the 5-minute rule. At the conclusion of the consideration of the bill for amendment the Committee shall rise and report the same to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit with or without instructions.

AMENDMENT OF MERCHANT MARINE ACT, 1936

Mr. CLARK, from the Committee on Rules, submitted the following privileged resolution, which was referred to the House Calendar and ordered to be printed:

House Resolution 522

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of H. R. 6572, a bill to amend the Merchant Marine Act, 1936, as amended, to provide for marine war-risk insurance and reinsurance and for marine-risk insurance, and for other purposes. That after general debate, which shall be confined to the bill and continue not to exceed 1 hour, to be equally divided and controlled between the chairman and ranking minority member of the Committee on Merchant Marine and Fisheries, the bill shall be read for amendment under the 5-minute rule. At the conclusion of the consideration of the bill for amendment the Committee shall rise and report the same to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit with or without instructions.

MEDITERRANEAN FRUITFLY ERADICATION

Mr. CLARK, from the Committee on Rules, submitted the following privileged resolution (S. Con. Res. 40), which was referred to the House Calendar and ordered to be printed:

Senate Concurrent Resolution 40

Whereas pursuant to Senate Joint Resolution 177, Seventy-sixth Congress, first session, a subcommittee of the Committee on Claims of the Senate has held a hearing with respect to the losses sustained by certain persons in the State of Florida as a result of the Mediterranean fruitfly eradication and quarantine campaign conducted in the State of Florida by the United States Government; and

Whereas in the opinion of such subcommittee a satisfactory showing has been made to justify and require an accurate and dependable determination of the actual losses sustained as a result of such campaign, the nature and character of such losses, and the persons by whom such losses were sustained: Therefore be it

Resolved by the Senate (the House of Representatives concurring), That there is hereby created a special joint congressional committee to be composed of three members of the Committee on Claims of the Senate, to be appointed by the chairman thereof, and three members of the Committee on Claims of the House of Representatives, to be appointed by the chairman of such committee. It shall be the duty of such special committee to make a full and complete investigation with respect to the losses sustained as a result of the Mediterranean fruitfly eradication and quarantine campaign conducted in the State of Florida in 1929 and 1930 by the United States Government, with a view to determining, among other things, the nature, character, and amount of such losses, the circumstances under which such losses occurred, and the persons by whom such losses were sustained. The committee shall report to the Congress at the earliest practicable date the results of its investigation, together with its recommendations, if any, for necessary legislation.

For the purposes of this concurrent resolution, the committee, or any duly authorized subcommittee thereof, is authorized to hold such hearings, to sit and act at such times and places during the

sessions, recesses, and adjourned periods of the Seventy-sixth and succeeding Congresses, to employ such clerical and other assistants, to require by subpena or otherwise the attendance of such witnesses and the production of such correspondence, books, papers, and documents, to administer such oaths, to take such testimony, and to make such expenditures, as it deems advisable. The cost of stenographic services to report such hearings shall not be in excess of 25 cents per 100 words. The expenses of the committee, which shall not exceed $10,000, shall be paid one-half from the contingent fund of the Senate and one-half from the contingent fund of the House of Representatives, upon vouchers approved by the chairman of the committee.

NONRECOGNITION OF TRANSFER OF ANY GEOGRAPHIC REGION IN WESTERN HEMISPHERE

Mr. SABATH, from the Committee on Rules, submitted the following privileged resolution (H. Res. 525), which was referred to the House Calendar and ordered to be printed:

House Resolution 525

Resolved, That immediately upon adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the state of the Union for consideration of House Joint Resolution 556, a joint resolution approving nonrecognition of the transfer of any geographic region in the Western Hemisphere from one non-American power to another non-American power, and providing for consultation with other American republics in the event that such transfer should appear likely. That after general debate, which shall be confined to the joint resolution and shall continue not to exceed 2 hours to be equally divided and controlled by the chairman and ranking minority member of the Committee on Foreign Affairs, the joint resolution shall be read for amendment under the 5-minute rule. At the conclusion of the reading of the joint resolution for amendment, the Committee shall rise and report the same to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the joint resolution and amendments thereto to final passage without intervening motion except one motion to recommit.

NATIONAL DEFENSE

Mr. MAY submitted a conference report and statement on the bill (H. R. 3840) to amend the act entitled "An act for making further and more effectual provision for the national defense, and for other purposes", approved June 3, 1916, as amended, and for other purposes.

EXTENSION OF REMARKS

Mr. FERGUSON. Mr. Speaker, I ask unanimous consent to extend my own remarks and to include a bill that I introduced today providing for the training of civilians, and ask that I may have permission to slightly exceed the limitations on printing, to include the bill.

The SPEAKER. Is there objection?

There was no objection.

Mr. HARRINGTON. Mr. Speaker, I ask unanimous consent to extend my own remarks and to include three short editorials.

The SPEAKER. Is there objection?

There was no objection.

Mr. DUNN. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD.

The SPEAKER. Is there objection?

There was no objection.

Mr. ALLEN of Louisiana. Mr. Speaker, I ask unanimous consent to extend the remarks I made today, and to include certain quotations.

The SPEAKER. Is there objection?

There was no objection.

VOCATIONAL TRAINING

Mr. MURDOCK of Arizona. Mr. Speaker, I ask unanimous consent to proceed for 1 minute.

The SPEAKER. Is there objection?

There was no objection.

Mr. MURDOCK of Arizona. Mr. Speaker, in this great program of national defense, the problem of the training of our young men becomes of paramount importance, not only training in war, but industrial training. In talking with some of my colleagues I find that we are not yet certain about educational plans which we think ought to be completed. It has been suggested to me that as many as are interested in vocational or industrial education as a background for national defense should meet in the caucus room in the House Office Building tomorrow morning at 10:30 o'clock and discuss ways, means, and methods of assuming this vital part of our defense program.

Mr. VOORHIS of California. Mr. Speaker, will the gentleman yield?

Mr. MURDOCK of Arizona. Yes.

Mr. VOORHIS of California. I think the gentleman is doing a very fine thing, and I should be very glad to be present.

Mr. MURDOCK of Arizona. I trust every Member interested in the matter will be present.

GENERAL LEAVE TO PRINT

Mr. LESINSKI. Mr. Speaker, I ask unanimous consent that all Members be permitted 5 legislative days to extend their remarks on the Bridges bill passed this afternoon.

The SPEAKER. Is there objection?

There was no objection.

EXTENSION OF REMARKS

Mr. COFFEE of Washington. Mr. Speaker, I ask unanimous consent that in connection with the remarks I made today I may include therein certain brief excerpts from court decisions and some newspaper articles.

The SPEAKER. Is there objection?

There was no objection.

Mr. RANDOLPH. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD

The SPEAKER. Is there objection?

There was no objection.

Mr. SHANLEY. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and to include an article by Admiral Peary and by Professor Griswold.

The SPEAKER. Is there objection?

There was no objection.

Mr. THILL. Mr. Speaker, I ask unanimous consent to extend my remarks and include two short newspaper articles.

The SPEAKER. Is there objection?

There was no objection.

Mr. SCHAFER of Wisconsin. Mr. Speaker, I ask unanimous consent to extend the remarks which I made today and include a few additional extracts from the Communist pamphlet entitled "Why Communism?" by M. J. Olgin.

The SPEAKER. Is there objection?

There was no objection.

Mr. RICH. Mr. Speaker, I ask unanimous consent to revise and extend my remarks in the Appendix of the RECORD and include an article entitled "Electric Power for National Needs" appearing in the Jersey Shore Herald, May 29.

The SPEAKER. Is there objection?

There was no objection.

EXPLANATION

Mr. HAWKS. Mr. Speaker, my colleague the gentleman from Wisconsin, Mr. KEEFE, was unavoidably detained this afternoon on the last roll call. Had he been present he would have voted "aye."

Mr. CANNON of Missouri. Mr. Speaker, for reasons previously stated I object to such breaches of the rules. Members who make such announcements are violating the law of the House and know they are violating the law of the House.

EXTENSION OF REMARKS

Mr. GROSS. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD.

The SPEAKER. Is there objection?

There was no objection.

Mr. WHITE of Ohio. Mr. Speaker, I ask unanimous consent to extend my remarks and include therein certain tables.

The SPEAKER. Is there objection?

There was no objection.

Mr. HOFFMAN. Mr. Speaker, I ask unanimous consent to extend my own remarks and include an editorial.

The SPEAKER. Is there objection?

There was no objection.

Mr. DWORSHAK. Mr. Speaker, I ask unanimous consent to extend my remarks and include a brief extract of an article by Gen. Hugh S. Johnson.

The SPEAKER. Is there objection?

There was no objection.

Mr. HINSHAW. Mr. Speaker, I ask unanimous consent to extend my remarks and include a brief editorial.

The SPEAKER. Is there objection?

There was no objection.

Mr. VOORHIS of California. Mr. Speaker, I ask unanimous consent to include excerpts from two editorials in the remarks I made today.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

LEAVE OF ABSENCE

By unanimous consent leave of absence was granted to Mr. GREGORY (at the request of Mr. VINCENT of Kentucky), for today, on account of official committee business.

SENATE ENROLLED BILLS AND JOINT RESOLUTION

The SPEAKER announced his signature to enrolled bills and a joint resolution of the Senate of the following titles:

S. 2598. An act for the relief of Kurt Wessely;

S. 3196. An act to amend the act approved May 24, 1938, entitled "An act for the relief of the Comision Mixta Demarcadora de Limites Entre Colombia y Panama" and for the relief of Jose Antonio Sossa D;

S. 4026. An act providing for the reorganization of the Navy Department, and for other purposes; and

S. J. Res. 59. Joint resolution authorizing the Bureau of Labor Statistics to collect information as to amount and value of all goods produced in State and Federal prisons.

BILLS PRESENTED TO THE PRESIDENT

Mr. PARSONS, from the Committee on Enrolled Bills, reported that that committee did on this day present to the President, for his approval, bills of the House of the following titles:

H. R. 6044. An act to regulate the number of warrant and commissioned warrant officers in the Marine Corps;

H. R. 6446. An act to amend section 4 of the act entitled "An act to authorize the city of Pierre, S. Dak., to construct, equip, maintain, and operate on Farm Island, S. Dak., certain amusement and recreational facilities, to charge for the use thereof, and for other purposes";

H. R. 8026. An act to establish the composition of the United States Navy, to authorize the construction of certain naval vessels, and for other purposes;

H. R. 9209. An act making appropriations for the Military Establishment for the fiscal year ending June 30, 1941, and for other purposes; and

H. R. 9848. An act to authorize the construction or acquisition of naval aircraft, the construction of certain public works, and for other purposes.

ADJOURNMENT

Mr. LEWIS of Colorado. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 5 o'clock and 40 minutes p. m.) the House adjourned until tomorrow, Friday, June 14, 1940, at 12 o'clock noon.

COMMITTEE HEARINGS

COMMITTEE ON INTERSTATE AND FOREIGN COMMERCE

On Friday, June 14, 1940, at 10 a. m., a subcommittee of the Committee on Interstate and Foreign Commerce will hold a hearing on H. R. 10065, now pending in the Senate on investment companies.

There will be a meeting of the Committee on Interstate and Foreign Commerce on Friday, June 14, 1940, at 10 a. m., for the consideration of H. R. 9706, to amend the Railroad Unemployment Insurance Act. Proponents only will be heard Friday. Hearings will be held in room 536, Old House Office Building.

COMMITTEE ON MINES AND MINING

The Subcommittee on Mines and Mining that was appointed to consider S. 2420 will continue hearings on Friday, June 14, 1940, at 10 a. m., in the committee rooms in the New House Office Building.

MEETING OF IRRIGATION AND RECLAMATION COMMITTEE

The Committee on Irrigation and Reclamation will meet at 10:30 a. m., Friday, June 14, in room 128, House Office Building, for the consideration of H. R. 8078.

COMMITTEE ON IMMIGRATION AND NATURALIZATION

There will be a meeting of the Committee on Immigration and Naturalization Wednesday, June 19, 1940, at 10:30 a. m., for the consideration of private bills and unfinished business.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1758. A letter from the Secretary of War, transmitting a letter from the Chief of Engineers, United States Army, dated May 29, 1940, submitting a report, together with accompanying papers and an illustration, on a preliminary examination and survey of Little Missouri River, Ark., authorized by the Flood Control Act approved June 22, 1936, and by act of Congress approved May 6, 1936 (H. Doc. No. 837); to the Committee on Flood Control and ordered to be printed, with an illustration.

1759. A letter from the Secretary of War, transmitting a letter from the Chief of Engineers, United States Army, dated April 11, 1940, submitting a report, together with accompanying papers and an illustration, on a preliminary examination and survey of Los Angeles and San Gabriel Rivers and their tributaries, and Ballona Creek, Calif., authorized by the Flood Control Act approved June 22, 1936, and June 28, 1938 (H. Doc. No. 838); to the Committee on Flood Control and ordered to be printed, with an illustration.

1760. A letter from the Secretary of War, transmitting a letter from the Chief of Engineers, United States Army, dated May 13, 1940, submitting a report, together with accompanying papers and illustrations, on reexamination of Little Narragansett Bay and Watch Hill Cove, R. I., requested by resolution of the Committee on Rivers and Harbors, House of Representatives, adopted January 24, 1936 (H. Doc. No. 839); to the Committee on Rivers and Harbors and ordered to be printed, with two illustrations.

1761. A letter from the Secretary of War, transmitting a letter from the Chief of Engineers, United States Army, dated June 6, 1940, submitting a report, together with accompanying papers on reexamination of Cape Charles City Harbor, Va., requested by resolutions of the Committee on Rivers and Harbors, House of Representatives, adopted May 24, 1939, and the Committee on Commerce, United States Senate, adopted June 13, 1939; to the Committee on Rivers and Harbors.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII,

Mr. DEROUEN: Committee on the Public Lands. H. R. 8353. A bill to change the designation of the Fort Marion National Monument, in the State of Florida, and for other purposes; without amendment (Rept. No. 2520). Referred to the House Calendar.

Mr. HORTON: Committee on the Public Lands. H. R. 8448. A bill to provide for the extension of certain oil- and gas-prospecting permits; without amendment (Rept. No. 2521). Referred to the Committee of the Whole House on the state of the Union.

Mr. ENGLEBRIGHT: Committee on the Public Lands. H. R. 8646. A bill to authorize the exchange of certain patented lands in the Death Valley National Monument for Government lands in the monument; with amendment (Rept.

No. 2522). Referred to the Committee of the Whole House on the state of the Union.

Mr. DEROUEN: Committee on the Public Lands. H. R. 9732. A bill relating to the issuance by the Secretary of the Interior of a patent to the State of Minnesota for certain lands in that State; without amendment (Rept. No. 2523). Referred to the Committee of the Whole House on the state of the Union.

Mr. PATRICK: Committee on Interstate and Foreign Commerce. S. 3780. An act authorizing Alabama Bridge Commission (an agency of the State of Alabama) to construct, maintain, and operate a toll bridge and causeway between Dauphin Island and the mainland at or near Cedar Point, within the State of Alabama; without amendment (Rept. No. 2524). Referred to the House Calendar.

Mr. BOREN: Committee on Interstate and Foreign Commerce. S. 3807. An act to extend the times for commencing and completing the construction of a bridge across the Missouri River at or near Arrow Rock, Mo.; without amendment (Rept. No. 2525). Referred to the House Calendar.

Mr. CHAPMAN: Committee on Interstate and Foreign Commerce. H. R. 9509. A bill to extend the times for commencing and completing the construction of a bridge across the Ohio River at or near Shawneetown, Ill.; without amendment (Rept. No. 2526). Referred to the House Calendar.

Mr. YOUNGDAHL: Committee on Interstate and Foreign Commerce. H. R. 9561. A bill granting the consent of Congress to the Minnesota Department of Highways and the counties of Benton and Stearns in Minnesota, to construct, maintain, and operate a free highway bridge across the Mississippi River at or near Sauk Rapids, Minn.; without amendment (Rept. No. 2527). Referred to the House Calendar.

Mr. PEARSON: Committee on Interstate and Foreign Commerce. H. R. 9678. A bill to extend the times for commencing and completing the construction of a bridge across the Mississippi River at or near Memphis, Tenn.; with amendment (Rept. No. 2528). Referred to the House Calendar.

Mr. CROSSER: Committee on Interstate and Foreign Commerce. H. R. 9828. A bill to extend the times for commencing and completing the construction of bridges across the Monongahela River in Allegheny County, Pa.; without amendment (Rept. No. 2529). Referred to the House Calendar.

Mr. CHAPMAN: Committee on Interstate and Foreign Commerce. H. R. 9920. A bill authorizing the county of Lawrence, Ohio, to acquire and operate as a unit certain privately owned toll bridges across the Ohio River adjoining such county; with amendment (Rept. 2530). Referred to the House Calendar.

Mr. CELLER: Committee on the Judiciary. H. R. 9954. A bill to amend section 7 of the act of May 14, 1930 (46 Stat. 326; U. S. C., title 18, sec. 753f), relating to places of confinement and transfers of persons convicted of an offense against the United States; without amendment (Rept. No. 2536). Referred to the Committee of the Whole House on the state of the Union.

Mr. STEAGALL: Committee on Banking and Currency. H. R. 9931. A bill to increase the credit resources of the Commodity Credit Corporation; without amendment (Rept. No. 2538). Referred to the Committee of the Whole House on the state of the Union.

Mr. STEAGALL: Committee on Banking and Currency. H. R. 9930. A bill to amend the Home Owners' Loan Act of 1933, as amended; without amendment (Rept. No. 2539). Referred to the Committee of the Whole House on the state of the Union.

Mr. DELANEY: Committee on Rules. House Resolution 524. Resolution for the consideration of S. 2047, an act to divest prize-fight films of their character as subjects of interstate or foreign commerce, and for other purposes; without amendment (Rept. 2540). Referred to the House Calendar.

Mr. CLARK: Committee on Rules. House Resolution 523. Resolution for the consideration of Senate Joint Resolution 260, joint resolution to make emergency provision for the maintenance of essential vessels affected by the Neutrality Act of 1939, and for adjustment of obligations with respect to such vessels; without amendment (Rept. No. 2541). Referred to the House Calendar.

Mr. CLARK: Committee on Rules. House Resolution 522. Resolution for consideration of H. R. 6572, a bill to amend the Merchant Marine Act, 1936, as amended, to provide for marine war-risk insurance and reinsurance and for marine risk reinsurance, and for other purposes; without amendment (Rept. No. 2542). Referred to the House Calendar.

Mr. MAY: Committee of conference on the disagreeing votes of the two Houses. H. R. 3840. A bill to amend the act entitled "An act for making further and more effectual provision for the national defense, and for other purposes," approved June 3, 1916, as amended, and for other purposes. (Rept. No. 2543). Referred to the Committee of the Whole House on the state of the Union.

Mr. CLARK: Committee on Rules. Senate Concurrent Resolution 40. Concurrent resolution creating a special joint committee to investigate the matter of losses resulting from the Mediterranean fruitfly eradication campaign in Florida in 1929 and 1930; without amendment (Rept. No. 2544). Referred to the House Calendar.

Mr. SABATH: Committee on Rules. House Resolution 525. Resolution for the consideration of House Joint Resolution 556, a joint resolution approving nonrecognition of the transfer of any geographic region in the Western Hemisphere from one non-American power to another non-American power, and providing for consultation with other American republics in the event that such transfer should appear likely; without amendment (Rept. No. 2545). Referred to the House Calendar.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of rule XIII,

Mr. SMITH of Washington: Committee on War Claims. H. R. 4628. A bill for the relief of John C. Gibbs; without amendment (Rept. No. 2518). Referred to the Committee of the Whole House.

Mr. HART: Committee on War Claims. S. 1076. An act for the relief of the widow of the late William J. Cocke; without amendment (Rept. No. 2519). Referred to the Committee of the Whole House.

Mr. EBERHARTER: Committee on Claims. S. 527. An act for the relief of J. J. Greenleaf; with amendment (Rept. No. 2531). Referred to the Committee of the Whole House.

Mr. POAGE: Committee on Claims. S. 2800. An act for the relief of Edward J. Ross, and the legal guardian of Betty Ross, a minor; with amendment (Rept. No. 2532). Referred to the Committee of the Whole House.

Mr. EBERHARTER: Committee on Claims. S. 3280. An act for the relief of the estate of Leslie Everett, deceased; with amendment (Rept. No. 2533). Referred to the Committee of the Whole House.

Mr. McGEHEE: Committee on Claims. H. R. 2278. A bill for the relief of Carl Hurt; without amendment (Rept. No. 2534). Referred to the Committee of the Whole House.

Mr. COFFEE of Washington: Committee on Claims. H. R. 3992. A bill for the relief of Frank Spears; without amendment (Rept. No. 2535). Referred to the Committee of the Whole House.

Mr. CELLER: Committee on the Judiciary. H. R. 9987. A bill to authorize the Attorney General to donate on behalf of the United States to H. S. Scott, D. W. Collins, Fred M. Gross, trustees, Ashland District Council, Boy Scouts of America, the log house known as the John Secrest home, located on the site of the Federal Correctional Institution near Ashland, Ky.; without amendment (Rept. No. 2537). Referred to the Committee of the Whole House.

Mr. PITTENGER: Committee on Claims. H. R. 4815. A bill for the relief of Henry J. Wise; with amendment (Rept. No. 2546). Referred to the Committee of the Whole House.

Mr. PITTENGER: Committee on Claims. H. R. 5314. A bill for the relief of Paul J. Kohanik; with amendment

(Rept. No. 2547). Referred to the Committee of the Whole House.

Mr. McGEHEE: Committee on Claims. H. R. 6740. A bill for the relief of the estate of J. L. Fretwell; with amendment (Rept. No. 2548). Referred to the Committee of the Whole House.

Mr. COFFEE of Washington: Committee on Claims. H. R. 7416. A bill for the relief of Theodore R. King; without amendment (Rept. No. 2549). Referred to the Committee of the Whole House.

Mr. CRAVENS: Committee on Claims. H. R. 7668. A bill for the relief of Elizabeth Buxton Hospital; with amendment (Rept. No. 2550). Referred to the Committee of the Whole House.

Mr. COFFEE of Washington: Committee on Claims. H. R. 7957. A bill for the relief of Willie Perry; with amendment (Rept. No. 2551). Referred to the Committee of the Whole House.

Mr. McGEHEE: Committee on Claims. H. R. 8217. A bill for the relief of Thomas R. Fox; without amendment (Rept. No. 2552). Referred to the Committee of the Whole House.

Mr. SASSCER: Committee on Claims. H. R. 8246. A bill for the relief of Peter Caietti; with amendment (Rept. No. 2553). Referred to the Committee of the Whole House.

Mr. McGEHEE: Committee on Claims. H. R. 8504. A bill for the relief of Dr. A. C. Wade; with amendment (Rept. No. 2554). Referred to the Committee of the Whole House.

Mr. SASSCER: Committee on Claims. H. R. 8946. A bill for the relief of Rufus K. Sanderlin; with amendment (Rept. No. 2555). Referred to the Committee of the Whole House.

Mr. KENNEDY of Maryland: Committee on Claims. H. R. 9934. A bill to confer jurisdiction upon the United States District Court for the Western District of Kentucky to hear, determine, and render judgment upon the claim of Theodore R. Troendle, for the Dawson Springs Construction Co.; with amendment (Rept. No. 2556). Referred to the Committee of the Whole House.

CHANGE OF REFERENCE

Under clause 2 of Rule XXII, committees were discharged from the consideration of the following bills, which were referred as follows:

A bill (H. R. 9770) for the relief of Julius Meyer; Committee on Claims discharged and referred to the Committee on War Claims.

A bill (H. R. 9933) for the relief of Louise Peters Lewis; Committee on Claims discharged, and referred to the Committee on War Claims.

A bill (H. R. 10052) for the relief of Fred Heihei; Committee on Claims discharged, and referred to the Committee on War Claims.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. FERGUSON:

H. R. 10074. A bill to establish schools and camps for the military instruction and training of civilians; to the Committee on Military Affairs.

By Mr. HILL:

H. R. 10075. A bill to provide revenue, equalize taxation, and for other purposes; to the Committee on Ways and Means.

By Mr. IZAC:

H. R. 10076. A bill to increase the number of cadets at the United States Military Academy; to the Committee on Military Affairs.

H. R. 10077. A bill to increase the number of midshipmen at the United States Naval Academy; to the Committee on Naval Affairs.

By Mr. VOORHIS of California:

H. R. 10078. A bill to require the registration of certain organizations carrying on activities within the United States, and for other purposes; to the Committee on the Judiciary.

By Mr. DIRKSEN:

H. R. 10079. A bill to make certain practices in connection with "open cut" or "strip" mining of bituminous coal unfair methods of competition under the Bituminous Coal Code; to the Committee on Ways and Means.

By Mr. BUCK:

H. R. 10080. A bill to amend section 3493 of the Internal Revenue Code, formerly section 404 of the Sugar Act of 1937; to the Committee on Agriculture.

By Mr. BURDICK:

H. R. 10081. A bill to provide for 5-day, 40-hour week, for all civilian employees, in the War Department of the United States Government; to the Committee on the Civil Service.

By Mr. REECE of Tennessee:

H. R. 10082 (by request). A bill to amend the Railroad Unemployment Insurance Act, approved June 25, 1938, as amended June 20, 1939; to the Committee on Interstate and Foreign Commerce.

By Mr. SANDAGER:

H. R. 10083. A bill to provide for the admission of British, French, Belgian, and Dutch children to the United States for the duration of the present European war; to the Committee on Immigration and Naturalization.

By Mr. SNYDER:

H. R. 10084. A bill to protect certain of the Nation's interests and institutions; to the Committee on Military Affairs.

By Mr. MARTIN J. KENNEDY:

H. R. 10085 (by request). A bill to amend the Railroad Unemployment Insurance Act, approved June 25, 1938, as amended June 20, 1939, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. CELLER:

H. J. Res. 570. Joint resolution to repeal the Neutrality Act of 1939; to the Committee on Foreign Affairs.

H. J. Res. 571. Joint resolution to authorize the Federal Bureau of Investigation of the Department of Justice to conduct investigations in the interests of national defense, and for that purpose to permit wire tapping in certain cases; to the Committee on the Judiciary.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. FADDIS:

H. R. 10086. A bill for the relief of David Jacobson; to the Committee on Immigration and Naturalization.

By Mr. SOMERS of New York:

H. R. 10087. A bill for the relief of the Continental Aerosurveys Corporation; to the Committee on Agriculture.

H. R. 10088. A bill for the relief of Leopold Mogger (Geiger); to the Committee on Immigration and Naturalization.

By Mr. YOUNGDAHL:

H. R. 10089 (by request). A bill for the relief of Charles E. Duncan; to the Committee on Military Affairs.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

8728. By Mr. BROOKS: Petition of the executive committee of Herndon Chapter, National Aeronautical Association of Mansfield, La., providing for complement of airplanes and for pilot training at each landing field in the United States having a listed landing field and facilities; to the Committee on Military Affairs.

8729. By Mr. HARE: Memorial of the Lions Club of Greenwood, S. C., approving and urging appropriate legislation for national defense; to the Committee on Military Affairs.

8730. By Mr. LUTHER A. JOHNSON: Petition of the Mexia Chamber of Commerce, of Mexia, Tex., favoring the furnishing of all materials necessary to aid the Allies; to the Committee on Foreign Affairs.

8731. By Mr. MARTIN J. KENNEDY: Petition of the American Federation of Labor, adopted at the fifty-ninth

annual convention held at Cincinnati, Ohio, concerning adequate protection for the sugar-refinery workers in any sugar legislation by Congress in 1940, also opposing importation of refined sugar; to the Committee on Agriculture.

8732. Also, petition of the National Association of Postmasters, adopted at their sixth annual convention at Buffalo, N. Y., expressing approval of the national-defense system as submitted by President Roosevelt to the Congress; to the Committee on Military Affairs.

8733. By Mr. KEOGH: Petition of the United Electrical, Radio and Machine Workers of America, Brooklyn, N. Y., concerning our national defense; to the Committee on Foreign Affairs.

8734. Also, petition of the National Association of Postmasters and National Association of Postal Supervisors, New York State branch, Buffalo, N. Y., approving the President's national-defense program; to the Committee on Military Affairs.

8735. By Mr. PFEIFER: Petition of the sugar workers conference, Washington, D. C., opposing House bill 9654 and the importation of tropically refined sugar; to the Committee on Agriculture.

8736. Also, petition of the Brotherhood of Railroad Trainmen, East River Lodge, No. 829, New York City, protesting against importation of tropically refined sugar; to the Committee on Agriculture.

8737. Also, petition of the New York State Federation of Labor, Albany, N. Y., favoring the passage of the housing bill (S. 591); to the Committee on Banking and Currency.

8738. By Mr. SANDAGER: Memorial of the delegates of Rhode Island State Elks Association, Elks Home, Providence, R. I.; endorsing all the efforts being made by the President and by Congress to make this Nation impregnable from outside assault; also endorsing the activities of the Dies committee; to the committee on Military Affairs.

8739. By Mr. SCHWERT: Resolution of the New York State branch of the National Association of Postal Supervisors, endorsing the President's national-defense program; to the Committee on Military Affairs.

8740. Also, resolution of the Board of Supervisors of Erie County, State of New York, opposing the State Department's ruling relative to passport requirements for Canadian citizens, and urging the cancelation of this order; to the Committee on Immigration and Naturalization.

8741. By Mr. VREELAND: Concurrent resolution adopted by the House of Assembly of New Jersey, regarding the establishment of a drydock and shipyard on the New Jersey side of the port of New York adequate for the largest naval and mercantile ships; to the Committee on Naval Affairs.

8742. The SPEAKER: Petition of the Amarillo Lions Club, Amarillo, Tex., petitioning consideration of their resolution with reference to the defense program; to the Committee on Military Affairs.

8743. Also, petition of the Fur Floor and Shipping Clerks' Union, Local 125, New York, petitioning consideration of their resolution with reference to House bill 9858, immigration legislation; to the Committee on Immigration and Naturalization.

8744. Also, petition of the Bronx Peoples Culture Center, Bronx, N. Y., petitioning consideration of their resolution with reference to House bill 9858, to promote the national defense, etc., program; to the Committee on Immigration and Naturalization.

8745. Also, petition of the American College of Radiology, New York, petitioning consideration of their resolution with reference to defense program; to the Committee on Military Affairs.

8746. Also, petition of the sugar workers conference, Washington, D. C., petitioning consideration of their resolution with reference to House bill 9654, agriculture legislation; to the Committee on Agriculture.

8747. Also, petition of the Bakery and Confectionery Workers, International Union of America, Brooklyn, N. Y., petitioning consideration of their resolutions with reference to immigration legislation; to the Committee on Immigration and Naturalization.

8748. By Mr. HARTER of New York: Petition of the Board of Supervisors of Erie County, N. Y., opposing the State Department's ruling relative to passport requirements for Canadian citizens; to the Committee on Foreign Affairs.

SENATE

FRIDAY, JUNE 14, 1940

(Legislative day of Tuesday, May 28, 1940)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

The Chaplain, Rev. ZeBarney T. Phillips, D. D., offered the following prayer:

Almighty God, our Heavenly Father, who knowest our every changing thought, who alone canst fill our life with holy purpose: Help us in these troublous days by discipline, industry, and prayer so to purify our hearts and minds that the sense of our intimacy with Thee may beget in us an ever-increasing self-respect which comes only to those who scorn to give less than their all in the service of their country.

On this day of national import help us to realize that our flag is the sacrament and sign of our affection, patriotism, and devotion to duty and stands for those noblest qualities that represent the spirit of America, qualities that must rest upon the conscience and the morality of our people. O'ershadow us with Thy discernment, that we may grow in knowledge of Thy will, until we shall rise into the rest which it is Thine alone to give. Through Jesus Christ, our Lord. Amen.

MESSAGE FROM THE HOUSE

Mr. VANDENBERG. I suggest the absence of a quorum.

The VICE PRESIDENT. Will the Senator withhold the suggestion until the Senate receives a message from the House of Representatives?

Mr. VANDENBERG. Certainly.

A message from the House of Representatives, by Mr. Calloway, one of its reading clerks, announced that the House had passed the following bills, in which it requested the concurrence of the Senate:

H. R. 9766. An act to authorize the deportation of Harry Renton Bridges; and

H. R. 9909. An act to amend sections 2803 (c) and 2903 of the Internal Revenue Code.

THE JOURNAL

Mr. BARKLEY. Will the Senator from Michigan withhold his suggestion of the absence of a quorum until I can have the Journal approved?

Mr. VANDENBERG. Certainly.

On request of Mr. BARKLEY, and by unanimous consent, the reading of the Journal of the proceedings of the calendar day of Thursday, June 13, 1940, was dispensed with, and the Journal was approved.

CALL OF THE ROLL

The VICE PRESIDENT. The Senator from Michigan [Mr. VANDENBERG] has suggested the absence of a quorum. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Adams	Burke	Ellender	Hill
Andrews	Byrnes	George	Holman
Ashurst	Capper	Gerry	Holt
Austin	Caraway	Gillette	Hughes
Bailey	Chandler	Green	Johnson, Calif.
Bankhead	Clark, Idaho	Guffey	Johnson, Colo.
Barkley	Clark, Mo.	Gurney	King
Bilbo	Connally	Hale	La Follette
Bone	Danaher	Harrison	Lee
Bridges	Davis	Hatch	Lodge
Brown	Donahey	Hayden	Lucas
Bulow	Downey	Herring	Lundeen

McKellar	Nye	Schwartz	Thomas, Okla.
McNary	O'Mahoney	Schwellenbach	Thomas, Utah
Maloney	Overton	Sheppard	Townsend
Mead	Pepper	Shipstead	Tydings
Miller	Pittman	Slattery	Vandenberg
Minton	Radcliffe	Smith	Van Nuys
Murray	Reed	Stewart	Wagner
Neely	Reynolds	Taft	Walsh
Norris	Russell	Thomas, Idaho	

Mr. MINTON. I announce that the Senator from New Jersey [Mr. SMATHERS] is absent from the Senate because of illness in his family.

The Senators from Virginia [Mr. BYRD and Mr. GLASS], the Senator from New Mexico [Mr. CHAVEZ], the Senator from Nevada [Mr. MCCARRAN], the Senator from Missouri [Mr. TRUMAN], and the Senator from Montana [Mr. WHEELER] are necessarily detained.

Mr. AUSTIN. I announce that the Senator from New Jersey [Mr. BARBOUR] is necessarily absent on official duties.

My colleague the junior Senator from Vermont [Mr. GIBSON], the Senator from North Dakota [Mr. FRAZIER], and the Senator from Maine [Mr. WHITE] are necessarily absent.

The Senator from New Hampshire [Mr. TOBEY] is absent on official business.

The VICE PRESIDENT. Eighty-three Senators have answered to their names. A quorum is present.

MESSAGES FROM THE PRESIDENT—APPROVAL OF BILLS

Messages in writing from the President of the United States were communicated to the Senate by Mr. Latta, one of his secretaries, who also announced that the President had approved and signed the following bills:

On June 11, 1940:

S. 1445. An act for the relief of Bruno Arena;

S. 1474. An act for the relief of Thomas G. Abbitt;

S. 1839. An act for the relief of Le Roy Breithaupt;

S. 1964. An act to amend section 5136 of the Revised Statutes, as amended, to authorize charitable contributions by national banking associations;

S. 2234. An act for the relief of Walter R. Maguire;

S. 2419. An act for the relief of Walter J. Hogan and W. R. Larkin, in connection with the construction, operation, and maintenance of the Fort Hall Indian irrigation project, Idaho;

S. 2798. An act for the relief of Charles H. Parr;

S. 3073. An act for the relief of Verle S. Ward; and

S. 3091. An act for the relief of Barnet Warren.

On June 12, 1940:

S. 186. An act to amend sections 798 and 800 of the Code of Law for the District of Columbia, relating to murder in the first degree;

S. 2639. An act relating to the hours of service of persons employed upon the Government-owned Wiota-Fort Peck Railroad in the State of Montana;

S. 3828. An act to amend section 107 of the Judicial Code, as amended, to eliminate the requirement that suitable accommodations for holding the court at Winchester, Tenn., be provided by the local authorities;

S. 2191. An act authorizing the Secretary of the Interior to grant to the State of Montana for the use and benefit of the Montana School of Mines a patent to a certain tract of land; and

S. 2262. An act to provide for a change in the time for holding court at Rock Hill and Spartanburg, S. C.

On June 13, 1940:

S. 1608. An act to repeal the provisions of Private Law No. 347, Seventy-first Congress, pertaining to Victoria Kessel;

S. 1777. An act granting the consent of Congress to the States of Montana, North Dakota, South Dakota, and Wyoming to negotiate and enter into a compact or agreement for division of the waters of the Little Missouri River;

S. 1977. An act for the relief of John A. Farrell;

S. 2328. An act to promote on the retired list officers who were decorated and recommended for promotion for distinguished service during the World War and who have not attained the rank to which recommended;

S. 2735. An act authorizing the issuance to Orville Wright of honorary aircraft pilot's certificate No. 1;

S. 3014. An act to amend the act entitled "An act making appropriations for the naval service for the fiscal year ending June 30, 1903, and for other purposes," approved July 1, 1902 (32 Stat. 662), so as to provide uniformity in the pay of all civilian employees of the Navy Department appointed for duty beyond the continental limits of the United States and in Alaska;

S. 3042. An act to amend the act entitled "An act to establish a Civilian Conservation Corps, and for other purposes," approved June 28, 1937, as amended;

S. 3065. An act authorizing the sale of fuel, electric current, ice, and water at isolated naval stations;

S. 3491. An act to provide that fines for failure to pay license taxes in Alaska shall be disposed of as provided for the disposition of such taxes;

S. 3496. An act to prevent retardation in promotion and in pay and allowances of permanent professors of the United States Military Academy appointed by the President from the commissioned officers of the Regular Army;

S. 3642. An act granting the consent of Congress to the Secretary of the Interior and the State of Washington to construct, maintain, and operate a highway bridge across the Spokane River, Wash.;

S. 3643. An act granting the consent of Congress to the Secretary of the Interior and Stevens County, State of Washington, to construct, maintain, and operate a highway bridge across the Kettle River, near Marcus, Wash.;

S. 3644. An act granting the consent of Congress to the Secretary of the Interior and the Great Northern Railway Co. to construct, maintain, and operate two railroad bridges across the Kettle River, near Marcus, Wash.;

S. 3677. An act to donate to the city of Seattle a totem pole carved by the Alaskan native Civilian Conservation Corps;

S. 3959. An act authorizing the Secretary of the Treasury to grant to the city of Fort Lauderdale, Fla., an easement or easements authorizing such city to construct and maintain a highway and utility facilities over the United States Coast Guard Reservation known as base 6 at Fort Lauderdale, Fla.; and

S. 3693. An act to authorize the Secretary of War to grant an easement for pipe lines across public lands reserved for military purposes in the parish of Plaquemines, La.

DRAFT CONVENTIONS AND RECOMMENDATIONS, TWENTY-FIFTH INTERNATIONAL LABOR CONFERENCE—REPORT OF THE SECRETARY OF STATE

The VICE PRESIDENT laid before the Senate the following message from the President of the United States, which was read, and, with the accompanying papers, referred to the Committee on Foreign Relations:

To the Congress of the United States of America:

The Congress, by a joint resolution approved June 19, 1934, authorized me to accept membership for the Government of the United States in the International Labor Organization. Pursuant to that authorization, I accepted such membership on behalf of the Government of the United States.

Representatives of this Government and of American employers and American labor attended the twenty-fifth session of the International Labor Conference, held at Geneva, June 8 to 28, 1939. That Conference adopted 4 draft conventions and 10 recommendations, to wit:

The recommendation (No. 57) concerning vocational training;

The draft convention (No. 64) concerning the regulation of written contracts of employment of indigenous workers;

The recommendation (No. 58) concerning the maximum length of written contracts of employment of indigenous workers;

The draft convention (No. 65) concerning penal sanctions for breaches of contracts of employment by indigenous workers;

The recommendation (No. 59) concerning labor inspectorates for indigenous workers;

The recommendation (No. 60) concerning apprenticeship;

The draft convention (No. 66) concerning the recruitment, placing, and conditions of labor of migrants for employment;

The recommendation (No. 61) concerning the recruitment, placing, and conditions of labor of migrants for employment;

The recommendation (No. 62) concerning cooperation between states relating to the recruitment, placing, and conditions of labor of migrants for employment;

The draft convention (No. 67) concerning the regulation of hours of work and rest periods in road transport;

The recommendation (No. 63) concerning individual control books in road transport;

The recommendation (No. 64) concerning the regulation of night work in road transport;

The recommendation (No. 65) concerning the methods of regulating hours of work in road transport;

The recommendation (No. 66) concerning rest periods of professional drivers of private vehicles.

In becoming a member of the International Labor Organization, pursuant to a joint resolution of the Congress approved June 19, 1934, this Government assumed the following undertaking in regard to such draft conventions and recommendations:

Each of the members undertakes that it will within the period of 1 year at most from the closing of the session of the conference, or if it is impossible owing to exceptional circumstances to do so within the period of 1 year, then at the earliest practicable moment and in no case later than 18 months from the closing of the session of the conference, bring the recommendation or draft convention before the authority or authorities within whose competence the matter lies for the enactment of legislation or other action (art. 19 (405), par. 5, Constitution of the International Labor Organization).

In the case of a federal state, the power of which to enter into conventions on labor matters is subject to limitations, it shall be in the discretion of that government to treat a draft convention to which such limitations apply as a recommendation only, and the provisions of this article with respect to recommendations shall apply in such case (art. 19 (405), par. 9, Constitution of the International Labor Organization).

In accordance with the foregoing undertaking, the above-named 4 draft conventions and 10 recommendations are herewith submitted to the Congress with the accompanying report of the Secretary of State and its enclosures, to which the attention of the Congress is invited.

FRANKLIN D. ROOSEVELT.

THE WHITE HOUSE, *June 14, 1940.*

[Enclosures: 1. Report of the Secretary of State and enclosures. 2. Texts of recommendations and conventions.]

SUPPLEMENTAL ESTIMATE FOR THE TREASURY DEPARTMENT (COAST GUARD) (S. DOC. NO. 211)

The VICE PRESIDENT laid before the Senate a communication from the President of the United States, transmitting a supplemental estimate of appropriation for the Treasury Department (Coast Guard) fiscal year 1941, amounting to $98,880, which with the accompanying paper, was referred to the Committee on Appropriations and ordered to be printed.

PROVISION RELATIVE TO APPROPRIATIONS FOR MILITARY ESTABLISHMENT (S. DOC. NO. 209)

The VICE PRESIDENT laid before the Senate a communication from the President of the United States, transmitting draft of a proposed provision pertaining to appropriations for the War Department, Military Establishment, fiscal year ending June 30, 1941, which, with the accompanying paper, was referred to the Committee on Appropriations and ordered to be printed.

SUPPLEMENTAL ESTIMATE, NONMILITARY ACTIVITIES, WAR DEPARTMENT (S. DOC. NO. 210)

The VICE PRESIDENT laid before the Senate a communication from the President of the United States, transmitting an estimate of appropriation amounting to $8,127,000, for the War Department, for the maintenance and improvement of existing river and harbor works, as supplemental, and in addition, to the amounts contained under the headings "Improvement of existing river and harbor works" and "Maintenance of existing river and harbor works," in the Budget for the fiscal year ending June 30, 1941, which, with the accompanying paper, was referred to the Committee on Appropriations and ordered to be printed.

CONSERVATION AND UTILIZATION PROJECTS IN THE GREAT PLAINS, ETC., AREAS

The VICE PRESIDENT laid before the Senate a letter from the Acting Secretary of Agriculture, transmitting a draft of proposed legislation to amend an act entitled "An act authorizing construction of water conservation and utilization projects in the Great Plains and arid and semi-arid areas of the United States," approved August 11, 1939 (53 Stat. 1418), which, with the accompanying paper, was referred to the Committee on Irrigation and Reclamation.

PETITIONS AND MEMORIALS

The VICE PRESIDENT laid before the Senate the petition of the American Good Government Society, Washington, D. C., praying for the enactment of legislation to coin $12,000,000,000 of gold and silver bullion in the Treasury and to use such coinage to pay expenses of the national defense program, and also praying for adoption of the Byrd amendment to pending tax legislation looking toward retrenchment in regular governmental expenditures, which was referred to the Committee on Banking and Currency.

He also laid before the Senate a resolution of the Board of Education, Schenectady, N. Y., requesting that any funds appropriated to train workmen for essential war industries be placed under the direction of existing educational agencies, which was referred to the Committee on Education and Labor.

He also laid before the Senate a petition of sundry citizens of Dallas, Tex., praying that Congress remain in session during the existing crisis, which was ordered to lie on the table.

He also laid before the Senate the petition of the Nebraska Yearly Meeting of Friends, Central City, Nebr., praying that the United States pursue a policy of peace and that Congress remain in session during the existing crisis, which was ordered to lie on the table.

He also laid before the Senate a resolution of the Lions Club, of Crozet, Va., endorsing the national-defense program and favoring the immediate enactment of legislation to stop subversive activities of citizens or aliens and the agents of foreign nations in the United States, etc., which was ordered to lie on the table.

He also laid before the Senate a telegram, signed by Mayor Woodall Rodgers, chairman, and Karl Hoblitzelle, general chairman, and members of the resolutions committee, embodying a resolution adopted at a recent mass meeting of citizens of Dallas County, Tex., requesting that all possible assistance, short of war, be extended to the allied nations; condemning "fifth column" and un-American activities, and requesting that Congress promptly appropriate $50,000,000 for the relief of war refugees, which was ordered to lie on the table.

Mr. ASHURST presented a petition of sundry citizens of Santa Cruz County, Ariz., praying that all needed assistance, except the sending of American troops abroad, be rendered to France and England in the present war situation, which was referred to the Committee on Foreign Relations.

Mr. WALSH presented a resolution of the mayor and council of the city of Quincy, Mass., favoring the elimination of wreckage from Town River, at Quincy, Mass., so as to make the beach safe for bathers, which was referred to the Committee on Commerce.

He also presented a resolution of the third annual convention of the New England Regional Federation of Federal Employees' Unions held at Springfield, Mass., requesting that per annum employees of naval yards and arsenals be paid at the rate of one and one-half times—one two hundred and sixtieth of their annual base pay per day—for overtime

work, which was referred to the Committee on Education and Labor.

He also presented a resolution of the Greater Back Bay Peace Committee, Boston, Mass., favoring the maintenance of a policy of strict neutrality by the Nation in the present international situation, which was referred to the Committee on Foreign Relations.

He also presented a petition of sundry citizens of the State of Massachusetts praying that all material assistance be rendered the allied nations in the present international situation, which was referred to the Committee on Foreign Relations.

He also presented a petition of sundry citizens of Worcester, Mass., praying that the Government promptly release airplanes and other material for the aid of the allied nations in the present international situation, which was referred to the Committee on Foreign Relations.

He also presented a petition of sundry citizens of Boston, Mass., praying for the prompt shipment, for use of the allied nations, of such available war materials as are not necessary for home defense purposes, and the enactment of legislation to enable the Allies to obtain loans and credit in this country, etc., which was referred to the Committee on Foreign Relations.

He also presented a resolution of Division No. 1, Ancient Order of Hibernians, of Lawrence, Mass., favoring the use of empty and idle floor space in the city of Lawrence, Mass., for the manufacture of defense weapons and materials, which was referred to the Committee on Military Affairs.

He also presented a resolution of the council of the city of Cambridge, Mass., endorsing the Administration's national defense program, which was ordered to lie on the table.

REPORTS OF COMMITTEES

Mr. O'MAHONEY, from the Committee on the Judiciary, to which was referred the bill (H. R. 7343) to amend certain laws governing Federal prisoners, and for other purposes, reported it without amendment and submitted a report (No. 1854) thereon.

Mr. TYDINGS, from the Committee on Territories and Insular Affairs, to which was referred the bill (S. 3795) to authorize the transportation of employees of the Alaska Road Commission, and to validate payments for that and other purposes, reported it without amendment and submitted a report (No. 1855) thereon.

EXECUTIVE REPORTS OF COMMITTEES

As in executive session,

Mr. McKELLAR, from the Committee on Post Offices and Post Roads, reported favorably the nominations of sundry postmasters.

Mr. PITTMAN, from the Committee on the Judiciary, reported favorably the nomination of Thomas J. Walker, of Montana, to be judge of the United States customs court to fill an existing vacancy.

Mr. NEELY, from the Committee on the Judiciary, reported favorably the following nominations:

Curtis L. Waller, of Florida, to be district judge for the northern and southern districts of Florida to fill an existing vacancy; and

Jordan B. Royall, of Florida, to be marshal for the northern district of Florida, vice E. Martin Sessoms, deceased.

ENROLLED BILLS PRESENTED

Mrs. CARAWAY, from the Committee on Enrolled Bills, reported that on June 13, 1940, that committee presented to the President of the United States the following enrolled bills:

S. 1024. An act for the relief of Harriett Boswell, guardian of Betty Fisher; and

S. 3578. An act for the relief of Edward Smith.

BILL INTRODUCED

Mr. DOWNEY introduced a bill (S. 4138) to establish as a part of the reserve component of the Regular Army a Home Defense Organized Reserve for local home defense, which was read twice by its title and referred to the Committee on Military Affairs.

HOUSE BILLS REFERRED

The following bills were each read twice by their titles and referred as indicated below:

H. R. 9766. An act to authorize the deportation of Harry Renton Bridges; to the Committee on Immigration.

H. R. 9909. An act to amend sections 2803 (c) and 2903 of the Internal Revenue Code; to the Committee on Finance.

SUPPLEMENTAL APPROPRIATIONS FOR NATIONAL DEFENSE—AMENDMENT

Mr. AUSTIN (for Mr. BARBOUR) submitted an amendment intended to be proposed by Mr. BARBOUR to the bill (H. R. 10055) making supplemental appropriations for the national defense for the fiscal year ending June 30, 1941, and for other purposes, which was referred to the Committee on Appropriations and ordered to be printed, as follows:

On page 7, line 13, after the word "thousand", to insert a colon and the following additional proviso:

"Provided further, That in the process of expanding the Regular Army to the limits authorized by law, and until such limits shall have been attained, officers and enlisted men of the National Guard who apply for active service in the Regular Army shall be accepted and enrolled for such service at the grade held by them at the time of application, and that from the date of their enrollment as members of the Regular Army they shall have the same status as other officers and enlisted men of the same grade, and shall receive the same pay and allowances, be eligible for promotion, and entitled to credits for active service and all other benefits provided for members of the Regular Army."

TAXATION FOR PREPAREDNESS—AMENDMENTS

Mr. LEE. Mr. President, I ask consent to submit amendments intended to be proposed by me to the bill (H. R. 10039) to provide for the expenses of national preparedness by raising revenue and issuing bonds, to provide a method for paying for such bonds, and for other purposes.

We have debated for many years different methods of preventing the special privilege of tax exemption with respect to bonds. My amendments are drawn to tax the income of those who own tax-exempt bonds, figuring the tax on the taxable part of their income. I ask that the amendments be properly referred and printed.

There being no objection, the amendments were received, referred to the Committee on Finance, and ordered to be printed.

UNLAWFUL USE OF INSIGNIA OF VETERANS' ORGANIZATIONS—CONFERENCE REPORT

Mr. VAN NUYS submitted the following report:

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 5982) for the protection against unlawful use of the badge, medal, emblem, or other insignia of veterans' organizations incorporated by act of Congress, and providing penalties for the violation thereof, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendment of the Senate numbered 1 and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert the following: "manufacture, sale, or purchase for resale," and restore after such words the following language stricken out by the Senate amendment, viz, "either separately or appended to, or to be appended to, or the reproduction on any article of merchandise manufactured or sold,"; and the Senate agree to the same.

That the House recede from its disagreement to the amendment of the Senate numbered 2 and agree to the same.

PAT MCCARRAN,
FREDERICK VAN NUYS,
JOHN A. DANAHER,
Managers on the part of the Senate.

HATTON SUMNERS,
FRANCIS E. WALTER,
JOHN W. GWYNNE,
Managers on the part of the House.

The report was agreed to.

ADDRESS BY SENATOR THOMAS OF UTAH ON HOUSING AND NATIONAL DEFENSE

[Mr. WAGNER asked and obtained leave to have printed in the RECORD an address delivered by Senator THOMAS of Utah at a meeting of the executive representatives of the United States Housing Authority, on Thursday, June 13, 1940, at the

Hotel Washington, Washington, D. C., which appears in the Appendix.]

KEEP WAR OUT OF AMERICA—ADDRESS BY SENATOR LEE

[Mr. LEE asked and obtained leave to have printed in the Appendix an address on the subject Keep War Out of America, delivered by him June 13, 1940, to the graduates of National University, Washington, D. C., which appears in the Appendix.]

AIDS SHORT OF WAR—ARTICLE BY HON. BAINBRIDGE COLBY

[Mr. LUNDEEN asked and obtained leave to have printed in the RECORD an article by Hon. Bainbridge Colby on the subject Aids Short of War, published in the Washington (D. C.) Evening Star of Friday, June 14, 1940, which appears in the Appendix.]

STATEMENT ON NATIONAL DEFENSE BY MAJ. GEN. WILLIAM C. RIVERS, RETIRED

[Mr. REYNOLDS asked and obtained leave to have printed in the RECORD a statement on national defense by Maj. Gen. William C. Rivers, retired, which appears in the Appendix.]

EMPLOYMENT DEBT—EXTRACT FROM ARTICLE BY LEONARD LYONS

[Mr. REYNOLDS asked and obtained leave to have printed in the RECORD an extract from an article by Leonard Lyons entitled "Employment Debt," published in the Washington Post of June 11, 1940, which appears in the Appendix.]

RESOLUTIONS OF VETERANS OF FOREIGN WARS ON PARTICIPATION IN WAR AND PREPAREDNESS

[Mr. CLARK of Missouri asked and obtained leave to have printed in the RECORD resolutions adopted at the last national encampment of the Veterans of Foreign Wars on the subject of keeping out of war and national preparedness, which appear in the Appendix.]

TRUMBULL FAMILIES OF CONNECTICUT AND THE UNITED STATES—ARTICLE FROM CONNECTICUT CIRCLE

[Mr. MALONEY asked and obtained leave to have printed in the RECORD an article by Marjorie E. Case on Trumbull Families of Connecticut and the United States, published in Connecticut Circle of June 1940, which appears in the Appendix.]

AMENDMENT OF SECURITIES ACT OF 1933

Mr. BROWN. Mr. President, a few days ago I introduced a bill, at the request of the Investment Bankers Association, to amend the Securities Act of 1933. I ask unanimous consent that a short statement upon the subject, made by me, and an additional one from Mr. Starkweather, chairman of the legislative committee of the Investment Bankers Association of America, be printed in the RECORD before the consideration of the relief measure is resumed today.

There being no objection, the statements were ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR BROWN

By request of the Investment Bankers Association of America, whose president is Mr. Emmett F. Connely, of Detroit, Mich., I recently introduced certain amendments which the association proposes to the Securities Act of 1933. I do so for the purpose of having these amendments examined in an official way by the Banking and Currency Committee of the Senate. It is my hope that these amendments will be submitted to the Commission and other departments of the Government involved and that their enactment, with such changes as may be desirable, will provide a means by which some differences now existing between the Commission and the investment bankers can be eliminated.

For the purpose of explanation, I have asked Mr. John K. Starkweather, chairman of the legislative committee of the association, to prepare a statement of these amendments, which is now set forth.

(See accompanying papers written by Mr. Starkweather.)

STATEMENT BY MR. STARKWEATHER

The theory of the Securities Act of 1933 is that before securities can be sold there must be complete and adequate disclosures made to the public, with liability imposed upon those responsible for the misstatements.

With this underlying theory we are in complete accord, and our one and only desire is to improve the act so that, without sacrificing the information available to the public, it will be much easier and much less expensive for issuers to raise capital under it.

To this end, the Securities Act of 1933 provides that no securities, unless specifically exempted, can be publicly offered in interstate or foreign commerce or through the mails (whether interstate or intrastate) until they have been registered with the Securities and Exchange Commission. This body is appointed to supervise the act and to make such rules and regulations as it may deem necessary to carry out its provisions. A person in control (which does not necessarily mean 51 per cent of the voting stock of an issuer, but means some undefined influence sufficient in the opinion of the Commissioner to be actual or "factual" control) cannot sell securities owned in the issuer through an underwriter (which includes an agent) unless the securities are registered under the 1933 act.

At the present time much of the information required to register a security under the 1933 act and the information required to register a security under the 1934 act in order that it may be listed on the national securities exchange is substantially the same. By recent regulations of the Commission, the form of financial statements is the same. But, as you know, registration of securities under the 1933 act and registration of securities under the 1934 act are quite different things, and even though practically the same information is on file under the 1934 act, an issuer may not sell additional securities and a controlling person may not publicly offer his securities to or through an underwriter, as stated, unless a separate registration statement is effective under the 1933 act.

Securities may be offered "privately," that is, to a limited number of persons who state they are buying for investment and not with a view to distribution, without the securities being registered.

In the case of domestic securities a minimum period of 20 days must elapse between the date of filing a registration statement and its effective date. In the case of the refunding of obligations of foreign governments who have not defaulted on such outstanding obligations a period of 7 days must elapse. The filing of amendments starts a new 20-day waiting period running unless the Commission "accelerates" such amendments. During this waiting period sales or offers of sale or offers to sell cannot be made without incurring civil or criminal penalties. Since markets may change rapidly within a 20-day waiting period, issuers are not certain when they file whether they will be able to carry their issue through to conclusion at the end of the 20-day waiting period. Consequently this period produces great uncertainty and is a serious impediment in the flow of capital to industry.

Under the Public Utility Act of 1935, a registered holding company or a subsidiary thereof desiring to issue securities must file declarations pursuant to sections 6 and 7 of that act, and this information largely duplicates or triplicates, as the case may be, the information which must be filed under the 1933 act. Despite this fact, any company which previously registered under the 1933 act, or any company which has securities registered under the 1934 act and listed on a national securities exchange, or any company which must get the Securities and Exchange Commission's approval under the 1935 act, or any company which has had its accounts audited for years and furnished appropriate information to stockholders, must wait the 20-day period along with a brand-new corporation formed to sell speculative securities.

It is our theory that where adequate information is already available to the public that no public interest is served by requiring issuers to wait 20 days. In fact, the 20-day waiting period is a distinct menace to issuers desiring to raise new capital or to refund outstanding securities.

Hence our first proposal is to abolish the 20-day waiting period with respect to securities where there is already adequate information. This would take away from the Commission with respect to this type of security the right to examine the statements during the 20-day waiting period, issue deficiency letters, and require that corrections be made. The objection heretofore to abolition of the 20-day waiting period is that, even though the liabilities under the 1933 act are retained so that a purchaser would have the right to sue the person making the misstatement, the issuer might not be financially responsible. This argument does not hold if a distinction is made between responsible companies where there is adequate information and new companies. With respect to newly organized companies or companies where there has not been adequate information, we suggest that the 20-day waiting period and the Commission's power over the registration statements of such issuers be retained. (See point 1 of the detailed memorandum dated February 10, 1940.)

2. With respect to those issuers which would still have to go through the 20-day waiting period, the act is rather inflexible in that there is no way of scheduling a public offering where an amendment with respect to price and terms relating to price is filed after the initial filing date. Our second amendment is an endeavor to introduce a semblance of flexibility into the act so that if the registration statement complies to the satisfaction of the Securities and Exchange Commission in all other respects price amendments can be filed and an immediate offering can be made. (See point 2 of the detailed memorandum dated February 10, 1940.)

3. At the present time a plaintiff is not required to prove that a misstatement or omission sued on caused his loss. However, he is required to do this under section 18 (a) of the Securities Exchange Act of 1934 and section 16 (a) of the Public Utility Holding Company Act of 1935. It is suggested that the liability section of the 1933 act be brought into conformity. (See point 4 (a) (ii) of the detailed memorandum dated February 10, 1940.)

4. No recommendation is made with respect to changing the standard of care required in order to avoid liability on registration statements with respect to new issues of securities under section 11 except as stated above with respect to causation of damage (despite the fact that there is a lesser standard in the 1934 and 1935 acts). At the present time, even though a misstatement would have caused a security to have been priced 1 or 2 points below its actual offer-

ing price at the time it was originally offered a long period after the offering when the security may have declined many points in value by reason of changes in market conditions, having nothing to do with the original misstatement, a purchaser may, nevertheless, recover the full purchase price. Since securities are not objects having intrinsic merit in and of themselves but each security in the same class is like every other security, all liability under the act should be limited to damages caused by the misstatement with respect to which there is no adequate defense. Rescission actions should be abolished as unfair. The above does not refer to those cases where securities are sold in violation of the provisions requiring registration and delivery prospectuses conforming to the act. As to these sections, the only change is to permit the defendant to avoid liability if he can prove that he did not act wilfully or was not grossly negligent. (See point 4 (a) (iii) of the detailed memorandum dated February 10, 1940.)

5. Under the Securities Act of 1933 a plaintiff does not have to prove reliance on a registration statement or prospectus in order to recover. No changes are recommended on this score in the case of registration statements or prospectuses with respect to new securities although reliance is required under section 18 of the Securities Exchange Act of 1934 and section 16 (a) of the Public Utility Holding Company Act of 1935. In the case of outstanding securities, however, where the sale is probably directly influenced by a memorandum or prospectus it seems fair to require that a plaintiff prove that he relied on the memorandum or offering prospectus. In the case of new securities, information in the registration statement and prospectus may influence the market or may influence rating agencies and while many people think it is fair to require that the plaintiff prove reliance, we have not thought it advisable to go that far at this time in the case of new securities. It is seldom, however, that the general market price of a security is affected very much by a particular memorandum with respect to outstanding securities. Consequently, it was thought fair to make this differentiation. (See point 4 (a) (i) of the detailed memorandum dated February 10, 1940.)

6. At the present time if an issuer offers its securities to its own security holders and wishes to be assured of having its money at the end of the offer, it pays an underwriter to underwrite the securities. To the extent that securities are purchased by the existing security holders or their assignees, they are purchased directly from the company and the underwriter has nothing to do with selling such securities to them other than the fact that his name appears on the prospectus as being willing to purchase at the end of the offering all securities not subscribed for. The underwriter therefore only sells to the public the unsubscribed balance. Under the existing law, however, he is liable under section 11 as an underwriter on the entire issue. It is suggested that this liability be confined to the portion actually taken up and distributed to the public. (See point 4 (d) of the detailed memorandum dated February 10, 1940.)

7. At the present time liability may be avoided by directors, officers, and underwriters with respect to portions of the registration statement certified to by experts if they can prove they had no reasonable ground to believe such portions were untrue. The Commission has been materially limiting the matters which can be so certified by experts. It is suggested that this be clarified by amendments. (See point 4 (f) of the detailed memorandum dated February 10, 1940.)

8. At the present time a prospectus must be delivered by dealers or brokers on all sales of the security for 1 year after the public offering. Prospectuses are frequently long—in some cases being 100 pages. They are expensive to print and to mail. Experts are generally agreed that most public distributions of securities are concluded in a few weeks. Consequently it is suggested that the period for the delivery of the prospectuses be changed from 1 year to 3 months. (See point 5 (a) of the detailed memorandum dated February 10, 1940.)

9. The present definition of a prospectus is very limited. Previously on high-grade securities investment bankers were able to inform universities, institutions, trustees, and savings banks on offering sheets listing securities of private obligors, railroads, municipal and Government securities the extent to which they were eligible for investment, listed on national securities exchanges, tax-exempt in certain States, the yield to maturity, yield to nearest redemption date, etc. Today this is forbidden with respect to issues registered within 1 year under the 1933 act, unless a long-form prospectus is also furnished, which is too expensive. The information can be given, however, with respect to outstanding securities, railroad securities, municipals and governments. This is a serious limitation on the information available to buyers and a severe handicap to private obligors. It is suggested that the definition of a prospectus be amended so as to permit such information to be given without delivery of a long-form prospectus. Also, at the present time, no matter how many prospectuses a buyer may already have received with respect to a particular security, a person desiring to sell that security to him must deliver him another prospectus unless he himself has delivered the prior prospectuses. Even if the buyer advises the seller he already has a prospectus, the seller (except as noted) must nevertheless deliver him another. This is anomalous and expensive and should be corrected. (See point 5 (b) of the detailed memorandum dated February 10, 1940.)

10. At the present time prospectuses must be delivered on sales occurring on national securities exchanges although, as a practical matter, there is no way to enforce this since sellers deal through brokers, brokers deal with each other, and the seller or his broker have no way of being sure that the buyer's broker will deliver the prospectus to the buyer. The Commission has adopted a rule with respect to this but it is unsatisfactory. Consequently it is suggested that no prospectus need be delivered on sales on a national securities exchange. (See point 5 (c) of the detailed memorandum dated February 10, 1940.)

11. No amendments are suggested with respect to sections 9 (a) (2) and 9 (a) (6) of the Securities and Exchange Act of 1934, but this is a very important subject in connection with the sale of securities and it would be well if it could be given careful consideration. (See point 6 of the detailed memorandum dated February 10, 1940.)

12. Under the existing act, if securities are offered as convertible securities, the issuer may deliver common stock upon the conversion of a bond several years later without delivering a prospectus. If, on the other hand, an issuer offers a security with a warrant to subscribe to stock attached, when the stock is delivered several years later upon the exercise of the warrant an up-to-date prospectus must be delivered. This is purely fortuitous and should be corrected. (See point 8 of the detailed memorandum dated February 10, 1940.)

13. Under the existing act, securities exchanged by an issuer with its own security holders where no fees are paid for the solicitation are exempt. In the case of defaulted foreign obligations which have been issued by a subdivision of a foreign government where the taxing system of the subdivision has been taken over by the foreign government, the foreign government has sometimes offered to issue its securities in exchange or to guarantee the securities offered in exchange. The guaranty under the act is an additional security. Consequently, if the guaranty is added, the exemption is lost. No such limitations exist under the securities acts of foreign countries and, consequently, Americans are under a disadvantage in such negotiations. It is suggested that this disadvantage be removed. (See point 9 of the detailed memorandum dated February 10, 1940.)

14. Under the existing act, the Commission is of the opinion, because of the wording of the last sentence of section 6 (a), that it cannot permit securities to be registered unless there is an immediate intention to offer them. In certain instances this involves the Commission in a rather anomalous position, namely, that it believes certain sales by persons in control to be in violation of the Securities Act of 1933, but that such offerings from time to time may not be registered under that act unless the controlling person binds himself to sell all of his securities. It is suggested that this be corrected. (See point 10 of the detailed memorandum dated February 10, 1940.)

15. Due to the peculiar definition of an "underwriter" in the Securities Act of 1933, anyone, whether a dealer in securities or not, who turns in securities to an issuer in exchange for outstanding securities and who plans to sell the new securities may be technically an underwriter. Securities exchanged by an issuer with its own security holders where no fees are paid for the solicitation are exempt. Transactions by underwriters, however, are not exempt. Consequently, although the issuer may be permitted to issue the securities initially free from registration, persons taking them for exchange with a view to distributing them may be "underwriters" and hence required to register them. This restriction on the right of resale has been emphasized in section 264 of the bankruptcy laws. This constitutes a serious burden upon the right to exchange securities without registration. It is suggested that this can be amended. (See point 11 of the detailed memorandum dated February 10, 1940.)

The foregoing is a succinct statement of what our amendments propose to do. In our more detailed memorandum dated February 10, 1940, we have endeavored to make a very careful presentation of the pros and cons of the amendments. You may perhaps wish to refer to it for greater detail.

It has, of course, not been possible to do that in this letter, and if I have omitted the substance of any of the amendments it has not been intentional, and I hope you will permit me to explain these amendments or the memorandum to you in greater detail.

We did not think that the Congress would wish to undertake a wholesale revision of the Securities Act of 1933, the Securities Exchange Act of 1934, and the Public Utility Holding Company Act of 1935 at this session, and we have therefore not attempted to integrate these three laws, badly as that needs to be done in order to help industry. We do not believe that the amendments we have outlined fundamentally change the purpose back of the Securities Act of 1933 or the protection which should be granted to the public. We, of course, recognize that these amendments will not accomplish very much unless they are received in a cooperative spirit by the Commission, since the manner in which the act is regulated still makes all the difference in the world as to whether it is feasible for issuers to register and sell securities under it or whether it isn't. Many issuers have chosen the private placement route for securities because of the delays, expense, and uncertainties of registration. The uncertainty is a great nervous strain on businessmen.

We believe that the abolition of the 20-day waiting period on high-grade securities will be a great help. It is interesting to note in passing that there is no waiting period under the English Companies Act of 1929, which is self-executing.

Very truly yours,

JOHN K. STARKWEATHER,
Chairman, Federal Legislation Committee.

APPROPRIATIONS FOR WORK RELIEF AND RELIEF

The Senate resumed the consideration of the joint resolution (H. J. Res. 544) making appropriations for work relief and relief for the fiscal year ending June 30, 1941.

The VICE PRESIDENT. When the Senate took a recess yesterday the Senator from Kentucky [Mr. BARKLEY] had the floor, and declined to yield. The Chair wonders whether he wishes to continue to debate the pending amendment under the unanimous-consent agreement.

Mr. BARKLEY. No; I did not have the floor with the intention of keeping it. I simply wanted to have the Senate go into executive session, and declined to yield any further so that we might do so; but I have no desire to address the Senate now.

THE FINNISH DEBT

Mr. VANDENBERG. Mr. President, the distinguished representative of the Finnish Republic yesterday announced that in spite of the desperate condition in which his courageous country finds itself in respect to its needs for cash resources, it proposes as usual to maintain its magnificent credit record and make its debt payment on June 15.

At this point I ask that the statement issued by Minister Procope and published in the Washington Times-Herald be printed in the RECORD.

The VICE PRESIDENT. Is there objection? The Chair hears none.

The statement is as follows:

War-torn Finland will again come through with its semiannual debt payment to the United States tomorrow, Hjalmar J. Procope, Minister from Finland, announced yesterday.

Finland has never missed a debt payment, even meeting its obligation last December.

STILL FREE, DEMOCRATIC

In announcing that his Government would make the payment, Minister Procope said:

"Finland, still an independent, free, and democratic country, in spite of the sufferings and the ordeals of the war, will always, to the utmost of her power, fulfill her obligations. On Saturday, June 15, we shall again make to the United States Treasury regular payment of our debt, not only in fulfillment of our obligations but as a symbol of the friendly relations which exist between the two Governments and the people. The ties that bind the two independent republics, Finland and the United States, have grown stronger since Finland in December made the last semiannual payment on her debt. The people of America, through their outpouring of aid to my country during the war, showed their friendship and sympathy for Finland.

FACES HEAVY BURDENS

"Finland's war was costly. Reconstruction, too, is costly. Hundreds of thousands of our people were left homeless when they moved from territory ceded to Russia. Our industries and economic life were demoralized. Thousands of orphans and widows became charges on the Government as a result of the casualties of the war.

"Faced with these heavy burdens of reconstruction, Finland is moving forward again with her own resources and the aid which she has received and continues to receive from her friends."

Mr. VANDENBERG. Mr. President, on May 28 I introduced Senate Joint Resolution 272, having for its purpose the extension to the Finnish Republic, of an option to refund its payments for the present year—namely, payments due on June 15 and December 15—if it wished so to do, the purpose and idea being to extend some small measure of voluntary recognition to the magnificent credit record which Finland has made. The joint resolution was referred to the Senate Finance Committee, which in turn referred it to the State Department and the Treasury Department. Both of those Departments have favorably reported on it.

I read a sentence or two from Secretary Hull's letter to the Senator from Mississippi [Mr. HARRISON]:

I do not believe I need comment for the committee's information on the present distress and strain in Finland nor on the great effort of reconstruction and resettlement it must undertake amid all the existing difficulties. Neither need I dwell on the claims of the Finnish people to the regard of this Government and people. I will merely say that should the Congress be disposed at this time to propose to the Finnish Government a postponement of payments which will make substantial sums available to the Finnish Government during the present period of stress, I perceive no ground for objection from the point of view of the United States.

I also read a single sentence from the letter of the Secretary of the Treasury. Not only does the Secretary have no objection to the enactment of the joint resolution, but he adds:

If the Congress should desire to afford a more liberal measure of assistance to the Republic of Finland than is contemplated under the proposed joint resolution, this Department would be very pleased.

Mr. President, the Senate Finance Committee unanimously ordered a favorable report on the joint resolution this morning and instructed me to present it. From the Committee on Finance, I report the joint resolution without amendment, and at the request of the chairman of the committee, the able Senator from Mississippi [Mr. HARRISON]—who is still in committee hearings—I ask unanimous consent for its present consideration, inasmuch as obviously the time element requires it.

The VICE PRESIDENT. The joint resolution will be read by title for the information of the Senate.

The CHIEF CLERK. A joint resolution (S. J. Res. 272) to authorize the postponement of payment of amounts payable to the United States by the Republic of Finland on its indebtedness under agreements between that Republic and the United States dated May 1, 1923, and May 23, 1932.

Mr. VANDENBERG. Mr. President, I ask unanimous consent to have published in full in the RECORD at this point the letters from which I have read brief extracts.

There being no objection, the letters were ordered to be printed in the RECORD, as follows:

JUNE 10, 1940.

The Honorable PAT HARRISON,
Chairman, Committee on Finance, United States Senate.

MY DEAR SENATOR HARRISON: Pursuant to the request in your letter of June 5, I submit the following comment on Senate Joint Resolution 272. The joint resolution, if enacted, would authorize the postponement by the Republic of Finland of the payment of amounts payable to the United States during the calendar year 1940 under its debt agreements of May 1, 1923, and May 23, 1932, and would authorize the Secretary of the Treasury to make, on behalf of the United States of America, an agreement with the Republic of Finland for the payment of the postponed amount with interest at the rate of 3 percent per annum, in 10 annuities, to be paid during the calendar year beginning January 1, 1941, and in the 9 calendar years following.

I do not believe I need comment for the committee's information on the present distress and strain in Finland nor on the great effort of reconstruction and resettlement it must undertake amid all the existing difficulties. Neither need I dwell on the claims of the Finnish people to the high regard of this Government and people. I will merely say that should the Congress be disposed at this time to propose to the Finnish Government a postponement of payments which will make substantial sums available to the Finnish Government during the present period of stress I perceive no ground for objection from the point of view of the United States.

I do not wish to pass judgment upon the precise terms which such a proposal should include, although this would deserve the committee's careful consideration in drafting an unsolicited and unnegotiated tender of relief to an always punctual debtor government. Unless there is a postponement, Finland is to pay this year a $76,000 bond, $280,735 interest, and a Hoover moratorium annuity of $38,061, which represents one-tenth of the $55,000 bond and $257,295 interest originally due in the fiscal year 1932 plus additional interest on this bond and interest. The bonds themselves include a substantial percentage of funded interest accumulated between 1919 and 1923. Finland's payments are mostly for interest and only in small part for debt curtailment, as may appear from the fact that for relief supplies in the value of $8,281,926.17 received during the years 1919 and 1920, the Government of Finland has already paid the United States $5,891,291.77 and still owes the United States $8,142,890.21. The committee may wish to consider whether a further cumulation of interest on interest should be provided for in a postponement proposal to the Finnish Government, and also whether an adequate and wise measure of relief would be afforded by the brief term of postponement for which S. J. Res. 272 would provide. The effects sought by the resolution might not be produced by the terms in which it is at present drafted.

Sincerely yours,

CORDELL HULL.

JUNE 11, 1940.

MY DEAR MR. CHAIRMAN: Receipt is acknowledged of your letter of June 5, 1940, enclosing a copy of Senate Joint Resolution 272, introduced by Hon. ARTHUR H. VANDENBERG, to authorize the postponement of payment of amounts payable to the United States by the Republic of Finland on its indebtedness under agreements between that Republic and the United States dated May 1, 1923, and May 23, 1932.

The bill provides for the postponement at the option of Finland of payment of amounts payable to the United States during the period from January 1, 1940, to December 31, 1940. In the event of the exercise by Finland of the option to postpone such payments

the Secretary of the Treasury would be authorized to make, on behalf of the United States, an agreement with Finland for the payment of the postponed amount, with interest at the rate of 3 percent per annum, beginning January 1, 1941, in 10 annuities, the first to be paid during the calendar year beginning January 1, 1941, and 1 during each of the 9 calendar years following.

The amounts payable to the United States by Finland during 1940 which would be subject to postponement under the proposed joint resolution are as follows:

Date payable	Funding agreement, May 1, 1923		Moratorium agreement, May 23, 1932	Total
	Principal	Interest		
June 15, 1940		$140,367.50	$19,030.50	$159,398
Dec. 15, 1940	$76,000	140,367.50	19,030.50	235,398

The Treasury has no objections to the enactment of the proposed joint resolution if the Congress determines to grant a measure of assistance to the Republic of Finland. Finland was one of the first nations to come forward in 1922 to make arrangements for repaying to this Government amounts representing the cost to it of relief supplies which it had received. The people of Finland have steadfastly and scrupulously carried out their agreements with this Government. Notwithstanding the difficulties confronting that Government on December 15, 1939, it made a payment of $234,693 which was due to the United States. Previous to that date the President announced that the Treasury would be directed to hold this payment in suspense, and that he would recommend to the Congress that the funds be used for the benefit of the Finnish people. While the Export-Import Bank has granted credits to assist Finland, the payment of the amounts which will soon begin to mature on such credits, when added to the semiannual payments due from Finland on her relief indebtedness incurred in 1919 and 1920, constitute a drain on the limited resources of that government, resources which are sorely needed in the rehabilitation of the country.

Finland's indebtedness for relief supplies aggregated $8,281,926.17 and was represented by obligations of $3,289,276.98 dated June 30, 1919, and $4,992,649.19 dated July 1, 1920. As a result of the negotiations initiated in 1922 by the World War Foreign Debt Commission, the Congress, by an act approved March 12, 1924, authorized a refunding agreement with Finland under which interest on the original indebtedness at the rate of 4¼ percent per annum to December 15, 1922, amounting to $1,027,389.10, was added to the original debt, and after a cash payment of $309,315.27 by Finland, the balance of $9,000,000, with interest at 3 percent per annum from December 15, 1922, to December 15, 1932, and thereafter at 3½ percent per annum, was to be repaid over a period of 62 years. Each semiannual installment has been promptly paid by Finland except the installments due in the fiscal year 1932, which were postponed under the moratorium proposed by President Hoover and authorized by the joint resolution of Congress approved December 23, 1931. The postponed installments are being repaid in 10 annuities with interest at 4 percent per annum from July 1, 1933. Since 1923, Finland has paid to the United States the sum of $5,891,291.77, of which $957,533.23 represented principal and $4,933,758.54 represented interest. This includes the payment of $234,693 by Finland on December 15, 1939.

It appears that the proposed joint resolution affords only limited assistance to Finland. It imposes a 3 percent interest rate, and includes interest on interest, which Finland must pay if that Government should desire to take advantage of this proposed offer. While the proposed interest of 3 percent is less than the 3½ percent rate which is now borne by Finland's indebtedness under the agreement of May 1, 1923, and the rate of 4 percent on the amounts postponed under the agreement of May 23, 1932, in the light of recent developments in Finland and the problems of reconstruction now confronting that Government, the requirement that the proposed postponed amounts be repaid within 10 years does not offer much except a temporary measure of assistance to Finland.

If the Congress should desire to afford a more liberal measure of assistance to the Republic of Finland than is contemplated under the proposed joint resolution, this Department would be very pleased.

The Department has been advised by the Bureau of the Budget that there is no objection to the submission of this report to your committee.

Very truly yours,

H. MORGENTHAU, Jr.,
Secretary of the Treasury.

Hon. PAT HARRISON,
Chairman, Committee on Finance, United States Senate, Washington, D. C.

The VICE PRESIDENT. Is there objection to the present consideration of the joint resolution?

Mr. BARKLEY. Mr. President, reserving the right to object, I was compelled to leave the committee room before action was taken on the joint resolution. I realize, of course, the feelings of the Senate and the country toward Finland. As I stated the other day, I had received some representations from the representatives in Finland in the United States; and I got the impression—and I think it was an accurate impression—that they were not only willing to make their payment tomorrow, but they wanted to do it as a matter of pride on the part of the Finnish Government. They were not asking for a postponement or anything of the sort.

I should hate to do anything or to have the Senate do anything that would be regarded as contrary to the desire and wish of the Finnish Government to make its payment and to keep up its record, which is unique. I should like to ask the Senator from Michigan whether the enactment of the joint resolution would be interpreted in any way as reflecting on the ability or the willingness or the desire of the Finnish Government to make its payment as it had contemplated and announced that it would make it, because I have a feeling that the people of Finland have more pride in keeping up their record of payments than they have in securing some extension on the part of the Government of the United States.

Mr. VANDENBERG. I am very glad the Senator has asked the question. It is pertinent and should be specifically answered.

My information is precisely the same as that of the able Senator from Kentucky. The representatives of the Republic of Finland propose to maintain their payments, and are prepared to do so, regardless of the burden it represents to them at this difficult moment in Finnish history. There is nothing in the joint resolution which could remotely reflect upon their credit. On the contrary, the joint resolution simply extends an option which they may accept if they desire. In other words, we have simply put ourselves in the position of saying to them, "You have been a good debtor. Lonesomely, you have been a good debtor, and we offer you this tangible token of our acknowledgment." I am sure it is not only no reflection on their credit, but I should construe it as being the Senate's compliment to their credit. What really ought to be done—and I shall welcome any Treasury negotiations to this end—is to refund the entire Finnish debt on far more favorable terms, in view of Finland's debt record. Let us not forget that Finland originally got only $8,281,000 from us in 1919 and 1920; that Finland has actually paid us $5,891,000; but, thanks to the power of compound interest, Finland still owes us $8,142,000, although she has met every dollar of obligation when due. This resolution ought to be only the prelude to a rearrangement which would permit Finland to a receipt in full when it has paid the face of the principal. The pending resolution is no reflection on Finland. On the contrary, it is a compliment to Finland. The option may be rejected. But we can offer it as a matter of equity and fair play and as a demonstration of our constructive interest in good debtors.

Mr. BARKLEY. Mr. President, in view of the action of the committee and the instructions of the chairman of the committee, the Senator from Mississippi, and in view of the fact that the two Senators from Michigan—both of whom are members of the committee—agree as to what happened, and I myself was not there, I do not feel that I am called upon to object. I insist, however, that nothing in the joint resolution or any action we may take here is in any way to be construed as indicating unwillingness or inability on the part of the Republic of Finland to make their payment as they planned to make it and have announced long in advance that they would make it.

Mr. BYRNES. Mr. President——

Mr. VANDENBERG. I yield to the Senator from South Carolina.

Mr. BYRNES. I really regret that the Senator from Michigan cannot definitely state the wishes of the representatives of the Finnish Government with reference to the payment, because, with him and with the Senator from Kentucky, I share the view that the representatives of this little Government should have the opportunity to maintain its record for the payment of its indebtedness. If the Senator would not demand action upon his joint resolution at this time, and should ascertain that the representatives of the Finnish Government prefer to make the payment, as I understand they

are ready to do, I should like to suggest that the Senator from Michigan then move to amend the section of House Joint Resolution 544 which has been agreed to and which makes an appropriation of $50,000,000 to aid the refugees in the invaded sections of Europe, and specify that $10,000,000 shall be used for the assistance of refugees of the Finnish Government. In that way the Finnish Government would maintain its record; it would stand as an incentive not only to all governments but to all individuals throughout the world to pay their indebtedness when they are able to do so; and it would not deprive them of the remarkable record they have maintained to this time.

I wish the Senator would give consideration to adding $10,000,000 to the $50,000,000 and specify that it be spent for the aid and assistance of the Finns, and then let the Finnish Government maintain its record for paying its indebtedness.

Mr. JOHNSON of California rose.

Mr. VANDENBERG. Mr. President, I should like to comment on what the able Senator from South Carolina has suggested, and then I will yield to the Senator from California.

In the first place, I would not wish to make inquiry of the Finnish Minister whether or not he desired this action. I think that would be wholly out of harmony with the entire idea. This is a voluntary proposal on the part of the Government of the United States, a voluntary recognition of all the splendid attributes to which the Senator from South Carolina has referred. I think it would rob it of its entire value and sentiment if it were preceded by an inquiry as to whether or not it was wished.

So far as the other suggestion is concerned, I do not desire to confuse the refugee-appropriation question with this simple debt question, because the debt question is a very fundamental one in this country. Finland is the one nation which has maintained its record, yet which is under terrific pressure for cash at the present time. It is entitled to maintain its record and preference as a good debtor without the necessity of confronting this immediate burden, if it wishes to take the option. If it does not wish to take the option, it is in precisely the same position as if the resolution had not been passed, except that its appreciative creditor would have extended it the additional compliment of offering the option on the part of Congress.

I now yield to the Senator from California.

Mr. JOHNSON of California. Mr. President, I yield to no man, not even to the Senator from Michigan, in admiration for the Finns. When every other government on the face of the earth, at a time when they were amply able to pay, was defaulting in the payment of its just debts to the United States, the little Nation of Finland did its duty and kept the faith. I would go any length to show my appreciation of what they do and what they have done, but I want to be very certain before I do it that this is not to be taken as a precedent, and that there is no desire or design anywhere to take it as a precedent for the reduction or the omission or the remission of the amounts of money which are due from other nations of the world to the United States of America.

Mr. President, a great deal has been said of late about the so-called Johnson Act. The name of it is immaterial; the act itself has become immaterial; but against the endeavor which shall be made, either in this body or through the press, to repeal that act or to prevent nations which are indebted to us, even in this particular time, from paying the money they justly owe under the circumstances, I shall be in as firm opposition as I can be.

I do not want to afford a pretext for these nations to stand upon their contemptuous disregard of their plighted obligations. I should like to inquire of the Senator from Michigan whether he has heard anything in any way, shape, form, or manner as to the effect the particular action he seeks might have upon any of the debts due from any other countries to the United States.

Mr. VANDENBERG. Mr. President, I think that is a very fair question—one which should be raised and one which should be answered.

The Senator is familiar with my fidelity to the so-called Johnson Act. I have no interest in its amendment or repeal. I see nothing in the proposed action which would remotely affect that question. I have heard of no purpose to invade the Johnson Act, so far as legislative action is concerned.

Mr. JOHNSON of California. Mr. President——

Mr. VANDENBERG. I have heard the discussion outside, and I assume the Senator is asking me whether there is any relationship between this proposal of mine and the proposals which are heard for the repeal of the Johnson Act, and I say to him, "No." I wish to add that I do not see how this could be a precedent because, unfortunately, Finland is in a class by herself, and she creates no precedent for anyone else, either when she pays or when she is given the option of remission of payment for 1 year.

Mr. JOHNSON of California. I quite agree with the Senator from Michigan, but I am very peculiarly suspicious of the attempts which are being made to undermine or repeal the Johnson Act.

Mr. VANDENBERG. I hope the Senator will absolve me from that suspicion.

Mr. JOHNSON of California. Of course I do, but the Senator shows his knowledge of the efforts which are being made when he speaks of attempts being made outside this Chamber. They are being made. Every large newspaper in the land is saying to us that we must repeal that act, and there is pending before the Committee on Foreign Relations a resolution for the suspension of that act and the suspension of the neutrality law. So that the matter is now at a focus, and I want to be very certain that nothing we may do will in any degree afford comfort or sympathy to those who are seeking this peculiar action.

Mr. VANDENBERG. I have given the Senator every assurance I can, and I give him the assurance wholeheartedly and with complete frankness.

Mr. JOHNSON of California. Is it absolutely essential that this action be had today?

Mr. VANDENBERG. The joint resolution must be passed today, sent to the House, and passed by the House without reference to a committee, because the payment is to be made tomorrow.

Mr. NORRIS. Mr. President, will the Senator from Michigan yield?

Mr. VANDENBERG. I yield.

Mr. NORRIS. I have to leave the Chamber in a few moments, or I would not interrupt the Senator at this time.

I do not see anything in the joint resolution which hints at any suspicion that it could in any way be used as a precedent in favor of a resolution to repeal the Johnson Act. I am opposed to the repeal of that act.

Mr. President, in view of the record Finland has made, both as to the payment of the interest on her debt to us and later in the remarkable stand she made in defense of her freedom against the great octopus that was fighting her, knowing what that means in the way of finances to a government, knowing also the terrible distress visited upon her in a financial way as a result of the struggle, it seems to me the American Government, in view of those two considerations, should not only postpone the payment of interest but should remit the interest. I do not say that on behalf of the Finnish Government but I say it on behalf of our Government.

It is said here that Finland wants to keep up her record; that she wants to pay the money anyway. If that be true, let her pay it; but I think it is up to us to extend a gesture that will be fair and honorable—namely, to remit the payment of the interest entirely. If Finland pays it, if she feels that she wants to keep her record clear, it seems to me we should follow the payment by an immediate appropriation which would give the money we receive from Finland to the suffering people of Finland alone.

Mr. JOHNSON of California. Mr. President——

Mr. VANDENBERG. I yield again.

Mr. JOHNSON of California. I came into the Chamber during the course of the Senator's speech. Has he a copy of the joint resolution?

Mr. VANDENBERG. I am glad to hand a copy to the Senator. He will realize as he reads it that there is no provision for remission of the debt, there is nothing except provision for a refunding of two interest payments. There is nothing else involved, no other debtor involved, no precedent involved.

Mr. JOHNSON of California. As I stated before, I yield to no man in admiration for Finland. I yield to no man in asserting that they did a magnificent job, that they are a brave and a bold people, who fought to the last against a great overpowering enemy. I yield to no man in saying, in every way I can say it, that Finland deserves well of this country because of her desire and anxiety to keep her obligation, as no other country has done. So I should like to do exactly as the Senator from Michigan suggests.

I take it, when a statement is made here that this is not intended or designed in any fashion, nor has anyone heard that in any fashion it is to be used as a precedent for the remitting of the debts of other nations, that that is so, and with that firm determination on the part of the Senate, I will not object, under the circumstances. Otherwise I should.

Mr. VANDENBERG. I thank the Senator.

Mr. BROWN. Mr. President, will the Senator yield?

Mr. VANDENBERG. I yield to my colleague.

Mr. BROWN. I am in thorough sympathy with the joint resolution offered by my colleague. I wish to call the attention of the Senator from California to the fact that this is not the first time we have deferred payments due from the Finnish Government. In 1932, because of the financial condition of the country, we remitted payments which were then due, postponed them, and permitted them to be paid over a 10-year period, and $38,000 annually of the amount that is being paid by the Finnish Government is in pursuance of a congressional enactment, Public Law No. 5, which was adopted in 1931 to that effect.

As I heard the joint resolution read before the Finance Committee this morning, there is nothing to it more than that it permits the two payments due this year, 1940, to be deferred at the option of the Finnish Government. It does not go any further than that.

The Senator from South Carolina [Mr. BYRNES] referred to the payment due. My recollection is that the amount of the payment due is just under $150,000. The total amount of the indebtedness, according to a letter from the Secretary of the Treasury, which I placed in the RECORD while we were discussing the Finnish loan bill on February 7 of this year—that is, the principal amount of the debt, the balance due—is $8,042,000. The purpose of my colleague is merely to defer, if the Finnish Government desires it, the two interest payments which would be due this year.

Mr. BYRNES. Mr. President, I do not know the facts about the joint resolution. I am not a member of the committee, and I am not aware of the amount involved. I do not think, however, that that would really change my view. I made a suggestion simply in view of the hope expressed that the Finnish Government could preserve its record of debt payment. I should be willing to place in the section, making an appropriation for refugees in Europe which has already been agreed to as a part of House Joint Resolution 544, the unfinished business, a sum much larger than the amount indicated by the junior Senator from Michigan.

Mr. BROWN. The amendment adopted yesterday would include in its benefits the people of Finland. They, of course, as well as the people of all other European nations, have suffered in the wars. This interest payment is so small that I hardly think we should go to the trouble of changing the resolution.

Mr. BYRNES. Mr. President, I have no intention of objecting. I do not know anything about the joint resolution. I could not help but express the hope that the Senator from Michigan would do nothing to keep the Finnish Government from preserving its record of debt payment.

Mr. BROWN. Mr. President, I hope the joint resolution will be adopted.

The PRESIDENT pro tempore. Is there objection to the request for the immediate consideration of the joint resolution?

There being no objection, the joint resolution (S. J. Res. 272) was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Resolved, etc., That the Republic of Finland, at its option, may postpone the payment of amounts payable to the United States of America during the period from January 1, 1940, to December 31, 1940, inclusive, under the agreements between that Republic and the United States of America dated May 1, 1923, and May 23, 1932; and, in the event of the exercise of the option herein granted, the Secretary of the Treasury is authorized to make, on behalf of the United States of America, an agreement with the Republic of Finland for the payment of the postponed amount, with interest at the rate of 3 percent per annum beginning January 1, 1941, in 10 annuities, the first to be paid during the calendar year beginning January 1, 1941, and one during each of the 9 calendar years following, each annuity payment to be payable in one or more installments: *Provided, however*, That the amounts postponed shall bear interest at the rate of 3 percent per annum from the date payment of such amounts was postponed to January 1, 1941.

SEC. 2. The agreement authorized in the first section of this joint resolution shall be in such form that annuity payments thereunder shall, unless otherwise provided in such agreement, (1) be in accordance with the agreement with the Republic of Finland dated May 1, 1923, and (2) be subject to the same terms and conditions as payment under the agreement dated May 1, 1923.

Mr. VANDENBERG. Mr. President, in connection with the action just taken I ask that the letters of the Secretary of State and the Secretary of the Treasury be printed in the RECORD at this point.

The PRESIDENT pro tempore. Without objection, it is so ordered.

The letters are as follows:

MAY 24, 1940.

Hon. CORDELL HULL,
Secretary of State, Washington, D. C.

MY DEAR MR. SECRETARY: I wish to present a concurrent resolution in the Senate to preserve the favorable status of the Republic of Finland in respect to her war-debt record without the necessity of any payment by Finland on her approaching June obligation and her subsequent December obligation. In other words, I want Finland to have the full benefit of her debt-paying record and of whatever American advantages may accrue therefrom without the necessity of any payment of the next two installments. In view of the plight of Finland, it seems to me that it would be as embarrassing for us to accept these next payments as it might be difficult for Finland to make them—although I have no doubt that she would still persist in this heroic sacrifice. I do not see that any precedent is involved which might subsequently affect other war debtors because, of course, the record of Finland is unique and alone.

I am taking the liberty of writing you about it because I would not care to proceed with anything of this nature—at this particularly delicate moment—except as I might hope to be assured either of your approval or at least that the suggestion would not invite your disapproval.

If I may have a response by early mail, I shall appreciate it because if any action of this nature is to be taken it should be initiated at once.

With sentiments of great respect, and with warm personal regards, I beg to remain

Cordially and faithfully.

JUNE 3, 1940.

The Honorable ARTHUR H. VANDENBERG,
United States Senate.

MY DEAR SENATOR VANDENBERG: Your letter of May 24 regarding payments due from Finland this year raises the same question the President had in mind last December when he directed the Secretary of the Treasury to place the December 15 payment in a separate account pending such action, if any, as the Congress might desire to take with respect to it.

The Congress has since authorized an increase in the lending power of the Export-Import Bank of Washington, under which a credit of $20,000,000 has been opened for Finland. However, the Congress has not directly dealt with the disposition to be made of the money received December 15 last from Finland.

I suggest that you may wish to discuss with Senator HARRISON the matter of the disposition both of the December 15 payment, which was duly received but has not yet been formally covered into the Treasury, and of the payment due June 15, and possibly other payments, during a reasonable time in the future. As the President said last January, the facts in regard to Finland are fully in possession of every Member of the Congress and the matter of credits to that Republic is wholly within the jurisdiction of the Congress.

In the meantime, the Department is proceeding with its usual routine handling of notification to Finland of the amount due and payable June 15, 1940.

Sincerely yours,

CORDELL HULL.

APPROPRIATIONS FOR WORK RELIEF AND RELIEF

The Senate resumed the consideration of the joint resolution (H. J. Res. 544) making appropriations for work relief and relief, for the fiscal year ending June 30, 1941.

The PRESIDENT pro tempore. The question is agreeing on the amendment of the Senator from Montana [Mr. MURRAY].

Mr. MEAD. Mr. President, I desire to take my allotted time to discuss the amendment offered by the junior Senator from Montana [Mr. MURRAY]. I wish to call the attention of the Senate to the fact that the amendment proposes what, in my judgment, would be the most important item in the measure now under consideration. The Murray amendment provides for an increase in the appropriation for work relief from $975,000,000 to one and one-half billion dollars, which amount, as is the amount now contained in the measure, would be made available for the first 8 months of the next fiscal year.

I said the amendment proposes what would be the most important item in the joint resolution, and the proof of my statement is the universal acknowledgement of the fact that unemployment is the Nation's greatest problem, and that the Senator's proposal is a direct attack on the unemployment problem. Unemployment, our greatest problem, does not receive the consideration it merits from the legislators. It has yet to receive the energetic consideration that it merits from the country at large.

Unemployment, we are told, is the offspring, the child of democracy. Unemployment is prevalent only as a problem in the democratic nations of the world. Unemployment has destroyed many of the world's democracies. Unemployment is responsible for the debacle in Europe today.

Mr. President, unemployment never existed, nor does it exist today, in the primitive nations of Europe, Asia, and Africa. Unemployment is a direct result of the fostering, the encouragement of private enterprise in a capitalistic system. It is the result of a theory on the part of the Government that says to its citizens, "Go the limit in the expansion and the development of your private business. The sky is the limit." But while that development takes place, while this encouragement is given so freely and widely, very little attention is paid to the other side of the picture, to the human side, and the adversity which results from this highly mechanized age of speed in production in which we live.

As the result of the unemployment situation that burdened the inept democracies of the Old World, as the result of the unrest, the deprivation, and the desperation that gripped the hearts of men abroad, they yielded their loyalty to their democratic systems of government, and succumbed to this new and regimented ideology that today covers the earth like a dark ominous cloud. In their search for security they yielded their independence and their own enterprise. Today we find the primitive nations on the one hand and the totalitarian nations on the other condemning the democratic system for its burdening unemployment problem.

So I say, Mr. President, the amendment in question is the most important item in connection with the joint resolution. It is our opportunity in the closing hours of the session, and the only opportunity we will have, to make a marked contribution to the elimination of unemployment. We should grasp this opportunity while we still have time to provide that full and fair share which the Federal Government should assume in connection with private industry, and with local governments for the abolishment of poverty, privation, desperation, and unemployment in the United States.

Mr. President, since the coming of this problem as one of our major problems of government, we have made two national efforts to wipe it out. In 1930, with a conservative administration in power and with the natural tendency of a conservative administration guiding the legislative program, we began an offensive against unemployment by drastically reducing taxes, by adopting a program of economy, by reducing the wages of Federal employees, by cutting the compensation of veterans who had served in our wars. By reducing taxes and by eliminating costs of government, we found that we dried up the sources of the Government's revenue, and that our tax collections dropped from more than $6,000,000,000 to $3,000,000,000. We found as a result of that program that the national wealth of the United States dropped from an all-time high in 1929 of approximately $90,000,000,000 to a desperate low of $36,000,000,000. After 2 or 3 years of that futile effort we found an ever-growing army of unemployed, reaching the record high of 15,000,000 idle men and women. We found deflation taking a greater toll than the marching armies of any totalitarian dictatorship could take in this or any other country.

So, Mr. President, that great national effort, that attack on our unemployment problem by a conservative administration, failed miserably. Finally, to the lasting benefit of the country, in 1933, we yielded to a new program, another national effort, the effort and program of a progressive administration. As a result of the program inaugurated by President Roosevelt, as a result of the creation of a Federal Works program, we doubled the Government's revenues. We increased the national income until today it approximates $70,000,000,000. We added 10,000,000 jobless to the workers' rolls of America, until today, taking on an accumulation of 600,000 new workers every year, we have reduced the number of jobless from a total of 15,000,000 to a total today of 8,000,000 or 9,000,000 unemployed.

Above and beyond that, we restored confidence and hope. We provided time for this democracy to study the question, and to bring about a proper and just solution of it.

Since 1933, Mr. President, there have been many studies, many investigations, numerous forums, and a great many recommendations as to the solution of our unemployment program. If I were to list the most successful efforts in that direction, I should probably give first place to the committee headed by the distinguished Senator from Wyoming [Mr. O'MAHONEY] and his associates on the Temporary National Economic Committee.

I should pay considerable praise to the efforts of a national magazine which time after time has devoted editorial space and has sacrificed considerable money and effort to bring this problem to the surface. I have before me, Mr. President, a copy of the magazine Forum dated October 1939. In that issue I find emphasized as the most prominent article an account of the Fourth Forum Round Table discussion and consideration of the unemployment problem.

This forum was made up of a number of the leaders of the Nation—leaders in industry, agriculture, and government; leaders in finance and labor; leaders who were selected after considerable care and investigation, leaders who have the confidence of the country in the various walks of life in which they are engaged. In that round-table forum the Senator who is chairman of the Temporary National Economic Committee was an active participant. The forum spent a week-end in delving into the problem of unemployment. It brought to the round-table forum all the knowledge and experience gained in many endeavors and studies of the problem, and arrived at an area of agreement. There were suggestions in which they all joined, giving their hearty approval. There was also an area of disagreement. However, Mr. President, it is interesting to note, particularly while we are discussing the pending amendment, which is an attack on the problem of unemployment, that the members of the forum came to an agreement on the very fundamental which we are now considering.

Mr. President, the Fourth Forum Round Table, whose report on unemployment is presented in the issue of Forum for October 1939, has reached an agreement on the following:

First. That the democratic system thrives only by the creation of individual opportunity. That verifies the statement which I made, that democracies go into decay with the growth of idleness.

Second. That unemployment is a denial of opportunity. This is the land of opportunity. It is our solemn obligation

to protect our people in their right to opportunity. To adjourn this Congress with a full realization in our minds and hearts that we go home leaving 9,000,000 of our brethren without work and in desperation, is an un-American, unpatriotic, and disloyal thing to do.

Third. The round-table forum agreed that the greatest domestic problem with which the United States is now confronted is the problem of unemployment. That is a verification of the first statement I made. That statement has been made by every forum. It has been one of the results of every investigation. It is an undeniable truth. Unemployment is America's greatest problem. In the amendment offered by the Senator from Montana, who is deeply interested and concerned in the welfare of his fellow countrymen, we have an opportunity to direct a frontal attack upon unemployment which will reduce it to a point where it will not, at least during the next fiscal year, prove to be the major and devastating problem which it has been in the past few years.

Fourth. The forum found that there is no conflict between employer and employee, capital and labor, or farm and city, that cannot be solved by peaceful democratic means. Mr. President, we have 9,000,000 people out of work. That is a conservative estimate. We have estimates from many sources ranging all the way from 8,000,000 to 10,000,000. If we can solve this problem by peaceful democratic means, and if it is a problem that we should solve by peaceful democratic means, this is a democratic body, functioning in the formalisms of a representative system of government.

It is a body that realizes all too well that the existence of 9,000,000 unemployed is a reality. In our own communities we are reminded of it day after day. Men with whom we live, neighbors with whom we associate, will eloquently tell us when we go home every time we step out of the house that unemployment is a devastating and desperate problem. Yet, Mr. President, this being a democratic body, with a full realization that this question can be solved in a democratic way, we must realize that the session is drawing to a close; that there will perhaps be no further opportunity to consider a work-relief program while this session lasts, and that this is our last opportunity while the Congress remains in session. We, therefore, know that we have the problem, that we are going home to face the problem and its effects. We must realize that we have the opportunity in our hands now to direct a devastating blow at the problem. Therefore I call upon my colleagues to consider well the meritorious amendment which is at the desk and which will put 3,000,000 of these idle men to work, leave 3,000,000 for private enterprise and all its categories, and 3,000,000 more of unemployables for the States, counties, and local governments to look after.

Mr. President, having made these pronouncements, the round table unanimously agreed, first that the social gains of the past few years must be kept.

It will be interesting, Mr. President, for you to note, and I am sure it will be interesting for some of the candidates for the Presidency who may now be within the range of my voice, to note that on this round-table forum, who agreed that all the social gains of the last 6 or 7 years should be kept, were men who are vieing with them for the nomination for the coveted office of President of the United States. I cannot speak for them all; I do not know, really, how many of them are candidates for the Presidency; but I find in that very imposing list, Mr. President, the name of the president of the Commonwealth & Southern Corporation, who, as a former Democrat, has made a phenomenal gain in the Republican field for delegates to the Republican National Convention. A forum composed of men of that particular character; a forum composed of those who might take issue with this administration; a forum composed of individuals who are not a part of, and, in many cases, are altogether out of sympathy with this administration, comes to the conclusion that we must keep, not some, not a few, but all the social gains of the last few years. What do they mean?

Mr. President, our attack upon unemployment is a social gain. The enactment of regulatory legislation that prevents financial losses and waste is a social gain. The construction of new houses under the national housing program is a social gain, and the program we are considering today—the rehabilitation of our older workers, job opportunities for our youthful workers, a chance for our unemployed men and women to make a livelihood—is a social gain. When we are admonished by a forum of great national note that we must keep those gains, I really believe it is good advice from what might be considered an impartial source.

Mr. President, so much for the Fourth Forum Round Table. I believe we all agree with their findings; we all agree that unemployment is the all-important problem; we all agree that this is perhaps our last opportunity to go on record against privation and starvation and desperation before we go home to associate with our neighbors and our constituents again.

There is another item in which I believe there is general and unanimous agreement, and that is that we want jobs, not charity; we want work, not a dole for our people. I am sure every man and every woman within the hearing of my voice realizes that in work there is to be found initiative and ingenuity that build for stronger manhood, but that in idleness and in indolence there are decay and demoralization that will have a devastating effect upon our democracy. So we believe in jobs, not in idleness; and if we go home from here without making provision for jobs, we shall be giving lip service to the problem every time we mention our support of the cause of jobs and our denunciation of the devastation and desperation of the dole. Well, here is our last chance, Mr. President. We have never had a more favorable opportunity, a more commanding opportunity, to approach this question, to strike at its very heart, and to determine that we will reduce it to one of the minor problems of the country.

We agree that we have the jobless; we agree that it is work, not the dole, that we favor; we agree that it is our duty to make provision for work opportunities for those who are employable. We are admonished to keep all our social gains. Therefore this is our opportunity; it is our opportunity not only because it is our duty, not only because we have already started the program and we must not interrupt it now, but, above and beyond that, this is no time to tolerate idleness in America.

No man or woman realizing the situation that exists in Europe, and the ominous clouds that hang over us, should be permitted to remain idle in this period of our history. There is necessary work for everyone to do in order to provide for our national security and for their individual protection. We have a great national-defense program which, unfortunately, has been forced upon us, and, unwillingly, we must build instruments of destruction. In the building of our defenses there is much work that can be done by the 9,000,000 who are unemployed.

Mr. President, I will take 30 minutes on the bill if I have taken 30 minutes on the amendment, or vice versa.

The PRESIDENT pro tempore. The time of the Senator on the amendment has expired.

Mr. KING. Mr. President, will the Senator yield for a question?

Mr. MEAD. I am very glad to yield.

Mr. KING. I happen to be a member of the Committee on Finance which has been conducting hearings for 2 days for the purpose of trying to ascertain from what sources we may raise $1,004,000,000 in order to aid in the development of national defense. Already we are imposing upon the American people enormous taxes, and in the bill which is under consideration, which has passed the House, there are imposed heavy taxes upon those in the lower brackets, upon the farmer, upon the tobacco grower, and upon those of small incomes. We have almost exhausted the resources in the high brackets, if I may use that expression, and so we are resorting to an increase of the taxes in the low brackets.

As I understand the able Senator from New York, he is asking for an additional $500,000,000. It is obvious that we will have a deficit, to say nothing of that which will be caused

by preparation for national defense, of three or four billion dollars.

I should be glad if the Senator would indicate where we can get the additional revenue. Keep in mind the fact that only a few years ago our entire national expenditures were less than a billion dollars a year. Now those expenditures are from six to eight or nine billion dollars, and, notwithstanding very heavy taxes, we still have a deficit of three or four billion dollars. Unless we increase the taxes, in view of the preparations which are being made for national defense, the deficit for the coming year will be five or six or seven billion dollars. We cannot go on indefinitely creating such deficits without impairing the credit of the Nation.

Mr. MEAD. I appreciate the interruption of my distinguished friend from Utah. I realize how intensely interested he is in the Nation's finances. I can assure him, however, that I appreciate the necessity of a balanced Budget, and while we may differ in our approach to the attainment of that splendid objective, I know he agrees with me when I say that under present circumstances the security of our country, the protection of our country from invasion, the desire of our country to remain at peace by having an invulnerable defense, takes precedence over the desirability of attaining a balanced Budget within the next 2 or 3 years.

I said just a moment ago that this is a most favorable opportunity for the Senate to provide work for at least 3,000,000 of the 9,000,000 unemployed. I said that not only because of the need to make provision for work, not only because of the need to make provision for our national defense, but because never in all the history of our country have we been in more fortunate and favorable circumstances from a wealth-producing standpoint than we are at the present time.

The oft-spoken phrase that the United States is the richest country in the world is a truism which can be brought forcefully to the attention of Senators by a brief review of our financial sheets.

Today, with the last geographical frontier of the Nation settled, we have achieved a greatness which challenges the imagination. The Nation is a giant in wealth, in power, and in strength. The real story of our prowess as a Nation defies description. From time to time its strength has been severely tested, but no challenge has gone unanswered, no problem left unsolved.

Today there are those who cry out that our people have grown flabby, and that our economy has gone to pot. Critics of the present administration and some candidates for high office rail against the legislative accomplishments of the past 7 years. Over and over again they charge that we are in the financial and industrial doldrums; that we have "killed the goose that laid the golden eggs." They seek to convince the citizens of the Republic that agriculture, industry, and financial institutions are prostrate and bankrupt, due to the restrictions and regulations advocated and instituted by this administration. They say that the restriction of speculation, the regulation of utility holding companies, the aid to farmers, the rights granted to labor to organize and to bargain collectively, and other administration measures, have shackled American industry until the last feeble gasp of profits and prosperity has been snuffed out.

The most conservative and authentic sources contradict with irrefutable evidence these unfounded claims. They prove that we are going in the right direction. They blast to oblivion the empty charge that the New Deal program has weakened the financial strength of America.

I have here several newspaper clippings, selected at random, which tell the true story of American progress under our present liberal leadership—certainly one that would encourage us to continue in the path we have chosen to take.

Reading from the Christian Science Monitor of Tuesday, January 2, the heading is as follows:

Industrial groups reach new production peaks in 1939—Some industries break all past records during 1939.

The article goes on to relate that—

A number of United States businesses and industries managed to break all past records in the year 1939, despite war and the lingering aftermath of depression.

* * * * * * *

Electric-power production for the year totaled around 128,300,000,000 kilowatts, highest in history, and compared with 114,600,000,000 in 1938.

Production of steel ingots in October and November at 5,394,000 and 5,463,000, respectively, set consecutive new record monthly.

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Motor fuel * * * output in 1939, at 596,111,000 barrels, was also the biggest in history.

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Consumption of chemicals in the final 1939 quarter was the fastest for any 3 months on record.

Leading mail-order houses reported the biggest autumn sales in history.

* * * * * * *

The miles of film used by camera enthusiasts exceeded all marks in the annals of photography.

I have here a copy of Barron's National Financial Weekly of April 1, 1940:

AUTO-PARTS MAKERS SHARE AIRCRAFT BOOM—FOUR LEADING COMPANIES REPORTED NET INCOME LAST YEAR

* * * * * *

Automobile-equipment companies which have branched out into the aircraft field are profiting from the current boom in that industry. All four of the leading companies last year reported the highest net income in their history.

Mr. President, I am not a piker. I am only picking out record breakers, all time-peaks, and they seem to cover almost every industry in the United States.

I have here an article from a trade journal dated April 4, 1940, which reads in part as follows:

I. P. & P. CO. REPORTS NET OF $4,893,590

* * * * * *

This compares with $124,075 in 1938, 27 percent in excess of 1938.

Tonnage sales for the year were the highest in its history.

Mr. President, I have here a trade journal which relates that a new $5,000,000 newsprint mill is being established in the South. Then it goes on further to say:

UNITED STATES PAPER EXPORTS SET NEW HIGH

* * * The United States exports of paper and its manufactures in January, valued at $4,164,065, set a new high, being the highest since February 1921, according to the Department of Commerce.

An all-time high since the depression.

I have here a copy of the New York Times which goes on to say that the profit of Gimbel Bros. is tripled:

One million four hundred and two thousand two hundred and ninety-five dollars cleared in year ended January 1931—sales up 4.8 percent.

Another article is headed:

Alcohol company turns loss to gain.

* * * * * * *

This is from the New York Times of March 1940:

Net income of United States Industrial, $77,525 in '39; $667,657 deficit in '38; * * * sales increased 25.5 percent.

* * * * * * *

NEW PROFIT PEAK FOR OIL COMPANY

The Tidewater Associated Oil Co. in its statement for the March quarter of 1940, issued for publication today, shows a net income of $3,780,220, the highest for any first quarter in the history of the concern.

Here is another copy of the New York Times indicating that the pay roll of General Motors was up 28.4 percent:

Pay rolls of General Motors Corporation and its subsidiaries throughout the world in 1939 amounted to $386,292,203, the third highest in the company's history, and a gain of * * * 28.4 percent over 1938.

* * * * * * *

FIVE MILLION TWO HUNDRED AND EIGHTEEN THOUSAND TWO HUNDRED AND FIFTY-NINE DOLLARS CLEARED BY CURTISS-WRIGHT

1939 profit peak for concern is 45 percent above 1938.

* * * * * * *

AVIATION CONCERN TURNS LOSS TO GAIN

United Air Lines Transport had $322,121 profit in 1939; $997,221 deficit in '38.

Here is another clipping from the New York Times. It goes on to say:

TWO HUNDRED AND FIFTY CORPORATIONS RAISE PROFITS 50 PERCENT

First-quarter income up to $272,291,000 from $181,375,000 a year before.

Mr. President, realizing the untold wealth, the amazing volume of profit industry is piling up, realizing as we do the favorable situation that confronts industry, just imagine the situation we should face if we were to adjourn and go home with the knowledge that 9,000,000 of our people are without work. Our industry is piling up fabulous sums of money, while profits and dividends are breaking all-time records. Can those who represent the people, realizing the plight of democracy all over the world, adjourn while this situation exists in America with wealth an one side of the road, desperation and privation on the other?

Mr. President, not only while this international situation looms black and ominous for us, but after that when peace returns I believe it is our solemn duty to see to it that unemployment is banished from the land, that the dole is not the only opportunity for our fellow beings, and that we provide opportunity for the unemployed of our country, the opportunity to work which every man hopes for and lives for. We must solve the problem in the democratic way by preserving the liberties of our people while increasing their security.

Speaking of the Federal debt, coming more directly to the point raised by my distinguished friend the Senator from Utah, what has been the situation since the adoption by the present administration of the national work-relief program? What would be the situation if we abandoned it?

Mr. President, if we abandoned the 9,000,000 unemployed or the 10,000,000 unemployed, or that portion of the unemployed we might be able to abandon if we wiped out this appropriation entirely and balanced the Budget, what would happen to them? What would happen to our economy? What would happen to the community which carried the relief burden? Would our industries show the profits they are showing? Would the national wealth produced in America continue to rise? Would the revenues collected by the Federal Government remain at the point where they are? No one has learned so little as the result of the presence of this economic storm as to believe that balancing the Budget, bankrupting the municipalities back home, reducing the buying power of our people, forfeiting the great wealth-producing-enriching projects which have been or will be constructed, would in any way help the economy of the Nation.

Mr. President, I have here the figures of our national debt in June 1930 as compared with June 1939. During all that time, particularly since 1933, we have provided programs for our people far in excess of the amount included in the amendment submitted by the Senator from Montana. We must remember, we must not forget, that in this session of Congress we have made no provision to carry on the Public Works Administration. That is gone, and all of the skilled and unskilled workers, hundreds of thousands of them, directly and indirectly associated with that vast construction program, are being furloughed as rapidly as the projects are being completed.

Let us not forget that when we adjourn, unless the House Rules Committee takes expeditious action, and unless the House itself takes action on the bill to provide decent housing conditions for millions of our people who are living in hovels, the program which has provided untold opportunities for work will be stricken from the works program. Realizing that we are in the closing days of the session, and with a full appreciation that the enactment of that housing program is at best something which we cannot figure on, it is all the more necessary for us to adopt the Murray amendment, in order to fill the gap which will result from the failure of the Congress to continue the housing program, and from the failure of the Congress to provide for a continuation of the public-works program.

Mr. President, let me show what happened during all this time we have been providing work relief for our people, appropriating not millions, but billions, more than is contained in the Murray amendment. The public net debt on June 30, 1932, so far as the Federal Government was concerned, was $16,824,000,000. On June 30, 1939, the Federal debt was $32,044,000,000.

The State and local debt in 1932 was $16,000,000,000, but on June 30, 1939, it was only $14,000,000,000.

The total public debt in 1932, therefore, was $32,000,000,000, while the total public debt, Federal and State, in 1939, was $46,000,000,000. It rose something over $13,000,000,000.

The private debt in June 1932 was $108,000,000,000, but in June 1939 it had dropped to $92,000,000,000.

So that the gross public and private debts as a result of the so-called fabulous appropriations by the Federal Government for public works, were reduced in the Nation by $2,246,000,000.

I say to those who would interpose and suggest that we reduce appropriations and balance the Budget under these fearful conditions, under these terrifying circumstances, that experience proves that it is not the right thing to do. Waste is created by forcing men to remain idle, and wealth is created when our people are put to work on useful public or private projects.

Mr. President, I stated a moment ago that this is our chance, because experience proves the efficacy of the work relief program. Now is our chance, because we are all ready to adjourn in a few days, and adjourning, possibly, without the enactment of the wise housing program suggested and fostered by my colleague the senior Senator from New York [Mr. WAGNER]. It is our chance, because we believe that we need the help and cooperation and energy of every man and woman in the United States as we face the present national situation in all its precarious complications.

Mr. President, under the bill now being considered, and if enacted without the amendment, we will provide for only 1,900,000 of our unemployed. We will leave, therefore, two-thirds of the burden to the local governments. I claim that that is a disproportionate share; that we would not be doing our duty; that we would be giving only lip service to the unemployment problem.

We need national defenses, and we need them badly. The able Senator from Montana yesterday told us of the work which could be done in the building of airports, air ways, and runways, and the work which could be done on our Army and Navy bases and our military roads, and for military housing and mobilization centers and cantonments, as well as underground storage hangars.

Mr. President, there is a fabulous amount of work, which 9,000,000 people could not complete, in order that our defenses may be put in order; and I cannot think that we would adjourn without making provision for at least 3,000,000 of them; and I cannot think that we would not accept the amendment offered by the Senator from Montana in the face of present-day circumstances.

Personally, I believe that it is not as necessary to have a navy and an army as it is to have a patriotic, loyal citizenry. I believe that our defenses, no matter how powerful they may be, will be vulnerable unless we successfully attack the problem of unemployment and bolster up the morale of our people. I believe that if we adjourn, with the realization that adjournment means unemployment, impoverishment, and idleness, we shall fail to perform our patriotic duty.

I know that the unemployed of America are among the finest of our citizenship. I know that if war should come to America—and I pray it will not—we shall find recruited from the ranks of the unemployed of today the flower of America's volunteer army. Yet, Mr. President, I know that in enforced idleness and in indolence is found the best opportunity for the work of those with malice in their hearts and sabotage in their minds, those whose work is now evidenced even in this country in the building up of so-called "fifth columns."

To protect our country, therefore, to insulate it against the invasion of those who are unwelcome here, I believe we ought to provide work for all our loyal, faithful, and patriotic people. That is the best protection on earth.

Mr. MURRAY. Mr. President——

The PRESIDING OFFICER (Mr. JOHNSON of Colorado in the chair). Does the Senator from New York yield?

Mr. MEAD. I yield.

Mr. MURRAY. I should like to inquire of the able Senator, who is making such a forceful argument in favor of the pending amendment, if it is not true that it is the total mobilization of the manpower of Germany that makes it in Europe the formidable threat it is today?

Mr. MEAD. I will say to the able Senator, whose amendment I hope will be adopted, that I have before me a very exhaustive account of the German public-works program, which in some degree compares favorably with the works program of our own W. P. A. This is part of the program which Germany prosecuted for years, until finally her preparedness was the most perfect of any nation.

Mr. President, the Senator from Montana is entirely correct in his statement. It was the carrying out of a program similar to the program which we hope will receive the preferential consideration of the W. P. A. which helped to make Germany the military power it now is. Here we adopt such a program reluctantly, unfortunately, but because of world conditions our national peace and security demands it. I am in agreement with the Senator from Montana. We must put the unemployed to work. We must see to it that our defenses, our moral and our military defenses, are invulnerable. The W. P. A., with the aid of 3,000,000 workers, will make a——

The PRESIDING OFFICER. The time of the Senator from New York on the amendment and on the bill has expired.

Mr. MALONEY. Mr. President, I desire very briefly to explain some of the reasons why I shall support the amendment offered by the junior Senator from Montana [Mr. MURRAY]. I am not unmindful of the fact that there are many Members of the Senate and many persons outside who will consider this proposal tremendously unusual and extravagant. I would have some reluctance about supporting this great increase except for the fact that it impresses me as seriously important in connection with our national-defense program.

I was denied the pleasure and opportunity of hearing all the address of the distinguished junior Senator from New York, but I did hear it in part, and I find myself in accord at least with that portion of his address which I heard.

Mr. President, if the Members of the Senate and if the people of the country had a chance to know how much it would be possible to do with the additional appropriation here proposed, I think the proposal would meet with quite general approval.

During the last several days, as the result of the trying and terrifying situation in the Old World, we have come quite clearly to a realization that we must for the time being, for the sake of our country, set aside the immediate consideration of balancing of the Budget. A cry now for Budget balancing—much as we all desire a balanced Budget—raises a doubt that may do our country harm, and probably will react to the disadvantage of those in other places with whom we sympathize.

I regard the proposed additional appropriation completely as a defense measure, and I shall try, in the few minutes that I shall take, to show how it is important in that respect.

I should first like to say, however, that in connection with a national-defense program it is extremely important that our entire forces be united. I have long believed, and the belief is now intensified, that the true test of a nation is its care of the weak; and I have long believed—and I now believe to a greater extent—that we cannot expect the same patriotism, the same intense devotion to country, on the part of those who are neglected in part by their own neighbors, and by their countrymen, that we can expect from their more fortunate neighbors.

As we go forward with a program of national defense, it seems to me extremely important and necessary that we have a strong internal defense, that the feelings of all our people are in accord, that distressed people are removed from the susceptibility of the pagan and foreign influences which we all admit are to some degree and extent existent within our country.

If those who are without sufficient food and shelter and those who are suffering the economic sorrows of the times complain of what we do, they should not be too harshly criticized, for they see their governmental representatives appropriating billions of dollars for armament, while in some instances the armament so vital and necessary to their own homes and firesides is woefully weak.

Mr. President, if we should appropriate the additional money suggested by the junior Senator from Montana, and thereafter, as the result of the armament program now under way, there should not be the present existing crying need for jobs, the money would not need to be spent; but if Congress is to go home—and I doubt that it should now go home—there should be appropriated sufficient money to meet the economic and social needs, at least during the uncertain days which lie just ahead; and, more important than that, there should be a sufficient amount of money available to take care of and to provide for those national-defense items, the need for which is probably yet not too clearly seen.

Without any desire to burn incense to myself, let me say that I suggested an amendment several days ago which would make unnecessary a sponsor's contribution in connection with W. P. A. projects proposed for national-defense purposes. The idea came to my mind as the result of many hearings which I attended as a member of subcommittees of the Committee on Appropriations dealing with Army and Navy matters and partially as a result of the tremendous program proposed in different places in connection with our need for a great air defense. The desire was expressed that we have, as soon as possible, an airplane production of 50,000 units a year. The suggestion was made, and the hope expressed, and in some places with confidence, that we could quickly train many thousands of flyers. Based upon my own limited knowledge of the situation, confined to my own neighborhood, and pretty much to the State in which I live, it became clear to me that there was much to do besides the manufacture of planes and getting enough young men to volunteer for air training. It seemed to me that if thousands of young men in all parts of the country were to volunteer for this uncertain and patriotic field of military service, appropriate and safe landing fields should be put at the disposal of the Government and of the young men and the agencies and forces which would train them.

In the progressive State in which I live, and in the forward-looking part of the country from which I come, it seemed to me that there was a number of very insufficient and incomplete air fields. I know that in my own State hundreds of thousands of dollars will be required properly to complete the existing air fields; and I seriously doubt that they will be completed without a more generous contribution on the part of the Federal Government.

Not only do we need adequate airfields in connection with the training of these young men, but if the darkest clouds should come, if we should suffer attack, and through no fault of our own we should become involved in the war, the air forces of our country would play an important part; and it seemed to me that we could best serve our Nation and people by strengthening our air forces in every possible way.

We know from the experience of the present war that centralizing and collecting airplanes and air forces in great numbers in any one field or in a few large fields is extremely dangerous. We know that to provide proper protection we need a great many airfields so that they may be widely separated in the event of attack.

With this thought in mind, I offered the amendment to which I have heretofore referred. The Appropriations Committee, in its usual wisdom, probably as a result of other thinking besides my own, adopted an amendment which provided that the sponsor's contribution might be waived in connection with projects approved by the Secretary of War and the Secretary of the Navy as necessary for national defense.

But let me point out, Mr. President, that as I understand, the amendment was accepted without the appropriation of additional money. So it seems to me that if we are proceeding with the pending measure in accordance with our national-defense plans, we had better provide the money now to do that kind of work. If we are to do it well and properly, no one will deny that millions upon millions of dollars will be required all over the country. No one will deny that there may be innumerable other instances the importance of which cannot now be foreseen, in which our national defense needs strengthening. Such projects might be undertaken with the forces of the present unemployed if money were available and the Secretary of War and the Secretary of the Navy should approve the projects.

Let me cite one extremely important instance in my own State, which, I think, might be comparable to innumerable other instances elsewhere. Connecticut has suffered seriously from devastating floods in recent years. The largest and by far the most important airplane-engine plant, from the standpoint of contributing the greatest strength to our air defense, is located in my State. It is a great factory, which employs many thousands of men. It is now producing almost all the airplane engines manufactured in this country. During one of the recent devastating floods it became necessary to close that plant. Since that time I have been trying in one way or another to obtain sufficient money to provide a dike extension which would protect the community in which the plant is located and the plant itself against the possibility of future floods.

Appreciating the importance of the project and the proposal, the Senate passed a bill for that purpose, but it has not finally passed the Congress. Greatly disturbed about conditions, I had it included in the civil-functions bill of the War Department, but the item was rejected on the other side of the Capitol.

Is it not fair to assume, Mr. President, that the project for the protection of this great industry—in my judgment an industry more vital to our national defense than any other—might be developed and completed through funds provided by the amendment offered by the Senator from Montana, which funds apparently are not elsewhere or otherwise provided? Who can say that other like projects might not be necessary in connection with needed protection for munitions plants or important industrial plants? At Hartford, Conn., there is another similar project which would protect other great munitions plants. Where is the money coming from if we are to go home? How are these national-defense projects to be undertaken without funds?

Mr. President, I have no desire longer to detain the Senate. In the emergency which confronts our country, I hope and pray that we shall not be lulled to sleep. I have an intense desire that our people shall not lessen the seriousness of their thinking. I hope that the effort started toward our national defense will be prosecuted to the end with continuing determination. I hope the additional money will be provided.

I am mindful, of course, of the terrific cost, and of the tax burden which will follow. But tax burdens are no longer of serious concern to the saddened and stricken people of Europe, who a little while ago at least saw by the light of a lamp, and now see only by the light of flashing guns and burning homes.

Mr. President, I am not unappreciative of the magnitude of the additional funds proposed to be appropriated. I know that in some places the suggestion will probably be regarded as fantastic. But the uncertainties of the times, the horrible examples that we face from day to day, and dark clouds all around us, make it ever so necessary that we set aside precedents, and that we be a bit more bold and courageous. Probably the time calls for a bit of recklessness.

So I hope, Mr. President, that the amendment will prevail. The proposed appropriation could not under any circumstances be a total loss. If men are without employment and in dire need, and we neglect them, we shall be neglecting our national defense. If work is otherwise provided, we save the money. With what we spend under the W. P. A. we create everlasting social values. In my judgment, the waste and carelessness of the W. P. A. are things of the past. At long last I think we are convinced, as a result of the sufferings of other people who were careless of their own comfort and welfare and of their national security, as to what we must do. I am satisfied that we will do it, Mr. President.

Let me say once more that I am attracted to the proposed heavy additional expenditure only because of my intense desire that the national-defense program be completed in its entirety. Having started, we should go all the way; and, finally, after the indolence, carelessness, and neglect, which were, perhaps, natural in the old days, and for which no individual or group of individuals probably can be blamed, we should quickly take up the tools and finish the important national-defense work which remains undone.

Mr. ADAMS obtained the floor.

Mr. McKELLAR. Mr. President, will the Senator yield to me to suggest the absence of a quorum?

Mr. ADAMS. I yield.

Mr. McKELLAR. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Adams	Davis	King	Reed
Andrews	Donahey	La Follette	Reynolds
Ashurst	Downey	Lee	Russell
Austin	Ellender	Lodge	Schwartz
Bailey	George	Lucas	Schwellenbach
Bankhead	Gerry	Lundeen	Sheppard
Barkley	Gillette	McKellar	Shipstead
Bilbo	Green	McNary	Slattery
Bone	Guffey	Maloney	Smith
Bridges	Gurney	Mead	Stewart
Brown	Hale	Miller	Taft
Bulow	Harrison	Minton	Thomas, Idaho
Burke	Hatch	Murray	Thomas, Okla.
Byrnes	Hayden	Neely	Thomas, Utah
Capper	Herring	Norris	Townsend
Caraway	Hill	Nye	Tydings
Chandler	Holman	O'Mahoney	Vandenberg
Clark, Idaho	Holt	Overton	Van Nuys
Clark, Mo.	Hughes	Pepper	Wagner
Connally	Johnson, Calif.	Pittman	Walsh
Danaher	Johnson, Colo.	Radcliffe	

The PRESIDING OFFICER. Eighty-three Senators having answered to their names, a quorum is present.

Mr. ADAMS. Mr. President, I wish to say a few words in support of the committee's position and in opposition to the amendment of the Senator from Montana [Mr. MURRAY]. I believe that those who are supporting the amendment of the Senator from Montana are overlooking two or three very vital considerations in the situation.

In the first place, this is a relief bill; its purpose is to take care of people who are in distress by giving them employment. It is not primarily a defense bill. It is perfectly proper that we should make use of the employees on the relief rolls in furtherance of defense work, keeping in mind the main purpose which is relief; but it is a mistake to invert the picture and assume that this is a defense bill first and that relief is merely incidental to that.

As to the figures, where do the figures in the bill come from? They come from those best informed as to unemployment and relief needs in the country. The bill represents that for which the President and which Colonel Harrington of the Relief Administration asked.

Senators will recall when the Budget was submitted by the President for relief purposes the President requested $975,000,000 for a 12-month period. That was what he regarded as adequate. Following the first of the year a somewhat less favorable economic situation developed. The President then asked that the amount of $975,000,000 be given a flexibility, so that it could be consumed, if needed, within an 8-month period rather than to be stretched over a 12-month period. In other words, there was an increase of 33⅓ percent in the amount of money available. The $975,000,000 will take care of an average of 2,032,000 a month.

Mr. WALSH. Mr. President, will the Senator yield?

Mr. ADAMS. I yield to the Senator from Massachusetts.

Mr. WALSH. I was obliged to leave the Chamber temporarily and did not hear the entire statement of the Senator from Colorado. I assume a vote will be taken very shortly on this question. I have taken the position in the case of all relief measures to vote for the amount the President requests. I assume he consults the agencies of the Government that are best informed as to the need of relief. I want to give every dollar that is requested for relief purposes by those who are familiar with relief problems. Now I ask the Senator does this bill contain the full amount of money requested by the President for relief?

Mr. ADAMS. It does up to the last cent.

Mr. WALSH. That statement will determine my vote.

Mr. ADAMS. I was explaining that originally the President requested $975,000,000 for a 12-month period, but a less-favorable economic situation developed, and he has now asked that the amount be made available for an 8-month period; and that has been done.

Congress has no source of information of its own as to the number of people in need; we have no machinery to gather information. The best source of information, necessarily, is the W. P. A., with their widespread organization. We all know that national agencies are not given to asking less than they need. So when we give to the W. P. A. the full amount it has asked for we may be quite sure that we are adequately taking care of the need.

Mr. BROWN. Mr. President, will the Senator yield?

Mr. ADAMS. Let me make on further statement. Then I will yield.

In the House hearings Colonel Harrington stated that the need for July was for 1,700,000 people; for August, 1,700,000; for September, 1,700,000; for October, 1,800,000; for November, 2,000,000. Those were his estimates, and those estimates furnished by Colonel Harrington were put in the bill in the House. We have recommended that those limitations be removed; and the amount of money provided by the pending measure, instead of taking care of 1,700,000 people, will take care of an average of over 2,000,000.

I now yield to the Senator from Michigan.

Mr. BROWN. Mr. President, I have been somewhat disturbed about the probable increase in the cost of living in the next few months. I anticipate that we are about to enter a period of rising prices because of the conditions in Europe and because of the very great industrial activity which I expect will soon start. Is any authority vested in the President or those who would administer this act to increase the wages of the W. P. A. workers in accordance with an increase which may come about in the cost of living? Is any provision at all made to cover that contingency, which I consider to be a probable one?

Mr. ADAMS. The W. P. A. Administration is absolutely free from any congressional limitations in fixing wages. In other words, in the joint resolution we do not fix the wages that shall be paid. We give the W. P. A. so much money for relief purposes. They may raise or lower the wages, providing they do not discriminate.

Mr. BROWN. What is all the controversy about the so-called prevailing-wage section, which, I think, is section 15 or 14 of the joint resolution? I supposed that we established a limit beyond which the W. P. A. Administrator could not go.

Mr. ADAMS. We did not.

Mr. BROWN. If there should be any considerable increase in the cost of living, has the committee supplied sufficient money to take care of that; or is it not desirable that an additional amount such as suggested by the Senator from Montana be added, so that that contingency will be cared for by way of appropriations?

Mr. ADAMS. I think the answer to the Senator's question is included in his statement of probable facts—that the increased cost of living which he thinks might come about would be due to increased employment. If we have increased employment, we shall have less men on the relief rolls.

Mr. MURRAY. Mr. President, will the Senator yield?

Mr. ADAMS. Certainly.

Mr. MURRAY. I believe the Senator from Colorado is assuming something that is not justified.

While we had considerable unemployment in 1937, we found that industry rapidly raised prices and brought on a great inflation for a period, notwithstanding the fact that unemployment still persisted, and people were finding it difficult to obtain the means of living in this country. We at that time had a situation in which we had high prices, excessive profits, and yet we had a recession coming on; and we shall experience the same thing again in the present situation. Industry will raise its prices under this defense program, and we shall have a period of inflation in this country. We shall continue to have unemployment, as we now have, in the midst of prosperity in a few industries.

We now have 9,000,000 unemployed in this country. They cannot possibly obtain employment under the national-defense program, because they constitute largely common labor, and will not be employed in connection with the defense program at all.

It seems to me the Senator is not justified in the statement he makes that the program submitted by the W. P. A. is sufficient to take care of the unemployment situation. We have never had such a program in the country. It is not, and the W. P. A. knows that it is not. Every person in the country who is familiar with the situation knows that the present program will not take care of the unemployment situation, and we shall have a very bad condition if it is not taken care of.

Mr. ADAMS. Mr. President, it would be a most amazing thing if great increase in labor, great increase in employment, and development of war industry which left less unemployed, should increase the number on relief. That, however, is the argument which the Senator from Montana makes—that the more men that are employed, the more men will have to be taken care of on relief.

Mr. MURRAY. Mr. President, will the Senator yield at that point?

Mr. ADAMS. Certainly.

Mr. MURRAY. The facts are that the defense program will not bring about any great reemployment. According to the experts, it will employ only an additional 270,000 or 290,000 men in special industries. They are skilled workers. The program will not furnish employment for workers of the kind who are on the unemployment rolls.

Mr. ADAMS. Mr. President, that, of course, is a statement of the Senator's theory as to what is going to happen next month, or 6 months from now. I cannot say that the Senator is necessarily wrong, any more than he can say that it is a matter in which certainly he is right.

Mr. MURRAY. Is it not true that not more than 290,000 men can possibly be employed as a result of the national-defense program which is being inaugurated?

Mr. ADAMS. I should think not, most decidedly. Let me discuss that matter for a second.

How much money is Congress now appropriating for defense purposes? Five billion dollars—five billion dollars.

Mr. MURRAY. It goes chiefly into very expensive material, and not into common labor. It makes prosperity for the few but will have no material effect on unemployment.

Mr. ADAMS. It goes into steel, for instance; does it not? The ore for making the steel comes from the mines. It is necessary to get iron ore. To a large extent it is common labor that goes into the mines. Go up into the State of Wyoming, where the iron ore comes from that goes to the steel works in my city, and it will be found that the labor employed there is largely common labor. Part of the national-defense money will be spent on the railroads. In keeping up the railroads there is need for the employment of a large amount of now unemployed labor, common labor to a considerable extent. Part of the money goes into steel works. Three-fourths of the labor there employed is common labor. The Senator cannot think of any industry which employs exclusively skilled labor, with the exception of a very limited number of factories. The other industries are always the basis of employment of great armies of common labor.

Mr. BROWN. Mr. President, I should not want the Senator to leave the impression that all of the $5,000,000,000 will be spent during the time this relief joint resolution will be in effect. My recollection of the figures is that in 8 months not more than one-fifth to one-sixth of it can possibly be expended.

Mr. ADAMS. Of course; and yet, at the same time, we are providing $5,000,000,000 which is going into employment just as rapidly as it is humanly possible to put it to work. It may not be expended just as the keel of a battleship is laid down, but it will provide for continued employment.

That is not all of the $5,000,000,000. A bill will come up following this measure in which the R. F. C. is to be given practically the equivalent of a billion dollars which will be expended, probably for defense purposes.

Mr. BROWN. That money is to be loaned.

Mr. ADAMS. That is true; but it does not make any difference. We are speaking of employment. It does not make any difference whether a manufacturer puts people to work with money that belongs to him or with money that he borrows. The same number of persons are employed in either event.

Mr. BROWN. But that is very likely a part of the same $5,000,000,000 to which the Senator has been referring.

Mr. ADAMS. Oh, no; not at all. If we take the bills that we have passed, including the measure before us, there is $5,000,000,000 of Army and Navy appropriations, including the supplemental bill which is now on my desk, exclusive of the R. F. C.

Mr. BROWN. If the Senator will pardon me, the $1,000,000,000 that is provided in the bill which the Senator from New York will have taken up as soon as this measure is through is to be loaned to corporations which may engage in the business of producing munitions. That amount cannot be added to the $5,000,000,000, because the corporations will have to pay that money out of the receipts they get from this $5,000,000,000 munitions program. We cannot add one to the other.

Mr. ADAMS. I think the Senator is in error, but I think it is an immaterial item so far as I am concerned. I am merely pointing out this fact: The Senator from Montana, in his argument, was disposed to base his contention for increase upon the theory that this money could be used for defense purposes. The Senator bases his argument upon the contention that we ought to increase the appropriation for defense purposes, and then says the W. P. A. employees are not suited for work on defense matters.

Mr. MURRAY. I suggested that the money could be used in the expansion of air fields and naval bases, military roads, and military bases, and work of that character which would employ common labor, not skilled labor.

Mr. ADAMS. Does not the Senator recognize that the money we are appropriating for those purposes will employ the same kind of persons?

Mr. MURRAY. No; it will not.

Mr. ADAMS. If we increase the amount carried in the defense measure, these persons will be employed on air bases or flying fields; but if we leave it to the Government, the Government will employ them on the same kind of projects. They are qualified to do this work if the money comes from the W. P. A., and they are not going to do it if it comes from a direct appropriation for the War Department.

Mr. MURRAY. In connection with the question of unemployment, does not the Senator recognize the fact that as a result of the dislocation of trade in the world we have lost a tremendous amount of foreign trade, and that we have brought on unemployment in certain industries that will offset to a substantial degree the new employment that will be brought about as a result of the defense program?

Mr. ADAMS. All I can say to the Senator is that the figures today show an increased employment, an increased production over what we had 2 or 3 months ago. There is an increase in the number of men at work today over the number that were at work a month ago and over the number that were at work 2 months ago. In other words, the figures that Colonel Harrington and the President had before them were based on a larger unemployment than the figures I have; but, in any event, the only reliable figures that we have come from the W. P. A. Administration. It is the only source we have from which to get the information. We are appropriating in the pending joint resolution all that they ask, clear down to the last dollar, and the Senator would increase the amount provided from enough to take care of 2,000,000 men to enough to take care of over 3,000,000 men.

That is, the Senator's figures would take care of an average of over 3,000,000.

Mr. MURRAY. And that would take care of only a small part of the total unemployed in the country.

Mr. ADAMS. I think the Senator has made plain the difference between us. The Senator thinks that the Government should employ people, regardless of whether they are in need or not, while the pending measure is for the relief of people not merely because they are out of work, but because they are in need, and, as it stands, the joint resolution will do the job, if we can trust the President of the United States, and Colonel Harrington, who is in charge of the administration of the work. If the desire is to put the obligation upon the Government to give every one of the 9,000,000 people out of work a job, the Senator's amendment would be thoroughly inadequate.

Mr. MURRAY. I am not proposing anything of the kind. There are millions on the relief rolls who cannot get employment. The Senator knows that.

Mr. ADAMS. I do not know that.

Mr. MURRAY. The W. P. A. has a record of them.

Mr. ADAMS. It is not the fact that there are millions on the rolls who cannot get work. There is always a waiting list, of course.

Mr. MURRAY. Let me read the statement of Colonel Harrington, in response to a question by the Senator from Florida [Mr. PEPPER]:

> Now, Colonel, is your statement or opinion changed by our own policy of expanding in a rather large way our national-defense program? Is our national-defense program going to solve the problem of unemployment?
>
> Colonel HARRINGTON. Definitely not, because the defense program consists of expenditures largely for material which we badly need and that is going to be concentrated in industries which will not employ people to a degree that will be helpful to W. P. A.

Mr. ADAMS. That is very far from sustaining the assertion the Senator has made. The Senator quotes Colonel Harrington, and in the joint resolution we are giving just what the authority the Senator quotes says is what he should have. The Senator wishes to turn over to the W. P. A. a half billion dollars in an 8 months' period over and above what the Administrator says is needed. It seems to me that in these times some consideration should be given to putting money where there is need for it, and in saving it where it is not needed. The amendment simply goes out of bounds, disregards all those in authority, and all the information which came to the Committee on Appropriations.

Furthermore, in the relief measure there is constant recognition of the fact that the W. P. A. worker may be used for defense purposes. Colonel Harrington, in a recent interview, stated that perhaps half the labor under this measure might be used for defense purposes. We have made special provision. We have eliminated the requirement of sponsors' contributions in defense measures. We have provided in the joint resolution for a special fund of $25,000,000 which can be specifically used. I hope the Senate will not adopt the amendment of the Senator from Montana.

The PRESIDING OFFICER (Mr. STEWART in the chair). The question is on agreeing to the amendment offered by the Senator from Montana [Mr. MURRAY].

Mr. MURRAY. I suggest the absence of a quorum.

The PRESIDING OFFICER. The Clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Adams	Austin	Barkley	Bridges
Andrews	Bailey	Bilbo	Brown
Ashurst	Bankhead	Bone	Bulow

Burke	Guffey	Lundeen	Schwartz
Byrnes	Gurney	McKellar	Schwellenbach
Capper	Hale	McNary	Sheppard
Caraway	Hatch	Maloney	Shipstead
Chandler	Hayden	Mead	Slattery
Clark, Idaho	Herring	Miller	Smith
Clark, Mo.	Hill	Minton	Stewart
Connally	Holman	Murray	Taft
Danaher	Holt	Neely	Thomas, Idaho
Davis	Hughes	Norris	Thomas, Okla.
Donahey	Johnson, Calif.	Nye	Thomas, Utah
Downey	Johnson, Colo.	O'Mahoney	Townsend
Ellender	King	Overton	Vandenberg
George	La Follette	Pepper	Van Nuys
Gerry	Lee	Reed	Wagner
Gillette	Lodge	Reynolds	Walsh
Green	Lucas	Russell	

The PRESIDING OFFICER. Seventy-nine Senators having answered to their names, a quorum is present.

The question is on agreeing to the amendment offered by the Senator from Montana [Mr. MURRAY].

Mr. MURRAY. I ask for the yeas and nays.

The yeas and nays were ordered, and the legislative clerk proceeded to call the roll.

Mr. KING (when his name was called). I have a general pair with the Senator from New Hampshire [Mr. TOBEY]. Not knowing how he would vote if present, I withhold my vote.

Mr. SHIPSTEAD (when his name was called). I have a pair with the senior Senator from Virginia [Mr. GLASS]. I transfer that pair to the Senator from North Dakota [Mr. FRAZIER] and will vote. I vote "yea."

The roll call was concluded.

Mr. MINTON. I announce that the Senator from Iowa [Mr. GILLETTE], the Senators from Virginia [Mr. BYRD and Mr. GLASS], the Senator from Mississippi [Mr. HARRISON], and the Senator from Maryland [Mr. RADCLIFFE] are unavoidably detained from the Senate. I am advised that if present and voting, these Senators would vote "nay."

The Senator from Delaware [Mr. HUGHES], the Senators from Nevada [Mr. MCCARRAN and Mr. PITTMAN], the Senator from Missouri [Mr. TRUMAN], and the Senator from Montana [Mr. WHEELER] are necessarily absent.

The Senator from New Jersey [Mr. SMATHERS] is absent because of illness in his family.

The Senator from New Mexico [Mr. CHAVEZ] is detained on public business. I am advised that if present and voting, he would vote "yea."

Mr. AUSTIN. I announce the necessary absence of my colleague [Mr. GIBSON], who is paired on this vote with the Senator from Montana [Mr. WHEELER]. If present, the Senator from Vermont would vote "nay," and the Senator from Montana, if present, would vote "yea."

The Senator from New Jersey [Mr. BARBOUR] has a general pair with the Senator from Missouri [Mr. TRUMAN], and the Senator from Wisconsin [Mr. WILEY] has a general pair with the Senator from New Jersey [Mr. SMATHERS].

I announce that the Senator from New Hampshire [Mr. TOBEY] and the Senator from New Jersey [Mr. BARBOUR] are necessarily absent on official duties.

The Senator from Maine [Mr. WHITE], and the Senator from North Dakota [Mr. FRAZIER], are necessarily absent.

The result was announced—yeas 25, nays 52, as follows:

YEAS—25

Ashurst	La Follette	Neely	Slattery
Bilbo	Lee	Norris	Thomas, Okla.
Bone	Lundeen	O'Mahoney	Thomas, Utah
Brown	Maloney	Pepper	Wagner
Caraway	Mead	Schwartz	
Downey	Minton	Schwellenbach	
Guffey	Murray	Shipstead	

NAYS—52

Adams	Clark, Mo.	Herring	Reed
Andrews	Connally	Hill	Reynolds
Austin	Danaher	Holman	Russell
Bailey	Davis	Holt	Sheppard
Bankhead	Donahey	Johnson, Calif.	Smith
Barkley	Ellender	Johnson, Colo.	Stewart
Bridges	George	Lodge	Taft
Bulow	Gerry	Lucas	Thomas, Idaho
Burke	Green	McKellar	Townsend
Byrnes	Gurney	McNary	Tydings
Capper	Hale	Miller	Vandenberg
Chandler	Hatch	Nye	Van Nuys
Clark, Idaho	Hayden	Overton	Walsh

NOT VOTING—19

Barbour	Gillette	McCarran	Truman
Byrd	Glass	Pittman	Wheeler
Chavez	Harrison	Radcliffe	White
Frazier	Hughes	Smathers	Wiley
Gibson	King	Tobey	

So Mr. MURRAY's amendment was rejected.

Mr. BARKLEY. Mr. President, I wish to announce that, in view of the legislative situation, it will probably be necessary to hold a session tomorrow. The Finance Committee completed the hearing today on the tax bill, and will meet tomorrow for the purpose of attempting to vote on reporting the bill with the view of having it considered on the floor on Monday. There are at least two bills which it is certainly desirable that we dispose of before the tax bill is taken up, and in view of the probability that consideration of the pending measure will continue for some time longer this afternoon, I felt it my duty to announce to Senators that I shall ask the Senate to meet tomorrow to consider the bills referred to.

Mr. BILBO. Mr. President, I submit an amendment to the joint resolution, and before offering some remarks on it I ask that it be read.

The PRESIDING OFFICER. The amendment will be read.

The CHIEF CLERK. At the end of the joint resolution it is proposed to insert the following new section:

SEC. . There is hereby appropriated, out of any money in the Treasury not otherwise appropriated, for the fiscal year 1941, the sum of $100,000,000, to be used by the Secretary of Agriculture for the purpose of effectuating the provisions of section 32 of the act entitled "An act to amend the Agricultural Adjustment Act, and for other purposes," approved August 24, 1935, as amended, such sum to be in addition to any funds appropriated by such section 32.

Mr. BILBO. Mr. President, it is not my purpose to detain the Senate more than a few minutes in explanation of the amendment. I am advised that all the farm organizations of the country have appealed to Senators to support the amendment.

I wish to call attention to a statement appearing in yesterday's Washington Post, made by the Secretary of Agriculture, Mr. Wallace, as follows:

WALLACE CALLS FOR EMERGENCY FARM PROGRAM—URGES CONGRESS ACT THIS SESSION BECAUSE OF WAR SITUATION

Secretary of Agriculture Wallace called yesterday for a reexamination of the farm problem by Congress before adjournment because of the war situation.

"If the appropriate committees took another look at the farm situation now," said Wallace at a press conference, "they would probably find a need for action."

The Secretary refused to say whether he would ask Congress at this session to enact an emergency farm program. But some Agriculture Department officials said it was not unlikely that the President may ask Congress for emergency measures to help farmers meet the shock of spreading war abroad.

EXPLAINS MEANING OF "ACTION"

What Wallace meant by "action" was revealed in a formal statement he made to the press asking:

Expanded shipments of food to Europe to feed refugees. Wallace said "the opinion seems to be widespread in the United States that Europe in the coming months will see the most serious famine in the world's history."

Increased support for domestic programs to boost consumption of food products, such as the Triple-A program, food-stamp plan and removal of surpluses for direct distribution to the needy.

Wallace, without asking that Johnson Act bans on loans to defaulting European nations be removed, said, in response to a question, that if credits were made available to the British "they could take about $100,000,000 of our food products."

The farm task of the future, Wallace said, is to cope with surpluses of foods that will be backed up in the United States owing to the spread of war. Markets are "for all practical purposes eliminated," he said, in the Mediterraneon area, central Europe, Scandinavia, Holland, Belgium, and the Balkans.

PLANS FOR EMERGENCY

But while considering reduction or surpluses as the immediate problem, Wallace revealed that his Department had made preparations to begin "to the limit" farm production in case of a food emergency.

Machinery for unlimited farm production is at hand, Wallace said, through the county-by-county organizations of the A. A. A. and the Extension Service.

Mr. President, I wish I were able to impress upon Senators the serious situation which confronts the farmers of America as a result of the practically total elimination of export trade, involving forty-odd commodities which farmers have to sell.

The 10-year average of export trade from the farms of America has amounted, in round numbers, to $750,000,000. As a result of the war situation, the major part of that market has been eliminated. Therefore, the surpluses from the farms of America are now piling up and will continue to pile up. There is only one way in which we can bring relief to the farmers at this time, and that is by the passage of legislation to sustain prices by the absorption of surpluses through the Surplus Commodities Corporation, by increasing current domestic consumption, and by proper distribution of the surpluses.

Of course, I appreciate the fact that my good friend from Colorado [Mr. ADAMS] will tell us that yesterday we unanimously appropriated $50,000,000 for the Red Cross to buy up farm surpluses for the refugees in Europe. If we examine that appropriation, we find that it provides that the Red Cross is authorized to buy medicines, food products, and all other things necessary to bring relief to the refugees in Europe, and that out of the $50,000,000 all the expenses of the operation shall be borne. That means that the Red Cross may buy ambulances, medicine, clothing, blankets, or anything it desires to take care of the refugees.

Mr. ADAMS. Mr. President, will the Senator yield?

The PRESIDING OFFICER (Mr. SCHWELLENBACH in the chair). Does the Senator from Mississippi yield to the Senator from Colorado?

Mr. BILBO. I yield.

Mr. ADAMS. I merely wish to correct an error. The Red Cross does not do any of the buying. The buying is done by the President or by governmental agencies. The Red Cross is merely the distributing agency.

Mr. BILBO. Certainly. I understand that.

Mr. ADAMS. That is not what the Senator said. The Senator said the Red Cross would do the buying.

Mr. BILBO. I meant that the Red Cross would make the demand, and that these things would be bought and given to the Red Cross for distribution.

Mr. ADAMS. I assumed that the Senator wished to be corrected.

Mr. BILBO. I thought the Senator assumed that I knew what the law was.

Mr. ADAMS. I was not assuming anything.

Mr. BILBO. The President is to do the buying, but he is to buy what the Red Cross calls upon him to buy in order to take care of the situation in Europe. So, as a result, out of the $50,000,000 there will be some relief to the surplus situation in America, but very little.

In presenting this amendment I have the endorsement of all the farm organizations of America, because they realize the situation which confronts the farmer, which will become more acute before we have another session of Congress. If $100,000,000 is turned over to the Surplus Commodities Corporation it can carry on its program of relief to the farmers by purchasing, storing, and distributing between 40 and 50 farm commodities. Among those, of course, will be corn, cotton, wheat, and many others. This organization has been able to deal in about 40 or 50 commodities, and thereby relieve the farmers of the country.

For the information of the Senate, I should like to refer briefly to the situation which confronts the farmers of the country at the present time. I should like to put certain information in the RECORD so that the farmers of the country may know what Senators are voting on.

I have before me a table showing the production and stocks of grains and cotton. It shows the 5-year average from 1935 to 1939, the figures for the year 1939, and an estimate for the year 1940.

With respect to wheat, the 5-year average production from 1935 to 1939 was 763,000,000 bushels, with 172,000,000 bushels in stocks. For 1939 the production figure was 755,000,000 bushels, with 254,000,000 bushels in stocks. The estimated production for 1940 is 728,000,000 bushels, with 288,000,000 bushels in stocks.

With respect to corn, the 5-year average production is 2,329,000,000 bushels, with 249,000,000 bushels in stocks. The production figure for 1939 is 2,619,000,000 bushels, with 573,000,000 bushels in stocks. The estimated production for 1940 is 2,400,000,000 bushels, with 675,000,000 bushels in stocks.

With respect to oats, the 5-year average production figure is 1,030,000,000 bushels, with 168,000,000 bushels in stocks. For 1939 the production figure is 937,000,000 bushels, with 191,000,000 bushels in stocks. The estimated production figure for 1940 is 1,021,000,000 bushels, with 140,000,000 bushels in stocks.

The table also shows the same information for rice, soy beans, and cotton. Let us take cotton for illustration. The 5-year average production is 13,149,000 bales, with 8,336,000 bales in stocks. The production figure for 1939 is 11,817,000 bales, with 13,032,000 bales in stocks. The estimated production for 1940 is 11,800,000 bales, with 11,000,000 bales in stocks.

Those figures show the condition as to the major crops of the country. I have figures showing the storage holdings of fruits and vegetables, dairy and poultry products, meats and lard, condensed milk, and evaporated milk. Under the heading of fruits and vegetables the storage holding on May 1, for the 5-year average from 1935 to 1939, was 4,586,000 bushels. On May 1, 1939, the figure was 4,707,000 bushels; on May 1, 1940, 3,599,000 bushels.

For frozen fruits the amount in storage on May 1, for the 5-year average, was 61,507,000 pounds; on May 1, 1939, 76,180,000 pounds; and on May 1, 1940, 75,620,000 pounds.

For frozen vegetables the data are not available for the 5-year average. On May 1, 1939, there were in storage 47,427,000 pounds; and on May 1, 1940, 49,089,000 pounds.

With the increase in production throughout the country, great quantities of dairy and poultry products, meats and lard, condensed milk, and evaporated milk are in storage today.

Mr. President, I ask unanimous consent that the tables to which I have referred be printed in the RECORD in connection with my remarks.

There being no objection, the tables were ordered to be printed in the RECORD, as follows:

Production and stocks of grains and cotton, 1935–39, 1939, and estimates for 1940

Commodity	5-year average 1935-39		1939		Indicated 1940	
	Production	Stocks	Production	Stocks	Production	Stocks
Wheat.....million bushels..	763	172	755	254	728	288
Corn.....do....	2,329	249	2,619	573	2,400	675
Oats.....do....	1,030	168	937	191	1,021	140
Rice.....thousand barrels..	13,748	1,729	14,529	2,744	14,500	3,000
Soybeans....thousand bushels..	53,954	456	87,409	965	100,000	.....
Cotton.....thousand bales..	13,149	8,336	11,817	13,032	11,800	11,000

Storage holdings of specified agricultural commodities on May 1, 1935–39, 1939, and 1940

Commodity	Unit	May 1, 5-year average 1935-39	May 1, 1939	May 1, 1940
Fruits and vegetables:				
Apples	1,000 bushels	4,586	4,707	3,599
Fruits, frozen	1,000 pounds	61,507	76,180	75,620
Vegetables, frozen	1,000 pounds	.....	47,425	49,089
Dairy and poultry products:				
Butter	1,000 pounds	21,626	70,909	9,457
Cheese	1,000 pounds	71,393	75,345	78,600
Eggs	1,000 cases	5,989	5,896	5,576
Poultry, frozen	1,000 pounds	67,330	70,568	86,418
Meats and lard:				
Beef	1,000 pounds	66,247	36,866	61,959
Pork	1,000 pounds	561,283	527,213	613,970
Lamb and mutton	1,000 pounds	2,693	1,956	3,570
Lard	1,000 pounds	129,141	129,533	266,352
Condensed milk	1,000 pounds	4,780	4,608	4,014
Evaporated milk	1,000 pounds	116,684	134,625	207,740

Mr. BILBO. Mr. President, let us see how we could relieve the farmers and absorb the surpluses by the expenditure of $100,000,000. Being more familiar with cotton than with anything else, I refer first to cotton.

Through the activities of the Surplus Commodities Corporation we have inaugurated what is known as the mattress plan. One bale of cotton will make ten mattresses.

Estimates show that in the United States there are two and a half million families whose income is less than $500 a year. There are 6,000,000 families in the United States whose income is between $500 and $1,000. In other words, there are eight and one-half million families in the United States whose income is less than $1,000.

Mr. STEWART. Mr. President, will the Senator yield?

Mr. BILBO. I yield.

Mr. STEWART. The Senator has informed himself with respect to these facts; and I should like, as a matter of information, to know where these families principally reside. I do not mean in what particular section, but are they the families of men engaged in agriculture or industry?

Mr. BILBO. The information I am giving covers the entire United States. A great many of the families are found in rural sections of the country, as well as in some of the industrial sections. They are scattered all over the United States.

Mr. STEWART. Does the Senator know whether or not the majority of them are engaged in agriculture?

Mr. BILBO. I do not know about the majority. I presume that is true. If we take the East Side of New York and the South Side of Chicago—the black belt—we find a great many of such families. There are eight and a half million of them.

The Surplus Commodities Corporation proposes to take the raw cotton. Out of each bale 10 mattresses can be produced. The proposal is to distribute the mattresses to the eight and a half million poor families with incomes of less than $1,000. The plan would not interfere with the manufacture of mattresses, because I care not how many mattresses industrial plants may manufacture, these families are not able to buy them. Therefore, there is no competition, and we are bringing relief to eight and a half million needy families throughout the United States.

I have statistics showing what has been recently done. As I understand, more than 100,000 bales of cotton have already been manufactured into mattresses. The process of manufacturing the mattresses carried out through cooperation by the extension forces of the Department of Agriculture and various other agencies in the States. The Surplus Commodities Corporation furnishes the raw cotton and ticking, the work is done in the field by the various agencies, and the mattresses are distributed to those who are eligible to receive them.

For the information of the Senate, I will say that a survey is made by the agencies of the Government to determine those eligible to receive free mattresses. I have often thought that one of the great tragedies of the cotton industry is that in the South, where we grow the cotton, there are millions of tenant laborers on the cotton farms who plant, hoe, and pick the cotton, and yet they spend their nights on mattresses of shucks or something worse. We have an opportunity through the Surplus Commodities Corporation to correct that situation.

The foodstuff plan is another way in which part of the $100,000,000 will be spent. More than a thousand cities in the United States are begging for this service of the Federal Surplus Commodities Corporation. With the money we have already appropriated, relief funds are distributed through the stamp plan. Mr. Perkins, of the Surplus Commodities Corporation, estimates that about 150 cities scattered over the United States can be reached.

With this extra $100,000,000 we would be able to reach many more cities, and give greater service to the poor people of this country who will buy with their relief money, which is already provided for in the bill, these articles of food and clothing. I merely mention these items to show how this money will be spent.

Three million children in the United States are receiving lunches in school through supplies furnished to W. P. A. agencies by the Surplus Commodities Corporation, and there are 9,000,000 children who, by an investigation, are entitled to such free lunches. Another way in which this $100,000,000 could be used by the Surplus Commodities Corporation would be in furnishing surplus products bought up by it to the proper agencies, thus enabling 9,000,000 children to receive free lunches at school in order that they may have something to eat, and enjoy a proper diet.

Do you know, Mr. President, that only 4,000,000 unfortunates in this country are being benefited by the food-stamp plan? There are 20,000,000 who are entitled to this relief, and by the adoption of this amendment we will reach a greater number of those on relief.

Mr. President, since all the farmers of this country, together with the Secretary of Agriculture—I am not authorized to quote the President, but I am sure he would look with favor upon this kind of legislation, this kind of relief—and since all the farm organizations of the country are begging the Congress to give this relief because of the seriousness and tragic conditions which face the farmers I cannot understand how anyone can oppose it.

Yes, we voted $50,000,000 for refugees, for foreigners who live across the sea. Here we have a chance to vote money for the relief of people in this country who are in about as bad condition as are those to whom we are extending relief on the other side of the sea, or who are at least in a serious condition. How can we face our constituents and say "I voted for, and there was adopted unanimously, an appropriation of $50,000,000 to take care of the unfortunates of Europe, a responsibility which cannot be charged to us, and yet we failed to take care of 9,000,000 ill-fed children in America, many of whom throughout the United States are sleeping without mattresses, and of the farmers who will be destitute and in bankruptcy because of the loss of their market as the result of this damnable war in Europe." I insist that of all the appropriations we are making we can accomplish more good for the unfortunates of this country by such an appropriation as I propose, small as it is in comparison to the appropriation carried by the bill we are about to pass.

We have been voting billions of dollars—$5,000,000,000—for defense. This is the beginning of defense. If we want a strong, virile, red-blooded race of men to fight our wars, then we must give them the proper food and the proper attention in the homes throughout this land. That is the meaning of this amendment to the pending relief measure. It is to provide the ways and means by which the unfortunates, the neglected, the emaciated of this country may be given some of the surpluses which our farming lands can produce. In that way we will help not only the farmer but will help the unfortunate poor, and we will help the laboring man who works yonder in the industries of the country, because the industries must have somebody with purchasing power, and this will help give purchasing power to the farmers of the country.

I ask the Senate to give favorable consideration to the amendment.

Mr. ADAMS. Mr. President, a word of explanation. The Senator from Mississippi was good enough to present this matter to the Appropriations Committee, and the committee gave his suggestion consideration. It did not feel, however, that this appropriation should be added to this particular measure.

The amendment the Senator proposes is an addition to the Agricultural Adjustment Act. The Surplus Commodities Corporation in the Agricultural Appropriation Act, which has recently been passed by the Congress, has been given $185,000,000, which is a very substantial sum, for the very purposes the Senator has in mind. If he was dissatisfied with that appropriation, his amendment should have been addressed to that bill and not to the relief measure which comes up at this time.

The pending joint resolution provides an appropriation to the Agricultural Department for agricultural relief of $200,000,000. That appropriation is in this bill.

Mr. BILBO. Mr. President, will the Senator yield for a moment?

The PRESIDING OFFICER. Does the Senator from Colorado yield to the Senator from Mississippi?

Mr. ADAMS. Certainly.

Mr. BILBO. At the time of the passage of the agricultural appropriation bill, it will be remembered, I sponsored an additional appropriation of $85,000,000, but at that time the farmers of America were not faced with the conditions which they face today as the result of the spread of the war in Europe, which has eliminated their export market. Furthermore, conditions are growing worse. If I had known then what I know now, I would have asked for the additional $100,000,000, and perhaps more, for I doubt whether $100,000,000 would be sufficient to take care of the situation.

Mr. ADAMS. Not a nickel of the funds appropriated in the Agricultural Appropriation Act has been spent. That money becomes available only on the 1st of July.

Mr. BILBO. I know that.

Mr. ADAMS. We may need more or we may not need more, but the Congress will have ample time to make additional provision should it develop to be necessary.

Mr. BILBO. In response to the Senator's statement, let me make this observation: We are working overtime trying to adjourn a week from tomorrow. No one knows——

Mr. ADAMS. I may state to the Senator that I do not think he need worry about adjournment.

Mr. BILBO. No one knows whether or not we will have another session between now and January, and it will be too late to come to the rescue of the farmer in January; he will then be in worse condition than are the refugees in Europe.

Mr. ADAMS. The $185,000,000 in the Agricultural Appropriation Act will be available on the 1st of July. There is $200,000,000 for farm relief in this bill. The Senator knows that we have provided a large sum for various agricultural purposes, including parity payments and other items.

Mr. BILBO. How much is there for agriculture in this bill?

Mr. ADAMS. There is $200,000,000 in this bill for agriculture.

Mr. BILBO. For what purpose?

Mr. ADAMS. For grants and loans to needy farmers.

Mr. BILBO. That is the point. I am glad the Senator mentioned that.

The PRESIDING OFFICER. The Chair will state that the Senator from Colorado has the floor.

Mr. ADAMS. I am always glad to yield.

Mr. BILBO. Loans have been provided for, that is true; but when we grant loans we build up the surplus and a loss will ensue. My amendment provides for the equitable, fair, just, and righteous distribution of a hundred million dollars' worth of surplus farm products which will be taken even if the farmers are given loans.

Mr. ADAMS. I thought the Senator, in the first part of his remarks, was quoting the Agricultural Department and Secretary Wallace as his authority. What this measure does is in accordance with his request. We accepted, as I thought the Senator did, the opinion of the Secretary of Agriculture, who appeared before the committee in behalf of this $200,000,000 appropriation. We raised the amount the House provided from $115,000,000 to $200,000,000. The Appropriations Committee has not dealt harshly with the farmers.

Mr. BILBO. For the purpose the Senator refers to he is right, but this is a different purpose; it is along a different line, and I think I am justified in stating that the Secretary will favor it.

Mr. ADAMS. We even went $16,000,000 beyond the request of the Secretary of Agriculture.

As the Senator pointed out, the $50,000,000 appropriated for the relief of refugees must be spent in America, largely for the very products the Senator has in mind. I am sure he did not mean to object to the fact that a little of it would be spent for medicine. I am sure the Senator did not want that inference to be drawn from his remarks, because he commented on that fact.

Mr. BILBO. I took pleasure in voting for the $50,000,000; I am in favor of this kind of relief, and want to sustain the reputation of the United States as being the great humanitarian brother of the entire world.

Mr. ADAMS. I believe it would be a mistake for the Senate to add this amount to this bill.

Mr. MILLER. Mr. President, I have no desire to prevent the chairman of the committee from closing this debate, but I should like briefly to call the attention of the Senate to one or two matters which, to my mind, are outstanding reasons why this amendment should be adopted.

It is true we have provided $185,000,000 for the next year for loans or for administration under section 32 of the act of 1935. This amendment proposes $100,000,000 additional to be used by the Secretary for a certain distinct purpose, and that purpose is the purchase of agricultural commodities.

We must admit, if we stop for a moment to think, that such foreign markets for agricultural products as we may have had in the past have gone. It does little good to loan, as we have provided in the joint resolution, and to which the chairman of the subcommittee has called attention, the amount of $125,000,000 for rehabilitation purposes.

What is the purpose of a rehabilitation loan? It is to enable the farmer to make a crop. It is to enable the farmer to sustain himself. If he has not any market for his products, then we shall not only fail to get back the $125,000,000 which we loan, but we shall not be doing anything for the aid of the farmer.

As the Senator from Mississippi [Mr. BILBO] has said, we shall harvest these crops in the fall of this year. What are we going to do with them? That is a question which no one can answer except to say, "to supply the market"; that is all.

We are faced with this situation: Do we want to furnish that market, or do we want to go ahead and make these loans and let surpluses pile up more than we can consume? The surpluses will not be more than we can consume if properly distributed; but do we want to let those excess products pass into the surpluses, or do we want to put them out among the needy of this country? That is the question.

I think the Senate ought to take action now and adopt the amendment.

Mr. LA FOLLETTE obtained the floor.

Mr. HILL. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Adams	Davis	King	Reed
Andrews	Donahey	La Follette	Reynolds
Ashurst	Downey	Lee	Russell
Austin	Ellender	Lodge	Schwartz
Bailey	George	Lucas	Schwellenbach
Bankhead	Gerry	Lundeen	Sheppard
Barkley	Gillette	McKellar	Shipstead
Bilbo	Green	McNary	Slattery
Bone	Guffey	Maloney	Smith
Bridges	Gurney	Mead	Stewart
Brown	Hale	Miller	Taft
Bulow	Harrison	Minton	Thomas, Idaho
Burke	Hatch	Murray	Thomas, Okla.
Byrnes	Hayden	Neely	Thomas, Utah
Capper	Herring	Norris	Townsend
Caraway	Hill	Nye	Tydings
Chandler	Holman	O'Mahoney	Vandenberg
Clark, Idaho	Holt	Overton	Van Nuys
Clark, Mo.	Hughes	Pepper	Wagner
Connally	Johnson, Calif.	Pittman	Walsh
Danaher	Johnson, Colo.	Radcliffe	

The PRESIDING OFFICER. Eighty-three Senators have answered to their names. A quorum is present.

Mr. LA FOLLETTE. Mr. President, I realize that it is very difficult to get Members of the Senate to focus their attention upon questions relating to our domestic problems. Quite naturally, in the face of events occurring in Europe, the thoughts and attention of Senators, as well as other persons in this country, are focused upon that tragic development. But one thing does surprise me, and that is that in the light of the recent tragic lesson in Europe there should not be a full appreciation of the fact that national defense does not consist alone of battleships, airplanes, tanks, and other munitions and implements of war. That they are essential, that they are of vital importance, I should be the first to concede; but I do not see how any man or woman who has watched the developments in Europe since September 3, 1939, can fail to realize that a sound, dynamic, domestic

economy of a nation is of equal importance with its preparations for and its ability to provide national defense.

In Norway, in Holland, in Denmark, and now in France, we have seen not only the tragic effects of a failure to provide adequate instrumentalities of national defense but likewise the catastrophic consequences resulting from failure to cope with the pressing problems which modern industrialism presents to society in every important nation in the world.

I pray to God, Mr. President, that the representatives of democracy in America will not repeat the tragic mistakes, the fatal mistakes, which have characterized democratic leadership in other nations in the period since the last World War.

Mr. President, we should take advantage of the opportunity presented to us. We should utilize the time which is given to this country, because of its geographic situation and its potential power, not only to adequately prepare our technical instrumentalities of national defense but likewise to bring to bear upon the problems confronting society in the United States the genius, the intelligence, and the courageous leadership which this Nation affords.

We should have learned by now that the type of unity produced at the last moment, in the face of threatened national peril, is a false type of unity. It crumbles at the impact of a dynamic, expanding, and functioning economy, no matter how much we may abhor the objectives of such a dynamic and functioning economy.

Since 1929 the problem of unemployment, the failure of the farmer to obtain his fair share of the national income, the resultant displacement of many people from their possession of the land, the threatened destruction of farming as a way of life, the insecurity of the aged, and the denial of opportunities to youth have been eating away at the foundations upon which a democratic society must ultimately rest.

Mr. President, I would not be misunderstood. I am not for one moment suggesting that there should be any slackening in our preparations for national defense, in the technical sense of the phrase. I have given my enthusiastic support to the staggering appropriations which have been provided at this session of Congress. I measure my words when I say that I am willing to support whatever may be needed and required to defend and to protect this hemisphere, from the Arctic Circle to Cape Horn, against any and all comers. But I would be less than frank with my colleagues did I not say that I am concerned, as I have never been concerned since I came to this body, with the evident concentration of democratic leadership in the United States upon these instrumentalities, implements, and techniques of national defense to the point of submerging our concentration and thought and action upon the domestic front, which is as important as our military and naval front.

No man in this Chamber has greater confidence in the potential capacity of the American people, in our vast resources, in our productive capacity both on the farm and in the factory. There is no task upon which the genius of the American people is brought to bear which cannot be solved. But I wish to utter a word of warning, at this critical juncture in the affairs of this Nation, that we not repeat the tragic mistakes which have been made by other democracies.

Mr. President, the pending amendment is only a small approach to one of the most important problems confronting the American people. No man doubts our capacity to produce. Our system has shown this fatal tendency to contract, with all the problems which that produces, because of our failure to distribute the products which we have the capacity to produce on the farm and in the factory.

This program calls for an appropriation of $100,000,000. We will have appropriated in excess of $5,000,000,000 for national defense if the Congress adjourns a week from Saturday. No man knows how much more will be appropriated in the next year. Is it too much to ask $100,000,000 in order that we may expand this device—the stamp plan—which has been worked out under the Surplus Commodities Corporation's leadership, and which all strata of society and all economic points of view approve and are enthusiastic to see carried forward?

Mr. President, the impact of the consequences of the catastrophic struggle now going on in Europe upon the American farmer has only begun to be appreciated in this country. The impact of the loss of our export markets for manufactured products has not yet fully revealed itself in the form of unemployment and increased misery in the United States. Here is a program which attacks those two problems simultaneously.

The Senator from Colorado [Mr. ADAMS], in charge of the pending joint resolution, has indicated that this is not the time or the place for the consideration of this amendment. When the agricultural appropriation bill was before us, and when I attempted to incorporate into it an amendment for this same purpose, I was confronted with a point of order, and a statement that it did not belong in the agricultural appropriation bill. Legalistic, parliamentary hair-splitting at this critical juncture, in my opinion, is not contributing to that dynamic functioning of democratic processes essential to the preservation of this Republic.

Mr. President, there are 3,000,000 children in the United States getting lunches as the result of this program. There are 6,000,000 more school children in the United States on the same level of destitution, and who have been certified as eligible, but who are unable to receive this form of assistance because the funds are inadequate.

There are 4,000,000 persons in the United States receiving the benefit of adding 2½ cents a meal a person as the result of this program, but there are 16,000,000 additional persons who have been ground down through the cruel processes of pauperization, who have been certified to be equally deserving of 2½ cents a meal more each day, who are unable to get the benefits of this program because the appropriations are inadequate.

Mr. President, if this proposal were coming here initially, if it had not been tried, if it had not been proven to be a success, if it did not have the enthusiastic backing of all elements in the communities in which it is operating, there might be some validity to the suggestion that the amendment was not timely, but this program, under the leadership of Milo Perkins, has been developed carefully, it has been developed gradually, and it has been developed upon a sound basis. It utilizes the existing means of distribution, it is efficient, it produces results. There are 800 cities in the United States asking to come into the program which are denied because there are insufficient funds.

I do not wish to make any invidious comparisons. I supported with enthusiasm the $50,000,000 appropriation to provide assistance to the innocent victims of the juggernaut of war on the continent of Europe. I hope Senators with equal enthusiasm and with a feeling that they are in the last analysis contributing to national defense, will support an amendment to provide $100,000,000 to help the farmers and to help those who are destitute in America.

In conclusion, let me say that I realize full well that it is difficult to get Senators to consider our fundamental and important domestic problems. I hope that in this mad race to rearm America with the instrumentalities of national defense we shall not overlook the vital importance of mobilizing the intelligence of America for action, not talk, on those vital problems of domestic concern which in this critical hour are of equal importance with national defense.

The PRESIDING OFFICER (Mr. HATCH in the chair). The question is on the amendment offered by the Senator from Mississippi [Mr. BILBO].

Mr. LA FOLLETTE. I ask for the yeas and nays.

The PRESIDING OFFICER. Is the request seconded? Apparently there is not a——

Mr. GUFFEY. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Adams	Donahey	King	Pittman
Andrews	Downey	La Follette	Reynolds
Ashurst	Ellender	Lee	Russell
Austin	George	Lodge	Schwartz
Bankhead	Gerry	Lucas	Schwellenbach
Barkley	Gillette	Lundeen	Sheppard
Bilbo	Green	McKellar	Shipstead
Bone	Guffey	McNary	Slattery
Brown	Gurney	Maloney	Stewart
Bulow	Hale	Mead	Taft
Burke	Harrison	Miller	Thomas, Idaho
Capper	Hatch	Minton	Thomas, Okla.
Caraway	Hayden	Murray	Townsend
Chandler	Herring	Neely	Tydings
Clark, Idaho	Hill	Norris	Vandenberg
Clark, Mo.	Holman	Nye	Wagner
Connally	Holt	O'Mahoney	Walsh
Danaher	Johnson, Calif.	Overton	
Davis	Johnson, Colo.	Pepper	

The PRESIDING OFFICER. Seventy-four Senators having answered to their names, a quorum is present.

The yeas and nays have been requested. Is there a second to the request of the Senator from Wisconsin for the yeas and nays?

Mr. LA FOLLETTE. A parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. LA FOLLETTE. It is my understanding that the present occupant of the Chair previously said the yeas and nays were ordered.

The PRESIDING OFFICER. That is not correct. The Chair was about to say there was not a sufficient number, but before completing the statement the absence of a quorum was suggested.

Mr. LA FOLLETTE. This is an important matter. I ask for the yeas and nays.

The yeas and nays were ordered.

Mr. DANAHER. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. DANAHER. Is it in order at this time to offer an amendment to the pending amendment?

The PRESIDING OFFICER. It is in order.

Mr. DANAHER. Would such an amendment be acted upon first?

The PRESIDING OFFICER. It would.

Mr. DANAHER. I desire to offer an amendment to the pending amendment. My amendment is, in line 4, to strike out the word "effectuating" and insert in lieu thereof the words "extending the food-stamp plan of distributing surplus commodities pursuant to", so that the pending amendment would then read:

SEC. —. There is hereby appropriated, out of any money in the Treasury not otherwise appropriated, for the fiscal year 1941, the sum of $100,000,000, to be used by the Secretary of Agriculture for the purpose of extending the food-stamp plan of distributing surplus commodities pursuant to the provisions of section 32 of the act entitled "An act to amend the Agricultural Adjustment Act, and for other purposes," approved August 24, 1935, as amended, such sum to be in addition to any funds appropriated by such section 32.

Mr. HAYDEN. Mr. President, will the Senator yield?

Mr. DANAHER. I yield.

Mr. HAYDEN. Would the amendment then limit the expenditure of the money to foods?

Mr. DANAHER. It would limit the expenditure of the money to the food-stamp plan, as it has been designated.

Mr. HAYDEN. The food-stamp plan relates only to foods. How about clothing?

Mr. DANAHER. I am perfectly willing that the word "food" be stricken out, and that the plan shall include clothing. What I am opposed to is continuing an export subsidy under present conditions. I firmly believe that we can best preserve the best attributes of the stamp plan of distributing surplus commodities in the fashion which has been so eloquently argued by the Senator from Wisconsin [Mr. LA FOLLETTE]. I am in full accord with his objective in that particular. When the agricultural appropriation bill was before us, I attempted to extend the food-stamp plan in that fashion.

The Senator from Arizona makes a good point in the suggestion that the word "food" would create a limitation. I am perfectly willing, therefore, that my amendment be modified by eliminating the word "food" and that the amendment be limited to the extension of the distribution of surplus commodities under the stamp plan.

Mr. BARKLEY. Mr. President, will the Senator yield?

Mr. DANAHER. I yield.

Mr. BARKLEY. What stamp plan is in force other than the food-stamp plan?

Mr. DANAHER. It has been extended to include cotton clothing in particular, and it is going forward with splendid results. I am very much in favor of it.

Mr. BILBO. Mr. President, let me express the hope that the Senator will not insist upon his amendment. My amendment was submitted to the Surplus Commodities Corporation, and it has the full approval of that agency. As I understand, it permits the Surplus Commodities Corporation to do all the things it is now doing to handle surplus commodities. It may handle about 50 farm commodities, including cotton. I think the matter should be left to the discretion of the agency which is doing such a wonderful job for the Government in the interest of the people who are in need of these surpluses, and bringing relief to the American farmers.

I will say to the Senator that the purpose of the $100,000,000 is to carry on the food-stamp plan. That is why we want the extra $100,000,000. I do not think any of it should be used for an export subsidy. We already have money for that purpose. This amendment is designed only to enlarge the program of relief.

Mr. LA FOLLETTE. Mr. President, will the Senator yield?

Mr. BILBO. I yield.

Mr. LA FOLLETTE. I should like to join in urging the Senator from Connecticut, whose support of this program I wish to acknowledge, not to insist upon his amendment to the amendment, because many communities are not receiving the advantage of the stamp plan, and, for purposes of relief, are largely, if not entirely, dependent upon the disposition of surplus commodities in bulk form, so to speak. I know the Senator from Connecticut never desires to be unfair; but, in my opinion, it would be very unfair to the communities which have not yet obtained, and may not obtain, the benefits of the stamp plan to deny them the benefits of distribution of surplus commodities to needy persons on relief.

Mr. DANAHER. Mr. President, let me point out to the Senator from Wisconsin that had the amendment been left the way it was originally offered by the Senator from Mississippi there would be no question on this subject. However, he has stricken out the words "of clause (2)", in line 5, and the net result now is that the $100,000,000 would be used for all the purposes stated in section 32 as the law now stands.

Only within the past few weeks we read about the Secretary of Agriculture spending 30 cents a bushel to export 300,000 bushels of wheat to Japan, furthering the efforts of Japan in her aggression against China. That is a condition, Mr. President, which it seems to me we should not support. It is a situation which we should not sustain.

This whole subject was thoroughly gone into when the agricultural appropriation bill was under consideration. I want to see the farmers distribute the surpluses. I am very much in favor of it. I want to see surplus commodities, whether they be cotton, clothing, or food, distributed and distress alleviated in that way, assisting the beneficiaries of the whole program. If we were to restore the language "of clause (2)", then beyond any doubt the operations of the proposed $100,000,000 program would be limited to the objectives stated by the Senator from Wisconsin and the Senator from Mississippi; but when we take out that language, we can see the handwriting on the wall. It amounts once again to a reintroduction in enhanced form of the export-subsidy program of the Secretary of Agriculture. I submit that with world conditions as they are today this is no time for an extension in that field. We can accomplish all the desirable

results if we amend the pending amendment in the particular suggested.

Mr. BILBO. Mr. President, I am sure the Senator does not want to leave the impression that I am in any way favorable to the use of this money for paying an export subsidy, because I was in the thick of the fight when the question was before the Congress, and I even took to the radio in opposition to using the money to subsidize foreign buyers of cotton and other products upon the theory that if we are to grant a bounty to anyone we should grant it first to the American people and let them be the beneficiaries.

I can assure the Senator that not one cent of the $100,000,000 will be used to pay a subsidy, because we already have $185,000,000, two or three times more than anyone ever dreamed would be used to subsidize the disposition of surpluses. This money is to be used in the expansion of the food-stamp plan, the mattress plan, the lunchroom plan, and all such plans, to help the needy poor people of America, and, at the same time, help the farmer by getting rid of surpluses.

Mr. DANAHER. Mr. President, will the Senator yield to me?

Mr. BILBO. I shall be glad to yield.

Mr. DANAHER. When the Senator first offered his amendment, it contained language which would cover all the objectives and purposes which he has just stated. However, for some reason or other he has modified his amendment by striking from line 5 the words "of clause (2)." If the Senator will restore to his amendment the language which he himself has stricken from his amendment, I shall be more than happy to withdraw my amendment.

Mr. BILBO. Mr. President, at the suggestion of the Surplus Commodities Corporation I made the change in the amendment as originally offered. However, if the Senator insists, I will restore that language and let the matter go to conference, because I am sure it will not interfere with what we are trying to do.

Mr. BANKHEAD. Mr. President, will the Senator yield?

Mr. BILBO. I yield.

Mr. BANKHEAD. What is clause (2) of section 32? I have not the section before me. I do not approve of the Senator from Mississippi and the Senator from Connecticut trading the thing out. I know what the Senator from Connecticut wants. I know what he tried to do when the matter was under consideration before.

Mr. BILBO. The matter under discussion is the elimination in line 5 of the words "of clause (2)." I left out those words at the suggestion of the Surplus Commodities Corporation. As I understand, the modification would not interfere with the purposes we have in mind accomplishing.

Mr. BANKHEAD. Will the Senator read clause (2)?

Mr. BILBO. Has the Senator the clause before him?

Mr. BANKHEAD. No; I have not. I am trying to see the subject matter and the effect of taking it out.

Mr. BILBO. I am willing to let the matter go to conference. It must go to conference anyway. It can then be thrashed out.

Mr. LA FOLLETTE. Mr. President, if the Senator will yield to me I shall be glad to read clause (2) of section 32.

Mr. BILBO. I yield.

Mr. LA FOLLETTE. Clause (2) of section 32 reads as follows:

(2) Encourage the domestic consumption of such commodities or products by diverting them, by the payment of benefits or indemnities or by other means, from the normal channels of trade and commerce.

Mr. BANKHEAD. Mr. President, will the Senator yield?

Mr. BILBO. I yield.

Mr. BANKHEAD. I should like to have the Senator's idea about the effect of eliminating clause (2).

Mr. DANAHER. Mr. President, a reference to the whole of section 32 will make it perfectly apparent. I do not happen to have the advantage at the moment of having it before me; but, if the Senator from Wisconsin will permit me, I shall be glad to read it to the Senator.

Mr. BANKHEAD. As I understand, the Senator wants the program limited to the provisions of clause (2), which was originally in the amendment and which was stricken out.

Mr. DANAHER. Mr. President, will the Senator from Mississippi yield to me?

Mr. BILBO. I yield.

Mr. DANAHER. When the agricultural bill was before us we appropriated $185,000,000, as I remember, for this very proposition.

Mr. BANKHEAD. No; the Senator is mistaken about that.

Mr. DANAHER. Perhaps I am.

Mr. BANKHEAD. The amount was $85,000,000.

Mr. DANAHER. It was $85,000,000. I thank the Senator. This sum, if added, would make the amount $185,000,000. That is how I inadvertently made the error, and I am sorry.

Section 32 reads:

SEC. 32. There is hereby appropriated for each fiscal year beginning with the fiscal year ending June 30, 1936, an amount equal to 30 percent of the gross receipts from duties collected under the customs laws during the period January 1 to December 31, both inclusive, preceding the beginning of each such fiscal year. Such sums shall be maintained in a separate fund and shall be used by the Secretary of Agriculture only to (1) encourage the exportation of agricultural commodities and products thereof by the payment of benefits in connection with the exportation thereof or of indemnities for losses incurred in connection with such exportation or by payments to producers in connection with the production of that part of any agricultural commodity required for domestic consumption.

So, if we do not limit the amendment, Mr. President, clause 1 is restored.

(2) Encourage the domestic consumption of such commodities or products by diverting them, by the payment of benefits or indemnities or by other means, from the normal channels of trade and commerce.

Consequently, Mr. President, if we restore clause 2 the way the Senator from Mississippi offered the amendment originally, we would at least limit the $100,000,000 to encouraging domestic consumption of the particular surplus commodities.

The section reads further:

And (3) finance adjustments in the quantity planted or produced for market of agricultural commodities.

It is not necessary to read the remainder of the section, but if we strike out the words "clause 2" in the pending amendment of the Senator from Mississippi we have really undertaken to add the sum of $100,000,000 for unbridled exploitation, so to speak, under section 32 of the agricultural act; and, consequently, Mr. President, if we really want to afford relief, if we want to relieve the beneficiaries as well as the producers, if we wish to aid the farmer with his surplus commodities and anybody else who is involved—whether it be in the production of cotton or foodstuffs is immaterial—all we have to do is to restore the words "clause 2" in the Senator's amendment and we will accomplish that desirable result; and, with that result achieved and that language restored, I personally would be more than willing to vote for the amendment.

Mr. SHIPSTEAD. Mr. President, will the Senator yield?

Mr. DANAHER. I yield.

Mr. SHIPSTEAD. Does the Senator intend to try to eliminate export subsidies? Is that what the Senator is trying to do?

Mr. DANAHER. No, indeed. Let me say to the Senator from Minnesota that insofar as section 32 of the Agricultural Adjustment Act already provides for that, and insofar as we have already appropriated for it, there is no involvement here in any way; but this is a relief measure and the Senator from Mississippi is now asking that we appropriate an additional $100,000,000 without any restriction or limitation as to its use. Consequently, far from its becoming a relief bill, it becomes an appropriation of $100,000,000 to execute all the policies of the Department of Agriculture under section 32.

Mr. SHIPSTEAD. Including the subsidies.

Mr. DANAHER. Including export subsidies, and including any other powers granted by section 32.

Mr. SHIPSTEAD. The question which arises in my mind is if by so doing we are not subsidizing nations at war to prolong the war?

Mr. DANAHER. That would be one effect.

Mr. McNARY. With the kindness and courtesy of the able Senator from Connecticut I want to ask the Senator from Mississippi if he has changed the outline of his amendment as originally introduced with reference to section 32? I have been very much interested in that section for a number of years, and, as a member of the subcommittee of the Committee on Appropriations representing the agricultural bill, I have taken a very lively interest in increasing the 30 percent of import duties, a sum which is now $185,000,000, and which was $203,000,000 last year.

I am willing to go along and increase that fund as provided in section 32 of the Agricultural Adjustment Act which covers the exportation of products and the distribution domestically of products under the stamp plan, as suggested by the able Senator from Connecticut. I would not want to change that plan and vote for an amendment to increase the amount $100,000,000 merely for the exportation of surplus products. I think it ought to apply to all products and all purposes set out in section 32 of the Agricultural Adjustment Act, leaving it to the good judgment of the administrator of that act either to send abroad such surpluses as may be distributed there or to enlarge the operations of the stamp plan, as it may occur to him in his good judgment.

I hope the Senator will not curtail or modify his plan now, but let it go forward, put it into the bill, and leave it to the judgment of the administration either to buy surpluses and expand the stamp plan, which is working so beautifully, or, if need be, use some of it for the exportation of products.

Mr. BANKHEAD obtained the floor.

Mr. BILBO. Mr. President, will the Senator from Alabama let me respond to the observations of the Senator from Oregon?

Mr. BANKHEAD. Yes; but that is what I myself wanted to do. Let the Senator proceed, however.

Mr. BILBO. I want to say that when the amendment was originally drawn it was drawn for the purpose of extending the food-stamp plan alone; then, upon further conferences with the Department, we thought it best to take that out and let the $100,000,000 be used at the discretion of the agency for all purposes under section 32 as set out. That is the amendment I am offering, and I hope the Senator from Connecticut will agree to withdraw his objection. I merely want to do what the Senator wants to do.

Mr. McNARY. Mr. President, it is my opinion, from the language employed by the able Senator in his modification, that it is limited to the exportation of surplus farm products. I do not think it should be so limited. I think if, in the good judgment of the Department, it should be used, or a major portion of it or a substantial amount or portion of it should be used, to expand the work now being done under the stamp plan that should be left to him. I want to ask the Senator, if I may, is it his interpretation that the modified amendment, as suggested by him, in any way restricts the Department in exercising its functions under the stamp plan?

Mr. BILBO. It does not.

Mr. McNARY. The Department would not, in the Senator's opinion, devote this sum of money to the exportation of agricultural products?

Mr. BILBO. No.

Mr. BANKHEAD. Mr. President, I am greatly pleased to hear the statement of the able Senator from Oregon [Mr. McNARY]. I am in full accord with the views expressed by him. He is not, however, in accord, as he apparently thought, with the Senator from Connecticut.

The amendment of the Senator from Mississippi as originally presented by him fixes a very definite limitation upon the use of the funds; it fixes that limitation in conflict with the statement of views of the Senator from Oregon and in conflict with my views. I think, in recognition of the fact that the limitation was not advisable, the Senator from Mississippi eliminated it from his amendment. Then the Senator from Connecticut, who has no interest, I think, in this program except the stamp part of it, insisted upon the Senator from Mississippi withdrawing the modification of his amendment and restoring the limitation which would confine the use of the money being appropriated to the domestic-use plan.

I think, Mr. President, that section 32 has been one of the most useful features of the agricultural program, and that it has served those who are intended to be served by the legislation. In the beginning the authors of section 32 and its supporters in the Committee on Agriculture, including the Senator from Oregon, who is always interested in the farmer, and its other advocates had primarily in mind aid to the farmers whose incomes were being adversely affected as the result of excessive surpluses of farm commodities which drove down the price of the entire crop. So this amendment was intended, in the beginning, to provide a fund with which the surpluses would be lifted from the market and, in that way, establish a price for the crop based upon the law of supply and demand. As the matter progressed and surpluses were bought, the question of the distribution of those surpluses developed. Large quantities of butter, particularly, and other perishable commodities, vegetables and fruits, have been bought under section 32, put in cold storage, and there they rested until a time came when they could be marketed without undue loss to the fund.

Then, as a result of the development of the need of these commodities in promoting the relief plan, this program was gradually shifted from one of primary benefits to the farmer to one involving primary benefits to those upon the relief rolls by reason of giving or granting the surplus commodities which first had been stored with the intention of disposing of them at a time when their disposition would not further depress the price of the commodities.

In that way the present system, which has developed into the food-stamp plan, was worked out. I am a strong advocate of that plan, because when we brought into the picture a distribution of the surplus commodities that were bought under the original plan to aid the farmer, we at the same time developed a plan to aid those on relief, the poor and the needy who were not able to buy the foodstuffs which had been bought as surplus commodities.

Mr. President, I submit, therefore, that it is not right to change this whole program now, and attempt to give it direction down one channel, that channel being the food-stamp plan. I favor that plan, as I said. I think it is a most worthy and helpful part of this program; but I submit that it is not right, it is not fair, and it is an abandonment of the original section 2 and of its purposes that have worked so well under a latitude of administration which has been given to, and exercised by, those in charge of the program.

I submit, therefore, that if the amendment is to be adopted it should be adopted as it now stands, without the amendment offered by the Senator from Connecticut [Mr. DANAHER].

Mr. RUSSELL. Mr. President——

The PRESIDING OFFICER. Does the Senator from Alabama yield to the Senator from Georgia?

Mr. BANKHEAD. I yield.

Mr. RUSSELL. I am sure the Senator from Alabama has already recognized that not only would the amendment offered by the Senator from Connecticut tie the hands of the administrator of the fund, but would constitute a rank discrimination between those who are on the relief rolls.

The last figures I had showed that there were in the United States approximately 150 cities in which the food-stamp plan was in effect. There are about 3,000 counties in the United States in which surplus foods are distributed to those who are on the rolls to receive direct relief. If the amendment offered by the Senator from Connecticut were adopted by the Senate, it would make a preferred class of those who are on relief in approximately 150 cities, which are able to finance the stamp plan of distribution, and would say to those in the other 3,000 counties of the United States that because, forsooth, those counties or towns are unable to make the initial

deposit required of the communities which avail themselves of the stamp plan, the people on the relief rolls of those counties, who are perhaps the recipients of less relief than those in the larger cities, shall be absolutely denied any of the surplus commodities which might be distributed after having been purchased by the Federal Surplus Commodities Corporation.

In other words, the amendment offered by the Senator from Connecticut is a proposal to segregate the entire $100,000,000 for the benefit of those on relief in 150 cities in the United States.

Mr. BANKHEAD. The statement of the Senator from Georgia is absolutely sound, and, in my judgment, unanswerable.

I say to the Senator from Mississippi [Mr. BILBO] that when I took the floor he indicated that he would yield to the suggestion of the Senator from Connecticut. If so, I am here to protest against the adoption of the amendment at all with that provision in it. If he is ready to have a vote on it without yielding to the suggestion of the Senator from Connecticut, I am ready to yield the floor.

Mr. BILBO. I will state to the Senator that I am standing pat. The only question which can be voted upon now is the amendment offered by the Senator from Connecticut, because he offered it after the roll call was ordered.

Mr. BANKHEAD. I hope the Senator from Connecticut will not insist on his amendment. If he is interested in this program, he certainly is endangering it by a limitation of that sort. He is acting in opposition to the judgment and statement of the leader on his side of the Chamber; and I hope he will not insist on complicating the matter in that way.

Mr. DANAHER. Mr. President, I withdraw the pending amendment, and offer in lieu thereof an amendment which will restore to the amendment of the Senator from Mississippi the words originally in his printed amendment when he asked that it lie on the table. Those words are, in line 5, "of clause (2)."

As I have stated, I withdraw the amendment I previously sent to the desk, and send to the desk in lieu thereof this amendment.

The PRESIDENT pro tempore. The question is on agreeing to the amendment offered by the Senator from Connecticut to the amendment offered by the Senator from Mississippi.

The amendment to the amendment was rejected.

Mr. McNARY. Mr, President, a parliamentary inquiry. I understood that the Senator from Connecticut had proposed to restore the original language of the amendment offered by the Senator from Mississippi.

Mr. BILBO. I did not so understand the Senator. We started to vote on the original language of my amendment as read by the clerk when I offered it, and before that was done I struck out these three words. That puts it all under section 32.

Mr. BANKHEAD. Mr. President, may I make a statement to the Senator from Oregon?

Mr. McNARY. Yes.

Mr. BANKHEAD. The amendment of the Senator from Mississippi now is exactly in line with the statement made by the Senator from Oregon.

Mr. McNARY. That is what I wanted to know. It does not modify the substance of section 32 of the A. A. A. Act?

Mr. BILBO. There is no limitation; it is all under section 32.

Mr. McNARY. What was the reason the Senator had for inserting the language which he now removes?

Mr. BILBO. I am not inserting anything.

Mr. McNARY. No; why did the Senator remove that language?

Mr. BILBO. I withdrew it at the request of the agents of the Surplus Commodities Corporation.

Mr. McNARY. What was the purpose of doing that?

Mr. BILBO. There was no especial purpose, except to give them absolutely free latitude to handle the matter under section 32.

Mr. McNARY. Is it the Senator's opinion that with this language restored, section 32 could not be employed in its present form?

Mr. BILBO. Except subsection (2). It would limit it to subsection (2); and that is what I wanted to get away from, and put it all under the general section 32.

Mr. McNARY. The language as originally proposed would confine all the activities to section (2)?

Mr. BILBO. Yes, sir.

Mr. McNARY. But now the language the Senator strikes out permits both sections—section 1 and section 2—to be used, and permits all this money to be expended in the discretion of the Administrator?

Mr. BILBO. That is correct.

Mr. BYRNES. Mr. President, in view of the very obvious sentiment of the Senate, I ask the Senator from Colorado [Mr. ADAMS] if he will not accept the amendment as it is now drawn, so that without further debate we may now vote on it and have a chance to get through with the joint resolution?

Mr. ADAMS. I have not any authority to accept it. It is rather obvious that the sentiment in the Senate is for the amendment; and, of course, as a member of the committee, I shall follow the directions of the Senate. It is not necessary to have a roll call on the amendment.

Mr. BYRNES. The Senator has no objection?

Mr. ADAMS. No; but I have my views.

The PRESIDENT pro tempore. The question is on agreeing to the amendment offered by the Senator from Mississippi [Mr. BILBO]. On that amendment the yeas and nays have been ordered. The clerk will call the roll.

The Chief Clerk proceeded to call the roll.

Mr. BANKHEAD. Mr. President, I ask unanimous consent that the order for the yea-and-nay vote be vacated, because it was agreed the amendment should be accepted and go in the joint resolution.

Mr. TAFT. I object.

The PRESIDENT pro tempore. Objection is made, and the roll call will proceed.

The Chief Clerk resumed and concluded the calling of the roll.

Mr. SHIPSTEAD. I have a pair with the senior Senator from Virginia [Mr. GLASS], which I transfer to the senior Senator from North Dakota [Mr. FRAZIER], who, I am informed, if present, would vote "yea," and I vote "yea."

Mr. CLARK of Missouri. My colleague the junior Senator from Missouri [Mr. TRUMAN] is unavoidably detained from the Senate. If present, he would vote "yea."

Mr. MINTON. I announce that the Senator from New Mexico [Mr. CHAVEZ], the Senator from South Carolina [Mr. SMITH], the Senator from Utah [Mr. THOMAS], and the Senator from Montana [Mr. WHEELER] are necessarily detained from the Senate. I am advised that if present and voting, these Senators would vote "yea."

The Senators from Virginia [Mr. BYRD and Mr. GLASS], and the Senator from Maryland [Mr. RADCLIFFE] are unavoidably detained. I am advised that if present and voting, these Senators would vote "nay."

The Senator from North Carolina [Mr. BAILEY], the Senator from South Carolina [Mr. BYRNES], the Senator from Delaware [Mr. HUGHES], the Senator from Nevada [Mr. MCCARRAN], and the Senator from Indiana [Mr. VAN NUYS] are necessarily detained.

The Senator from New Jersey [Mr. SMATHERS] is absent because of illness in his family.

Mr. AUSTIN. My colleague the junior Senator from Vermont [Mr. GIBSON], the Senator from Wisconsin [Mr. WILEY], the Senator from North Dakota [Mr. FRAZIER], and the Senator from New Jersey [Mr. BARBOUR], who are necessarily absent, would vote "yea" if present.

The Senator from New Hampshire [Mr. BRIDGES] has a general pair with the Senator from Utah [Mr. THOMAS].

The Senator from Kansas [Mr. REED] is detained on official business of the Senate.

The Senator from Maine [Mr. WHITE] is necessarily absent.

The Senator from New Hampshire [Mr. TOBEY] is absent on official business.

The Senator from New Jersey [Mr. BARBOUR] is necessarily absent on official duties.

The result was announced—yeas 58, nays 16, as follows:

YEAS—58

Andrews	Donahey	King	Pepper
Ashurst	Downey	La Follette	Pittman
Austin	Ellender	Lee	Reynolds
Bankhead	George	Lundeen	Russell
Barkley	Gillette	McNary	Schwartz
Bilbo	Guffey	Maloney	Schwellenbach
Bone	Harrison	Mead	Sheppard
Burke	Hatch	Miller	Shipstead
Capper	Hayden	Minton	Slattery
Caraway	Herring	Murray	Thomas, Idaho
Chandler	Hill	Neely	Thomas, Okla.
Clark, Idaho	Holman	Norris	Wagner
Clark, Mo.	Holt	Nye	Walsh
Connally	Johnson, Calif.	O'Mahoney	
Davis	Johnson, Colo.	Overton	

NAYS—16

Adams	Gerry	Lodge	Taft
Brown	Green	Lucas	Townsend
Bulow	Gurney	McKellar	Tydings
Danaher	Hale	Stewart	Vandenberg

NOT VOTING—22

Bailey	Frazier	Reed	Van Nuys
Barbour	Gibson	Smathers	Wheeler
Bridges	Glass	Smith	White
Byrd	Hughes	Thomas, Utah	Wiley
Byrnes	McCarran	Tobey	
Chavez	Radcliffe	Truman	

So Mr. BILBO's amendment was agreed to.

EXPEDITION IN STRENGTHENING THE NATIONAL DEFENSE—CONFERENCE REPORT

Mr. SHEPPARD submitted a report, which was ordered to lie on the table, as follows:

The committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 9850) to expedite the strengthening of the national defense, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendment of the Senate and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert the following:

"That (a) in order to expedite the building up of the national defense, the Secretary of War is authorized, out of the moneys appropriated for the War Department for national-defense purposes for the fiscal year ending June 30, 1941, with or without advertising, (1) to provide for the necessary construction, rehabilitation, conversion, and installation at military posts, depots, stations, or other localities, of plants, buildings, facilities, utilities, and appurtenances thereto (including Government-owned facilities at privately owned plants and the expansion of such plants, and the acquisition of such land and the purchase or lease of such structures as may be necessary), for the development, manufacture, maintenance, and storage of military equipment, munitions, and supplies, and for shelter; (2) to provide for the development, purchase, manufacture, shipment, maintenance, and storage of military equipment, munitions, and supplies, and for shelter, at such places and under such conditions as he may deem necessary; and (3) to enter into such contracts (including contracts for educational orders, and for the exchange of deteriorated, unserviceable, obsolescent, or surplus military equipment, munitions, and supplies for other military equipment, munitions, and supplies of which there is a shortage), and to amend or supplement such existing contracts, as he may deem necessary to carry out the purposes specified in this section: *Provided*, That the limitations contained in sections 1136 and 3734 of the Revised Statutes, as amended, and any statutory limitation with respect to the cost of any individual project of construction, shall be suspended until and including June 30, 1942, with respect to any construction authorized by this Act: *Provided further*, That all contracts entered into pursuant to the provisions of this section shall be subject to the provisions of the Act entitled "An Act to provide conditions for the purchase of supplies and the making of contracts by the United States, and for other purposes", approved June 30, 1936 (49 Stat. 2036; U. S. C., Supp. V, title 41, secs. 35–45): *Provided further*, That the cost-plus-a-percentage-of-cost system of contracting shall not be used under this section; but this proviso shall not be construed to prohibit the use of the cost-plus-a-fixed-fee form of contract when such use is deemed necessary by the Secretary of War.

"(b) The Secretary of War is further authorized, with or without advertising, to provide for the operation and maintenance of any plants, buildings, facilities, utilities, and appurtenances thereto constructed pursuant to the authorizations contained in this section and section 5, either by means of Government personnel or through the agency of selected qualified commercial manufacturers under contracts entered into with them, and, when it deems it necessary in the interest of the national defense, to lease, sell, or otherwise dispose of, any such plants, buildings, facilities, utilities, appurtenances thereto, and land, under such terms and conditions as he may deem advisable, and without regard to the provisions of section 321 of the act of June 30, 1932 (47 Stat. 412).

"(c) Whenever, prior to July 1, 1942, the Secretary of War deems it necessary in the interest of the national defense, he is authorized, from appropriations available therefore, to advance payments to contractors for supplies or construction for the War Department in amounts not exceeding 30 percent of the contract price of such supplies or construction. Such advances shall be made upon such terms and conditions and with such adequate security as the Secretary of War shall prescribe.

"SEC. 2. (a) During the fiscal year 1941 all existing limitations with respect to the number of flying cadets in the Army Air Corps, and with respect to the number and rank of Reserve Air Corps officers who may be ordered to extended active duty with the Air Corps, shall be suspended.

"(b) The President may, during the fiscal year 1941, assign officers and enlisted men to the various branches of the Army in such numbers as he considers necessary, irrespective of the limitations on the strength of any particular branch of the Army set forth in the National Defense Act of June 3, 1916, as amended.

"SEC. 3. All existing limitations with respect to the number of serviceable airplanes, airships, and free and captive balloons that may be equipped and maintained shall be suspended during the fiscal year 1941.

"SEC. 4. (a) The Secretary of War is further authorized to employ such additional personnel at the seat of government and elsewhere, and to provide for such printing and binding, communication service, supplies, and travel expenses, as he may deem necessary to carry out the purposes of this act: *Provided*, That until December 31, 1941, the Secretary of War may, if he finds it to be necessary for national-defense purposes, authorize the employment of supervising or construction engineers without regard to the requirements of civil-service laws, rules, or regulations: *Provided further*, That notwithstanding the provisions of section 6 of the act of August 24, 1912 (37 Stat. 555; U. S. C., title 5, sec. 652), the Secretary of War may remove from the classified civil service of the United States any employee of the Military Establishment forthwith upon a finding that such person has been guilty of conduct inimical to the public interest in the defense program of the United States and upon the giving of notice to such person of such charges: *And provided further*, That within 30 days after such removal such person shall have an opportunity personally to answer such charges in writing and to submit affidavits in support of such answer.

"(b) Notwithstanding the provision of any other law, the regular working hours of employees of the War Department and its field services (except employees of the War Department engaged in nonmilitary activities) shall be 8 hours per day or 40 hours per week during the period of any national emergency declared by the President to exist: *Provided*, That, under such regulations as the Secretary of War may prescribe, these hours may be exceeded, but compensation for employment in excess of 40 hours in any administrative workweek, computed at a rate not less than one and one-half times the regular rate, shall be paid per annum, per hour, per diem, and piecework employees: *Provided further*, That in determining the overtime compensation of per annum Government employees the pay for 1 day shall be considered to be one three hundred and sixtieth of their respective per annum salaries.

"SEC. 5. The President is authorized, with or without advertising, through the appropriate agencies of the Government (1) to provide for emergencies affecting the national security and defense and for each and every purpose connected therewith, including all of the objects and purposes specified under any appropriation available or to be made available to the War Department for the fiscal years 1940 and 1941, (2) to provide for the furnishing of Government-owned facilities at privately owned plants, (3) to provide for the procurement and training of civilian personnel necessary in connection with the protection of critical and essential items of equipment and material and the use or operation thereof, and (4) to provide for the procurement of strategic and critical materials in accordance with the act of June 7, 1939, but the aggregate amount to be used by the President for all such purposes shall not exceed $66,000,000. The President is further authorized, through such agencies, to enter into contracts for such purposes in an aggregate amount not exceeding $66,000,000. An account shall be kept of all expenditures made or authorized under this section, and a report thereon shall be submitted to the Congress at the beginning of each session subsequent to the third session of the Seventy-sixth Congress: *Provided*, That all contracts entered into pursuant to the provisions of this section shall be subject to the provisions of the act entitled 'An act to provide conditions for the purchase of supplies and the making of contracts by the United States, and for other purposes,' approved June 30, 1936 (49 Stat. 2036; U. S. C., Supp. V, title 41, secs. 35–45).

"SEC. 6. Whenever the President determines that it is necessary in the interest of national defense to prohibit or curtail the exportation of any military equipment or munitions, or component parts thereof, or machinery, tools, or material or supplies necessary for the manufacture, servicing, or operation thereof, he may by proclamation prohibit or curtail such exportation, except under such rules and regulations as he shall prescribe. Any such proclamation shall describe the articles or materials included in the prohibition or curtailment contained therein. In case of the violation of any provision of any proclamation, or of any rule or reg-

ulation, issued hereunder, such violator or violators, upon conviction, shall be punished by a fine of not more than $10,000, or by imprisonment for not more than 2 years, or by both such fine and imprisonment. The authority granted in this section shall terminate June 30, 1942, unless the Congress shall otherwise provide."

And the Senate agree to the same.

MORRIS SHEPPARD,
R. R. REYNOLDS,
WARREN R. AUSTIN,
Managers on the part of the Senate.

A. J. MAY
EWING THOMASON,
DOW W. HARTER,
W. G. ANDREWS,
DEWEY SHORT,
Managers on the part of the House.

APPROPRIATIONS FOR WORK RELIEF AND RELIEF

The Senate resumed the consideration of the joint resolution (H. J. Res. 544) making appropriations for work relief and relief, for the fiscal year ending June 30, 1941.

Mr. O'MAHONEY. Mr. President, I desire to offer an amendment, which will eliminate what I think is an obvious inconsistency in the joint resolution. On page 38 appears section 34, which reads as follows:

SEC. 34. None of the funds appropriated by this joint resolution shall be used for the manufacture, purchase, or construction of any naval vessel, any armament, munitions, or implement of war, for military or naval forces, and no funds herein appropriated or authorized shall be diverted or allocated to any other department or bureau for such purpose.

My amendment is to strike out section 34, and to change the numbering of the remaining sections of the bill.

This limitation was originally placed in the appropriation act when it was apparently the sentiment of Congress that we should not engage in any program of preparedness. That is obviously not the purpose of the Congress at the present time.

Mr. CLARK of Missouri. Mr. President, will the Senator yield?

Mr. O'MAHONEY. If the Senator will bear with me just a moment, I will yield.

It will be noted that on page 5, by an amendment already agreed to, the Senate has provided that—

Not to exceed $25,000,000 of funds herein appropriated * * * may be used * * * for other than labor costs * * * in connection with projects which have been certified by the Secretary of War or by the Secretary of the Navy as being important to the national defense.

On page 6 there is another amendment of the same tenor, which was also adopted by the Senate. This is to the effect that—

The provisions of this subsection shall not apply to projects which have been certified by the Secretary of War or the Secretary of the Navy as being important to the national defense.

It seems to me, Mr. President, to be perfectly obvious that we should not allow to remain in the bill a provision which would have the effect of preventing the use of these funds for military or naval purposes, and particularly for the manufacture of munitions.

Mr. President, I think it is scarcely necessary to make any further allusions to the amendment.

Mr. CLARK of Missouri. Mr. President, the Senator from Wyoming is under an entire misapprehension as to the purpose which led to the inclusion of the provision in the appropriation bill a year ago to which he refers. I myself offered the provision, and it was not offered by me, and I am sure was not adopted by the Senate, with any idea that a program of national defense was not to be adopted by the United States, or was not then under way. Quite the contrary was true at that time. It was adopted very shortly after we had entered upon a program of naval expansion and a very large expansion of aviation. It was adopted with the idea that the appropriations for national defense were to be earmarked so that we would know how much we were spending for national defense, and so that we would be able to determine whether we were spending enough for national defense or too much.

Nor is the provision on page 38 in the slightest degree inconsistent with the provisions of the amendments on pages 5 and 6, which have heretofore been adopted by the Senate, which to my mind are entirely proper provisions for insertion in the joint resolution, because they are specific provisions under which funds appropriated in this measure may be expended.

The purpose of section 34 is merely to assure that moneys appropriated for national defense may be spent in such a way that they may be recognized by the Congress and the public, and that we may be able to tell how much money we are spending for national defense.

Mr. O'MAHONEY. Mr. President, will the Senator yield?

Mr. CLARK of Missouri. I yield.

Mr. O'MAHONEY. I was about to add that my thought is that since we have passed numerous measures within the last 2 weeks, all of which are designed to promote the national defense and make it easier for the War Department and the Navy Department to put the country in a proper degree of preparedness, and authorizations have been made under these various provisions, we should not retain in this measure a provision which would unquestionably have the effect of preventing the use of relief labor for those desirable purposes, if the opportunity arises. It seems to me that at this time, since the authorizations are being made, and rapidity of preparation is undoubtedly essential, the arguments which the Senator advanced at the time the measure was originally introduced no longer hold good.

Mr. HAYDEN. Mr. President, will the Senator yield?

Mr. CLARK of Missouri. I yield.

Mr. HAYDEN. When the Senator from Missouri offered his amendment there was ground for doing so, because from the very large appropriations which had been made for relief, with no limitation of any kind, money had been allocated in a way which he sought to prohibit. The situation is quite different today. When the Senator from Missouri offered the amendment we were appropriating, if I remember correctly, $2,200,000,000 for relief. Now we are appropriating $975,000,000. The total amount available is less than one-half the amount previously made available. In the second place, we have placed a limitation in this measure, as the Senator will note if he will look on page 20, that not more than $20,000,000 can be transferred to any other Federal agency. There was no such limitation in the relief measure when the Senator offered his amendment.

Mr. CLARK of Missouri. There was no such provision either in the bill at that time. It was evidently inserted with the provisions of section 34 in mind, although I am not a member of the Appropriations Committee, and cannot say as to that. The Senator from Wyoming referred to the amendment on page 5, line 15—

Provided further, That not to exceed $25,000,000 of funds herein appropriated to the Work Projects Administration may be used by the Commissioner to supplement—

And so forth. The purpose of section 34, as I have said, is to assure that money appropriated for national defense will be spent in such a way as may be recognized by the Congress and the public, so we may know how much we are spending for national defense.

Mr. HAYDEN. Mr. President, the point I want to make is that Congress has specifically set forth in two places in the measure, first, that not more than $20,000,000 can be transferred to any other Federal agency; and, second, that only $25,000,000 can be used for military purposes. So there is no need for section 34, which the Senator from Wyoming seeks to have stricken from the joint resolution and it might as well be stricken.

Mr. CLARK of Missouri. Does not the Senator from Wyoming believe that it is desirable for the Congress to know how much it is appropriating for naval and military purposes? We have passed in the last few days a number of very large bills for military and naval purposes. We have carried out every recommendation the administration has made. In some instances we have gone beyond the administration's recommendations to a considerable extent. Those measures have passed both Houses of Congress by substantially a unanimous vote.

We have provided in this measure for $25,000,000 to be used for certain purposes—something that is written on the face of the measure and which we can see. Does not the Senator think that having done so, it is desirable that this money be spent for relief and not for military purposes?

Mr. HAYDEN. Mr. President, we do know how much can be spent for those purposes. In one place in the measure it is provided that $25,000,000 may be used for military and naval purposes approved by the War Department and the Navy Department, and in the latter part of the bill it is provided that no part of the money can be used for such purposes. That is inconsistent.

Mr. BONE. Mr. President, I think the language of this section is rather too plain for any misunderstanding. I wonder if Senators understand it as I do?

None of the funds appropriated by this joint resolution shall be used for the manufacture, purchase, or construction of any naval vessel, any armament, munitions, or implements of war. * * *

It is my understanding that it is the function of the Navy Department and the War Department to manufacture, purchase, or construct such things under the appropriations we have made. It is proposed that we shall appropriate some $975,000,000 in the pending measure, and the only thing section 34 forbids, as I understand, is the use of this money to purchase and construct naval vessels, and armament, and implements of war.

If we are going to divert any part of the money for that purpose it seems to me we ought to put the money in the proper appropriation bill, where all Senators can see for what purposes the money is being appropriated.

I voted for the amendment offered by the Senator from Montana [Mr. MURRAY], because I do not believe there is enough money made available to W. P. A. to do the work it will be called upon to do. I see no harm in the language in question. If we are going to appropriate money to build warships, let us do it out in the open so we will know where it is being spent.

Mr. O'MAHONEY. Mr. President, let me call the attention of the Senator to the fact that the language which the Senator has read includes manufacture as well as purchase. The War Department has numerous arsenals in which munitions of war are manufactured. The point is that if it is possible to establish a works project in such an arsenal, to use unemployed persons to manufacture powder, for example, or guns, or to do any of that work, we should not have this prohibition in the measure.

Mr. BONE. Mr. President, let me say to my good friend the Senator from Wyoming that yesterday in the Naval Affairs Committee we went over many aspects of that very problem. Those employed in the civilian activities of the Army and Navy are almost without exception under civil service. Everyone of them draws civil-service compensation. My mail is full of letters from contractors protesting against the use of W. P. A. labor in these normal civilian activities. If there is a Senator in this Chamber who has not had that type of mail I should like to hear from him.

I have received it, and I suspect all other Senators receive that kind of mail. I think business people and civil-service groups and normally employed individuals would raise the objection, whether it would be valid or not, that W. P. A. labor was being used in that competitive field where other men are drawing $5, $6, $7, and $8 a day. W. P. A. workers will feel that it is already occupied by those who are regularly employed in that sort of service.

I doubt if anyone thinks we are going to employ W. P. A. labor in building a battleship or in making munitions of war. Such operations are accomplished by the use of a trained personnel, drawing certainly infinitely more than W. P. A. labor draws.

That is the picture that has unfolded itself to me. I do not think I have misstated the facts and I believe every other Senator is aware of the situation. W. P. A. labor is employed in a rather narrowing field. I do not know whether it is good or bad, but certainly business groups and organized labor are demanding that W. P. A. be confined to a constantly narrowing field of activities.

The PRESIDENT pro tempore. The question is on agreeing to the amendment of the Senator from Wyoming [Mr. O'MAHONEY].

The amendment was rejected.

Mr. THOMAS of Oklahoma. Mr. President, yesterday the Senate adopted an amendment which made necessary the consideration of a second amendment. I offered the second amendment yesterday, and because it had not been checked by our secretary and by the Treasury officials, I withdrew it. I now desire to offer an amendment which has just been checked, and ask that it be read.

The PRESIDENT pro tempore. The amendment will be stated.

The CHIEF CLERK. On page 17, line 11, it is proposed to strike out "$3,225,000" and to insert "$3,400,000."

On the same page, line 12, it is proposed to strike out "$1,724,516" and to insert "$1,954,516."

In line 15, it is proposed to strike out "$3,827,400" and to insert "$4,628,841."

In line 17, it is proposed to strike out "$9,429,916" and to insert "$10,636,357."

Mr. THOMAS of Oklahoma. Mr. President, yesterday I received permission to have those four items considered as one amendment. This amendment provides additional money with which to maintain the existing State agencies of the Treasury in the respective States of the Nation. The total additional amount represented is $1,200,000, to be apportioned as the Treasury officials say it shall be. It is provided as a supplement to the provision adopted yesterday, which provided that the agencies shall be retained in the separate States, and not be regionalized.

Mr. ADAMS. Mr. President, I wish to call the attention of the Senator from Oklahoma to his original amendment. I think some results would flow from his original amendment which he does not intend.

Mr. THOMAS of Oklahoma. I may say in reply that the Senator is correct. I am having the Treasury redraft that amendment. When the bill goes to conference, if the chairman of the committee will be good enough, the redrafted amendment can be substituted for the original amendment, thus obviating the difficulty.

Mr. ADAMS. Under the restrictions provided by the amendment as originally drawn, an auditor in the General Accounting Office could not be sent from Washington to work any place else.

Mr. THOMAS of Oklahoma. I realize that, and I am sure such procedure as I have suggested will obviate any difficulty in that regard.

The PRESIDENT pro tempore. The question is on agreeing to the amendment of the Senator from Oklahoma [Mr. THOMAS].

The amendment was agreed to.

Mr. BONE. Mr. President, I have an amendment on the desk directed to section 1 of the measure, page 3, lines 17 and 18, which I ask to have stated.

The PRESIDENT pro tempore. The amendment will be stated.

The CHIEF CLERK. On page 3, line 17, after "public utilities", it is proposed to strike out the semicolon and insert "refrigerated cold-storage plants, and."

On page 3, line 18, after the word "systems", it is proposed to insert "together with offices and buildings."

Mr. BONE. Mr. President, let me offer a word of explanation.

The language of the joint resolution authorizes W. P. A. work to be done in the creation of electric transmission and distribution lines or systems to serve persons in rural areas, including projects fostered by and for the benefit of nonprofit and cooperative associations. Under this language, of course, the R. E. A. and the cooperative organizations would utilize the services of W. P. A. workers, I think, to the satisfaction

and advantage of everyone. It so happens that a proposal of this kind, if adopted, would not add a dollar of expense to the Government, because it is all a part of the W. P. A. operation; but it would permit the use of W. P. A. labor in building offices for the cooperative organizations in case labor were desirable in that direction.

Many of the farmer organizations have undertaken to set up small cold-storage units to save their meat, eggs, fruits, and vegetables. Millions of pounds of such commodities are being lost every year because in rural areas the farmers desiring to have the somewhat limited rural facilities for the preservation of their own farm products have found it somewhat difficult to accomplish that purpose. This amendment merely permits the little rural cooperatives and the R. E. A. organization to utilize W. P. A. labor in building not only their electric systems but necessary adjuncts, such as small office buildings and small cold-storage plants, to be owned by the farmers.

I think the amendment is a worth-while addition to the joint resolution. It would add nothing to the cost to the Government, and would merely broaden the program to a slight extent.

Mr. HILL. Mr. President, will the Senator yield?

Mr. BONE. I yield.

Mr. HILL. As I understand from the Senator's amendment, the funds would be available only to nonprofit and cooperative associations. Is that true?

Mr. BONE. That is true.

Mr. HILL. The associations are on a cooperative basis. They are cooperative organizations of farmers, and they derive no profit whatever from service to the farmers. Is that true?

Mr. BONE. The projects are purely rural, sponsored by and for the benefit of nonprofit and cooperative associations. That limitation is set out in the joint resolution.

Mr. HILL. We know that many of such associations have no resources from which to obtain funds to construct cold-storage plants.

Mr. BONE. That is true.

Mr. HILL. Cold-storage plants are absolutely necessary for the farmers to preserve their eggs, meat, vegetables, fruits, and other products. Is not that true?

Mr. BONE. That is correct.

It might be noted that these operations are not commercial. I have examined the laws of a great many States, and I think they are somewhat like the laws of my own State of Washington. A cooperative, nonprofit organization in Washington, created under the laws of that State—which, as I say, are similar to the laws of most States—may not engage in business for profit. It is what the name implies—a purely cooperative venture, which may not, under the law, pay dividends. It may accumulate a little surplus, but it may not pay a dividend. It may not possess and exercise the attributes of the average private-business corporation. Therefore, anything we do in this direction is merely ar extension of the R. E. A. program and the cooperative idea on the farm. Certainly it can do no harm.

Mr. HILL. The beneficiary of the proposal would be the farmer.

Mr. BONE. The program is purely rural.

Mr. ADAMS. Mr. President, will the Senator yield?

Mr. BONE. I yield.

Mr. ADAMS. I think the statement that the amendment is consonant with the R. E. A. program is inaccurate. The R. E. A. program provides for lending Government funds in order that electricity may be extended into rural communities. The R. E. A. Act does not provide that the Government shall build, buy, or donate rural electrification projects for private purposes. A relief bill has a very definite purpose. Relief legislation started with the very definite and limited purpose of providing work for needy persons on useful public projects.

Projects proposed are not public projects. The question is whether or not we wish to divert the purpose of the appropriation so as to build refrigerating plants and office buildings for private groups. They are not public groups. They may be cooperative, but nevertheless they are still private groups. The associations are owned by individuals. Their purpose is very commendable; but this matter was presented to the committee, and the committee felt that it was not the function of the Government, and particularly not the function of a relief measure, to build refrigerator plants for groups of private citizens which they should own, or to build office buildings in which they should conduct their private business.

Mr. KING. Mr. President, will the Senator yield?

Mr. ADAMS. I yield.

Mr. BONE. Mr. President, I have not surrendered the floor.

Mr. ADAMS. I thought the Senator had.

Mr. BONE. No.

Mr. ADAMS. I beg the Senator's pardon.

Mr. BONE. I shall be glad to yield to the Senator from Utah in a moment.

Let me call attention to the language of the joint resolution:

> Electric transmission and distribution lines or systems to serve persons in rural areas, including projects sponsored by and for the benefit of nonprofit and cooperative associations.

The committee has approved that language. It is the House language. Of course, it sounds more elaborate and ornate for my good friend from Colorado to refer to office buildings and refrigerator plants; but anyone who knows anything about these little farm organizations knows that the only kind of an office building any of them ever had is perhaps a one-story building with a room or two in it. That is about all they require.

I have organized a number of rural cooperative-power organizations. As a labor of love, I contributed much time and energy to them. I have found pleasure and joy in doing so. I recall one little outfit which has 1,100 or 1,200 farm homes connected to its lines. It has perhaps 200 or 300 miles of main transmission lines. It has its headquarters in an office building. Do Senators know what that office building looks like? I will tell them. It is a little frame building with a room about 12 by 20, with a dinky little safe in one corner, and a battered old desk. That is the office building.

Cooperative associations could not have ornate office buildings. In the first place, they have not the money to pay for the material to go into them, even though some labor might be contributed through the W. P. A. operation. In the second place, if they had a large building, they could not use it. In the third place, Colonel Harrington and all his assistants would have suddenly to part company with their senses in order to authorize the building of anything beyond what a sane man would realize to be the normal need of one of these little cooperatives.

That is all there is to it. We are going to help them build their own power systems. I think that is a very fine idea. Lord knows, we have subsidized enough things in this country. I think we can readily do what is suggested by the amendment.

Mr. HILL. Mr. President, will the Senator yield?

Mr. BONE. I yield.

Mr. HILL. I realize that in the past W. P. A. projects have had to be sponsored by some governmental agency such as a State, city, or county. Of course, the people who live in a city or town have a governmental agency which can sponsor a project for them and for their town, whether it be a waterworks, a storage house, streets, pavements, or whatever it may be. However, farmers living in the rural sections of the country have no city; they have no town; they have no governmental corporation which can sponsor such projects. Is not that true?

Mr. BONE. That is correct.

Mr. HILL. As I understand, under the present arrangement the nonprofit cooperative rural organizations would have to put up a sponsor's share, under the same require-

ments and conditions that apply to other applicants. Is that not true?

Mr. BONE. That is correct. As I understand, the W. P. A. would require every one of these little dinky farmers' organizations to have a sponsorship comparable to that required of a city.

Mr. HILL. As we know, frequently farm cooperatives cut across county lines; do they not?

Mr. BONE. Of necessity, they must do so.

Mr. HILL. When rural electric lines are laid out they are not run with any idea of county lines.

Mr. BONE. The cooperatives are organized under State corporate acts.

Mr. HILL. That is correct; and the only way in which we can give them any help from the W. P. A. along this line is by an amendment such as that offered by the Senator from Washington. Is that not true?

Mr. BONE. That is correct.

Let me add one further suggestion. My good friend, JOHN RANKIN, a Member of the other House, has called my attention to the fact that Colonel Harrington has been made aware of this proposal and finds it not objectionable. I take it Colonel Harrington is quite prepared to cooperate with the program in every way.

Mr. NORRIS. Mr. President, will the Senator yield?

Mr. BONE. I yield.

Mr. NORRIS. I have before me the Senator's amendment. I cannot entirely make it out. Will the Senator explain the language of the amendment?

Mr. BONE. On page 3, line 17, after the words "public utilities", it is proposed to strike out the semicolon and insert a comma and the words "refrigerated cold-storage plants, and," so as to read:

Refrigerated cold-storage plants, and electric transmission and distribution lines or systems to serve persons in rural areas, including projects sponsored by and for the benefit of nonprofit and cooperative associations;

Mr. NORRIS. Then, after "systems," what would the Senator insert?

Mr. BONE. After the word "systems," in line 18, insert "together with offices and buildings."

Mr. NORRIS. I should like to say to the Senator that the words "together with offices and buildings," as usually understood, are not intended here at all. There is no idea of building an office building.

Mr. BONE. Certainly not.

Mr. NORRIS. Senators ought not to get that idea at all; and, personally, I doubt whether it is necessary to say that, if we include the other language that is put in. I think "cold-storage plants" would cover the matter.

Mr. BONE. They might have an office building in a cold-storage plant.

Mr. NORRIS. Yes.

Mr. BONE. I have no objection to that.

Mr. NORRIS. My own idea is that the amendment would be just as good if the expression "office buildings" were omitted. If it is feared by any Senators that the W. P. A. are going to go into the business of building 8- and 10-story office buildings and renting them out, that fear would be entirely relieved, and the amendment still would be effective, if that language were omitted.

I should like to hear what the Senator thinks about that. It seems to me that the erection of cold-storage plants would necessarily include with it sufficient office space to operate the plants. I should like to say to the Senator that it seems to me this amendment is entirely unobjectionable, and will bring about a very good addition to the benefits that may come to rural areas that are supplied with electrification.

I happen to know of one which was erected in my own State; and I know, from talking with the farmers who are participants in that nonprofit organization of cooperatives, that it is something of which they are very proud, and is very useful, and is used by practically all the farmers who are supplied with electricity on the line. I do not see any possible objection to it.

Mr. BONE. Mr. President, it may be that we can find some language that will satisfy the Senator from Nebraska.

Mr. NORRIS. I am satisfied with the language as it is.

Mr. BONE. Obviously, the great, insuperable barrier to the accomplishment of anything elaborate would be the W. P. A. officials themselves. They would drop dead at the suggestion of constructing an office building. They do not have to do it. It is a purely voluntary matter with the W. P. A.; and I think we can well leave it to the discretion of the W. P. A. officials. Whatever else they have done, I never found them doing any such thing as that. That would be a monstrous perversion of common sense, let alone ordinary business practice.

Mr. KING. Mr. President, will the Senator yield?

Mr. BONE. Certainly.

Mr. KING. The R. E. A. undoubtedly is doing very satisfactory work. It was created under a special act. It seems to me that commingling it with the Work Projects Administration would be like yoking two unequals.

The Work Projects Administration is to take care of the unemployed. It has its organizations where people are out of employment, on relief. To convert those organizations into adjuncts to the R. E. A. when we have given full opportunity for the development of the R. E. A., authorizing it to borrow money, and the Government is furnishing the money, it seems to me is not quite the proper thing. I concede that it might accomplish a great deal of good.

Mr. NORRIS. Mr. President, the Senator's objection——

Mr. KING. I am not making an objection. I am merely making a suggestion.

Mr. NORRIS. The suggestion reminds me of an objection which probably can be easily explained by saying that in a rural project covering hundreds of miles there may be several cooperative organizations of farmers in various parts of the project who will take the benefit of this language if it goes in. It does not mean that everybody on a rural line would have to become a member of this particular organization; so it would not be fair to leave it to the project itself. Some of the members would not want to utilize this kind of service, but those who do want to organize this kind of thing are given the opportunity to do it.

Mr. HILL. Mr. President, will the Senator yield?

The PRESIDENT pro tempore. Does the Senator from Washington yield to the Senator from Alabama?

Mr. BONE. I yield.

Mr. HILL. With reference to the suggestion of the Senator from Nebraska, I wonder what the Senator from Washington would think of modifying his amendment so that instead of having it read as it now does, "together with offices and buildings," it would read "together with office quarters." I wonder what the Senator from Washington would think, and I also should like to know what the Senator from Nebraska would think, of the use of those words.

Mr. NORRIS. If the Senator is asking me——

Mr. HILL. Yes.

Mr. NORRIS. I should not have any objection. I have not any objection to the language just as it is. The reason why I have offered the suggestions I have offered is that other Senators may be alarmed at the use of the words "offices and buildings."

Mr. HILL. Certainly.

Mr. NORRIS. I think that without that language they could accomplish the object it is desired to accomplish, because if we put in the words "cold-storage plants"—that is part of the language the Senator is putting in his amendment—that would mean, I take it, that if a small office or room were necessary in which to keep the records, or anything of that kind, it would be part of the plant, and I think all the office it would need would be covered by that language.

Mr. BONE. Mr. President, I shall send to the desk a modification of the amendment I tendered after the Senator from Nebraska looks at it. It merely says "office quarters." Of

course, that might be a little dinky room 10 by 12 feet, or something of that sort; and it gets away from any question about constructing elaborate buildings.

I realize that a Member of Congress, looking at the amendment, might very justly question it. I certainly have not in my heart anything looking to the idea of operating a big building. I am perfectly satisfied to have that language in the amendment, because it implies nothing but a little building; and if the Senator will let it go to the desk and have the clerk state the amendment I should like to have a vote on it now.

The PRESIDENT pro tempore. The amendment offered by the Senator from Washington, as modified, will be stated.

The CHIEF CLERK. On page 3, line 18, after the word "systems", it is proposed to insert "together with office quarters."

Mr. BONE. That satisfies me.

Mr. ADAMS. Mr. President, I desire again simply to call attention to what I think is an inconsistency between this amendment and the whole purpose of the act, in that it is constructing with public money buildings and plants for the benefit of private individuals. From the standpoint of providing work, if we put in a cold-storage plant, the bulk of the cost is in the purchase of equipment, and it will not provide work for persons on relief.

Mr. BONE. The Senator will admit that it will provide some work.

Mr. ADAMS. Some work, yes; but there are thousands of communities, cities, and small towns that would like cold-storage plants. They are missing in many places. If we provide for the construction of cold-storage plants which are available for public use and which are to be owned by public authority, it is perfectly proper; but I think it is very improper at any time, under a relief measure or any other, to build plants or institutions which are to be owned by private individuals and to be paid for by public funds.

The PRESIDENT pro tempore. The question is on agreeing to the amendment, as modified, offered by the Senator from Washington.

Mr. ADAMS. I ask for a division.

On a division, the ayes were 18 and the nays were 16; so the amendment was agreed to.

Mr. BONE. Mr. President, I ask that the clerk state the next amendment I have lying on the desk.

Mr. ADAMS. Mr. President, if the Senator will permit me to interrupt for a moment, I should like to call the attention of the Senator from Maryland [Mr. TYDINGS] to a matter which we took up the other day when the Senator from Maryland was not present, with reference to the expenditures for the Treasury Department. It may not be clear, but there was a roll call vote on an amendment offered by the Senator from Oklahoma [Mr. THOMAS], and the Senator asked me to call his attention to the matter.

Mr. TYDINGS. It was reported in some quarters that on the amendment submitted by the Senator from Alabama I was in opposition to the economy side. I certainly was not in opposition to the economy side, and had I been present I would have voted against the proposal of the Senator from Alabama. My sole remark in the debate was one of a humorous nature, because the Senator from Alabama had twice, in the course of his remarks, referred to my State in a humorous vein. I should like to have the RECORD show that I did not speak in any sense at all for the amendment.

Mr. BARKLEY. Mr. President, I wonder if we might not at this time enter into a further limitation of debate on amendments.

Mr. LA FOLLETTE. I have no desire to delay the consideration of the joint resolution, but I have two amendments which I desire to offer before the measure is disposed of, and while I do not think I shall require much time, I do desire to explain the amendments.

Mr. BARKLEY. I was going to propose that during the further consideration of the joint resolution no Senator should speak more than once nor longer than 15 minutes on the joint resolution or any amendment.

Mr. LA FOLLETTE. That would mean that on an amendment and the joint resolution a Senator would have 30 minutes?

Mr. BARKLEY. Yes.

Mr. LA FOLLETTE. I should not object.

Mr. BARKLEY. I ask unanimous consent that during the further consideration of the joint resolution no Senator shall speak more than once nor longer than 15 minutes on the joint resolution or any amendment.

The PRESIDENT pro tempore. Is there objection? The Chair hears none, and it is so ordered.

Mr. BONE. Mr. President, I ask that the clerk state the amendment I have sent to the desk.

The PRESIDENT pro tempore. Let the Chair call the attention of the Senator from Washington to the fact that what he proposes is an amendment to a committee amendment which has already been agreed to.

Mr. BONE. I ask unanimous consent that the vote by which the committee amendment on page 25, in section 15 (a), was agreed to, be reconsidered, so that I may offer an amendment to the amendment.

The PRESIDENT pro tempore. Is there objection? The Chair hears none, the vote is reconsidered, and the question is on agreeing to the amendment. The clerk will state the amendment offered by the Senator from Washington to the amendment of the committee.

The CHIEF CLERK. On page 25, line 16, after the words "and are American citizens", it is proposed to insert the following:

Provided further, That if the income of any such person from compensation, pension, or any other benefit payments from the Veterans' Administration is less than the amount to which he would be entitled per month if assigned to a Work Projects Administration work project for which he is qualified, then he shall be certified as in need of such employment, and shall be assigned to work at least so many hours of each month as will bring his total income up to the amount he would receive if he were assigned for full-time work to such a work project.

Mr. BONE. Mr. President, I shall take just a moment to explain the purpose of the amendment.

This is an amendment designed to touch one phase of veterans' preference. As I gather from the suggestions of those who are very much interested in the matter, it would have the result I shall state. I will give a specific instance of how the law would work if the amendment were enacted.

A veteran who otherwise is qualified to work on W. P. A. is found to be receiving, as in the case I mention, $20 a month from the Government in the way of compensation. Because he receives that compensation, he is disqualified from working on W. P. A. The amendment provides that if he received $20, or any amount less than what he might receive on W. P. A., he should not be disqualified thereby, but might work a requisite number of hours on W. P. A. so as to bring up the total of his earnings on W. P. A. to what he received in benefit payments from the Government, but not less than what he would otherwise receive on W. P. A. were he not a veteran receiving Government benefits.

Mr. ADAMS. Mr. President, this matter was given careful consideration by the committee. Colonel Harrington said to us that the provision would be almost impossible of administration; that it involved a gradation of every individual with the different amount he was to receive. It might result in one veteran being allowed to work only 2 hours in a month, another 20 hours, depending on the amount each was receiving, and it would involve investigating every individual's case.

Colonel Harrington, whose advice the committee followed, said that the present provision had been worked out, that they had established what they thought was a very satisfactory basis of operations, and, while there is always some complaint, he said that, so far as the veterans were concerned, 90 percent of those who applied for employment were actually put to work. Of those who applied, naturally not all of them can meet the requirement. There might be in a particular instance a Spanish-American War veteran receiving from the Government $50, and he would go in and make

his case, and would find that in the neighborhood they were paying $52, so that they would grade him and say, "You are entitled to earn $2." Under the law as it now stands that veteran could be certified, if he met the requirements, and would, in addition, get his full month's pay. In the long run, the provision which the Senator from Washington seeks to have inserted would discriminate against the veterans. It would not be in their favor.

There are a few cases in which a veteran who is receiving a certain amount from Social Security, or has some minor income, is met with the test which the act applies, that in employing people relative need shall be considered, and that whenever the relative need is equal, veterans shall be employed. On the other hand, if a veteran has an income of $40 a month from outside sources, and there is a man or woman utterly destitute, with 4 or 5 or 8 or 10 children to be supported, that individual, I think, is entitled to some preference. Wherever there is an equality of need, the veteran has been given the preference, and when he is taken on, he gets the same full wage every other person on W. P. A. receives, while this amendment would result in veterans receiving less than the full wage while they were on the roll.

Mr. HAYDEN. Mr. President, I listened to Colonel Harrington very carefully when he appeared before the committee, and what impressed me was that under the law as it now is, 90 percent of the veterans who have applied have been cared for. Any system which will take care of 9 out of every 10 is a pretty good one. On the other hand, as the chairman of the subcommittee has pointed out, if we attempt to apply this to a Government job, and have some veteran working 5 days a week, or 2 days a week, or 10 days a week we utterly disrupt the works. It is impossible to make out the little difference between the average of $55 a month paid all over the country and the forty or thirty or twenty dollars or whatever it may be a veteran would receive who would work a little while on a job and then be off. It would utterly disrupt the work. I think it is wholly impracticable.

The third objection I have to it is that if we should attempt to carry it out, in the end the number of veterans employed would not be so great as under the present arrangement.

Mr. BONE. Mr. President, in view of the suggestion that this might be injurious to veterans, I wish to say that it was prepared and brought to my attention by the legislative representatives of the Veterans of Foreign Wars in Washington, and I assume they have sufficiently full contact with the problem in hand to know what they want and what they feel would be the most desirable solution. Most of the veterans are getting only $8 a month, instead of some other sum.

Mr. HAYDEN. That class of veteran is cared for now.

Mr. BONE. I merely want the RECORD to show that I am not electing to adjust this matter myself. I am merely taking the word of the leaders of the veterans, who thought this language would be just and helpful.

The PRESIDENT pro tempore. The question is on agreeing to the amendment offered by the Senator from Washington [Mr. BONE] to the amendment of the committee.

The amendment to the amendment was rejected.

The amendment of the committee was agreed to.

Mr. LA FOLLETTE. Mr. President, I move on page 12, line 13, to strike out paragraph (f), as amended. This provision reads as follows:

> No loan or grant shall be made under this section to any person to enable him to subscribe or pay for stock or membership in any cooperative association.

Mr. President, in my judgment one of the most successful programs which has been carried on by the Department of Agriculture has been the program of rehabilitation under the Farm Security Administration. This program has been designed to take people who have no means of support, and set them upon farms of their own through the provisions of loans and grants to such families.

When the program was first suggested it was stated by some people that this was a group which could not be successfully rehabilitated. On the contrary this program has been a great success, and the clients of the Farm Security Administration have repaid their loans in large measure. They have become self-respecting, self-supporting families. They are once more being welcomed back into the economy of the United States. They feel that they have a successful place in such society.

Mr. ADAMS rose.

Mr. LA FOLLETTE. Mr. President, I shall be glad to yield to the Senator from Colorado.

Mr. ADAMS. I shall be glad to explain this situation.

Mr. LA FOLLETTE. Proceed.

Mr. ADAMS. I will, perhaps, take more time than the Senator will, because the committee heard two sides to the argument. I wish to present those things in my own time. It is very good of the Senator from Wisconsin to be willing to yield to me at this time.

Mr. LA FOLLETTE. Mr. President, one of the means by which this program has been made successful and these clients of the Farm Security Administration have been able to rehabilitate themselves and to make such a splendid showing, insofar as repayment of these loans is concerned, has been the device of setting up small cooperatives whereby these farmers, who are operating on a small scale, are able to pool their meager resources, and thus enable them to utilize heavy farm machinery, more and better breeding stock. This amendment, in conjunction with one which I intend to offer so far as section 33 is concerned, is of vital importance to this program.

In this connection I desire to call the attention of the Senate to a communication directed to the Committee on Appropriations by the Secretary of Agriculture:

> DEAR SENATOR ADAMS: As you will recall, Mr. C. B. Baldwin, of the Farm Security Administration of this Department, indicated Monday morning before the subcommittee in connection with House Joint Resolution 544 that we would write you relative to section 2 (e) and section 33 of that bill.
>
> Section 2 (e) provides that: "No loan shall be made under this section to any person to enable him to subscribe or pay for stock of membership in any cooperative association." No such provision has appeared in earlier measures appropriating funds for the Farm Security Administration. The appropriation act of last year contained in section 34 a provision analogous to section 33 in House Joint Resolution 544. However, the wording of section 33 in the measure now under consideration by your committee imposes greatly increased limitations over the use of funds from that imposed by the analogous provision in last year's act.
>
> The provisions of these two sections strike at the very heart of an important phase of our rehabilitation program. We have found from experience that one of the soundest and most economical ways of bringing about rehabilitation of many thousands of low-income farmers is by local effort made possible through loans to small groups of such farmers.
>
> In further cooperative effort among low-income farmers, we have felt that we were carrying out a well-established policy of Congress which is actually of very long standing. That this is true is evidenced by various acts of Congress, such as the Capper-Volstead Act; the Agricultural Act of 1929; the United States Warehouse Act; the act of June 16, 1933, establishing the Farm Credit Administration, which includes a central bank for cooperatives and 12 district banks for cooperatives empowered to make loans to cooperative associations; the Agricultural Marketing Agreement Act of 1937, and similar legislation.
>
> The restrictions imposed by sections 2 (e) and 33 are inconsistent with this policy. Furthermore, they discriminate against the low-income farmers of the country. Through the facilities of the Farm Credit Administration the large and successful farmer will still be able to obtain credit to organize and participate in cooperative associations. The low-income farmers of the Nation need the benefits of sound, successful cooperative enterprises as much, or even more, than does the large successful operator. But these low-income farmers do not have the necessary capital to participate in these cooperatives. Moreover, there is no Government agency other than the Farm Security Administration which can assist them in purchasing a membership or a share of stock in sound cooperative enterprises.
>
> Unless the Congress intends to make a substantial change in national policy respecting farmers' cooperative activities, there is little ground for restrictions of the type embodied in sections 2 (e) and 33 of House Joint Resolution 544, the chief effects of which are to place low-income farmers at a distinct disadvantage to other farmers.
>
> Most of the loans we make to aid farmers to derive the benefits of cooperative efforts are to enable them to participate in small groups which provide purebred sires, heavy farm equipment, modest storage facilities for food and feed produced on the farm, and similar facilities. Since the inception of the Farm Security program, we have aided in the establishment of about 13,150 such services, participated in by more than 260,000 families. Of this

number 32 percent have been for purebred sires; 53 percent for heavy farm equipment; 5 percent for purchasing and marketing services; and 10 percent for miscellaneous services such as feed, grist, and sirup mills, other small types of processing equipment, and roadside vegetable stands. About 20 farmers on an average participate in each of the group services. Many of the groups do not have more than 5 or 6 members.

Although most of our loans to low-income farmers to enable them to participate in cooperative organizations are of the simple-service type just mentioned, it is, nevertheless, true that there are thousands of individual farmers who can be aided in their rehabilitation process through becoming members of existing cooperative organizations, such as mutual insurance companies, mutual irrigation associations, and successful marketing and purchasing organizations.

Mr. President, I wish very briefly to point out the remarkable showing which has been made by this phase of the farm-security program. This refers to one State in the Union, but it is typical:

The average net income of these farm families the year before they secured these rehabilitation loans was $257.08, while in 1939 it was $490.05, or a gain of 91 percent.

Mr. President, this is the type of program which in my opinion, instead of being hamstrung, curtailed, or interfered with, ought to be expanded. Here is an attack upon a problem which is of major significance and importance so far as the future of America is concerned. Here is a program which is rehabilitating families on the land and restoring them to a position of security and usefulness in our economic system instead of maintaining them upon relief without rehabilitating them. Here are families the overwhelming majority of which under this program are placing themselves in a position where they will ultimately find it unnecessary to ask the Government for further assistance.

Mr. President, for nearly a year I have spent much time in studying the question of migratory agricultural labor, and the underlying economic causes which are constantly augmenting that portion of our farm population who are being dispossessed and who are finding themselves in a position in which they are migrating from one State to another in a vain search for a new opportunity to restore themselves to the land.

As I stated in my few remarks on the previous amendment, farming as a way of life in America is threatened, and we must attack the problem on all fronts if we are to preserve farming as a way of life in America. This program has demonstrated itself to be economically sound. It results in rehabilitation, new hope, and new opportunity, instead of the disintegrating process of great numbers of people in the United States finding themselves unwanted and unusable in our society, and forced to accept relief and other forms of public-welfare assistance.

It would be a tragic mistake to curtail this program. In this respect, of course, I am only expressing my own opinion. I accord recognition to the sincerity of purpose of those who disagree with me. All I am asking in connection with my amendment is that a provision which does not appear in any previous act shall be eliminated, and that the program be permitted to go on.

What could be less logical than for the Government on the one hand to make loans or grants to a farm family for rehabilitation on the land, and on the other hand to deny them the benefits of cooperative activity in order that they may be placed in a position to utilize heavy farm equipment, labor-saving devices, and a better breed of stock so as to continue their program of rehabilitation and ultimately repay their obligations to the Federal Government?

Mr. AUSTIN. Mr. President——

Mr. LA FOLLETTE. I yield to the Senator from Vermont.

Mr. AUSTIN. I am very much interested in this activity of the Federal Government.

Mr. LA FOLLETTE. I know the Senator is interested. He has evidenced his interest on many occasions.

Mr. AUSTIN. After the Senator from Wisconsin shall have concluded I shall take the floor for the purpose of briefly pointing out the wonderful service which this program has accomplished in my small State. However, before the Senator finishes, I wish to inquire just exactly what this particular amendment does. It is not clear to me.

Mr. LA FOLLETTE. The amendment is to strike out the provision in the joint resolution which prohibits the use of any farm-security moneys from being used for the purpose of making loans or grants to farmers to enable them to subscribe to or pay for stock or membership in any cooperative association. The Senator must remember that rehabilitation clients are people who have been at the bottom, or near the bottom, of the agricultural economic ladder. In order to give the cooperative associations capital stock and sufficient membership so that they may buy a purebred sire for their dairy cows, for example, or a corn binder, or a tractor, if there is a large enough group in the community to utilize it—things which have become a part of modern, scientific agricultural enterprise—farmers must be in a position to subscribe to the stock and set up a cooperative organization.

Mr. AUSTIN. Mr. President, will the Senator further yield?

Mr. LA FOLLETTE. I yield.

Mr. AUSTIN. In most cases are the services of grants and loans for the purpose of organizing a cooperative with one of those specific objectives in view?

Mr. LA FOLLETTE. Either that, or, if there is an existing cooperative, and if the client has not the money to subscribe for membership, under existing law and practice the Farm Security Administration may make the client a loan for that purpose.

Mr. AUSTIN. I thank the Senator.

Mr. LA FOLLETTE. Mr. President, in the brief limitation of time which has been imposed, with my consent, upon the debate on the joint resolution, I merely wish to say that it is my deliberate and considered judgment that instead of curtailing this program we ought to be expanding our activity on this front as one of the means of preserving and restoring farming as a way of life in America so as to check the alarming trend to people being dispossessed from the land.

I am sure that Senators who are familiar with agricultural communities and with the contribution which such communities, based upon farming as a way of life, have made to the stability, the functioning, and the success of our democracy, must agree with me in principle. If I had the time, Mr. President, I could pile up evidence to demonstrate that I am making no alarmist statement. A trend has been going on in this country on a very significant and increasing scale, but like many other trends it has escaped our observation, because apparently it is a human characteristic to fail to recognize trends until they assume alarming proportions. I repeat, this is a sound program. It has demonstrated its usefulness. These people have demonstrated their capacity for rehabilitation. They are making a splendid record in the repayment of their loans and grants. Cooperative activity is the right arm of Farm Security Administration clients in their efforts to rehabilitate themselves. Do not cut it off. Strengthen and uphold it by adopting the amendment I have offered.

Mr. ADAMS. Mr. President, I simply wish to explain the situation as it was submitted to the committee.

The committee has simply passed along the joint resolution as it came from the House in this particular. We had before the committee Secretary Wallace and Mr. Bain, I think, whose letter the Senator read, with the argument against this section. There were also submitted to the committee the hearings in the House.

The situation was to this effect: All of the matters that came to the Senate committee were in favor of the exclusion of this clause. The hearings in the House were all the other way. In other words, there was no meeting of the issue before either the Senate committee or the House committee. The House hearings took the following aspect: There were two men—I do not know who they were—who appeared with certain letters claiming that the provisions as they had been carried out resulted in loans being made to cooperatives to engage in competitive businesses with private industry. That was the complaint in the House committee—

that cooperative organizations which were competitive were being financed with Government money.

In the Senate committee, the letter of Secretary Wallace pointed out the things the Senator from Wisconsin has pointed out, the lesser matters, in which the cooperative was endeavoring to improve his stock, buying good horses, and doing the minor things. The Senate committee merely let the matter stand so that it would be available for discussion. We were confronted with a letter which was in the House hearings, which I do not care to sponsor, but simply to note in the RECORD that on page 1052 of the House hearings there is printed a letter which had some influence on the committee in keeping their hands off the amendment.

Mr. LA FOLLETTE. Mr. President, will the Senator be good enough to yield?

Mr. ADAMS. Certainly.

Mr. LA FOLLETTE. I am familiar with that situation. My understanding is that two men who have a chain of oil stations in North Dakota came before the House committee and objected to these loans on the ground that they constituted unfair competition. If the Senator will permit me, however, the point I should like to make is that it has been the established policy of Congress to foster farmer-producer and farmer-consumer cooperatives; and if we are to reverse that policy because two oil-station operators in North Dakota do not think it is fair, we ought to abolish the many statutes which are on the books designed to foster and assist farm-owned and farm-operated cooperatives.

With the Senator's permission I should like to make just one more point, and that is that larger cooperative associations, the more successful farmers, can today go to the banks of cooperatives, and get, in any one of 12 districts, loans for this purpose; but if this amendment stays in, and the amendments to section 33 stay in, then the lowest-income group of farmers who are being helped by the Federal Government will be denied the benefits of a policy which is being extended to other and more fortunate farmers.

Mr. ADAMS. Mr. President, I am trying to give the Senator the picture of the Senate Appropriations Committee. We did not hear these two gentlemen. We were influenced by the fact that the House itself had taken certain action. We left the matter alone, it having been presented in one House from one standpoint and before us in the other, and we knew it would be presented here.

Personally, my sympathies were with Secretary Wallace and the other group.

The Senate, I think, has now indicated a desire to go quite a distance; that is, we are going to finance cold-storage plants, and construct buildings, and lend money to buy stock; and yet I have full sympathy with the cooperative movement. It is not only beneficial but it is essential in the lower economic farming areas.

I think criticism could be leveled if Government money were loaned to farmers upon a better level, so that they could go into competitive lines with Government money instead of using their own money, if it were possible to draw the line between aiding the farmer who is unable to help himself as distinguished from providing funds for the better-to-do farmer to engage in competitive mercantile business and manufacturing.

Mr. LA FOLLETTE. Mr. President, will the Senator yield at that point?

Mr. ADAMS. Certainly.

Mr. LA FOLLETTE. I should like to repeat that that is already the established policy. Through a long period of years the Federal Government has believed that it was economically sound for producers to engage in cooperation. We have even gone so far as to set up a bank of cooperatives in this country. It does seem to me that the same advantages and privileges which are extended to farmers who are in a comparatively better-income status, and have the opportunity to secure such credit from the bank of cooperatives should not be denied to clients of the Farm Security Administration when the farmers are making such a splendid showing and response to this aid and assistance from the Federal Government.

Mr. JOHNSON of Colorado. Mr. President, will my colleague yield to me?

Mr. ADAMS. Certainly.

Mr. JOHNSON of Colorado. I desire to ask the Senator a question, though not about the pending matter. Did representatives of the Actors' Equity appear before the committee in behalf of theater projects?

Mr. ADAMS. They did. A number came before us—I think a legal representative and some others.

Mr. JOHNSON of Colorado. Was any inquiry made by the committee as to whether or not Communists were members of the Equity's executive council?

Mr. ADAMS. I think not. I have no recollection of that. Some gentlemen came to my office and said that there were certain Communist members; but, of course, in the joint resolution there is a provision forbidding granting relief to Communists when the fact of their being Communists is demonstrated. What we did with the theatrical projects was simply to restore them to a common level with all the other projects; that is, we took away the priority which they had had before, in that no contribution was required, and then we took out the discrimination against them which the House put in which forbade the use of Government money to foster theatrical projects, and simply left them on a par with all other types of projects.

Mr. JOHNSON of Colorado. I thank my colleague.

Mr. AUSTIN. Mr. President, I shall not detain the Senate long.

I have carefully studied the work of the Farm Security Administration in the State of Vermont, and the record is amazingly good. It is better, in fact, than the record referred to in the one specific case mentioned by the Senator from Wisconsin.

I shall not read to the Senate all of the letter I have before me; but I shall point out some essential things which, if they are true all over the United States, justify Congress in having entire faith in the Farm Security Administration, and supporting it with all the vigor we can afford.

In Vermont, a survey was made which showed that the 800 standard stabilization borrowers had an average net income last year—that is, the year 1938, this letter having reference to the record of 1939—of $929.93 per family, as compared with $683.58 in the year before they came to the Farm Security Administration for help.

This represents an increase of 36 percent. These families increased their average net worth—that is, worth above all their debts—by 29 percent since taking advantage of the program. They added $438,880 to the wealth of their communities, and they also increased their annual incomes by a total of $197,078. Of course, such an expanding purchasing power benefited the entire community, merchants and businessmen generally, with whom farmers have to deal.

The survey showed another rather interesting fact—that these borrowers from my State repaid $357,776 into the Federal Treasury as installments on loans totaling $810,408. Of course, Vermont is a small State, and relatively this is a small amount of borrowings—less than a million dollars; but when we compare the total amount of the borrowings with the total amount of repayments, it is a splendid record and reflects not merely the integrity of the borrowers but the efficient operation of the Farm Security Administration by way of advice and help, which, in my opinion, is one of the finest elements of that particular service.

The typical rehabilitation family in Vermont has borrowed $1,013.01 and has already repaid $447.22.

In a limited number of cases, in order to get the family off to a sound start, small grants were made to supplement the loans. Uusually these grants were just large enough to tide the family over until it could make its first crop. They averaged $20.35 per family, or a total of $16,280, over a 4-year period.

Another fact to which I wish to call attention is that the Farm Security Administration has helped these poor people to work out a way of adjustment of their debt condition. Local farm debt adjustment committees were set up in Vermont for that purpose. They had no legal authority

to compel adjustments, they could not under the law make a creditor reduce his debt, and so the transaction was purely a social transaction, in which the spirit of the whole State entered, in a desire to rehabilitate this fundamental activity of the State, because the State of Vermont recognizes that agriculture is a basic industry within its borders.

Adjustments have been made which are reflected in the figures given in the letter to which I am referring, although the figures alone do not represent the whole value. In other words, I think the higher value in these adjustments is the encouragement the farmers and their wives and children receive for the future. But this is what the figures show. Understand, this service is available to all farmers, whether or not they were rehabilitated borrowers. The service was spread out to include others than those who had become borrowers.

Altogether, debt reductions totaling $353,498 have been negotiated for the farmers in Vermont. This represents a scaling down of 22.3 percent. As a direct result of these adjustments $15,383 in back taxes have been paid to local governmental agencies.

In helping out new borrowers to get a new start, this Administration has made efforts to assist them in getting adequate sized farms, farms which would pay out. The figures will make some Senators smile, because of the relative smallness of the farms, but they are significant of the difference in methods of agriculture between the northeastern part of the United States and the great West. The borrowers in Vermont are now operating on an average of 183.10 acres, or an increase of 19.44 acres since they came under the program. This increased acreage has not added materially to the production of commercial crops, however, since virtually everything raised is consumed on the farm. It merely means a better diet and a better standard of living for the families involved.

I shall not weary the Senate with other details, which I think are equally interesting, but I ask unanimous consent to have printed in the RECORD this letter, dated March 19, 1940, signed by Will W. Anderson, Administrator of the Farm Security Administration, written to me at my request.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

UNITED STATES DEPARTMENT OF AGRICULTURE,
FARM SECURITY ADMINISTRATION,
Washington, March 19, 1940.

Hon. WARREN R. AUSTIN,
United States Senate.

DEAR SENATOR AUSTIN: In accordance with your telephone request, we are giving you the results of a survey of the progress being made by Farm Security Administration borrowers in the State of Vermont.

We are proud to report that F. S. A. borrowers not only have increased their net worth and annual income, but also are making satisfactory progress in the repayment of their loans.

The survey showed that the 800 standard rehabilitation borrowers in your State had an average net income last year of $929.93 per family, as compared with $683.58 in the year before they came to F. S. A. for help. This represents an increase of 36 percent.

Moreover, these families increased their average net worth—over and above all debts—by 29 percent since coming on the program.

In other words, these families not only have added $438,880 to the wealth of their communities, but they also have increased their annual incomes by a total of $197.078. This expanding purchasing power has, of course, been a considerable benefit to the merchants and other businessmen of the State.

At the same time, the survey showed that the borrowers in your State already have repaid $357,776 into the Federal Treasury as installments on loans totaling $810,408. The typical rehabilitation family in Vermont has borrowed $1,013.01, and already has repaid $447.22. Since much of the money loaned does not fall due for 4 or 5 years, there is every reason to expect that the great bulk of it will be repaid.

We feel that this collection record is particularly significant because, according to normal business standards, our borrowers would certainly not be considered good credit risks. Rehabilitation loans are made only to families which cannot get adequate credit anywhere else, and nearly all of them either had been on relief or were approaching the relief level.

Although the rehabilitation program is intended to meet long-range problems, which have been growing steadily worse for more than a generation, it is financed out of relief appropriations, and it takes the place of direct relief in rural areas. It is designed to help needy farm families to become permanently self-supporting, instead of remaining indefinitely dependent on relief.

It has succeeded largely because every loan is accompanied by advice and guidance in sound farming methods, to make sure that the money is put to the best possible use. There is ample evidence that this guidance and technical training is the most important part of the rehabilitation program. Without it, few of the families would have been able to make much progress or to repay their loans.

In a limited number of cases, in order to get the family off to a sound start, small grants have been made to supplement the loan. Usually these grants were just large enough to tide the family over until it could make its first crop. They have averaged $20.35 per family, or a total of $16,280 over a 4-year period.

Often it has been necessary to work out an adjustment of the family's old debts, before rehabilitation could be successful. Local farm debt adjustment committees have been set up for this purpose. They have no legal authority to compel adjustments, but by bringing the farmer and his creditors together for a friendly discussion, they usually are able to arrange a scale-down of the obligations, reduced interest rates, or extension of the payment period. Such adjustments frequently save the farmer from foreclosure, and at the same time enable the creditors to get substantial payments on what might otherwise have been bad debts.

This service is available to all farmers, whether or not they are rehabilitation borrowers. Altogether, debt reductions totaling $353,498 have been negotiated for the farmers in Vermont. This represents a scale-down of 22.3 percent. As a direct result of these adjustments, $15,383 in back taxes has been paid to local governmental agencies.

In helping rehabilitation borrowers to plan their farm operations, we always urge them to get away from one-crop farming, and to raise as much as possible of their food and feed supplies. The progress they are making is indicated by the fact that the borrowers in your State produced $128,128 worth of goods for home consumption last year, as compared with only $134,808 worth before they came into the F. S. A. program.

These families canned 160,864 quarts of fruits and vegetables last year, or an average of 201 quarts per family for home consumption. They also produced 308,864 gallons of milk, an average of 386 gallons, and 75,896 tons of forage, an average of approximately 95 tons. This kind of diversified farming has meant a higher standard of living, a better diet, and usually a marked improvement in health.

One of the most common reasons for past failure among the families which come to F. S. A. for help was that they had not farmed enough acreage to make a living. In helping our borrowers to get a new start, we have made every effort to assist them in getting adequate-size farms. Consequently, the borrowers in Vermont are now operating an average of 183.1 acres, or an increase of 19.44 acres, since they came on the program. This increased acreage has not added materially to the production of commercial crops, however, since virtually everything raised on it is consumed on the farm. It simply means a better diet and a better standard of living for these families.

Another main objective of F. S. A. is to help tenants and sharecroppers get more secure land-tenure arrangements so they can plan ahead for crop rotations, soil conservation, and other sound farming practices. The survey indicated that 96 tenants in Vermont have obtained written leases in place of verbal agreements.

In making the survey our field workers found that there are 6,251 families in Vermont which are eligible and in need of rehabilitation loans but have been unable to get them because of our limited funds.

Aside from the rehabilitation program, the Farm Security Administration's most important job is to make loans under the Bankhead-Jones Farm Tenant Act to tenants, sharecroppers, and farm laborers to enable them to purchase family-size farms of their own.

While it has been necessary to confine loans to certain counties because of the limited funds available, we had made four such loans in Vermont, totaling $31,750, up to the end of the last fiscal year. This year we are expecting to make about six Bankhead-Jones loans in Vermont, totaling approximately $37,000.

This has been a rather detailed report, but I felt that the information might be useful to you. If you would like to have any further details about our program I hope you will let me know.

Sincerely,

WILL W. ALEXANDER,
Administrator.

Mr. CHANDLER. Mr. President, will the Senator from Vermont yield?

Mr. AUSTIN. I yield.

Mr. CHANDLER. What is the present interest charge the borrowers pay?

Mr. AUSTIN. It is less than the prevailing rate of interest.

Mr. CHANDLER. I was sure it was, and I was very much interested in the statement of the Senator from Vermont. This seems to have been a very fine and helpful influence to the farmers of his State. It also has been most helpful in the other States of the country. I wondered whether the Senator knew what the present interest rate is.

Mr. AUSTIN. I do not know what it is, but I know that I helped to get some loans which were carrying a high rate

of interest changed to loans which would carry only a moderate rate of interest, and to induce the creditors to scale down their principal and to put the loans on such a basis that the farmers would have a living chance to pay them off. The way it works is psychological, as well as economical. It cheers up and encourages those who are on the farms to go ahead, and, besides that, it affords them very practical advice and help. If there is a reason why the farmers have been unable to pay off, other than the amount of the debt and the rate of interest, the adjustment committees find it out, and undertake to tell the farmers why it was they got into the shape in which they found themselves. It worked very well.

The PRESIDENT pro tempore. The question is on agreeing to the amendment offered by the Senator from Wisconsin [Mr. LA FOLLETTE].

Mr. LA FOLLETTE. Mr. President, is the Senator from Kentucky about to move a recess?

Mr. BARKLEY. I am.

Mr. LA FOLLETTE. I want a record vote on the amendment, so I should like to have it go over.

EXECUTIVE MESSAGES REFERRED

The PRESIDENT pro tempore, as in executive session, laid before the Senate messages from the President of the United States submitting sundry nominations, which were referred to the appropriate committees.

(For nominations this day received, see the end of Senate proceedings.)

RECESS

Mr. BARKLEY. I move that the Senate take a recess until tomorrow at 12 o'clock.

The motion was agreed to; and (at 5 o'clock and 55 minutes p. m.) the Senate took a recess until tomorrow, Saturday, June 15, 1940, at 12 o'clock meridian.

NOMINATIONS

Executive nominations received by the Senate June 14 (legislative day of May 28), 1940

APPOINTMENT IN THE REGULAR ARMY

First Lt. Edwin Joseph Sunderville, Veterinary Corps Reserve, to be first lieutenant, Veterinary Corps, with rank from date of appointment.

APPOINTMENT, BY TRANSFER, IN THE REGULAR ARMY

TO SIGNAL CORPS

Capt. Ross Thatcher Sampson, Infantry, with rank from June 12, 1940.

APPOINTMENTS IN THE NAVY

The following-named meritorious noncommissioned officers to be second lieutenants in the Marine Corps from the 20th day of June 1940:

Corp. William M. Gilliam.
Corp. Wade M. Jackson.
Corp. David E. Marshall.

The following-named citizens to be second lieutenants in the Marine Corps from the 25th day of June 1940:

David Ahee, a citizen of Arizona.
Paul H. Allbright, a citizen of Arkansas.
Earl E. Anderson, a citizen of West Virginia.
Wendell W. Andrews, a citizen of South Dakota.
Henry Aplington II, a citizen of California.
James O. Appleyard, a citizen of Illinois.
Robert H. Armstrong, a citizen of Alabama.
Robert M. Ash, a citizen of Illinois.
John D. Atkins, Jr., a citizen of North Carolina.
Frank L. Avbel, a citizen of Pennsylvania.
Charles R. Baker, a citizen of Maryland.
Allen T. Barnum, a citizen of Texas.
Edward M. Barrett, a citizen of Washington.
Roy J. Batterton, Jr., a citizen of Kentucky.
Kenneth H. Bayer, a citizen of New York.
Francis X. Beamer, a citizen of the District of Columbia.
James O. Bell, a citizen of Kentucky.
Alexander R. Benson, a citizen of New York.
Orville V. Bergren, a citizen of North Dakota.
James H. Biddy, a citizen of Mississippi.
Paul H. Bird, a citizen of Colorado.
William M. Bryan, Jr., a citizen of South Carolina.
Earl A. Cash, a citizen of Massachusetts.
Hugh J. Chapman, a citizen of New Hampshire.
Mason F. Chronister, a citizen of Maryland.
Max B. Clinkinbeard, a citizen of Kansas.
Darrell L. Cool, a citizen of Montana.
Walter F. Cornnell, a citizen of Virginia.
Stoddard G. Cortelyou, a citizen of California.
Lloyd G. Coutts, a citizen of Massachusetts.
Winsor V. Crockett, Jr., a citizen of Utah.
Victor J. Croizat, a citizen of Massachusetts.
Claude B. Cross, a citizen of Oklahoma.
Francis P. Daly, a citizen of the District of Columbia.
John E. Decher, Jr., a citizen of New York.
John L. Donnell, a citizen of North Carolina.
William R. Dorr, Jr., a citizen of California.
Clifford B. Drake, a citizen of California.
Walter L. Eddy, Jr., a citizen of Rhode Island.
Emil P. Eschenburg, a citizen of Michigan.
Edward V. Finn, a citizen of Connecticut.
Clyde P. Ford, a citizen of South Dakota.
Fred J. Frazer, a citizen of Ohio.
Ernest C. Fusan, a citizen of Pennsylvania.
Walter C. Goodpasture, Jr., a citizen of Georgia.
Elbert D. Graves, a citizen of Indiana.
John W. Graves, a citizen of California.
John H. Gustafson, a citizen of New Mexico.
Victor J. Harwick, a citizen of New York.
Robert O. Hawkins, a citizen of Connecticut.
Thomas H. Healy, a citizen of Massachusetts.
Wade H. Hitt, a citizen of Virginia.
Walter Holomon, a citizen of Alabama.
John F. Holt, a citizen of Wisconsin.
Marshall J. Hooper, a citizen of Alabama.
Nicholas L. Hotti, a citizen of Montana.
Kenneth C. Houston, a citizen of Wisconsin.
Wilson F. Humphreys, a citizen of New Jersey.
Homer G. Hutchinson, Jr., a citizen of Georgia.
John R. Ivey, a citizen of Georgia.
Paul T. Johnston, a citizen of Nebraska.
Paul M. Jones, a citizen of Connecticut.
William P. Kaempfer, a citizen of New York.
George B. Kantner, a citizen of Pennsylvania.
Bernard T. Kelly, a citizen of Illinois.
John W. Kennedy, Jr., a citizen of Mississippi.
Walter T. Kerttula, a citizen of Montana.
Karl W. Kolb, a citizen of Georgia.
Carl V. Larsen, a citizen of Oregon.
Crawford B. Lawton, a citizen of South Carolina.
Walter E. Lischeid, a citizen of Minnesota.
Will E. Madden, a citizen of Indiana.
Charles S. Manning, a citizen of South Carolina.
Kenneth E. Martin, a citizen of Wyoming.
Marlin C. Martin, Jr., a citizen of Kansas.
Phillip B. May, a citizen of Virginia.
Robert C. Maze, a citizen of California.
William S. McLaughlin, a citizen of Massachusetts.
Paul B. McNicol, a citizen of Massachusetts.
George G. Megrail, a citizen of West Virginia.
Robert F. Meldrum, a citizen of California.
Robert A. Merchant, Jr., a citizen of New Jersey.
Ross S. Mickey, a citizen of Pennsylvania.
Hector R. Migneault, a citizen of Massachusetts.
Harry T. Milne, a citizen of Oregon.
Richard I. Moss, a citizen of Pennsylvania.
Franklin B. Nihart, a citizen of California.
Arba L. Norton, a citizen of Texas.
Thomas J. O'Connor, a citizen of Nebraska.
Robert J. Oddy, a citizen of South Dakota.
Jeff P. Overstreet, a citizen of Mississippi.
Edward L. Peoples, a citizen of Iowa.

Tillman N. Peters, a citizen of Tennessee.
Ralph L. Pipes, a citizen of Maine.
Jonas M. Platt, a citizen of Rhode Island.
Daniel S. Pregnall, a citizen of South Carolina.
Baptiste D. Pronovost, a citizen of North Dakota.
John A. Ptak, a citizen of South Dakota.
Robert T. Raby, a citizen of Pennsylvania.
Earle K. Radford, Jr., a citizen of Missouri.
James D. Ramsey, a citizen of Arkansas.
Howard J. Rice, a citizen of Michigan.
Hulon H. Riche, a citizen of Louisiana.
Wallace H. Robinson, Jr., a citizen of the District of Columbia.
Leyton M. Rogers, a citizen of Vermont.
Albert H. Schierman, a citizen of Washington.
Donald M. Schmuck, a citizen of Colorado.
Frederick A. Seimears, a citizen of California.
Robert D. Shaffer, a citizen of Illinois.
Allan L. Shepard, a citizen of Oregon.
Carleton E. Simensen, a citizen of North Dakota.
Frederic R. Smith, a citizen of the District of Columbia.
Robert E. Snider, a citizen of South Dakota.
Francis T. Snyder, a citizen of Pennsylvania.
Raymond O. Sommers, a citizen of Oklahoma.
William H. Souder, Jr., a citizen of the District of Columbia.
Edward M. Staab, Jr., a citizen of Ohio.
Elmer E. Sutphin 3d, a citizen of New Jersey.
Robert T. Sweeney, a citizen of Kentucky.
Robert Y. Stratton, a citizen of Washington.
Robert D. Taplett, a citizen of South Dakota.
Harry W. Taylor, a citizen of South Carolina.
Eugene N. Thompson, a citizen of California.
Robert J. Trulaske, a citizen of Missouri.
Walton L. Turner, a citizen of Pennsylvania.
Clarence E. Van Ray, a citizen of North Dakota.
Charles E. Warren, a citizen of Oregon.
George F. Waters, Jr., a citizen of Tennessee.
John A. White, a citizen of Missouri.
Elliott Wilson, a citizen of Ohio.
John Winterholler, a citizen of Wyoming.
Herbert F. Woodbury, a citizen of Rhode Island.
Alexander M. Worth, Jr., a citizen of North Carolina.
Richard W. Wyczawski, a citizen of Indiana.
Howard A. York, a citizen of Washington.
Kermit C. Zieg, a citizen of Ohio.

HOUSE OF REPRESENTATIVES

FRIDAY, JUNE 14, 1940

The House met at 12 o'clock noon and was called to order by the Speaker.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

Our Father in heaven, persuade us that to know the duty of the hour is wisdom and to discharge our obligations is a great virtue. Enable us to live up to Thy rule of right and to have a growing faith in the God of our fathers, whose chivalry of soul and vision of a just government challenge the admiration of humankind. Today let a halo of Thy presence be thrown over our country; speak the eternal truths which change not. Almighty God, we thank Thee for our Republic and for its historic institutions. May they ever abide for their glory and perpetuity upon the inalienable and God-given rights of man; ever inspire us to keep the trust, revere the truth, and honor Thy decrees. We praise Thee for our glorious flag, for all it symbolizes and teaches us. In song and in story, may it be honored today in city, hamlet, and countryside, especially by the youth of our land; God guide and bless them. Grant that its beauteous folds may be seen in our broad, open skies, telling of the onward sweep of liberty, tolerance, and justice. In the spirit of the Prince of Peace, with its celestial white, its sacrificial crimson, and with the stars of Thy providence, may it pose like a rainbow in every storm cloud of strife and discontent, declaring the unity and faith of a free, Christian people. In our dear Redeemer's name. Amen.

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Frazier, its legislative clerk, announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 3840) entitled "An act to amend the act entitled 'An act for making further and more effectual provision for the national defense, and for other purposes,' approved June 3, 1916, as amended, and for other purposes."

The message also announced that the Senate agrees to the amendment of the House to the amendment of the Senate No. 17 to the bill (H. R. 8913) entitled "An act making appropriations for the legislative branch of the Government for the fiscal year ending June 30, 1941, and for other purposes."

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States was communicated to the House by Mr. Latta, one of his secretaries, who also informed the House that on the following dates the President approved and signed bills and joint resolutions of the House of the following titles:

On June 11, 1940:

H. R. 169. An act to facilitate the control of soil erosion and/or flood damage originating upon lands within the exterior boundaries of the Cleveland National Forest in San Diego County, Calif.;

H. R. 952. An act for the relief of Indians who have paid taxes on allotted lands for which patents in fee were issued without application by or consent of the allottees and subsequently canceled, and for the reimbursement of public subdivisions by whom judgments for such claims have been paid;

H. R. 2009. An act to facilitate the control of soil erosion and/or flood damage originating upon lands within the exterior boundaries of the Angeles National Forest, Calif.;

H. R. 6158. An act authorizing the selection of a site in the District of Columbia and the erection thereon of a statue of George Washington;

H. R. 6668. An act to authorize the Secretary of the Interior to convey to the State of North Carolina for use in connection with the Blue Ridge Parkway certain land within the Cherokee Indian Reservation in the State of North Carolina;

H. R. 7072. An act for the relief of Esther Ross;

H. R. 7147. An act to amend the service pension acts pertaining to the War with Spain, Philippine Insurrection, and the China Relief Expedition to include certain continuous service;

H. R. 7530. An act to transfer the site and buildings of the Tomah Indian School to the State of Wisconsin;

H. R. 7811. An act to establish the Hot Springs division of the Western Judicial District of Arkansas;

H. R. 7901. An act to transfer certain Indian lands to the Grand River Dam Authority, and for other purposes;

H. R. 8119. An act to amend the Criminal Code so as to confer concurrent jurisdiction on courts of the United States over crimes committed on certain Federal reservations;

H. R. 8283. An act to amend section 4370 of the Revised Statutes of the United States (U. S. C., 1934 edition, title 46, sec. 316);

H. R. 8292. An act for the relief of Erich Hecht, Grete J. L. Hecht, and Erich F. Hecht, Jr.;

H. R. 8438. An act making appropriations for the Navy Department and the naval service for the fiscal year ending June 30, 1941, and for other purposes;

H. R. 8452. An act to declare Frankford Creek, Pa., to be a nonnavigable stream;

H. R. 8475. An act to limit the interpretation of the term "products of American fisheries";

H. R. 9271. An act to extend the existence of the Alaskan International Highway Commission for an additional 4 years, and for other purposes;

H. R. 9394. An act to provide for the establishment of the Cumberland Gap National Historical Park in Tennessee, Kentucky, and Virginia;

H. R. 9492. An act making it a misdemeanor to stow away on vessels engaged in interstate or foreign commerce and providing punishment therefor;

H. R. 9595. An act to postpone for 1 year the date of the transmission to Congress by the United States Coronado Exposition Commission of a statement of its expenditures;

H. J. Res. 490. Joint resolution providing for an annual appropriation to meet the share of the United States toward the expenses of the International Technical Committee of Aerial Legal Experts, and for participation in the meetings of the International Technical Committee of Aerial Legal Experts and the commissions established by that Committee;

H. J. Res. 496. Joint resolution for more uniform coverage under the Railroad Retirement Acts of 1935 and 1937, the Carriers Taxing Act of 1937, and subchapter B of chapter 9 of the Internal Revenue Code; and

H. J. Res. 537. Joint Resolution to make temporary emergency provision for the determination of foreign construction costs under section 502 (b) of the Merchant Marine Act, 1936, as amended.

On June 12, 1940:

H. R. 5827. An act to authorize the cancelation of deportation proceedings in the case of John L. Harder and children, Paul William Harder, Irvin W. Harder, Edna Justina Harder, Elsie Anna Harder, and Elizabeth Harder;

H. R. 9109. An act making appropriations for the government of the District of Columbia and other activities chargeable in whole or in part against the revenues of such District for the fiscal year ending June 30, 1941, and for other purposes;

H. R. 9185. An act to amend section 73 of an act entitled "An act to provide a government for the Territory of Hawaii," approved April 30, 1900, as amended;

H. R. 9262. An act to provide for the examination of civilian nautical schools and for the inspection of vessels used in connection therewith, and for other purposes; and

H. R. 9326. An act to provide educational employees of the public schools of the District of Columbia with leave of absence, with part pay, for purposes of educational improvement, and for other purposes.

On June 13, 1940:

H. R. 5584. An act to amend the Canal Zone Code;

H. R. 7019. An act to amend section 1 of the act providing punishment for the killing or assaulting of Federal officers;

H. R. 9209. An act making appropriations for the Military Establishment for the fiscal year ending June 30, 1941, and for other purposes;

H. R. 9243. An act to provide for the promotion of promotion-list officers of the Army after specified years of service in grade, and for other purposes; and

H. R. 9700. An act to amend the Agricultural Adjustment Act of 1938, as amended, and for other purposes.

TRANSFER OF CONSTRUCTION CORPS TO THE LINE OF THE NAVY

Mr. VINSON of Georgia. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill S. 4027, to transfer the active list of the Construction Corps to the line of the Navy, and for other purposes.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Georgia [Mr. VINSON]?

Mr. MARTIN of Massachusetts. Mr. Speaker, reserving the right to object, will the gentleman explain this bill?

Mr. VINSON of Georgia. Mr. Speaker, the object and purpose of this bill is to transfer to the line of the Navy what is known as the Construction Corps, which is a technical corps in the Navy that has to do with the construction of ships. Under a bill passed a few days ago we established what is known as the Bureau of Ships. Already in the line of the Navy are the two other engineering corps, the aeronautical engineers and the engineers known as the E. D. O. They are already in the line of the Navy, but the Construction Corps is in the staff of the Navy.

Mr. MAAS. Will the gentleman yield?

Mr. VINSON of Georgia. I yield to the gentleman from Minnesota.

Mr. MAAS. It is really to carry out the consolidation of the two bureaus covered by a bill which the Congress passed recently? This is a consolidation of personnel?

Mr. VINSON of Georgia. It is.

Mr. MARTIN of Massachusetts. This is a necessary supplement to the other bill?

Mr. VINSON of Georgia. Yes.

Mr. FISH. Will the gentleman yield?

Mr. VINSON of Georgia. I yield to the gentleman from New York.

Mr. FISH. There is nothing in this bill which permits the sale of warships to foreign countries?

Mr. VINSON of Georgia. Not at all. Let me say in connection with that, I know of no law which permits the sale of any obsolete or reconditioned destroyers without an act of Congress.

Mr. FISH. I wanted to ask the gentleman if there is any such law.

Mr. VINSON of Georgia. I know of no such law.

Mr. FISH. What does it mean when we read newspaper reports that 35 of our destroyers are going to be sold abroad?

Mr. VINSON of Georgia. If any destroyers are going to be sold, Congress must give the permission to sell them, and I am unalterably opposed to the sale of any battleships, destroyers, or anything of that kind without an act of Congress.

Mr. RICH. Mr. Speaker, further reserving the right to object, let me ask this question: The President has the right to do that?

Mr. VINSON of Georgia. As I said, no; as far as I am aware, I know of no law that permits anybody to sell Government property of that character without an act of Congress.

Mr. FISH. As a matter of fact, it is entirely contrary to our American tradition?

Mr. VINSON of Georgia. Why, of course, it is. We need all the ships we can get for ourselves.

The SPEAKER. Is there objection to the request of the gentleman from Georgia [Mr. VINSON]?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Construction Corps of the Navy is hereby abolished, but nothing herein shall affect the status, rights, or obligations of any officer now on the retired list of the Construction Corps.

NAVAL CONSTRUCTORS TRANSFERRED TO THE LINE: STATUS UPON TRANSFER

SEC. 2. Officers now on the active list of the Construction Corps are hereby transferred to the line of the Navy, and shall be commissioned accordingly. Each officer so transferred shall—

(a) Be designated for engineering duty only.

(b) Occupy the rank and grade corresponding to those held by him in the Construction Corps.

(c) Continue amenable to disciplinary action to the same extent in all respects as if not transferred.

(d) Be an additional number in the grade to which transferred and in any grade to which he may thereafter be promoted.

(e) Have the lineal position and precedence in the line which a board of naval officers finds that he would have had if he had remained in the line or if his original appointment had been in the line, and the finding of such board when approved by the Secretary of the Navy shall be conclusive for all purposes: *Provided*, That the existing relative rank, precedence, or seniority among themselves of officers transferred by this act shall not be altered by such transfer.

(f) Except as herein otherwise provided, be governed by the provisions of existing laws and of laws hereafter enacted relating to line officers assigned to engineering duty only.

ADJUSTMENT OF STATUS

SEC. 3. For the purpose of adjusting the status in the line of the officers transferred thereto by this act, the following shall govern with respect to such officers:

(a) Each officer shall become eligible for consideration by a line selection board as of the date the next junior line officer becomes eligible therefor, subject to the provisions of section 7 (a) of this act, and the same eligibility rule shall apply to all other officers designated for engineering duty only.

(b) Each officer who at the time of transfer has been passed over one or more times in the rank in which transferred shall be regarded as having failed of selection as best fitted once only.

(c) Each captain whose date of commission in such rank is earlier than February 2, 1932, shall, if promoted pursuant to the recommendation of the first line selection board convened for his rank after the date of this act, have the date of commission and the precedence which the Secretary of the Navy finds that he would have had if he had remained in the line or if his original appointment had been in the line: *Provided,* That his existing relative rank, precedence, or seniority shall not be altered thereby with reference to other such officers advanced to the rank of rear admiral pursuant to the recommendation of the same or an earlier selection board.

(d) Commanders and lieutenant commanders who, while in the rank in which transferred, have been considered by staff selection boards shall, if promoted pursuant to the recommendation of the first line selection board convened for their rank after the date of approval of this act, have the date of commission and the precedence which the Secretary of the Navy finds that they would have had if such promotion had occurred prior to their transfer.

ADDITIONAL OFFICERS TO BE DESIGNATED FOR ENGINEERING DUTY ONLY: STATUS AND DUTIES

SEC. 4. (a) Officers heretofore appointed or designated for the performance of aeronautical-engineering duty only in accordance with the act of June 5, 1935 (49 Stat. 323; U. S. C., Supp. V, title 34, sec. 71a), are hereby designated for engineering duty only and no further appointments or designations shall be made under that act, which is hereby repealed.

(b) The provision of the act approved August 29, 1916 (39 Stat. 580; U. S. C., title 34, sec. 71), which authorizes the assignment of officers "not below the grade of lieutenant" to engineering duty only is hereby amended by deleting the word "lieutenant" and inserting in lieu thereof the words "lieutenant (junior grade)."

(c) Officers designated for engineering duty only shall be additional numbers in grade and shall not succeed to command except on shore and then only as authorized by the Secretary of the Navy.

SEC. 5. (a) The number of rear admirals designated for engineering duty only shall be reduced to six, as provided in this section, and thereafter that number shall be the permanent authorized number of such officers. In the meantime, only the first and each alternate succeeding separation of such officers from the active list shall be deemed to create a vacancy, and if more than one vacancy should result in any fiscal year the excess shall not be filled, but the next succeeding separation from the active list shall be regarded as the alternate succeeding separation within the meaning of this section: *Provided,* That the line selection boards convened in the fiscal years 1941 and 1942 to recommend captains for promotion to the grade of rear admiral shall be furnished by the Secretary of the Navy with an estimated number of vacancies in that grade for officers designated for engineering duty only, which number shall be four and two, respectively, regardless of the number of officers separated from the active list.

(b) Officers transferred to the line of the Navy pursuant to the provisions of section 2 of this act who, at the time of transfer, have been recommended for advancement to the rank of rear admiral, and those who may be so recommended in the report of the selection board convened next subsequent to the date of approval of this act shall be eligible for promotion on January 2, 1941, upon which date there shall be deemed to have been created a number of vacancies equal to the number of such officers recommended for promotion. Except as above provided, each captain designated for engineering duty only on the promotion list for the grade of rear admiral shall be promoted to rank from the date stated in or in due course to be stated in, the commission in that grade of the next junior officer on the promotion list who is not designated for engineering duty only.

INFORMATION TO BE FURNISHED SELECTION BOARDS

SEC. 6. (a) The estimate furnished by the Secretary of the Navy to line selection boards convened for the consideration of captains, pursuant to section 8 (a) of the act approved June 23, 1938 (52 Stat. 946; U. S. C., Supp. V, title 34, sec. 294), shall show separately the number of vacancies existing in the grade of rear admiral among officers designated for engineering duty only and among officers not so designated, and the number of such vacancies estimated to occur before the end of the next succeeding fiscal year, in excess of the number of officers of each group then on the promotion list.

(b) The statement furnished line selection boards pursuant to section 8 (a) of the act approved June 23, 1938 (52 Stat. 946; U. S. C., Supp. V, title 34, sec. 294), shall include the percentage of engineering duty only officers adjudged fitted for promotion which shall be continued on the active list to meet the immediate requirements of the Navy.

(c) Each line selection board convened for the consideration of captains shall be furnished with the names of all captains eligible for consideration to be designated for retention or continuance on the active list pursuant to this act, in addition to the names of captains eligible for consideration for promotion required to be furnished such board by section 8 (a) of the act approved June 23, 1938 (52 Stat. 946; U. S. C., Supp. V, title 34, sec. 294).

DUTIES OF SELECTION BOARD

SEC. 7. (a) The recommendations of selection boards in the case of officers who are now or may hereafter be designated for engineering duty only shall be based upon their comparative fitness for the duties prescribed for them by law: *Provided,* That no captain designated for engineering duty only shall be eligible for consideration by a selection board for promotion unless the estimate of vacancies furnished that board by the Secretary of the Navy in compliance with section 6 (a) of this act shows one or more vacancies existing or estimated to occur in the grade of rear admiral among officers designated for engineering duty only, but any such captain who is promoted pursuant to the recommendation of the first selection board by which he was considered shall be given in his new commission the same date of rank which has been or in due course will be stated in the commission in such rank of the senior officer below him who was recommended for promotion by the approved report of a selection board which did not consider him because of this proviso: *Provided further,* That no captain so promoted shall be entitled to increased pay or allowances prior to the date of the vacancy to which promoted.

(b) Officers designated for engineering duty only may be recommended by a line selection board as best fitted for promotion to grades below rear admiral, pursuant to section 9 (a) of the act of June 23, 1938 (52 Stat. 947; U. S. C., Supp. V, title 34, sec. 297a), in addition to the number of estimated vacancies certified to the board by the Secretary of the Navy.

SEC. 8. Each selection board considering captains designated for engineering duty only shall—

(a) From among such captains who have twice failed of selection as best fitted designate by name for retention on the active list in the grade of captain until not later than the end of the next succeeding fiscal year those officers whose fitness, in the opinion of at least six of the members, warrants their retention. Captains so retained shall be ineligible for consideration for recommendation for promotion by subsequent selection boards, but shall be eligible for consideration by such boards for retention on the active list. If not again designated for retention on the active list, they shall be placed on the retired list as provided in section 9 of this act.

(b) When the number of involuntary retirements in any fiscal year pursuant to section 9 (c) of this act would otherwise exceed four, designate by name such excess of officers for continuance on the active list until the end of the next fiscal year: *Provided,* That such officers shall be ineligible for consideration for recommendation for promotion by subsequent selection boards, but shall be eligible for consideration for continuance on the active list. If not again designated for continuance on the active list, they shall be placed on the retired list as provided in section 9 of this act.

RETIREMENT

SEC. 9. (a) Except as provided in subsection (c) of this section, each officer in the grade of captain designated for retention on the active list pursuant to section 8 (a) of this act shall be transferred to the retired list on June 30 of the next succeeding fiscal year or on the 1st day of the month following that in which he attains the age of 61 years, whichever shall occur first.

(b) Except as provided in subsection (c) of this section, each officer described in section 8 (a) of this act who is not designated pursuant thereto for retention on the active list shall be transferred to the retired list on June 30 of the fiscal year in which he fails of such designation or on the 1st day of the month following that in which he attains the age of 61 years, whichever shall occur first.

(c) No officer transferred to the grade of captain by section 2 of this act shall be retired pursuant to subsection (a) or (b) of this section earlier than 4 years after the date of approval of this act, nor shall more than four such captains thereafter be so retired in any one fiscal year. Such officers who are considered for retention or continuance on the active list pursuant to the provisions of section 8 of this act, and are not designated therefor, shall be placed on the retired list on June 30 of the fiscal year in which they fail of such designation.

SEC. 10. Officers transferred by this act to the grade of commander of the line whose names are not placed upon the promotion list, shall be placed on the retired list on June 30 of the fiscal year in which they fail of selection as best fitted the second time or in which they complete 28 years of commissioned service computed as provided in section 3 of the act of March 3, 1931 (46 Stat. 1483; U. S. C., title 34, sec. 286a), whichever date shall be later: *Provided,* That any officer retained on the active list pursuant to this section shall be ineligible for consideration for promotion by subsequent selection boards.

SEC. 11. Officers transferred by this act to the grade of lieutenant commander or lieutenant of the line shall, at their own request, in lieu of the honorable discharge provided in section 12 (c) of the act approved June 23, 1938 (52 Stat. 948; U. S. C., title 34, sec. 404 (c)), be retired on June 30 of the fiscal year in which they fail of selection as best fitted the second time or in which they complete 21 and 14 years, respectively, of commissioned service computed as provided in section 3 of the act of March 3, 1931 (46 Stat. 1483; U. S. C., title 34, sec. 286a), whichever date shall be later: *Provided,* That any officer retained on the active list pursuant to this section shall be ineligible for consideration for promotion by subsequent selection boards.

SEC. 12. No officer transferred by this act to the grade of commander or lieutenant commander of the line shall be retired pursuant to section 12 (f) of the act of June 23, 1938 (52 Stat. 950; U. S. C., Supp. V, title 34, sec. 40 (f)), prior to June 30 of the fiscal year in which he completes 30 or 25 years, respectively, of active commissioned service in the Navy.

SEC. 13. Officers transferred to the retired list in conformity with this act shall be entitled to retired pay computed as prescribed in

section 12 (b) of the act of June 23, 1938 (52 Stat. 949; U. S. C., title 34, sec. 404 (b)).

MISCELLANEOUS PROVISIONS

SEC. 14. Nothing herein shall be construed to interfere with the promotion of officers who have been recommended for advancement on the effective date of this act, except that the provisions of section 11 (b) of the act approved June 23, 1938 (52 Stat. 948; U. S. C., title 34, sec. 300 (b)) shall be applicable in the cases of such officers. When promoted, such officers shall have the date of commission and the precedence which the Secretary of the Navy finds they would have had if such promotion had occurred prior to their transfer.

SEC. 15. Nothing in this act shall operate to reduce the pay and allowances of officers hereby transferred to the line of the Navy below that now authorized for officers of Staff Corps with corresponding rank and service.

SEC. 16. All laws or parts of laws so far as they are inconsistent with or in conflict with the provisions of this act are hereby repealed.

Mr. MAAS. Mr. Speaker, I offer an amendment which I send to the Clerk's desk.

The Clerk read as follows:

Amendment offered by Mr. MAAS: On page 12, after line 18, add a new section to be known as section 17:

"SEC. 17. The Secretary of the Navy is hereby authorized and directed to appoint a board of officers of the Navy to investigate and report upon all matters concerning the status of line officers designated for specialized duty. The board shall make specific recommendations as to the advisability of establishing a technical staff corps as an adjunct to the line of the Navy, but separate therefrom, such recommendations to include proposed permanent legislation deemed necessary to give effect thereto. The Secretary of the Navy is further directed to cause the report of the board herein authorized to be transmitted to the Congress within 10 days of the beginning of the session of the Seventy-seventh Congress, commencing on or about January 3, 1941."

The amendment was agreed to.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

A similar House bill was laid on the table.

INCREASE IN NUMBER OF NAVAL AVIATORS IN NAVY AND MARINE CORPS

Mr. VINSON of Georgia. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (H. R. 10030) increasing the number of naval aviators in the line of the Regular Navy and Marine Corps, and for other purposes.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Georgia?

Mr. MARTIN of Massachusetts. Reserving the right to object, Mr. Speaker, will the gentleman explain this bill?

Mr. VINSON of Georgia. This bill seeks to offer a greater inducement to the young men of the country to come into the naval aviation by offering as an inducement that when they come in as flying cadets a certain number of them can be put in the regular Naval Establishment. In addition thereto it offers them a bonus after they have served a certain number of years.

Mr. MAAS. If they do not go into the Navy.

Mr. VINSON of Georgia. If they do not become permanent officers in the Navy.

Mr. MARTIN of Massachusetts. This would give a chance to the boys who do not graduate from Annapolis to get into naval aviation?

Mr. VINSON of Georgia. That is right. This bill does not apply to Annapolis at all. This is seeking to take into the aviation personnel boys from the colleges of the country and to put them into the Navy as rapidly as possible.

Mr. RICH. Does this bill come with a unanimous report from the committee?

Mr. VINSON of Georgia. Yes; with a unanimous report; but we have some committee amendments which the gentleman from Minnesota [Mr. MAAS] will offer.

Mr. MARTIN of Massachusetts. What is the bonus?

Mr. VINSON of Georgia. The bonus is $500 for each year of enlistment.

Mr. MARTIN of Massachusetts. How does that compare with other bonuses?

Mr. VINSON of Georgia. Under the law today he gets $500 under certain conditions and $1,000 under certain conditions. This bonus is a great deal more than the bonus under the law today, but we feel that it is necessary to have this bonus in order to get the personnel we are driving for, which is approximately 16,000 aviators for the Navy.

Mr. IZAC. Mr. Speaker, will the gentleman yield?

Mr. VINSON of Georgia. I yield to the gentleman from California.

Mr. IZAC. Will the gentleman state at whose discretion the number will be determined?

Mr. VINSON of Georgia. At the discretion of the Secretary of the Navy.

Mr. MILLER. Mr. Speaker, will the gentleman yield?

Mr. VINSON of Georgia. I yield to the gentleman from Connecticut.

Mr. MILLER. Can the gentleman tell us what academic requirements these cadets must meet? Must they be college graduates?

Mr. VINSON of Georgia. The requirements are rather high right now. A college course of at least 2 years is required.

Mr. HAWKS. Is that made a requirement in this bill?

Mr. VINSON of Georgia. No; that is done by rules and regulations.

Mr. HAWKS. This bill does not change that requirement?

Mr. VINSON of Georgia. Not at all.

The SPEAKER. Is there objection to the request of the gentleman from Georgia?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That this act may be cited as the "Naval Aviation Personnel Act of 1940."

SEC. 2. The President of the United States is authorized to appoint to the line of the Regular Navy and Marine Corps, by and with the advice and consent of the Senate, as many naval aviators of the Naval and Marine Corps Reserves as he may deem necessary and except as hereinafter provided the authorized number of commissioned officers of the Navy and Marine Corps is increased accordingly. Officers so appointed shall, upon appointment, occupy the same grade, with the same precedence therein, now occupied by them in the Naval or Marine Corps Reserve, as the case may be: *Provided*, That they shall first establish their moral, physical, mental, and professional qualifications in accordance with such rules and regulations as the Secretary of the Navy may prescribe: *Provided further*, That officers so appointed shall, on June 30 of the calendar year in which they are appointed, have completed not less than 2 years of continuous active service next following the completion of their duty as aviation cadets undergoing training and shall, on June 30 of the calendar year in which appointed, be less than 26 years of age: *Provided further*, That during a period of 6 months from the date of approval of this act the Secretary of the Navy is authorized to waive the foregoing age requirement: *And provided further*, That during a period of 6 months from the date of approval of this act those naval aviators who have not undergone training as aviation cadets but who have completed 2 or more years of continuous active service in the Naval or Marine Corps Reserve immediately preceding the date of approval of this act may also be so appointed regardless of their age. Officers appointed under the authority of this proviso shall, upon appointment, be additional numbers in the grade to which appointed and in any grade to which they may thereafter be promoted.

SEC. 3. Each officer appointed pursuant to this act in the grade of ensign and each officer so appointed in a grade above that of ensign shall, respectively, become eligible for promotion, or for consideration by a line selection board as of the date the line officer next junior to him at the date of appointment becomes so eligible. The qualification of sea service prescribed in section 11 (c) of the act of June 23, 1938 (52 Stat. 948), shall not apply to such officers while in the grade to which originally appointed.

SEC. 4. The increase in the number of commissioned officers herein authorized shall not be counted in any computation made to determine the authorized number of officers in the grades of rear admiral, captain, and commander.

SEC. 5. Sections 6 and 8 of the Naval Aviation Reserve Act of 1939 (53 Stat. 820; U. S. C., Supp. V, title 34, secs. 849d and 849f) are hereby repealed.

SEC. 6. When officers commissioned in the Naval or Marine Corps Reserve pursuant to the Naval Aviation Reserve Act of 1939 are released from active duty that has been continuous for 1 or more years, they shall be paid a lump sum of $500 for each complete year of active service other than duty as aviation cadets undergoing training and if released from active duty otherwise than upon their own request or as a result of disciplinary action, this lump-sum payment shall be prorated for fractional parts of each year of such service. The lump-sum payments authorized herein shall be in

addition to any pay, allowances, compensation, or benefits which they may otherwise be entitled to receive.

SEC. 7. The Secretary of the Navy is authorized, in his discretion, to distribute the enlisted personnel of the Marine Corps among the various grades in such numbers as he deems to be to the best interests of the naval service.

With the following committee amendments:

Page 2, line 10, strike out "2 years" and insert "18 months."

Line 17, after "requirement", insert "and continuous service requirements."

Page 3, line 3, after "act", strike out "in" and insert "to."

Line 4, after "ensign", insert "or second lieutenant."

Line 5, strike out "in" and insert "to", and after "ensign", insert "or second lieutenant."

Line 13, strike out all of section 4 and insert the following:

"SEC. 4. All officers, warrant officers, and enlisted men of the United States Naval Reserve or United States Marine Corps Reserve, who, if called or ordered into active naval or military service by the Federal Government for extended naval or military service in excess of 30 days, suffer disability or death in line of duty from disease or injury while so employed shall be deemed to have been in the active naval service during such period, and they or their beneficiaries shall be in all respects entitled to receive the same pensions, compensation, retirement pay, and hospital benefits as are now or may hereafter be provided by law or regulation for officers, warrant officers, and enlisted men of corresponding grades and length of service of the Regular Navy or Marine Corps: *Provided*, That if a person who is eligible for the benefits prescribed by this act be also eligible for pension under the provisions of the act of June 23, 1937 (50 Stat. 305), compensation from the United States Employees' Compensation Commission under the provisions of section 304 of the Naval Reserve Act of 1938 (52 Stat. 1181), or retired pay under the provision of section 310 of the Naval Reserve Act of 1938 (52 Stat. 1183), he shall elect which benefit he shall receive."

Page 5, after line 7, insert the following:

"SEC. 8. The Naval Reserve Act of 1938, approved June 25, 1938 (52 Stat. 1175), as amended, is hereby amended as follows:

"(a) Section 7, title I, by inserting after the word 'midshipmen', in lines 8 and 13, page 1177, the words 'chief warrant officers,';

"(b) Section 309, title III, by deleting the word 'thirty' in line 5 of said section, and inserting in lieu thereof the word 'twenty';

"(c) Section 312, title III, second proviso, beginning in line 8 of page 1184, by deleting the words 'rank stated in', in line 12, and by adding at the end of said proviso and before the colon a comma and the clause 'and the dates of commissions as determined by the Secretary of the Navy shall be conclusive for all purposes', so that said proviso as amended shall read: '*Provided further*, That all officers of the Naval Reserve and the Marine Corps Reserve who may be advanced to a higher grade or rank under the provisions of this title shall be allowed the pay and allowances of the higher grade or rank from the dates of their commissions, and the dates of commissions as determined by the Secretary of the Navy shall be conclusive for all purposes.'

"(d) Section 313, title III, by inserting after the word 'Navy', in line 5 of said section, a comma and the words 'including drills performed on Sunday.'

"SEC. 9. The act of June 24, 1926, entitled 'An act to authorize the construction and procurement of aircraft and aircraft equipment in the Navy and Marine Corps, and to adjust and define the status of operating personnel in connection therewith' (44 Stat. 766) is hereby amended by deleting the word 'rigid' in line 10 of paragraph 1 of section 3."

The committee amendments were agreed to.

Mr. MAAS. Mr. Speaker, I have some amendments to this bill which are at the Clerk's desk.

The Clerk read as follows:

Amendments offered by Mr. MAAS: Page 5, line 11, insert, after the words "Title I", the words "by inserting after the words 'commissioned officers', in line 1, page 1177, the words 'exclusive of chief warrant officers.' "

Page 5, line 13, change the semicolon to a comma and add the following: "and by adding the following proviso: '*And provided further*, That no chief warrant officer promoted to other commissioned grade or warrant officer promoted to chief warrant officer or other commissioned grade shall suffer any reduction of pay by reason of such promotion.' "

Pages 5 and 6, delete all of subsection 8 (c) and insert in lieu thereof the following:

"Section 312, title III, delete the second proviso beginning on line 8, and insert in lieu thereof the following: '*Provided further*, That hereafter all officers of the Naval Reserve and the Marine Corps Reserve who may be advanced to a higher grade or rank in time of peace or in time of war or national emergency under the provisions of this act, shall be allowed the pay and allowances of the higher grade or rank from the dates of rank as stated in their commissions, as distinguished from the dates of commission or dates of acceptance of commission, and the dates of rank as stated in their commissions shall be conclusive for all purposes.' "

Page 6, insert, after line 7, a new subsection (e), as follows:

"SEC. 311. In time of peace officers of the Naval Reserve shall take precedence according to such regulations as the Secretary of the Navy may prescribe: *Provided*, That when mobilized with the Regular Navy for war or a national emergency, each officer of the Naval Reserve shall take precedence next after that officer of the Regular Navy of the same rank or grade whose length of service in such rank or grade on the date of the declaration of such national emergency or war is one-half, or the nearest one-half, of that of the Reserve officer: *Provided further*, That a Naval Reserve officer appointed after the declaration of the war or national emergency shall take precedence, upon report for active duty, next after the officer of the Regular Navy of the same rank or grade whose length of service in such rank or grade on the date the Reserve officer reports for active duty, is one-half, or the nearest one-half, of that of the Reserve officer."

The amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

ARMY BANDMASTERS' ACT

Mr. MAY. Mr. Speaker, I call up the conference report on the bill (H. R. 3840) to amend the act entitled "An act for making further and more effectual provision for the national defense, and for other purposes," approved June 3, 1916, as amended, and for other purposes, and ask unanimous consent that the statement be read in lieu of the report.

The Clerk read the title of the conference report.

The SPEAKER. Is there objection to the request of the gentleman from Kentucky?

Mr. RICH. Reserving the right to object, Mr. Speaker, what is this bill?

Mr. MAY. This is the bill commonly known as the bandmasters' bill. The House passed the bill, providing for the chief bandmaster of the Army and for bandmasters in different ranks below the chief bandmaster. The principal issue between the House and the Senate on the question was whether or not the chief bandmaster should be ranked as a major or as a captain. The House contended for the captaincy, which was agreed to by the Senate.

Mr. RICH. Is there any politics in this bill? Is the New Deal going to use the bands now? They had better use them now because they will not use them after November.

Mr. MAY. I think possibly they will play Yankee Doodle and Dixie for the gentleman whenever he wishes.

Mr. MARTIN of Massachusetts. Reserving the right to object, Mr. Speaker, will the gentleman tell me how many bandmasterships are to be created?

Mr. MAY. The bandmasters are to be appointed by the President on the recommendation of the Secretary of War and the approval of the Senate.

Mr. MARTIN of Massachusetts. You do not specify the number?

Mr. MAY. No; such number as may be necessary to have one for each of the bands of the Army. They are divided into grades according to length of service, 5 years and less, 5 to 10 years, and from 10 years up. They are ranked as captains for 10 years' service, as first lieutenants for from 5 to 10 years' service, and as second lieutenants for 5 years or less service.

Mr. MARTIN of Massachusetts. What will be the additional cost to the Treasury?

Mr. MAY. I do not have the exact figures, but the cost will be very slight. It will simply be the increased pay due to the increased rank, where there is an increase.

Mr. FISH. Reserving the right to object, Mr. Speaker, how does this affect the band at West Point?

Mr. MAY. The bandmaster at West Point will be simply one of the bandmasters included in the number from the chief bandmaster down, and his pay will depend upon his rank, whatever it is. That will be determined by his length of service and his qualifications.

Mr. FISH. They will have the same promotions there as other bandmasters will have?

Mr. MAY. Exactly, and the same retirement pay.

The SPEAKER. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

The Clerk read the statement.

The conference report and statement are as follows:

CONFERENCE REPORT

The committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 3840) to amend the act entitled "An act for making further and more effectual provision for the national defense, and for other purposes," approved June 3, 1916, as amended, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendment of the Senate and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert the following:

"That section 6 of the National Defense Act of June 3, 1916, as amended, is amended by adding at the end thereof the following:

"'After the date this paragraph takes effect, there shall be a number of commissioned officers, to be known as bandmasters, equal to the number of authorized bands of the Regular Army. Bandmasters shall be appointed by the President, by and with the advice and consent of the Senate, and there shall be one bandmaster for each such band who shall be the leader thereof in lieu of a warrant officer band leader. The Secretary of War shall select a chief bandmaster from the bandmasters so appointed who shall have the rank, pay, and allowances of a captain while so serving, who shall be charged with the duty of administering uniformly the affairs of all authorized bands of the Regular Army, and who shall advise the Secretary of War on all matters relating to the musical organizations in the Regular Army. Bandmasters shall be selected from band leaders in the Regular Army who are found to be physically qualified, and, subject to such examination as the President may prescribe, from noncommissioned officers and other enlisted musicians who have had at least one year of service in a band of the Regular Army, and from officers in the National Guard of the United States or in the Officers' Reserve Corps. Any bandmaster with service of less than five years shall be entitled to the rank, pay, allowances, and retirement benefits of a second lieutenant; and any bandmaster with service of five years or more shall be entitled to the rank, pay, allowances, and retirement benefits of a first lieutenant: *Provided*, That in computing such service in the case of any person appointed as a bandmaster all his active service as a band leader in the Regular Army prior to his appointment shall be counted: *Provided further*, That no person appointed as a bandmaster shall suffer the loss of any pay by reason of the provisions of this paragraph. Any warrant officer band leader who fails to pass the prescribed physical examination because of physical disability incident to the service shall be placed upon the retired list of the Regular Army with 75 per centum of the pay to which he would have been entitled if he had been appointed as a bandmaster as hereinbefore provided.'

"SEC. 2. The limitations now prescribed by law upon the number of commissioned officers of the Regular Army, and the number of commissioned officers in the various grades, is hereby increased to, and only to, the extent necessary to give effect to the provisions of this act. The number of warrant officers authorized by law shall be decreased by the number of band leaders who receive commissions as bandmasters in pursuance of the provisions of this Act.

"SEC. 3. This act may be cited as the 'Army Bandmasters' Act.'"

And the Senate agree to the same.

ANDREW J. MAY,
EWING THOMASON,
DOW W. HARTER,
WALTER G. ANDREWS,
LESLIE C. ARENDS,
Managers on the part of the House.

ELBERT D. THOMAS,
SHERMAN MINTON,
CHAN GURNEY,
Managers on the part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 3840) to amend the act entitled "An act for making further and more effectual provisions for the national defense, and for other purposes," approved June 3, 1916, as amended, and for other purposes, submit the following statement in explanation of the effect of the action agreed upon by the conferees and recommended in the accompanying conference report:

The House bill provided that for each United States Army and National Guard band there should be a commissioned officer to be known as the bandmaster, to be appointed by the President by and with the advice and consent of the Senate, who would take the place of the present warrant officer band leader. Bandmasters with less than 5 years service were to rank with second lieutenants and bandmasters with service of 5 years or more were to rank with first lieutenants. The bandmasters to be appointed were to be selected from band leaders in the service who were found to be physically qualified or from noncommissioned officers and other enlisted musicians with at least 1 year of service in a Regular Army or National Guard band. Provision was also made that band leaders who fail to pass the physical examination because of physical disability incident to the service should be placed upon the Army retired list with 75 percent of the pay to which they would have been entitled if they had been appointed bandmasters. Bandmasters were to be entitled to the same benefits with respect to pay, allowances, and retirement as apply in the case of commissioned officers in the Army of equivalent rank. Provision was also made for reducing the number of warrant officers authorized by law by the number of band leaders who received commissions as bandmasters and for increasing the number of commissioned officers of the Army to the extent necessary to give effect to the provisions of the act.

The Senate amendment limited the appointment of bandmasters to the bands of the Regular Army and provided that the Secretary of War should select a chief bandmaster who would have the rank, pay, and allowances of a major while so serving and who would be charged with the duty of administering all authorized Regular Army bands and of advising the Adjutant General on all matters relating to musical organizations in the Regular Army. The Senate amendment also provided that bandmasters with service of from 5 to 10 years should rank with first lieutenants, and bandmasters with service of over 10 years should rank with captains.

The conference agreement retains the provisions of the House bill with respect to the rank of bandmasters, provides that the chief bandmaster shall have the rank of captain and shall advise the Secretary of War instead of the Adjutant General with respect to musical organizations in the Regular Army, and provides also that bandmasters may be appointed from officers in the National Guard or in the Officers' Reserve Corps as well as from warrant officer band leaders, and noncommissioned officers and enlisted men with at least a year's service in a Regular Army band. Clarifying changes have been made in the text.

A. J. MAY,
EWING THOMASON,
DOW W. HARTER,
W. G. ANDREWS,
L. C. ARENDS,
Managers on the part of the House.

The conference report was agreed to.

A motion to reconsider was laid on the table.

EXTENSION OF REMARKS

Mr. ROMJUE. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and to include a newspaper article pertaining to second-class mail matter.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

Mr. BYRNS of Tennessee. Mr. Speaker, I ask unanimous consent to extend my remarks in the Appendix of the RECORD and to include therein a telegram from Paul R. Jarratt, commander of American Legion Post, No. 5, at Nashville, Tenn., and one of its most prominent citizens.

The SPEAKER. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

Mr. COCHRAN. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and to quote from a speech delivered by the distinguished Speaker of this House.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

Mr. SMITH of Illinois. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and to include therein an address over the N. B. C. last evening made by me.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. VOORHIS of California. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and include therein the findings of the Interfaith Conference on Unemployment recently held in Washington.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. SMITH of Washington. Mr. Speaker, on yesterday I obtained unanimous consent to place in the Appendix of the RECORD an article and I was notified that it slightly exceeded the length prescribed in the rule. I have secured an estimate from the printer and I renew my unanimous-consent request.

Mr. RICH. Mr. Speaker, reserving the right to object, will the gentleman tell us what the cost is going to be?

Mr. SMITH of Washington. I may say to the gentleman that in the 8 years I have served in the House this is the first time I have ever submitted an article that exceeded the length prescribed by the rule, and the estimate in this case is $146.25.

The SPEAKER. Is there objection to the request of the gentleman from Washington?

There was no objection.

Mr. GILLIE asked and was given permission to revise and extend his own remarks in the RECORD.

Mr. SPRINGER. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include a brief editorial appearing in the Indianapolis Times on Wednesday, June 12.

The SPEAKER. Is there objection to the request of the gentleman from Indiana?

There was no objection.

PERMISSION TO ADDRESS THE HOUSE

Mr. GROSS. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. GROSS. Mr. Speaker, now that we have levied back-breaking taxes on the Nation for national defense, I hope this administration will not spend a lot of the money foolishly. I have heard men say 33⅓ percent of it will be wasted. I have here a newspaper clipping saying that the Secretary of Agriculture is going to survey 600,000,000 acres of land in order to analyze and classify it to see what its possibilities are, whether it is eroded, whether it should be tile drained, and so forth, so he can tell the farmers what they ought to plant in order to have everything lined up with our defense program. Now, the fact is the men who own this land know what it will produce and what they ought to plant and whether it is worth farming or not far better than anyone in Washington knows. All the administration needs to do for us farmers is to give us a green light or a go sign and a little assurance of a fair price and we will swamp the country with everything they need without squandering a lot of money. This survey will cost $24,000,000, and will not make the land any more productive; and then to classify it and to contact all of the owners and make recommendations, which, after all, will only be annoying to the farmer, will create thousands of new jobs and cost at least $50,000,000 more. I hope we are not going to penalize the taxpayers of the country by spending money like this. [Applause.]

[Here the gavel fell.]

Mr. RICH. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. RICH. Mr. Speaker, that flag has flown back of the Speaker for years and years and this is Flag Day. We ought to celebrate it. It represents peace, honor, and freedom, and has for years, but if we want it to continue to represent that we must do one thing, and that is look after the Treasury of the United States. We are $3,504,000,000 in the red up to June 7 for this year and if we continue on next year with this spending we are going to be close to $7,000,000,000 in the red. This is one of the greatest arms of national defense. A sound Treasury of the United States. That old flag will not fly back of the Speaker in the years to come unless we defend our Treasury and unless we have the Treasury of the United States in good shape. Sound and financially strong. What good will it do our country to have a great lot of battleships or what good will it do to have a lot of airplanes and a great Army unless our Treasury is in good shape. They must be financed. Mr. Speaker, we want to protect it. The American people will do it in November by electing a Republican Congress. They will protect all arms of our Government and make it strong and reliable. So the flag will always fly over the Capitol and on the Speaker's rostrum. [Laughter and applause.]

EXTENSION OF REMARKS

Mr. ARENDS. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and to include a copy of a resolution adopted by the Illinois House of Representatives.

The SPEAKER. Is there objection?

There was no objection.

FLAG DAY

Mr. VREELAND. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection?

There was no objection.

Mr. VREELAND. Mr. Speaker, today is Flag Day, and I think it no more fitting and proper that we who are charged with the safety and future of our Nation should pause for a moment to determine the present and future of our flag and the country for which it stands. Ours is a great heritage passed on to us by those who gave to the utmost in sacrifice, even to their very lives, so that you and I and the people of this great land might live in peace, prosperity, and security.

Since the war in 1917–18, unfortunately, it has been the will of the people of this country to allow our national defense to be second in consideration and with an idealistic pacifistic view deliberately acquiesced in the deterioration of our protective forces until we find ourselves on the eve of an emergency with our armaments in, to say the least, a very disappointing condition. However, be that as it may, we are now faced with the necessity in overnight attempting to raise our Army and Navy to a point of safety for the country and supply it with the necessary matériel to cope with modern-day methods.

I call upon every man, woman, and child in this great Nation to forget personal selfish desires and inconveniences, and for one and all to make a sacrifice now for the protection of our flag so that it may continue to wave freely over the country we love so much. [Applause.]

FORMER PRESIDENT HERBERT HOOVER

Mr. LELAND M. FORD. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD by the insertion of an editorial from the Los Angeles Daily News dated June 8, and to address the House for 1 minute.

The SPEAKER. Is there objection?

There was no objection.

Mr. LELAND M. FORD. Mr. Speaker, I do this to call attention to the article to which I have referred, a reprint of an editorial by Herbert Hoover in a Democratic newspaper in Los Angeles. It is nonpolitical and nonpartisan. I think the article is well worth reading, and I commend it to the attention of the House.

EXTENSION OF REMARKS

Mr. ANGELL. Mr. Speaker, I ask unanimous consent to extend my remarks and to include a radio address and also some editorials on national defense.

The SPEAKER. Is there objection?

There was no objection.

Mr. LECOMPTE. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and to include a short editorial from the Ottumwa Daily Courier on the subject of the American Legion.

The SPEAKER. Is there objection?

There was no objection.

TOAST TO THE FLAG

Mr. HAWKS. Mr. Speaker, I ask unanimous consent to proceed for 1 minute.

The SPEAKER. Is there objection?

There was no objection.

Mr. HAWKS. Mr. Speaker, this is Flag Day, and I have here a toast to the flag written by a newspaper friend of mine, Mr. John J. Daly. I ask unanimous consent that it may be inserted in the RECORD at this point.

The SPEAKER. The Chair cannot entertain that part of the request.

Mr. HAWKS. Then, Mr. Speaker, in the minute granted me I shall read the verses:

A TOAST TO THE FLAG

(By John Jay Daly)

Here's to the red of it—
There's not a thread of it,
No; nor a shred of it
In all the spread of it
From foot to head,
But heroes bled for it,
Faced steel and lead for it,
Precious blood shed for it,
Bathing it red!

Here's to the white of it—
Thrilled by the sight of it,
Who knows the right of it
But feels the might of it
Through day and night?
Womanhood's care for it
Made manhood dare for it;
Purity's pray'r for it
Keeps it so white!

Here's to the blue of it—
Beauteous view of it
Heavenly hue of it,
Star-spangled dew of it
Constant and true;
Diadems gleam for it,
States stand supreme for it,
Liberty's beam for it
Brightens the blue!

Here's to the whole of it—
Stars, stripes, and goal of it,
Body and soul of it,
O, and the roll of it,
Sun shining through;
Hearts in accord for it
Swear by the sword for it,
Thanking the Lord for it,
Red, white, and blue!

[Applause.]

EXTENSION OF REMARKS

Mr. GEARHART. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and to include a radio address by Raymond J. Kelly.

The SPEAKER. Is there objection?

There was no objection.

Mr. JARRETT. Mr. Speaker, I ask unanimous consent to extend my remarks and to include some short editorials.

The SPEAKER. Is there objection?

There was no objection.

KEEP AMERICA OUT OF WAR

Mr. BARTON of New York. Mr. Speaker, I ask unanimous consent to proceed for 1 minute.

The SPEAKER. Is there objection?

There was no objection.

Mr. BARTON of New York. Mr. Speaker, I have asked for this minute to read the following brief letter from the Reverend Harry Emerson Fosdick, perhaps the most distinguished Protestant clergyman in the United States:

THE RIVERSIDE CHURCH,
New York, N. Y., June 11, 1940.

The Honorable BRUCE BARTON,
House of Representatives, Washington, D. C.

DEAR MR. BARTON: I have just finished 8 months of broadcasting over a weekly network of about a hundred stations. In response I have received since last October in the neighborhood of 140,000 letters. These letters come from every part of the United States, from city and town, rich and poor, educated and uneducated, churched and unchurched. I am writing simply to indicate that on the basis of this correspondence, which continued up through the invasion of the Low Countries by the Nazis, my impression is strong that the report of the recent Gallup poll is true, and that over 90 percent of the American people are determined to stay out of this war.

Amid the pressures that must be brought to bear upon you in Washington I sincerely hope that this prevalent sentiment of the great mass of the American people may never be lost sight of. Organized endeavors to get us entangled in the European war are now becoming vocal. They do not, however, I am sure, represent the overwhelming proportion of loyal American citizens, and I wish to bear my testimony to that fact on the basis of this correspondence I have had a large cross-section of the American public.

Sincerely yours,

HARRY E. FOSDICK.

EXTENSION OF REMARKS

Mr. SCHIFFLER. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and to include an editorial.

The SPEAKER. Is there objection?

There was no objection.

Mr. MARTIN of Iowa. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD with reference to the national-defense revenue bill for 1940.

The SPEAKER. Is there objection?

There was no objection.

HAWLEY-SMOOT TARIFF BILL

Mr. LAMBERTSON. Mr. Speaker, I ask unanimous consent to proceed for 1 minute.

The SPEAKER. Is there objection?

There was no objection.

Mr. LAMBERTSON. Mr. Speaker, this is not only Flag Day, but it is the tenth anniversary of the final agreement on the conference report between the two Houses on the Hawley-Smoot tariff bill. I think of this because the flag stands for a living country. Parties go up and down on issues. The tariff bill was one of the causes of the downfall of the Republican Party for the time being. I was one of 15 who voted against it. One hundred Republicans went out of the House that fall. The Hull Reciprocal Trade Treaty Act was passed in 1937 and in the next election about 80 Democrats went out of the House. I voted against it also. What this country needs is a happy medium between too far to the right and too far to the left on trade treaties. I might incidentally say that a year ago this week the charming Queen of England and her husband visited America, but I will not say any more.

AMERICAN CITIZENS FOR FOREIGN ARMIES

Mr. FISH. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. FISH. Mr. Speaker, I propose to introduce immediately legislation to do away with any restrictions which prohibit American citizens from fighting in foreign armies under penalty of losing their citizenship.

I feel that those who want to fight should be permitted to do so at their own risk. I want to make it easy and feasible for such prominent interventionists as President Conant of Harvard University, Walter Lippmann, other well-known columnists, newspaper editors, and international bankers to enlist in the French Foreign Legion in order to practice what they preach without involving the American people who are 90 percent in favor of keeping out of foreign wars.

I know of nothing in the existing law that would prevent Dorothy Thompson from driving an ambulance in the war zones as is now being done by many brave young Americans who have already volunteered.

It would be interesting to know what some of these warmongering columnists, editors, college professors, and international bankers did in the last war, and to observe how many interventionists who want us to go to war are beyond the draft age. [Applause.]

EXTENSION OF REMARKS

Mr. CRAWFORD. Mr. Speaker, I ask unanimous consent to extend my own remarks and include a short editorial from one of my newspapers and two comments thereon.

The SPEAKER. Is there objection?

There was no objection.

Mr. MAGNUSON. Mr. Speaker, I ask unanimous consent to extend my remarks and include a radio address made by me.

The SPEAKER. Is there objection?

There was no objection.

RESIGNATION FROM COMMITTEE ON APPROPRIATIONS

The SPEAKER laid before the House the following resignation from committee:

HON. WILLIAM B. BANKHEAD,
Speaker, House of Representatives, Washington, D. C.

MY DEAR MR. SPEAKER: Please consider this my resignation from the Appropriations Committee in order that a new member may be selected and start familiarizing himself with the work, without the 6 months' loss of time that would otherwise occur.

Sincerely yours,

DUDLEY A. WHITE.

The SPEAKER. Without objection, the resignation will be accepted.

There was no objection.

TWENTY-FIFTH SESSION OF THE INTERNATIONAL LABOR CONFERENCE—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES (H. DOC. NO. 841)

The SPEAKER laid before the House the following message from the President of the United States, which was read by the Clerk, and, together with the accompanying papers, referred to the Committee on Foreign Affairs and ordered to be printed:

To the Congress of the United States of America:

The Congress, by a joint resolution approved June 19, 1934, authorized me to accept membership for the Government of the United States in the International Labor Organization. Pursuant to that authorization, I accepted such membership on behalf of the Government of the United States.

Representatives of this Government and of American employers and American labor attended the twenty-fifth session of the International Labor Conference held at Geneva June 8 to 28, 1939. That conference adopted 4 draft conventions and 10 recommendations, to wit:

The recommendation (No. 57) concerning vocational training;

The draft convention (No. 64) concerning the regulation of written contracts of employment of indigenous workers;

The recommendation (No. 58) concerning the maximum length of written contracts of employment of indigenous workers;

The draft convention (No. 65) concerning penal sanctions for breaches of contracts of employment by indigenous workers;

The recommendation (No. 59) concerning labor inspectorates for indigenous workers;

The recommendation (No. 60) concerning apprenticeship;

The draft convention (No. 66) concerning the recruitment, placing, and conditions of labor of migrants for employment;

The recommendation (No. 61) concerning the recruitment, placing, and conditions of labor of migrants for employment;

The recommendation (No. 62) concerning cooperation between States relating to the recruitment, placing, and conditions of labor of migrants for employment;

The draft convention (No. 67) concerning the regulation of hours of work and rest periods in road transport;

The recommendation (No. 63) concerning individual control books in road transport;

The recommendation (No. 64) concerning the regulation of night work in road transport;

The recommendation (No. 65) concerning the methods of regulating hours of work in road transport;

The recommendation (No. 66) concerning rest periods of professional drivers of private vehicles.

In becoming a member of the International Labor Organization, pursuant to a joint resolution of the Congress approved June 19, 1934, this Government assumed the following undertaking in regard to such draft conventions and recommendations:

Each of the members undertakes that it will, within the period of 1 year at most from the closing of the session of the conference, or if it is impossible owing to exceptional circumstances to do so within the period of 1 year, then at the earliest practicable moment, and in no case later than 18 months from the closing of the session of the conference, bring the recommendation or draft convention before the authority or authorities within whose competence the matter lies for the enactment of legislation or other action. (Art. 19 (405), par. 5, Constitution of the International Labor Organization.)

In the case of a federal state, the power of which to enter into conventions on labor matters is subject to limitations, it shall be in the discretion of that government to treat a draft convention to which such limitations apply as a recommendation only, and the provisions of this article with respect to recommendations shall apply in such case. (Art 19 (405), par. 9, Constitution of the International Labor Organization.)

In accordance with the foregoing undertaking, the above-named 4 draft conventions and 10 recommendations are herewith submitted to the Congress with the accompanying report of the Secretary of State and its enclosures, to which the attention of the Congress is invited.

FRANKLIN D. ROOSEVELT.

THE WHITE HOUSE, *June 14, 1940.*

REPORTS FROM DEPARTMENT OF STATE CONCERNING CONDITIONS IN WAR ZONES

Mr. BLOOM. Mr. Speaker, by direction of the Committee on Foreign Affairs, I present a privileged resolution (H. Con. Res. 76) and ask for its immediate consideration.

The SPEAKER. The Clerk will report the resolution.

Mrs. ROGERS of Massachusetts. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentlewoman will state it.

Mrs. ROGERS of Massachusetts. Mr. Speaker, I understand this concurrent resolution brought up in this way is not debatable. I feel it is extremely important as a matter of protection to this country that the Committee on Foreign Affairs should receive the information requested regarding World War conditions in this great international crisis. Therefore, Mr. Speaker, I should like to ask unanimous consent that the rule be waived and that it may be debated.

The SPEAKER. The matter is debatable unless a motion is made to lay it on the table.

Mrs. ROGERS of Massachusetts. If such a motion is made to lay it on the table, then I would like to make that request before the motion is voted upon, or at least that I may be allowed to make a brief statement.

The SPEAKER. The Clerk will report the resolution.

The Clerk read as follows:

House Concurrent Resolution 76

Resolved by the House of Representatives (the Senate concurring), That the President of the United States is hereby requested, if not incompatible with the public interests, to transmit to the House of Representatives, for the information of its Committee on Foreign Affairs, the essential substance of all reports and communications received by him or by the Department of State, from diplomatic sources or otherwise, concerning conditions in war zones in foreign countries and their repercussions upon neutral and nonbelligerent countries, including those within the Western Hemisphere.

Mr. BLOOM. Mr. Speaker, I ask unanimous consent that the letter from the Secretary of State may be read.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

The Clerk read as follows:

DEPARTMENT OF STATE,
Washington, June 13, 1940.

MY DEAR MR. BLOOM: I have received your letter of June 10, 1940, enclosing for my comment copies of House Concurrent Resolution 76 requesting the President, "if not incompatible with the public interests, to transmit to the House of Representatives, for the information of its Committee on Foreign Affairs, the essential substance of all reports and communications received by him or by the Department of State, from diplomatic sources or otherwise, concerning conditions in war zones in foreign countries, and their repercussions upon neutral and nonbelligerent countries, including those within the Western Hemisphere."

I am always glad to cooperate with your committee and to provide it with all of the information which I properly can to assist in its work. It is therefore a matter of regret to me that the pending concurrent resolution covers such a wide range and involves research and editorial tasks of such enormousness that it would be practically a physical impossibility for the President to comply with it. In view of the foregoing, I see no reason for the enactment of this resolution.

Sincerely yours,

CORDELL HULL.

Mr. BLOOM. Mr. Speaker, I move that the resolution be laid on the table.

The question was taken; and on a division (demanded by Mrs. ROGERS of Massachusetts and Mr. FISH) there were ayes 85 and noes 55.

Mrs. ROGERS of Massachusetts. Mr. Speaker, I object to the vote on the ground that there is no quorum present.

The SPEAKER. The gentlewoman from Massachusetts objects to the vote on the ground that there is no quorum present. Evidently there is no quorum present. The Doorkeeper will close the doors, the Sergeant at Arms will notify absent Members, and the Clerk will call the roll.

The question was taken; and there were—yeas 213, nays 147, not voting 71, as follows:

[Roll No. 152]

YEAS—213

Allen, La.	Dickstein	Kennedy, Martin	Poage
Anderson, Mo.	Dies	Kennedy, Md.	Polk
Arnold	Dingell	Kennedy, Michael	Rabaut
Barnes	Disney	Keogh	Ramspeck
Barry	Doughton	Kerr	Randolph
Bates, Ky.	Doxey	Kilday	Rankin
Beam	Dunn	Kitchens	Rayburn
Beckworth	Durham	Kocialkowski	Richards
Bell	Eberharter	Kramer	Robinson, Utah
Bland	Edelstein	Lanham	Rogers, Okla.
Bloom	Edmiston	Leavy	Romjue
Boehne	Ellis	Lesinski	Ryan
Boland	Evans	Lewis, Colo.	Sabath
Boren	Faddis	Ludlow	Sacks
Boykin	Fay	Lynch	Schuetz
Bradley, Pa.	Ferguson	McAndrews	Schulte
Brooks	Fernandez	McCormack	Schwert
Brown, Ga.	Fitzpatrick	McGehee	Scrugham
Bryson	Flaherty	McGranery	Shanley
Buck	Flannery	McKeough	Shannon
Buckler, Minn.	Ford, Miss.	McLaughlin	Sheppard
Buckley, N. Y.	Ford, Thomas F.	McMillan, Clara	Smith, Conn.
Bulwinkle	Fries	McMillan, John L.	Smith, Ill.
Burgin	Fulmer	Maciejewski	Smith, Wash.
Byrns, Tenn.	Garrett	Magnuson	Smith, W. Va.
Caldwell	Gathings	Mahon	Snyder
Camp	Gavagan	Maloney	Somers, N. Y.
Cannon, Fla.	Geyer, Calif.	Martin, Ill.	Sparkman
Cannon, Mo.	Gibbs	Massingale	Spence
Casey, Mass.	Gore	May	Starnes, Ala.
Chapman	Gossett	Mills, Ark.	Steagall
Clark	Grant, Ala.	Mitchell	Sullivan
Cochran	Gregory	Moser	Tarver
Coffee, Nebr.	Griffith	Mouton	Taylor
Coffee, Wash.	Hare	Murdock, Ariz.	Terry
Cole, Md.	Hart	Murdock, Utah	Thomas, Tex.
Collins	Harter, Ohio	Nelson	Thomason
Colmer	Havenner	Nichols	Tolan
Connery	Healey	Norrell	Vincent, Ky.
Cooley	Hendricks	Norton	Vinson, Ga.
Cooper	Hennings	O'Connor	Voorhis, Calif.
Costello	Hill	O'Day	Wallgren
Courtney	Hobbs	O'Leary	Walter
Cox	Izac	O'Neal	Ward
Cravens	Jacobsen	O'Toole	Warren
Crosser	Jarman	Parsons	Weaver
Crowe	Johnson, Luther A.	Patman	West
Cullen	Johnson, Lyndon	Patrick	Whelchel
Cummings	Johnson, W. Va.	Patton	Whittington
D'Alesandro	Jones, Tex.	Pearson	Williams, Mo.
Davis	Kee	Peterson, Fla.	Zimmerman
Delaney	Kefauver	Peterson, Ga.	
Dempsey	Keller	Pfeifer	
DeRouen	Kelly	Pierce	

NAYS—147

Alexander	Cole, N. Y.	Hall, Edwin A.	Lambertson
Allen, Ill.	Crawford	Hall, Leonard W.	Landis
Andersen, H. Carl	Culkin	Halleck	LeCompte
Anderson, Calif.	Curtis	Harness	Lewis, Ohio
Andresen, A. H.	Dirksen	Hartley	Luce
Andrews	Dondero	Hawks	McDowell
Angell	Dworshak	Hess	McGregor
Arends	Eaton	Hinshaw	McLean
Austin	Elston	Hoffman	McLeod
Barton, N. Y.	Engel	Holmes	Maas
Bates, Mass.	Fenton	Hope	Marshall
Bender	Fish	Horton	Martin, Iowa
Blackney	Ford, Leland M.	Hull	Martin, Mass.
Bolles	Gamble	Jarrett	Mason
Bolton	Gartner	Jeffries	Michener
Bradley, Mich.	Gearhart	Jenkins, Ohio	Miller
Brewster	Gehrmann	Jennings	Mills, La.
Brown, Ohio	Gerlach	Jensen	Monkiewicz
Burdick	Gifford	Johns	Mott
Carlson	Gilchrist	Johnson, Ill.	Mundt
Carter	Gillie	Johnson, Ind.	Murray
Case, S. Dak.	Goodwin	Jones, Ohio	O'Brien
Chiperfield	Graham	Jonkman	Oliver
Church	Grant, Ind.	Kilburn	Osmers
Clason	Gross	Kinzer	Pittenger
Clevenger	Guyer, Kans.	Knutson	Plumley
Cluett	Gwynne	Kunkel	Powers
Reed, Ill.	Schafer, Wis.	Stefan	Van Zandt
Reed, N. Y.	Schiffler	Sumner, Ill.	Vorys, Ohio
Rees, Kans.	Seccombe	Sweet	Vreeland
Rich	Secrest	Talle	Wadsworth
Robsion, Ky.	Shafer, Mich.	Thill	Wheat
Rockefeller	Short	Thomas, N. J.	Wigglesworth
Rodgers, Pa.	Simpson	Thorkelson	Winter
Rogers, Mass.	Smith, Ohio	Tibbott	Woodruff, Mich.
Routzohn	Springer	Tinkham	Youngdahl
Rutherford	Stearns, N. H.	Treadway	

NOT VOTING—71

Allen, Pa.	Elliott	Lea	Smith, Maine
Ball	Englebright	Lemke	Smith, Va.
Barden, N. C.	Flannagan	McArdle	South
Burch	Folger	Mansfield	Sumners, Tex.
Byrne, N. Y.	Green	Marcantonio	Sutphin
Byron	Hancock	Merritt	Sweeney
Cartwright	Harrington	Monroney	Taber
Celler	Harter, N. Y.	Myers	Tenerowicz
Claypool	Hook	Pace	Welch
Corbett	Houston	Reece, Tenn.	White, Idaho
Creal	Hunter	Risk	White, Ohio
Crowther	Jenks, N. H.	Robertson	Williams, Del.
Darden, Va.	Johnson, Okla.	Sandager	Wolcott
Darrow	Kean	Sasscer	Wolfenden, Pa.
Ditter	Keefe	Satterfield	Wolverton, N. J.
Douglas	Kirwan	Schaefer, Ill.	Wood
Drewry	Kleberg	Seger	Woodrum, Va.
Duncan	Larrabee	Sheridan	

So the motion to table was agreed to.

The Clerk announced the following pairs:

On this vote:

Mr. Woodrum of Virginia (for) with Mr. Harter of New York (against).
Mr. Claypool (for) with Mr. Kean (against).
Mr. Burch (for) with Mr. Corbett (against).
Mr. Hunter for) with Mr. Wolverton of New Jersey (against).
Mr. Mansfield (for) with Mr. Wolfenden of Pennsylvania (against).
Mr. Robertson (for) with Mr. Ball (against).
Mr. Smith of Virginia (for) with Mr. Reece of Tennessee (against).
Mr. Merritt (for) with Mr. Seger (against).
Mr. Satterfield (for) with Mr. Jenks of New Hampshire (against).
Mr. Duncan (for) with Mr. Englebright (against).
Mr. Celler (for) with Mr. Douglas (against).
Mr. Folger (for) with Mr. Crowther (against).
Mr. Drewry (for) with Mr. Hancock (against).
Mr. Kleberg (for) with Mr. Keefe (against).
Mr. Sweeney (for) with Mr. Risk (against).
Mr. Barden of North Carolina (for) with Mr. Sandager (against).
Mr. Flannagan (for) with Mr. Williams of Delaware (against).
Mr. Schaefer of Illinois (for) with Mr. Taber (against).
Mr. Pace (for) with Mr. Ditter (against).
Mr. Darden of Virginia (for) with Mr. Smith of Maine (against).
Mr. Hook (for) with Mr. Darrow (against).
Mr. Wood (for) with Mr. Wolcott (against).
Mr. Byrne of New York (for) with Mr. White of Ohio (against).

Until further notice:

Mr. Harrington with Mr. Welch.
Mr. Kirwan with Mr. Lemke.
Mr. Cartwright with Mr. Marcantonio.
Mr. Byron with Mr. Allen of Pennsylvania.
Mr. McArdle with Mr. Monroney.
Mr. South with Mr. Myers.
Mr. Sasscer with Mr. Sheridan.
Mr. Sumners of Texas with Mr. White of Idaho.
Mr. Creal with Mr. Elliott.
Mr. Green with Mr. Houston.
Mr. Larrabee with Mr. Sutphin.
Mr. Lea with Mr. Tenerowicz.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

The doors were opened.

UNITED STATES DE SOTO EXPOSITION COMMISSION

Mr. COLMER, from the Committee on Rules, submitted the following privileged report, which was read, referred to the House Calendar, and ordered printed.

House Resolution 526 (Rept. No. 2558)

Resolved, That immediately upon the adoption of this resolution the bill, H. R. 9751, with Senate amendments thereto, be, and the same hereby is, taken from the Speaker's table to the end that all Senate amendments be, and the same are hereby, agreed to.

RECONSTRUCTION FINANCE CORPORATION

Mr. SABATH. Mr. Speaker, I call up House Resolution 517.

The Clerk read as follows:

House Resolution 517

Resolved, That immediately upon adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the state of the Union for consideration of H. R. 9958, a bill to authorize the purchase by

the Reconstruction Finance Corporation of stock of Federal home-loan banks; to amend the Reconstruction Finance Corporation Act, as amended, and for other purposes. That after general debate, which shall be confined to the bill and shall continue not to exceed 2 hours to be equally divided and controlled by the chairman and ranking minority member of the Committee on Banking and Currency, the bill shall be read for amendment under the 5-minute rule. At the conclusion of the reading of the bill for amendment, the Committee shall rise and report the same to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

Mr. SABATH. Mr. Speaker, does the gentleman from New York desire any time in opposition to the rule?

Mr. FISH. I will need the time generally allotted to the minority, with the gentleman's kind permission.

Mr. SABATH. I yield 30 minutes to the gentleman from New York [Mr. FISH].

The SPEAKER. The gentleman from Illinois is recognized.

Mr. SABATH. Mr. Speaker, I yield myself 20 minutes.

Mr. Speaker, I am indeed gratified that today at least the gentlemen on the left, my Republican friends, will not be able to charge that this is a closed or harsh rule. This is a broad and liberal rule providing for 2 hours of general debate, after which the bill will be taken up under the 5-minute rule.

The bill which this resolution makes in order gives the Reconstruction Finance Corporation certain additional powers and makes it possible for them to purchase from the Home Loan Bank Corporation, a corporation owned by the United States, certain of its stock, or certificates, or receipts; and in return with the approval of the Federal Loan Administrator and the Secretary of the Treasury is authorized on behalf of the United States to sell such stock to the Corporation.

Section 2 authorizes the Corporation to make payments from time to time to the Secretary of the Treasury. I know of no one who will object to that. Under the bill the Federal Loan Administrator will have the right to act, again with the approval of the Secretary of the Treasury, but cannot reduce the amount provided by law for its capital.

The Corporation shall retire its capital stock and pay dividends under the preceding paragraph, and shall purchase the stock of the Federal home-loan bank under section 304 in an amount not to exceed $300,000,000.

The third paragraph of section 5 is also amended by striking out the $350,000,000 and inserting in lieu thereof $500,000,000.

The main provision in this bill, however, is the authorization that is given to the Reconstruction Finance Corporation to organize new corporations. It reads as follows:

SEC. 5. Section 5d of the Reconstruction Finance Corporation Act, as amended (U. S. C., 1934 ed., Supp. V, title 15, sec. 606b), is hereby amended by adding at the end thereof the following new paragraphs:

"The Corporation is authorized to create or to organize a corporation or corporations with such powers as it may deem necessary to aid the Government of the United States in its national-defense program, when requested by the Federal Loan Administrator with the approval of the President, and to subscribe for the nonassessable stock thereof, and to make loans to any such corporation or to any other corporation to assist in such program. Such loans may be made for the purpose of acquiring and carrying strategic and critical materials and other raw materials, for plant construction, expansion, and equipment, and for working capital, and may be made on such terms and conditions and with such maturities as the Corporation may determine.

"Any corporation created or organized by the Corporation under the preceding paragraph is also authorized, with the approval of the President, to make payments against the purchase price to be paid for strategic and critical materials in advance of the delivery of such materials. Whenever practicable, the Corporation may require the payments so made to be used for purchases of raw or manufactured agricultural commodities to be exported from the United States."

It seems to me this is a power similar to that which was given to the War Finance Corporation during 1917. Everybody who is familiar with the activities of that corporation knows that the War Finance Corporation really had profits when it concluded its activities.

In my opinion this authorization to create corporations for the purpose of aiding the Government is justified and will be in the interest of our defense, and will, in addition thereto, help in many instances smaller manufacturers or corporations that are willing to aid the Government but which have not sufficient capital. I am satisfied, therefore, that this legislation is a step in the right direction. I know that within a short space of time the chairman of the Committee on Banking and Currency will more thoroughly explain the bill. The chairman of the Committee on Rules, unfortunately having so many bills and resolutions before that committee, is unable completely and thoroughly to digest each and every one of them. He must of necessity depend on members of the committees who have held hearings and devoted a great deal of time and study to the respective bills to explain them.

I hope in view of the fact that this is nearly a unanimous report of that hard-working committee that we will not needlessly use all of the time the special rule provides. I myself shall not use the 30 minutes, and I hope the gentleman from New York will at this time forego his usual pleasure in trying to find fault with the administration and everything the President is attempting and aiming to do in the interest of the country. I will say this, in the last few weeks especially, the Democratic leadership and the Democratic Members have desired to expedite the business of the House and have foregone answering many of the unjustifiable and unwarranted attacks that have been made on the administration and on the program of the President.

Every once in awhile it is stated by some gentlemen—I know they do not believe it—that the President desires to force us into war. I know that personally they feel that the President is performing his duty as a loyal American citizen who desires to keep us out of war. Unfortunately, however, in other respects, some of these gentlemen on the other side never lose an opportunity to inject politics. I had hoped that you gentlemen on the other side, in the interest of our Nation and in bringing about the early completion of the national defense, would desist from these unnecessary attacks and I hope that the few words I have said may help to bring that about.

I myself regret that I am obliged to call attention to this, but I am doing it with the feeling that we are nearly through with legislation for this session. As you know, we formerly adjourned around March 4 and we invariably completed all the needed legislation by that time. This is now the middle of June, and we have been at it now nearly every day. All of the legislation practically is out of the way, and I feel it is unnecessary for us to remain here the entire summer.

Mr. McLEAN. Will the gentleman yield?

Mr. SABATH. I yield to the gentleman from New Jersey.

Mr. McLEAN. The Secretary of the Treasury, before the Committee on Ways and Means, stated that on February 28, 1941, the borrowing capacity under the present limit would be completely exhausted and the working balance of the Treasury would be $600,000,000, provided there was recovered from Government corporations $700,000,000 of invested capital. This is the bill, is it not, which contemplates recovering that $700,000,000?

Mr. SABATH. I believe that is correct. That is the aim of this legislation.

Mr. McLEAN. If this $700,000,000 is recovered, the deficit of expenditures over normal receipts for the year will be approximately $1,876,000,000.

Mr. SABATH. It will be reduced by the $700,000,000 that is aimed to be recovered by receiving a refund from these corporations and I believe the amount will be as the gentleman has stated, because invariably he is well posted and I am one of those who are willing to rely on his statements.

Mr. McLEAN. These corporations that it is proposed to organize—are they to be incorporated under State law? If that is so, what State, and why?

Mr. SABATH. Personally, I cannot answer that question, but I presume they will be organized in the same manner as all the other organizations that have been organized have been incorporated heretofore. I think the matter is in the hands of a splendid gentleman. It is under the supervision of the Federal Loan Administrator, who is an expert in that line, and he has demonstrated his ability and efficiency to serve the country.

Mr. CRAWFORD. Will the gentleman yield?

Mr. SABATH. I yield to the gentleman from Michigan.

Mr. CRAWFORD. Did I understand the gentleman to say that this bill will recapture $700,000,000?

Mr. SABATH. About that amount; yes.

Mr. CRAWFORD. I do not believe the gentleman is correct in that statement.

Mr. SABATH. I myself have not made that statement, but I am inclined to agree with the gentleman from New Jersey, and, as I stated before, it is humanly impossible for me to familiarize myself with every provision of each bill that comes before the Rules Committee and on which a rule is granted. I am trying to give the House all the information I have been able to digest in the short space of time that invariably is mine in reporting rules.

Mr. CRAWFORD. I think the gentleman will find this bill provides for the recapture of approximately $300,000,000 and an additional $400,000,000 will have to come from some other source not covered by this bill.

Mr. SABATH. I think there is one provision involving $100,000,000, another provision involving $300,000,000, and there is still another that will make it possible to recapture $700,000,000 in all, but I will leave the chairman of the Committee on Banking and Currency to give you the correct figure.

Mr. Speaker, I do not desire to delay the House, but I feel in honor bound to call attention to one matter that has been annoying me for some time. During the last few weeks I have been obliged to object once or twice to the unanimous-consent request of the gentleman from Montana to insert in the RECORD something which he claimed were his own remarks. It is the first time in the 34 years I have been here that I objected to anyone's unanimous-consent request. I hope it will not be necessary in the future, and that the gentleman will desist from putting in the CONGRESSIONAL RECORD matters that create prejudice and resentment—matters that assail a people who are undeserving of the attacks that have been made against them.

Mr. THORKELSON. Will the gentleman state why he objected?

Mr. SABATH. Yes; I will state it. You put in the RECORD so many abuses coming to you, I regret to say, from sources—

Mr. THORKELSON. Why do you not prove those abuses? Every remark I put in the RECORD is authenticated and documented.

Mr. SABATH. I will answer the gentleman. He has asked me a question and I will answer it.

Mr. THORKELSON. If you will show me the common courtesy of answering those remarks correctly I will appreciate it.

Mr. SABATH. There is not a scintilla of truth in most of the charges that the gentleman has made. He has put in the CONGRESSIONAL RECORD——

Mr. THORKELSON. I put the facts in the CONGRESSIONAL RECORD and you know it.

Mr. SABATH. More stuff than any 10 Members. You have put 7 different extensions in the RECORD in the last 3 days, taking up 28 columns of space, or 14 full pages, at a cost to the taxpayers of $45 a page, or a total of $630. For 3 days! He has used 447 full columns of space so far in this Congress, at a cost to the people of more than $10,000 for printing alone, to say nothing of the cost to the Government in carrying this franked matter through the mails free.

Mr. THORKELSON. Mr. Speaker, I want the gentleman's remarks taken down.

Mr. SABATH. I felt these inserts are unjustifiable and unwarranted. They are not founded on facts. You cannot substantiate any of them—I think you should desist—taken from Nazi elements who are feeding you with that stuff.

Mr. THORKELSON. What is a Nazi element?

Mr. SABATH. I am not going to argue with you.

Mr. THORKELSON. I demand that the remarks be taken down. I want the gentleman to prove what he has said. I resent being called a Nazi by this gentleman here. I want those remarks taken down.

The SPEAKER pro tempore. The gentleman will state what words he objects to.

Mr. THORKELSON. I object to the remarks that he made in regard to me.

The SPEAKER pro tempore. The gentleman from Montana will have to be more specific as to the exact words to which he objects.

Mr. THORKELSON. By inference the gentleman states that I am a Nazi. I want him to prove those assertions, and I want every man who makes such statements to prove them.

The SPEAKER pro tempore. The gentleman from Montana will have to be more specific as to the words to which he objects. Will the gentleman state the words to which he objects?

Mr. THORKELSON. I object to that material going into the RECORD.

Mr. SABATH. What material? What words?

Mr. MARTIN of Massachusetts. Mr. Speaker, may we have the record read?

The SPEAKER pro tempore. The gentleman from Montana will indicate what words he wants taken down.

Mr. THORKELSON. Mr. Speaker, I want the words that he stated here on the floor taken down.

The SPEAKER pro tempore. The Clerk will report the words demanded to be taken down.

The Clerk read as follows:

I feel these inserts are unjustifiable and unwarranted. They are not founded on facts. You cannot substantiate any of them—I think you should desist—taken from Nazi elements who are feeding you with that stuff.

The SPEAKER pro tempore. The Chair sees nothing in these words that is a reflection upon the gentleman except that part of the last sentence which reads "taken from Nazi elements who are feeding you with that stuff." The Chair holds that the objection made by the gentleman from Montana to those remarks is well taken.

Mr. COX. Mr. Speaker, I ask unanimous consent that the gentleman from Illinois be permitted to withdraw that language and proceed in order.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Georgia?

There was no objection.

Mr. SABATH. Mr. Speaker, I do not wish to take up the time of the House, but this reminds me of a little story, and I think I will be justified in telling it. A certain judge had a witness before him who, being excited on cross-examination, told a lawyer that had tried to put words in his mouth that he was lying. He said, "Well, you are a liar." For this the judge found him guilty of contempt. The man paid the fine, and then asked the judge, "Judge, I am paying the fine. Now, I want to know whether a man has a right to think in this court." The judge said, "Yes; you have a right to think." "Well, I still thing he is a liar." [Laughter.]

Mr. THORKELSON. Mr. Speaker, a point of order. I demand that those words be taken down. I want a clean retraction. I want a retraction of the statement he has made by implication.

The SPEAKER pro tempore. The gentleman will proceed in order.

Mr. THORKELSON. Mr. Speaker, I ask to have the words taken down. I ask to have the statement taken down that the gentleman made just a while ago by implication.

The SPEAKER pro tempore. The Clerk will report the words demanded to be taken down.

Mr. SABATH. I think his request is as ridiculous as the articles that he puts in the RECORD.

Mr. THORKELSON. Mr. Speaker, I will withdraw the request that the remarks be taken down, because I do not believe they are worth recording.

Mr. DINGELL. Mr. Speaker, that will have to be done by unanimous consent, and I object, and, Mr. Speaker, I demand recognition.

The SPEAKER pro tempore. For what purpose does the gentleman from Michigan [Mr. DINGELL] rise?

Mr. DINGELL. The remarks of the gentleman cannot now be withdrawn without unanimous consent.

The SPEAKER pro tempore. Does the gentleman make that as a point of order?

Mr. DINGELL. Yes, Mr. Speaker.

The SPEAKER pro tempore. The point of order is overruled, and the gentleman from Illinois is recognized.

Mr. SABATH. Mr. Speaker, a few minutes before I took the floor, my attention was called to an extension of remarks in this morning's CONGRESSIONAL RECORD by the gentleman from Montana entitled, "Reply to My Revilers." He takes up six columns of space with a lot of nonsense.

The gentleman rants about the accuracy and authenticity of his extension speeches, and says that none of his statements have ever been disproved. I do not know what the gentleman considers the word "disproved" to mean.

I call attention to my remarks concerning the gentleman that appeared in the Appendix of the RECORD, page 3006. I ask any colleague who is interested to look up those remarks and then judge for himself the character of the much-boasted "authenticity" of his documents. The gentleman had, on October 11, 1939, inserted in the RECORD under "leave to print," a letter purporting to have been written by Col. E. M. House, closest confidant and adviser of Woodrow Wilson throughout the World War, to the British Prime Minister, Lloyd George. In this letter Colonel House was placed in the position of carrying on a secret conspiracy to turn the American colonies to Great Britain. Every detail of the "conspiracy" was described. Of course, the letter was later proved to be a rank forgery, but the gentleman from Montana had the gall and audacity to try to convince Congress that it was genuine. He apparently would still like to have his reading public believe the letter was genuine, for in the Appendix of the CONGRESSIONAL RECORD—page 3841—he says, referring to my own remarks:

> He refers to the so-called House letter, which I have already said is a part of the Geneva hearings of the Senate. * * * This proves the substance matter of the letter.

Now read this illuminating bit of information in his yesterday's extension of remarks:

> The letter appears in the hearings without signature, but is a part of the permanent records of Congress.

Appears in the hearing without signature! Note that. But when the gentleman from Montana placed it before Congress it had a signature, the forged signature of Col. E. M. House, which he tried his best to make Congress think was a genuine signature.

Yet the gentleman has the gall to say:

> I defy anyone to find one paragraph, sentence, or word in any of my remarks that are not in the strictest accord with the fundamental principles of this Republic as set forth in the Constitution of the United States.

Mr. Speaker, I have never charged that the gentleman from Montana is a Nazi. I said that he inserts material in the CONGRESSIONAL RECORD under leave to print that is similar—very similar—to the type of material that is used by the Nazi propagandists, and that it has the same effect. The effect is to arouse racial hatreds, to poison the people's mind against the Jewish race, and that is the identical kind of propaganda that Hitler used in Austria, Holland, Belgium, and that he is using in Mexico and South America and Central America.

Just what the gentleman from Montana thinks of the murderer Hitler and nazi-ism, I do not profess to know. But the following colloquy between the gentleman from Montana and the gentleman from Alabama [Mr. PATRICK] on June 11 would seem to indicate that he is not 100 percent sure just where he does stand as to nazi-ism:

> Mr. PATRICK. Does the gentleman grant that the Nazi Government is at cross-purposes with our Government?
>
> Mr. THORKELSON. I presume it is; I don't know, because we have not declared war on Germany.

Mr. Speaker, the inserts of the gentleman are not only unjustifiable but appear to me to be willfully and deliberately inserted lying Nazi accusations against the Jewish people. The gentleman from Montana objects to be classed as a Nazi, and the fact is, I repeat, that I did not charge him with being a Nazi. I merely said the inserts in the RECORD were Nazi-inspired. By that I mean he must have been inspired by the Nazi propaganda that has come to him that seems to have poisoned his mind. That is the policy of the Nazi propagandists.

I fully appreciate the advice of nearly all of the Members that I should not dignify his accusations with an answer, but should ignore them. Unfortunately, however, many people read the CONGRESSIONAL RECORD whose minds might be prejudiced, and, I fear, some may already have become prejudiced. It is to that end, and for that reason, that he should desist in his unfair attacks and abuse of his privilege in overloading the CONGRESSIONAL RECORD with this scurrilous material.

Not only that but these insertions have been reprinted by the hundreds of thousands and mailed out under a franked envelope by a Nazi organization—free of postage—and even by this man Winrod, of Wichita, Kans., who conducted his campaign for Governor on this contemptible Nazi issue. Furthermore, the gentleman from Montana boastfully inserted in the CONGRESSIONAL RECORD a speech which he delivered in New York City to the Christian Mobilizers. Taking everything into consideration, I cannot help but feel that his actions are strengthening the "fifth column" which to my mind is aided, yes, financed by the Nazi forces. The country should know that Fritz Kuhn, Collins Ross, Joe McWilliams, and many others also have denied Nazi connections, but the investigation has proven otherwise, and there are many other Fritz Kuhns not in jail who are carrying out the Hitler-Nazi plans. You must have read frequently of the activities of the bunds in New York City, Chicago, in the State of New Jersey, and in other places, and just a few days ago you must have observed in the press of their activities in Texas and Mexico and, only today, a Washington paper carried the following:

> NAZI PROPAGANDA CHIEF ORDERED OUT OF MEXICO
>
> MEXICO CITY, June 14.—Foreign Minister Eduardo Hay announced yesterday that Arthur Dietrich, press attaché of the German Legation and director of Nazi propaganda in Mexico, had been asked to leave the country because his activities are "considered prejudicial to the interests of our nation."
>
> Hay said the German Legation had been informed that the 40-year-old Dietrich, brother of Adolf Hitler's press chief, no longer was persona grata to the Mexican Government.
>
> An official in the Mexican Government press department acknowledged "this is only the beginning" of a drive against "fifth column" propaganda.

Mr. Speaker, it became necessary in the Panama Canal Zone to investigate the Nazi followers gathering there.

I also wish to state, Mr. Speaker, that what I predicted in my speech of March 18, 1938, as to the program of the Nazis was not overstated, and I feel that Nazi "fifth column" activities are even greater in the South American republics, because today my attention was called to the evidence presented to the House Committee on Indian Affairs showing that Nazi activities among our own Indians are rampant. Further newspaper reports give account of the propaganda carried on in Peru and Bolivia, in which countries the majority of population is Indian. At the same time one also reads of the Nazi activities in other South American countries, where there has been a steady influx of Nazis.

I am calling attention to these subversive activities in our midst because I believe it is my solemn duty to do so, and I

shall continue my efforts whenever I feel it necessary to direct attention to those whom I feel guilty of subversive activities in our country.

Mr. Speaker, I am exceedingly sorry that this has required so much time. I did not expect it to, and I shall conclude my remarks by urging and asking that a favorable vote be had on the rule. [Laughter and applause.]

Mr. FISH. Mr. Speaker, I yield myself 5 minutes.

Mr. Speaker, I am fearful, if the gentleman from Illinois [Mr. SABATH] carries out his promise to continue his feud with the gentleman from Montana, we may be in session until next December. [Laughter.]

I had proposed to take only 2 or 3 minutes to say that I believe the rule is fair and that this important measure should be carefully considered by the House of Representatives.

My distinguished friend, the chairman of the Rules Committee, however, advised the House that we should adjourn almost immediately——

Mr. SABATH. Not immediately.

Mr. FISH. Not immediately, but next week. My idea about that is that the Members of the House, both Democrats and Republicans, should not desert their post of duty in this national emergency, and that those who proceed to desert their post or want to go home now will probably be kept home by their own constituents. [Applause.]

The gentleman further said, I think, possibly, referring to me, that I might try to find fault with the President. I want to assure you that that is the easiest possible thing for me to do. I do not even have to try at all.

Mr. SABATH. You are an expert.

Mr. FISH. I am an expert at it, it comes naturally and very easily, but I am not going to indulge in it, although the gentleman did defend the President and assure the House that the President was not in favor of going to war. I wish the gentleman spoke directly for the President, and I wish I could believe one-half of that statement. I do believe this, in all fairness to the Democratic Members of the House, that 90 percent of them are opposed to entering into any foreign wars unless this country is attacked by some foreign foe. On the other hand, I believe that under the leadership of your President the Democratic Party is the war party in the United States and that he is rapidly leading us into war.

Now, you ask me to give some evidence—or I assume that is what you are going to ask me—and I present as exhibit A one of your main New Deal newspapers, the Philadelphia Record. It is 101 percent New Deal—correct? I bought a copy of it the other day. You have to read something on the train, so I bought this New Deal paper to see what is going on. I do not get very near the White House these days. There was an editorial in it, covering one-third of the first page, headed "We are in—we are in the war." This was a New Deal paper saying we are already in the war I do not believe it, because I have faith in Congress, and I also have faith in the Democratic Members of the Congress, and I know they will not vote to put us in the war, in spite of the President.

Mr. BRADLEY of Pennsylvania. Mr. Speaker, will the gentleman yield?

Mr. FISH. No; I think I have said enough for the time being, but in view of what the chairman of the Rules Committee said I could not pass this over and confine myself entirely to the rule.

Mr. BRADLEY of Pennsylvania. I would just like to tell the distinguished gentleman that there is not much difference between the editorials of the Philadelphia Record and the editorials of the Philadelphia Inquirer, which is a very strong pro-Republican paper.

Mr. FISH. That paper is utterly disowned by the Republican Party. It has changed its policy recently and the gentleman knows the reasons, but they are somewhat personal. Is not this the newspaper that is owned by Moe Annenberg, now under indictment for tax frauds?

Mr. SCHAFER of Wisconsin. Mr. Speaker, will the gentleman yield? Is it not a fact that this 103-percent New Deal paper, the Philadelphia Record, is owned by David Stern, a multimillionaire New Deal liberal—liberal with other people's money—and the Philadelphia Inquirer is owned by Moses L. Annenberg, a multimillionaire notorious tax dodger, who is also liberal with other people's money? When it comes to spending other people's money these two multimillionaire newspaper owners and publishers are about as liberal as our multimillionaire New Deal President and his multimillionaire Secretary of the Treasury, Mr. Morgenthau.

Mr. FISH. The gentleman is an expert in these matters and knows what he is talking about. I yield myself 2 additional minutes.

Mrs. ROGERS of Massachusetts. Mr. Speaker, will the gentleman yield?

Mr. FISH. Yes.

I believe the Members who voted against House Concurrent Resolution 76 will regret they thereby have prevented vital facts from being given to the Congress.

Mrs. ROGERS of Massachusetts. Is not that vote turning down my resolution asking for essential information regarding conditions in war zones in foreign countries and their repercussions in the Western Hemisphere, and upon neutral and nonbelligerent countries, a sign that the leadership of the House does not want the members of the Foreign Affairs Committee to know what is going on. It is vital that we have the most complete information in the committee that first acts upon our foreign policy. We have had few meetings of the Foreign Affairs Committee this year and very little information has been brought by the committee. We have to seek our information elsewhere. The Foreign Affairs Committee should be our first line of defense if we are to protect our flag properly.

Mr. FISH. The lady from Massachusetts is completely correct. We have had far too much secret diplomacy under the New Deal administration.

Mr. Speaker, I confess that when legislation comes to this House from Mr. Jesse Jones, the very able Administrator of the Reconstruction Finance Corporation, I am inclined to go along with him, just as I am inclined to go along with this legislation. I am not sure that it is needed now. I think the original purpose of the legislation was to get around the $45,000,000,000 debt limit, so that $300,000,000 could be made available by the R. F. C. to the Treasury Department in order to obviate raising the debt limit.

However, that is past now, because the debt limit has been raised, and probably that part of the bill is not needed. I do believe, however, and I want to go on record in saying so, that Mr. Jesse Jones is an able and experienced administrator, and that he has made a remarkable record in the handling of billions of dollars of the people's money. I think when bills of this kind come here with his recommendation—and that is the reason that this bill is here and I doubt if it would be here if it were not for his recommendation—it ought to be given very careful consideration and attention by all Members of the House on a nonpartisan basis. [Applause.]

I yield 18 minutes to the distinguished member of the Banking and Currency Committee, the gentleman from Massachusetts [Mr. GIFFORD].

Mr. GIFFORD. Mr. Speaker, we have heard such a remarkable explanation of this bill that I hardly think I can add anything to it.

Behold how the picture changes. The Budget message sent in the first of this year gave assurance that the Treasury could recover $700,000,000 of money from so-called Government corporations, and that that would suffice to prevent raising the debt limit, or it was so implied. This bill provides for the recapture of $400,000,000, as far as you may understand it, although additional borrowing power is granted, so that they could possibly furnish the Treasury with more funds. This bill came before our committee with the express understanding that it would be passed to obviate raising the debt

limit. The bill was reported to the committee some time ago. Since that time we have increased the debt limit $4,000,000,000. I quote from the hearings:

Mr. WOLCOTT. Would this bill be necessary if we increased the debt limit?
Mr. JONES. I don't think any of it would be necessary if we increased the debt limit.
Mr. WOLCOTT. You would not be here asking for it if we increase the debt limit?
Mr. JONES. I think that may be assured.

If I can read a man's mind, Mr. Jones does not now want you to pass this bill that is, those portions of it wherein we avoid increase of the debt limit by depriving him of his capital. In fact, from a conversation this morning, I understand that the head of the new Board, Mr. Stettinius, is already in conference with Mr. Jones, and is probably depending on the R. F. C. for large amounts of money. There are but five sections to this bill. The first section allows the R. F. C. to buy the stock of the Home Owners' Loan Corporation to the extent of about $125,000,000 from the Treasury. This simply provides the Treasury with money. I think the R. F. C. might sell this stock, if they desired, and get their money back again. Mr. Jones says it will be profitable for the R. F. C. to purchase because the stock pays more interest than he has to pay for money, so that he does not object. Recently the R. F. C. borrowed money as low as 1 percent.

Mr. CRAWFORD. Mr. Speaker, will the gentleman yield at that point?

Mr. GIFFORD. Yes.

Mr. CRAWFORD. Did I understand the gentleman to say that this morning in a conference notice was served on Mr. Jones by Mr. Stettinius that the R. F. C. would be called upon for heavy loans?

Mr. GIFFORD. I said that a conversation I had this morning implied that to me; that they were, or had been, in conference, and that to me implied using this fund. But I do not think Mr. Jones wants the first sections of this bill now. He so impressed me. It is well to keep that in mind. I think some Democratic member of the committee ought to call him by telephone. You should ask him directly whether or not he would like to have this enacted or not in view of the fact that we have increased the debt limit by $4,000,000,000.

Mr. CRAWFORD. Will the gentleman yield further?

Mr. GIFFORD. I yield.

Mr. CRAWFORD. I hold in my hand today's issue of the Journal of Commerce, of New York. On the third page I find this language:

JONES FOR PRIVATE FINANCING—INDUSTRIES TO BE LOOKED TO FOR SELF-FINANCING AND PLANT EXPANSION

At his press conference today Federal Loan Administrator Jesse H. Jones said he thought a great deal of the defense program would and should be financed privately, and that this was particularly true with respect to the providing of working capital. "The present lending authority of the Federal Loan Agency is adequate to take care of all the industrial needs that will arise under the defense program," Mr. Jones stated.

Mr. GIFFORD. I am limited for time. Will the gentleman take that up later, because I am relying upon the gentleman to take care of section 5 in his remarks.

Section 2 of the bill provides for $300,000,000 to be returned to the Treasury by buying in capital stock and surrendering a part of the earnings; but the joker in that section is it shall not reduce the borrowing power of the R. F. C. They have had to protect themselves there. This proves the inadvisability of this section.

Section 3 simply increases the amount that can be loaned to railroads. There is no objection to that. It probably is necessary.

It prolongs the life of the Reconstruction Finance Corporation some years. That is undoubtedly necessary.

Section 4 ought to interest every friend of the farmer in this House. Of its capital stock the Secretary wants to take $100,000,000 from the Federal Farm Mortgage Association. Every man knows that will be needed and ought to stay there. They know huge losses are bound to be met. It is not sensible; but they have put a joker in that section, in that it shall remain available whenever they should want it.

I will not take the time at the moment, but I am going to comment upon the Treasury method of financing, showing that all the funds are in one basket, although carried on the books for various purposes. When more money is needed, they have to find it by borrowing. They can never know possibly how much they are to need at a given time. They are pleading not only for these funds but for the $4,000,000,000 they have already been granted, that the Treasury may have at hand a plentiful supply of money. It is the first line of defense. They can use any money labeled "defense money," and they ought to. I shall comment on that in my extension of remarks.

Mr. REED of New York. Mr. Speaker, will the gentleman yield?

Mr. GIFFORD. I yield.

Mr. REED of New York. The only reason they want to take over this money from the various corporations is to try to patch up the Treasury situation to avoid letting the public know how insolvent they are?

Mr. GIFFORD. It is only an election scheme. Can anybody deny it? It is to get by November without raising the debt limit. That was the original intention. Now the $4,000,000,000 has been authorized and we do not need to do this. A great Senator in another body calls this the juggling bill, and he is a Democratic Senator. We all know it is a juggling bill. It is funny business. Let us grant to the R. F. C. any special powers needed, but not take away from them any funds at this time.

Mr. SMITH of Ohio. Mr. Speaker, will the gentleman yield?

Mr. GIFFORD. I yield.

Mr. SMITH of Ohio. I would like to make this observation: Senate Resolution 150, known as the Byrd report, shows as of June 1939 the losses of the Federal Farm Mortgage Corporation to be $82,408,464.

Mr. GIFFORD. Yes. We understand that the Federal Farm Mortgage Corporation met with great losses. This $100,000,000 should never be taken from them. They agree to it because it will supposedly be available at any time they want it. Why take it and then later, after election, give it back? I am critical of this Treasury bookkeeping and such information as is given to the public. I have so many times called your attention to it. It seems to go unheeded. But you remember in the 1936 campaign how your President went over the country telling about the $6,000,000,000 assets which we had, which appeared simply on the books. Immediately upon the opening of the Congress in 1937 we had to mark off two and one-half billion dollars of worthless securities. Did not the President know about this? How could he help but know it? Mr. Hoover answered him by striking him out nine times, if you will remember, but the public paid little attention to it. The adulation of personalities in this Nation of ours overcomes all reason relating to finances or anything else. I do not know what we can do to arouse our people to the condition which the Treasury may be in. Again I trust you will read the further remarks I will extend along this line.

In this report—it is a strange thing and perhaps they will explain it—that under article 5 many corporations may be set up by the Reconstruction Finance Corporation to purchase strategic materials that may be necessary for matters of defense. Not one corporation, but many; and we had hearings on that and we on the minority side tried to amend the section. This testimony does not appear in the hearings. Why did you not print it in the hearings for the benefit of the House and that we ourselves might review our arguments on that matter? That, however, will be taken up very fully by the gentleman from Michigan [Mr. CRAWFORD] a little later.

It may be wise to form these corporations, but somebody will ask when they read that we are to advance 25 percent in order to get strategic materials, "Are we going to advance it to foreign nations?" Nearly all this sort of legislation has

resulted from the great confidence we have had in Mr. Jesse Jones. Now we see where he was summoned. He was requested to come to the rescue of the Treasury by scheming things so that his party could get by the election. And even Jesse Jones has to submit to the will of his President. I wish some of you gentlemen would go to a telephone and ask Mr. Jones if he would not prefer that we did not pass this legislation. He says that $500,000,000 capital is not now needed to carry on, because he can borrow six and six-tenths times the amount of his capital stock. Not that exactly, because we asked him how much he really could borrow. He said that it was impossible to tell at any given time, because every time we instruct him to capitalize something or to lend something we specify that it shall not interfere with his borrowing power but that it should be increased in like amount.

Do we want a capitalization of $500,000,000 to carry some $3,500,000,000? I hardly think we do; I hardly think he wants to. O gentlemen, it is so plain to see why it is done. The $4,000,000,000 has already been granted. This is no longer necessary. Let me read you some facts. The actual debt limit as estimated by the Treasury is $45,612,000,000. The debt on May 28 was $42,439,000,000. This leaves a surplus of $3,172,000,000. There should be added to this the proposal by the President to recapture $700,000,000 from Government corporations. Then you would have plenty of money. You would have enough money to enable you to spend from $4,000,000,000 to $5,000,000,000 in excess of revenue before the present debt limit should be raised. We have now raised the debt limit by $4,000,000,000 under the title of defense. When it comes into the Treasury it will be there in the general funds, like the social-security funds. It will be used. It may be earmarked for certain purposes and declared available. But it is not within the realm of my imagination to believe that this $700,000,000 can now be needed. You cannot spend that money within the year, even though you are very good at spending money quickly. This bill is very simple. There are but five provisions in it. Do not get confused. It is not difficult to understand. It provides for the purchase of the stock of the Federal home-loan bank. That is No. 1. Soon the Federal home-loan stock will all be owned by private banks or individuals. The Government was not supposed to own it for a great length of time. This was a Hoover set-up. The home-loan bank was created when the Republicans were in power.

Next is the $300,000,000 that we should provide the Treasury, but must increase the borrowing power of the R. F. C. I regret that you do not get the full benefit of the discussion in the committee, because some of it is not in the report. I shall extend my remarks because I do not want to take more time, but I do wish some of you would do me the honor of reading in the extension of those remarks the statements regarding the Federal Treasury. I think they are opportune.

Mr. McLEAN. Mr. Speaker, will the gentleman yield?

Mr. GIFFORD. I yield.

Mr. McLEAN. I understand that this bill provides $700,000,000 which is to go into the Treasury to reduce the deficit of the fiscal year. The Secretary of the Treasury before the Committee on Ways and Means on the 31st day of May, or his assistants, testified that the anticipated expenditures over normal receipts for the fiscal year will amount to $1,876,000,000 less anticipated recovery of anticipated funds from general Government agencies of $700,000,000, making an anticipated deficit to be financed by borrowing of $1,706,000,000. There are Treasury obligations to be met as of February 21 which will result in the borrowing power being fully exhausted and the working balance being reduced to $600,000,000—and this is assuming that the anticipated return of $700,000,000 of capital from Government agencies is realized. By charging the normal expenses of the maintenance of the Army and the Navy to the special defense fund as is proposed that will relieve the Treasury, and by this feat of financial legerdemain, using funds provided for the national-defense emergency for general purposes, will provide the Treasury with $1,040,000,000 of working capital, and the recovery of this amount will not be of so much importance as it was before the national-defense emergency arose.

Mr. GIFFORD. I ask the gentleman not to take any more of my time. Returns under this tax bill will be used for ordinary purposes of government. The picture has completely changed. The debt limit has been raised $4,000,000,000. There is now no necessity for this bill.

Time marches on. Before this bill could be presented another bill was passed carrying provisions far exceeding the original purposes of this one. The President's Budget message, contemplating repayment by Government corporations of some seven hundred millions to obviate the necessity of increasing the debt limit, was considered by the committee and is now before you.

But already a bill has been enacted in the House, raising the debt limit by $4,000,000,000. You will ask, "Is this bill now necessary?" It will be argued that the other legislation simply provided for national defense. Is it possible that during the next fiscal year such a vast sum can be wisely spent? It has been clearly shown that large amounts to be raised under the new tax bill will be used for ordinary expenses. Shall we now juggle the accounts of these agencies and allow these seven hundred millions to be used temporarily? You will note by the provisions of the bill that they must still be available to these corporations if, and when, needed. Treasury bookkeeping is little understood. The public has been misled by those in high places. In the campaign of 1936 the President himself assured the people that we had assets of six billions. The books and reports to the public so indicated. But at the very next session of the Congress we were asked to charge off more than two and one-half billions of securities at one stroke. The Treasury held the notes of the R. F. C. for this amount in full knowledge that it represented cash paid out for relief and other nonrecoverables. The public was deliberately deceived. The Treasury cannot, and does not, keep cash on hand even for earmarked appropriations. The money is all in one basket. The books, however, show these liabilities for these special appropriations, and when cash is needed the Treasury must provide it. If receipts are not enough, borrowings must be resorted to. Social security and all other trust funds are spent as received, although credits are placed on the books. The money received from the issuance and sale of bonds is used for any purpose. Vast commitments of expenditures steadily demanding payments must make it impossible for the Treasury to know at a given time what amount may be needed on hand.

Small wonder Mr. Morgenthau pleads that the stabilization fund, the increase in the debt limit, and the temporary calling in of this seven hundred millions are necessary. How he must dread the fateful hour when sales resistance may be met in the disposal of our debt certificates. At the moment a great surplus of idle money, and the present patriotic appeal will postpone this event. Probably the Government may rely on the supposition that because banks and insurance companies already hold such huge amounts, they will, in sheer self-defense, see to it that our bonds appear, at least, to be good investments and will not allow a surplus to be placed on the market.

It is not a pleasant picture. The Treasury is, indeed, our first line of defense, and any portion of so-called defense money must and will be used to support it. The people should be fully informed at all times as to the real condition of the Treasury. No apparent audits seem to be made and vast sums constantly appear in the reports as real assets, which are often worthless, although carried on the books at face value. Many times have I presented this to the Congress. It is claimed that congressional action is needed before these securities can be audited and marked down. I do not believe this to be necessary. As I recall it, the R. F. C. requested the Congress to mark off the two and one-half billions so that they might no longer pay interest to the Treasury. That fiction might have been carried on indefinitely. If the Republican Party comes into power and I still

am here and on the Expenditures Committee, I can promise an audit of many securities now carried at face value and I think results would be astonishing. How long will these corporate devices be able to borrow money at 2 percent and even 1 percent and loan at 4 to 5 percent, thereby mopping up their huge losses? Even the H. O. L. C. boasts that their great losses, known to everyone, will be met by this difference in interest and classed as profit. Borrowing from one class at 1 percent and loaning to another class of citizens at 4½ percent. Such is the Government's policy at the moment. It cannot go on indefinitely. Already our institutions realize they have a disproportionate amount of one kind of security in their portfolios.

Mr. Morgenthau now insists that the new issues of four billions will not be tax-exempt—I wish him luck. We will watch the eagerness of the public to buy them and the rate of interest granted to insure their sale.

These remarks are made as germane to this bill in this contemplated transfer to the Treasury. It has been termed by experts as "the juggling bill." Read line 8 on page 2 of the bill, line 1 on page 3, line 14 on page 4. Why take these funds if they must still remain available and also replenish the capital stock of the R. F. C. when needed later? It may be called a hocus-pocus proceeding, originally contemplated only to postpone raising the debt limit in an election year. No one can venture to dispute that statement. Let us consider now the advisability of amending this bill by striking out sections 1, 2, and 4, since the tremendous sum of four billions has already been granted. Under the provisions of section 5 the R. F. C. should need the funds already at hand and not be obliged to call on the Treasury later. Their borrowing power supposedly has a limit. It should come as a distinct shock to the Nation to learn to what extremes this administration would resort to temporarily juggle these accounts, simply to get by an election. Attempt to fool the people once again. Do the people know of the direct misrepresentations made to them in the campaign of 1936?

How convenient a time to raise the debt limit in the name of national defense.

Will Democratic oratory suffice to mislead them again as to the real state of their country's assets? Will a pied piper again lead them to the very brink of financial disaster? People may not always be willing to loan money to the authority having the power to tax them for payment of both principal and interest. Who said, "Many nations have been foundered on the rocks of loose fiscal policy"? Where has he led them? But do they know it? Perhaps the only way to tell them will be to find a pied piper of equal ability to make them listen and turn back on the road to a safer route which will not be labeled "spending into prosperity." Once before we used the old illustration, "You can't drink yourself sober." Let us hope the drunken orgy of adulation of such leadership has spent itself and that full realization of their present financial plight may come to our people and that they will demand a full accounting.

Mr. CRAWFORD. Mr. Speaker, I yield the balance of the time on this side to the gentleman from Connecticut [Mr. MILLER].

Mr. SABATH. Mr. Speaker, I have been requested to yield time to the gentleman and I yield him an additional 2½ minutes.

Mr. MILLER. Mr. Speaker, apparently there is no opposition to the rule, nor should there be, because at this time certainly the House wants to consider seriously every proposal that is made to it to strengthen our national defense. I want at the outset to express the opinion that many others have expressed in the Well of this House that our Government is fortunate in having the services of Mr. Jesse Jones, and to express the hope that his power and authority will not be impaired during the development of this important defense program.

I am not going to discuss the first four sections of the bill at all, but I would like to direct attention to the language contained in section 5, found on page 4 of the bill. The opening part of the paragraph provides for the setting up of a corporation or corporations to buy strategic war materials or other raw materials needed for our national defense. To that, of course, nobody can object, but I direct attention particularly to the language in lines 9 and 10, page 5, which provides that these corporations may use this money for plant construction, expansion, equipment, and for working capital. Certainly under the language of section 5 the corporations to be set up under this bill can construct plants, expand existing plants, or other plants that they construct, and use the money for equipment and working capital.

I asked Mr. Jones in committee whether he had any intention, or whether there was an intention on his part, to construct factories or buildings for the making of war material and war equipment. His answer was that he had no such idea. Some of us felt that the language should be made clear, that language should be inserted that would prohibit the Federal Government from building a factory and entering into competition with existing industries that are now providing for our national defense. Certainly no Member of this House and no loyal citizen wants to do or say anything that will impede the development of our national defense. We all want to hasten preparedness, and no one is more anxious that we have sound preparedness than are the men who served in the World War. We know the price that was paid at that time for our unpreparedness. We determined at the end of the World War that never again should our young men be sent into battle without even the knowledge of how to load a rifle, nor should our aviators be sent into the air flying airplanes with motors so faulty that the flames blow through the side of the casting and set the ship afire in the air. We do not want that experience repeated.

At this particular time it seems to me more important that we have the good will of industry, of capital, and of labor. We should be sure that every possible dollar that is lying idle in our banks will be put to work. I submit this question to the members of the committee and ask, if you as businessmen would consider investing money in plant expansion or in the building of new plants to provide matériel needed for the Government during this period of emergency if you knew that at this time Congress was writing into law language that would permit corporations of the Government to build factories and go into competition with private industry?

I do not want to see anybody make excess profits out of this national-defense program, out of the orders placed by our own Government, or out of orders placed by foreign governments. I hope when the tax bill comes back from the other body that language will be written into it that will recapture for the Treasury any excess profits that may be made. I do not want to put any obstacles in the way of those industries and those businessmen who are trying to cooperate with the Government. I would be perfectly satisfied to have language, and I believe such an amendment will be offered, that will make it clear that the Government will not and cannot go into competition with private industry, that it cannot build factories to supply matériel for our War or Navy Department, unless those matériel cannot be procured expediently and at a reasonable price from private industry.

Mr. Jones indicated in the committee he was willing to accept such an amendment. In fact, he considered and prepared some language in the committee and was willing to have the committee adopt it, but members of the committee on the majority side felt it was not fair to Mr. Jones to have him express an opinion. I for one will take the opinion that Mr. Jones expresses, whether it be a spur-of-the-moment opinion expressed in committee or something that he has a great deal of time to prepare.

If that language had been inserted in section 5, which would simply make clear that unless the material could not be secured at a reasonable price and expeditiously the Government would not go into competition, then I do not believe

there would be a single objection to this bill and it could have gone through by unanimous consent.

Mr. Speaker, we want unity, and I know the Members of the minority, certainly all of those with whom I have talked, want to cooperate on those things, but we are not going to have unity unless the majority will indicate a spirit of willingness to meet us halfway, a willingness to be fair about language that is put in bills, and a willingness to remove doubt from the mind of those who have doubts as to the language in section 5.

Mr. Speaker, I yield back the balance of my time.

Mr. SABATH. Mr. Speaker, I move the previous question on agreeing to the resolution.

The previous question was ordered.

The SPEAKER. The question is on agreeing to the resolution.

The resolution was agreed to.

Mr. STEAGALL. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of the bill H. R. 9958, to authorize the purchase by the Reconstruction Finance Corporation of stock of Federal home-loan banks; to amend the Reconstruction Finance Corporation Act, as amended, and for other purposes.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union for the consideration of the bill H. R. 9958, with Mr. COOPER in the chair.

The Clerk read the title of the bill.

The first reading of the bill was dispensed with.

The CHAIRMAN. Under the rule, the gentleman from Alabama [Mr. STEAGALL] is recognized for 1 hour and the gentleman from Massachusetts [Mr. GIFFORD] is recognized for 1 hour.

The gentleman from Alabama is recognized.

Mr. FISH. Mr. Chairman, will the gentleman yield for a question before he starts his speech?

Mr. STEAGALL. Certainly.

Mr. FISH. Is there anything in this bill that directly or indirectly enables the Reconstruction Finance Corporation to lend money to foreign nations?

Mr. STEAGALL. No.

Mr. FISH. That is all I want to know. I am a great friend and admirer of the gentleman, and I take his word on anything.

Mr. STEAGALL. Mr. Chairman, the first provision of this bill contemplates the recapture by the Treasury of $400,000,000. Of this amount, $300,000,000 would be restored to the Treasury by the Reconstruction Finance Corporation in one of three ways: By direct return out of the original capital of the Reconstruction Finance Corporation, amounting to $500,000,000; or out of the surplus, which amounts to $285,000,000 on the books of the Corporation at this time; or by the purchase of the capital stock of the home-loan bank, which amounts to about $125,000,000, and which is now owned by the Treasury. An additional $100,000,000 of capital of the Federal Farm Mortgage Corporation would be restored to the Treasury under the provisions of this bill.

The next provision of the bill would enlarge the lending powers of the Corporation for the benefit of the railroads of the Nation. Under existing law, there is a limit of $350,000,000 that may be loaned to railroads. That amount has been practically absorbed by loans already advanced or by commitments for loans now pending with the Corporation.

Another provision of the bill would authorize the Reconstruction Finance Corporation to organize a corporation or corporations for the purpose of aiding in financing the Nation's program of national defense. The corporations organized by the Reconstruction Finance Corporation would be permitted to make loans for the acquirement and retention of strategic and critical war materials and other raw materials necessary in the preparation of military equipment, for plant expansion, for plant construction, and for working capital.

Another provision in connection with this last would authorize the advancement of cash for the purchase of war materials for subsequent delivery, and authorization is given for negotiations by which farm products would be delivered in exchange for any materials purchased within the provisions of this bill. This provision was suggested by the Department of Agriculture and by Jesse Jones.

The measure provides for the extension of the time for maturity of loans from 1945 to 1955. It is contemplated that an amendment will be offered which will also extend the life of the powers of the Corporation, which would expire under existing law at the end of the present fiscal year, so that these powers would exist for 5 additional years.

This, in short, is the purpose of the bill. I want to say that it is not contemplated by anybody that the funds of the Reconstruction Finance Corporation or the subsidiary corporations organized by the Reconstruction Finance Corporation would supply funds authorized under this bill for Government construction and operation of plants and industrial outfits engaged in carrying out the program of national defense. The purpose of this bill is to separate transactions of this kind from the general business of the Corporation.

Under the law the general loaning activities of the Corporation must be made within certain restrictions and limitations prescribed by Congress. The Congress laid down the general rule that loans made by the Reconstruction Finance Corporation should be made upon a basis of full and adequate security. This bill would separate business contemplated by this act from the general business of the Corporation, so that a wider range of discretion would be allowed in order that the Corporation in making contracts for the acquirement of these materials might have greater freedom of action in negotiating arrangements with private industries; that the purpose is to make contracts that will be fair to the Government; that would protect the interests of the Treasury and the people of the Nation and at the same time have enough elasticity and freedom of action to enable the Corporation to make agreements that will protect private industry against losses to be incurred, which, under hard and fast ordinary rules, might not be anticipated. The purpose is to save to the people of the country wherever it can be done without sacrificing the program of defense any losses that might occur by the application of arbitrary rules governing transactions between the Government and private industries. The purpose is to set up business methods, trusting the administrative officials to protect the Government and at the same time apply fair rules for contracting inustries. Otherwise, industry, in entering into these contracts, would have to anticipate all possible adverse development and exact prices and conditions that would not be the case where sufficient freedom of action is allowing to permit contracts upon a common-sense basis, fair to the Government and fair to those with whom the Government has dealings.

Mr. SMITH of Ohio. Mr. Chairman, will the gentleman yield?

Mr. STEAGALL. I yield to the gentleman from Ohio.

Mr. SMITH of Ohio. On page 5, under section 5, there is a provision for making loans to develop strategic and critical materials and other raw materials. What is the definition of the word "strategic"? What does the gentleman include in that term?

Mr. STEAGALL. I do not understand exactly the technical distinction between strategic materials and critical materials. To me, they all mean about the same. There is a distinction, of course.

Mr. SMITH of Ohio. The reason I ask the question is that a bill has been introduced in the Senate which defines gold and silver as strategic materials. The Bureau of Mines has put out a statement which defines these under the category of manganese, chromium, mercury, tungsten, and antimony.

Mr. STEAGALL. That is probably a good answer, but I am not prepared to say that I can answer the gentleman's question.

Mr. SMITH of Ohio. The gentleman would not be in favor of including gold and silver as strategic war materials?

Mr. STEAGALL. Well, I do not think there is any practical reason for that question. I should say not.

Mr. DONDERO. Mr. Chairman, will the gentleman yield?

Mr. STEAGALL. I yield.

Mr. DONDERO. On page 2 of the report there is mentioned the fact that the purpose of the bill is to return surplus funds from various Government agencies to the Treasury. Has the gentleman any information as to the total amount that might be returned to the Treasury?

Mr. STEAGALL. The total amount contemplated by this bill is $400,000,000; $300,000,000 by the Reconstruction Finance Corporation, as I have undertaken briefly to explain, and $100,000,000 recaptured out of the capital stock of the Federal Farm Mortgage Corporation.

Let me say to the gentleman that the Reconstruction Finance Corporation borrowed to the amount of nearly $3,000,000,000—I think the figure is $2,800,000,000—when the capital of the Corporation was only $500,000,000. At first the Corporation was permitted, under the original act, to expand its capital three times, and then it was raised to five times, and now it is six times plus two-tenths; but the Corporation had obligations approximately $3,000,000,000 outstanding when the capital was only $500,000,000.

Their outstanding obligations now are only $1,100,000,000 excluding capital; they have a surplus of $285,000,000, and our advices are that this surplus is, certainly for the greater part, a valid, real surplus. This being the case it is evident that with diminishing loans, there cannot be any necessity for a greater amount of capital structure than was required when the Corporation was transacting almost three times the amount of business in the form of loans it is transacting now or may be expected to carry in the future.

I do not understand the logic of gentlemen who, while complaining about too much government in business, seem to insist that the various activities of the Government requiring capital furnished by the Treasury should be required to continue to hold unnecessary Government investments. It would seem that everybody would welcome even a partial liquidation of any emergency corporation established by the Government which requires the use of funds from the Treasury of the United States. That is what is undertaken by this bill; and let me say that Mr. Jones, the Federal Loan Administrator, in whom so much confidence has been expressed, advises us that there is no need for the full amount of capital on hand. I share that confidence to the fullest, because I think he has done a great job in the administration of this great activity of the Government. I pay tribute to him as one of the greatest administrative officers of all our Government agencies. I, too, have the fullest confidence in his judgment; he has assured us, in direct answer to questions propounded by members of the committee, that if there were no mention at this time of lifting the limit upon the national debt, he would still favor the return to the Treasury of this amount of the surplus and capital held by the Reconstruction Finance Corporation, and so did Governor Black.

Mr. GIFFORD. Mr. Chairman, will the gentleman yield?

Mr. STEAGALL. I yield.

Mr. GIFFORD. The gentleman will recall that Mr. Jones said that if he gave this $300,000,000 we must not interrupt but increase his borrowing power in like amount, that he could not spare this, and we put it in your bill to increase that borrowing power.

Mr. STEAGALL. But Mr. Jones repeatedly assured the committee that the Corporation was amply equipped to return this amount to the Treasury of the United States.

Mr. HAWKS. Mr. Chairman, will the gentleman yield?

Mr. STEAGALL. I yield for a question.

Mr. HAWKS. If the loaning capacity of the Corporation had not been increased from two to three to four to five to six times-plus, as the gentleman indicates, that surplus would not exist, would it?

Mr. STEAGALL. Of course, the surplus represents the earnings accumulated out of the total activities of the Corporation on all loans.

Mr. HAWKS. It also has some relation to the reserves.

The CHAIRMAN. The gentleman from Alabama has consumed 18 minutes.

Mr. STEAGALL. Mr. Chairman, I reserve the remainder of my time.

Mr. GIFFORD. Mr. Chairman, I yield 10 minutes to the gentleman from Pennsylvania [Mr. SIMPSON].

Mr. SIMPSON. Mr. Chairman, it has been my fortune for the past 6 years to be a member of the minority party of two legislative bodies. One thing I learned from this experience is that legislation which appears to be very simple when presented by new dealers is very often legislation which means just the opposite from what it appears to mean. Consequently, when those bills come before me which appear innocent and highly desirable, I always give what I consider special attention to determine just what they mean. In this particular bill before us under section 1 there is permission given to the R. F. C. to buy the stock of any Federal home-loan bank. In section 2 the R. F. C. is permitted to retire its capital stock and to pay dividends from earnings. Under section 3 the amounts of money which the R. F. C. as a revolving fund may make available to railroads as loans is increased to $500,000,000. There is a direction to the Federal Farm Mortgage Co. to repay to the Treasury all amounts in excess of $100,000,000 which they heretofore received as capital. Under section 5 the R. F. C. is authorized to create corporations to aid the Government in its national-defense program, upon request of the President and the Federal Loan Administrator. The provisions of this bill illustrate that those who write New Deal laws can write them plainly, so far as section 3 is concerned, because that section, which provides for an increase in authorization of loans to railroads, is very definite and clear. One who runs may read it and know that we are authorizing an increase in loans to railroad companies who borrow from the F. R. C. However, section 2, permitting the R. F. C. to retire capital stock, section 1 permitting the R. F. C. to buy stock in the Federal home-loan bank, section 4 directing the Federal Farm Mortgage Co. to retire its capital stock in excess of $100,000,000 do not tell the clear and obvious story. Their purpose, which is not stated, is to increase the Treasury fund and in part increase the contingent liabilities of the Government at the same time. It may quite readily be argued that this is a matter of bookkeeping, that inasmuch as all of the securities issued by the various Government corporations are guaranteed both as to principal and interest by the Government, it is not important that there be any capital credited to the Corporation as an asset.

It makes no difference, no practical difference, they may say, whether the Corporation is financially able to pay or not, because their securities sell not because the Corporation is good but entirely and only because the United States Government guarantees the payment of their obligations. If such is the case, why cannot the bill say that the purpose is to lessen the security back of the contingent obligations of the Government and at the expense of the various corporations increase the Treasury balance for the regular governmental expenses? We do this at this time by transferring money, following the action of Congress less than a week ago, wherein our national debt limit was increased by $4,000,000,000. We do it, Mr. Chairman, simply to save the face of the President of the United States, who said in his Budget message that this could be done, and consequently we do it at his request and, as I interpret it, over the objection of Mr. Jones. Before this administration, by reason of national-defense needs, indicated their willingness to accept an increase in our national debt limit, Mr. Jones said, in part:

> I am here doing my part in respect to the proposals of the President's Budget message. I am going to do it in a businesslike way. It can be done without in any sense impairing the efficiency or solvency of these two agencies.

Of course, it can be done without impairing their efficiency or their solvency, because the United States Government

guarantees the debts of these corporations. Uncle Sam will make good through the taxpayers.

That sounds as though Mr. Jones was intending to approve the plan; but listen to Mr. Jones again. On May 20, as disclosed on page 80 of the hearings, in reply to a question by the gentleman from Michigan [Mr. WOLCOTT]:

> In other words, you would not be here asking for this if we increased the debt limit?

And Mr. Jones replied:

> I think that may be assumed.

But, ladies and gentlemen, Mr. Jones, if not acting under orders of the President of the United States, would be in the impossible and highly improbable situation of the president of a bank saying to a borrower, "Here, take your collateral. I do not want it."

Can you imagine a banker turning down collateral of his own free will?

It is my hope that the President will not exert Presidential pressure upon Mr. Knudsen and Mr. Stettinius, who, under Presidential domination, are attempting rapidly to get business out of its lethargy resulting from 7 years of the New Deal. Only if he keeps hands off and allows those gentlemen of approved fitness to streamline industry can they succeed. The President has thrown monkey wrenches long enough into the wheels of industry.

This leaves us with but section 5 to consider. This section at one and the same time is in part the only essential part of this bill and at the same time one of the most dangerous delegations of power that Congress has ever attempted. It provides, in part, that the Reconstruction Finance Corporation, with Presidential approval, which, in fact, means the President, may create or organize corporations to aid the Government in its national-defense program, and to make loans to these or other companies for such a program. The loans may be for the purpose of acquiring and carrying raw materials, for plant construction and expansion, equipment, and working capital. Now, there is no one, I conceive, who will deny but that every industry in the country comes within the national-defense program in a time of national emergency. Therefore this provision authorizes the Government to, under guise of national defense, set up and operate any business the President desires.

We are a nation whose economy depends upon privately owned capital entering, through the purchase of privately issued stocks and bonds, the industrial world to provide jobs. Many in this country, unfortunately, and some in high places of authority, apparently think differently, for they impose every conceivable restriction upon the ease with which private capital may enter into private business. [Applause.]

We are today in a national emergency, when it is essential that our national economy operate to its greatest efficiency. This means that new capital must find its way into industry, to open new plants, and to operate new and old ones. Capital while so employed must be assured reasonable safety and at least a chance of earning a profit.

The President has in recent months publicly stated that private business is essential to our national defense and will be encouraged by his administration. He has enlarged upon this in an obvious effort to persuade business that he is its friend, and that when he addresses the Nation by radio as "my friends," he includes the businessman.

I can think of nothing more discouraging to a prospective investor of private funds, in any business, whether it be for the manufacturing of toothpicks, shoes, guns, airplanes, or radios, than for him to realize that his business may be subjected to Government competition at any day. Under this bill the President has the power to set up any business, Government owned and operated, and without any requirement whatever that the business, becoming his competitor, operate at a profit.

Surely an amendment will be adopted by the committee today which will assure the private-business man that as he does his best for the defense of his country he will find his Government cooperating and not fighting him.

[Here the gavel fell.]

Mr. GIFFORD. Mr. Chairman, I yield 15 minutes to the gentlewoman from Illinois [Miss SUMNER].

Miss SUMNER of Illinois. Mr. Chairman, it is difficult to sit here in Congress day after day listening to arguments with some of which one often disagrees intensely without exploding into talk occasionally. I have jotted down these few notes.

Although there are not many Members on the floor at the moment, I do not wish to extend them in the RECORD. The RECORD becomes a conglomeration of material which Members have said, which often they wish they had not said, and material which Members have not said, but which they wish they had said.

When one makes a deposit in the RECORD one may say, "BRUCE BARTON wrote The Man Nobody Knows, but I am coauthor of The Book Nobody Reads." [Laughter.]

I suppose there is no more harm in this bill under discussion than there is in some of the other "black magic" which has passed the House within our memory. So long as people understand that under this bill we have reached the point in government where we are now watering our stock in Government corporations, we have not yet, of course, reached the point of selling the W. P. A. paintings, nor pawning the statuary on the Mall. We are watering stock and by now we should be used to water. We have had billions in "pump priming." We have had "self-liquidating" project bills. I do not know what Machiavelli behind the scenes had all this water on his brain, but for some time our ship of state, like Noah's Ark, has been foundering in deep water. We have been "a painted crew, sailing a painted ship upon a painted ocean." Long ago somebody shot an albatross. The albatross, I think, was the spirit of private enterprise.

This Reconstruction Finance Corporation, organized in 1932, has admittedly a splendid record of administration, but the necessity for such a corporation, as far as I can see from the evidence that appears before our committee, has just about disappeared. It is a Government corporation devised to loan money to banks, insurance companies, and industry; even Government agencies, whenever they are designated by Congress to be mandated, and there have been $2,900,601,000 so mandated by the Congress. This Corporation has lost some money. About two and a quarter billion dollars of losses were written off its books by Congress, by legislative enactment.

It has also made some profit. For instance it appears from their Seventh Annual Report issued February 2, 1939, that they made $21,016,493 in premiums on the sale of P. W. A. securities. It has made some profit on loans and stock purchased from almost bankrupt banks. The reason the R. F. C. was able to make money on some of these bank transactions was because by law it was given priority over the depositors and other creditors of those banks. Today it has, to be sure, on its books a profit of $285,000,000, but its total losses and gains have not yet been determined. As the Corporation has been successful much credit is due justly to Mr. Jones and his organization. Mr. Jones has operated at a time and in a Capitol where he stood almost isolated and almost completely surrounded by a body of zealots who seemed to think that spending Government money without wasting it was somehow inhuman or, as they called it, not humanitarian. Mr. Jones, however, has managed to retain that intelligence characteristic of successful businessmen which people have always called common sense because we all like to think we have it.

The loans now outstanding total $1,900,000,000. The gentleman from Alabama [Mr. STEAGALL] said they were $1,100,000,000. I thing the loans which were made should now be sold to commercial banks and others. I think the shaky loans should also be sold, if necessary, with a Government guaranty, on the principal of the F. H. A. mortgage system, because those loans are all financed by money borrowed by

using tax-exempt securities. I do not think this country can afford to have something like $60,000,000,000 in securities which are not subject to income tax or to State or local taxes. That money should be encouraged to go into private enterprise where it can make profits and wages for other people and help other people pay taxes. If you stop to think that about $60,000,000,000 of property is in effect mortgaged to the Government, you will agree that through this virtual $60,000,000,000 of Government-guaranteed or Government-owned securities we have bought ourselves about $60,000,000,000 worth of potential communism. Government securities can be turned into cash without delay. No wonder investors go on buying more bonds until they see whether or not we in America are going to have more communism, although we do not call it communism; or, as some of us hope, we are going to liquidate the communism we have already purchased.

The time to stop issuing Government securities is when people generally are afraid to go into private enterprise. This is not merely my opinion. I asked a Government financier in private conversation, a Government financier whom many of you have said you respect: "How can the Secretary of the Treasury go on saying that the bond market is all right when people are buying bonds because of fear? Every dollar that remains out of private enterprise is a sign of distress at a time when every light upon the control board seems to be flashing danger." The answer this sage gave me was: "What else can he say?" The Secretary of the Treasury is the man who sells the bonds.

Under these circumstances history will certainly not accept the answer present-day politicians are giving to the unemployed when they say private enterprise has failed. It is the politicians themselves who have transgressed the ordinary and fundamental principles of jurisprudence.

Until this "blitzkrieg" in Europe began, financial collapse seemed to impend at any time. It seems now, however, that the necessity to arm is offering a new stimulus to private enterprise. It looks as if we were going to have a new lease on life, a first chance to acquire governmental efficiency, a chance to avoid the necessity of a trustee in bankruptcy, always remembering that usually the trustee in bankruptcy is a Mussolini, a Hitler, or a Stalin. As we go forward in the mass production of airplanes, universal training for labor skills, universal training in physical as a necessity for martial fitness, wages, and salaries, and profits in private enterprise will almost necessarily increase. The trend toward Government employment, the desire to be in the Government service will be reversed.

It would seem that if and when this happens would be the time to liquidate these Government agencies, to cut down the number of Government employees; but I think it is a mistake to make a blanket reduction of Government salaries as suggested by one amendment which I saw headlined in the newspapers. To my mind, one elementary principle of good government which the dictators have been too shrewd to violate is that government salaries should always rise until either because of salary or the honor they can gain, or the pleasure and Christian reward they have from serving the people of their country, the best men and women are lured into key government positions. Until you have reached that time salaries should rise. This, as I see it, is a principle of government as elementary as the principles set out in our Constitution and Bill of Rights, but it has usually been violated or ignored in this country, alas for the country. On the other hand, the way our bureaucracy seems to be crowded with employees simply for the purpose of furnishing employment is, in my opinion, equally tragic. It makes political racketeering the Nation's biggest business.

The most constructive job the next administration can do is the same as that of a receiver in bankruptcy appointed before the bankruptcy petition is filed.

To take only the agencies that came before our committee, I believe that a competent investigation would show that the following steps might be taken with great profit to our people. It appears from the evidence in our hearings, first, that the Reconstruction Finance Corporation should be liquidated in the way I have already suggested, and the Export-Import banks subjected to the same treatment. Second, the Federal Reserve bank and the home-loan bank are doing the same type of work, duplicating many functions, and I believe an investigation would show that they should be merged. The F. H. A., an investigation would probably show, should take over the Home Owners' Loan Corporation. The Federal Deposit Insurance Corporation is doing the same type of work as the Federal Savings Loan Insurance Corporation, and I believe an investigation would show it should be merged or consolidated.

It would be pitiful if such a job were not undertaken in connection with other agencies that go through other committees. It would be pitiful if, at the time the concept of democracy fights for life, we were to continue to follow those who are saying openly that defense includes all the extravagant pet projects for spending which are dear to the hearts of politicians because the people have the idea that in getting them they are getting something for nothing. Instead, the people may be giving up everything to secure these miserable bowls of pottage.

It is the custom of the moment to blame every woe upon Hitler. Hitler, we should realize, is the Frankenstein monster created by a people who saw advancing toward them that specter which is the reductio ad absurdum of democracy—communism. Those people had read the advice of their philosopher, Oswald Spengler, who, toward the end of the late World War, wrote for a despairing people that book, The Decline of Western Civilization. It was read in every camp in Germany. It enumerates the weaknesses of democracy which we all know democracies have, the corruption, the stupidity, the spinelessness, the selfishness of public officers sometimes elected by people who are uninformed or who have become indifferent to their own need to have good government.

One reads that the people in France are already beginning to realize that if they are destroyed it is because they, like us, have permitted themselves to be overcome by these weaknesses ever threatening democracies. If the people of the world shall learn from the war that no people can afford these weaknesses, the war may prove to have been worth all its dreadful cost in blood and money. While we are considering the weaknesses that always threaten democracies, we should not forget that Rome, too, was a great republic, that Rome did not fall until the people had first permitted themselves to fall so in love with one man, Caesar, that they permitted him to gather into his single pair of hands almost all the reins of government so that they were easily seized by the incompetents, fools, and tyrants who succeeded Caesar.

[Here the gavel fell.]

Mr. CRAWFORD. Mr. Chairman, I yield the gentlewoman 3 additional minutes.

Miss SUMNER of Illinois. Mr. Chairman, in matters of appropriating money for defense, the Congress and the Executive have been a team, moving with clocklike precision. But once we have appropriated the money, what becomes of it? In legislative questions of policy still more necessary to defense, it would seem that the Executive is moving toward the left and that the Congress, when we express our thinking by votes, is moving directly toward the right. Before we can go forward unitedly, it seems to me we must decide what is the one best way to go, whether to move toward the left, toward increasing Government ownership, or to the right, toward encouraging private ownership and private enterprise.

I submit that the one best middle ground is that of Him who taught the strong to lift up the weak, but who, knowing men are human, saw fit to picture to them a reward with a House of Many Mansions.

No leader that I know of has yet succeeded in proving that a government should be run upon the principle that a laborer either with his head, his hands, or his money is not worthy of his hire. You can pass laws in Congress, and people can evade punishment under them, but no people can violate the principles of sound government, time-tested through the ages, without suffering punishment because the principles of sound government are based upon the principles of economics and psychology. Congress should be, first of all, a laboratory,

for determining what those sound principles are. We cannot afford to act upon inconsistent theories of government.

If we as a people are incapable of determining and acting efficiently upon correct principles of sound government, then we deserve the punishment which will make this country a carcass which any dictator can have for the picking. If we do not do these things as we should then we are not the people I believe we are, for I feel that we can and will, in this generation, press on to a higher stage of civilization. [Applause.]

[Here the gavel fell.]

Mr. GIFFORD. Mr. Chairman, I yield 5 minutes to the gentleman from Ohio [Mr. SMITH].

Mr. SMITH of Ohio. Mr. Chairman, I have not much to say about this measure; just a few words regarding the recovery of $700,000,000 from the capital structure of Government bureaus, erroneously called Government corporations, this bill providing for the recovery of $400,000,000 of that amount.

I desire to call to the attention of Congress again that the general-fund balance of the Treasury as stated in the 1941 Budget is incorrect. It is given there as about $1,600,000,000. In a statement submitted to me by the General Accounting Office there were liability items in the amount of $1,150,000,000 which the President failed to take into consideration in arriving at his balance figure.

The Government lending bureaus deposit their accounts in the same fund along with other Treasury receipts. The Treasury checks against them the same as it does its own deposits. A part of the $1,150,000,000 above mentioned as not having been taken into consideration by the President consisted of deposits of Government lending bureaus which had been checked out by the Treasury.

There is no possible way of knowing whether this $700,000,000 that we are talking about will be recovered by the Treasury or not. It is likely to resolve itself into a simple New Deal bookkeeping proposition.

I want to say a word about the clause in this bill which provides for the lending of money for the development of strategic and critical materials. It so happens that a bill has been introduced in the Senate, S. 4008, which designates strategic and critical materials as follows, and I read from that bill:

> The Reconstruction Finance Corporation is authorized and empowered also to make loans to corporations, individuals, and partnerships engaged in the development of a quartz ledge or vein, or other ore body, or a placer deposit, containing gold, silver, or tin, or gold and silver, or any strategic or critical mineral which, in the opinion of the Reconstruction Finance Corporation, would be of value to the United States in time of war.

We have arrived at the place where we may expect practically all the legislation the new dealers bring in from now on will have attached to it some sort of provision for defense purposes. Is it possible the silver people of the West may use this as another means of raiding the Federal Treasury?

Mr. GORE. Mr. Chairman, will the gentleman yield?

Mr. SMITH of Ohio. I yield to the gentleman from Tennessee.

Mr. GORE. The gentleman is not taking the position that this national-defense item is in this bill in order to pass it through the Congress? I hope the gentleman is not taking the position that strategic materials are not needed and that we should not accumulate them.

Mr. SMITH of Ohio. No; I believe the gentleman knows very well that I do not think any such thing. I think the gentleman knows that I have, as I give him credit for having, ordinary ability to define what strategic war materials are.

Mr. GORE. I may say the gentleman is very charitable to me.

Mr. SMITH of Ohio. I mean to say that it is a question as to what you are going to call strategic and critical material, particularly as to whether it includes silver and gold. I intend to offer an amendment which will define the word "strategic" so that it will not include silver and gold. The Bureau of Mines has defined it for us. I cannot see why Congress should not define the term "strategic and critical material," and I believe this will be agreed to by the other side. I want to plead with this Congress, let us be careful and not permit the selfish groups of this country to take advantage of us in this critical hour to promote their own petty scheme and to further rob the United States Treasury.

Mr. GORE. I would join with the gentleman in denouncing any such attempt, but I submit that this item is very essential to the bill.

Mr. SMITH of Ohio. I agree with the gentleman that the term "strategic and critical" is satisfactory. I only mean to indicate that we see there is a possibility of people taking advantage of this provision by giving the term a definition that suits their purpose. I believe the gentleman will agree with me that it is absolutely necessary that we see to it this does not take place. The gentleman certainly does not believe that it is necessary to provide money for the development of gold and silver in this country when we now have more silver and gold than we can use.

Mr. GORE. May I say to the gentleman that that is not mentioned in the bill. The bill that has in it the provision to which the gentleman refers is a bill that was introduced in another body and is not pending before the House.

Mr. SMITH of Ohio. I am only asking that the term be defined.

Mr. GORE. Will the gentleman give his definition of strategic war materials?

Mr. SMITH of Ohio. I will.

Mr. GORE. Granting that the gentleman's definition is satisfactory to him, suppose that in time of emergency we needed some other materials to come within that definition.

Mr. SMITH of Ohio. I am merely contending "strategic and critical" as appears in section 5 of this bill should be defined so there can be no possible chance for including silver and gold deposits.

[Here the gavel fell.]

Mr. WILLIAMS of Delaware. Mr. Chairman, I yield 5 minutes to the gentleman from Arizona [Mr. MURDOCK].

Mr. MURDOCK of Arizona. Mr. Chairman, this is a very important national-defense bill. The point to which I wish to draw immediate attention now is section 5 enlarging the powers of the Reconstruction Finance Corporation to provide for the obtaining of strategic materials.

I heard only a part of the remarks of the gentleman who preceded me. He seems to be raising the question of whether we ought to encourage the mining of gold and silver. I cannot take the time to go into that now, but I do know that strategic, critical, and essential materials are vitally necessary for our national defense.

I am convinced there are two parts of the program to which we ought to give our attention now in order to have adequate national defense. In the first place, we ought to lay in a stock pile of strategic minerals and materials. I regret that we must go abroad for a great many of them, most of them, in fact. We ought to lay in this stock pile at once, no matter to what part of the earth we may have to go to obtain them. But equally essential—nay, more essential—as a part of national defense is the development of these strategic materials from our own domestic sources. It is folly for us to continue to depend upon distant and foreign countries to provide for us those vitally necessary things. So long as we continue to depend upon other countries we are at their mercy.

There is a view held that this country is inadequately supplied naturally with such minerals as manganese, tungsten, and the like. I was confronted with that suggestion when I went before the House Committee on Military Affairs on May 18, 1937, when I urged our development of domestic sources of supply. However, I do not believe they are lacking. It may be that we do not have tin. It may be that in the continental United States we do not have nickel, but it is a well-known fact among the mining men of this country that America is abundantly supplied with manganese, tungsten, and the like. If we will only turn mining men in the West

loose to find what is out there, and thus supplement the work of the Bureau of Mines, there is no question but that we have these supplies.

Now, I maintain it is a short-sighted national policy if we do not encourage our own mining people to find new deposits and develop them, and for that reason I am heartily in accord with the extension of the power of the R. F. C. to thus encourage private enterprise in the mining of the essential materials. Does this bill do that?

Mr. SACKS. Mr. Chairman, will the gentleman yield?

Mr. MURDOCK of Arizona. I will be pleased to yield.

Mr. SACKS. This bill does that very thing and, furthermore, it puts us in a position where, in cases of an emergency, besides the development of the resources here, if it is necessary to have a supply of such material on hand in case of emergency, that situation is covered also by the bill through the development of the resources of the United States.

Mr. MURDOCK of Arizona. I thank the gentleman for that affirmative statement.

Mr. SMITH of Ohio. Mr. Chairman, will the gentleman yield?

Mr. MURDOCK of Arizona. I beg the gentleman's pardon, but my time is so limited I would like to make this statement first.

I have been one of a group studying unemployment. We find that during the past few years there has been a great deal of unemployment. We would like to have this problem of unemployment solved by the finding of employment for our employables in private industry. Now, I feel that the great extractive industry of mining opens up a vast field for such private employment. I regret to see so much governmental interference with business. I want this country to give free play to the individual enterprise of our people.

Let me say to you that the mining of metals has been in the dumps out yonder in the West. We need more capital for investment. It is our crying need, capital furnished to small mining men and also the middle group. The big companies can look after themselves. In my own State, for instance, 25 years ago there were 50 big mining companies producing copper. Today there are about a half dozen. These mines may become depleted. Today we should bring on a crop of small mines, some of which will be the big mines of tomorrow. By the way, copper is one of the essential minerals just as manganese and tungsten are critical and strategic minerals. Let us give the small-business man a chance in this program of national defense. The job will be well done, and returning prosperity will rest secure on the American plan of private enterprise. [Applause.]

[Here the gavel fell.]

Mr. CRAWFORD. Mr. Chairman, I yield myself 15 minutes.

Mr. Chairman, while the gentleman from Massachusetts [Mr. GIFFORD] was on the floor I was reading a statement which appears to be a question of Mr. Jesse Jones that appeared in the New York Journal of Commerce of Friday, June 14. The paper quotes Mr. Jones as saying:

"We may be called upon for loans for plant expansion, equipment, and maybe some plant construction," he continued. "But I see no reason why the most part of working capital needs should not come from the banks and the resources of the institutions that will do the defense work. All of these institutions have their own banking connections. The banks are full of money and looking for loans. I don't think that any of them are excited."

Mr. Jones added that he did not think it would be necessary to call a conference of bankers on financing needs of the defense program and stated that he would not ask bankers to make any "special easy terms" for such loans.

"Certainly ordinary banking rates are low enough," he said.

The loan-agency chairman estimated that $100,000,000 to $250,000,000 would be used for acquisition and storage of strategic materials under authority in legislation now pending in Congress. He gave these figures as round numbers, but added that he did not expect such acquisitions to exceed the maximum estimate.

Mr. Chairman, I make these observations and read this statement from the Journal of Commerce in connection with section 5, pages 4 and 5, of the bill now under consideration, which provides—

The Corporation—

Referring to the Reconstruction Finance Corporation—

is authorized to create or to organize a corporation or corporations with such powers as it may deem necessary to aid the Government of the United States in its national-defense program, when requested by the Federal Loan Administrator with the approval of the President, and to subscribe for the nonassessable stock thereof, and to make loans to any such corporation or to any other corporation to assist in such program. Such loans may be made for the purpose of acquiring and carrying strategic and critical materials and other raw materials, for plant construction, expansion, and equipment, and for working capital, and may be made on such terms and conditions and with such maturities as the Corporation may determine.

Mr. Chairman, I have just read into the RECORD that portion of the bill to which I seriously object. If I understood Mr. Jones correctly, he is not in favor of the R. F. C. creating corporations to which the R. F. C. can lend money for the purpose of building plants, leasing plants, buying plants, expanding plants, filling them with equipment and furnishing them with the necessary working capital so that those Government-owned corporations may go out and compete with private industry, and I certainly hope that the gentleman from Missouri [Mr. WILLIAMS] will state to us whether or not in his opinion Mr. Jones wants language of that kind in this act, and whether or not it is the intention of the Federal Loan Administrator to originate policies which will make loans to Government-owned corporations for the specific purpose of building plants and competing with private industry. Why any administration will in this day and age under our conditions advocate Government-owned corporations entering into competition with private business is beyond my comprehension.

As an illustration of what bureaucratic government does, let me read a brief statement from the monthly survey of business, No. 107, second quarter, 1940, from the American Federation of Labor, which says:

Labor estimates that in 1935–36, 59 percent of all families had incomes too low to support an adequate living standard. Since 1935–36 our national income has increased somewhat, but even so, approximately 50 percent of American families today are living below minimum standards for health and efficiency.

As a matter of national conservation and preparation for defense, steps must be taken to correct this sorry condition and revitalize our human energies by giving work and adequate income to our work forces. Fortunately this can be done in the present circumstances. As noted above, the national-defense program will lift production to higher levels, particularly in the heavy industries. Thousands and eventually perhaps millions of new workers will be required in our industries. Already plans are afoot to train 1,000,000 for defense production jobs. Industrial output is expected to increase from the estimated June level of 112 (Federal Reserve Board index) to 120 in September within 7 percent of the all-time peak. This will continue to create new jobs. Changes in the war situation will affect our foreign markets and therefore may modify the business outlook at least temporarily. The long-term prospect, however, is for expanding production.

Here is a statement from the American Federation of Labor, which shows that so far as it is concerned, it considers the defense program an open sesame which will bring about increased employment, and a high standard of living in the country. Another reason why I am amazed the Government will at this time advocate the enactment of a bill putting Government-owned corporations into competition with private industry is this, which I take from the June 13, 1940, statement of conditions of the Federal Reserve banks:

Excess reserves of member banks on June 12 were estimated to be approximately $6,610,000,000, an increase of $80,000,000 for the week.

Mr. Eccles, Governor of the Federal Reserve System, tells us those excess reserves can be expended by the member banks seven to one, or in excess of $42,000,000,000 credit expansion, which the member banks alone are now in position to give to private industry. No wonder Mr. Jones made the statement which I read from the Journal of Commerce to this effect, that the banks have ample funds to finance this program.

Mr. Chairman, I do not believe that the Congress of the United States could enact a law at this time which carries such language in section 5, and there will be offered from this side of the aisle an amendment to correct that so that the R. F. C. will not be authorized to make such loans to

Government-owned corporations, to compete with private industry. We have here before us a defense program which my simple mathematics leads me to believe, if it is to be carried out, will involve, over the next 10 or 15 or 25 years, an expenditure of not less than $50,000,000,000 on today's price index basis. I suppose you say that is wild imagination.

All right. You show me—I think I know a little about what it costs to bring machinery into useful condition—you show me how you can produce the planes, tractors, tanks, the ships, the land fortifications, the undersea craft, and the oversea craft, all of the aircraft, for less than $25,000,000,000 as a minimum. When are you to spend the money? During the next 3 to 5 years or the next 10 to 25 years? If you take 25 as the minimum, 5 years, that is $5,000,000,000 a year. If it is 10 years, it is two and one-half billion. If you use $50,000,000,000, it is double those figures.

Do we intend at this time, when private industry has been browbeaten and stabbed in the back, if you please, by acts passed by the Congress, to further discourage the investment of private funds in industry? As far as I am concerned, I have not supported such a program since I came here in 1935, and I do not propose to start to do so under the war hysteria that covers this land today.

I believe in the private-enterprise system. I am opposed to the Government going into operations of this type which compete with and challenge the life of private industry. I have no objection to Government corporations being created under the language of section 5 for the purpose of acquiring and carrying and holding, in order to serve private industry, with the strategic war materials and other war materials mentioned in that section. I shall be glad to support legislation which provides the creation of such Government-owned corporation to go into the world markets and pick up tin, rubber, manganese, or whatever materials we need so that it can be carried without forcing private industry to carry the load and go through the bankruptcy proceedings at some later date.

Mr. DONDERO. Will the gentleman yield?

Mr. CRAWFORD. I yield.

Mr. DONDERO. The Securities and Exchange Commission has issued a statement showing that the amount of money normally flowing into private enterprise by the investing public has been about $2,000,000,000 a year. That has shrunk to $375,000,000 a year, and in some degree proves what the gentleman says that private industry has been stifled by Government competition.

Mr. CRAWFORD. As an illustration of what the gentleman has told us very forcibly, to sell commodities you must have a commodities exchange. To sell livestock you must have a livestock exchange. To sell bonds and stocks for capital structures you must have stock exchanges. Seats on the stock exchange sold this week for $39,000. In 1929 they sold in excess of $625,000 per seat. Stock-exchange operation is going out of business in this country, because the capitalistic system is folding up in the United States, and anybody who cares to read the record and who is at all fair must come to that conclusion. The twenty-fourth annual meeting of the National Industrial Conference Board entitled "Development of American Enterprise and Challenge to the Enterprise Principle," which I hold in my hand, will give you the facts if you want to bring yourself down to date. It was published May 22, 1940.

If it is the objective of the administration to destroy the private-industry system in this country, well and good; go ahead and destroy it, but you will not do it with my consent. This Congress has no right to pass this legislation in its present form. No administrator has the right to request us to do so unless the objective is to destroy private capitalism in this country. I am opposed to the bill in its present form.

Now, let us take one or two other sections of the bill for a moment. Let us refer to section 2, pages 2 and 3, where—

the Reconstruction Finance Corporation is authorized to make payments from time to time to the Secretary of the Treasury in amounts to be determined by the Corporation, with the approval of the Federal Loan Administrator, for the partial retirements of its capital stock at par and in payment of dividends from earnings.

What are the earnings? As testified by Mr. Jones, the earnings of Reconstruction Finance Corporation—$285,000,000—represented by its surplus at the present time. In answer to an interrogation by the gentleman from Missouri [Mr. WILLIAMS], Mr. Jones said, on page 84 of the hearings:

Mr. WILLIAMS. You have $500,000,000 capital and you have the $285,000,000 surplus, from which you take $175,000,000, and it will still leave you $110,000,000 surplus.

Mr. JONES. To cover losses.

Mr. WILLIAMS. To add to your already capital of $500,000,000, or a capital structure of $610,000,000.

[Here the gavel fell.]

Mr. CRAWFORD. Mr. Chairman, I yield myself 5 additional minutes.

I continue:

Mr. JONES. I wouldn't count the $110,000,000, because we will need that to cover losses.

Going back to page 3 of the bill you will find the language provides that the capital structure of the Reconstruction Finance Corporation may be reduced, but when the language in this paragraph takes effect the—

notes, debentures, bonds, or other such obligations which the corporation is authorized to issue and have outstanding at any one time * * * shall not be decreased by reason of any retirement of capital stock under this paragraph, and such aggregate amount is hereby increased by an amount sufficient to carry out the provisions of this paragraph and of the second paragraph of section 304 of the act of March 9, 1933, as amended.

You are reducing the capital structure and you are authorizing an increase of lending capacity. You start out with the R. F. C., according to Mr. Jones' testimony on page 85 of the hearings, and authorize it to make loans 3 to 1—capital $500,000,000; loans $1,500,000,000. Mr. Jones states at the bottom of that page that from time to time the act has been amended so that you could loan 6.6 to 1—6.6 times the capital. Now, then, you are operating this thing backward, you are decreasing the capital structure and increasing the lending power based on the decreased capital structure.

Who knows to what extent private industry will have to call upon the R. F. C. if the people of this country continue to hoard and refuse to put their private savings into industry by reinvestment? If it is the will of the Congress to reduce the capital structure of the R. F. C. and come back at some subsequent date and build it up simply for the purpose of accommodating this $700,000,000 recapture which was advocated before the decision to increase the debt limitation and recapture the $300,000,000 approximately, that is one thing. But do not do it until you know what you are doing. That is the reason I point it out to you. It is a policy, of course. As long as you have the Treasury back of you, the taxing power of government, you can do almost anything and get away with it until the rainy day comes and you have got right down to the bottom of the meal barrel. Then you may have to do what some of the so-called democracies of Europe are doing at the present time.

Another proposition is that the bill provides in section 4, page 4—

SEC. 4. Section 3 of the Federal Farm Mortgage Corporation Act (U. S. C., 1934 ed., title 12, sec. 1020b) is hereby amended by adding at the end thereof the following new sentences: "The Federal Farm Mortgage Corporation is authorized and directed to repay on or before June 30, 1941, to the Secretary of the Treasury on behalf of the United States, all amounts in excess of $100,000,000 theretofore subscribed to the capital stock of the Corporation.

You are going to do a similar thing with the Federal Farm Mortgage Corporation that you are doing with the R. F. C., you are going to reduce the capital structure and you are going to do that at a time when Secretary Wallace comes along with a new program. I refer you to yesterday's issue of the New York Journal of Commerce, which is a pretty good paper to refer to once in a while. You will find from page 1 that Secretary Wallace is to lay before the President a plan for widening surplus removal, for he fears famine and added farm export losses.

Within a few days you will have before you a bill from the Committee on Banking and Currency asking you to let

the Commodity Credit Corporation have another $500,000,000 to help salvage the situation. But here you are decreasing the capital structure of the Farm Mortgage Corporation.

This procedure is financially cockeyed. It is shystering, and in my opinion it is almost equivalent to check-kiting. If we tried to do it in private industry they would lock us up in the penitentiary where we should be and leave us there for safekeeping so that we would not destroy the equities of our people by such operations.

[Here the gavel fell.]

The CHAIRMAN. The time of the gentleman from Michigan has expired.

Mr. CRAWFORD. Mr. Chairman, may I inquire how the time stands?

The CHAIRMAN. The gentleman from Massachusetts has 4 minutes remaining. The gentleman from Alabama has 37 minutes remaining.

Mr. STEAGALL. Mr. Chairman, I have no further requests for time.

The Clerk read as follows:

Be it enacted, etc., That section 304 of the act entitled "An act to provide relief in the existing national emergency in banking, and for other purposes," approved March 9, 1933, as amended (U. S. C., 1934 ed., title 12, sec. 51d; Supp. V, title 12, sec. 51d), is hereby amended by adding at the end thereof the following new paragraph:

"The Reconstruction Finance Corporation is authorized to purchase at par any part of the stock of any Federal home-loan bank owned by the United States, as evidenced by certificates, receipts, or otherwise, in amounts to be determined by the Corporation, with the approval of the Federal Loan Administrator; and the Secretary of the Treasury is authorized on behalf of the United States to sell such stock to the Corporation. Any such stock so purchased by the Corporation shall be held subject to the same conditions, requirements, rights, and privileges (including all dividend and retirement provisions) as are provided by law for or in connection with the ownership of such stock by the United States."

SEC. 2. Section 2 of the Reconstruction Finance Corporation Act, as amended (U. S. C., 1934 ed., title 15, sec. 602), is hereby amended by adding at the end thereof the following new paragraphs:

"The Corporation is authorized to make payments from time to time to the Secretary of the Treasury in amounts to be determined by the Corporation, with the approval of the Federal Loan Administrator, for the partial retirement of its capital stock at par and in payment of dividends from earnings. The aggregate amount of notes, debentures, bonds, or other such obligations which the Corporation is authorized to issue and have outstanding at any one time under the provisions of law in force on the date this paragraph takes effect shall not be decreased by reason of any retirement of capital stock under this paragraph, and such aggregate amount is hereby increased by an amount sufficient to carry out the provisions of this paragraph and of the second paragraph of section 304 of the act of March 9, 1933, as amended.

"The Corporation shall retire its capital stock and pay dividends under the preceding paragraph of this section, and shall purchase stock of the Federal home-loan banks under section 304 of the act of March 9, 1933, as amended, in an aggregate amount of not to exceed $300,000,000 to be determined by the Secretary of the Treasury; but the Corporation, with the approval of the Federal Loan Administrator, shall determine that portion of such aggregate amount which shall be used for the retirement of the capital stock of the Corporation, the payment of dividends, and the purchase of such stock of the Federal home-loan banks."

Mr. STEAGALL. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. STEAGALL: On page 3, line 7, after the word "Corporation", insert the words "on or before June 30, 1941."

Mr. STEAGALL. Mr. Chairman, I am sure there is no objection to this amendment. It simply gives a margin of time within which this may be done. The purpose is to save interest which would be required if it were done as of the passage of the act.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Alabama.

The amendment was agreed to.

Mr. STEAGALL. Mr. Chairman, I offer a further amendment.

The Clerk read as follows:

Amendment offered by Mr. STEAGALL: On page 3, lines 7, 9, and 14, strike out the word "shall" wherever it appears therein and insert in lieu thereof the word "may."

Mr. STEAGALL. Mr. Chairman, there is no objection to this amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Alabama.

The amendment was agreed to.

Mr. GIFFORD. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. GIFFORD: Page 2, beginning in line 13, strike out all of section 2.

Mr. GIFFORD. Mr. Chairman, I offer this amendment that the House may have an opportunity to vote upon it. I discussed the amendment fairly at length earlier in the afternoon. There is no necessity for this legislation at the moment. This bill was presented simply and wholly that we might find money for the Treasury and obviate the necessity for increasing the debt limit. But we have increased the debt limit by $4,000,000,000 and there will be ample funds for the Treasury. All funds raised under that limit can be used temporarily and at any time to take care of the needs of the Treasury. The $4,000,000,000 will not all be needed.

I quoted Mr. Jones; also Mr. Black, of the Federal Farm Credit Association, and I will quote them again. Both stated emphatically before the committee that they would not have been before the committee, and there was no necessity for the bill, if they had thought the debt limit would be raised. Up to that time it had not been suggested, Mr. Jones stated. Now, since this bill has been reported, the tax bill has been brought in here increasing the debt limit by $4,000,000,000. Now, there is no necessity for this. If I can read a man's mind, helped by the tone of his voice—and I think I can—at this time Mr. Jones would not want this legislation.

Mr. GORE. Will the gentleman yield?

Mr. GIFFORD. I have been trying to get someone over there to ask me to yield.

Mr. GORE. What is the objection to it?

Mr. GIFFORD. The objection to it is that we cripple him. He acknowledges in the very section itself that he cannot do it without being granted further borrowing power.

Mr. GORE. How do we cripple him, and whom do we cripple?

Mr. GIFFORD. When we questioned him in committee, and asked him whether he could afford to do this, he said:

You make my funds pretty low if you take this money.

Mr. GORE. Mr. Jones said this would not impair the capital structure of the R. F. C.

Mr. GIFFORD. Yes, he did; but he also stated that if we take this away he would have to have more borrowing power. Do you want to lift that borrowing power out of the proper proportion to capital stock?

Mr. GORE. How does this hurt the R. F. C.? What is the harm in doing it? If it is not needed, there is no harm in doing it.

Mr. GIFFORD. Perhaps not; but Mr. Jones said he would never have asked for it if he had not been requested to do so. When we suggested that he should have thought of this last year, recommending that it would be a good thing to retire that capital stock, he did not agree that he should have done so. He simply said he had made a little more money. He is borrowing money lately at 1 percent.

Mr. STEAGALL. Will the gentleman yield?

Mr. GIFFORD. I yield to the gentleman from Alabama.

Mr. STEAGALL. I call the gentleman's attention to the fact that under the amendment adopted a moment ago this entire matter is left within the discretion of Mr. Jones, whom the gentleman is so willing to trust in this Corporation. This is merely an authorization.

Mr. GIFFORD. He has the authorization already. He can do that now if he wants to.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Massachusetts [Mr. GIFFORD].

The amendment was rejected.

The Clerk read as follows:

SEC. 3. (a) The third paragraph of section 5 of the Reconstruction Finance Corporation Act, as amended (U. S. C., 1934 ed., title 15, sec. 605; Supp. V, title 15, sec. 605), is hereby amended by striking out "$350,000,000" and inserting in lieu thereof "$500,000,000."

(b) The first sentence of section 3 of the act entitled "An act to extend the functions of the Reconstruction Finance Corporation for 2 years, and for other purposes," approved January 31, 1935, as amended (U. S. C., 1934 ed., Supp. V, title 15, sec. 605m), is hereby amended by striking out "January 31, 1945" and inserting in lieu thereof "January 31, 1955."

SEC. 4. Section 3 of the Federal Farm Mortgage Corporation Act (U. S. C., 1934 ed., title 12, sec. 1020b) is hereby amended by adding at the end thereof the following new sentences: "The Federal Farm Mortgage Corporation is authorized and directed to repay on or before June 30, 1941, to the Secretary of the Treasury on behalf of the United State, all amounts in excess of $100,000,000 theretofore subscribed to the capital stock of the Corporation. The proceeds of such repayment shall be held in the Treasury of the United States as a fund available for subscription, by the Governor on behalf of the United States with the approval of the Secretary of the Treasury, to the capital of the Corporation when, in the judgment of the directors of the Corporation, additional subscriptions to its capital are necessary."

Mr. GIFFORD. Mr. Chairman, I offer an amendment to strike out section 4.

The Clerk read as follows:

Amendment offered by Mr. GIFFORD: On page 4, beginning in line 5, strike out all of section 4.

Mr. GIFFORD. Mr. Chairman, I will speak briefly on this amendment. We are taking away $100,000,000 of the capital of the Federal Farm Mortgage Corporation. Every Member of this House knows we ought not to do it and every Member knows it will have to be replenished later. Mr. WOLCOTT asked this question:

You have been given to understand, Mr. Black, have you not, as we all have, that the reason for this bill and this amendment is to recapture some of this capital so that the Treasury will not have to issue bonds in excess of the debt limit?

Mr. BLACK. That, I believe, is the general understanding.

Mr. Chairman, this is to remain available so that when the Corporation wants it back again they can have it. This is simply juggling, is it not?

Mr. CRAWFORD. Will the gentleman yield?

Mr. GIFFORD. I yield to the gentleman from Michigan.

Mr. CRAWFORD. I wish to answer the gentleman from Tennessee [Mr. GORE] and the question he raised awhile ago. He submitted the question of what is the harm in doing it. I want to say to the gentleman that any man who has had experience in handling large financial transactions, and by "large financial transactions" I mean corporate structures running from $5,000,000 up to $100,000,000, does not dare do this kind of trickery. It will destroy his credit standing with the banks; it will destroy the confidence of his stockholders; it will destroy the confidence his customers have in the service his company proposes to render and the product it puts on the market. It will eventually throw his company into bankruptcy. I challenge the gentleman to show me one corporation of that size operating in the United States over a period of 10 years or more that ever participated in this kind of financial juggling.

Mr. GORE. Mr. Chairman, will the gentleman yield?

Mr. GIFFORD. I yield to the gentleman from Tennessee.

Mr. GORE. Does the gentleman likewise object to the Reconstruction Finance Corporation's paying into the Treasury some of its surplus profits?

Mr. CRAWFORD. The gentleman will have to admit that a mistake was made in creating the structure of the Reconstruction Finance Corporation on the basis of $500,000,000, or he will have to admit that we came to the Reconstruction Finance Corporation's assistance and gave them back virtually two and a quarter million dollars by letting them write off part of their losses and having the Treasury absorb them, or he will have to admit that there is no such thing as a direct, reasonable connection between capital structures and lending capacity, or he must admit that my argument is sound; and I again refer him to private industry for the historical background of the situation I am calling to his attention.

Miss SUMNER of Illinois. Mr. Chairman, will the gentleman yield?

Mr. GIFFORD. I yield to the gentlewoman from Illinois.

Miss SUMNER of Illinois. I would remind the gentleman that on page 30 of the hearings Mr. Schram, the present Administrator of the Reconstruction Finance Corporation, admitted to the gentleman from Michigan [Mr. CRAWFORD] that the banks borrowing from the Reconstruction Finance Corporation would not be permitted by their supervising authorities to do the same thing the Reconstruction Finance Corporation is now asking the Congress for permission to do.

Mr. CRAWFORD. I want to refer the gentleman to various releases and public addresses which have been made by the Administrator of the Federal Deposit Insurance Corporation, in which time and again he has pointed out to the depositors of this country that the only power the F. D. I. C. has to remain in business on a safe basis is to retain sound financial structures in the banking institutions, and the F. D. I. C. will not permit this kind of financial juggling.

Mr. GIFFORD. Mr. Chairman, in closing these remarks, I just want to express my surprise that there is no one here, apparently, who wants to help defend the Farm Credit Administration. It is an unusual proceeding. A later vote will probably indicate that the Republicans are the real friends of the farmers.

Mr. HAWKS. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I had not intended to say anything on this particular measure, but I have listened to practically all the debate and I have read the hearings on the bill. The gentleman from Michigan [Mr. CRAWFORD] said that the measure was cockeyed. It is not only cockeyed, it is dishonest. It is dishonest to the American people and to the American taxpayer, to every American citizen who has a stake in this Government. Any man who has had any experience whatsoever in the management of a financial institution will know that you cannot keep on decreasing the capital stock of a bank or financial institution and at the same time increase the lending capacity of that organization.

Mr. CRAWFORD. Mr. Chairman, will the gentleman yield?

Mr. HAWKS. Certainly.

Mr. CRAWFORD. If the gentleman were acting as the credit manager of a corporation that is accustomed to extending large credits to people in the form of goods shipped or in the form of open credits, would he always look at the relationship between the current assets and the current liabilities and at its capital structure—that is, the capital stock, bonds, debentures, and surplus and undivided profits—as related to its other obligations? Would the gentleman pay any attention to this?

Mr. HAWKS. I certainly would.

Mr. CRAWFORD. The gentleman has a knowledge of investment banking. Would he advocate to his clients the purchase of securities of private corporations if he found their finances were being juggled in such a manner?

Mr. HAWKS. I would be in jail if I did.

Miss SUMNER of Illinois. Mr. Chairman, will the gentleman yield?

Mr. HAWKS. Certainly.

Miss SUMNER of Illinois. I wonder if the gentleman knows from his experience how many States have "blue sky" laws which would prevent this operation on the part of a private corporation.

Mr. HAWKS. I could not answer that question, but I know that if I came to the American public with a prospectus such as this and published it in any of the papers of the country, Mr. Jerome Frank would be on my tail in 2 minutes, and I would be down here answering a lot of questions of a lot of crazy bureaucrats who were trying to prove their point, and I could not substantiate anything on the basis of this kind of a prospectus, and you know it.

Mr. CRAWFORD. Mr. Chairman, will the gentleman yield?

Mr. HAWKS. I yield.

Mr. CRAWFORD. Does the gentleman believe that the Reconstruction Finance Corporation itself would make loans to any private corporation if it found that corporation's affairs were being handled in the manner here proposed?

Mr. HAWKS. Of course they would not. They would probably put that corporation out of business without going into any detail about making a loan to them at all.

Mr. THOMAS F. FORD. Mr. Chairman, will the gentleman yield?

Mr. HAWKS. I yield to the gentleman from California.

Mr. THOMAS F. FORD. The gentleman refers to the Farm Credit Corporation?

Mr. HAWKS. I am referring to the whole proposition.

Mr. THOMAS F. FORD. The gentleman knows that the Farm Credit Corporation really does not need any capital because all its issues are guaranteed by the Federal Government.

Mr. HAWKS. Certainly, and who is the Federal Government? I want to tell you that it is not a bunch of bureaucrats here in Washington.

Mr. O'CONNOR. Mr. Chairman, will the gentleman yield?

Mr. HAWKS. I yield to the gentleman from Montana.

Mr. O'CONNOR. I am just wondering if it would make any real difference in the handling of the affairs of the Reconstruction Finance Corporation if it did not have any capital stock at all. As a matter of fact, it does not need any capital stock so long as the Government guarantees its bonds.

Mr. HAWKS. Of course; and if we were perfectly honest about this whole thing, this would all be a part of the United States Treasury——

Mr. O'CONNOR. That is really what it is.

Mr. HAWKS. And you know it as well as I do.

Mr. SACKS. Mr. Chairman, will the gentleman yield?

Mr. HAWKS. I yield.

Mr. SACKS. Does the gentleman mean to say that every section of this bill is a fraud?

Mr. HAWKS. Listen; if you were a private individual in the banking business, or in the investment-banking business, and the head of a corporation that wanted to finance a loan or put out an issue published a prospectus as silly and ridiculous and as untrue as this prospectus right here, I want to tell you he would not get very far.

Mr. CRAWFORD. Mr. Chairman, will the gentleman yield?

Mr. HAWKS. I yield.

Mr. CRAWFORD. I wish to call the attention of the gentleman from Pennsylvania [Mr. SACKS] to the rules and regulations of the Securities and Exchange Commission, the hearings on the 1933 act and the 1935 act and the other one or two acts under the jurisdiction of that Commission and see what the Commission says about prospectuses drawn along this line and see to what degree they have closed or dried up the streams of private capital in this country.

Mr. HAWKS. I would like also to say that to give the bill a little face, to give this bill just a little appearance of being decent, they stick in an increase here from $350,000,000 to $500,000,000 to railroads.

[Here the gavel fell.]

Mr. GORE. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, I do not expect to use the 5 minutes. I merely want to call attention to a strange paradox. The gentlewoman from Illinois [Miss SUMNER] advocated liquidation of the R. F. C., and now the gentleman from Massachusetts and the gentleman from Michigan complain because we are giving authority to do a portion of what she said ought to be done.

Now, if by law the R. F. C. was required to purchase a portion of its capital stock at par value and was required by law to pay into the Treasury a portion of its surplus profits, and we were in here with legislation removing that requirement, then the gentleman on the other side of the aisle would really be "raising cain." We are on the other side of the picture and giving the R. F. C. authority for partial liquidation by purchase at par value some of its capital stock and to pay into the Treasury some of its profits, and they are still "raising cain." In fact, Mr. Chairman, they "raise cain" by force of habit.

Mr. CRAWFORD. Mr. Chairman, I move to strike out the last two words.

Miss SUMNER of Illinois. Mr. Chairman, will the gentleman yield?

Mr. CRAWFORD. I yield.

Miss SUMNER of Illinois. I hardly dared hope that the honorable Representative would listen to all I said, and I am gratified he listened to half what I said. What I said was that the loans of the R. F. C. consisted of good loans and shaky loans; that the good loans could probably be sold at a profit to commercial banks and that the shaky loans could probably be sold to banks if they were guaranteed by the Government on the F. H. A. plan; and I believed that it would be a better principle of Government to handle the R. F. C. in that manner.

Mr. CRAWFORD. Mr. Chairman, I wish to make one or two observations with reference to the statement of the gentleman from Tennessee [Mr. GORE]——

Mr. GIFFORD. Mr. Chairman, will the gentleman yield to me before doing that?

Mr. CRAWFORD. I yield.

Mr. GIFFORD. I want to make the observation to the gentleman from Tennessee that there is no liquidation here and there is no giving up of capital stock, because in every paragraph you increase in great proportion as you allow the decrease.

Mr. CRAWFORD. Mr. Chairman, I have not advocated the liquidation of the R. F. C. What I am complaining about is the unsound procedure in reducing the capital structure of the R. F. C. at the same time you extend its lending power.

This is unsound for any lending agency and, as perhaps has been pointed out, Mr. Jones said they were doing this:

> The principal purpose of the bill is to provide a means of returning to the Treasury $300,000,000, conforming to the President's Budget message, wherein he expects to recover from lending agencies $700,000,000 they do not now need.

This is on page 3 of the hearings, and we do this at a time when I assume there is an emergency in this country, when I assume that private industry and borrowers are going to call upon the R. F. C. to grant them some additional loans.

Again, I observe that if we wish to make a direct pipe line to the Treasury and let the Treasury carry whatever burden may develop under the administration of the lending agencies, whether it be Mr. Schram or Mr. Jones or somebody else, because men do not go on forever, very well and good; but this is unsound financial procedure, and that is the point I am arguing, and I do not propose to let the gentleman from Tennessee place meanings on my words.

Mr. THOMAS F. FORD. Mr. Chairman, will the gentleman yield?

Mr. CRAWFORD. I yield to the gentleman from California.

Mr. THOMAS F. FORD. You are perfectly willing to have the R. F. C. lend to private business whatever money is necessary in order to enable them to expand and carry on the program?

Mr. CRAWFORD. With this proviso.

Mr. THOMAS F. FORD. Answer the question first.

Mr. CRAWFORD. That private industry have a chance to do something itself and get rid of the six and a half billion dollars of excess reserves and get some of the $24,000,000,000 of demand deposits and some of the twenty-four and one-half billion dollars of time and savings deposits, and thereby preserve the private capitalistic system of this country, and having done that, then let these Government agencies function as is necessary. That states my position.

Mr. HAWKS. Mr. Chairman, will the gentleman yield?

Mr. CRAWFORD. Yes.

Mr. HAWKS. Does the gentleman suppose that Mr. Crowley, in handling the F. D. I. C., has been as liberal with the banks of this country as we are with the R. F. C.?

Mr. CRAWFORD. Mr. Crowley insists that the capital structure of the banks be maintained, either by earnings or by contributions by stockholders to replenish losses that may occur through operating conditions or losses outside of operations, such as losses on bonds and portfolio liquidations,

and he also demands that, unless they do that, the F. D. I. C. takes them over and forces liquidation or consolidation with some one or more banking institutions. Only in this way can he carry out the functions of deposit insurance.

Mr. HAWKS. He makes them put up or shut up.

Mr. CRAWFORD. Exactly.

Mr. THOMAS F. FORD. Would the gentleman guarantee that these $6,000,000,000 of reserves that he talks about will loan that money to private industry?

Mr. CRAWFORD. So far as my power goes, I guarantee that private industry will never again function in this country as it has in the past until the Federal Government takes a more kindly attitude toward private industry. In this connection let me observe that we have about eleven and one-half million unemployed, approximately nineteen and one-half billions of gold, six and six-tenths billions of excess reserves, perhaps a national income this year of about seventy-five billions, a Federal direct debt approaching $50,000,000,000, a three and one-half billions deficit for the current fiscal year; bank deposits owed to our people by the banks are at the highest point in our history; a declining volume of loans; a stymied stock market with commodity markets declining; about 8,000,000 families facing starvation; a rapidly expanding policy of substituting State capital for private capital; a Congress that has in years past, if not at the present moment, been rather unfriendly to private enterprise; an unsound taxing policy; a country blessed with empire, natural resources, diversified climate, and filled with people who want to adventure, who want to reinvest, who want to do things for themselves; but with such an inclination for the Congress to authorize the Government to further compete with these individual citizens the gentleman wants to know if I will guarantee that the individuals involved will go out and do the job. Of course, they will not unless Government changes its attitude toward them. Today there is no sound basis on which our people can make long-term commitments, and this is because they do not know what attitude the Government will take on such matters as those we are today discussing in the consideration of this bill.

Mr. SACKS. Mr. Chairman, will the gentleman yield?

Mr. CRAWFORD. Yes.

Mr. SACKS. Is it not true that Mr. Jones testified that in the creation of this new corporation, private capital will not lend the money to carry these strategic materials that we need?

Mr. CRAWFORD. And at no time have I complained about the Government-created corporations carrying the burden of strategic materials. That is a matter of national defense, and why should any individual be forced or expected to venture his private savings to carry that class of material in behalf of the general welfare? Of such is the national burden and should be carried by the people as a whole.

Miss SUMNER of Illinois. Mr. Chairman, will the gentleman yield?

Mr. CRAWFORD. Yes.

Miss SUMNER of Illinois. As between borrowing money through the R. F. C. and lending it to Government-guaranteed private loans, as with the F. H. A., is not the R. F. C. plan an inadequate plan, which we abandoned when we took up the F. H. A. plan?

Mr. CRAWFORD. I give the R. F. C. credit for one thing, and that is they encouraged the private banks to participate with them in these industrial loans, and if we could get the individuals of this country and get the Congress to be friendly to the private system of enterprise in this country, the banks would eventually be taking all of these loans, and the R. F. C. could step out of the picture.

Mr. O'CONNOR. Mr. Chairman, will the gentleman yield?

Mr. CRAWFORD. Yes.

Mr. O'CONNOR. I have had some little experience in connection with banks, and I am wondering if it is not a fact that the Government was forced to place itself in a position whereby credit could be extended and money loaned to private individuals because of the fact that our private banking system had broken down and was not furnishing the needed funds with which to carry on business?

Mr. CRAWFORD. That is a moot question, but, as I remember it, the Federal Government closed the banks of this country, and scores of those banks which were closed by the Government have paid up 100 percent, and so I think we better not get into that.

The CHAIRMAN. The time of the gentleman from Michigan has expired.

Mr. MURDOCK of Arizona. Mr. Chairman, I move to strike out the last word. I hold in my hand an amendment which I at first proposed to offer, but I am not so sure that I ought to offer the amendment at that particular point in the bill. Some of the gentlemen have told me that section 5 in this bill carries all the provisions of additional power to R. F. C. that are needed. I am a little bit dubious about that. I have read section 5 carefully. I find myself in thorough accord with the provisions of section 5 so far as it goes. I do not believe it goes as far as we should enact in this program. We want to acquire these strategic minerals and that as quickly as possible as a matter of national defense. There is no doubt about that.

Then along with that the other prong on this fork is the development of strategic minerals in our own land. That is the provision that I wonder whether section 5 adequately covers. The amendment I have in mind to offer is this, that at the end of line 21, on page 5 of the bill, a new section be added. All that part of my bill (H. R. 9996) beginning on line 7, page 1, be inserted to read:

SEC. 6. The Reconstruction Finance Corporation is authorized and empowered to make loans upon sufficient security to recognized and established corporations, individuals, and partnerships engaged in the business of mining, milling, or smelting ores. The Reconstruction Finance Corporation is authorized and empowered also to make loans to corporations, individuals, and partnerships engaged in the development of a quartz ledge, or vein, or other ore body, or placer deposit, containing gold, silver, or tin, or gold and silver, or any strategic, critical, or essential mineral which, in the opinion of the Reconstruction Finance Corporation, would be of value to the United States in time of war, when, in the opinion of the Reconstruction Finance Corporation, there is sufficient reason to believe that, through the use of such loan in the development of a lode, ledge, or vein, or mineral deposit, or placer gravel deposit, there will be developed a sufficient quantity of ore, or placer deposits of a sufficient value to pay a profit upon mining operations: *Provided*, That not to exceed $20,000 shall be loaned to any corporation, individual, or partnership for such development purposes; except that not in excess of $40,000 in the aggregate may be loaned to any corporation, individual, or partnership for such purposes, if such corporation, individual, or partnership has expended funds previously obtained from the Reconstruction Finance Corporation for such purposes in such manner as to justify an additional loan for such purposes: *Provided further*, That there shall not be allocated or made available for such development loans a sum in excess of $10,000,000.

However, my bill which I would like to incorporate in the measure before the House was only temporarily considered yesterday by the Committee on Banking and Currency. True, a hearing on it has been had by the gentleman from Nevada and the gentleman from Arizona. Yet I fear that not enough consideration has been given the bill up to this time. In view of the fact that this bill has the approval of Mr. Jesse Jones, it would be quite proper to incorporate it, but I do feel it would be more properly supplementary to the bill before the House today. Perhaps it can be passed later.

Mr. O'CONNOR. Mr. Chairman, will the gentleman yield?

Mr. MURDOCK of Arizona. I yield.

Mr. O'CONNOR. I think the gentleman is rather modest. The gentleman from Arizona introduced the bill to which reference was made. I have gone over that bill and I think it is a very meritorious bill. However, if we are unable to get that, it seems to me that section 5 in the present bill goes along fairly well in the direction of accomplishing the purposes set forth in the gentleman's bill. There is one question, however, I would like to have the gentleman's view on, and that is this: In section 5 does the gentleman understand that that is broad enough to include the making of loans by the Government through the R. F. C. to corporations outside of governmental corporations, which are engaged in the development and production of these strategic metals?

Mr. MURDOCK of Arizona. I am told that it is broad enough. I earnestly hope it is, for that is the very thing I want provided in the law.

Mr. MAY. Mr. Chairman, will the gentleman yield?

Mr. MURDOCK of Arizona. I yield.

Mr. MAY. As I understand the legislation, there are two objectives to be sought: First, to obtain stock piles of strategic war materials sufficient to insure the national defense of this country, either from abroad or from domestic sources. When that is done, then we ought to provide for the development of our natural resources, so that we would not be cut off by the closing of foreign markets to this country, which is more than ever apparent than before the war.

Mr. MURDOCK of Arizona. The gentleman expresses my view exactly.

Mr. THOMAS F. FORD. Mr. Chairman, will the gentleman yield?

Mr. MURDOCK of Arizona. I yield.

Mr. THOMAS F. FORD. I talked to the gentleman, and I said I thought this bill carried provisions along the line he was suggesting, and I asked Mr. Jones this question in substance: "Do you have authority today to loan money to a mining corporation engaged in the production of strategic materials and would you do so to help them develop local supplies of that as against purchasing on the outside?" And his answer was "Yes."

Mr. MURDOCK of Arizona. I thank the gentleman for his statement. I am glad to get that affirmative reply from the head of the Reconstruction Finance Corporation. But I want to give Mr. Jesse Jones more power in this respect than he has under existing law.

Mr. SMITH of Ohio. Mr. Chairman, will the gentleman yield?

Mr. MURDOCK of Arizona. I yield.

Mr. SMITH of Ohio. Is it the purpose of the gentleman to include the development of silver and gold deposits?

Mr. MURDOCK of Arizona. My interest is in the strategic materials—strategic, critical, and essential minerals, as listed by the War Department.

Mr. SMITH of Ohio. Does the War Department list silver and gold as strategic materials needing development?

Mr. MURDOCK of Arizona. I believe not; not to my knowledge.

I am in favor of this bill. If it does not go far enough, I am going to ask favorable consideration at a later date from this committee with regard to my bill, which will permit loans to be made to private industry in the development of these strategic minerals. This is a part of that desirable legislation suggested by the Small Mine Operators' Association of Arizona. [Applause.]

[Here the gavel fell.]

Mr. GIFFORD. Mr. Chairman, I rise simply to remind the House that the amendment striking out section 4 has not yet been voted upon. Before we vote on that matter, and because many Members have come in, this should be restated. This relates to the Farm Credit Administration. We do not need to take this $100,000,000 away from the Farm Credit Administration. We have provided $4,000,000,000. I must reiterate this point. So let us not do this, because Governor Black, in effect, said before the committee, "You know it is not really retiring stock." He says, "We simply put it back into the Treasury. It is used like all other funds. It is like putting money in the bank. It will be available at any time.

The gentleman from Tennessee tries to tell you it is good business to retire capital stock. This is not the effect of this section.

[Here the gavel fell.]

The CHAIRMAN. The question is on the amendment offered by the gentleman from Massachusetts [Mr. GIFFORD].

The question was taken; and on a division (demanded by Mr. GIFFORD) there were—ayes 66 and noes 83.

So the amendment was rejected.

The Clerk read as follows:

SEC. 5. Section 5d of the Reconstruction Finance Corporation Act, as amended (U. S. C., 1934 ed., Supp. V, title 15, sec. 606b), is hereby amended by adding at the end thereof the following new paragraphs:

"The Corporation is authorized to create or to organize a corporation or corporations with such powers as it may deem necessary to aid the Government of the United States in its national-defense program, when requested by the Federal Loan Administrator, with the approval of the President, and to subscribe for the nonassessable stock thereof, and to make loans to any such corporation or to any other corporation to assist in such program. Such loans may be made for the purpose of acquiring and carrying strategic and critical materials and other raw materials, for plant construction, expansion, and equipment, and for working capital, and may be made on such terms and conditions and with such maturities as the Corporation may determine.

"Any corporation created or organized by the Corporation under the preceding paragraph is also authorized, with the approval of the President, to make payments against the purchase price to be paid for strategic and critical materials in advance of the delivery of such materials. Whenever practicable, the Corporation may require the payments so made to be used for the purchases of raw or manufactured agricultural commodities to be exported from the United States."

Mr. WILLIAMS of Missouri. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. WILLIAMS of Missouri: On page 5, line 21, insert the following new section:

"SEC. 6. That (a) section 1 of the act approved January 26, 1937 (U. S. C., 1934 ed., Supp. IV, title 15, sec. 613–c), as amended, is hereby amended by striking out 'June 30, 1941,' and inserting in lieu thereof 'January 22, 1947.'

"(b) The first sentence of section 4 of the Reconstruction Finance Corporation Act (U. S. C., 1934 ed., title 15, sec. 604), as amended, and the first sentence of section 14 of the Reconstruction Finance Corporation Act (U. S. C., 1934 ed., title 15, sec. 614), as amended, are hereby amended by striking out the word 'ten' and inserting in lieu thereof the word 'fifteen.'

"(c) The second paragraph of section 5 (d) of the Reconstruction Finance Corporation Act (U. S. C., 1934 ed., Supp. IV, sec. 606b), as amended, is hereby amended by striking out 'June 30, 1939,' wherever it appears therein, and inserting in lieu thereof 'January 22, 1947.'"

The CHAIRMAN. Permit the Chair to inquire as to whether there are any amendments to be offered to section 5 of the bill.

Mr. MILLER. Mr. Chairman, I have an amendment to section 5.

The CHAIRMAN. In that event, the amendment offered by the gentleman from Missouri will be considered as having been read for information.

The gentleman from Connecticut offers an amendment which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. MILLER: Page 4, lines 24 and 25, and page 5, lines 1 to 12, inclusive, strike out the entire language and insert the following:

"In order to aid the Government of the United States in its national-defense program the Corporation is authorized:

"(1) To make loans to or purchase the capital stock of any corporation (a) for the purpose of acquiring and carrying strategic and critical materials as defined by the President, and (b) for plant construction, expansion, and equipment, and working capital, to be used by the Corporation in the manufacture of equipment and supplies necessary to the national defense on such terms and conditions, and with such maturities as the Corporation may determine; and

"(2) When requested by the Federal Loan Administrator with the approval of the President to create or to organize a corporation or corporations with power (a) to acquire and carry strategic and critical materials as defined by the President, (b) or to purchase land, to purchase, build, and expand plants, and to purchase equipment and machinery for the manufacture of arms, ammunition, and implements of war as defined by the President in accordance with the Neutrality Act of 1939 necessary to the national defense, (c) to lease such plants to private corporations to engage in such manufacture, and (d) if the President finds that it is necessary for a Government agency to engage in such manufacture to engage in such manufacture itself. The Corporation to make loans to or purchase the capital stock of any such corporation for any purpose related to the national-defense program, on such terms and conditions as the Corporation may determine."

Mr. MILLER. Mr. Chairman, I can assure you that the amendment is not as involved as its length would indicate. I have simply offered the language that has been adopted by the Banking and Currency Committee of the other body in a bill on which they will act, I understand, in the next few days. I am further informed that that language was approved in that committee by Mr. Jones.

If language can be written in as a substitute for section 5 of the bill you have before you, that will bring about complete unity and not interfere in any way with the results that we hope for under section 5, certainly it is worthy of our attention and consideration. The amendment divides section 5, as we have it before us now in the House bill, into two parts. Part I to apply the loans that may be made by the R. F. C. for the purchase of equipment and acquiring of strategic and critical materials, as defined by the President, for plant construction, expansions, and equipment, working capital, and so forth, to be used by the Corporation in the manufacture of equipment and supplies necessary for the national defense under such terms and conditions as the Corporation, meaning the R. F. C., may determine. That section relates only to loans that the R. F. C. can make to private industry, and the only reason for putting it in this bill is to protect the record of the R. F. C. and make it possible for them to make loans to private industry for needed plant expansion.

Mr. SACKS. Mr. Chairman, will the gentleman yield?

Mr. MILLER. I am afraid I have not time to yield. If I have time I shall be pleased to yield to the gentleman later.

The second section accomplishes the purpose hoped to be accomplished in the House bill that you have before you, allows the R. F. C. to set up a corporation or corporations to build plants, equip them, give them working capital, and so forth, for the procurement of strategic war material or for the manufacture of arms, munitions, or implements of war as defined by the President of the United States according to the Neutrality Act of 1939.

The sentence I have just quoted is taken verbatim from the bill passed by the Congress and signed by the President known as the Finnish loan bill. It simply defines "arms, ammunition, and implements of war."

We all realize that the Government should have factories in stand-by condition to manufacture powder and for the manufacture of such articles as 16-inch cannon and material of that type, factories that we cannot expect private industry to maintain because of the very limited use for such things during times of peace. We want those plants available, we want the Government or corporations set up by the Government to operate them. On the other hand, we do not want the Government to set up under the guise of such corporations, factories to compete with existing establishments. I have read and reread the section. I cannot see that it applies any limitation or works any hardship. It does, however, protect those who are now considering investing their private capital in the expansion of existing facilities. It gives them some assurance that this program we are adopting here today will not make it possible for a Government corporation to build and operate in the next lot a plant for the manufacture of horse blankets, books, saddles, safetypins, or a hundred and one other items that might properly be referred to as war material, material used by the War and Navy Departments.

I now yield to my colleague from Pennsylvania.

Mr. SACKS. Under the present bill, the bill brought out by the committee, the United States Government could not operate any business. Is that correct?

Mr. MILLER. No; it is not correct.

Mr. SACKS. Under the present bill?

Mr. MILLER. Under the present bill, the House bill, a corporation could operate any type of business.

Mr. SACKS. All I see is the language which says that loans may be made for the purpose of acquiring and carrying strategic and critical materials and other raw materials for plant construction, expansion, and equipment.

Mr. MILLER. Loans to the corporation to be set up.

Mr. SACKS. And for working capital. Under the gentleman's amendment the Government could set up a manufacturing plant and run that itself.

Mr. MILLER. Absolutely; and I believe the Government should have the power to set up a factory for the manufacture of powder, 16-inch cannon and war material private industry cannot provide. That is what I want.

Mr. SACKS. I want to point out it goes further than the present bill.

Mr. MILLER. In the one direction, yes, and very definitely limits the other. It limits the factories that the Government can build and operate to those manufacturing arms, ammunition, and implements of war as defined by the President in his proclamation issued in 1939, and only if the President finds it necessary.

Mr. CRAWFORD. Will the gentleman yield?

Mr. MILLER. I yield to the gentleman from Michigan.

Mr. CRAWFORD. I have not had time really to comprehend this amendment. Will the gentleman answer this categorically, if he can. Will his amendment permit the Government to set up Government-owned corporations, financed through the R. F. C., to manufacture goods that compete with private industry—other than what?

Mr. MILLER. Only arms, ammunition, and implements of war as defined in the President's proclamation of 1939 and only when the President finds it necessary for the national defense.

Mr. CRAWFORD. What are those?

Mr. MILLER. I cannot enumerate them all, but they are definitely war materials defined in the Neutrality Act.

Mr. CRAWFORD. Does it include tractors?

Mr. MILLER. No.

Mr. CRAWFORD. Airplanes?

Mr. MILLER. No.

Mr. CRAWFORD. Tanks?

Mr. MILLER. Tanks; yes, possibly, if industry cannot make them as needed.

Mr. CRAWFORD. It does include tanks?

Mr. MILLER. Yes.

Mr. CRAWFORD. Now, we ask the automobile industry to go out and retool its factories for the purpose of making tanks and other equipment—and I assume that would include military equipment—and at the same time we set up a proposition which permits the Government to go into business and compete with them.

Mr. MILLER. No. I think the gentleman is wrong. My amendment prevents that.

Mr. CRAWFORD. That is what I want to bring out.

Mr. MILLER. The discretion is left with the President. We all know we have this War Resources Commission that is going to govern these things. Possibly some automobile plant might under existing law be called upon to do that; but if the amendment I have offered is adopted, then there will not be competition with private industry.

[Here the gavel fell.]

Mr. CRAWFORD. Mr. Chairman, I rise in opposition to the amendment offered by the gentleman from Connecticut [Mr. MILLER] for the purpose of bringing out further discussion, because I am not sure I am opposed to the amendment. We faced a situation here in connection with the tax measure which went through the House the other day, now before the Senate, involving the amortization of the cost of plants built or extended for the purpose of carrying on the national-defense program. There is involved the question of excess-profits taxes. If I may remind you, in 1917 Congress authorized private companies which went out and built plants for the purpose of producing war materials to amortize the cost of those plants, the excess cost of those plants, in arriving at the taxable income. I voted against the tax bill the other day which was passed by the House because I felt the bill as drawn was unfair to American industry, because I thought it was unfair to the taxpayers of the country, and because I thought it was not keeping faith with the people of the United States. I find that the Senate is going into some of the very questions I raised in my comments on the floor at that time.

What we should do is encourage private industry to go out and build these plants and at the same time impose an excess tax on private industry to the point where private industry will not gather in excess profits in connection with war materials. At the same time permit private industry

to amortize the cost of these plants in arriving at the taxable income. In that way, as we demonstrated through private industry in 1917 to 1919, there would be no necessity for the Government going into competition with private industry.

Mr. MAY. Will the gentleman yield?

Mr. CRAWFORD. I yield to the gentleman from Kentucky.

Mr. MAY. I hardly think it is fair to levy a tax on industry to take their excess profits and at the same time set up some institution to compete directly with the same industry, or with any industry, for that matter. As I understand the amendment offered by the gentleman from Connecticut, it would authorize the Government to go into business in competition with private industry. If it would prevent that, I would vote for it.

Mr. CRAWFORD. As has been pointed out, this bill now before us does authorize the R. F. C. to create corporations to go into all types of competition with private industry, in the manufacture of saddles, blankets, wearing material, clothing, shoes, boots, harness, guns, ammunition, tractors, tanks, airplanes, and everything else which can be construed as carrying on the national-defense program; and, if I may say so, that means flour, it means sugar, it means canned goods, it means everything under the sun for carrying on the defense of our country. If you want to verify that, just go to the rules and regulations of the Bureau of Internal Revenue, the decisions of the Tax Appeals Board, the decisions of the courts which covered that interesting period from April 6, 1917, to along in 1925. We must bear in mind that the language "national-defense program" carries a far-reaching meaning. The language is very broad. It is not restricted to arms, ammunitions, and implements of war. What is more essential than all kinds of food, clothing, and so forth?

Mr. MAY. Mr. Chairman, will the gentleman yield?

Mr. CRAWFORD. I yield to the gentleman from Kentucky.

Mr. MAY. Why could not the matter be settled by a plain restrictive amendment which would provide that in no case should the Government be in competition with private industry except in the cases the gentleman mentions in his amendment, the manufacture of large things like 16-inch guns and similar items?

Mr. CRAWFORD. I believe that is the way the bill should be amended.

Mr. MILLER. Mr. Chairman, will the gentleman yield?

Mr. CRAWFORD. I yield to the gentleman from Connecticut.

Mr. MILLER. The amendment I have offered, in my humble opinion, does just that. It prevents them from going into competition except on these war materials the gentleman has referred to, 16-inch guns and powder.

Mr. CRAWFORD. I understood the gentleman to say that all of this is in the discretion of the President.

Mr. MILLER. No. It is in the discretion of the President to the extent that you accept his definition as stated in the neutrality proclamation. The original text read "equipment and supplies," and the phrase "arms, ammunition, and implements of war" was substituted for that, so that you would not get into any competition. The only purpose of the amendment and the only reason it was adopted in the other body was to prevent competition. We do not want to interfere with the Government's putting up a factory if private industry cannot take care of that material, and private industry cannot maintain stand-by plants for certain war materials.

Mr. CRAWFORD. If private industry is permitted to amortize the cost of these plants which produce the ordinary things of commerce from taxable income, private industry will build the plants, as is proven by the history of 1917 to 1919.

Mr. MILLER. It will be expensive, though.

[Here the gavel fell.]

Mr. RICH. Mr. Chairman, I move to strike out the last word, and I do this in order to continue this debate a little longer.

An investigation was made by the Shannon committee in 1932, headed by the gentleman from Missouri [Mr. SHANNON], and we found at that time that the Government was in the manufacturing business to the extent that it was very competitive with private enterprise. A report was made to Congress, but Congress took no action on the report that was filed by the gentleman from Missouri [Mr. SHANNON]. It seems to me that any legislation that is enacted at this time whereby we interfere with the initiative of the citizens of America, whether they be individuals or whether they be corporations, is taking away from them rights and privileges which the Constitution of the United States gives them, to be held by them as long as they obey the laws of our land. If we take away from American citizens the opportunity to go ahead, we take away from hundreds of thousands of businessmen in this country, who are repsonsible for the great amount of labor that has been employed in America during the past 150 years, rights given them by the Constitution.

Mr. FITZPATRICK. Mr. Chairman, will the gentleman yield?

Mr. RICH. I yield to the gentleman from New York.

Mr. FITZPATRICK. In 1918, when the Government was not in competition with private industry and we spent $19,000,000,000 over the Budget, private industry charged the Government from 400 to 600 percent over the cost of production. This fact was developed in a hearing before the Committee on Military Affairs. I can name the article. For instance, for 2-piece underwear that cost 75 cents to produce, the Government was compelled to pay $4, which is 600 percent over the cost of production.

Mr. RICH. Was the gentleman in Congress at that time?

Mr. FITZPATRICK. I was not, but in 1932 a subcommittee of the Committee on Military Affairs made an investigation, and that is what developed.

Mr. RICH. May I say to the gentleman that if Congress permits any manufacturer to make a profit like that, that profit ought to be taken away from him, and it is easily done; but why penalize good, honest, conscientious American citizens who want to operate a legitimate business, and put the Government into business? That is only common sense.

Mr. FITZPATRICK. Will the gentleman yield for one more question?

Mr. RICH. No; I do not yield.

When you take away——

Mr. FITZPATRICK. We did not take away, but we did turn millions in income-tax refunds back to them several years later.

Mr. RICH. Mr. Chairman, if the amendment offered by the gentleman from Connecticut will permit the Government to continue in business in competition with the private citizens of this country, then I believe we ought to amend it so that it will eliminate such Government competition. This would keep the Government out of that kind of competition. If any business enterprise does make fabulous profits, as the gentleman from New York said they did, we ought not to permit it. We ought to be sound enough here to stop profiteering during wartime.

Mr. O'CONNOR. Mr. Chairman, will the gentleman yield?

Mr. RICH. I yield to the gentleman from Montana.

Mr. O'CONNOR. I just want to ask a question. I am going to address my question to the chairman of the committee. I simply want to find out——

Mr. RICH. Mr. Chairman, I do not yield any further. If the gentleman from Montana wants to get time, let him get his own 5 minutes.

Mr. Chairman, the gentleman's amendment should be so worded that it will limit the very wide powers of the President of the United States.

Mr. MILLER. They are limited.

Mr. RICH. So that he will not be permitted to set up all kinds of business enterprises that will compete with the American farmer and the American businessman.

[Here the gavel fell.]

Miss SUMNER of Illinois. Mr. Chairman——

The CHAIRMAN. For what purpose does the gentlewoman from Illinois rise?

Miss SUMNER of Illinois. Mr. Chairman, I ask unanimous consent that the amendment be read again, so we may understand its provisions.

The CHAIRMAN. Without objection, the Clerk will again report the pending amendment.

The Clerk again read the Miller amendment.

CHICAGO MANUFACTURING AREA, SAFEST FROM ATTACK, HAS EVERY NATURAL ADVANTAGE FOR PRODUCTION OF NATION'S PREPAREDNESS SUPPLIES

Mr. SABATH. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, I am, indeed, surprised that the gentlemen on the left should offer such an amendment advocating that the Government go into business in competition with our private industries. As a rule we on this side are charged with favoring such a program as the gentleman proposes. Today we see this amendment is proposed by those who unfairly charge us with favoring such a program because they are proposing that very plan.

As one who had experience during 1917 and 1918 I subscribe to and endorse the provision in the bill, and I hope the bill will pass in that form and that the amendment now proposed will be defeated.

MISTAKE MADE DURING WORLD WAR SHOULD SERVE AS A LESSON NOW

During the war a grave mistake was made, which later had to be corrected by President Wilson, when the record showed that New England and the western coast had taken on twice as much, and in some instances three times more, governmental work than they could possibly produce. This retarded and delayed the Army and Navy from obtaining much-needed equipment and supplies. The manufacturers in these sections obtained skilled mechanics and laborers from Chicago and the Middle West territory, separating the workmen from their families, and upon their arrival in the East and on the west coast they were unable to afford them decent or proper housing facilities.

This situation was brought to my attention, and when I called it to the notice of President Wilson, together with the fact that many manufacturers and businessmen in the Middle West were in position to expedite production of needed materials and supplies, the President, recognizing the unfair conditions, ordered a readjustment and reallocation for the production of war supplies to other sections of the country, including the Middle West.

When the reallocation had been effected it was found that the manufacturers who were willing to go into production were handicapped by reason of the fact that a shortage of raw materials and machinery had occurred in their territory as well as of mechanical and skilled labor by reason of their diversion to manufacturers on the east and west coasts. The War Finance Board was created to assist in financing the available plants, and within a short period of time they were able to greatly supplement the needs of the Government. To prevent another such grave occurrence at this time, I respectfully call your attention to the availability of many plants advantageously situated in the Chicago area.

The Chicago Association of Commerce, the Illinois Manufacturers Association, and the Illinois Chamber of Commerce have offered their services to the Government in this connection, and I desire to submit that the Chicago area is centrally and advantageously located to all parts of the country; it has the advantages of not only rail but water transportation; it has labor and is close to all sources of raw materials. A further advantage is that it is far removed from the coasts, and, in view of the fact that war experts feel our country should be protected from any eventuality by establishing plants removed from our vulnerable coasts, I respectfully submit these facts for the information of the various departments and to manufacturers as to the advantages of the Chicago manufacturing area.

CHICAGO AREA BEST POTENTIAL SITE IN UNITED STATES FOR AIRCRAFT ENGINE LABORATORY

A survey giving effect to strategical and technical forces, and using the concepts of vector analysis, points to the Chicago area for the location of an aviation-engine research laboratory because Chicago offers more natural advantages than any other American city.

Chicago, one of the world's four greatest cities, is a center upon which converge forces of military strategy, access and transportation, industry and commerce, and culture and research.

Chicago has attained greatness because it is at the Nation's industrial and transportational center, because it is near the Nation's center of population, and because it is midway between the geographical center and the financial and governmental centers of the United States.

Chicago is inland, separated from seacoasts by continental mountain ranges, placed conveniently between southern oil fields and northern iron mines, and situated in the heart of the Nation's farm lands, approximately 1,100 miles from the nearest point on the Mexican border.

The thrust of technical considerations and the attraction of strategical centers resolve into one great force indicating Chicago. As a corollary, it is obvious that few other locations surpass the Chicago area in as many as one or two factors and that no other location has such a complete complement of advantages.

CENTRAL LOCATION

Chicago is the economic center of gravity of the United States. Inland, between continental mountain ranges, Chicago is adequately protected against attack from the Nation's seacoasts.

The Nation's transportation and industry—the two most heavily weighted factors in economic and technical considerations—are centered in the Chicago area. The concentration of transportation facilities and industrial plant equipment in the Chicago area means that nearly every technical need can be satisfied within 1 working day.

Other important, though less heavily weighted, factors array themselves on all sides of the Chicago area:

To the east: Government, industrial States, finance, airplane engines.

To the west: Aircraft, agriculture, center of area, raw materials.

To the north: Iron ore, copper, timber.

To the south: Population center, cotton, petroleum.

All directions: Coal.

TRANSPORTATION

Chicago is readily reached from Washington and Dayton and from east coast engine plants and west coast plane plants, because the Nation's air lines, highways, railroads, and even whaterways meet in one great central terminal—Chicago.

Throughout its history Chicago, at the lower tip of Lake Michigan, has been a natural intersection of travel routes. The watershed divide between the Mississippi and St. Lawrence River systems is in the Chicago area. This divide is at the same time the lowest and most convenient crossing for land routes. Prairies surrounding this low divide are excellent terrain over which to fly.

Therefore continental airway, highway, and railway routes have converged upon Chicago as a terminal, with the result that land, air and water transportation facilities capable of handling the commerce of a nation have developed at Chicago.

LABORATORY SITE—OUTRIGHT GRANT

The Chicago Association of Commerce has surveyed possible sites for aviation-engine laboratory use, has arranged for the grant of necessary land to the United States Government, and has checked each proposed location for airport accessibility, railroad connections, power sources, highway connections, nearby residential sections, commutation service, and all other features necessary to convenient and efficient operation of a scientific laboratory.

CHICAGO AIRPORTS

The terrain around Chicago is suited to aviation—level plains, free from obstructions, extend in three directions, and Lake Michigan extends 400 miles in the fourth direction.

TOPOGRAPHY

Chicago area elevation ranges between 590 and 652 feet above sea level and about 19 feet above Lake Michigan.

The area is essentially level or rolling prairie, free from mountainous obstructions. City areas, of course, are obstructed by buildings, but Chicago, the only large city in the area, is long and narrow, with Lake Michigan on the east and flat prairie on the west of the narrow sides.

The mass of the area outside of the city and industrial sections is in cleared farm land, and only one or two river valleys have extended timbered areas, and in even this case the timbered areas are narrow.

MILITARY STATUS

War Department:
- Commanding general, Second Army.
- Headquarters, Sixth Corps Area:
  - Quartermaster Depot.
  - Quartermaster subsistence school.
  - U. S. Army General Dispensary.
  - U. S. Army Finance Office.
  - Detachment of enlisted men.
  - Detachment of Air Corps.
- Fort Sheridan:
  - Headquarters and headquarters company.
  - Twelfth Infantry Brigade.
  - Headquarters and headquarters battery.
  - First Battalion, Second Infantry.
  - First Squadron, Fourteenth Cavalry.
  - Second Battalion, Third Field Artillery.
  - Band.
  - Sixty-first Coast Artillery (AA).
  - School for bakers and cooks.
  - Detachments Quartermaster Corps.
  - Fire department.
  - Ordnance department.
  - Medical detachment.
  - Signal Corps.
- Organized Reserves.
- Chemical Warfare Procurement Division.
- Ordnance Department.
- U. S. Engineer Office.
- Air Corps Procurement Office.
- Inland Waterways Corporation.
- U. S. Army Air Corps Technical School: Chanute Field, Rantoul, Ill.
- Civil Aeronautics Authority.

Navy Department:
- Headquarters—Ninth Naval District.
- United States Naval Training Station.
- United States Naval Hospital.
- United States Naval Reserve Aviation Base.
- Hydrographic Office.
- Inspector of naval material.
- Bureau of Navigation.
- United States Naval Reserve.
- Naval Reserve officers' training.
- United States Marine Corps—Central Reserve Area.

Treasury Department: United States Coast Guard.

Illinois National Guard:
- Thirty-third Division.
- Sixty-sixth Infantry Brigade.
- One Hundred and Thirty-first Infantry.
- One Hundred and Thirty-second Infantry.
- Fifty-eighth Field Artillery.
- One Hundred and Twenty-second Field Artillery.
- One Hundred and Twenty-fourth Field Artillery.
- One Hundred and Eighth Engineers.
- Thirty-third Division Aviation.
- Special troops.
- One Hundred and Eighth Medical Regiment.
- Two Hundred and Second Coast Artillery.
- Fifty-third Cavalry Brigade.
- Eighth Infantry.

CLIMATE, CEILING, AND VISIBILITY

Chicago's fortunate location at the southwest corner of Lake Michigan makes its climate an important aid to production. Lake Michigan's cool expanse of water in the summer protects the city from long periods of high temperatures. Likewise, the relatively higher temperature of the lake water in winter moderates and prevents cold waves.

Chicago's average annual mean temperature over a period of 66 years is 49.3 degrees. This line of approximately 50 degrees average annual temperature, is the line along which the leading markets of the world are located. It determines the zone where the death rate is lowest, where pestilence is less frequent, and where the soil gives the greatest variety of products.

The average annual precipitation is 32.95 inches. The average relative daily humidity is 70 percent. The elevation of Chicago above sea level ranges between 590 and 652 feet, and above Lake Michigan, 19 feet.

The Weather Bureau reports that 94 percent of the year—that is, 343 days out of 365 days—the conditions of 700-foot ceiling and three-fourths-mile visibility obtain. Surveys show this data to compare favorably with other cities.

UTILITIES

Chicago, as every great city must, has provided itself with all types and varieties of utility service. The very magnitude of the Chicago industrial area is evidence that utility services are available to satisfy every requirement.

ELECTRICITY

Adequate and economical electric service is furnished in Chicago and surrounding area by an interconnected supply system the total capacity of which is in excess of 2,000,000 kilowatts. Diversified industrial and commercial progress has been stimulated by an abundant supply of low-cost electricity.

Ten thousand kilowatt load—Per kilowatt-hour

90 percent on peak, 50 percent load factor, net rate	$0.74
90 percent on peak, 75 percent load factor, net rate	.62
Operating off peak, 50 percent load factor, net rate	.63
Operating off peak, 75 percent load factor, net rate	.55

Fifteen thousand kilowatt load—Per kilowatt-hour

90 percent on peak, 50 percent load factor, net rate	.73
90 percent on peak, 75 percent load factor, net rate	.60
Operating off peak, 50 percent load factor, net rate	.62
Operating off peak, 75 percent load factor, net rate	.54

Service is available in 60-cycle, single or three phase, 120- to 12,000-volt classifications.

GAS

An adequate supply of refined and controllable gas is furnished in Chicago and surrounding area. Natural gas of 1,000 B. t. u. and mixed gas of 800 B. t. u. are available. Gas in the Chicago area is sold by therms equal to 100,000 B. t. u. Rates run as low as 2 cents per therm for the larger loads.

Nearly 200,000,000 cubic feet of natural gas from the Texas Panhandle reaches Chicago area each day through a 24-inch, 1,000-mile natural-gas main. The gas company supplies more than 840,000 customers with more than 67,000,000,000 cubic feet of gas each year.

WATER

Chicago has an unfailing, abundant, easily obtained supply of water in Lake Michigan.

The rate for water to industrial users, when taken through a meter, is 6.8 cents per thousand gallons. This is the lowest rate charged for water by any city in the world.

Chicago's water-supply system annually provides more than 375,000,000,000 gallons of water for the city of Chicago and for 53 communities in the Chicago area. Water flows by gravity from a system of 6 cribs, through a system of 58 miles of water tunnels. It is then pumped into 3,785 miles of water mains to the entire community.

Pressure normally ranges between 25 to 65 pounds per square inch. At no time in recent years has any section of the city been left without water.

The water is comparatively soft, running 7.6 grains of hardness per gallon.

Chemical analysis

[Parts per million]

Silica	3.7
Alumina and iron oxides	1.4
Ferric iron	0.16
Calcium	32.4
Magnesium	10.9
Sodium	3.2
Potassium	1.0
Sulfates	14.8
Chlorides	4.7
Carbonates	68.5

All water is sterilized with liquid chlorine to the extent necessary to make it safe for drinking.

OIL

There are nine oil refineries in the Chicago area capable of running more than 260,000 barrels of crude oil and cracking 190,000 barrels per day. Under normal conditions all types of fuels are readily available.

Illinois is the third petroleum-producing State in the United States. More than 425,000 gallons of petroleum—more than one-tenth of the total national output—are produced in Illinois each week.

COAL

Third among all coal-producing States in the Nation, Illinois has vast supplies of coal which are quickly transportable by rail to Chicago at moderate costs. More than half of Illinois' 102 counties are actively producing coal. Augmenting this supply is the output of mines in Indiana, Ohio, Kentucky, Michigan, and Iowa.

Coal is one of the raw materials which has enabled Chicago to grow great.

TELEPHONES

Close to 4,000,000 local messages are sent over Chicago's telephone system each day. Chicago's 3,800,000 population uses more than a million telephones.

Direct long-distance wires and teletype service to Washington, Dayton, Hartford, Paterson, and Indianapolis—and every other important city in the United States—enable executives located in Chicago to hold conferences with men throughout the Nation.

INDUSTRY—LABOR

Chicago is the Nation's greatest center of basic industries. A population of more than 5,000,000 persons in the Chicago area provides the Nation's largest reservoir of industrial workers.

The wide variety of large-scale, basic industries in the Chicago area carries on balanced industrial activity and provides an economic stability enjoyed by few, if any, other American cities. No industry dominates the activity of the area; no industry controls the welfare of the community.

Industrial activity is concentrated about twice as heavily in the Chicago area as in the United States as a whole.

Annual value of products manufactured in Chicago is greater than $4,711,000,000. An average of more than 500,000 industrial workers is constantly employed.

Steel works and rolling mills employ more than 66,000 workers, and machinery manufacturers employ more than 80,000 workers.

Chicago manufacturing has enabled workers to acquire skills and experience in the same operations and processes used in the manufacture of aircraft and airplane engines.

Manufacturers may locate in the Chicago Industrial Area with the assurance that their labor requirements will be filled by competent, cooperative workers.

Chicago strike time loss is far below that in other cities much smaller, and below the national average.

MECHANICAL INDUSTRIES IN CHICAGO INDUSTRIAL AREA

Tool and machinery manufacturing in the Chicago industrial area produces equipment used in the production of airplanes and airplane engines.

In the Chicago area are produced light, fast transportation equipment made of aluminum and steel alloys in streamlined shapes, internal-combustion engines made to low-tolerance specifications required by sustained operation.

The mechanical industries already in Chicago are many times as great as those in most other industrial centers. Every need of the aircraft industry can be readily met in the Chicago industrial area. The following from the United States Census of Manufactures will attest to this statement:

	Number of concerns	Value of products, 1937
Machine tools	20	$12,000,000
Machine tool accessories and machinists' precision tools	77	11,000,000
Machine-shop products	192	79,000,000
Machinery—general	195	105,000,000
Electrical machinery, apparatus, and supplies	184	211,000,000
Pumps and compressors	21	22,000,000
Radios and related equipment	36	69,000,000
Refrigerators and ice machinery	28	14,000,000
Scales and balances	9	1,300,000
Printers' machinery	44	17,000,000
Cash registers and business machines	14	15,000,000
Cars, electric and steam railroad	24	90,000,000

NATION'S LARGEST STEEL MILLS ARE IN CHICAGO AREA

The Chicago area has 9 steel ingot mills with a total capacity of nearly 14,000,000 tons. The Pittsburgh area has 24 mills with total capacity of 15,000,000 tons.

The Nation's largest steel mill, located at Gary, in the Chicago area, has a capacity of slightly more than 5,000,000 gross tons of steel ingots. This is equal to the sum of the capacities of Pittsburgh's 2 largest mills. Furthermore, Chicago's first 3 steel mills' total capacity equals the total of Pittsburgh's first 7 mills.

During the last decade Chicago's position as a steel center has improved with respect to Pittsburgh's. In 1929 the dollar value of Chicago's steel works' and rolling mills' output was about 70 percent of Pittsburgh's. In 1937, according to the United States Census of Manufacturers, the percentage had increased to 79 percent.

Chicago's steel-ingot plants are located in South Chicago, East Chicago, Indiana Harbor, Gary, and Chicago Heights. The ingots are used for semifinished blooms, billets, slabs, sheets, strips, steel for forgings, heavy structural shapes, and railway rails.

Experienced workers in the Chicago industrial area—Wage earners

Iron and steel industries:	
Steel works and rolling mills	66,147
Industrial and domestic furnaces	10,750
Tinware	6,745
Foundries	6,405
Stamped and pressed metal	3,916
Blast furnaces	3,641
Forgings not in steel mills	3,422
Structural metal products	3,096
Screw-machine products	2,953
Wire work	2,938
Hardware	2,407
Bolts and nuts	2,015
Wire, from purchased rods	1,800
Tools, other than edge and machine	1,675
Boiler-shop products	1,549
Plumbers' supplies	1,015
Wrought pipe	749
Total steel fabrication	121,223
Nonferrous metals and industries:	
Lighting equipment	3,721
Nonferrous metal allows	4,997
Sheet-metal work	1,863
Copper refining (lead, zinc)	1,447
Machinery industries:	
Electrical machinery	32,286
General machinery	15,177
Machine shops	9,586
Radios, tubes, etc	8,843
Pumps and compressors	3,653
Printers' machinery	2,684
Machine tools, accessories, and precision tools	2,493
Refrigerators and ice machinery	2,084
Machine tools	1,767

Experienced workers in the Chicago industrial area—Wage earners—Continued

Machinery industries—Continued.	
Scales and balances	367
Cash registers	1,718
Car builders	10,412
Total, machinery	80,658
All industries in Chicago	538,775

SKILLED LABOR AVAILABLE FOR AIRPLANE PRODUCTION

Chicago is a source of skilled and experienced labor in all of the lines necessary to the production of aviation engines and airplanes.

Chicago industrial workers operate nearly 10 percent of the Nation's lathes, hydraulic presses, and drop hammers.

More than 20,000 men are engaged in welding operations, and 25,000 industrial workers operate pneumatic tools.

RESEARCH

Research is conducted in Chicago by industrial concerns, by universities, and by libraries and museums.

A. One hundred and twenty-eight manufacturers maintain research and engineering laboratories in Chicago.

B. Twenty universities and colleges conduct research in the Chicago area.

C. Library and scientific museum facilities in Chicago are famous throughout the Nation.

D. Chicago is the home and meeting place of numerous scientific and engineering societies.

Therefore Chicago offers unusual opportunities for bringing together and developing a staff of research workers.

BILL WILL AID SMALL MANUFACTURER AND AFFORD A SQUARE DEAL TO THE MIDDLE WEST

The purpose of this measure is to help the small manufacturer and to give the Middle West and other sections of the country where the very large plants are not located, a chance to be of service to the Government and at the same time bring about reemployment of people in those sections who are ready to cooperate with the Government in every possible way and aid our national defense.

I feel that the amendment should be defeated and the provision as written in the bill should be accepted because I consider it for the best interest of the entire country.

Mr. O'CONNOR. Mr. Chairman, will the gentleman yield?

Mr. SABATH. I yield.

Mr. O'CONNOR. The question I would like to have answered is whether or not the provisions of section 5 of the present bill are sufficiently broad to permit the lending of money to permit corporations to go into the development of strategic minerals. If the gentleman cannot answer that question, I will address it to the chairman of the committee.

Mr. SABATH. I think section 5 does that very thing and will permit the lending of money for development, construction, and aid in acquiring the things which the gentleman has enumerated.

Mr. O'CONNOR. Now, may I ask the chairman of the committee whether he confirms the opinion of the gentleman who is now speaking?

Mr. STEAGALL. I cannot answer that, but if the gentleman will ask me a question about the bill, I can better answer him.

Mr. O'CONNOR. I am trying to find out if section 5 is sufficiently broad to include the lending of money by the United States Government to provide assistance to individuals engaged in the production or development of strategic minerals.

Mr. STEAGALL. Certainly; that is the purpose of it.

Mr. SABATH. Now, in conclusion, let me state that the city that I have the honor in part to represent is splendidly equipped to be of service to the Government and the Chicago Commerce Association has volunteered to do all in its power to help and assist in this matter. [Applause.]

[Here the gavel fell.]

Mr. WADSWORTH. Mr. Chairman, I move to strike out the last two words.

I would not seek to impose myself upon the Committee at this late hour were I not convinced that this is an exceedingly important question and should not be passed upon in haste. I know it is exceedingly difficult to legislate on the floor of the House because misunderstandings arise as to the meaning of language and the questions already asked here indicate very clearly that a great many of us need light on the matter. I do not pretend to be able to throw light on all of it, but nevertheless I rise in support of the amendment offered by the gentleman from Connecticut [Mr. MILLER]. The gentleman from Illinois [Mr. SABATH] stressed the desirability of having the Government extend proper financial aid to small business and private corporations which, with such aid, may come to the help of the Government at a time of emergency.

The Miller amendment does that very thing. In the first paragraph it authorizes the Reconstruction Finance Corporation to make such loans not only for the acquiring of critical materials but also loans for plant construction, expansion and equipment, and working capital, provided of course that those loans are to be used in the manufacture of equipment and supplies necessary to the national defense. So the Miller amendment takes care of the very thing that the gentleman from Illinois [Mr. SABATH] was contending for.

The second paragraph of the Miller amendment is completely different, and it is limited in its application. It authorizes the Reconstruction Finance Corporation to create separate corporations with power to do certain things. One of them is to acquire and carry strategic materials.

Such a function would not run into competition with private industry, the acquiring and carrying of a stock pile of tin, tungsten, or anything of that sort. Private capital would never think of doing such a thing.

The next thing it does is to authorize such corporation in effect to go into the business, if you please, of manufacturing arms, ammunition, and implements of war. They have all been defined under the terms of the Neutrality Act, through proclamation I think under the State Department. "Arms, ammunition, and implements of war" are thoroughly understood.

I have been all of my life a defender of private enterprise, so much so that I have been charged with being a reactionary on a great many occasions, and probably will be in the future, but I do not carry that conviction to the extent of contending that it is improper for the Government of the United States to manufacture its own weapons. We maintain an arsenal at Springfield, Mass., a Government arsenal, where the Garand rifle is being made. I would not contend, and I think no one in the House would contend, that the arsenal is in competition with private industry. We have an arsenal at Watervleet, where certain types of guns and gun carriages are made. There is a gun factory here in Washington under the auspices of the Navy Department. I think none of us would contend those institutions are in competition with private capital, but even if they were, I go to the extent of saying that this is a legitimate activity of Government in its own interest.

The manufacture of weapons for the Army and Navy is, to my mind, in an entirely different category than is the manufacturer of shoes, shirts, tents, or even trucks. Those are things which are produced in civil life normally, and the Government should not put up a clothing factory; but if the Garand rifle cannot be made in sufficient quantities, with sufficient speed at Springfield, the Miller amendment will permit the Government to build another plant. Also, there is a new gun coming out, the 105-millimeter fieldpiece. We have scarcely any of them and no manufacturer in this country has ever made them. It would not compete with private manufacture if the Government financed a plant in which to make its own 105-millimeter fieldpiece. The amendment by the gentleman from Connecticut [Mr. MILLER] confines the activity of the Government to the manufacture of weapons. It does not permit the Government to go into the manufacture of things which private industry ordinarily in

time of peace or war can make probably more efficiently than the Government itself.

Mr. MAY. Mr. Chairman, will the gentleman yield?

Mr. WADSWORTH. Yes.

Mr. MAY. Will the gentleman point out the particular provision of the Miller amendment that so distinguishes it?

Mr. WADSWORTH. Yes.

The Corporation is authorized to purchase land, to purchase buildings, and expand plants, and to purchase equipment and machinery for the manufacture of arms, ammunition, and implements of war as defined by the President under the Neutrality Act.

That is all it can do. Then in the concluding subsection it provides that if the President finds it necessary, a Government agency may engage in such manufacture.

Mr. MAY. These same things.

Mr. WADSWORTH. These same things, to engage in their manufacture.

Mr. CRAWFORD. Mr. Chairman, the gentleman has certainly expressed my sentiments with reference to this proposition and I would be glad to go along with them.

Mr. WADSWORTH. This limits competition on the part of the Government. [Applause.]

The CHAIRMAN. The time of the gentleman from New York has expired.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Connecticut [Mr. MILLER].

The question was taken; and on a division (demanded by Mr. MILLER) there were ayes 83 and noes 47.

So the amendment was agreed to.

Mr. MILLER. Mr. Chairman, I offer a further amendment.

The Clerk read as follows:

Amendment offered by Mr. MILLER: Page 5, line 21, after the words "United States", insert "*Provided*, That no such payment shall be made more than 120 days in advance of delivery."

Mr. MILLER. Mr. Chairman, the amendment is offered simply to relieve the minds of some who feel that the last paragraph of section 5 makes it possible to circumvent the Johnson Act. It simply says that where we are buying rubber, tin, and other things of that kind and where this section allows the Government to pay for that material in advance, that it shall not be paid for more than 120 days in advance. Under the wording of section 5, the last paragraph, it would be possible for corporations set up under this act to advance money on purchases of strategic war material for 4 or 5 years before we made collection from them on the strategic war material.

I think the amendment is clear. It simply makes sure that the limitations of existing law shall be adhered to; that there is no desire to circumvent that act or any other act that limits the credit of certain countries in default, and if it does that the amendment can do no harm.

Mr. CRAWFORD. Mr. Chairman, will the gentleman yield?

Mr. MILLER. I yield.

Mr. CRAWFORD. In other words, this ties into this question of barter and trade generally? As an illustration, take the cotton-rubber barter deal which we made last June, I think it was. Only 30 percent of the supplies have been delivered. If the language is permitted to remain in the bill as presented to the House today, as the gentleman from Connecticut [Mr. MILLER] has pointed out, the Federal Government could make advance payment, we will say, of $100,000,000 to the East Indies Co. or a European company, and 1, 5, or 10 years could pass before the delivery of the goods had to be made. It amounts to an extension of credit of the amount advanced in the form of advance payments. Personally I think the gentleman's amendment is very constructive and should be adopted.

Mr. MILLER. The gentleman is absolutely correct. I realize there are Members of the House who feel that the restrictions contained in the Johnson Act should be repealed. If that is the feeling of Congress, I would prefer to see Congress do the courageous thing and pass on the question of whether or not we should repeal the Johnson Act, and not accomplish it by a subterfuge.

Mr. MAY. Mr. Chairman, will the gentleman yield?

Mr. MILLER. I yield.

Mr. MAY. I understood the gentleman to make some remark with respect to the Johnson Act. As I understand it, this avoids that act?

Mr. MILLER. No, no. The section as we have it before us allows the Corporation to pay for this material in advance. As the gentleman from Michigan said, we can pay $100,000,000 today for rubber to be delivered at some later date—say, 5 years from now.

Mr. MAY. But under this amendment you cannot deal with any government that owes us money?

Mr. MILLER. Oh, no.

Mr. MAY. I want to repeal the Johnson Act.

Mr. CRAWFORD. Will the gentleman yield?

Mr. MILLER. Yes.

Mr. CRAWFORD. Under your amendment we can deal with any government?

Mr. MILLER. Oh, surely.

Mr. CRAWFORD. The point is the material must be delivered within 120 days after the advance payment is made by the Federal Government.

Mr. MILLER. To put it another way, it must not be paid more than 120 days in advance.

Mr. McGRANERY. Mr. Chairman, will the gentleman yield?

Mr. MILLER. I yield.

Mr. McGRANERY. What is the situation with respect to land for the construction of a building, for instance?

Mr. MILLER. This has nothing to do with that. It does not apply to this last section:

Any corporation created or organized by the Corporation under the preceding paragraph is also authorized, with the approval of the President, to make payments against the purchase price to be paid for strategic and critical materials in advance of the delivery of such materials.

That is all my amendment applies to.

Mr. McGRANERY. It has nothing to do with land.

Mr. MILLER. Nothing at all.

Mr. MURDOCK of Arizona. Will the gentleman yield?

Mr. MILLER. I yield.

Mr. MURDOCK of Arizona. Let me explain that in case the gentleman's other amendment, the first one offered and just adopted by the committee, should be voted on and voted down by the House; I want to make this point clear, that the gentleman's amendment coincides in part, but only in part, with the one I had in mind. However, it goes beyond the amendment I had in mind. So anxious am I to get even a part of this into the law, I was glad to support the whole amendment and thank the gentleman for offering it.

Mr. MILLER. I did not hear the gentleman's amendment.

[Here the gavel fell.]

The CHAIRMAN. The question is on the amendment offered by the gentleman from Connecticut [Mr. MILLER].

The question was taken; and on a division (demanded by Mr. CRAWFORD) there were ayes 76 and noes 87.

So the amendment was rejected.

Mr. SMITH of Ohio. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. SMITH of Ohio: Page 5, line 12, after the word "determine", insert a comma and the following: "but no loans shall be made under this section for the development of silver or gold deposits."

Mr. SMITH of Ohio. Mr. Chairman, not much explanation is needed to understand this amendment.

The reason for offering this amendment is to prevent further raids on our Treasury by the silver interests in the country, inasmuch as there has been introduced in the Senate a silver and gold bill, S. 4008, which provides that the Reconstruction Finance Corporation be permitted to make loans upon sufficient security to recognized and established

corporations and partnerships engaged in the business of mining, milling, or smelting ores, the Reconstruction Finance Corporation is permitted also to make loans to corporations, individuals, and partnerships engaged in the development of quartz ledge or other ore body or placer deposit containing gold, silver, and tin, or gold, and silver.

The bill before us contains no definition of strategic and critical materials. It has been argued that this does not include silver and gold. If it does not include silver and gold there should be no objection to my amendment. The fact that this bill mentioned has been introduced we should be convinced that an interpretation might be placed on "strategic and critical" materials so that money could be lent by the Reconstruction Finance Corporation and these other lending agencies for the purpose of developing silver and gold deposits.

Mr. MURDOCK of Arizona. Mr. Chairman, will the gentleman yield?

Mr. SMITH of Ohio. I know the gentleman is interested in silver. I shall be very glad to yield to him in just a moment.

The silver interests in this country have already sold us 325,700,000 ounces of silver at a cost of $241,000,000. With silver selling at 35 cents an ounce—and it is not worth any more than that and likely would be down to 10 or 15 cents but for the arbitrary price the Treasury now fixes—at 35 cents an ounce the silver interests in this country have already received a bonus of $123,505,000. I think we should do everything at the present time to guard the Federal Treasury. For that reason I offer this amendment.

Mr. Chairman, I now yield to the gentleman from Arizona [Mr. MURDOCK].

Mr. MURDOCK of Arizona. Are we not in agreement on the definition of this term by the War Department: Strategic, critical, and essential materials? We are agreed on that, are we not?

Mr. SMITH of Ohio. I do not know what the War Department's definition is, but I believe the gentleman indicated that it does not include silver.

Mr. MURDOCK of Arizona. That is my understanding.

Mr. SMITH of Ohio. Then we will make sure of it, because we are doing the defining, not the War Department.

Mr. MURDOCK of Arizona. But the gentleman is discussing a bill which is not before the House, a bill that was introduced in another body which has not reached the House.

Mr. SMITH of Ohio. I merely mention that bill to indicate what interpretation may be placed on these words, what definition may be given to "strategic and critical materials." That is the whole point.

Mr. MAY. Mr. Chairman, will the gentleman yield?

Mr. SMITH of Ohio. I yield.

Mr. MAY. The gentleman will find in the hearings of the House Military Affairs Committee a list of what is denominated by the War Department as strategic raw materials. They are about 37 in number, if I remember correctly.

[Here the gavel fell.]

The CHAIRMAN. The question is on the amendment offered by the gentleman from Ohio.

The question was taken; and on a division (demanded by Mr. SMITH of Ohio) there were—ayes 33, noes 87.

So the amendment was rejected.

Mr. WILLIAMS of Missouri. Mr. Chairman, I believe at this point I should make a brief explanation of my amendment. The amendment which I have offered extends the time within which the R. F. C. can function from 1941 to 1947. It also extends the life of the Corporation from 1941 to 1947. That is what the amendment is. It is desired by the Corporation. I think under the circumstances there could be no objection to it. It simply extends the time during which the Corporation can function.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Missouri.

The amendment was agreed to.

The CHAIRMAN. There being no further amendments, under the rule the Committee rises.

Accordingly the Committee rose; and the Speaker having resumed the Chair, Mr. COOPER, Chairman of the Committee of the Whole House on the state of the Union, reported that that Committee, having had under consideration the bill (H. R. 9958) to authorize the purchase by the Reconstruction Finance Corporation of stock of Federal home-loan banks; to amend the Reconstruction Finance Corporation Act, as amended, and for other purposes, pursuant to House Resolution 517, he reported the same back to the House with sundry amendments adopted in the Committee of the Whole.

The SPEAKER. Under the rule, the previous question is ordered on the bill and amendments to final passage.

Is a separate vote demanded on any amendment?

Mr. WILLIAMS of Missouri. Mr. Speaker, I demand a separate vote on the Miller amendment.

The SPEAKER. Is a separate vote demanded on any other amendment? If not, the Chair will put them in gross.

The amendments were agreed to.

The SPEAKER. The Clerk will report the so-called Miller amendment.

The Clerk read as follows:

Amendment offered by Mr. MILLER: Page 4, lines 24 and 25, and page 5, lines 1 to 12, inclusive, strike out the entire language and insert the following:

"In order to aid the Government of the United States in its national-defense program the Corporation is authorized:

"(1) To make loans to or purchase the capital stock of any corporation (a) for the purpose of acquiring and carrying strategic and critical materials as defined by the President, and (b) for plant construction, expansion, and equipment, and working capital, to be used by the corporation in the manufacture of equipment and supplies necessary to the national defense on such terms and conditions, and with such maturities as the Corporation may determine; and

"(2) When requested by the Federal Loan Administrator with the approval of the President to create or to organize a corporation or corporations with power (a) to acquire and carry strategic and critical materials as defined by the President, (b) or to purchase land, to purchase, build, and expand plants, and to purchase equipment and machinery for the manufacture of arms, ammunition, and implements of war as defined by the President in accordance with the Neutrality Act of 1939 necessary to the national defense, (c) to lease such plants to private corporations to engage in such manufacture, and (d) if the President finds that it is necessary for a Government agency to engage in such manufacture to engage in such manufacture itself. The Corporation to make loans to or purchase the capital stock of any such corporation for any purpose related to the national-defense program, on such terms and conditions as the Corporation may determine."

The SPEAKER. The question is on agreeing to the amendment.

The question was taken; and on a division (demanded by Mr. MARTIN of Massachusetts) there were—ayes 111, noes 69.

So the amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

FURTHER MESSAGE FROM THE SENATE

A further message from the Senate, by Mr. Frazier, its legislative clerk, announced that the Senate had passed a joint resolution of the following title, in which the concurrence of the House is requested:

S. J. Res. 272. Joint resolution to authorize the postponement of payment of amounts payable to the United States by the Republic of Finland on its indebtedness under agreements between that Republic and the United States dated May 1, 1923, and May 23, 1932.

POSTPONEMENT OF PAYMENTS BY THE REPUBLIC OF FINLAND

Mr. BLOOM. Mr. Speaker, I ask unanimous consent for the immediate consideration of Senate Joint Resolution 272, to authorize the postponement of payment of amounts payable to the United States by the Republic of Finland on its indebtedness under agreements between that Republic and the United States dated May 1, 1923, and May 23, 1932.

The Clerk read the title of the resolution.

The SPEAKER. Is there objection to the request of the gentleman from New York [Mr. BLOOM]?

There being no objection, the Clerk read the Senate joint resolution, as follows:

Resolved, etc., That the Republic of Finland, at its option, may postpone the payment of amounts payable to the United States of America during the period from January 1, 1940, to December 31, 1940, inclusive, under the agreements between that Republic and the United States of America dated May 1, 1923, and May 23, 1932; and, in the event of the exercise of the option herein granted, the Secretary of the Treasury is authorized to make, on behalf of the United States of America, an agreement with the Republic of Finland for the payment of the postponed amount, with interest at the rate of 3 percent per annum beginning January 1, 1941, in 10 annuities, the first to be paid during the calendar year beginning January 1, 1941, and 1 during each of the 9 calendar years following, each annuity payment to be payable in 1 or more installments: *Provided, however,* That the amounts postponed shall bear interest at the rate of 3 percent per annum from the date payment of such amounts was postponed to January 1, 1941.

SEC. 2. That agreement authorized in the first section of this joint resolution shall be in such form that annuity payments thereunder shall, unless otherwise provided in such agreement, (1) be in accordance with the agreement with the Republic of Finland dated May 1, 1923, and (2) be subject to the same terms and conditions as payment under the agreement dated May 1, 1923.

Mr. FISH. I move to strike out the last word.

Mr. Speaker, I regret that this bill has come here under practically a unanimous-consent agreement and that we have very little time to consider it. I am for the proposal, but I do not think it goes far enough. If we had time to present the facts to the House, I believe the House would be willing to cancel all the loans made to Finland after the World War, and I am convinced that 90 percent of the American people would like to see that done. Those loans made to Finland immediately after the war should be canceled because Finland is the only nation to pay her debts to the United States, and I think it would be a very fine example if the Congress of the United States canceled those debts. I do not refer to the loan recently made by the Congress through the Export-Import Bank to Finland, but to the debts referred to in this bill. I do not think we have the time now to bring it up, but I would like to see that kind of legislation introduced and passed before adjournment.

May I say in these few brief minutes, as we talk about war debts and as I talk about direct cancelation or partial cancelation, I would like to see also a partial cancelation of some of these other war debts, whether they be French or British, in return for the West Indian islands. We ought to have every one of those islands, from Greenland through Trinidad to South America, as a matter of national defense for air bases, for naval bases, and for submarine bases. They are of no value particularly to any foreign country. They are of value to us for national defense. I would like to see the Republicans and Democrats alike adopt a program that we will keep out of Europe and Europe must keep out of America, and we ought to begin by acquiring those islands off our coast by peaceful means and by liquidating some of the war debts which are owed us by England and France.

In the meantime, Mr. Speaker, I am in favor of the present bill, although it does not go far enough. I would like to see the Congress cancel all loans made right after the World War to little, honest Finland. [Applause.]

The Senate joint resolution was agreed to.

A motion to reconsider was laid on the table.

STRENGTHENING OF THE NATIONAL DEFENSE

Mr. MAY submitted the following conference report and statement on the bill (H. R. 9850) to expedite the strengthening of the national defense:

CONFERENCE REPORT

The committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 9850) to expedite the strengthening of the national defense, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendment of the Senate and agree to the same with an amendment, as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert the following:

"That (a) in order to expedite the building up of the national defense, the Secretary of War is authorized, out of the moneys appropriated for the War Department for national-defense purposes for the fiscal year ending June 30, 1941, with or without advertising, (1) to provide for the necessary construction, rehabilitation, conversion, and installation at military posts, depots, stations, or other localities, of plants, buildings, facilities, utilities, and appurtenances thereto (including Government-owned facilities at privately owned plants and the expansion of such plants, and the acquisition of such land, and the purchase or lease of such structures, as may be necessary), for the development, manufacture, maintenance, and storage of military equipment, munitions, and supplies, and for shelter; (2) to provide for the development, purchase, manufacture, shipment, maintenance, and storage of military equipment, munitions, and supplies, and for shelter, at such places and under such conditions as he may deem necessary; and (3) to enter into such contracts (including contracts for educational orders, and for the exchange of deteriorated, unserviceable, obsolescent, or surplus military equipment, munitions, and supplies for other military equipment, munitions, and supplies of which there is a shortage), and to amend or supplement such existing contracts, as he may deem necessary to carry out the purposes specified in this section: *Provided,* That the limitations contained in sections 1136 and 3734 of the Revised Statutes, as amended, and any statutory limitation with respect to the cost of any individual project of construction, shall be suspended until and including June 30, 1942, with respect to any construction authorized by this act: *Provided further,* That all contracts entered into pursuant to the provisions of this section shall be subject to the provisions of the act entitled 'An act to provide conditions for the purchase of supplies and the making of contracts by the United States, and for other purposes,' approved June 30, 1936 (49 Stat. 2036; U. S. C., Supp. V, title 41, secs. 35–45): *Provided further,* That the cost-plus-a-percentage-of-cost system of contracting shall not be used under this section; but this proviso shall not be construed to prohibit the use of the cost-plus-a-fixed-fee form of contract when such use is deemed necessary by the Secretary of War.

"(b) The Secretary of War is further authorized, with or without advertising, to provide for the operation and maintenance of any plants, buildings, facilities, utilities, and appurtenances thereto constructed pursuant to the authorizations contained in this section and section 5, either by means of Government personnel or through the agency of selected qualified commercial manufacturers under contracts entered into with them, and, when he deems it necessary in the interest of the national defense, to lease, sell, or otherwise dispose of, any such plants, buildings, facilities, utilities, appurtenances thereto, and land, under such terms and conditions as he may deem advisable, and without regard to the provisions of section 321 of the act of June 30, 1932 (47 Stat. 412).

"(c) Whenever, prior to July 1, 1942, the Secretary of War deems it necessary in the interest of the national defense, he is authorized, from appropriations available therefor, to advance payments to contractors for supplies or construction for the War Department in amounts not exceeding 30 percent of the contract price of such supplies or construction. Such advances shall be made upon such terms and conditions and with such adequate security as the Secretary of War shall prescribe.

"SEC. 2. (a) During the fiscal year 1941, all existing limitations with respect to the number of flying cadets in the Army Air Corps, and with respect to the number and rank of Reserve Air Corps officers who may be ordered to extended active duty with the Air Corps, shall be suspended.

"(b) The President may, during the fiscal year 1941, assign officers and enlisted men to the various branches of the Army in such numbers as he considers necessary, irrespective of the limitations on the strength of any particular branch of the Army set forth in the National Defense Act of June 3, 1916, as amended.

"SEC. 3. All existing limitations with respect to the number of serviceable airplanes, airships, and free and captive balloons that may be equipped and maintained, shall be suspended during the fiscal year 1941.

"SEC. 4. (a) The Secretary of War is further authorized to employ such additional personnel at the seat of government and elsewhere, and to provide for such printing and binding, communication service, supplies, and travel expenses, as he may deem necessary to carry out the purposes of this act: *Provided,* That until December 31, 1941, the Secretary of War may, if he finds it to be necessary for national defense purposes, authorize the employment of supervising or construction engineers without regard to the requirements of civil-service laws, rules, or regulations: *Provided further,* That notwithstanding the provisions of section 6 of the act of August 24, 1912 (37 Stat. 555; U. S. C., title 5, sec. 652), the Secretary of War may remove from the classified civil service of the United States any employee of the Military Establishment forthwith with upon a finding that such person has been guilty of conduct inimical to the public interest in the defense program of the United States and upon the giving of notice to such person of such charges: *And provided further,* That within 30 days after such removal such person shall have an opportunity personally to answer such charges in writing and to submit affidavits in support of such answer.

"(b) Notwithstanding the provision of any other law, the regular working hours of employees of the War Department and its field services (except employees of the War Department engaged in nonmilitary activities) shall be 8 hours per day or 40 hours per week

during the period of any national emergency declared by the President to exist: *Provided*, That, under such regulations as the Secretary of War may prescribe, these hours may be exceeded, but compensation for employment in excess of 40 hours in any administrative workweek, computed at a rate not less than one and one-half times the regular rate, shall be paid per annum, per hour, per diem, and piece-work employees: *Provided further*, That in determining the overtime compensation of per annum Government employees the pay for 1 day shall be considered to be one three-hundred-and-sixtieth of their respective per annum salaries.

"SEC. 5. The President is authorized, with or without advertising, through the appropriate agencies of the Government (1) to provide for emergencies affecting the national security and defense and for each and every purpose connected therewith, including all of the objects and purposes specified under any appropriation available or to be made available to the War Department for the fiscal years 1940 and 1941; (2) to provide for the furnishing of Government-owned facilities at privately owned plants; (3) to provide for the procurement and training of civilian personnel necessary in connection with the protection of critical and essential items of equipment and material and the use or operation thereof; and (4) to provide for the procurement of strategic and critical materials in accordance with the act of June 7, 1939, but the aggregate amount to be used by the President for all such purposes shall not exceed $66,000,000. The President is further authorized, through such agencies, to enter into contracts for such purposes in an aggregate amount not exceeding $66,000,000. An account shall be kept of all expenditures made or authorized under this section, and a report thereon shall be submitted to the Congress at the beginning of each session subsequent to the third session of the Seventy-sixth Congress: *Provided*, That all contracts entered into pursuant to the provisions of this section shall be subject to the provisions of the act entitled 'An act to provide conditions for the purchase of supplies and the making of contracts by the United States, and for other purposes,' approved June 30, 1936 (49 Stat. 2036; U. S. C., Supp. V, title 41, secs. 35–45).

"SEC. 6. Whenever the President determines that it is necessary in the interest of national defense to prohibit or curtail the exportation of any military equipment or munitions, or component parts thereof, or machinery, tools, or material or supplies necessary for the manufacture, servicing, or operation thereof, he may by proclamation prohibit or curtail such exportation, except under such rules and regulations as he shall prescribe. Any such proclamation shall describe the articles or material included in the prohibition or curtailment contained therein. In case of the violation of any provision of any proclamation, or of any rule or regulation, issued hereunder, such violator or violators, upon conviction, shall be punished by a fine of not more than $10,000, or by imprisonment for not more than 2 years, or by both such fine and imprisonment. The authority granted in this section shall terminate June 30, 1942, unless the Congress shall otherwise provide."

And the Senate agree to the same.

A. J. MAY,
EWING THOMASON,
DOW W. HARTER,
W. G. ANDREWS,
DEWEY SHORT,
Managers on the part of the House.

MORRIS SHEPPARD,
R. R. REYNOLDS,
WARREN R. AUSTIN,
Managers on the part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 9850) to expedite the strengthening of the national defense, submit the following statement in explanation of the effect of the action agreed upon by the conferees and recommended in the accompanying conference report:

Section 1 of the House bill provided for expediting the national-defense program by authorizing the Secretary of War to provide necessary construction, rehabilitation, and installation of military posts, depots, stations, and other localities of plants, buildings, facilities, utilities, and appurtenances thereto, including the acquisition of land, for the manufacture, maintenance, and storage of military equipment, munitions, and supplies. This section also provided for suspending until June 30, 1942, the provisions of any statute imposing a monetary limitation on any individual construction project.

Section 1 of the Senate amendment expanded this authority of the Secretary of War so as to include the making of contracts, with or without advertising, for the purposes outlined in the House bill, extended the authority so as to include the conversion of such plants, buildings, etc., and the installation of Government-owned facilities at privately owned plants and the expansion of such plants, the acquisition of such land and the purchase or lease of such structure as may be necessary for the purposes specified in the House bill. This section also authorized the Secretary of War, with or without advertising, to provide for the development, purchase, manufacture, shipment, maintenance, and storage of military equipment, munitions, and supplies, and for shelter, at such places and under such conditions as he may deem necessary and to enter into such contracts (including contracts for educational orders and for the exchange of certain surplus military equipment, munitions, and supplies for other such equipment, munitions, and supplies of which there is a shortage). The limitations of sections 1136 and 3734 of the Revised Statutes and any statutory limitation with respect to the cost of any individual project of construction were suspended until June 30, 1942, with respect to any construction authorized by the act and it was provided in substance that all contracts entered into by the Secretary of War under the section should be subject to the provisions of the Walsh-Healy Act of June 30, 1936. The Secretary of War was prohibited under the Senate amendment from using what is known as the cost-plus system of contract but the Secretary of War was authorized, with or without advertising, to provide for the operation and maintenance of any plants, buildings, facilities, utilities, and appurtenances constructed pursuant to the authority conferred upon the Secretary of War (or the President under section 5 of the Senate amendment) by Government personnel or through the agency of selecting qualified manufacturers under contracts and to provide for leasing of any such plants, etc., under such terms and conditions as the Secretary of War deemed advisable and without regard to the provisions of section 321 of the act of June 30, 1932. The Secretary of War was further authorized to make advance payments to contractors for supplies or construction in amounts not exceeding 30 percent of the contract price, such advances to be made upon such terms and conditions and with such adequate security as the Secretary of War prescribes.

The conference agreement adopts the provisions of the Senate amendment with certain qualifying changes, authorizes the Secretary of War to sell or otherwise dispose of any such plants, buildings, etc., as well as to lease them and substitutes for the limitation upon the use of the cost-plus system of contracting a provision which bars the use of the cost-plus-a-percentage-of-cost system but allows the Secretary of War, when he deems it necessary, to use the cost-plus-a-fixed-fee form of contract.

The second proviso of section 1 of the House bill provided that during the fiscal year 1941 the average number of flying cadets should not exceed 8,500 and that an average of 6,000 Reserve Air Corps officers might be ordered to extended active duty with the Air Corps. Section 2 (a) of the Senate amendment provided that during the fiscal year 1941 all existing limitations with respect to the number of flying cadets and with respect to the number and rank of Reserve Air Corps officers who may be ordered to extended active duty with the Air Corps should be suspended. The conference agreement adopts the Senate provision.

Section 2 (b) of the Senate amendment provided that the President during the fiscal year 1941 might assign officers and enlisted men to the various branches of the Army in such numbers as he considers necessary and contained a limitation that no person was to be excluded from enlistment in any branch of the Military Establishment on account of race, creed, or color. The sixth proviso of section 1 of the House bill provided for the assignment of enlisted men only and did not contain the limitation in the Senate amendment with respect to enlistment. The conference agreement retains the Senate provision without such limitation with respect to enlistment.

The third proviso of section 1 of the House bill provided that during the fiscal year 1941 all existing limitations as to the number of serviceable airplanes, airships, and free and captive balloons that may be equipped and maintained should be suspended. Section 3 of the Senate amendment contained a similar provision which the conference agreement adopts. The fourth and fifth provisos of section 1 of the House bill authorized the Secretary of War to employ such additional personnel at the seat of government and elsewhere and to provide for such printing and binding, etc., as he may deem necessary to carry out the purposes of the act, and authorized him to waive the provisions of section 6 of the act of August 24, 1912, in connection with the defense program of the United States in any case. Section 4 (a) of the Senate amendment contained a similar provision with respect to employment of personnel but modified the provision authorizing the Secretary to waive the provisions of such section 6 so as to provide that the Secretary of War might remove from the classified civil service, notwithstanding the provisions of such section 6, any employee of the Military Establishment upon a finding that such person has been guilty of conduct inimical to the public interest in the defense program and upon giving notice to such person. An opportunity was also to be afforded any person so removed to answer the charges against him in writing and to submit affidavits in support of the answer within 30 days after such removal. This section of the Senate amendment also provided that the Secretary of War until December 31, 1941, might employ supervising and construction engineers without regard to the civil-service laws if he found it to be necessary for national-defense purposes. The conference agreement adopts the provisions of section 4 (a) of the Senate amendment.

Section 4 (b) of the Senate amendment provided that the regular working hours of employees of the War Department and field service should be 8 hours a day and 40 hours per week during the period of any national emergency declared by the President and made provision for overtime payment in excess of 40 hours in any administrative workweek at a rate not less than one and one-half times the regular rate. There was no corresponding provision in the House bill. The conference agreement retains the provision of the Senate amendment with the qualification that it should not apply to employees of the War Department engaged in nonmilitary activities.

Section 2 of the House bill contained authority for the President to use $132,000,000 during the fiscal years 1941 and 1942 in emergencies affecting the national security and defense for the objects and purposes specified in any appropriation for the War Department for military purposes for the fiscal years 1940 and 1941, for furnishing Government-owned facilities at privately owned plants, for procuring and training civilian personnel necessary in connection with the production of critical and essential items of equipment and material and the use and operation thereof, and for the procurement of strategic and critical materials in accordance with the act of June 7, 1939. It was also provided that an account should be kept of all such expenditures and that reports should be submitted to Congress at the beginning of each session subsequent to the third session of the Seventy-sixth Congress. There was also a limitation that none of the money so authorized should be used to pay salaries to any Communist, Nazi, or Fascist. Section 5 of the Senate amendment contained a similar authorization but did not have the limitation last mentioned. A report of expenditures was to be submitted to Congress on or before June 30, 1942, under the Senate amendment, and there was also a provision that all contracts entered into under the section should be subject to the provisions of the Walsh-Healey Act of June 30, 1936. The conference agreement retains the provisions of section 5 of the Senate amendment with certain clarifying changes and provides for submitting a report of the expenditures under the section at the beginning of each session subsequent to the third session of the Seventy-sixth Congress as provided in the House bill.

Section 3 of the House bill and section 6 of the Senate amendment both authorized the President by proclamation to prohibit or curtail the exportation of military equipment and munitions and certain machinery and material necessary for their manufacture or servicing wherever he determines that it was necessary in the interest of national defense. The Senate amendment included operation as well as maintenance and servicing of such machinery. Under the House bill the authority granted under the section was to terminate on June 30, 1942, unless the Congress otherwise provided, but under the Senate amendment it was provided that the authority granted under the act should so terminate. The conference agreement adopts the provisions of the Senate bill with a clarifying change.

A. J. MAY,
EWING THOMASON,
DOW W. HARTER,
W. G. ANDREWS,
DEWEY SHORT,
Managers on the part of the House.

PROTECTION OF PRODUCERS, ETC., FROM THE UNREVEALED PRESENCE OF SUBSTITUTES AND MIXTURES IN SPUN WOOL PRODUCTS, ETC.

Mr. LEWIS of Colorado, from the Committee on Rules, submitted the following privileged resolution (Rept. No. 2576), which was referred to the House Calendar and ordered to be printed:

House Resolution 528

Resolved, That immediately upon adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the state of the Union for consideration of H. R. 944, a bill to protect producers, manufacturers, distributors, and consumers from the unrevealed presence of substitutes and mixtures in spun, woven, knitted, felted, or otherwise manufactured wool products, and for other purposes. That after general debate, which shall be confined to the bill and shall continue not to exceed 2 hours, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Interstate and Foreign Commerce, the bill shall be read for amendment under the 5-minute rule. At the conclusion of the reading of the bill for amendment the Committee shall rise and report the same to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

AUTHORIZING SPEAKER TO SIGN ENROLLED BILL

Mr. RAYBURN. Mr. Speaker, I ask unanimous consent that notwithstanding the adjournment of the House the Speaker may be authorized to sign Senate Joint Resolution 272.

The SPEAKER. Is there objection to the request of the gentleman from Texas [Mr. RAYBURN]?

There was no objection.

ADJOURNMENT OVER

Mr. RAYBURN. Mr. Speaker, I ask unanimous consent that when the House adjourns today it adjourn to meet on Monday next.

The SPEAKER. Is there objection to the request of the gentleman from Texas [Mr. RAYBURN]?

There was no objection.

RESIGNATION FROM COMMITTEES

The SPEAKER laid before the House the following resignation from committees:

JUNE 14, 1940.

Hon. WILLIAM B. BANKHEAD,
The Speaker, House of Representatives, Washington.

MY DEAR MR. SPEAKER: I hereby resign my membership on the following committees: Flood Control, Mines and Mining, and Election of President, Vice President, and Representatives in Congress.

Sincerely yours,

EARL R. LEWIS.

The SPEAKER. Without objection, the resignation will be accepted.

There was no objection.

ELECTION TO COMMITTEE

Mr. MARTIN of Massachusetts. Mr. Speaker, I offer a resolution and ask for its immediate consideration.

The Clerk read the resolution, as follows:

House Resolution 529

Resolved, That EARL R. LEWIS of Ohio be, and he is hereby, elected to the Committee on Appropriations of the House of Representatives.

The resolution was agreed to.

DEPARTMENT OF AGRICULTURE APPROPRIATION BILL, 1941—CONFERENCE REPORT

Mr. CANNON of Missouri submitted a conference report and statement on the bill (H. R. 8202) making appropriations for the Department of Agriculture for the fiscal year ending June 30, 1941, and for other purposes.

SPECIAL ORDER

The SPEAKER. Under a previous order of the House, the gentleman from Michigan [Mr. HOFFMAN] is recognized for 10 minutes.

Mr. HOFFMAN. Mr. Speaker, due to the lateness of the hour I shall not tonight have anything to say about some criticisms that were made and which appear in the RECORD as to a certain personal letter that was sent out to some of my friends. I will speak about that next week when we have ample time. Then the gentlemen who took occasion to criticize the letter, one of whom reproduced and circulated it, and gave it publicity, can be here.

Permit me, however, to call your attention to a matter which vitally concerns all of us. We here on the floor of the House as well as millions of people throughout the civilized world read the newspapers. Our impressions are gained from, our thoughts are molded by, we shape our words and determine our actions from day to day in large part upon what we read. Many of us each day get an early edition of the paper, and even before or as we eat our morning meal, scan its pages to gather information to guide us through the day.

Whether we are doubtful as to the course to be taken in a matter of investment, as to a journey, as to political action, or whether we are just searching for amusement, entertainment, the daily paper is the source to which we all turn. Whether it be a desire to learn the trend of yesterday's market, the production that has taken place in industry, the forecast as to the weather, whether it is wise to buy or sell on the market, for information as to the domestic or foreign events, to the daily paper we turn. On the 5th of June, in a letter to some friends of mine, this statement was made:

> This morning's press tells us that Roosevelt yesterday said he saw no good reason why Congress should continue in session for the duration of the emergency, as desired by the Republican Members. Sarcastically, he said the situation did not require Congress to remain in session except for the laudable goal of delivering speeches.

That was a quotation from the June 5 issue of the New York Herald Tribune. Later, on the floor of the House, it was charged that by making that statement I had distorted the truth. Let me assure you that if there was distortion it was not of my doing; and if you examine the paper, you will see that I quoted correctly. That statement in the RECORD to the effect that the truth had been distorted amazed me. Yesterday on the floor of the House the majority leader

made this statement, and it appears in the RECORD of June 13, page 8176.

> Mr. Speaker, when gentlemen quote the President as saying he wanted Congress to get out of town or he wanted it to adjourn, they are quoting something that never happened. The President never made any such statement to the press or anybody else.

That statement not only shocked me, it jarred me. It made me nervous; it made me apprehensive, for the press quite generally had carried statements to the effect that the President was demanding that Congress go home and leave the Nation's welfare in his hands. Editorial writers throughout the country commented very freely on the situation, and some of them called attention to the fact that the President had stated in his message that he and Congress were a team, and they were somewhat bewildered by his statement, which, if carried out, would send at least a part of the team to the bench. Almost without exception the editorial writers disagreed with the thought which it was said the President had expressed, namely, that Congress should adjourn and they insisted that Congress stay in session.

Congressmen began to receive cards and letters and telegrams from home. Many came to my desk insisting that if there was a great national emergency requiring the appropriation of billions of dollars, Congressmen stay on the job, perform the duties which had been imposed upon them by their election. We are all prepared for errors on the part of columnists, for many of them are no more nor less than special pleaders. Many of them merely express their own conclusions; practically all of them get their facts from the news writers. Conclusions of columnists which are erroneous in no way surprise us. When, however, the press of a nation makes a statement which the President's representative here on the floor of the House tells us was the reporting of something "that never happened" we are brought up standing. Our faith in humanity is almost destroyed, or at least it would be almost destroyed were it not for the fact, as some of us understand at least, that some 80 reporters, more or less, attend these press conferences, that we know that these reporters' job is to give us the news, the facts as distinguished from what they think or what they would rather have had happen.

Reporters who attend the press conferences of the President or to whom the President's secretary gives information, are, it has been said, picked men; they are men of experience; they are men whose veracity is not open to question. They are men chosen by the great newspapers of the country because of their ability to hear plainly, see clearly, understand accurately, transcribe faithfully, and correctly report what they have seen and what they have heard. It is appalling to think that the press of the Nation, on so important a subject as the adjournment of Congress should be, at a time when the President appears to be driving us into the World War, would have in its employ reporters who were incapable of either hearing, understanding, or setting down the words of the President on that subject. It is equally disturbing to accept the other conclusion, that is, that the reporters had given to their newspapers an account of something that never happened, or that they had distorted what was said by the President. Having been reminded on the floor of the House by a gentleman who spoke the other day that I should have respect for the President, taking that criticism deeply to heart, and desiring to, if I could, respect the President, I turned in sorrow to the contemplation of the dismal fact that I could no longer rely upon my daily newspaper. That the reporters had let me down. For surely, it was said, the President could not be forgetful of what he had told the reporters, nor could he have misstated his thought. Anxious hours were passed by me in the contemplation of a future where I must no longer look to my paper even for information as to a place where I might eat, where I might find amusement, where I might find good fishing, as to what yesterday's market—prices on farm products, for instance—were. Placing full faith and credit in the utterances of the President and his spokesmen, I was almost, but not quite, led to the conclusion that perhaps I dare not rely upon the morning paper as to what ball game would be on in the afternoon, as to whether Congress would or would not meet. As to whether the day would be fair or whether it would rain. In short, it seemed that I must remake my whole life, because of the unreliability, so it was said, of the reporters.

Then came the thought that after all, perhaps the President had been misinformed as to what he really had said. I recalled that on another occasion a warm personal friend of his, a great admirer of his policies, had printed a column, and I refer to Ernest Lindley, in the Washington papers, gave us certain information. Shortly thereafter, the President stated that nothing of the kind as reported by Mr. Lindley had ever happened.

Then to my mind came another recollection of how on one occasion the papers informed us that a committee from the Senate and the House had gone down to see the President on a tax bill, that after the conference with him their spokesman gave out an interview stating that on the President's must list of legislation must go this tax bill; of how on Capitol Hill everything was in a turmoil because the bill had to be drawn and passed forthwith. I remembered, too, the reaction that followed the President's statement as to the necessity for this bill, and with it came the memory that the reaction was adverse to the President's plan and thereupon he quite plainly and forcibly announced that he had not placed the legislation on the must list. Recalling these things and others of like character, the clouds began to roll away, the sunshine sifted through. The conclusion was borne in on me that it might just be possible that our great and sometimes not so accurate President was just spoofing us, as when the mysterious and dangerous submarine was seen off the coast. I remembered that the President has sometimes found it convenient to change his position. In fact that he is consistent only in his inconsistency and in his apparent thought that he can make no mistakes. Hence, in memory came his words delivered to us here on the 16th day of May. Among other things he said:

> For these reasons, I need hardly assure you that after the adjournment of this session of the Congress, I will not hesitate to call the Congress into special session if at any time the situation of the national defense requires it. The Congress and the Chief Executive constitute a team where the defense of the land is concerned.

Pondering those words, it did seem that then at least he had in mind the thought that Congress should adjourn. Had he thought we should stay in session, surely being the great patriot that he is, he would have told us on that occasion that duty required us to stay here in Washington to assist him. Yet he said, "I need hardly assure you that after the adjournment of this session of Congress"—note that "after the adjournment of this session of Congress"—"I will not hesitate to call the Congress into special session if at any time the situation of the national defense requires it." He had just told us that the defense must grow and change from day to day. Unless he was prepared to handle the situation himself, it would seem as though he would on that occasion have said something about our staying here. The President's chief characteristic is his supreme confidence in himself. Notwithstanding a record of 7 years of failures, he still seems possessed of the idea that he can handle everything. He has indicated that belief in many, many ways. So I had no reason to suspect when I read in the great American press that he did not need us. When I read that he had sarcastically—and he loves to indulge in sarcasm where Republicans are concerned—said that the situation did not require Congress to remain in session except for the laudable goal of delivering speeches it seemed that he was not only telling us to go home, but that he was poking a little fun at us—having his little joke as it were—because of our speech making. Whether he was amusing himself because he thought he saw a difference in the quality of our speeches and his, or whether he was just chuckling over the fact that he had a Nation-wide radio hook-up while we as Congressmen had virtually no radio public, I could not determine.

After thinking the matter over at some length, having in mind the President's conduct on other occasions, recalling his forgetfulness about some of his campaign promises, a small, wee doubt crept into my mind. Not as to the accuracy of the words of the majority leader, but as to the reliability of the source from which the majority leader got his information.

My conclusion, valueless as it may be to you, is that we here in Congress may still continue to read our papers. That if from them we learn certain events that transpired here at home or abroad, that various meetings are scheduled for today or tomorrow, that the airplanes will leave at a certain hour, that the trains will depart from the station on schedule, we will be fairly safe, the President to the contrary notwithstanding, in ordering our daily lives from the information so received. Yes; let us still have faith in the reporters who see and hear and record events as they transpire, and let us consider that the statement of the President that he never said it was merely wishful thinking on his part—to his discovery of the fact that the people of the country do not, in this crisis, trust him.

Mr. Speaker, I ask consent to include an editorial at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. HOFFMAN. The following editorial from one of Washington's papers of today may give information which will explain the President's lapse of memory:

CONGRESS HEARING FROM HOME

We think the country will feel relieved at the evidence that administration leaders are backing down on congressional adjournment.

Speaker BANKHEAD now says it is impossible to get gone by June 22, the deadline originally set.

The drive to put that over was slowed up considerably when Treasury Secretary Morgenthau said he was willing to stay on the job if the Congressmen were. The next day came Mr. BANKHEAD'S statement.

What is happening is that Washington has been hearing from home about the preposterous, presumptuous, and dangerous idea of the legislative branch of our Government abdicating in a time of war crisis. The here's-your-hat-what's-your-hurry attitude of President Roosevelt and his associates helped wake up the people to the fact that something queer was going on.

So the grass roots began to register. And that's democracy functioning.

We hope those at home aren't lulled by the partial retreat and that they continue to express themselves in a loud, large, and positive way. The Bankhead statement doesn't exude any enthusiasm. It hath a half-hearted and begrudging sound. But it's a good sign, nevertheless—though no self-starter.

Congress should stay in session for the duration. If it fails to, those who vote to go home should be made to stay there the next time they come up for election.

There is an equally important reason why Congress should stay in session. So far the Senate seems to show no disposition to act on measures which are before it. Six weeks ago we passed and sent over to the Senate the Logan-Walter bill. Thereafter we passed by a vote of 2 to 1 the Smith amendments to the National Labor Relations Act. Yesterday we passed by a vote of 330 to 42 the bill for the deportation of Harry Bridges. It would be well if the House would act on the Hatch bill, which was passed by the Senate by a 2 to 1 vote nearly 2 months ago, and then advise the Senate that the House proposes to stay here until the Senate acts on the Logan-Walter bill, the Smith amendments, and the Bridges bill, and that if the Senate expects to do business with us it will be required to show a little more of the "good neighbor" policy—that it remember that the House is a coordinate branch of the Government. [Applause.]

The SPEAKER. Under a previous order of the House, the gentleman from New York [Mr. O'TOOLE] is recognized for 10 minutes.

Mr. O'TOOLE. Mr. Speaker, I waive my time.

EXTENSION OF REMARKS

Mr. MURDOCK of Arizona. Mr. Speaker, I ask unanimous consent to revise and extend the remarks I made this afternoon and include a copy of the bill to which I referred.

The SPEAKER. Is there objection to the request of the gentleman from Arizona?

There was no objection.

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and include therein a copy of a letter recently sent by me to the Secretary of State and his reply thereto, in relation to giving valuable information and in relation to the strength of the United States Navy.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. HART. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and include therein a letter I have received from Dr. Robert Reiner in reply to certain charges levied against him on the floor of the House by the gentleman from New York [Mr. DICKSTEIN].

The SPEAKER. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

Mr. BLACKNEY. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and to include therein an editorial from the Detroit Free Press.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. JENSEN. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include therein an article by the editor of the Iowa Legionnaire.

The SPEAKER. Is there objection to the request of the gentleman from Iowa?

There was no objection.

Mrs. BOLTON. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD by inserting therein two essays by schoolboys on the subject of the Bill of Rights.

The SPEAKER. Is there objection to the request of the gentlewoman from Ohio?

There was no objection.

Mr. CRAWFORD. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD on the bill under consideration this afternoon.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. DWORSHAK. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and include therein an article from the New York Enquirer.

The SPEAKER. Is there objection to the request of the gentleman from Idaho?

There was no objection.

Mr. THILL. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and include therein a short newspaper article.

The SPEAKER. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

THE FINNISH RELIEF BILL

Mr. RAYBURN. Mr. Speaker, I ask unanimous consent to proceed for one-half minute.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

Mr. RAYBURN. Mr. Speaker, on the so-called Finnish relief bill just passed this afternoon, may I say that the gentleman from Michigan [Mr. HOOK] had expressed great interest in this measure. He is detained at home on business. Had he been here he would have been pleased to join in the effort that was made, and which resulted in the passage of this bill.

[Here the gavel fell.]

SENATE JOINT RESOLUTION REFERRED

A joint resolution of the Senate of the following title was taken from the Speaker's table, and, under the rule, referred as follows:

S. J. Res. 277. Joint resolution making an appropriation to control the chinch-bug menace in the Corn Belt; to the Committee on Appropriations.

ADJOURNMENT

Mr. RAYBURN. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 5 o'clock and 32 minutes p. m.), pursuant to its order heretofore entered, the House adjourned until Monday, June 17, 1940, at 12 o'clock noon.

COMMITTEE HEARINGS

COMMITTEE ON IMMIGRATION AND NATURALIZATION

There will be a meeting of the Committee on Immigration and Naturalization Wednesday, June 19, 1940, at 10:30 a. m., for the consideration of private bills and unfinished business.

EXECUTIVE COMMUNICATIONS, ETC.

1762. Under clause 2 of rule XXIV a letter from the Acting Secretary of Agriculture, transmitting a draft of a proposed bill to amend the act entitled "An act authorizing construction of water conservation and utilization projects in the Great Plains and arid and semiarid areas of the United States," approved August 11, 1939 (53 Stat. 1418), was taken from the Speaker's table and referred to the Committee on Irrigation and Reclamation.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII,

Mr. COLMER: Committee on Rules. House Resolution 526. Resolution for the consideration of H. R. 9751, a bill for the creation of the United States De Soto Exposition Commission, to provide for the commemoration of the four hundredth anniversary of the discovery of the Mississippi River by Hernando De Soto, the commemoration of De Soto's visit to the Chickasaw Territory in northern Mississippi, and other points covered by his expedition, and the two hundred and fifth anniversary of the Battle of Ackia, and for other purposes; without amendment (Rept. No. 2558). Referred to the House Calendar.

Mr. ELLIOTT: Committee on the Disposition of Executive Papers. H. R. 10026. A bill to provide for the disposition of certain photographed records of the United States Government, and for other purposes; with amendment (Rept. No. 2560). Referred to the Committee of the Whole House on the state of the Union.

Mr. BLOOM: Committee on Foreign Affairs. H. R. 10015. A bill to provide for the disposition of estates of American citizens who die abroad; with amendment (Rept. No. 2566). Referred to the Committee of the Whole House on the state of the Union.

Mr. O'CONNOR: Committee on the Public Lands. S. 29. An act to authorize the use of certain facilities of national parks and national monuments for elementary-school purposes; without amendment (Rept. No. 2567). Referred to the Committee of the Whole House on the state of the Union.

Mr. O'CONNOR: Committee on the Public Lands. S. 769. An act authorizing the Secretary of the Interior to furnish mats for the reproduction in magazines and newspapers of photographs of national-park scenery; without amendment (Rept. No. 2568). Referred to the Committee of the Whole House on the state of the Union.

Mr. DEROUEN: Committee on the Public Lands. S. 2627. An act to empower and authorize special agents and such other employees of the Division of Investigations, Department of the Interior, as are designated by the Secretary of the Interior for that purpose, to administer oaths in the performance of their official duties; without amendment (Rept. No. 2570). Referred to the Committee of the Whole House on the state of the Union.

Mr. O'CONNOR: Committee on the Public Lands. S. 2915. An act relating to rentals in certain oil and gas leases issued under authority of the act of February 25, 1920, as amended, and for other purposes; with amendment (Rept. No. 2571). Referred to the Committee of the Whole House on the state of the Union.

Mr. WEAVER: Committee on the Judiciary. S. 1114. An act to extend the jurisdiction of the United States District Court, Territory of Hawaii, over the Midway Islands, Wake Island, Johnston Island, Sand Island, Kingman Reef, Kure Island, Baker Island, Howland Islands, Jarvis Island, Canton Island, Enderbury Island, and for other purposes; without amendment (Rept. No. 2573). Referred to the Committee of the Whole House on the state of the Union.

Mr. CELLER: Committee on the Judiciary. House Joint Resolution 571. Joint resolution to authorize the Federal Bureau of Investigation of the Department of Justice to conduct investigations in the interests of national defense, and for that purpose to permit wire tapping in certain cases; without amendment (Rept. No. 2574). Referred to the Committee of the Whole House on the state of the Union.

Mr. WEAVER: Committee on the Judiciary. H. R. 9122. A bill to provide a mixed civil and criminal term of 2 weeks at Raleigh of the United States District Court for the Eastern District of North Carolina; without amendment (Rept. No. 2575). Referred to the Committee of the Whole House on the state of the Union.

Mr. LEWIS of Colorado: Committee on Rules. House Resolution 528. Resolution for the consideration of H. R. 944, a bill to protect producers, manufacturers, distributors, and consumers from the unrevealed presence of substitutes and mixtures in spun, woven, knitted, felted, or otherwise manufactured wool products, and for other purposes; without amendment (Rept. No. 2576). Referred to the House Calendar.

Mr. CANNON of Missouri: Committee of conference on the disagreeing votes of the two Houses. H. R. 8202. A bill making appropriations for the Department of Agriculture for the year ending June 30, 1941, and for other purposes (Rept. No. 2577). Referred to the Committee of the Whole House on the state of the Union.

Mr. MAY: Committee of conference on the disagreeing votes of the two Houses. H. R. 9850. A bill to expedite the strengthening of the national defense (Rept. No. 2578). Referred to the Committee of the Whole House on the state of the Union.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of rule XIII,

Mr. KING: Committee on Immigration and Naturalization. S. 3146. An act relating to the citizenship of William Lawrence Tan; without amendment (Rept. No. 2559). Referred to the Committee of the Whole House.

Mr. SMITH of Washington: Committee on War Claims. H. R. 1360. A bill for the relief of Agnes Brodahl; with amendment (Rept. No. 2561). Referred to the Committee of the Whole House.

Mr. POAGE: Committee on War Claims. H. R. 6210. A bill for the relief of George R. Stringer; without amendment (Rept. No. 2562). Referred to the Committee of the Whole House.

Mr. POAGE: Committee on War Claims. H. R. 8301. A bill for the relief of Allen B. Boyer; without amendment (Rept. No. 2563). Referred to the Committee of the Whole House.

Mr. CURTIS: Committee on Immigration and Naturalization. S. 2969. An act for the relief of Louise Thorne; without amendment (Rept. No. 2564). Referred to the Committee of the Whole House.

Mr. SCHULTE: Committee on Immigration and Naturalization. H. R. 6820. A bill for the relief of Mrs. Hama Torii Emerson; without amendment (Rept. No. 2565). Referred to the Committee of the Whole House.

Mr. DWORSHAK: Committee on the Public Lands. S. 1251. An act for the relief of certain settlers in the town

site of Ketchum, Idaho; without amendment (Rept. No. 2569). Referred to the Committee of the Whole House.

Mr. O'CONNOR: Committee on the Public Lands. S. 3101. An act for the relief of certain purchasers of, and entrymen upon, opened lands of certain Indian reservations; without amendment (Rept. No. 2572). Referred to the Committee of the Whole House.

ADVERSE REPORTS

Under clause 2 of rule XIII,

Mr. BLOOM: Committee on Foreign Affairs. House Concurrent Resolution 76. Concurrent resolution requesting the President to send information to the Committee on Foreign Affairs (Rept. No. 2557). Laid on the table.

CHANGE OF REFERENCE

Under clause 2 of rule XXII, the Committee on Pensions was discharged from the consideration of the bill (H. R. 9516) granting a pension to Thomas H. Williams, and the same was referred to the Committee on Invalid Pensions.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. FISH:

H. R. 10090. A bill to cancel the World War debt owed by the Republic of Finland to the United States of America; to the Committee on Ways and Means.

By Mr. HENDRICKS:

H. R. 10091. A bill relating to transportation of foreign mail by aircraft; to the Committee on the Post Office and Post Roads.

By Mr. KEE:

H. R. 10092. A bill to authorize the reconditioning and operation by the Maritime Commission of certain vessels in its laid-up fleet for the carrying to foreign ports of coal, wheat, lumber, and other commodities produced in the United States; to the Committee on Merchant Marine and Fisheries.

By Mr. TOLAN:

H. R. 10093. A bill to authorize the Secretary of the Navy to proceed with the construction of the fleet supply depot, Oakland, Calif., and for other purposes; to the Committee on Naval Affairs.

By Mr. VOORHIS of California:

H. R. 10094. A bill to require the registration of certain organizations carrying on activities within the United States, and for other purposes; to the Committee on the Judiciary.

By Mr. BELL:

H. Res. 527. Resolution to amend rules X and XI of the House of Representatives; to the Committee on Rules.

MEMORIALS

Under clause 3 of rule XXII, memorials were presented and referred as follows:

By the SPEAKER: Memorial of the Legislature of the State of Illinois, memorializing the President and the Congress of the United States to consider their House Resolution No. 25, concerning the adjournment of the seventy-sixth session of the Congress of the United States of America; to the Committee on Ways and Means.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. HOUSTON:

H. R. 10095. A bill for the relief of Robert E. Heapes; to the Committee on Military Affairs.

By Mr. KILBURN:

H. R. 10096. A bill for the relief of Elsie Hugaboom; to the Committee on Claims.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

8749. By Mr. BARTON of New York: Resolution of the Pocketbook Workers Union of New York, endorsing the national emergency measures as proposed for moral, spiritual, and material rearmament of America, etc.; to the Committee on Military Affairs.

8750. Also, petition of Dr. F. H. Howard and sundry other physicians of New York City, requesting that supplies and credits be made available to Allies at once, etc.; to the Committee on Foreign Affairs.

8751. By Mr. BELL: Petitions of sundry citizens of Kansas City, Mo., interested in the enactment of House bills 7950 and 7980, both for the benefits of veterans of the World War; to the Committee on World War Veterans' legislation.

8752. By Mr. COLE of Maryland: Resolution of the City Council of Baltimore, dated June 3, 1940, urging the enactment of legislation by the Congress of the United States requiring the registration, photographing, and fingerprinting of all aliens, all known Communists, Nazis, and Fascists, who have been adjudicated as such by due process of law, in the United States; to the Committee on Immigration and Naturalization.

8753. Also, resolution of the City Council of Baltimore, dated June 3, 1940, urging the authorization of the organization of veteran and other patriotic groups into volunteer national-defense units under governmental supervision to combat "fifth column" activities; to the Committee on Military Affairs.

8754. By Mr. HART: Petition of the New Jersey State Legislature, urging Congress, the Navy Department, and the Port of New York Authority to recognize the superior natural advantages of the New Jersey side of the Port of New York, and authorize, at the earliest possible time, the establishment of a drydock and shipyard on the New Jersey side of the Port of New York adequate for the largest naval and mercantile ships; to the Committee on Naval Affairs.

8755. Also, memorial of the New Jersey State Legislature, memorializing Congress and the War Department to operate Central Airport, Camden, N. J., as an integral part of the United States defense program; to the Committee on Military Affairs.

8756. By Mr. LUTHER A. JOHNSON: Petition of Hon. A. B. Brady, mayor, and 37 other citizens of Hearne, Tex., favoring immediate aid in materials to the Allies by our Government; to the Committee on Military Affairs.

8757. By Mr. MICHAEL J. KENNEDY: Petition of the New York State Federation of Labor, urging the necessity of the immediate enactment of Senate bill 591, known as the Wagner housing bill; to the Committee on Banking and Currency.

8758. Also, petition of the National Association of Postmasters, expressing their confidence in, and support of, the President's national-defense program; to the Committee on Military Affairs.

8759. Also, petition of the United Electrical, Radio, and Machine Workers of America, opposing the national-defense program; to the Committee on Military Affairs.

8760. Also, petition of the Brotherhood of Railroad Trainmen, urging that restrictions be placed upon the importation of refined sugar from Puerto Rico and Hawaii; to the Committee on Agriculture.

8761. Also, petition of the Sugar Workers Conference, urging that restrictions be continued on the importation of refined sugar from Puerto Rico and Hawaii; to the Committee on Agriculture.

8762. Also, petition of S. Rankin Drew Post, No. 340, of the American Legion of New York, supporting the President's national-defense program; to the Committee on Military Affairs.

8763. Also, petition of Business Promotion, Inc., of New York City, supporting national-defense program of the President; to the Committee on Military Affairs.

8764. Also, petition of the New York Joint Council of the United Office and Professional Workers of America, representing 16,000 workers, opposing the Allen bill; to the Committee on Immigration and Naturalization.

8765. Also, petition of the American Youth Congress, New York City Council, opposing the Reynolds amendment to the La Follette oppressive labor practices bill, the Hobbs bill, the Dempsey deportation bill, the Smith omnibus alien and sedition bill, and the Dies bill (H. R. 9858); to the Committee on Immigration and Naturalization.

8766. Also, petition of the Pocketbook Workers' Union, Local No. 1, endorsing the national emergency measures, as proposed by the President of the United States, calling for moral, spiritual, and material rearmament of America; to the Committee on Military Affairs.

8767. Also, petition of the International Federation of Architects, Engineers, Chemists, and Technicians, opposing the enactment of House bill 9766; to the Committee on Immigration and Naturalization.

8768. By Mr. KEOGH: Petition of the Employees' Committee to Maintain Brooklyn's Cane Sugar Refining Industry, Brooklyn, N. Y., concerning House bill 9654; to the Committee on Agriculture.

8769. By Mr. PFEIFER: Petition of the Employees' Committee to Maintain Brooklyn's Cane Sugar Refining Industry, Brooklyn, N. Y., favoring the passage of House bill 9654, as amended; to the Committee on Agriculture.

8770. Also, petition of Abraham & Strauss, Inc., Brooklyn, N. Y., urging the passage of House bill 9888 and Senate bill 4096; to the Committee on Interstate and Foreign Commerce.

8771. By Mr. SCHIFFLER: Petition of Weirton-Cove Kiwanis Club, of Weirton, W. Va., urging Congress to vote ample funds for the continuation of the Dies investigating committee; to the Committee on Rules.

8772. By Mr. SWEENEY: Petition of Milton Grossman and other citizens of Cleveland, Cuyahoga County, State of Ohio, opposing any reductions in the regular governmental expenditures, especially where they would reduce the salaries of postal employees; to the Committee on Appropriations.

8773. By the SPEAKER: Petition of the Board of Education, Schenectady, N. Y., petitioning consideration of their resolution with reference to appropriations and defense program; to the Committee on Education.

8774. Also, petition of the Greenbelt Citizens' Association, Greenbelt, Md., petitioning consideration of their resolution with reference to the defense program; to the Committee on Foreign Affairs.

8775. Also, petition of the International Lions Club, Crozet, Va., petitioning consideration of their resolution with reference to the defense program; to the Committee on Military Affairs.

8776. Also, petition of the Jewish Peoples Committee, New York, petitioning consideration of their resolution with reference to House bill 9858, immigration legislation; to the Committee on Immigration and Naturalization.

8777. Also, petition of the Eureka Nore Valley Unions Anx Club, San Francisco, Calif., petitioning consideration of their resolution with reference to foreign affairs; to the Committee on Foreign Affairs.

SENATE

SATURDAY, JUNE 15, 1940

(Legislative day of Tuesday, May 28, 1940)

The Chaplain, Rev. ZeBarney T. Phillips, D. D., offered the following prayer:

Almighty God, in whose embrace all creatures live, to whom all things in heaven and earth do bow: Be now and always the strong tower and defense of our Nation, and exalt our thoughts above all harassing cares into the contemplation of Thine infinite calm, that in the deep recesses of the soul we may hear Thy voice banishing all doubt and fear and urging us to greater achievement as we battle for the right.

In the fulfillment of the duties of this day may we find the larger freedom which shall lift us above all pettiness, all ignoble strife, into the fuller life of ennobling service for God and country, which Thou hast revealed in the life of the Master of men—Jesus Christ, our Lord. Amen.

THE JOURNAL

On request of Mr. BARKLEY, and by unanimous consent, the reading of the Journal of the proceedings of the calendar day of Friday, June 14, 1940, was dispensed with, and the Journal was approved.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Megill, one of its clerks, announced that the House had passed without amendment the joint resolution (S. J. Res. 272) to authorize the postponement of payment of amounts payable to the United States by the Republic of Finland on its indebtedness under agreements between that Republic and the United States dated May 1, 1923, and May 23, 1932.

The message also announced that the House had passed the bill (S. 4027) to transfer the active list of the Construction Corps to the line of the Navy, and for other purposes, with an amendment, in which it requested the concurrence of the Senate.

The message further announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 3840) to amend the act entitled "An act for making further and more effectual provision for the national defense, and for other purposes," approved June 3, 1916, as amended, and for other purposes.

The message also announced that the House had passed the following bills, in which it requested the concurrence of the Senate:

H. R. 9958. An act to authorize the purchase by the Reconstruction Finance Corporation of stock of Federal home-loan banks; to amend the Reconstruction Finance Corporation Act, as amended; and for other purposes; and

H. R. 10030. An act increasing the number of naval aviators in the line of the Regular Navy and Marine Corps, and for other purposes.

THE ROLL CALL

Mr. MINTON. I suggest the absence of a quorum.

The VICE PRESIDENT. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Adams	Danaher	King	Radcliffe
Andrews	Davis	La Follette	Reynolds
Ashurst	Downey	Lee	Russell
Austin	Ellender	Lodge	Schwartz
Bailey	George	Lucas	Sheppard
Bankhead	Gerry	Lundeen	Shipstead
Barkley	Gillette	McKellar	Slattery
Bilbo	Green	McNary	Smith
Bone	Guffey	Maloney	Stewart
Bridges	Gurney	Mead	Taft
Brown	Hale	Miller	Thomas, Idaho
Bulow	Harrison	Minton	Thomas, Okla.
Burke	Hatch	Murray	Thomas, Utah
Byrd	Hayden	Neely	Townsend
Byrnes	Herring	Norris	Tydings
Capper	Hill	Nye	Vandenberg
Caraway	Holman	O'Mahoney	Van Nuys
Chandler	Holt	Overton	Wagner
Clark, Mo.	Johnson, Calif.	Pepper	Walsh
Connally	Johnson, Colo.	Pittman	Wiley

Mr. MINTON. I announce that the Senator from New Jersey [Mr. SMATHERS] is absent from the Senate because of illness in his family.

The Senator from New Mexico [Mr. CHAVEZ], the Senator from Idaho [Mr. CLARK], the Senator from Ohio [Mr. DONAHEY], the Senator from Virginia [Mr. GLASS], the Senator from Delaware [Mr. HUGHES], the Senator from Nevada [Mr. MCCARRAN], the Senator from Washington [Mr. SCHWELLENBACH], the Senator from Missouri [Mr. TRUMAN], and the Senator from Montana [Mr. WHEELER] are necessarily absent.

Mr. AUSTIN. I announce that the Senator from New Jersey [Mr. BARBOUR] is absent on official business.

My colleague the junior Senator from Vermont [Mr. GIBSON], the Senator from North Dakota [Mr. FRAZIER], the Senator from Kansas [Mr. REED], and the Senator from Maine [Mr. WHITE] are necessarily absent.

The Senator from New Hampshire [Mr. TOBEY] is absent on official business.

The VICE PRESIDENT. Eighty Senators have answered to their names. A quorum is present.

LAND FOR ADDITION TO KANOSH INDIAN RESERVATION, UTAH

The VICE PRESIDENT laid before the Senate a letter from the Acting Secretary of the Interior, transmitting a draft of proposed legislation to reserve certain land on the public domain in Utah for addition to the Kanosh Indian Reservation, which, with the accompanying paper, was referred to the Committee on Indian Affairs.

REPORT ON CHAIN RADIO BROADCASTING

The VICE PRESIDENT laid before the Senate a letter from the chairman of the Federal Communications Commission, transmitting a report, in three parts, on the subject of chain radio broadcasting, which, with the accompanying documents, was referred to the Committee on Interstate Commerce.

DISPOSITION OF EXECUTIVE PAPERS

The VICE PRESIDENT laid before the Senate 17 letters from the Archivist of the United States, transmitting, pursuant to law, lists of papers and documents on the files of the Departments of the Treasury (2), of Justice (2), Post Office, Navy (2), Interior (5), and of Agriculture; Federal Security Agency, Office of Education; Federal Works Agency; Public Buildings Administration and Works Projects Administration; and the Civil Aeronautics Authority, which are not needed in the conduct of business and have no permanent value or historical interest, and requesting action looking to their disposition, which, with the accompanying papers, were referred to a Joint Select Committee on the Disposition of Papers in the Executive Departments.

The VICE PRESIDENT appointed Mr. BARKLEY and Mr. GIBSON members of the committee on the part of the Senate.

PETITIONS AND MEMORIALS

The VICE PRESIDENT laid before the Senate the memorial of a local union of the American Federation of Radio Artists, Miami, Fla., remonstrating against amendment of the National Labor Relations Act, which was referred to the Committee on Education and Labor.

He also laid before the Senate a telegram from the convention of the Pennsylvania Motor Truck Association, assembled at Meadville, Pa., pledging its resources and full cooperation for the national defense, and requesting the prompt assignment of Army officers and automotive engineers, in the interest of the national defense, to cooperate with the association, its membership, and others engaged in the use of motorized equipment, which was referred to the Committee on Military Affairs.

He also laid before the Senate a telegram in the nature of a petition from Galloway Post, American Legion, of Newburgh, N. Y., praying that Congress remain in session during the existing emergency, which was ordered to lie on the table.

He also laid before the Senate a resolution of Fisher Local, No. 602, U. A. W. (C. I. O.), Lansing, Mich., favoring the prompt enactment of the bill (S. 591) to amend the United States Housing Act of 1937, and for other purposes, which was ordered to lie on the table.

He also laid before the Senate a resolution of Ellen Hardin Walworth Chapter, National Society Daughters of the American Revolution, Brooklyn, N. Y., favoring the enactment of legislation requiring every resident of the United States to execute a counterfeit-proof identification card, with certain penalties for failure so to do, which was ordered to lie on the table.

He also laid before the Senate resolutions of the Lions Clubs, of Davenport, Iowa; Houma, La.; Hamilton and Steubenville, Ohio; and Corsicana, Tex., endorsing the national-defense program, and favoring the immediate enactment of legislation to stop subversive activities in the United States, which were ordered to lie on the table.

Mr. SHEPPARD. Mr. President, I present for appropriate disposition a petition signed by approximately 1,000 citizens of Dallas, Tex., praying that the United States render immediate aid to the Allies.

The VICE PRESIDENT. Without objection, the petition will be received and referred to the Committee on Foreign Relations.

Mr. ASHURST presented a petition of sundry citizens of Williams, Ariz., praying that Congress remain in session during the existing emergency notwithstanding meetings of the national political conventions, which was ordered to lie on the table.

Mr. WALSH presented a resolution of Post No. 5, La Legion Franco-Americaine des Etats Unis d'Amerique, Fall River, Mass., favoring the adoption by the United States of a policy of complete cooperation and collaboration with the Allies, which was referred to the Committee on Foreign Relations.

He also presented a resolution of the board of aldermen of the city of Medford, Mass., commending the speech delivered by the President of the United States on the evening of the 10th instant, which was ordered to lie on the table.

Mr. DANAHER presented a petition of sundry citizens of Washington, Conn., which was referred to the Committee on Foreign Relations and ordered to be printed in the RECORD, without all the signatures attached thereto, as follows:

To the Honorable Senator JOHN A. DANAHER,
Senate Office Building, Washington, D. C.:

We, the undersigned, residents of Washington, Conn., urge that all possible aid, short of armed intervention, should be given to the Allies immediately.

F. B. SCHMIEDEL.
Rev. E. GRANSTROM.
LEWIS C. WOODRUFF.
(And sundry other citizens.)

Mr. CONNALLY. Mr. President, I have on my desk a rather numerously signed petition. This is only one-third of it. One-third of the petition was sent to the senior Senator from Texas [Mr. SHEPPARD], a third of it to myself, and a third to the Representative from the Dallas, Tex., district. My information is that a mass meeting was held there on Thursday night, I believe, attended by 35,000 persons, in which some resolutions were passed regarding immediate help to the Allies. I ask leave to present the petition, and ask that it be referred to the Committee on Foreign Relations.

The VICE PRESIDENT. Without objection, it is so ordered.

ASSISTANCE TO THE ALLIES

Mr. MCNARY. Mr. President, I ask unanimous consent to have printed in the RECORD and lie on the table a cablegram, numerously signed by Americans in Great Britain, urging immediate assistance to the Allies.

There being no objection, the cablegram was ordered to lie on the table and to be printed in the RECORD, as follows:

LONDON, *June 13, 1940.*

MCNARY,
United States Senate, Washington, D. C.:

A cry for clear thinking; a plea for quick action. We Americans on British soil, but first and foremost still Americans, now that President Roosevelt has so courageously spoken, implore our fellow countrymen who so obviously want to minimize the present catastrophe to realize that there cannot, there must not, be delay, for delay costs lives. Let us not forget that procrastination is the vice of all free peoples, and by not forgetting it to act at once. To all Americans on both sides of the once broad Atlantic, our duty, one of plain common sense, is obvious: We can help in the following ways:

(1) We must give planes and more planes, guns and more guns, and, if necessary, what is harder still, our men. Sacrifice should be ours as well—sacrifice unstinted.

(2) We must give our full personal material and financial support to those various organizations that are already established, organizations such as the Red Cross, Mr. Wmthrop Aldrich's committees throughout the United States, the American Ambulances for Great Britain (particulars of which were broadcast a few nights ago), the American Field Service, etc. Others as they become necessary will naturally follow.

(3) We Americans should also throw open our shores to the old and young of all the countries stricken by aggression for the duration of the war. By so doing we would greatly alleviate the terrific burden on England and France.

Let each one of us make the biggest effort possible in that capacity to which we are best suited, and make it not tomorrow but today. By so doing we can cry "Halt!" to Mussolini and Hitler. Our efforts now will minimize that slaughter, the resultant victory will be quicker, and peace again will be the way of life.

Mrs. Peter Arno, Ethelyn Abel, Nora Albertini, Stockwell Albertini, Russell Alexander, W. Arras, Ethelyn Alexander, Mary London Baker, J. Arthur Barrat, Mildred Buchanan, W. Bent, Mrs. Alan Buchanan, Mr. and Mrs. Herbert Boone, T. Boardman, Francis Blake, Lady Boulton, Harry Craddock, Harry Cooper, R. Cotton, William Ernestine Cotton, Martha Cotton, Bertram Cruger, Mary Campbell-Buller, Dorothy Dickson, Thompson Derr, Frederic Davis, O. Deiter, Alice Bean, Mary Daniells, Charles Earle, Margaret Fuller, Walter Futter, Robert Foster, (Ruth) Lee of Fareham, Helen French, Mrs. Charles Gordon, Adelaide Gillespie, Daniel Grant, Dorothy Gillespie, Mr. and Mrs. Graffbaker, Martha Hawes, John Hynes, John Harvey, F. Harley, Mrs. Edward Head, Dorothy Hyson, (Virginia Cherrill Jersey) Jean Johnson, Helen Jackson, C. Johnson, Jessica Jackson, Lady Kennard, Lee Washington Kennard, Gilbert F. Kennedy, Mrs. Roland Knaster, Mrs. Francis LeBouvier, G. Law, R. Lecron, Charles Lytle, Clair Luce, Elizabeth Lanchester, Mrs. Victor Marryat, A. McMaster, Mrs. Kenneth Metcalf, Lady Alfreda Maynard, Myra McMaster, M. Moller, Mrs. Allen Messer, Mrs. John Monins, Mrs. Roger Makins, Nessie Nelson, Joseph O'Neill, Paul Ordway, Glidden Osborn, Robert Parker, Mrs. Anna H. Peck, H. Parsons, Raymond Purcell, Mrs. Arthur Ponsonby, Wallace B. Phillips, Lady Peake, Lady Ross, Mr. and Mrs. Robert Rollins, John Rogers, Marion Roper-Caldpeck, Mrs. A. Roper-Caldpeck, Marjorie Smail, William Simms, Manning Sherwin, Wilfred Streeter, Michael Stiver, K. Seidel, Arthur Springarn, the Lady Sackville, Eloise Stebbing, Mrs. Sissons, Elizabeth Spitzel, Mrs. Wakefield Saunders, Lawrence Tweedy, Marjorie Tomson, Dorothy Tarbat, Roxana Van Rensselaer, Mrs. Vanderwoude, W. Webb, Marie Williams, L. Weddell, Mrs. Edward Wagg, Philip Witcomb, Norman Witcomb.

RESOLUTIONS OF CITIZENS OF DALLAS COUNTY, TEX.

Mr. SHEPPARD. Mr. President, I send to the desk a telegram from a mass meeting held at Dallas, Tex., and ask that it be read.

The PRESIDING OFFICER. The clerk will read.

The Chief Clerk read as follows:

DALLAS, TEX., *June 13, 1940.*

Senator MORRIS SHEPPARD,
Washington, D. C.:

Tonight 35,000 patriotic citizens of Dallas County, in open mass meeting, voted the following resolutions:

"Realizing that our democratic form of government involves responsibility as well as privilege, we, the citizens of Dallas County, Tex., in mass meeting assembled on this the 13th day of June, A. D. 1940, do hereby resolve that:

"(1) We reaffirm our belief in and allegiance to the noble principles enunciated in the Declaration of Independence that 'all men are created equal, that they are endowed by their creator with certain inalienable rights; that among those are life, liberty, and the pursuit of happiness.'

"(2) We rededicate and reconsecrate our Nation to the principles guaranteed to free citizens under the Constitution of the United States, and especially to the first Bill of Rights, reading, 'Congress shall make no law respecting an establishment of religion or prohibiting the free exercise thereof, or abridging the freedom of speech or of the press, or the right of the people peaceably to assemble and to petition the Government for a redress of grievances.'

"(3) Realizing the Allies, Great Britain and France, are heroically fighting for the maintenance of those principles we hold dear and since they are in need for war munitions and supplies at once, we recommend that Congress and the President render all assistance possible short of war.

"(4) We urge Congress to repeal immediately the Neutrality Act and pass such other necessary legislation to accomplish the foregoing.

"(5) The program of our State Department for linking together the 21 American republics in a solid front against all undemocratic ideologies receives our whole-hearted approval; that each American republic may be assured that the material might as well as the moral support of each is assured to all; and that our trade relations be built on a foundation of fair dealing, friendship, and mutual benefit.

"(6) We condemn all 'fifth column' and un-American activities which challenge our form of government or its institutions, but at the same time urge our citizens to be calm and not unjustly accuse or persecute anyone.

"(7) We immediately stop the export of war materials to countries through which such materials may find their way to the enemies of democracies.

"(8) We urge Congress to appropriate $50,000,000 immediately for the relief of war refugees as recommended by the President."

Respectfully submitted.

Mayor Woodall Rodgers, chairman of mass meeting; Karl Hoblitzelle, general chairman; resolutions committee: William Harris, Robert Storey, Paul Carrington, Allen Wight, Louis Bailey; executive committee: Nathan Adams, Fred F. Florence, Karl Hoblitzelle.

TAXATION FOR NATIONAL DEFENSE—REPORT OF THE FINANCE COMMITTEE

Mr. HARRISON. From the Committee on Finance I report back favorably with amendments the bill (H. R. 10039) to provide for the expenses of national preparedness by raising revenue and issuing bonds, to provide a method for paying for such bonds, and for other purposes, and I submit a report (No. 1856) thereon. I hope that we may proceed to the consideration of the bill on Monday.

Mr. KING. Mr. President, may I inquire of the Senator whether or not the bill has been printed?

Mr. HARRISON. No. It will be printed tonight.

Mr. KING. So that the report of the committee will be available tomorrow?

Mr. HARRISON. We hope to have it available tomorrow.

The VICE PRESIDENT. Without objection, the report will be received and the bill will be placed on the calendar.

ENROLLED BILLS AND JOINT RESOLUTION PRESENTED

Mrs. CARAWAY, from the Committee on Enrolled Bills, reported that on June 14, 1940, that committee presented to the President of the United States the following enrolled bills and joint resolution:

S. 2598. An act for the relief of Kurt Wessely;

S. 3196. An act to amend the act approved May 24, 1938, entitled "An act for the relief of the Comision Mixta Demarcadora de Limites Entre Colombia y Panama" and for the relief of Jose Antonio Sossa D;

S. 4026. An act providing for the reorganization of the Navy Department, and for other purposes; and

S. J. Res. 59. Joint resolution authorizing the Bureau of Labor Statistics to collect information as to amount and value of all goods produced in State and Federal prisons.

BILLS INTRODUCED

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. BURKE:

S. 4139. A bill for the relief of the late John L. Summers, former disbursing clerk, Treasury Department; to the Committee on Claims.

By Mr. THOMAS of Utah:

S. 4140. A bill relating to conservation operations of the Department of the Interior pursuant to Reorganization Plan No. IV; to the Committee on Public Lands and Surveys.

By Mr. CONNALLY:

S. 4141. A bill to provide revenue and facilitate the regulation and control of the economic and industrial structure of the Nation, for the successful prosecution of war, and for other purposes; to the Committee on Finance.

By Mr. SHEPPARD:

S. 4142. A bill for the relief of Francis Bowen Upham; to the Committee on Military Affairs.

HOUSE BILLS PLACED ON CALENDAR OR REFERRED

The following bills were each read twice by their titles and ordered to be placed on the calendar or referred, as indicated below:

H. R. 9958. An act to authorize the purchase by the Reconstruction Finance Corporation of stock of Federal home-loan banks; to amend the Reconstruction Finance Corporation Act, as amended, and for other purposes; to the calendar.

H. R. 10030. An act increasing the number of naval aviators in the line of the Regular Navy and Marine Corps, and for other purposes; to the Committee on Naval Affairs.

TAXATION FOR NATIONAL DEFENSE—AMENDMENT

Mr. LA FOLLETTE submitted an amendment intended to be proposed by him to the bill (H. R. 10039) to provide for the expenses of national preparedness by raising revenue and

issuing bonds, to provide a method for paying for such bonds, and for other purposes, which was ordered to lie on the table and to be printed.

RULE RELATIVE TO AMENDMENTS TO RELIEF AND WORK RELIEF BILLS

Mr. ADAMS submitted the following resolution (S. Res. 282), which was referred to the Committee on Rules:

Resolved, That Senate rule XVI be amended by adding thereto the following new section:

7. That the provisions of this rule as to amendments to general appropriation bills shall apply to all bills making appropriations for relief and work relief.

REPORT OF BOARD OF ACTUARIES OF THE CIVIL SERVICE RETIREMENT AND DISABILITY FUND (S. DOC. NO. 212)

Mr. BULOW. Mr. President, on Tuesday last the Civil Service Commission transmitted to the Senate the annual report of the Board of Actuaries of the Civil Service Retirement and Disability Fund for the fiscal year ended June 30, 1939, which was referred to the Committee on Civil Service.

It has been the custom, I am informed, to print these annual reports as documents, and therefore, as chairman of the Committee on Civil Service, I ask unanimous consent that the report above indicated may be printed as a Senate document.

The VICE PRESIDENT. Without objection, it is so ordered.

ADDRESS BY SENATOR TYDINGS ON MILITARY PREPAREDNESS

[Mr. CONNALLY asked and obtained leave to have printed in the RECORD a radio address on the subject Military Preparedness for the Present and for the Future, delivered by Senator TYDINGS on June 10, 1940, which appears in the Appendix.]

ADDRESS BY SENATOR PEPPER ON THE AMERICAN FLAG

[Mr. SLATTERY asked and obtained leave to have printed in the RECORD an address by Senator PEPPER to various organizations in Chicago in celebration of All Chicago Flag Day, on June 12, 1940, which appears in the Appendix.]

ADDRESS BY SENATOR WILEY ON MAN AND GOVERNMENT

[Mr. WILEY asked and obtained leave to have printed in the RECORD an address delivered by him yesterday in Milwaukee, Wis., before the State Association of Life Underwriters on the subject of man and government, which appears in the Appendix.]

LET EUROPE PAY WAR DEBTS—ARTICLE BY SENATOR LUNDEEN

[Mr. LUNDEEN asked and obtained leave to have printed in the RECORD an article by him, published in Social Justice of April 29, 1940, entitled "Let Europe Pay War Debts," which appears in the Appendix.]

APPRAISING AMERICA'S STRENGTH—ADDRESS BY HON. PAUL V. M'NUTT

[Mr. MINTON asked and obtained leave to have printed in the Appendix of the RECORD a radio address by Hon. Paul V. McNutt, Federal Security Administrator, on the theme Appraising America's Strength, which appears in the Appendix.]

ADDRESS BY EUGENE M. LERNER AT GRADUATION EXERCISES, GEORGE WASHINGTON UNIVERSITY

[Mr. THOMAS of Idaho asked and obtained leave to have printed in the RECORD the farewell address delivered by Eugene M. Lerner, president of the class of 1940 of the George Washington University, Washington, D. C., June 11, 1940, which appears in the Appendix.]

THE GENERATION THAT WAS DUPED—ARTICLE BY WALTER LIPPMANN

[Mr. BURKE asked and obtained leave to have printed in the RECORD an article by Walter Lippmann entitled "The Generation That Was Duped," published in the Washington Post, which appears in the Appendix.]

SUBVERSIVE ACTION—EDITORIAL FROM WASHINGTON POST

[Mr. BURKE asked and obtained leave to have printed in the RECORD an editorial from the Washington Post of today relative to the proposed deportation of Harry Bridges, which appears in the Appendix.]

THE NATIONAL DEFENSE—EDITORIAL FROM ST. LOUIS POST-DISPATCH

[Mr. CLARK of Missouri asked and obtained leave to have printed in the RECORD an editorial from the St. Louis Post-Dispatch relative to the national defense, which appears in the Appendix.]

AMERICA AND THE WORLD WAR

[Mr. BONE asked and obtained leave to have printed in the RECORD two editorials published in Labor, of Tuesday, June 11, 1940, headed, "Let's put an end to this hysteria" and "God is not responsible," which appear in the Appendix.]

RECLAMATION NEEDS OF IDAHO

[Mr. THOMAS of Idaho asked and obtained leave to have printed in the RECORD a letter from E. W. Rising, and an address by H. W. Morrison, dealing with some of the reclamation needs of Idaho, which appear in the Appendix.]

ADDRESS BY PROF. SIDNEY POST SIMPSON AT KNOX COLLEGE ALUMNI DINNER

[Mr. PEPPER asked and obtained leave to have printed in the RECORD an address delivered at the Knox College Alumni Dinner on June 11, 1940, by Prof. Sidney Post Simpson, of Harvard Law School, which appears in the Appendix.]

TRIBUTE FROM SON TO FATHER—REMARKS OF MR. BRUCE GREEN, OF ARLINGTON, VA.

[Mr. BYRD asked and obtained leave to have printed in the RECORD a tribute from Mr. Bruce Green, of Arlington, Va., to his father Harry K. Green, Past Master, Columbia Lodge 285, A. F. & A. M., which appears in the Appendix.]

OPEN LETTER FROM MAURICE LÉON TO WENDELL WILLKIE AND SENATOR PEPPER

[Mr. PEPPER asked and obtained leave to have printed in the RECORD an open letter addressed to him and Wendell L. Willkie by Maurice Léon entitled "This Is America's War," which appears in the Appendix.]

CONDEMNATION BY ITALIAN CLUB OF TAMPA, FLA., OF ITALY'S ENTRANCE INTO WAR

[Mr. PEPPER asked and obtained leave to have printed in the RECORD an article from the Tampa (Fla.) Tribune of June 13, relating to condemnation of Mussolini by the Italian Club of Tampa, which appears in the Appendix.]

APPROPRIATIONS FOR WORK RELIEF AND RELIEF

The Senate resumed the consideration of the joint resolution (H. J. Res. 544) making appropriations for work relief and relief for the fiscal year ending June 30, 1941.

Mr. BRIDGES. Mr. President——

The VICE PRESIDENT. When the Senate took a recess yesterday, the Senator from Wisconsin [Mr. LA FOLLETTE] had an amendment pending. The RECORD shows that he desired a yea-and-nay vote on that amendment.

The Senator from New Hampshire [Mr. BRIDGES] has advised the Chair that he desires to address the Senate; so the Chair recognizes the Senator from New Hampshire.

REPORT OF GERMAN POSSESSION OF AMERICAN BOMB SIGHT

Mr. BRIDGES. Mr. President, we all know in this body, and practically everyone in the country knows, that this country is woefully unprepared in the matter of national defense. We further know, or at least it is my belief, that someone in this country has been woefully negligent and delinquent in starting our defense program. I think this program should have been started some time ago; and if the President is the great international authority he claims to be and many people think he is, he certainly must have had at his command information which would have warranted his coming before Congress a whole year ago and asking for the appropriations which he asked for a month ago.

But there is one thing above all others in the entire national-defense program that I have had drummed into my ears in committee hearings: I have read in the press, I have heard over the radio, I have heard on the floor of the Senate, and so on, that the one chief advantage we had in this country was that in our Air Corps we had a bomb sight that was superior to any bomb sight possessed by any other nation in the world. I thought it to be so, and I have repeated the statement myself. You can imagine my shock and my surprise last night when, listening over the radio, I heard a national commentator on the radio say that the Germans

had a bomb sight like the American bomb sight. To quote the substance of his words, he said he did not know positively that it was the same instrument, but, on the basis of information from very authentic sources and from all appearances, it was the same or a very similar instrument. I was startled to hear this.

Our bomb sight is the one thing about which we have boasted to the world that we were superior. It is the one precious secret we were supposed to protect above everything else; and now we get this report that it, or one very similar, is in the hands of the Germans. What may we expect next?

If that is true, and it should have been procured from this country, someone has been woefully negligent. A person who would turn such a secret over to another nation could be rightly accused of treason to this country. Certainly the "fifth column" activities are reaching pretty close if information as to our bomb sight, or specifications for it, have gotten out and in some way have found their way into the hands of another power.

I want to go on record here as saying that that is a very dastardly thing, something that the Senate and the Congress of the United States should not pass by; something that Mr. Roosevelt, as President of the country, should look into, and the Secretary of War, and the Secretary of the Navy, if we have a Secretary of the Navy in this great crisis. I do not know that we have one. The last I heard, he was running for Governor of New Jersey—a very laudable ambition—but certainly we need a Secretary of the Navy in these critical times, when the world is aflame. All of you know the history of the Navy Department. You know that for some time we were without a Secretary of the Navy; and then we had one for a few months, and now he is running for Governor of New Jersey. They say he is going to resign. Let us hope he will do one thing or the other.

Mr. HILL. Mr. President, will the Senator yield?

Mr. BRIDGES. Certainly.

Mr. HILL. Would the Senator object to telling us the name of the radio commentator who made the statement to which he has alluded?

Mr. BRIDGES. One of the reasons why I quote him is that I hold him in very high esteem, and I think he is a very able commentator. The radio commentator's name is Fulton Lewis, Jr.; and his radio program was broadcast over the Mutual Broadcasting System.

I believe that from the President down the line, including the proper committees of Congress, we should take steps to investigate and determine whether or not this report is true. It is a very serious thing if it is true.

I merely bring the matter officially to the attention of the Senate.

Mr. NORRIS. Mr. President, I should like to ask the Senator from New Hampshire a question.

Mr. BRIDGES. Certainly.

Mr. NORRIS. I heard last night the radio broadcast to which the Senator refers; but, as I understood his remarks, he did not even intimate that anyone in the American Government had sold the secret of our bomb sight. He said the authorities had not yet seen the inside of the one found on the captured German airplane, but they said it looked very much like ours. I took it that the commentator wanted to convey to his hearers the idea that Germany had invented and was using a bomb sight which was equal, and probably superior, to ours. I did not take what he said as even indicating indirectly that any American official had been guilty of giving to the Germans the secret of the bomb sight we own.

Mr. BRIDGES. I think the Senator is right. He in no way indicated that, and I do not know whether the report is true or not; but it is serious enough that there should be an investigation as to its validity. I think the Senator was right in his understanding. I do not know whether it is true or not; but I say that when this bomb sight, which is one of the military achievements in which we are greatly superior to other nations in the world, or one like it suddenly appears in German hands and is found on German airplanes which have been captured or brought down, the matter certainly is worthy of an investigation by us to see if Americans in any way have had anything to do with turning it over to the Germans; and, if so, then it is treason.

Mr. NORRIS. Of course it is, and if we have any evidence that anyone did it, we should go after him. But suppose an investigation should show that the Germans had invented a bomb sight which was better than ours. Regrettable as that would be, I do not see how we could do anything about it.

Mr. BARKLEY. Mr. President, the Senator from New Hampshire agrees that the interpretation of the Senator from Nebraska of Mr. Fulton Lewis' broadcast last night was correct, that he did not even intimate that it was the same bomb sight, or that anyone in the American Government had been derelict in any duty with respect to it. But I think it would be agreed by all who have listened to the Senator from New Hampshire in his remarks that he deliberately sought to create the impression that someone in the Government of the United States had been guilty of dereliction in regard to this bomb sight.

Mr. BRIDGES. Let me answer the Senator by saying that I hope that the Senator will not try to twist the meaning of my words. I said all along that if the report is true, then someone in this country has been very derelict. I do not know whether it is true or not, but I think it is worthy of an investigation.

Mr. BARKLEY. In other words, if it is true that someone has been guilty of dereliction, then it is true that someone has been guilty of dereliction. That is the sum and substance of what the Senator has said.

Mr. BRIDGES. I agree with the Senator's logic in that. It is very simple. I am glad he understands.

Mr. NORRIS. If it should develop that Germany simply invented a bomb sight that is better than ours, what are we going to do about it?

Mr. BRIDGES. I do not know that there is anything we can do about it; and that may be the case.

Mr. NORRIS. Until there is some charge or some intimation that someone has been guilty of giving away our secrets we should not even by implication intimate that any official is guilty.

Mr. BRIDGES. I have not implicated any official. I have merely said that the President, the Secretary of War, the Secretary of the Navy, and the American Congress should find out whether or not it is true. Even though I differ with the Senator on most occasions, I think that at times he endeavors to be fair. [Laughter.] I think certainly he is raising the same question to me here now that he has charged against Mr. J. Edgar Hoover and the F. B. I. I do not think he had the facts to make the charges he urged against Mr. Hoover and the F. B. I. He made some pretty bad and loose charges then. I am just raising a question.

Mr. NORRIS. The Senator may be convinced that I am guilty of committing murder, but it is not material, so far as our bomb sight is concerned, whether I have killed a whole township of people, or robbed banks, or anything of the kind, or that I have been unjust to the greatest advertiser in the world, Mr. Hoover. I do not think that the matter of the bomb sight has anything to do with Mr. Hoover, or anything to do with how unjustly I have accused him, if the Senator thinks I have. Let us admit, for the purpose of the argument, that I am all unworthy, as the Senator thinks I am; that does not justify the Senator in endeavoring to convey the impression here that some one in our Government has been guilty of giving away the secrets of a bomb sight. There is no indication as yet to that effect. When there is, I want to take the proper steps as badly as the Senator does.

Mr. BRIDGES. Let me ask the Senator a question.

Mr. NORRIS. The commentator said that Germany had a bomb sight which was equal to or probably better than ours; that the inside of it had not yet been seen, but on the outside it looked very much like ours. Germany has probably a good many other inventions which are improvements over what we have or what other nations of the world have. However bad that may be, however much we may regret it, it is not

cause for intimating that we should investigate from the President down——

Mr. BRIDGES. I did not say to investigate the President.

Mr. NORRIS. To discover if someone has given away some American secrets.

Mr. BRIDGES. The Senator has me wrong. I know what I said; the Senator does not need to speak for me.

Mr. NORRIS. The newspapers will not get the Senator wrong. It will appear in flaming headlines in the newspapers tomorrow that the Senator from New Hampshire intimates that someone has given away the secret of our bomb sight; that is the impression that is going out.

Mr. BRIDGES. The Senator from Nebraska is attempting to give the wrong impression. Let me correct the impression now.

Mr. NORRIS. Very well; I hope the Senator will.

Mr. BRIDGES. I do not charge that the President gave the secret away or that the Secretary of War or the Secretary of the Navy did. I merely stated they should investigate this report. It is their duty to investigate it. I did not imply that anyone else gave the secret away, but I said, if it is true, that anyone did, it is treason and should be investigated now.

Mr. NORRIS. There is no report anywhere of which I know that anyone in the Federal Government has been guilty of giving away our secrets. There is no such charge made by anyone. There was no such charge made by the commentator over the radio, and if the people get any such idea they will get it from the statement of the Senator from New Hampshire that we should investigate now all our officials to see if someone has not been guilty of giving away our secrets.

Mr. BRIDGES. Let me ask the Senator a question. Does the Senator believe that when reports like that come along we should sit still and close our eyes?

Mr. NORRIS. No; and I do not have any idea that the officials are sitting still. I have an idea that by this time, or long before this, that bomb sight over in France has been taken apart and analyzed, and that they now probably know all about it—all that can be known, at least, from an examination of it. It has probably been looked into over there, and is being looked into now by our officials. If I had had any way of looking into it, I would have done it myself, as a matter of curiosity, to see whether, in the first place, they did have such a bomb sight; and, if it was better than ours, I would have been in favor of copying it or getting something just like it.

Mr. BRIDGES. I wish the Senator, in his consideration of the F. B. I. and Edgar Hoover, had used the same fairness and consideration that he pretends to have in discussing this subject.

Mr. NORRIS. That has not anything to do with the bomb sight, either. According to the Senator's idea, I have not been fair. The Senator and some other people have not probably yet read the testimony that was taken in the investigation by the Attorney General. I have seen no one defending Mr. Hoover, who has admitted what the clear testimony shows, and what now stands undisputed.

Mr. BARKLEY. Mr. President, during all the discussion in the Senate on the question of preparedness and national defense, very few Senators on either side have sought to inject politics into the discussion. The Senator from New Hampshire evidently, in his remarks this morning, sought to bring a political matter, a partisan matter, into the discussion of national defense by bringing in the question of what Mr. Roosevelt and his administration had done with reference to getting our country ready for defense.

The question of our national defense, and its history during the last few years, is one with which the country is, no doubt, familiar. It is one for which probably no political party and no administration may be held responsible, and certainly not from a partisan, political standpoint. We are familiar with the Disarmament Conference held in Washington in 1921; we are familiar with the Nine Power Treaty; we are familiar with the efforts to disarm which were made in good faith not only by our country but by all other countries.

I am not making any charge that the administrations prior to Mr. Roosevelt were negligent in the performance of their duty. Congress has been as much responsible, if not more responsible, for the failure to appropriate adequate amounts of money for the national defense as has anyone else in the United States, and it has not been guilty of any partisanship in that respect. We all wanted peace; we all wanted to disarm. Probably the entire world has been caught napping by reason of the situation which has existed during the last 4 or 5 or 6 years, and which exists today.

If there is a desire to enter into a partisan argument over the history of national defense in this country, leading back to the World War, it will be a very interesting discussion. I hope we may not be compelled to enter into that; but, inasmuch as the Senator from New Hampshire has injected a partisan note into the discussion, and has even gone to the extent of criticizing the Secretary of the Navy by inquiring whether we had a Secretary of the Navy, because the Secretary of the Navy has been nominated for Governor of New Jersey, we might inquire whether we have a Senator from New Hampshire [laughter], because he is running for President of the United States, which is also a very worthy ambition. I might say that I am willing to make the prediction that if the record is examined, it will be found that Secretary Edison has been on the job infinitely more in the last 3 or 4 months than the Senator from New Hampshire has been on the job in the Senate of the United States. Mr. Edison has resigned as Secretary of the Navy, to take effect on June 24, which is the exact date on which the Republican Convention will meet in Philadelphia; and while Mr. Edison will go out of the Navy by his own choice, on the same day the Senator from New Hampshire will go out of the Republican Convention by its choice. [Laughter.]

Mr. BRIDGES. Mr. President, I wish to ask whether or not Hitler has come into power since Mr. Roosevelt has assumed the Presidency and the Senator from Kentucky has been in the majority party in Washington?

Mr. BARKLEY. The Senator from New Hampshire is more intimate with Hitler than I am. Let him answer his own question. [Laughter.]

Mr. BRIDGES. The Senator from Kentucky knows full well the restrictions imposed as a result of the disarmament conferences, and so on. He knows perfectly well that when the last Republican administration was in power there was no Fuehrer Hitler. He has seen him come to power in this time. The leader of his party, the President today, Mr. Roosevelt, has been President during that entire period. There has been no time when the President has not had an overwhelming majority in Congress. The new dealers have been riding high for the last 7½ years, and have not heeded the warning in the danger brought about by the rise of nazi-ism. Now we have to pay the price in unpreparedness for their neglect.

Mr. BARKLEY. To answer the Senator's question specifically—the answer to which he knows himself—Hitler has come into power, of course, since 1932. The Senator also knows that during that period of time the Congress has not been willing to appropriate the amount of money and has not been willing to go as fast as the President asked it to go in matters of national defense, and that only a year ago was Congress sufficiently aroused on the subject to adopt almost unanimously the national-defense program recommended by the President of the United States. If any persons have been guilty of lack of foresight, or, in other words, have had "bum sight," that guilt is as much chargeable to Congress as to anyone else in the United States.

Mr. BRIDGES. Mr. President, I wish to ask the Senator from Kentucky the question whether or not he thinks that if the President had come before the American Congress a year ago when this war broke out and given Congress the true picture, as he saw it, through the information he must have had, and asked for appropriations for national defense, he would have gotten them?

Mr. BARKLEY. I doubt very seriously whether he would have, and I dare say that the Senator from New Hampshire

himself would have been the first to charge Mr. Roosevelt with being a warmonger.

Mr. BRIDGES. No; the Senator from Kentucky is not making a correct statement; because while I have been an advocate of economy, and I have supported economy measures, I have voted for every defense measure since I have been a Member of the Senate.

Mr. BARKLEY. I am not saying that the Senator did not; but he is not the entire Congress.

Mr. NORRIS. Oh, yes; he is.

Mr. BARKLEY. I beg the Senator's pardon—the Senator from Nebraska says he is. I apologize to the Senator from New Hampshire for that statement indicating an under estimation of the Senator.

Mr. MINTON rose.

Mr. BARKLEY. Does the Senator from Indiana desire to have me yield to him? I yield, unless the Senator wants the floor in his own right.

Mr. MINTON. I want the floor in my own right.

Mr. HILL. Mr. President, will the Senator yield?

Mr. BARKLEY. I yield.

Mr. HILL. I have done what the Senator from New Hampshire could have very readily and easily have done—I have walked a few steps, and gone into the cloak room, and picked up the telephone, and called the Chief of the Air Corps, Gen. Henry H. Arnold, and asked him about this German bomb sight; whether or not there was any evidence, or any facts, or any indication that the Germans had the bomb sight of the United States Government. General Arnold advised me that, from the pictures and the other information they have of the German bomb sight, and from the results they know have been gotten from it, the Germans have a good bomb sight, but that none of these facts show that the Germans have our bomb sight.

The fact of the matter is that the pictures of the bomb sight show that whereas some of the features of the German bomb sight are similar to the features of our bomb sight, in many ways the German bomb sight is not like our bomb sight.

With that statement, I hope I have been able to relieve the mind of the Senator from New Hampshire that the Germans do not have our bomb sight.

Mr. BARKLEY. Mr. President, in that connection it might be observed that, if the Senator from New Hampshire had gone to the telephone and gotten the information, which he did not have and apparently did not want, he could not have made the speech he did here insinuating that someone in the Government had done what he has suggested.

Mr. HILL. Mr. President, will the Senator yield further?

Mr. BARKLEY. I yield.

Mr. HILL. Of course, the Senator's name would not have appeared in this afternoon's newspapers or in tomorrow morning's newspapers if he had not made that speech.

Mr. BARKLEY. Well, it may not, anyway. [Laughter.]

Mr. CAPPER. Mr. President, I rise to support the amendment of the Senator from Wisconsin [Mr. LA FOLLETTE], which would strike lines 13 to 15, inclusive, on page 12, from the pending work relief and relief bill.

The provision we wish to strike from the bill reads:

> No loan or grant shall be made under this section to any person to enable him to subscribe to or pay for stock or membership in any cooperative association.

I think there can be no question that one of the soundest and most economical ways of bringing about rehabilitation of many thousands of low-income farmers at this time is by local effort made possible through loans to small groups of farmers. By furthering cooperative efforts among these low-income groups the Farm Security Administration has felt, and has been justified in feeling, that it was carrying out a well-established policy of Congress.

The worth of farm cooperatives to individual farmers is attested by various acts of Congress intended to promote the growth of farm cooperatives. Among these I might mention the Capper-Volstead Act of 1922, the Agricultural Act of 1929, the United States Warehouse Act, the act of 1933 establishing the Farm Credit Administration, and several others.

The plain fact is that low-income farmers, distressed farmers for whom we are appropriating funds through the Farm Security Administration, are the very ones most in need of the benefits of farm cooperatives.

The prohibition of the use of loans and grants from the Farm Security Administration to be used to pay dues in cooperatives tends to defeat the very purpose of the appropriation. Membership in the cooperatives brings the farmer benefits which more than equal the cost of his membership; and very frequently, I am informed, failure to belong requires him to do things and buy things at his own expense which he could do or get much cheaper through membership in the cooperative.

I also believe the Congress should take cognizance of the value of the farmer cooperatives to the American farmers and to American agriculture. The prohibition of use of F. S. A. loans and grants will materially decrease the membership in many local cooperatives, and thereby deal a blow at the cooperative movement which the Congress has been trying to build up through a number of legislative acts and through Government aid in various forms.

In the interest of the distressed farmers, in the interest of the farm cooperative movement, and in the interest of sound agricultural practices, I sincerely hope that the Senate will strike this section from the bill by accepting the La Follette amendment.

At this point I ask unanimous consent to have printed in the RECORD, as part of my remarks, a letter from Cal A. Ward, Regional Director of the Farm Security Administration, at Lincoln, Nebr., in support of my position, and also a telegram from John Vesecky, of Salina, Kans., president of the National Farmers' Union, presenting the views of the president, officers, and directors of the National Farmers Union.

There being no objection, the letter and telegram were ordered to be printed in the RECORD, as follows:

UNITED STATES DEPARTMENT OF AGRICULTURE,
FARM SECURITY ADMINISTRATION,
Lincoln, Nebr., May 28, 1940.

Hon. ARTHUR CAPPPER,
United States Senate, Washington, D. C.

MY DEAR SENATOR: It is my information that the House last week in approving the relief bill greatly restricted funds being made available for the promotion of farmers' marketing and consumer cooperatives.

In region 7, which is composed of Kansas, Nebraska, North and South Dakota, during the past 2 years we have made a great many loans for farmers to participate in cooperatives, principally grain cooperatives. Many of these cooperatives have operated for 1 year or more, and in many instances are showing substantial progress, and furthermore, it is my opinion that the greater percentage of these loans will be retired out of retains and earnings by participating in the cooperatives.

I am of the firm belief that this is a sound program and is a very definite forward step in the process of rehabilitating the individual farm family.

The objective of the Farm Security Administration is to rehabilitate the hard-hit low-income farm family, looking forward to the time when they will have more security for their families and with a better opportunity to remain on the farm. When a farmer, who is practically insolvent, comes to us for a loan, and after the local advisory committee has recommended this farmer for a loan, steps are taken in the farmer's case to work out a sound farm and home plan. Sound farm and home practices are discussed and agreed upon, proper rotation and diversification of crops are studied, and the farmer's debts are adjusted in line with his ability to pay.

In addition to the above, and other factors, his desire to participate in a cooperative or cooperatives is considered. In many instances it is deemed advisable, after a thorough analysis has been made, that this farmer should be extended a loan to participate in a cooperative which is already a going concern or one which is to be established. Furthermore, many times it is quite evident that the participation in the cooperative lends itself very materially to the rehabilitation of that individual family. Also, is is a well-known fact that not only does the farmer who participates in the cooperative receive dividends, in cash or interests in the cooperative, but the fact of the cooperative being in the community reflects higher price levels for the commodity which is to be sold or lower prices for the commodity which is to be purchased by the farmer, as the case may be.

These sound cooperatives in the community not only lend themselves to the benefit of the participant in the cooperative, but the

other farmers of the community as well, inasmuch as higher prices are reflected.

For the above reasons I am very much concerned about this whole matter and hope that the Congress will see fit that funds are available to loan to farmers to participate in sound cooperatives, and, in fact, that funds are available for strengthening farmers' marketing and consumer cooperatives.

I am of the firm belief that a large percentage of the farmers, including the farm organizations of this section of the country, will feel that the farmers' cause is greatly jeopardized and retarded if the Farm Security Administration is restricted in its help to farmers and the cooperatives. I am fully aware that for many years selfish interests have fought the farmer owned and controlled cooperatives.

Knowing your interest in agriculture and the farmers of your State, I sincerely hope that you will do what you can to reinstate this provision in the relief appropriation bill.

Sincerely yours,

CAL A. WARD, *Regional Director.*

SALINA, KANS., *May 29, 1940.*

HON. ARTHUR CAPPER,
United States Senator,
Senate Office Building, Washington, D. C.:

Our National Farmers Union board respectfully urge your attention to the following resolution:

"Whereas the House of Representatives' Appropriations Committee has included in the relief appropriation bill a provision to prohibit Farm Security Administration from making loans to its farmer clients for the purpose of purchasing membership and/or stock in farmer owned and controlled cooperatives; and

"Whereas purchasing of farm supplies, processing and marketing of farm products by farmer-owned cooperatives has been and is a very effective and direct way of reducing expenses of farmers and increasing farm income. Further, the financial condition of farmers' cooperatives is very sound, and the financial return to farmers by their cooperatives has been a great help to them in meeting their costs of operation;

"Whereas the loans made to farmer clients by Farm Security Administration for the purpose of purchasing memberships and/or shares in cooperatives has been one of the most constructive means of giving farmers sound self-help; and

"Whereas farmers who are clients of Farm Security Administration are in practically all instances unable to originally capitalize their own cooperatives in spite of the fact that the capital can be repaid from savings and the farmers can thus get into their hands mechanisms for self-help on a permanent basis; and

"Whereas these loans are, from the viewpoint of Government, sound from a financial viewpoint as well as for self-help purposes and are in no sense subsidies.

Now, therefore, we, the board of directors of the Farmers Educational and Cooperative Union of America do hereby urge the Congress of the United States to eliminate the aforementioned prohibitive amendment.

JOHN VESECKY,
President, National Farmers Union.

Mr. LEE. Mr. President, yesterday morning's Times-Herald carried a big headline stating that Hitler had announced that he would not attack America, which, judging from the past, is a signal that he intends to attack America.

In the Evening Star of today, June 15, there appears an article with this headline:

Nazis won't forget United States aid for foes, Reich official says.

This is an impudent and brazen threat, which shows that the Nazis grow bolder each day.

Making love one day and threatening the next, the Nazis have thrown their propaganda machine into high gear in order to sabotage America's defense program. I would not have mentioned it, except for the comment that has come to me since Hitler's statement showing that some Americans are actually giving credence to Hitler's statement that he has no interest in the Western Hemisphere.

Adolf Hitler has gambled on the gullibility of the American people since the beginning. Those who have no evil in their own minds do not ascribe evil to the other fellow. Therefore, I think we are a gullible people. Because we do not think evil of others, we have no diabolical scheme for the overthrow of some other government; therefore we do not ascribe to other people the schemes that we do not have in our own minds.

Hitler comes out now with a statement written by a Mr. Karl Von Wiegand. I wonder if the name has anything to do with the fact that the writer received a private and exclusive interview with the Chancelor of the German Reich. He tells the American people, just when we are preparing our "full steam ahead" defense program, that he does not have any interest in the western world. I wonder if that is not a signal, as it was a signal for every one of the other countries which he has laid waste. And today, his hands dripping with the blood of Poland, Norway, Holland, Belgium, and France, he assures the world that he does not plan to attack the Americas. He even throws in for good measure an assurance that he does not plan to destroy England.

Fresh in our memory is his statement that he had no evil intentions against others. That is the Nazi technique. It has been the Nazi technique from the beginning to make love to 10 nations while he hacked 1 nation to pieces; then to make love to 9 nations while he destroyed another; then to make love to 8 nations while he destroyed still another—cutting them to pieces one at a time, all the while saying to the others, "I have no intention of aggression against you." He said the same thing to each of the nations he has destroyed.

Mr. President, the black and bloody record of Hitler's betrayal of those who have trusted him is grim proof that his "friendship" is more deadly than his enmity.

How can the people of America give any credence whatever to his latest cunning effort at betrayal and deception? To me it is an ominous foreboding. It is as ironical as the good meal which is fed to a victim just before his execution. It reminds me of a butcher who, contemplating a new slaughter, pats the fat animal on the back, feeling for a soft place to stick the knife. It is the ironical and fiendish technique of the Nazi propaganda.

I warn America that instead of relying upon his word as an assurance of safety we would be wiser to take it as a signal that America has been marked for slaughter. Did not the invasion of Czechoslovakia follow such denial of intentions? Did not the brutal murder of the Polish people follow such a denial? Did not the ruthless slaughter of the Hollanders and the Belgians follow just such assurances? Therefore America should look upon the Hitler statement as a new signal of danger and redouble all efforts to speed material aid to the Allies the best means of increasing our own defenses.

The PRESIDENT pro tempore. The question is on agreeing to the amendment offered by the Senator from Wisconsin, in section 2 on page 12, to strike out subsection (f) as amended. [Putting the question.] The ayes have it, and the amendment is agreed to.

The joint resolution is still before the Senate and open to further amendment.

Mr. DANAHER. Mr. President, I send to the desk an amendment, on page 25, which I ask to have stated.

Mr. LA FOLLETTE. Mr. President, I ask unanimous consent for the reconsideration of the vote by which my amendment was agreed to. I wish to ask for the yeas and nays. The amendment is very important.

The PRESIDENT pro tempore. Does the Senator from Connecticut yield to the Senator from Wisconsin?

Mr. DANAHER. I am happy to yield to the Senator from Wisconsin.

Mr. TYDINGS. Mr. President, I do not like to oppose the Senator's request, but the amendment has been agreed to practically unanimously.

Mr. LA FOLLETTE. Mr. President, I do not usually submit requests of this kind. I think my attendance record in the Senate will compare favorably with that of other Senators. I was called from the Chamber while the Senator from Oklahoma [Mr. LEE] had the floor. I assumed that he would speak for some time. I ask unanimous consent, with the permission of the Senator from Connecticut, that the vote may be reconsidered.

The PRESIDENT pro tempore. Is there objection? The Chair hears none, and the vote is reconsidered.

Mr. LA FOLLETTE. I ask for the yeas and nays on the amendment.

The PRESIDENT pro tempore. Is there a sufficient second? [A pause.] Only seven Senators second the request. That is not a sufficient number.

Mr. LA FOLLETTE. Mr. President, will the Senator from Connecticut yield to me for the purpose of suggesting the absence of a quorum?

Mr. DANAHER. I yield.

Mr. LA FOLLETTE. I suggest the absence of a quorum.

The PRESIDENT pro tempore. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Adams	Connally	Johnson, Colo.	Radcliffe
Andrews	Danaher	King	Reynolds
Ashurst	Davis	La Follette	Russell
Austin	Downey	Lee	Schwartz
Bailey	Ellender	Lodge	Sheppard
Bankhead	George	Lucas	Shipstead
Barkley	Gerry	Lundeen	Slattery
Bilbo	Gillette	Maloney	Smith
Bone	Green	McKellar	Stewart
Bridges	Guffey	McNary	Taft
Brown	Gurney	Mead	Thomas, Idaho
Bulow	Hale	Miller	Thomas, Okla.
Byrd	Hatch	Minton	Thomas, Utah
Byrnes	Hayden	Murray	Tydings
Capper	Herring	Norris	Vandenberg
Caraway	Hill	Nye	Van Nuys
Chandler	Holman	O'Mahoney	Walsh
Clark, Mo.	Holt	Pittman	Wiley

The PRESIDENT pro tempore. Seventy-two Senators have answered to their names. A quorum is present. The question is on the amendment offered by the Senator from Wisconsin.

Mr. LA FOLLETTE. I ask for the yeas and nays on my amendment.

The yeas and nays were ordered, and the legislative clerk proceeded to call the roll.

Mr. HALE (when his name was called). I have a general pair with the junior Senator from South Carolina [Mr. BYRNES]. Not knowing how he would vote, I withhold my vote. If at liberty to vote, I should vote "nay."

Mr. HILL (when his name was called). I have a general pair with the junior Senator from Kansas [Mr. REED]. I transfer that pair to the Senator from Washington [Mr. SCHWELLENBACH], and will vote. I vote "yea."

Mr. SHIPSTEAD (when his name was called). I have a general pair with the senior Senator from Virginia [Mr. GLASS]. I transfer that pair to the senior Senator from North Dakota [Mr. FRAZIER], who, I am informed, would vote as I shall vote. Therefore I am at liberty to vote. I vote "yea."

The roll call was concluded.

Mr. MCKELLAR (after having voted in the negative). I have a general pair with the senior Senator from Delaware [Mr. TOWNSEND], who is absent. I transfer that pair to the senior Senator from New Jersey [Mr. SMATHERS], and permit my vote to stand.

Mr. MCNARY (after having voted in the affirmative). I have a general pair with the Senator from Mississippi [Mr. HARRISON]. I transfer that pair to the Senator from Vermont [Mr. GIBSON], and permit my vote to stand.

Mr. MINTON. I announce that the Senator from New Jersey [Mr. SMATHERS] is absent from the Senate because of illness in his family.

The Senator from South Dakota [Mr. BULOW], the Senator from Nebraska [Mr. BURKE], the Senators from South Carolina [Mr. BYRNES and Mr. SMITH], the Senators from New Mexico [Mr. CHAVEZ and Mr. HATCH], the Senator from Idaho [Mr. CLARK], the Senator from Ohio [Mr. DONAHEY], the Senator from Virginia [Mr. GLASS], the Senator from Mississippi [Mr. HARRISON], the Senators from West Virginia [Mr. HOLT and Mr. NEELY], the Senator from Delaware [Mr. HUGHES], the Senator from Utah [Mr. KING], the Senator from Nevada [Mr. MCCARRAN], the Senator from Louisiana [Mr. OVERTON], the Senator from Florida [Mr. PEPPER], the Senator from Washington [Mr. SCHWELLENBACH], the Senator from Misscuri [Mr. TRUMAN], and the Senator from New York [Mr. WAGNER] are necessarily detained.

The Senator from Montana [Mr. WHEELER] is unavoidably detained. I am advised that if present and voting he would vote "yea."

Mr. AUSTIN. My colleague [Mr. GIBSON], the Senator from New Jersey [Mr. BARBOUR], and the Senator from North Dakota [Mr. FRAZIER] would vote "yea" if present.

The Senator from Kansas [Mr. REED] and the Senator from New Hampshire [Mr. TOBEY] are absent on official business.

The Senator from Delaware [Mr. TOWNSEND] and the Senator from Maine [Mr. WHITE] are necessarily absent.

The result was announced—yeas 53, nays 12, as follows:

YEAS—53

Adams	Connally	La Follette	Schwartz
Andrews	Danaher	Lee	Sheppard
Ashurst	Davis	Lucas	Shipstead
Austin	Downey	Lundeen	Slattery
Bankhead	Ellender	McNary	Taft
Barkley	George	Maloney	Thomas, Idaho
Bilbo	Gerry	Mead	Thomas, Okla.
Bone	Guffey	Miller	Thomas, Utah
Bridges	Gurney	Minton	Vandenberg
Brown	Hayden	Murray	Walsh
Capper	Herring	Norris	Wiley
Caraway	Hill	Nye	
Chandler	Holman	O'Mahoney	
Clark, Mo.	Johnson, Colo.	Pittman	

NAYS—12

Bailey	Green	Radcliffe	Stewart
Byrd	Lodge	Reynolds	Tydings
Gillette	McKellar	Russell	Van Nuys

NOT VOTING—31

Barbour	Gibson	King	Smith
Bulow	Glass	McCarran	Tobey
Burke	Hale	Neely	Townsend
Byrnes	Harrison	Overton	Truman
Chavez	Hatch	Pepper	Wagner
Clark, Idaho	Holt	Reed	Wheeler
Donahey	Hughes	Schwellenbach	White
Frazier	Johnson, Calif.	Smathers	

So Mr. LA FOLLETTE's amendment was agreed to.

MESSAGE FROM THE HOUSE—ENROLLED JOINT RESOLUTION SIGNED

A message from the House of Representatives, by Mr. Megill, one of its clerks, announced that the Speaker had affixed his signature to the enrolled joint resolution (S. J. Res. 272) to authorize the postponement of payments of amounts payable to the United States by the Republic of Finland on its indebtedness under agreements between that Republic and the United States dated May 1, 1923, and May 23, 1932, and it was signed by the President pro tempore.

TRANSFER OF CONSTRUCTION CORPS TO LINE OF NAVY

The PRESIDENT pro tempore laid before the Senate the amendment of the House of Representatives to the bill (S. 4027) to transfer the active list of the Construction Corps to the line of the Navy, and for other purposes, which was, on page 12, after line 18, to insert:

"SEC. 17. The Secretary of the Navy is hereby authorized and directed to appoint a board of officers of the Navy to investigate and report upon all matters concerning the status of line officers designated for specialized duty. The board shall make specific recommendations as to the advisability of establishing a technical staff corps as an adjunct to the line of the Navy, but separate therefrom, such recommendations to include proposed permanent legislation deemed necessary to give effect thereto. The Secretary of the Navy is further directed to cause the report of the Board herein authorized to be transmitted to the Congress within 10 days of the beginning of the session of the Seventy-seventh Congress, commencing on or about January 3, 1941."

Mr. WALSH. I move that the Senate concur in the House amendment.

The motion was agreed to.

APPROPRIATIONS FOR WORK RELIEF AND RELIEF

The Senate resumed the consideration of the joint resolution (H. J. Res. 544) making appropriations for work relief and relief, for the fiscal year ending June 30, 1941.

Mr. DANAHER. Mr. President, I intend to offer an amendment directed to subsection (b) of section 15, appearing on page 25. I wish to have stricken lines 19 to 25, inclusive, on page 25, and lines 1 to 6 on page 26. I send an amendment to the desk which will accomplish that result.

The PRESIDENT pro tempore. The amendment will be stated.

The LEGISLATIVE CLERK. On page 25, after line 18, it is proposed to strike out lines 19 to 25, and on page 26, lines 1 to 6.

Mr. DANAHER. Mr. President, when that particular language providing for the exclusion from the rolls of workers

who had continuously been employed thereon for 18 months or more was adopted it was thought that a very salutary result would be achieved. It has not worked out in practice and it has led to untold distress.

There are many reasons of economy, as, for instance, in recertifying workers, in reexamining enrollee clients, in the paper work of the offices of administration, in the loss of efficiency in the various jobs upon which relief clients are employed for striking the provision from the law. In fact, when the bill of last year was passed and became a law more than three-quarters of a million people were required to be discharged from the service before the 1st of September.

Surveys which were conducted under Colonel Harrington thereafter disclosed that by November more than half of that number were once again back on the W. P. A. roll, but, above all, Mr. President, the remaining one-half were, in many instances, found living in most destitute and most deplorable circumstances. It even reached the point where people were unable to secure public assistance in their local communities, chiefly due to the fact that, being employable, they were not eligible for local relief.

Mr. McNARY. Mr. President, may I make an inquiry of the Senator?

Mr. DANAHER. Certainly.

Mr. McNARY. Is it the whole of subdivision (b), on page 25, that the Senator desires to eliminate from the bill?

Mr. DANAHER. That is correct. My amendment would strike out all of subsection (b) of section 15 appearing on page 25.

Mr. President, Colonel Harrington's report shows that about one-fourth, and only about one-fourth, of the nearly three-quarters of a million people were again able to get on the W. P. A. relief rolls.

Mr. ADAMS. Mr. President, if the Senator will yield, did I understand him correctly to say that of those who went off under the 18 months' provision only a fourth were able to get back?

Mr. DANAHER. I will read exactly what the first survey showed. The Senator will recall that there were several surveys. The first survey was that to which I have already made reference. I read from the report:

> By November considerably more than half of the separated workers were again dependent on public assistance. About a fourth were back on W. P. A. and more than a fourth were on local relief rolls. Large numbers were living on Federal surplus commodities because in many areas no relief is available for employable cases.

Mr. President, surveys were conducted from time to time thereafter. There is no question that a very large percentage, probably in the neighborhood today of one-half, of those separated from the rolls last December are now back on W. P. A. There cannot be, and there never has been, an effort on the part of the Government to provide work relief for all those who seek it; there always has to be some degree of selectivity; and, Mr. President, when, on the basis of the reports of the certifying agencies in the local communities, men have gotten on the W. P. A. roll, the best need and the best value can be subserved by avoiding all those duplications of effort, those losses of economy and efficiency in administration, and in restoring thereafter under the recertification provision those who have to be separated by virtue of the completion of their 18 months' service on the rolls. Both those who are on the roll and those who are not are legitimately, earnestly seeking private employment wherever they can.

Under the circumstances, where W. P. A. projects are going forward apace, associated, as they are, with national-defense needs in this latest development, there can be little question that the efficient, able workers should be continued on the rolls, and the opportunity should be given to them to work out to the great advantage of the Government the greatest value for the money spent.

In addition, Mr. President, those who were already on local relief rolls, already having established their status in that particular, will be cared for, whereas to disarrange the entire program means a reallocation of the types of relief clients whether on W. P. A. or on local relief.

Mr. BROWN. Mr. President——

Mr. DANAHER. I yield to the Senator from Michigan.

Mr. BROWN. I agree with the position taken by the Senator from Connecticut. I think section 15 (b) should be eliminated from the joint resolution.

I note, in reading the testimony of Colonel Harrington on page 67 of the Senate committee hearings, that he has the following to say:

> In my opinion, section 15 (b), as now embodied in the joint resolution, is so contrary to the objective originally intended to be reached by means of some principle of rotation that I recommend that it be eliminated in its entirety.

That, I take it, is just what the Senator from Connecticut is trying to do.

Mr. DANAHER. Precisely.

Mr. ADAMS. Mr. President, will the Senator allow me to read a further part of Colonel Harrington's testimony, in which he says, on page 121:

> I think that the section might very well be left in.

Mr. BROWN. I rose for the purpose of commenting not only upon what I read but also upon the position later taken by Colonel Harrington, and asking the Senator from Connecticut if he would not consider modifying his amendment in the manner I am about to suggest; but I should like to make a brief comment before suggesting the language.

Mr. DANAHER. Mr. President, let me retain my prerogative just a moment before further yielding to the Senator from Michigan, whose cooperation I value, in order that there may be no misapprehension as to the reference made by the Senator from Colorado to the testimony of Colonel Harrington on page 121; and I desire to read it word for word:

> Colonel HARRINGTON. On the whole program, 37 percent, Senator McKELLAR.

Answering a question of the Senator from Tennessee as to what percentage of those on relief are over 45 years of age.

> If this provision were included in this section, my recommendation would be to strike the whole section out and do away with the 18-month lay-off, because I think it will become ineffective in accomplishing the purpose if that 45-year provision remains in. So that my recommendation would be, first, to strike the 45-year provision out; second, if that is not done, strike the whole section out.

That is the particular paragraph in which Colonel Harrington deals with the 45-year provision and with the 18-month period of service.

Mr. BROWN. I take it that the original purpose of section 15—and I gather that from what the Senator from Colorado [Mr. ADAMS] in charge of the joint resolution, tells me in private conversation—was to assure a certain amount of rotation, and to prevent persons from remaining on the W. P. A. rolls when it was quite possible for them to obtain jobs in private employment. Having that in mind, and understanding that now, as I understand from Colonel Harrington's testimony, only about 2½ percent remain on the rolls for 18 months or longer, it is not a very important provision to retain in the joint resolution. In order to accomplish what the Senator from Connecticut wants and at the same time provide for rotation, however, I desire to substitute this language after the amendment which was adopted in line 21.

The Senator will recall that the phrase—

> Unmarried widows of such veterans and wives of such veterans who are unemployable—

Was put back in the Senate print of the joint resolution. I would add, right after that language, within the exception:

> and all project workers who have made reasonable efforts to secure private employment.

Does the Senator get what I mean?

Mr. DANAHER. Wholly.

Mr. BROWN. I think that would accomplish the purpose which the Senator from Connecticut desires to accomplish by striking out all of subsection (b), and I think likewise it would assure the Administrator the right to discharge persons who have made no honest effort to secure employment in private industry. It seems to me it would meet both situations; and I do not see how there can be reasonable ground to object to

that kind of a compromise between the views expressed by the Appropriations Committee and those held by the Senator from Connecticut. I therefore make that suggestion to him, and ask him whether or not he would be willing to accept that as a substitute for his amendment?

Mr. DANAHER. Mr. President, before answering the Senator from Michigan categorically, I should like to complete exactly what Colonel Harrington said in that particular. I will say that my own purpose is to strike out entirely section 15 (b); and if we could have a vote to achieve that result, I believe it preferable by far to amending the paragraph in the particular mentioned by the Senator from Michigan, for the reasons which Colonel Harrington himself explained. I will read what he says.

On page 121 of the Senate committee hearings, Colonel Harrington said:

> I think that the section might very well be left in, Senator McKELLAR, as it is now operating. It produced a lot of hardships last summer with this mass lay-off with the 18-month provision. It is now running between 30,000 and 45,000 people a month on a program of about 2,000,000, and we are able to handle that. We are able to get those people reinvestigated, and the ones that really cannot get employment are put back on.
>
> Senator ADAMS. And they are taken back at about an average of 70 percent?
>
> Colonel HARRINGTON. Yes, sir.
>
> Senator OVERTON. How quickly do they get back on the rolls?
>
> Colonel HARRINGTON. They have to wait 30 days before they can be recertified, and then after they are recertified there is some delay before they can get back on. We have to have a vacancy for them. Cases that are really in need would get back within 2 months.

Mr. President, in view of the fact that persons who are in need cannot get back on the rolls in less than 2 months, and then, if they really are in need—to quote the colonel—they get back on the rolls, it seems to me no substantial purpose would be served by adopting the suggestion of the Senator from Michigan, for the reason that no one stays on relief if he can get off. Anyone would rather have a good job in private industry or private employment anywhere than to remain on relief.

Mr. MALONEY. Mr. President——

The PRESIDING OFFICER (Mr. CHANDLER in the chair). Does the Senator from Connecticut yield to his colleague?

Mr. DANAHER. I yield to my colleague.

Mr. MALONEY. I merely want to make an explanation and a suggestion, and that is that I hope my colleague will insist upon a vote upon his own amendment.

When this proposal first came before the Senate, I very vigorously protested, here and in the committee, the suggestion that the 18-month provision be put into effect. I now want completely to associate myself with my colleague's statement and with his views, and to express the hope that he will get a clear-cut vote on his own amendment.

Mr. DANAHER. I thank my colleague, whose help I have acknowledged publicly time and time again. His cooperation in this particular reflects our recognition of the need of an amendment of this kind in an industrial State like ours.

Mr. BROWN. Mr. President——

The PRESIDING OFFICER. Does the Senator from Connecticut yield to the Senator from Michigan?

Mr. DANAHER. I yield.

Mr. BROWN. I wish to say to the Senator from Connecticut that striking out subsection (b) of section 15 was the original idea I had. I prefer that amendment to my own amendment, and my one thought was that we would have more difficulty in striking out subsection (b) altogether than we would have in amending it. So, as the Senator suggests, I shall be glad to have a vote on his amendment, and I shall vote for it and support it as I am now doing. If it shall not be adopted, then I shall propose my amendment in the hope that it may be adopted.

Mr. DANAHER. I thank the Senator from Michigan.

Mr. President, let me say that we now have from the hearings the facts that were brought out in the committee. The fact that we may, as a matter of conclusion, differ from the Senator from Colorado is in no slightest sense a disparagement of the splended efforts he has devoted to this measure. It just happens that, as I see the matter, when 70 percent of these persons have to be taken back on the rolls, the situation is one which ought not to result in the distress and the deplorable conditions in which so many find themselves at the present time as a result of the operation of this section.

The PRESIDING OFFICER. The Chair regrets to inform the Senator from Connecticut that his time on the amendment has expired.

Mr. DANAHER. I ask some time on the joint resolution.

The PRESIDING OFFICER. The Senator from Connecticut has 15 minutes on the joint resolution.

Mr. DANAHER. Mr. President, there is little more that I wish to say. This matter was fully debated at the time the provision was first inserted in the present law. I know it has been thoroughly considered in the committee. It so happens that in my construction of the facts, and the conclusion I draw from them, this provision is not sound, and should not longer be retained as part of this measure.

Mr. President, I ask for the yeas and nays on my amendment.

Mr. ADAMS. Mr. President, this provision in the bill——

The PRESIDING OFFICER. Will the Senator permit the Chair to determine whether a sufficient number seconded the request for the yeas and nays?

Mr. ADAMS. I desire to discuss the amendment.

Mr. McNARY. A parliamentary inquiry. What was the ruling of the Chair as to the yea-and-nay vote?

The PRESIDING OFFICER. The Chair did not have an opportunity to determine the number. The Chair asked the Senator from Colorado if he would permit the Chair to make the count, but the Senator from Colorado desired to proceed.

Mr. ADAMS. Mr. President, this provision came into the law from the House of Representatives during the last session. The Senate had a different theory at that time, but there was the same purpose then both in the House and in the Senate. It developed in the hearings that, for instance, in one State, more than 30 percent of those on the relief rolls had been on for more than 3 years, and at the same time there were other people trying to get on. So that the problem submitted was whether we would leave persons on the rolls after a period of 18 months who, by staying on, excluded from the roll other persons who had the same qualifications, and had been trying to get on.

As the Senator from Connecticut says, it is not possible, from a practical standpoint or financially, to put everyone on the relief rolls who has the qualifications. The provision adopted by the Senate a year ago was to the effect that, as between a person who had been on 18 months and a person who had been trying for 6 months to get on and had not been able to do so, the one who had been on 18 months must give way to the one who was in distress and had not been able to get on. That is, we did not favor the absolute, positive dropping from the rolls of those who had been on the rolls 18 months, unless other persons were being kept off the rolls. We thought that an individual who had had 18 months' help from the Government should give way to someone who had had no help from the Government.

Mr. DANAHER. Mr. President, will the Senator yield?

Mr. ADAMS. I yield.

Mr. DANAHER. In the situation to which the Senator refers, people who had been on 3 years were automatically taken off when the 18-month provision in the present law went into effect. Was not that true?

Mr. ADAMS. Certainly.

Mr. DANAHER. Some 775,000 people were dropped in 2 months ending September 1, 1939, as a result. Consequently the need for separating such people from the rolls, if there was a need, so far as it existed in 1939 when the law was written, has been very fully met by the operation of the law, if the purpose, then, was to exclude and separate those people from the rolls. But that is no longer the situation, I submit, since those people on the rolls 3 years were dropped.

Mr. ADAMS. Mr. President, the operation of the 18-month provision, as pointed out by Colonel Harrington a year ago, was harsh. The Senate did not approve of it. Now the harshness is over, and the only effect of the 18-month provision is to equalize and to give a preference to one who has been trying to get on as against one who has been on 18 months.

Mr. PEPPER. Mr. President, will the Senator yield?

Mr. ADAMS. I yield.

Mr. PEPPER. Does the Senator from Colorado mean to imply that we are not in this relief measure making appropriations adequate to take care of all those who are unemployed?

Mr. ADAMS. We have never even attempted to make appropriations to take care of all those who were unemployed. We are taking care of an average of 2,000,000 people; that is the figure. There are nine to ten million unemployed. We are not attempting to take care of them. We could not do so. The Government is not financially able to take care of all the unemployed. That has not been the program of the President, which we are trying to carry out.

Mr. PEPPER. What is the official explanation we are supposed to give to people as to why we do not take care of all the unemployed?

Mr. ADAMS. There is not any obligation on the Government to take care of unemployed who are not in need. The purpose is to take care of needy people, not merely unemployed. There may be 5,000,000 people unemployed who are not in need. This is a relief measure, not an employment measure regardless of need.

Mr. PEPPER. Mr. President, will the Senator yield further?

Mr. ADAMS. I yield.

Mr. PEPPER. Does the Senator then advise us that this joint resolution is not making appropriations for all those who are unemployed and need work?

Mr. ADAMS. It seeks to provide for those who are employable and who are in need. The Government cannot in every instance immediately take care of every individual who meets those qualifications.

Mr. PEPPER. Why can it not take care of all those people?

Mr. ADAMS. In the first place, there are different situations in different sections of the country. I could take the Senator into my State, in counties where there are practically no persons in need, other counties where the certification process, the investigation, and other things, naturally delay getting people on the rolls. That is, the individual does not merely walk up to the courthouse and say, "I want to go on the roll."

Mr. PEPPER. I thought the Senator had given the lack of funds as the justification for our not taking care of all the needy unemployed. Is not that the real reason?

Mr. ADAMS. No. I am saying that this joint resolution provides the funds which the President of the United States and the W. P. A. Administrator say are necessary to do the job.

Mr. PEPPER. Mr. President, I have gotten an entirely different impression from the testimony the W. P. A. Administrator gave to a subcommittee of which I am a member, which is embodied in the report of the hearings which I hold in my hand. There has been one question whenever a relief bill has been presented, and we all know it. We did not decide how many needed work; we decided how much money we would make available for work.

Mr. ADAMS. That is not the situation.

Mr. PEPPER. I do not believe the Senator from Colorado will say that we have ever appropriated as much money as we knew was necessary to meet the needs of the unemployed. We have always said we did not have the money to appropriate.

Mr. ADAMS. No. The Senator is at least 80 percent wrong. It has never been contended or argued here that we were merely setting aside a sum of money and taking care of people with that sum of money. We have always based the appropriation on the need. That has been the basis of the appropriation, not the amount of money available.

Mr. PEPPER. Then why are we cutting off those who have been on the rolls 18 months? Is it because they do not need it if they have been on 18 months? Why did we cut off several hundred thousand last year? It was not because they did not need it but because we said there were others who needed it as much; that there was not enough corn for all; and some of them would have to take corn for a little while and then get back from the trough.

Mr. ADAMS. In every instance the President and the W. P. A. have made estimates as to the number who would be in need. The processes of certification, the processes of investigation, always leave off some people who have been in need for 30, 60, perhaps 90 days, who have not been able to get on. On the other hand, there are always some who stay on the rolls who should get off.

Mr. PEPPER. Why?

Mr. ADAMS. Because they are not in need and do not meet the qualifications.

Mr. PEPPER. They have gotten so rich from the W. P. A. in 18 months that they ought to get off?

Mr. ADAMS. If the Senator does not want to be fair, he need not interrupt me any further. I do not propose to have that kind of an argument made in my time. The Senator can cast all the reflections he desires to cast in his own time.

Mr. PEPPER. No, Senator, I did not mean it in any disparaging way, but the Senator just said——

Mr. ADAMS. I do not care to argue with the Senator if that is his frame of mind and his attitude.

Mr. PEPPER. Mr. President——

Mr. ADAMS. I will not yield any further to the Senator.

The PRESIDING OFFICER. The Senator from Colorado declines to yield further.

Mr. PEPPER. Let me say to the Senator——

Mr. ADAMS. I am not yielding to the Senator at this time. I have been generous, and I am always generous, but I do not propose that in my time the Senator shall cast reflections.

The PRESIDING OFFICER. The Senator from Colorado declines to yield.

Mr. PEPPER. I cannot even apologize in the Senator's time?

Mr. ADAMS. I would not ask an apology from the Senator.

Mr. McNARY. Regular order!

The PRESIDING OFFICER. The regular order has been requested. The Senator from Colorado has the floor, and declines to yield.

Mr. ADAMS. Mr. President, regardless of what may be the occasion or the cause, there are always some on a waiting list seeking to get on the rolls, and the proposal here is to take off some. According to the statement of the officials, all who are affected by this proposal amount to 2½ percent. If we shall eliminate that provision, we will renew the very difficulties we had before. We have followed very largely Colonel Harrington's recommendations throughout the consideration of the measure, and he says, as appears on page 123 of the hearings:

> Well, to sum it up, the headaches of the thing are over, and I think this provision is all right, except for that 45-year limit.

He stated, as appears on page 121, that he thinks the section might very well be left in as it is now operating. In other words, only 2½ percent are being affected by this provision, and the 2½ percent who go off, if they have the qualifications for the relief roll, can get back very shortly after the expiration of 30 days. One who has had 18 months care from the Government certainly should be willing to step off the rolls for 30, 40, or 60 days, and permit someone else, who has not been on at all, to take his place on the rolls.

Mr. PEPPER. Mr. President, the first thing I wish to say is that in the remarks which were exchanged between the able Senator from Colorado and the junior Senator from Florida a little while ago, the last idea in the mind of the junior Senator from Florida was to give offense to the able Senator from Colorado. I used the word "rich" perhaps with impropriety. I meant to suggest that the Senator surely did

not mean that a man by being on the W. P. A. for 18 months had gained a position which put him out of the category of those who needed work, and perhaps I should not have used the word "rich"; but should have said, "In the period of 18 months did he, in your opinion, reach such a position of affluence or comfort or lack of need as to deserve to be taken off the W. P. A. roll?" To me that seems an unthinkable conclusion. I did not intend to be critical of the attitude of the Senator from Colorado.

I am not going to waste my breath any longer in the Senate trying to get adequate W. P. A. appropriations. I have sense enough to know when there is no use trying. We never have even attempted to take care of the unemployed in this country. We have never even intended to take care of the unemployed. Of course, we are paying the price for it, and we are going to pay a very bitter price for it in the future. So long as the totalitarian governments put their people to work, and a rich democracy says, through its Congress, every year, "We have not enough money to keep you even on the W. P. A. rolls"—history will determine whether we have acted wisely, with economy, or whether we have acted unwisely, with extravagance.

I think a waste of man power and working power, not to speak of those spiritual values which are wreckage in the wake of unemployment, is a cancer which is eating at the vitals of our country's security, and that we will find that some of the unemployed who are not getting jobs because we do not appropriate enough money are going to be welcome subjects for "fifth column" propaganda and for the whisperings of the iniquitous aliens who try to cultivate a field that is favorable for propaganda in this country. A man who cannot get a job from his democracy is not going to be so enthusiastic about fighting for it, even at home.

As I said, Mr. President, I have learned, after 3 years of battering my head out every time a relief bill came up, that it is not going to do any good. We are not going to give jobs to the unemployed of this country. We are going to squeeze out a meager pittance every time the bill comes up. There is not a Senator on this floor whose office is not simply cluttered with appeal letters from men, women, and children asking for the right to work. Every time we go home we use the alleys and the byways, and stay in back offices, and lie about our whereabouts, because we do not want the unemployed to drive us to insanity merely about jobs that we do not have for them. Every Senator knows I am telling the truth about it.

We know that we have never even approximated the relief rolls as they have been certified by State agencies, by respectable and efficient workers in social service and welfare departments in every State in this Union. We know that in the last few months we have cut off nearly 1,000,000 persons, and we are cutting off some more between now and July 1, not because they do not need the jobs, not because they have other jobs to which they can go, not because their meager savings have not been exhausted, not because they have not exhausted even their borrowings on their little insurance policies, not because they are hale, healthy, and hearty—no, but because the excuse was that everything had run out; therefore, the lay-off had to be made.

Mr. President, we ought to be ashamed to look those persons in the face. If we do not want to take care of the unemployed, if it is not desirable to do so on moral principles, if it is not desirable to do so from the viewpoint of national defense, if it is not desirable to do so on the basis of decency and justice, very well, let us keep on going on as we are going, and wait until the evil grows greater and more sadly pressing.

Mr. BONE. Mr. President, the discussion we have been listening to as to the necessity of employment for Americans who are unable to find work, or who face the dire necessities of life without any ability to take care of themselves, should make more apparent to us the fact that if this country ever gets into war, that war will blast every hope of ever being able to restore a decent and normal economy to America.

Mr. THOMAS of Oklahoma. Mr. President, 2 days ago, on the 13th of June, the Senate adopted the following amendment to section 5, on page 17, line 17, to insert after the semicolon:

Provided, That no part of the sum herein appropriated shall be used to defray the expenses of transferring or maintaining the existing offices and personnel embraced in subdivisions (1) and (a) and (b) of (2) at points other than in the cities and States where now located.

The amendment had for its purpose the retention of existing Treasury agencies in the States. After the amendment was adopted it was found that it referred to one division in error. It referred to the General Accounting Office, when it should have referred to the office of the Commissioner of Accounts and Deposits and Division of Bookkeeping and Warrants. In order to correct that error I ask unanimous consent that the vote by which the amendment in question was adopted be reconsidered.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Oklahoma? The Chair hears none, and it is so ordered.

Mr. THOMAS of Oklahoma. By way of amendment I offer a substitute for the amendment which has just been reconsidered and ask that it be read.

The PRESIDING OFFICER. The amendment will be read.

The LEGISLATIVE CLERK. On page 17, line 17, it is proposed to insert a colon in lieu of the semicolon and to add the following proviso:

Provided, That no part of the sum herein appropriated shall be used to defray the expenses of transferring or maintaining the performance of any of the functions appropriated for in (a), (b), and (e) of subdivision (2) of this subsection at points other than in the States where any of such functions are now performed.

Mr. THOMAS of Oklahoma. Mr. President, let me say by way of explanation that the figures contained in the original draft were not placed there at the request and wish of the Treasury Department. They were placed there at the request of the Bureau of the Budget. So the amendment which was agreed to a few days ago was not at all displeasing to the Treasury Department. After the amendment was agreed to it was called to the attention of the Treasury Department and the error pointed out, as I have just indicated. The text which has been read at the desk was prepared by the Treasury Department; so it is exactly as they think it should be. I ask that the amendment be adopted in lieu of the one which has been reconsidered.

Mr. ADAMS. Mr. President, if I may make an inquiry, would not the purpose which the Senator has in mind be accomplished by the changes which he has made without the restrictive language? In other words, he is tying down these various departments or divisions so that perhaps their people could not be moved. I do not refer to change by way of regionalizing; but I ask whether or not the Senator's purpose would not be accomplished in the way I suggest, because the Treasury Department, of course, would prefer to maintain the offices as they are now, and the money appropriated would take care of that.

Mr. McNARY. Mr. President, will the Senator yield?

Mr. THOMAS of Oklahoma. I yield.

Mr. McNARY. What is the particular parliamentary situation that calls for the injection of the Senator's proposal at this time?

The PRESIDING OFFICER. The Senator from Oklahoma asked unanimous consent that an amendment previously agreed to be reconsidered, and, without objection, the vote by which the amendment was agreed to was reconsidered.

Mr. McNARY. I do not know that I should object, but what is the amendment? Is it on the pending bill?

The PRESIDING OFFICER. The Chair has stated that the Senator from Oklahoma asked that an amendment previously agreed to be reconsidered, which was ordered. The Senator thereupon offered an amendment in lieu of the one which had been reconsidered. The amendment is offered for the purpose of correcting an error.

Mr. THOMAS of Oklahoma. I will explain it briefly. As the Senator from Oregon remembers, by a vote of 69 to 7 the Senate adopted an amendment providing that the present Treasury officials should retain their offices within the States, as they have in the past.

Mr. McNARY. I recall that.

Mr. THOMAS of Oklahoma. That amendment referred to the General Accounting Office, when it should have referred to the office of Commissioner of Accounts and Deposits and the Division of Bookkeeping and Warrants. The purpose of the amendment I have now offered is to correct that error; to change the reference from the General Accounting Office to the agencies I have referred to.

Mr. McNARY. I understand it is a necessary correction. I have no objection.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Oklahoma on page 17, line 17.

The amendment was agreed to.

Mr. DANAHER. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Adams	Davis	Johnson, Colo.	Pittman
Andrews	Downey	King	Radcliffe
Ashurst	Ellender	La Follette	Russell
Austin	George	Lee	Schwartz
Bailey	Gerry	Lodge	Sheppard
Bankhead	Gillette	Lucas	Shipstead
Barkley	Green	Lundeen	Slattery
Bilbo	Guffey	McKellar	Stewart
Brown	Gurney	McNary	Taft
Bulow	Hale	Maloney	Thomas, Okla.
Byrd	Harrison	Mead	Thomas, Utah
Byrnes	Hatch	Miller	Tydings
Capper	Hayden	Minton	Vandenberg
Caraway	Herring	Murray	Van Nuys
Chandler	Hill	Nye	Wagner
Clark, Mo.	Holman	O'Mahoney	Walsh
Connally	Holt	Overton	Wiley
Danaher	Johnson, Calif.	Pepper	

The PRESIDING OFFICER. Seventy-one Senators have answered to their names. A quorum is present.

The question is on agreeing to the amendment offered by the Senator from Connecticut [Mr. DANAHER], in section 15, on page 25, line 19, to strike out subsection (b), as amended. On that question the yeas and nays have been demanded. Is there a sufficient second?

The yeas and nays were ordered, and the Chief Clerk proceeded to call the roll.

Mr. HILL (when his name was called). I have a general pair with the junior Senator from Kansas [Mr. REED]. I transfer that pair to the Senator from Washington [Mr. SCHWELLENBACH] and will vote. I vote "nay."

Mr. THOMAS of Utah (when his name was called). I have a general pair with the Senator from New Hampshire [Mr. BRIDGES]. I transfer that pair to the Senator from North Carolina [Mr. REYNOLDS] and will vote. I vote "nay."

The roll call was concluded.

Mr. SHIPSTEAD. I transfer my general pair with the senior Senator from Virginia [Mr. GLASS] to the senior Senator from North Dakota [Mr. FRAZIER] and will vote. I vote "yea."

Mr. McKELLAR (after having voted in the negative). I have a general pair with the senior Senator from Delaware [Mr. TOWNSEND], which I transfer to the senior Senator from New Jersey [Mr. SMATHERS] and allow my vote to stand.

Mr. MINTON. I announce that the Senator from New Jersey [Mr. SMATHERS] is absent from the Senate because of illness in his family.

The Senator from Washington [Mr. BONE], the Senator from Nebraska [Mr. BURKE], the Senator from New Mexico [Mr. CHAVEZ], the Senator from Idaho [Mr. CLARK], the Senator from Ohio [Mr. DONAHEY], the Senator from Virginia [Mr. GLASS], the Senator from Nevada [Mr. McCARRAN], the Senator from Delaware [Mr. HUGHES], the Senator from West Virginia [Mr. NEELY], the Senator from North Carolina [Mr. REYNOLDS], the Senator from Washington [Mr. SCHWELLENBACH], the Senator from South Carolina [Mr. SMITH], and the Senator from Missouri [Mr. TRUMAN] are necessarily absent.

The Senator from Montana [Mr. WHEELER] is unavoidably detained. I am advised that if present and voting, he would vote "yea."

Mr. AUSTIN. I announce that the Senator from Vermont [Mr. GIBSON] and the Senator from New Jersey [Mr. BARBOUR] would vote "yea" if present.

The Senator from New Hampshire [Mr. TOBEY] is absent on official business.

The Senator from Maine [Mr. WHITE] is necessarily absent.

The result was announced—yeas 29, nays 42, as follows:

YEAS—29

Andrews	Downey	Mead	Thomas, Utah
Austin	George	Minton	Vandenberg
Bilbo	Guffey	Murray	Wagner
Brown	Johnson, Calif.	O'Mahoney	Walsh
Capper	La Follette	Pepper	Wiley
Chandler	Lundeen	Schwartz	
Danaher	McNary	Shipstead	
Davis	Maloney	Slattery	

NAYS—42

Adams	Ellender	Holman	Pittman
Ashurst	Gerry	Holt	Radcliffe
Bailey	Gillette	Johnson, Colo.	Russell
Bankhead	Green	King	Sheppard
Barkley	Gurney	Lee	Stewart
Bulow	Hale	Lodge	Taft
Byrd	Harrison	Lucas	Thomas, Okla.
Byrnes	Hatch	McKellar	Tydings
Caraway	Hayden	Miller	Van Nuys
Clark, Mo.	Herring	Nye	
Connally	Hill	Overton	

NOT VOTING—25

Barbour	Frazier	Reed	Townsend
Bone	Gibson	Reynolds	Truman
Bridges	Glass	Schwellenbach	Wheeler
Burke	Hughes	Smathers	White
Chavez	McCarran	Smith	
Clark, Idaho	Neely	Thomas, Idaho	
Donahey	Norris	Tobey	

So Mr. DANAHER's amendment was rejected.

Mr. SHIPSTEAD. Mr. President, I have an amendment on the desk which I ask the clerk to state.

The PRESIDING OFFICER. The amendment will be stated.

The CHIEF CLERK. At the end of the joint resolution it is proposed to insert the following new section:

SEC. —. Upon the application of the borrower therefor, the Governor of the Farm Credit Administration is authorized and directed to cancel the amount of the unpaid principal of and interest on any loan made by any agency of the United States to any farmer prior to January 1, 1936, for crop production, seed or feed purposes, or under the act of January 29, 1937, (relating to crop production and harvesting loans) or under any prior or subsequent act of the same character. Upon the cancelation of such loan, the borrower shall be relieved of all further liability to the United States on account of such loan, and any lien or other encumbrance held by or on behalf of the United States arising out of such loan shall be released. The Governor is authorized to make such rules and regulations as may be necessary for carrying out the purposes of this section.

Mr. BARKLEY. Mr. President, will the Senator yield?

Mr. SHIPSTEAD. I yield.

Mr. BARKLEY. I ask unanimous consent that during the further consideration of the pending joint resolution no Senator shall speak more than once or longer than 10 minutes on the joint resolution or any amendment thereto.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

Mr. KING. Mr. President, may I ask the Senator from Minnesota a question before he begins his remarks?

The PRESIDING OFFICER. Does the Senator from Minnesota yield to the Senator from Utah?

Mr. SHIPSTEAD. I yield.

Mr. KING. Is this amendment intended to repudiate all obligations which have been entered into by various persons with the Government?

Mr. SHIPSTEAD. I will explain the amendment. The amendment calls for the cancelation of what were called "calamity loans" for seed and feed made to farmers in the

drought and Dust Bowl areas prior to 1936. Such loans were made in 31 States. Two-thirds of them are now delinquent. These loans, in my opinion, should never have been loans; they should have been grants. We gave hundreds of millions of dollars in grants for direct relief to those living in cities, and we did not require them to sign notes to be paid. In this instance the farmers borrowed this money with which to buy hay, at as high a price as twenty, twenty-five, or thirty dollars a ton, in order to keep their breeding stock alive. Those who could not keep them alive sold them to the Government for $20 a head. The others stayed on the job and preserved the livestock and breeding stock.

As I have said, these loans should have been direct grants. Agents of the Government have been trying to collect every year and harassing these farmers, who I think rendered a public service by going greatly into debt in order to preserve breeding stock for the benefit of the country.

We have given, and are still giving, millions of dollars for the relief of sufferers in Europe; we are spending millions of dollars for direct relief to people in the cities; and, under the stamp-plan program, we give free food to them.

It seems to me we have discriminated in this case against the farmers who stayed on their farms in the Dust Bowl and drought areas for a period of 3 or 4 years. I do not think they should be harassed on that account by Federal agents who are going around trying to collect from the farmers who have not been able to pay.

As I have said, this involves 31 States, including New York, Pennsylvania, Florida, Alabama, Louisiana, Arkansas, Ohio, Indiana, Illinois, Missouri, Michigan, Wisconsin, Minnesota, North Dakota, Iowa, South Dakota, Nebraska, Wyoming, Kansas, Oklahoma, Colorado, New Mexico, Texas, Arizona, Utah, Nevada, California, Montana, Idaho, Washington, and Oregon.

Only one State has paid its loans in full, that is the State of Michigan. The farmers in that State did not need to borrow very much.

Mr. KING. Mr. President, will the Senator yield?

The PRESIDING OFFICER. Does the Senator from Minnesota yield to the Senator from Utah?

Mr. SHIPSTEAD. I yield.

Mr. KING. Let me ask what is the aggregate amount which would be involved in the cancelation?

Mr. SHIPSTEAD. There are $34,000,000 delinquent out of $51,000,000 outstanding. The chances are, I am informed, that the $34,000,000 cannot be collected. Efforts have been made to collect it but it is still delinquent. The loans which are not delinquent are problematical.

The adoption of the amendment will not involve any extra appropriation. It would simply, of course, cancel to a large extent what is already owed.

I ask for the yeas and nays on the amendment.

Mr. KING. Mr. President, will the Senator yield?

The PRESIDING OFFICER. Does the Senator from Minnesota yield to the Senator from Utah?

Mr. SHIPSTEAD. I have only 10 minutes, but I yield.

Mr. KING. Would this be a precedent for the cancelation of millions of dollars now delinquent on loans which have been made by various Federal agencies such as the Home Owners' Loan Corporation and the R. F. C.?

Mr. SHIPSTEAD. No; it would not afford a precedent. The loans covered by the amendment and those referred to by the Senator from Utah are in entirely different categories. This was a direct relief loan and should have been a direct relief grant. The amendment is confined to those loans which were made necessary because of the drought, as a consequence of which farmers had no feed and had to ship it in at a very high cost. I know a man who spent $5,000 in 3 years; in the fourth year he had no money left, and so he said he did not want to go into debt, that he had spent all his cash, and so he sold his dairy herd to the Government for about $20 a head, including cows which were worth from $100 to $140.

Mr. KING. Is the Senator able to differentiate between obligations incurred by men to save their homes, but which finally did not save their homes and they were ousted from possession by judgments obtained because of the property not being sufficient to meet the obligations, and loans of the character referred to in his amendment?

Mr. SHIPSTEAD. I may say to the Senator that I hold the two loans to be dissimilar. These were production loans to keep production going, to keep livestock alive for breeding purposes, and to plant crops to feed the people. They were production loans instead of ordinary loans to buy homes. I think there is a distinct line of cleavage between the two.

Mr. KING. The loans were not for the purpose of buying homes; the loans were for the purpose of saving homes.

Mr. SHIPSTEAD. I still think the propositions are entirely different.

Mr. JOHNSON of Colorado. Mr. President, will the Senator yield?

Mr. SHIPSTEAD. Yes; I yield to the Senator from Colorado.

Mr. JOHNSON of Colorado. In many cases these loans were disaster loans, but they were not called disaster loans at the time.

Mr. SHIPSTEAD. That is true.

Mr. JOHNSON of Colorado. I recall that loans were made in the Dust Bowl area of Colorado, and the persons receiving them shipped wheat straw from Canada, more than a thousand miles. The wheat straw was very poor straw at that. It was mildewed. They could hardly use it; but they shipped it in there, and it came at a very high price.

A great many of the folks who borrowed the money have moved away, gone to California, perhaps, or some other place, and still these loans are on the books. They never will be collected, they never can be collected, and they never should be collected, as the Senator has well stated.

Mr. SHIPSTEAD. If the Senator from Colorado will not object to accepting the amendment, I shall not ask for a record vote on it.

Mr. ADAMS. Mr. President, I have not any authority to accept the amendment. May I ask the Senator a question about it? I have talked to him on the floor about it.

The time that the Senator fixes in the amendment is the 1st of January 1936, is it not?

Mr. SHIPSTEAD. No loan made after 1936 may be collected.

Mr. ADAMS. May I ask as to the maturity of the loans? That is, as I understand, what the Senator is planning to do is to establish a statute of limitations to put an end to the liability. Ought not that to run from the date of maturity of the loans, rather than from the date when they were made? That is, it might be possible for some loans which were then made to be paid.

Mr. SHIPSTEAD. If I may say so to the Senator, this is an amendment to cancel the outstanding amounts.

Mr. ADAMS. I understand; but my inquiry is whether or not the clause which defines the loans to which the amendment applies should not provide that they are loans which matured prior to January 1, 1936.

Mr. SHIPSTEAD. Oh, no.

Mr. ADAMS. Not those that were made prior to that time.

Mr. SHIPSTEAD. The amendment is limited to loans made prior to 1936.

Mr. ADAMS. There are $51,000,000 of those loans?

Mr. SHIPSTEAD. Yes; and $34,000,000 are delinquent.

Mr. ADAMS. Then the others are not delinquent?

Mr. SHIPSTEAD. Not yet.

Mr. ADAMS. The others are being kept up?

Mr. SHIPSTEAD. I am informed that nothing is being collected.

Mr. KING. Then they are not delinquent, are they?

Mr. ADAMS. I do not quite get the distinction between a loan that is not delinquent and one upon which nothing is being collected.

Mr. SHIPSTEAD. There is a distinction. There is the difference between $34,000,000 and $51,000,000; $51,000,000 are outstanding; $34,000,000, approximately, are delinquent; but I do not think it is fair to cancel the delinquent loans, which are practically dead, and then go on and collect from

the borrowers who have paid up to the present time and compel them to continue making payments because, in my opinion, they were in the same disastrous positions as the others, although they may have been better able to pay.

Mr. ADAMS. I will say to the Senator that, so far as I am individually concerned, I am perfectly willing that a statute of limitations shall be established, so that if a man is not able to pay he will be relieved, in order that he may go ahead with a clean slate; but I do not know why we should relieve loans if the borrowers are able to pay and are not delinquent.

Mr. SHIPSTEAD. The amendment provides that this may be done at the request of the borrower. There is nothing in the amendment to prevent a borrower from paying if he is willing to do so.

Mr. BARKLEY. Mr. President, may I ask the Senator from Minnesota a question? Am I to understand that this amendment forgives all these debts and cancels them, even in cases in which they are being paid and are now current?

Mr. ADAMS. That is my understanding.

Mr. BARKLEY. All that the borrower has to do is to ask the Government to release the loan, and it is released. Is that really a wise precedent to establish with respect to loans made by the Government? And if we do this with respect to loans which are now current, representing a rather respectable percentage of the loans referred to in the amendment, how can we avoid taking similar action with respect to other loans, certainly as to those which are current? I am wondering if, in order to relieve the loans that are not current, we are going to release the borrowers who are current, when they are making every effort to pay the debt to the Government.

Mr. ADAMS. That would be a logical sequence.

Mr. BARKLEY. How far can we go in releasing all the loans that have been made by the Government to persons who have made an honest effort to pay their debts?

Mr. MURRAY. Mr. President, will the Senator yield?

Mr. SHIPSTEAD. I yield to the Senator from Montana.

The PRESIDING OFFICER. The Chair regretfully announces to the Senator from Minnesota that his time on the amendment has expired.

Mr. MURRAY. Mr. President, I should like to ask the Senator from Minnesota if he would accept an amendment to his amendment carrying the words "upon proof of inability to pay." That, then, would make the amendment apply only to cases in which the borrowers, by reason of the situation, find themselves utterly unable to pay the loans.

Mr. SHIPSTEAD. That would be satisfactory to the Governor of the Farm Credit Administration.

Mr. MURRAY. It would be satisfactory to him?

Mr. SHIPSTEAD. Yes.

Mr. BARKLEY. Mr. President, it is not a question whether or not a thing is satisfactory to the Governor of the Farm Credit Administration. It is a question whether it is wise, whether it is just; whether we are treating one class of borrowers in this country in a different way from the manner in which we are treating all other borrowers from the United States, so that under this amendment all a man would have to do would be to quit paying, and he would no longer be current, and his debt would be canceled.

Mr. ADAMS. Let me suggest that it seems to me this is the type of amendment which should have gone to a committee for study, rather than to be offered to a relief measure.

Mr. BARKLEY. I agree with the Senator from Colorado. We have had various amendments pending before the Committee on Banking and Currency with regard to loans made by the Farm Credit Administration and by its various auxiliaries. They have received careful consideration, and great relief has been granted by that committee and by the Congress. Now, I am wondering whether, on a relief measure, just off the floor, like flushing a covey of birds suddenly and unexpectedly, we are called on to release a certain type of borrowers from the Treasury of the United States because about two-thirds of them have not paid their obligations, and a third of them are still making an effort to do so.

Mr. HOLT. Mr. President, will the Senator yield?

Mr. SHIPSTEAD. I have not the floor.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Minnesota [Mr. SHIPSTEAD]. The Chair recognizes the Senator from West Virginia.

Mr. HOLT. I desire to ask the Senator from Minnesota a question in my time.

All these loans were granted as a result of a disaster; were they not?

Mr. SHIPSTEAD. Yes; such as flood disasters, and so forth.

Mr. HOLT. A total of $51,000,000?

Mr. SHIPSTEAD. That is correct.

Mr. HOLT. And yet we adopted on the floor of the Senate an amendment turning over $50,000,000 to Europe without a word of debate.

Mr. SHIPSTEAD. We have made various grants to various sections for various disasters, most of which have been no worse than the so-called drought period of 4 years in the early thirties.

Mr. HOLT. In other words, the Senator wants to take care of the disasters of the American people.

Mr. SHIPSTEAD. I do.

Mr. BARKLEY. Mr. President, in that connection I may say that a number of loans have been made as the result of disasters. The Disaster Loan Corporation was created in order to make loans to flood sufferers. Now a number of those persons are hard-pressed to pay their obligations, but a number of others are doing everything they can to meet their obligations to the Government of the United States.

If we are to remit one type of loan because it is made as the result of a disaster—and all the loans that have been made by the Government of the United States have been made on account of some sort of disaster, economic or otherwise—how can we on the floor of the Senate, out of a clear sky, exempt one type of loan from repayment because of a certain type of disaster, when there are hundreds of thousands of other persons in the United States who borrowed money because of a disaster who are not included in this amendment?

It seems to me this proposal ought to have the careful consideration of the committee; and certainly we ought to know what we are getting into if we are going up a blind alley with respect to one type of loan.

Mr. SHIPSTEAD. Mr. President, will the Senator yield?

Mr. HOLT. I yield to the Senator from Minnesota.

Mr. SHIPSTEAD. Will the Senator from Kentucky agree to an amendment confining this proposal to delinquent loans?

Mr. BARKLEY. Of course not, because then all that it is necessary to do is to become delinquent, and a borrower gets out of his obligation to the United States. A man merely has to quit paying, and he is relieved forever.

Mr. SHIPSTEAD. Of course, Mr. President, I drafted this amendment on the basis that this was an entirely different kind of loan than the ordinary loans that have been made to agriculture and to industry and to communities.

Mr. BARKLEY. Mr. President——

The PRESIDING OFFICER. The Senator from West Virginia has the floor.

Mr. HOLT. I yield to the Senator from Kentucky.

Mr. BARKLEY. These loans are no different from the type of loans made in the Ohio Valley and all the other valleys that were overrun by water and flooded in 1937. I introduced in the Senate a bill to create the Disaster Loan Corporation, and hundreds of thousands of persons borrowed money from the Treasury in order to be able to reestablish their businesses and to improve their homes as a result of damage caused by the floods. A flood is quite as disastrous as dust.

Mr. SHIPSTEAD. Oh, yes.

Mr. BARKLEY. And frequently is more suddenly disastrous than dust, because it is possible to move away from dust, but it is not always possible to get out of the way of water. If we are to exempt those who have been compelled to borrow money because of dust storms from the repayment

of their loans to the United States, we should certainly consider exempting all those in the Ohio Valley, the Connecticut Valley, the Monongahela Valley, the Allegheny Valley, and all the other valleys of the United States who had to borrow money in order to recoup themselves and to reestablish their business as the result of floods. We should not pick out one type of loan and exempt it from repayment, cancel the loans, and wipe them out and make all the other people pay. I doubt the wisdom of doing it. I think it would be a precedent which would rise up to haunt us in the future, because the R. F. C. has made loans to people who suffered in disasters of one type or another; and if we are to cancel one type of loan, let us cancel all, and say that these were grants, not loans at all, and that we were fooling ourselves if we thought we were going to get any of the money back.

Mr. SHIPSTEAD. Mr. President, I believe we canceled over $2,000,000,000 of loans the R. F. C. made. We canceled something like $2,000,000,000 of some kind of loans.

Mr. BARKLEY. No; we did not do that. It was a bookkeeping proposition within the R. F. C. itself. It did not involve individual cancelation of debts.

Mr. SHIPSTEAD. Mr. President, I ask unanimous consent that a tabulation by the Federal Farm Credit Administration regarding these loans be printed with my remarks in the RECORD.

There being no objection, the tabulation was ordered to be printed in the RECORD, as follows:

1934–35 DROUGHT RELIEF LOANS

TABLE 11.—*Number and amount of loans made and collected through Apr. 30, 1940, and balances outstanding Apr. 30, 1940*

State and office	Loans made		Collections		Balance outstanding	
	Number	Amount	Amount	Percent of loans made	Number	Amount
New York (Springfield)	399	$48,823	$42,249	86.5	103	$6,574
Pennsylvania (Baltimore) [1]			67	51.3	1	63
Florida (Columbia)	964	397,701	290,224	73.0	565	107,477
Alabama [1]					1	75
Louisiana	7,363	452,553	92,855	20.5	6,550	359,698
Arkansas	13,408	683,402	264,777	38.7	9,251	418,625
Memphis total	20,771	1,135,955	357,632	31.5	15,802	778,398
Ohio [1]			120	100.0		
Indiana [1]			26	50.0	1	26
Illinois	1,450	125,359	99,261	79.2	351	26,098
Missouri	20,610	2,031,368	1,042,760	51.3	10,564	988,556
St. Louis total	22,060	2,156,727	1,142,167	53.0	10,916	1,014,680
Michigan [1]			876	52.3	3	709
Wisconsin	5,777	1,024,851	296,604	28.9	4,249	728,247
Minnesota	27,133	6,683,957	1,230,470	18.4	21,538	5,452,664
North Dakota	44,404	12,119,681	651,246	5.4	41,639	11,468,201
St. Paul total	77,314	19,828,489	2,179,196	11.0	67,429	17,649,911
Iowa	7,154	1,012,389	615,467	60.8	3,087	396,854
South Dakota	43,989	16,263,348	2,694,462	16.6	37,110	13,568,811
Nebraska	24,916	7,257,093	2,098,571	28.9	18,186	5,157,797
Wyoming	3,305	2,830,567	1,357,649	48.0	2,055	1,472,918
Omaha total	79,364	27,363,397	6,766,149	24.7	60,438	20,596,380
Kansas	16,412	3,382,690	1,069,512	31.6	10,961	2,313,103
Oklahoma	12,518	1,150,297	613,749	53.4	7,294	536,548
Colorado	7,408	2,333,062	1,013,806	43.5	4,837	1,319,256
New Mexico	5,482	1,813,062	1,084,241	59.8	3,334	728,821
Wichita total	41,820	8,679,111	3,781,308	43.6	26,426	4,897,728
Texas (Dallas)	42,834	6,970,224	3,453,688	49.6	26,099	3,516,536
Arizona	278	60,398	34,899	57.8	71	25,499
Utah	4,007	1,752,497	607,914	35.0	2,683	1,144,583
Nevada	102	119,618	75,891	63.4	42	43,727
California	1,251	241,049	180,794	75.0	346	60,255
S. L. C. total	5,638	2,173,562	899,498	41.4	3,142	1,274,064
Montana	6,396	1,672,064	446,094	26.7	4,838	1,225,970
Idaho	1,678	1,051,717	465,600	44.3	966	586,117
Washington	1,175	387,954	244,799	63.1	510	143,155
Oregon	201	142,816	87,660	61.4	109	55,156
Spokane total	9,450	3,254,551	1,244,153	38.2	6,423	2,010,398
Grand total	300,614	72,008,540	20,156,331	28.0	217,344	51,852,209

[1] Amounts shown transferred from drought areas.

Farm Credit Administration, Division of Finance and Accounts.

Mr. HOLT. Mr. President, it seems very apropos today, the day when the war debts are due, that we should be discussing the repayment of debts due by the farmers of the United States who have suffered from disasters of one kind or another. Of course, in this instance, the amount involved is only $34,000,000, as compared with billions loaned to countries across the seas, which we have seemingly forgotten. I am one who believes that charity should begin at home, and if our farmers have suffered from disasters, I think we should think about disasters in this country, as well as disasters across the ocean.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Minnesota [Mr. SHIPSTEAD].

Mr. SHIPSTEAD. I ask for the yeas and nays.

The yeas and nays were not ordered.

The amendment was rejected.

Mr. GURNEY. Mr. President, the feed and seed loan matter is one of extreme importance to farmers in all the Northwest. I could not quite agree with the Senator from Minnesota that these loans should be canceled. I have given the subject much consideration, and on February 9 last year I introduced Senate bill 1278, which was referred to the Committee on Agriculture and Forestry, but it has not yet been reported. At this time I desire to offer the bill as an amendment to the pending measure, and I ask that it be read by the clerk.

The PRESIDING OFFICER. The clerk will state the amendment offered by the Senator from South Dakota.

The LEGISLATIVE CLERK. It is proposed to add at the proper place in the bill a new section, to read as follows:

That borrowers whose payments on emergency crop, feed, and seed loans from the Farm Credit Administration for 1938 and/or prior years are in default may refund such indebtedness with a 10-year installment contract, noninterest bearing except as to delinquency on installment payments, on the following basis:

(a) To avail himself of this act the borrower, within 1 year from the date of this act, shall apply to the Farm Credit Administration or its representative for an installment contract and shall tender therewith a token payment which shall not be less than 1 year's interest on the unpaid portion of the principal of his most recent delinquent loan.

(b) Upon receipt of the application and the token payment, the Farm Credit Administration or its agent shall compute the total amount due on the date the application is received, shall subtract the amount of the token payment, and shall write the balance into a new contract payable in 10 equal annual installments, the first of which shall be due 1 year from that date. The installment payments shall not bear interest except as to delinquency in the payment of any installment and, when the final installment has been paid, the original note or notes shall be marked "paid in full" and canceled.

(c) Each installment contract shall bear a number, and the old note or notes shall be stamped "Subject to installment contract No. —," and the number of the installment contract shall be inserted. At each installment payment there shall be endorsed on each original note the proportion of the payment which the balance computed on that note bears to the total amount of the installment contract.

(d) At any time within 5 years from the date of the installment contract the borrower may pay the entire amount of the balance on same by delivering to the order of the Farm Credit Administration an amount of grain or feed, bushel for bushel or ton for ton, as the case may be, equivalent to the grain or feed that was purchaseable by the balance or balances of the original notes on the date of this act.

(e) No borrower owing a balance on an emergency crop, feed, or seed loan shall be eligible for further loans from any Government agency until he shall have paid such balance or applied for an installment contract on same; nor shall he be eligible while any installment payment is in default.

Mr. GURNEY obtained the floor.

Mr. KING. Mr. President, will the Senator yield?

Mr. GURNEY. I yield.

Mr. KING. Has this matter been brought to the attention of any of the standing committees of the Senate, and has it received their approval, or been considered by them? I refer particularly to the Committee on Agriculture and Forestry.

Mr. GURNEY. It was referred to the Senate Committee on Agriculture and Forestry when it was introduced, and so far they have not reported on the bill at all. I now offer the bill as an amendment to the pending joint resolution.

Mr. KING. Did the Senator, as the sponsor of the measure, appear before the Committee on Agriculture and Forestry and ask for its consideration?

Mr. GURNEY. The committee did not hold hearings on the bill.

Mr. KING. Why did not the Senator ask for a hearing?

Mr. GURNEY. I did.

Mr. KING. The Senator, perhaps, should pursue the matter with greater assiduity, and have the bill considered.

Mr. GURNEY. I was not able to get a hearing on the bill.

Mr. KING. It seems to me it would be very unwise to adopt as amendments to the pending relief joint resolution measures which have not had consideration as independent measures by the appropriate committees.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from South Dakota [Mr. GURNEY].

The amendment was rejected.

Mr. BULOW. Mr. President, I send an amendment to the desk, which I ask to have stated.

The PRESIDING OFFICER. The clerk will state the amendment.

The LEGISLATIVE CLERK. On page 16, line 20, after the figures "$1,700,000", it is proposed to insert a colon and the following additional proviso:

Provided further, That the sums appropriated by this section may be apportioned for a lesser period than the 12 months of the fiscal year 1941, but not for less than 8 months, as determined by the President, if in his judgment such action is required to meet unemployment conditions during such lesser period.

Mr. BULOW. Mr. President, this applies only to the appropriations made for Indian citizens which are made on a 12-month basis, and the amendment makes it permissible to cut the time down to 8 months if an emergency should arise. I have discussed the matter with the Senator from Colorado [Mr. ADAMS], who has the joint resolution in charge, and he has expressed willingness to take the amendment to conference.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from South Dakota [Mr. BULOW].

The amendment was agreed to.

Mr. BROWN. Mr. President, I ask that the amendment I have sent to the desk be stated.

The PRESIDING OFFICER. The clerk will state the amendment.

The CHIEF CLERK. It is proposed, on page 25, line 22, after the word "unemployable", to insert the words "and all relief workers who have made reasonable effort and have not been able to secure private employment."

Mr. BROWN. Mr. President, this relates to the same subject matter covered by the amendment offered by the Senator from Connecticut [Mr. DANAHER] about an hour ago. It relates to a problem which is causing a great deal of distress in my State growing out of the 18-month lay-off provision.

I understand that the chief need for the section which was inserted in the law last year was that the administration authorities felt that there should be some rotation in employment. Unquestionably there was a serious situation, which I believe has now been pretty largely corrected, and I am reliably informed that Colonel Harrington testified that only 2½ percent of the total who are employed by the W. P. A. remain on the rolls for 18 months. In view of that fact, I see no reason for the inclusion of subsection (b) in the joint resolution. But that precise issue was laid before the Senate by the Senator from Connecticut. Objection was made to his amendment because it was felt that a man might not look for employment in private industry if that provision were not included. My amendment seeks to cover that situation, and provides, in substance, that any relief worker who has been on the roll 18 months and who has during that 18 months' period made an honest effort to obtain reemployment and has not been able to obtain it shall be excepted from the provisions of the section.

I ask the Senator from Colorado if he will not be willing to accept the amendment, because I believe it would clear up a matter which has disturbed a great many of us who are charged with some responsibility for legislation.

Mr. ADAMS. Mr. President, I think the provision would render the law almost unworkable. It would involve a study of every individual case, not only at a particular time, but covering the whole 18-month period, to determine whether or not a particular individual had made efforts to get work. There is a provision in the joint resolution which would take off relief anyone who could get a job and would not take it. That is already provided for in the joint resolution.

Inasmuch as the matter was argued at some length in reference to the 18-month provision, I merely say that I think it would be unwise, from the standpoint of administration, to add the amendment.

Mr. BROWN. I call the attention of the Senator to page 121 of the testimony. I read from the bottom of the page, where it appears that Colonel Harrington said:

I think that the section might very well be left in.

That is, subsection (b) of section 15.

It produced a lot of hardships last summer with this mass lay-off with the 18-month provision. It is now running between 30,000 and 45,000 people a month on a program of about 2,000,000, and we are able to handle that.

Then he said—and I call this particularly to the attention of the Senator from Colorado:

We are able to get those people reinvestigated, and the ones that really cannot get employment are put back on.

I bring that matter out to support the proposition that they now make exactly the kind of investigation as that to which the Senator refers. They look up these people. They get the advice from the State relief authorities, and they look into the question as to whether or not these people are able to secure employment. What is there difficult about that? Every man who was on the job, and was about to be laid off, could direct the authorities to various establishments where he had tried to get employment. It seems to me that a simple investigation, by calling upon the telephone, would be sufficient.

I say to the Senator that I believe I have received more complaints with regard to the W. P. A. administration—which has done a good job in my State—concerning the 18-month lay-off than about anything else, and I certainly hope the Senator will take the amendment to conference. The House provision has been greatly changed. The House, as the Senator knows, had in the bill a provision excepting the heads of families over 45 years of age who had dependents. That has been stricken out.

I think the suggestion I make could well be substituted for that, and might be made the basis for an agreement between the Senate and the House conferees. I beg of the Senator to give serious consideration to the proposal and to take it to conference, and see if we cannot get this difficult matter thus straightened out.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Michigan [Mr. BROWN]. [Putting the question.] The Chair is in doubt.

On a division, the amendment was agreed to.

Mr. TAFT. Mr. President, I should like to ask the Senator from Colorado [Mr. ADAMS] a question with regard to the main appropriation of $975,000,000 on page 2. I call his attention to the provision in line 17:

That the funds appropriated by this section may be apportioned for a lesser period than the 12 months of the fiscal year 1941, but not for less than 8 months.

I know the Senator has studied the testimony of Colonel Harrington before the committee. It is my impression from that testimony that, under the present arrangement, the money will last for 9 months or 10 months. Can the Senator tell me what the situation is, as he understands it, under the program that Colonel Harrington wants to carry through? Will the money last only 8 months, or will it last 9 months?

Mr. ADAMS. Mr. President, to a certain extent that would be a matter of individual judgment or individual prediction. The figures which Colonel Harrington gave the House, and which are the figures which appear on page 3, as

his estimate of the relief employees from July to November show the number to be cared for to be 1,700,000 in July, August, and September, 1,800,000 in October, and 2,000,000 in November. If the $975,000,000 is consumed in an 8-month period, it would take care of an average of slightly over 2,000,000 per month, which is an amount somewhat in excess of the estimate given by Colonel Harrington. For my own information, I made a computation which showed that if the amount were consumed in 9 months it would take care of 1,800,000 as distinguished from the 2,000,000 which would be cared for on an 8 months' basis.

Mr. TAFT. Since the estimate was submitted, we have appropriated great sums of money for military purposes, which should provide work and have the effect of relieving the pressure on the relief rolls.

Mr. ADAMS. Again, that is a matter of individual judgment. I should assume that the great business activity resulting from defense preparation measures would increase employment. Of course, it is argued on the other side that there has been a shutting off of some other businesses. How far that may neutralize the employment resulting from defense preparation activities I do not know. I am hopeful, as I think everyone else is, that we will have less demand for relief rather than more.

Mr. TAFT. Mr. President, I move to amend, on page 19, line 3, by striking out "eight" and inserting "nine."

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Ohio [Mr. TAFT].

The amendment was rejected.

The PRESIDING OFFICER. The bill is still before the Senate and open to further amendment.

Mr. LA FOLLETTE. Mr. President, I offer an amendment which I ask to have stated.

The PRESIDING OFFICER. The amendment will be stated.

The LEGISLATIVE CLERK. On page 38, lines 17 to 19, it is proposed to strike out "(other than those derived from the first processing of sweetpotatoes)" and insert in lieu thereof "(other than those derived from the processing of agricultural or forestry products by bona fide associations of producers of such products)."

Mr. LA FOLLETTE. Mr. President, I can state the purpose of this amendment very briefly. It is now the established policy of the Government to provide loans to existing cooperative associations for all types of processing of agricultural and forestry products. If my amendment should be agreed to, it would make those same opportunities open to farmers who are being rehabilitated under the Farm Credit Administration's rehabilitation program.

It seems to me unjust to provide this means of credit to spread cooperative activities to more fortunate farmers, and to permit it to be extended only to naval stores and the products derived from sweetpotatoes in the case of the lower income group.

If it is justified to permit the processing by lower income group farmers of sweetpotatoes and naval stores, it seems to me that in the light of our general policy of extending loans to the large cooperative organizations for all types of processing we should treat the farmers in the lower income group who are being rehabilitated by the Farm Credit Administration in the same fashion.

If the amendment should be agreed to, it would extend the existing policy to the farmers who are clients of the Farm Credit Administration. I hope very much that the Senator from Colorado will feel that he can accept the amendment, and let it be taken to conference.

Mr. ADAMS. Mr. President, it seems to me that the Senate and the House have been exceedingly generous to the organizations the Senator is speaking for, and it appears that his suggestion would result in somewhat crowding the situation. I think we were being crowded when the exceptions contained in the bill were put in it—when we excepted this very important item of the processing of sweetpotatoes and naval stores. I think we had far better take those out than put other things in.

Mr. LA FOLLETTE. For instance, a large cooperative association or organization in Minnesota or Wisconsin can go to the bank of cooperatives at St. Paul and get a loan for the purpose of building creameries, or extending their cooperative enterprises, but under the limitations contained in the bill farmers who are being rehabilitated under the Farm Credit Administration program can get loans only for cooperative enterprises for the purpose of processing sweetpotatoes and naval stores. So long as it is the established policy of government to permit the large cooperative associations to borrow money, it seems to me it is a discrimination against the lower income farmers who are much in need of the activity of cooperative enterprises.

As I have said, I hope the Senator will be willing to take this amendment to conference, and to give it further consideration there.

Mr. ADAMS. This paragraph applies to all the money carried in the bill. It applies to the relief appropriation. What was sought to be done in this appropriation was to see that money appropriated for the relief of the needy should not be used to establish mills, or factories, or plants, but should be devoted to the purposes for which it was appropriated. This matter applies to all the funds appropriated by the joint resolution.

Mr. LA FOLLETTE. The very point is that it is so sweeping in character that it does apply, and that is why I ask the Senator if he will not take this more embracive language to conference, inasmuch as the committee has seen fit to extend the benefits so far as processing sweetpotatoes and naval stores are concerned.

I assure the Senator that all I seek to do is to get the matter into conference so that it can be worked out.

Mr. ADAMS. What we are trying to do by this provision, which has been carried in various forms for several years, is to see that relief funds are not used to establish industry which will compete with existing private industry. That is the reason it was not desired to have the money used to establish mills or extending or relocating them.

One of the arguments made was that there were cotton mills in the North, and efforts were made to move them to the South; and provision was made so that we could not spend relief funds for the purpose of moving cotton mills from Massachusetts or New Hampshire to a Southern State. The breadth of the Senator's language would cover everything. As he knows, agriculture is one of the broadest terms in industry. When all processing of agricultural products is excluded, we shall have practically wiped out the whole thing.

Mr. LA FOLLETTE. The unfortunate feature is that section 33 is so drawn as to embrace everything appropriated for by the joint resolution, which includes funds for the rehabilitation program of the Farm Security Administration. I assure the Senator that I am not seeking to open the door to the type of activity he is discussing.

If the Senator is willing to take the amendment to conference, in order that an appropriate provision may be perfected, the matter will all be in conference; but if we leave in the sweetpotato and naval-stores amendments, then, insofar as funds for the Farm Security Administration's rehabilitation program are concerned, there will be nothing in conference which can be considered.

Mr. ADAMS. Personally, I cannot agree to the amendment. I have only one vote in the matter, but I think it would be unwise to agree to the amendment.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Wisconsin. [Putting the question.]

The amendment was rejected.

The PRESIDING OFFICER. The joint resolution is open to further amendment.

Mr. BONE. Mr. President, by reason of being compelled to be away from the Chamber when some of the committee amendments were being considered, I find it necessary to seek the indulgence of my brethren to reconsider the vote by which section 15 (a) was adopted. I always hesitate to make such a request, because it is not a pleasant task. I should

like to offer a couple of small amendments to that subsection, which deal with veterans' preference, and I must seek the indulgence of my brethren to ask unanimous consent that the vote by which the subsection was adopted be reconsidered.

The PRESIDING OFFICER. The Senator from Washington asks unanimous consent for the reconsideration of the vote by which the committee amendment to section 15 (a) was agreed to. Is there objection?

Mr. ADAMS. Mr. President, that amendment has been once reconsidered. From the parliamentary standpoint, I do not know whether or not it is now open to reconsideration.

The PRESIDING OFFICER. It must be done by unanimous consent.

Mr. BONE. I may make a motion to that effect. I wish to take only a few moments' time.

Mr. ADAMS. Mr. President, the Senator is mistaken in saying that it may be done by a motion. It may be done only by unanimous consent.

Mr. BONE. I know that my brother from Colorado is a much better parliamentarian than I am. However, I was under the impression that I could move to reconsider the vote by which the committee amendment was agreed to. I may be in error.

Mr. ADAMS. The amendment has once been reconsidered.

Mr. BONE. That is true.

The PRESIDING OFFICER. The Chair is of the opinion that because the amendment has once been reconsidered, the Senator would now have to have unanimous consent for its reconsideration.

Mr. BONE. The Chair is correct in the statement that it has once been reconsidered.

I ask unanimous consent for the reconsideration of the vote by which the committee amendment to section 15 (a) was agreed to.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and the vote is reconsidered.

Mr. BONE. Mr. President, I send to the desk two short amendments and ask that they be stated. I will say to my brethren that they merely deal with veterans' preference matters and require no explanation to those who are familiar with such things.

The PRESIDING OFFICER. The first amendment offered by the Senator from Washington will be stated.

The CHIEF CLERK. In section 15 (a), in the committee amendment, on page 25, at the beginning of line 9, it is proposed to strike out "be determined, as far as practicable, on the basis of relative needs and shall, where the relative needs are found to be the same, be given", and to insert in lieu thereof the words "be given in each region to those who are qualified and available."

Mr. ADAMS. Mr. President, will the Senator yield?

Mr. BONE. I yield.

Mr. ADAMS. I should like to have some explanation of what the amendment comprehends, and what its purpose is.

Mr. BONE. The amendment strikes out all of lines 9 and 10 and the first three words in line 11, and substitutes in lieu thereof the words "be given in each region to those who are qualified and available." So far as I can determine the desires of those who have expressed themselves on the subject, the purpose is to remove any question of veterans' preference in regard to that particular matter.

Mr. ADAMS. What are the regions? The other day we had a discussion about State lines, and I think the Senator from Washington was among those who thought we should be very careful to maintain State lines.

Mr. BONE. No; we once fought a war over that question. I do not want any more wars over State lines. Being very much of a Federalist, I myself am not much given to worrying over such matters.

Mr. CLARK of Missouri. Mr. President, will the Senator yield?

Mr. BONE. I yield.

Mr. CLARK of Missouri. Let me ask the Senator if it is not also his purpose, if this amendment should be agreed to, to offer an amendment restoring the words "relative needs" at the end of the subsection. The effect of the two amendments is simply to give the veteran a preference, so as to insure the preference which is already intended by law to be given, in order that it may not be possible in the future, as it now is, to put a veteran who happens to be receiving $8 a month in an entirely different classification—that is, class B instead of class A.

Mr. BONE. I will say to my friend from Missouri that I have another amendment, which is the one he mentioned, at the end of the subsection. I ask that it be stated, and that the two amendments may be considered together.

The PRESIDING OFFICER. The second amendment offered by the Senator from Washington will be stated.

The CHIEF CLERK. It is proposed to amend section 15 (a), in the committee amendment, by changing the period at the end thereof to a comma, and by adding the following words: "in the order of their relative needs in each region, insofar as may be practicable and feasible."

Mr. CLARK of Missouri. Mr. President, all the amendment does is to transpose the words "relative needs" from the place where they now appear in the subsection to the end of the subsection, so as to establish the preferences set up in the subsection, and to prevent administrative officials from putting a man who may receive $8 a month in an entirely different classification, so that he will be forced to wait until all of class A is taken care of before he can receive any relief at all.

Mr. BONE. The amendments are quite simple. They are very greatly desired by veterans. I do not think they will harm any worthy person.

I should very much like to see the amendments agreed to. I ask unanimous consent that they be considered together.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Washington? The Chair hears none, and it is so ordered. The question now is on agreeing to the amendments offered by the Senator from Washington.

Mr. ADAMS. Mr. President, this matter has been gone into by the committee with much care. The committee amendment has been approved by the Administration. Frankly, because of the uncertainty which may be produced, I hope there may be some opportunity for considering the amendments. I am not prepared to discuss amendments which I have not had an opportunity to see.

Mr. BONE. Mr. President, I suggest to the Senator from Colorado that the amendments be permitted to go to conference. I am sure the gentlemen from the House who will be on the conference committee will themselves have had an opportunity to understand and to discuss the amendments, because I think they were discussed in the House. I hope the Senator will allow them to go to conference.

Mr. ADAMS. May it be understood that the amendments shall be allowed to go to conference simply for the purpose of providing an opportunity for members of the conference committee to study them, without absolutely committing the Senate conferees to the support of amendments with which they may disagree? That suggestion would allow a certain leeway. Does the Senator understand?

Mr. BONE. Yes. I shall be very happy to have the amendments go to conference, and I think the conferees will have an opportunity to consider them with their brethern from the House.

Mr. ADAMS. With that understanding, I have no objection.

The PRESIDING OFFICER. The question is on agreeing to the amendments offered by the Senator from Washington to the committee amendment.

The amendments to the amendment were agreed to.

The amendment, as amended, was agreed to.

Mr. DAVIS. Mr. President, I shall vote for House Joint Resolution 544, making appropriations for work relief during the coming fiscal year. I have voted for all work-relief appropriations granted during the past decade. I understand the needs in this field. It is my hope that with the large amounts of money soon to be made available under the national-defense program, new jobs will open up in private industry for many workers now on W. P. A. I know that the W. P. A. worker would rather have a job in private industry,

because it means higher wages and more attractive conditions of work.

The Murray amendment did not receive my vote, inasmuch as the President requested $975,650,000 for the next fiscal year through the joint resolution. Although the measure as reported to the Senate carried $1,073,584,916, more than $100,000,000 has been added on the floor of the Senate, all of which is for the next fiscal year, with the provision that this amount may be spent within 8 months should circumstances make it necessary. That provision makes for flexibility, which is quite essential during the coming months.

Billions of dollars are being appropriated for national defense. To what degree these expenditures will result in decreased unemployment, no one is certain. We do know, however, that there will be a reaction on the part of industry which will tend to absorb many of those now on work-relief rolls. That is certain. Rather than appropriate greater funds for work relief, it is wise on our part to observe to what degree our national-defense funds are taking up the slack of those on W. P. A. rolls.

It is a good business move on our part to observe the trend, and then act accordingly. Our future action will be based on some definite information; $1,073,584,916 has been made available for work relief for 8 months, if necessary. On the basis of information which we shall have at that time, this body may appropriate whatever will be necessary for the last 4 months of the fiscal year.

In view of the great outlay required and the limited funds available, every effort should be made on the part of our citizens to plan for financial preparedness in this time of international crisis. We must find additional sources of revenue if we are to continue to make appropriations of such magnitude as this country has never before known. In the Committee on Finance, of which I am a member, the revenue bill of 1940, H. R. 10039, is pending. We are raising additional billions of dollars by increased taxation. I know the staggering problems which now confront the Nation in our search for more revenue. Those problems should not be made more serious.

National defense appropriations have the green light at the moment. Important as are other appropriations to the welfare of the country, it is necessary that we exercise caution, and feel our way forward gradually, whenever possible. The requirements for work relief are taken care of according to the President's request in an adequate manner, under a flexible arrangement whereby more funds will be made available toward the end of the fiscal year.

The PRESIDING OFFICER. If there be no further amendments, the question is on the engrossment of the amendments and the third reading of the joint resolution.

Mr. McNARY. Mr. President, I inquire what is the parliamentary situation?

The PRESIDING OFFICER. The question is on the engrossment of the amendments and the third reading of the joint resolution.

The amendments were ordered to be engrossed and the joint resolution to be read a third time.

The joint resolution was read the third time.

The PRESIDING OFFICER. The question is, Shall the joint resolution pass?

The joint resolution (H. J. Res. 544) was passed.

INCREASED AUTHORITY FOR RECONSTRUCTION FINANCE CORPORATION

Mr. WAGNER. I move that the Senate proceed to the consideration of Senate bill 3938, Calendar No. 1807.

The PRESIDING OFFICER. The question is on the motion of the Senator from New York.

Mr. McNARY. Mr. President, will the Senator give a description of the particular bill? I do not know it by number.

Mr. WAGNER. I was about to address the Senate briefly as to the provisions of the bill.

Mr. McNARY. But before it is made the unfinished business let me ask is it the bill proposing an extension of the authority of the Reconstruction Finance Corporation?

Mr. WAGNER. Yes; that is the bill to which I refer.

Mr. McNARY. That is what I wanted to know.

The PRESIDING OFFICER. The question is on the motion of the Senator from New York.

The motion was agreed to, and the Senate proceeded to consider the bill (S. 3938) to authorize the purchase by the Reconstruction Finance Corporation of stock of Federal home-loan banks; to amend the Reconstruction Finance Corporation Act, as amended, and for other purposes, which had been reported from the Committee on Banking and Currency with an amendment to strike out all after the enacting clause and insert:

That section 304 of the act entitled "An act to provide relief in the existing national emergency in banking, and for other purposes," approved March 9, 1933, as amended (U. S. C., 1934 ed., title 12, sec. 51d; Supp. V, title 12, sec. 51d), is hereby amended by adding at the end thereof the following new paragraph:

"The Reconstruction Finance Corporation is authorized to purchase at par any part of the stock of any Federal home-loan bank owned by the United States, as evidenced by certificates, receipts, or otherwise, in amounts to be determined by the Corporation, with the approval of the Federal Loan Administrator; and the Secretary of the Treasury is authorized on behalf of the United States to sell such stock to the Corporation. Any such stock so purchased by the Corporation shall be held subject to the same conditions, requirements, rights, and privileges (including all dividend and retirement provisions) as are provided by law for or in connection with the ownership of such stock by the United States."

SEC. 2. Section 2 of the Reconstruction Finance Corporation Act, as amended (U. S. C., 1934 ed., title 15, sec. 602), is hereby amended by adding at the end thereof the following new paragraphs:

"The Corporation is authorized to make payments from time to time to the Secretary of the Treasury in amounts to be determined by the Corporation, with the approval of the Federal Loan Administrator, for the partial retirement of its capital stock at par and in payment of dividends from earnings. The aggregate amount of notes, debentures, bonds, or other such obligations which the Corporation is authorized to issue and have outstanding at any one time under the provisions of law in force on the date this paragraph takes effect shall not be decreased by reason of any retirement of capital stock under this paragraph, and such aggregate amount is hereby increased by an amount sufficient to carry out the provisions of this paragraph and of the second paragraph of section 304 of the act of March 9, 1933, as amended.

"The Corporation shall retire its capital stock and pay dividends under the preceding paragraph of this section, and shall purchase stock of the Federal home-loan banks under section 304 of the act of March 9, 1933, as amended, in an aggregate amount of not to exceed $300,000,000 to be determined by the Secretary of the Treasury; but the Corporation, with the approval of the Federal Loan Administrator, shall determine that portion of such aggregate amount which shall be used for the retirement of the capital stock of the Corporation, the payment of dividends, and the purchase of such stock of the Federal home-loan banks."

SEC. 3. (a) The third paragraph of section 5 of the Reconstruction Finance Corporation Act, as amended (U. S. C., 1934 ed., title 15, sec. 605; Supp. V, title 15, sec. 605), is hereby amended by striking out "$350,000,000" and inserting in lieu thereof "$500,000,000."

(b) The first sentence of section 3 of the act entitled "An act to extend the functions of the Reconstruction Finance Corporation for 2 years, and for other purposes," approved January 31, 1935, as amended (U. S. C., 1934 ed., Supp. V, title 15, sec. 605m), is hereby amended by striking out "January 31, 1945" and inserting in lieu thereof "January 31, 1955."

SEC. 4. Section 3 of the Federal Farm Mortgage Corporation Act (U. S. C., 1934 ed., title 12, sec. 1020b) is hereby amended by adding at the end thereof the following new sentences: "The Federal Farm Mortgage Corporation is authorized to repay on or before June 30, 1941, to the Secretary of the Treasury on behalf of the United States, all amounts in excess of $100,000,000 theretofore subscribed to the capital stock of the corporation. The proceeds of such repayment shall be held in the Treasury of the United States as a fund available for subscription, by the Governor on behalf of the United States with the approval of the Secretary of the Treasury, to the capital of the corporation when, in the judgment of the directors of the corporation, additional subscriptions to its capital are necessary."

SEC. 5. Section 5d of the Reconstruction Finance Corporation Act, as amended (U. S. C., 1934 ed., Supp. V, title 15, sec. 606b), is hereby amended by adding at the end thereof the following new paragraphs:

"In order to aid the Government of the United States in its national-defense program, the Corporation is authorized—

"(1) To make loans to, or purchase the capital stock of, any corporation (a) for the purpose of acquiring and carrying strategic and critical materials as defined by the President, and (b) for plant construction, expansion and equipment, and working capital, to be used by the corporation in the manufacture of equipment and supplies necessary to the national defense, on such terms and conditions and with such maturities as the Corporation may determine; and

"(2) When requested by the Federal Loan Administrator, with the approval of the President, to create or to organize a corporation or corporations, with power (a) to acquire and carry strategic and critical materials as defined by the President, (b) to purchase land, to purchase, build, and expand plants, and to purchase equipment and machinery, for the manufacture of equipment and supplies necessary to the national defense, (c) to lease such plants to private corporations to engage in such manufacture, and (d) if the President finds that it is necessary for a Government agency to engage in such manufacture, to engage in such manufacture itself. The Corporation may make loans to, or purchase the capital stock of, any such corporation for any purpose related to the national-defense program, on such terms and conditions as the Corporation may determine.

"Any corporation created or organized by the Corporation under the preceding paragraph is also authorized, with the approval of the President, to make payments against the purchase price to be paid for strategic and critical materials in advance of the delivery of such materials. Whenever practicable, the Corporation may require the payments so made to be used for purchases of raw or manufactured agricultural commodities to be exported from the United States."

Mr. BARKLEY. Mr. President, will the Senator from New York yield to me for a moment?

Mr. WAGNER. Certainly.

Mr. BARKLEY. I wish to say to the Senate that it is very desirable to pass this bill, which I do not think will take long, and also the alien registration and fingerprinting bill, which will not take long, in order to clear the way for taking up the tax bill on Monday. I hope Senators will remain here, and cooperate as fully as possible in accomplishing these two results.

Mr. WAGNER. Mr. President, so far as I am concerned, I shall make my explanation as brief as possible, and then, of course, yield to any questions which may be asked.

The pending bill was introduced by the senior Senator from Virginia [Mr. GLASS] but, due to his absence, the Committee on Banking and Currency authorized me to report the bill to the Senate.

The object of the bill is to mobilize in the service of the national defense the financial resources as well as the organization and administrative experience of the R. F. C. The bill has two main features.

The first is to make available $300,000,000 to the Treasury from the R. F. C., which sum, of course, would be expended for such purposes as Congress may direct.

The second is to aid private industry by loans and by the purchase of their capital stock by the United States Government to enable such industries to further the manufacture of supplies and equipment necessary for national defense.

In the event that private industry is unable, with these laws, to meet the necessities of the situation, the R. F. C. itself is authorized to create a corporation to engage in such enterprises.

The first section of the bill, if I may briefly go through its provisions, authorizes the R. F. C. by means of certain transactions to transfer to the Treasury a sum up to $300,000,000. The transfer will be discretionary with the R. F. C., as it is proposed to amend the bill. The transfer is to be accomplished in three ways which are provided in the bill. First, the R. F. C. is authorized to purchase $125,000,000 worth of stock of the home-loan banks owned by the United States Government. That stock will be a very valuable and desirable investment for the R. F. C., because ever since the inception of the home-loan banks they have paid dividends to the stockholders. Secondly—and, I repeat, these are all matters in the discretion of the R. F. C.—$100,000,000 is to be paid out of the dividends or surplus which the R. F. C. now enjoys, which amounts to $284,000,000. Thirdly, $75,000,000 would be transferred to the Treasury, through the purchase by the R. F. C. from the Treasury of $75,000,000 worth of the capital stock of the R. F. C. which is now owned by the Treasury.

Mr. VANDENBERG. Mr. President, will the Senator yield?

Mr. WAGNER. Yes.

Mr. VANDENBERG. Would these additional requirements on the R. F. C. increase the demand upon the R. F. C.'s capital to such an extent as would defeat the purpose of recapturing a portion of the capital stock of the R. F. C., as proposed in the President's Budget message?

Mr. WAGNER. I do not quite understand the Senator's question.

Mr. VANDENBERG. The President proposed in his Budget message to recapture some $700,000,000, a portion of which was to come from the capital of the R. F. C. Could that still be done with this extension of authority to the R. F. C.?

Mr. WAGNER. Yes; the bill takes care of $300,000,000 of the amount mentioned by the Senator. It is to be done by the method which I have just explained, which is really made up of three items: first, the purchase of stock of the home-loan banks; second, a payment out of dividends and accumulations of the R. F. C.; and third, by the purchase of R. F. C. stock from the Treasury. This operation, if carried out as suggested, will transfer to the Treasury, to be available for governmental expenditures, a total of $300,000,000.

Mr. TAFT. Mr. President, will the Senator explain where the R. F. C. will get the $300,000,000 it will pay the Treasury?

Mr. WAGNER. By the issuance of its notes.

Mr. TAFT. So that, in fact, what the transaction means is that, instead of issuing $300,000,000 of Government bonds, there will be issued $300,000,000 of R. F. C. notes guaranteed by the Government? That is the effect, at least, of the measure, is it not?

Mr. WAGNER. The Senator has a right to draw his own conclusions. I have tried to explain the transaction. It is a perfectly proper one. The R. F. C., as a financial institution, is as sound as any institution in the country. Of course, it does not hold its surplus of $284,000,000 in cash; it utilizes it as any well-operated business would do. It has loaned its accumulated dividends and surpluses, and notes would have to be issued in order to secure the cash with which to consummate the transaction.

Mr. BROWN. Mr. President, will the Senator yield there?

Mr. WAGNER. I yield.

Mr. BROWN. I think there is a vital and proper distinction, and I think it is a proper method of bookkeeping. When we borrow money through Treasury notes, we borrow for governmental purposes. Under the method now proposed, money will be borrowed from the general public by the Reconstruction Finance Corporation, not for the purpose of financing the Government but for the purpose of making loans to various businesses and corporations throughout the United States. I think it is entirely proper that it should be done in that way.

Mr. WAGNER. I thank the Senator.

Mr. BONE. Mr. President, will the Senator yield?

The PRESIDING OFFICER. Does the Senator from New York yield to the Senator from Washington?

Mr. WAGNER. I yield.

Mr. BONE. Why should the R. F. C. desire to buy the stock of the Federal home-loan banks? Is it for investment purposes?

Mr. WAGNER. It will be an exceedingly good investment for the R. F. C., but it is a method by which money is to be returned to the Treasury, which the R. F. C. can now afford to return, so that the Treasury may have an added sum, which is to be used as directed by Congress.

Mr. BONE. I merely seek information, but how would that put money in the Treasury?

Mr. WAGNER. In a very simple way; $125,000,000 worth of home-loan bank stock has been purchased from the home-loan banks by the Treasury so that the Treasury now owns that stock. When the R. F. C. purchases that stock from the Treasury it will pay the Treasury $125,000,000, so that the Treasury will have $125,000,000 instead of the home-loan bank stock. The transaction is exactly the same as if I purchased stock from the Senator; he would get the cash, and I would get the stock. He would have that cash as his property and his money. In that way the transfer in this instance takes place.

The next provision of the bill increases the authorization of the R. F. C. to make loans to railroads from $350,000,000, which is the limit now set in the law, to $500,000,000, an increase of $150,000,000. All the $350,000,000 which is now authorized to be loaned is exhausted, so that there would only be an additional $150,000,000, with which to make loans

to the railroads. Since a number of railway reorganizations are now in process, and the railroads will soon come out of those reorganizations, undoubtedly applications for loans will be made by the railroads.

That, of course, does not increase the lending power of the R. F. C. by $150,000,000. That power is still within the limited authority they now have, which I think amounts to about a billion dollars.

The next section extends the period within which loans made by the R. F. C. may mature, from 1945 to 1955.

Section 4 authorizes the Federal Farm Mortgage Corporation to repay to the Secretary of the Treasury all amounts above $100,000,000 subscribed to the capital stock of the Corporation. The proceeds of such payment are to be held in the Treasury as a fund available for subscription to the capital stock of the Corporation when, in the judgment of its board of directors, additional subscriptions are necessary.

Finally, section 5 grants authority to the R. F. C. so that it may become a powerful instrument in the strengthening of our national defense. The bill enables the R. F. C. to extend loans to, or with the approval of the President to buy the stock of, private corporations having to do with national defense—either the accumulation of strategic materials or the manufacture of equipment and supplies.

The final section of the bill authorizes the R. F. C. itself to create or organize a corporation, or corporations, for the purpose of purchasing strategic and critical materials, and also to buy or lease land and to expand plants for the manufacture of necessary equipment and supplies; and that may be done either by the R. F. C. itself or in cooperation or participation with private industry. Of course, the latter will be done only in cases in which private industry is unable to cope with the situation.

Mr. HATCH. Mr. President, will the Senator yield?

The PRESIDING OFFICER. Does the Senator from New York yield to the Senator from New Mexico?

Mr. WAGNER. I yield to the Senator.

Mr. HATCH. Is not the provision regarding the power given the Corporation itself to create corporations a rather unusual provision?

Mr. WAGNER. Not at all. It is a power which the Corporation has exercised. The chances are that it will organize corporations instead of creating them; but there is some advantage in the creation of corporations in the way of avoiding State taxes and other inconveniences. I am told, however, that what the R. F. C. intends to do is to organize these corporations. If that were done, the corporations would have to apply for charters just as other public corporations do, and in the charters would be set forth the authority and the powers under which the corporations would transact their business.

Mr. HATCH. The Senator means the corporations will apply to whom—to the R. F. C.?

Mr. WAGNER. No; we have other corporations which we have organized in the State of Delaware, as a rule, just as private corporations are organized in that State. Such corporations go through the process of securing charters in which are set forth, as in all other charters of corporations, the authority and the powers under which they are to act and transact their business.

Mr. HATCH. I understand now what the Senator means. The R. F. C. will go into the State of Delaware and make application for a charter?

Mr. WAGNER. For a charter of incorporation for these purposes either to purchase strategic materials, or, it may be, in certain cases to construct a plant, lease a plant, or even to manufacture certain implements of war when it becomes necessary.

I need not here address the Senate on the need of speed in adding to our national defense, because our inadequacy in that respect, particularly on land and in the air, has been so fully discussed. The only plea I make to the Senate is that speed is imperative; that we have no right, in the interest of our country and the Western Hemisphere, to delay an instant in prosecuting efforts to strengthen our national defense. I do not think I am disclosing anything I ought not to disclose when I say that the R. F. C. for the past 2 weeks has been in contact and working in cooperation with our Advisory Council of National Defense, and plans have already been arranged by private industry and the Government for a joint prosecution of this effort to produce the necessary weapons for our national defense.

Mr. BONE. Mr. President, will the Senator yield?

Mr. WAGNER. I yield.

Mr. BONE. I have before me the speech of the President of the United States made over a national hook-up on May 26, 1940. In this speech the President used this language:

> I know that private business cannot be expected to make all the capital investment required for expansions of plants and factories and personnel which this program calls for at once. It would be unfair to expect industrial corporations to do this, when there is a chance that a change in international affairs may stop future orders.
>
> Therefore, the Government of the United States stands ready to advance the necessary money to help provide for the enlargement of factories, the establishment of new plants, the employment of thousands of necessary workers, the development of new sources of supply for the hundreds of raw materials required, the development of quick mass transportation of supplies. The details of this are now being worked out in Washington, day and night.

I desire to ask the Senator if this measure is one in furtherance of that suggestion of the President, or whether it will be further legislation looking to the end he suggests in his speech.

Mr. WAGNER. I am glad the Senator read that passage from the President's address, because the very purpose of this legislation is to bring about that cooperation between private industry and the Government, so that they may jointly prosecute these efforts, and do so without at all disrupting the private business of the country. Incidentally, I do not think there is any department of our Government which is so well equipped to do that as the Reconstruction Finance Corporation, because its main function throughout has been to make loans to private industry, to purchase participating stocks in banks, and in other ways to try to keep our industries on an equilibrium.

Mr. BONE. Mr. President, will the Senator further yield?

Mr. WAGNER. Yes.

Mr. BONE. I am interested in this particular aspect of this kind of legislation because I desire to offer to the Senate, as an amendment to the tax bill when it is considered, the war-tax proposals embodied in Senate bill 1885, which would, of course, if adopted by the Congress, apply only during the period of the war. Its provisions would automatically go off the statute books, or be inoperative, if and when peace comes. But because of the high levels of taxation in that bill, questions immediately present themselves to any thoughtful person familiar with financing operations as to the need of additional capital for plant expansion, the payment of debts, and allied problems.

Obviously legislation to take care of those needs, which would be complementary to that type of tax legislation, would be necessary; and if such tax legislation should be enacted, it is my purpose and the purpose of those who feel interested to introduce that type of complementary legislation, so that the tax burden imposed by that type of legislation might not prevent the functioning of a plant.

I do not want to take any more time, except to say that if there be any question in any Senator's mind about the tax levels being too high, I would only have them consider that if the son of any Senator were receiving $5,000 or $10,000 a year as a business expert, a publicist, a writer, an architect, or an engineer, and were drafted into the Army, there would be no effort to preserve for him his private initiative, or any shred of it. He would accept the wage of the common soldier, $30 a month; his life would be forfeit, if need be, to the service of his country. Many Senators probably have sons who have their entire capital tied up in their bodies. That capital consists of their health and their sanity. If one-millionth of 1 percent of the tragedy of war is inevitably to be visited upon us in a financial way and in a moral and spiritual way, then I think business in the United States must realize that it will

have to carry that burden, or a very substantial part of it, not in the seizure of its capital assets, although that might conceivably and very readily come in the face of a great breakdown. A capital levy might be the least of many bad alternatives. But certainly to preserve the economic system of the country, to preserve it from the frightful and unbearable impact of a post-war debt added to our already swollen debt, to preserve it from inflationary shock of this great debt, which would be inevitable and might easily lead to a runaway inflation, it would be a much simpler thing to take the major part of the profits of business, a substantial part of the net income of individuals, rather than face the horrible and dire necessity later of seriously considering capital levies of a very drastic kind.

I have no intention, I will say to the Senator from New York, of discussing this matter at length. I hope he will forgive me for intruding on his time, but this discussion is apropos because this sort of legislation, I think, is something that is going to have to be considered in connection with tax legislation. Certainly we are not going to escape it. I know there are many men in public life, like myself, who are not going to see the boys of America drafted, and their whole capital taken and destroyed, without making Congress tax-conscious, and making it walk right up and confront the necessity, the desirability, and the high patriotism implicit in a tax schedule yet undreamed of.

Mr. WAGNER. Mr. President, I think the surest way to prevent our boys going into any kind of a war is to arm to the teeth, not only to protect our country but to protect the whole Western Hemisphere. That is why speed is so imperative and why I am so anxious to have the proposed legislation enacted now.

Mr. AUSTIN. Mr. President, there is something about the language of the bill that is not clear to me, and I wish to ask the Senator from New York about the meaning of it.

On page 7, beginning with line 22, the bill reads:

When requested by the Federal Loan Administrator, with the approval of the President, to create or to organize a corporation or corporations.

Is it the intention of the author of the bill to enable this corporation to cause to be created, according to law, a corporation or corporations, or is it the intention of the author of the bill to have done exactly what this says literally?

Mr. WAGNER. I think the intent and the literal language are identical. This would authorize the R. F. C., upon the request of the Federal Loan Administrator and with the approval of the President, to create corporations—separate corporations—to deal with these different subject matters.

Mr. AUSTIN. Mr. President, as I understand the answer, it behooves me to say that there must be something new under the sun in the realm of government if one corporation may create another corporation. I have never heard of such a process before. If it has heretofore occurred, it has escaped my notice. My understanding is that no one but the sovereign may create a corporation, and under our system of government it takes a legislative act. I know of no power which Congress has to transmit sovereignty to an institution such as the Reconstruction Finance Corporation so that it may make the grants of sovereignty which are always involved in the creation of corporations. There may not be a legal corporation without a grant from the sovereign of certain sovereign powers. I am asking for education on this subject. If there is any such thing known to the law, I should be glad to find out about it.

Mr. WAGNER. Mr. President, I think the Senator will find in the R. F. C. statute, if not in some other statute, that that authority has been heretofore given in other connections. But I might say to the Senator that there was doubt about the matter in my mind. I am assured that the corporations will be organized rather than created, under the authority given in the act.

Mr. AUSTIN. Then, let me ask the Senator another question. I feel the same way about the policy. I would not undertake to block the policy of permitting this corporation to apply for a charter from a sovereign State, and therefore I would be content with this provision if a few words were added to it to make it clear that nothing more than that power is intended to be granted, namely, the words "cause to be created or to be organized."

Mr. BROWN. Mr. President, will the Senator from New York yield?

Mr. WAGNER. I yield.

Mr. BROWN. I may say to the Senator from Vermont that Congress has heretofore delegated such authority to certain Federal corporations. For instance, the Federal Home Loan Bank Board was granted the power to create corporations. The Reconstruction Finance Corporation has heretofore had that power. In two cases, both of which reached the Supreme Court of the United States, the authority so to do was upheld. If the Senator cares to have it, I will put a brief memorandum in the RECORD of those two cases.

Mr. AUSTIN. I think that would be a good idea. I have had handed to me, while I was talking, a memorandum dated May 27, 1940. Is that the memorandum to which the Senator refers?

Mr. BROWN. Yes. I ask unanimous consent that it be inserted in the RECORD.

Mr. AUSTIN. I think it would be well to have it inserted in the RECORD.

The PRESIDING OFFICER. Is there objection?

There being no objection, the memorandum was ordered to be printed in the RECORD, as follows:

MEMORANDUM

MAY 27, 1940.

The power of Congress to create corporations in the furtherance of its constitutional powers may be exercised either directly by Congress or by an agency of government under statutory authority.

Recently, in *Keifer & Keifer* v. *R. F. C. and R. A. C. C.* (306 U. S. 381), the United States Supreme Court had occasion to consider the regional agricultural credit corporations which were created pursuant to statutory authority by the issuance of a charter directly to them by R. F. C. In holding these corporations liable to suit, the Supreme Court relied on the manner in which they were created but did not even question the propriety of the course followed.

Recently, also, in *Fletcher* v. *Jones* (105 Fed. (2d) 58; certiorari denied, 60 S. Ct. 116), the United States Court of Appeals for the District of Columbia sustained the constitutionality of the Home Owners' Loan Corporation against the contention that Congress did not have power to permit the Federal Home Loan Bank Board to create it. That Congress has frequently conferred upon agencies of government the power to create corporations appears from the references contained in footnotes 8 and 9 of the opinion in *Fletcher* v. *Jones*, supra, excerpts from which are attached hereto.

Fletcher v. *Jones* (105 Fed. (2d) 58, at pp. 60, 61):

"Congress has at different times adopted various methods for creating Federal or Government corporations. In some instances it has directed or authorized administrative boards or officials to secure charters from States or from the District of Columbia.[1] But this has been by no means the only method. In some cases it has created corporations by its own acts.[2] In others it has authorized the President to create them or to procure their creation.[3] The method provided by the present act was that the Federal Home

[1] For example, the Emergency Fleet Corporation was to be incorporated under the laws of the District of Columbia by the United States Shipping Board, as directed by act of Congress (act of Sept. 7, 1916, 39 Stat. 728, 731).

[2] Examples of the use of this method are numerous: Inland Waterways Corporation (act of June 3, 1924, 43 Stat. 360, 49 U. S. C. A., sec. 151); War Finance Corporation (act of Apr. 5, 1918, 40 Stat. 506, 15 U. S. C. A., sec. 331); Federal Savings and Loan Insurance Corporation (act of June 27, 1934, 48 Stat. 1256, 12 U. S. C. A., sec. 1725); Reconstruction Finance Corporation (act of Jan. 22, 1932, 47 Stat. 5, 15 U. S. C. A., sec. 601); Disaster Loan Corporation (act of Feb. 11, 1937, 50 Stat. 19, 15 U. S. C. A., sec. 605k–l); Federal Deposit Insurance Corporation (act of June 16, 1933, 48 Stat 168, 12 U. S. C. A., sec. 264); Textile Foundation (act of June 10, 1930, 46 Stat. 539, 15 U. S. C. A., sec. 501); Federal Farm Mortgage Corporation (act of Jan. 31, 1934, 48 Stat. 344, 12 U. S. C. A., sec. 1020).

[3] Thus the Federal Prison Industries, Inc., was to be incorporated by Executive order, pursuant to the provisions of the act of June 23, 1934 (48 Stat. 1211, 18 U. S. C. A., sec. 774i). Under the act of May 16, 1918 (40 Stat. 550, 551), the President was authorized to create housing corporations. Likewise, under the act of August 10, 1917 (40 Stat. 276), and the act of June 16, 1933 (48 Stat. 195, 15 U. S. C. A., sec. 702). The President was authorized to establish and create corporations in order effectively to carry out the provisions of the respective acts. See generally Van Dorn, Government Owned Corporations (1926).

Loan Bank Board should itself create the Home Owners' Loan Corporation. This, too, is a method which has been commonly used by Congress in the past.[4]

Mr. AUSTIN. Mr. President, I could not jump to the conclusion stated by the Senator from Michigan merely from observing that the Court has upheld such act, because what I speak of is a fundamental that deals with Government itself, an exercise of supreme power. I am not satisfied by merely having handed to me a memorandum showing that on two occasions the Court has upheld a previous delegation of this legislative power. However, I think the Senator, who has studied it more than I have, may find more justification for it.

Mr. BROWN. Let me state, with the permission of the Senator from New York, what the R. F. C. authorities told us at the hearing about that proposition.

First, we must recognize that the Reconstruction Finance Corporation is a governmental agency, I think, essentially similar to the secretary of state in the State of Vermont, who, I presume, is clothed with the authority to issue charters to corporations. At least, that is the way it is done in my State.

Mr. AUSTIN. Yes; but if the Senator will permit an interruption, that must always be limited by the statutes of the State which prescribe the grants in advance. The grants are made by an act of the legislature, and they are availed of by the filing of a certificate and other compliance with the statute. So that we always have in such cases a direct grant from the sovereign.

Mr. BROWN. It is assumed here, and the basis of my argument on the legal side was, that the R. F. C. is as definitely an agency of the Federal Government as the secretary of state in the State of Vermont is of the State government. But I wanted to get down to the purpose, about which the Senator was principally inquiring.

To use an overworked phrase, this is an emergency proposition, and the R. F. C. authorities fear that if they are forced to go to the various States of the Union to have these corporations organized, or go to the various authorities in the States who authorize the corporations to do business within those States—and the Senator knows that is required before a corporation may engage in business in a State—great delay will follow. The hope of the R. F. C. was that they could act promptly and immediately bring these corporations into existence and get to work.

Mr. AUSTIN. Mr. President I must observe, before taking my seat, that if I did not regard it a matter of principle, as a matter of policy I would think it quite unsafe to turn over this power without any limitation at all, without any prescription of what must be done by the Corporation which is going to create another corporation. There is nothing in the proposed act which limits what that Corporation may give to another corporation. Therefore, the Reconstruction Finance Corporation, under this great delegation of legislative power, can give to a private corporation powers which we as a Congress would not think wise to vest in any corporate body. With no limitations on the power, I should say as a matter of policy it was an unwise thing to do.

Therefore, if it is entirely agreeable to the author of the bill that this power shall be exercised in the customary way, under statutes which fix the limitations, then why not have an amendment added to the bill to take care of the matter, to grant the power to create such corporations?

Mr. WAGNER. Mr. President, I have been informed that the Agricultural Credit Corporation, a corporation which has done extremely valuable work in behalf of agriculture, was a created corporation, not an organized corporation. When the Senator speaks of limitations, it should be recognized that the limitations are set forth in the act itself. As a matter of fact, it deals only with national defense. If the Senator will read the language of the bill:

> To acquire and carry strategic and critical materials as defined by the President, to purchase land, to purchase, build, and expand plants, and to purchase equipment and machinery, for the manufacture of equipment and supplies necessary to national defense.

The entire activities of this Corporation are limited to matters of national defense; that, I think, is a very definite limitation. I know, of course, that the Senator will appreciate that, because he is in sympathy with what this Government is trying to do.

Mr. AUSTIN. Oh, yes, Mr. President——

Mr. WAGNER. That we must of necessity make the power somewhat general. We cannot hamstring these corporations with any technical restrictions that may impede the progress of their work.

Mr. AUSTIN. Mr. President, I am glad the Senator from New York recognizes that I am thoroughly in harmony with the effort to build up production to the maximum, and therefore I would not interpose a trifling objection; but I am just as earnest in my desire to preserve fundamental principles as I am to speed up production—in fact, a little more so. I think that as we go along we can afford to take time enough to see that our objective is attained in the democratic way, that we do not transgress our fundamental structure, and do not open the door by creating precedents which would cause us more trouble in the future perhaps than we can foresee. Therefore, if the objective can be attained in the usual way, I think that is much wiser than to make this type of delegation. I regard it, in spite of the precedents to which attention has been called, as a very dangerous thing to do.

Mr. CONNALLY. Mr. President, will the Senator yield right there?

Mr. WAGNER. I yield.

Mr. CONNALLY. I may ask the Senator from Vermont, since these corporations are being created only for a definite purpose, within the scope of the bill, would it not necessarily follow that they had no other power?

Mr. AUSTIN. Well, are they so limited?

Mr. CONNALLY. We are creating them for the purpose of performing operations under the bill which are limited to the procurement and manufacture of war materials. Would it not necessarily follow by implication that they would have no other corporate power?

Mr. AUSTIN. I am not familiar with this——

Mr. CONNALLY. If a corporation is organized to loan money, that does not mean it can buy cattle or deal in horses or cows.

Mr. AUSTIN. No. The Senator from Texas is correct, as he usually is. As I said, I am not sufficiently familiar with this particular bill to know whether the language is strictly confined. On page 8, line 8, it seems to me there is a particularly broad statement of power. I read it:

> The Corporation may make loans to, or purchase the capital stock of, any such corporation or for any purpose related to the national-defense program on such terms and conditions as the Corporation may determine.

That is the last sentence in section 5, subsection 2, which delegates this power of legislation to a corporation.

Mr. President, it seems to me a very unwise grant of authority. The interpretation which could be given that provision might reach lengths which we should consider. We might, as the Congress of the United States, find the exercise of the powers which will be claimed under that grant to be extremely unwise.

[4] Thus, under the Federal Farm Loan Act of July 17, 1916 (39 Stat. 360), Federal land banks were to be duly incorporated by the making and filing of an organization certificate with the Federal Farm Loan Board. Federal intermediate credit banks are created by a similar procedure (act of Mar. 4, 1923, 42 Stat. 1454, 12 U. S. C. A., sec. 1021, 1026). Under the same act national agricultural credit corporations were to be created by the Comptroller of the Currency (42 Stat. 1461, 12 U. S. C. A., sec. 1171). National banks are incorporated by filing an organization certificate with the same official (act of June 3, 1864, R. S., secs. 5133–5136, 12 U. S. C. A., secs. 21–24). The Federal Home Loan Bank Board is authorized to organize, incorporate, and issue charters to Federal savings and loan associations (act of June 13, 1933, 48 Stat. 128, 132, 12 U. S. C. A., sec. 1464). Production credit corporations, banks for cooperatives, and a central bank for cooperatives were authorized to be created by the Governor of the Farm Credit Administration (act of June 16, 1933, 48 Stat. 257, 12 U. S. C. A., secs. 1131, 1134, 1134f).

Mr. WAGNER. The Senator read from page 8, line 8.

The Corporation—

That is, the Reconstruction Finance Corporation—

may make loans or purchase the capital stock of any such corporations for any purpose related to the national-defense program. * * *

You cannot make the limitations more specific, it seems to me; the only purposes for which the loans can be made, the only activities in which this corporation can engage, are those related to national defense. That, it seems to me, is quite limited. Let me say this, because it becomes important right here. I have conferred with the Senator from Ohio [Mr. TAFT] with reference to an amendment which he proposes to offer, which, at least, he feels—and I am quite willing to go along with him—is a further limitation, by limiting it to arms, ammunition, and implements of war, subject to certain other suggested changes I have proposed, which the Senator from Ohio is willing to accept. There you have a complete limitation, and I hope that the Senate does not impose any further limitation, which, unintentionally, may interfere with the essential work to be undertaken pursuant to this legislation.

I might say here that there has occasionally been an inquiry to what the National Defense Council is doing. They are not making speeches, but they are working day and night. They have set up their own organization. There have been meetings with representatives of industry day and night, together with representatives of governmental agencies, the War Department, the R. F. C., and undoubtedly representatives from the Navy Department. They have their plans ready to proceed.

The amount contained in the bill of course is not a very large amount. The total sum—if the R. F. C. made no loans to any other enterprise—would be only about $1,000,000,000. Before we get through with the construction of our national-defense plants, we will have to spend a great deal more money than that. We do not want to do anything that will interfere with the work of the Council. Of course there is no partisanship in this matter, as we all recognize; we are all anxious, and I know the Senator from Vermont is anxious to cooperate with the National Defense Council. The members of that Council, as a patriotic duty, have given up everything else in connection with their own personal business, to devote all their time to this work. And, Senators, they are devoting all their time, day and night, to this work. I hope their health will not be impaired. They recognize the imperative need for speed to make certain that we will be impervious both to military and subversive political invasions of the Western Hemisphere.

Mr. AUSTIN. Mr. President, will the Senator yield?

Mr. WAGNER. I yield.

Mr. AUSTIN. I do not need to be lectured on that subject at all.

Mr. WAGNER. No. I wanted to inform the Senator——

Mr. AUSTIN. Then let us stick right to the matter about which I am asking.

Mr. WAGNER. Very well.

Mr. AUSTIN. And that is the language of the bill of the Senator from New York. I think he ought to be able to answer these questions. They relate only to the language of the bill. Let us now get down to business.

Mr. WAGNER. Very well. I hope the Senator——

Mr. AUSTIN. Let us——

Mr. WAGNER. I have the floor. I hope the Senator did not interpret what I said as a lecture.

Mr. AUSTIN. Well, I certainly am not offended.

Mr. WAGNER. Very well. Let the Senator take it as he will, then.

Mr. AUSTIN. I think we ought to try to adhere to the objective before us in order to save time.

Mr. WAGNER. I think it is important for all of us to know what is going on. But now let us proceed. Very well.

Mr. AUSTIN. I will ask the Senator if the amendment which he proposes to accept, namely, to strike out the words "equipment and supplies necessary for national defense" and substitute therefor "arms, ammunition, and implements of war" is not applied to and limited to subsection (b) of subsection (2) of section 5 of his bill?

Mr. WAGNER. Will the Senator kindly repeat the question?

Mr. AUSTIN. I will make a statement.

Mr. TAFT. Since it is my proposal, I will say yes; it relates only to the second section; not to the part about loans to corporations.

Mr. AUSTIN. Let me say that I observe there are two corporations involved in this section.

Mr. WAGNER. That is correct.

Mr. AUSTIN. There is the Reconstruction Finance Corporation, which will be the father.

Mr. WAGNER. That is correct.

Mr. AUSTIN. And the other corporation, which will be the son. There are those two corporations, are there not?

Mr. WAGNER. The Senator calls it the "son."

Mr. CONNALLY. Perhaps it will be a daughter.

Mr. AUSTIN. Very well. The last sentence in this subsection—

The Corporation may make loans to, or purchase the capital stock of—

Refers to both these corporations, that the father may loan money to or buy the capital stock of the son. For what? For the purpose of purchasing equipment and machinery, or the manufacture of arms, ammunition, and implements of war? Oh, no! For any purpose related to the national defense program. That comprehends food, clothing, and munitions. That provision is so broad and wide that no one can stand here and envisage its scope.

I think it is too much of a grant. I think it opens the door entirely. If the objective can be accomplished without that, by all means let us do it, because we must give regard to our form of government as we go along, and not make fundamental changes in it under the urgency of the situation.

Mr. WAGNER. Mr. President, I do not want to quarrel with the Senator's interpretation of the broad term "national defense"; but so far as I am concerned, in order that that question may not raise a controversy, I have agreed to accept an amendment which the Senator from Ohio [Mr. TAFT] will offer to the bill, which limits the power as the Senator has suggested it ought to be limited. I should say that that amendment ought to allay any apprehension he may have as to the broadness of the terms of the bill.

Mr. KING. Mr. President, will the Senator yield?

Mr. WAGNER. I yield.

Mr. KING. I think all Senators are entirely sympathetic with the purpose of the bill. As the able Senator from New York has indicated, we all appreciate that speed is important and that it is necessary to put into effect as rapidly as we can any instrumentalities which may be created for the purpose of aiding the national defense.

Preliminary to what I was about to say, I may add that we are very much disarmed when Jesse Jones recommends anything. I think we have taken upon faith many recommendations he has made since he has been occupying a very important place in our national affairs and in our national economy. In view of the fact that he will be the administrator of this great power, I am inclined to accept it, although I would have much preferred if there had been one corporation instead of two or three, the single corporation to have the limitations indicated by the able Senator from Vermont, limiting the fields in which it may operate. The single corporation should have the power to put into operation whatever instrumentalities are necessary to execute the powers contemplated by the bill.

I am not clear as to the reason why the Federal home-loan bank is brought into the picture, nor am I quite clear as to the reason why the Federal Farm Mortgage Corporation is brought into the picture and given some authority. I can only repeat that I would have very much preferred to have one Federal corporation, with all the powers necessary to make

the loans for national purposes which it is contemplated shall be made by the various organizations which may be created.

I do not like the idea of setting up a great number of corporations. They will be intertwined and intermingled, and it will be very difficult to determine what their functions are and where the responsibility will rest for any mistakes which may be made, or for any improper loans which may be made.

Mr. WAGNER. Mr. President, the Senator referred to the home-loan bank. The home-loan bank has nothing to do with the activities involved in this legislation. The bill provides for the purchase by the Reconstruction Finance Corporation of stock of the home-loan bank, which is owned by the Treasury. That is the only way in which it is involved in this legislation.

Mr. KING. What is the necessity of purchasing the stock of that Corporation?

Mr. WAGNER. The purpose was to transfer from the Reconstruction Finance Corporation into the Treasury $125,000,000 out of the surplus of the Reconstruction Finance Corporation, which will then be available to the Treasury for the ordinary expenses of government, as directed by Congress.

Mr. KING. Will the Senator comment with respect to the Federal Farm Mortgage Corporation?

Mr. WAGNER. The bill provides that:

> The Federal Farm Mortgage Corporation is authorized to repay, on or before June 30, 1941, to the Secretary of the Treasury on behalf of the United States, all amounts in excess of $100,000,000 theretofore subscribed to the capital stock of the Corporation.

That is another method of returning to the Treasury a substantial sum of money—$100,000,000—which had been used to purchase the stock of the Federal Farm Mortgage Corporation. However, it will be noted that a limitation is placed upon that return, because the proceeds are to be held available for subscription by the Governor on behalf of the United States, with the approval of the Secretary of the Treasury, to the capital stock when, in the judgment of the directors of the Corporation, additional subscriptions to its capital are necessary. So there is a string to the transfer.

Mr. President, I ask permission to offer certain perfecting amendments.

Mr. BROWN. Mr. President, will the Senator yield for a suggestion at this point?

Mr. WAGNER. Certainly.

Mr. BROWN. I have been in consultation with the Senator from Ohio [Mr. TAFT] and the Senator from Vermont [Mr. AUSTIN], and also with the general counsel for the Reconstruction Finance Corporation. I think possibly we could clear up any question about the sentence commencing on page 8, in line 8, and ending in line 11, by inserting certain language, so as to read:

> The Corporation may make loans to, or purchase the capital stock of, any such corporation for any purpose within the powers of the Corporation as above set forth related to the national-defense program.

I understand that that amendment is agreeable to the Senator from Ohio.

Mr. TAFT. Yes.

Mr. BROWN. And to the Senator from Vermont?

Mr. WAGNER. Did the Senator from Vermont hear the proposed amendment read?

Mr. AUSTIN. Yes; I understand what the amendment is, and I think it somewhat narrows the power we are delegating.

Mr. WAGNER. Would it remove the objection which the Senator has made?

Mr. AUSTIN. No.

Mr. WAGNER. It would minimize it?

Mr. AUSTIN. It would minimize it.

Mr. WAGNER. I shall be glad to accept the amendment.

Mr. BROWN. May we have it agreed to by unanimous consent?

Mr. ASHURST. Mr. President, let the amendment be stated.

The PRESIDING OFFICER. The Senator from Arizona requests that the amendment be stated. The amendment to the amendment will be stated for the information of the Senate.

The CHIEF CLERK. On page 8, line 10, in the committee amendment, after the word "purpose", it is proposed to insert "within the powers of the Corporation as above set forth."

The PRESIDING OFFICER. Without objection, the amendment to the amendment is agreed to.

Mr. WAGNER. Mr. President, I send to the desk an amendment which I ask to have stated.

The PRESIDING OFFICER. The amendment offered by the Senator from New York to the amendment reported by the committee will be stated.

The CHIEF CLERK. On page 5, line 20, in the committee amendment, after the word "Corporation", it is proposed to insert the words "on or before June 30, 1941."

Mr. WAGNER. That is simply a limitation as to time.

The PRESIDING OFFICER. Without objection, the amendment to the amendment is agreed to.

Mr. WAGNER. I offer another amendment which I send to the desk and ask to have stated.

The PRESIDING OFFICER. The amendment offered by the Senator from New York to the amendment reported by the committee will be stated.

The CHIEF CLERK. On page 5, line 20, it is proposed to strike out "shall" and insert "may"; on page 5, line 22, it is proposed to strike out "shall" and insert "may"; and on page 6, line 3, it is proposed to strike out "shall" and insert "may."

The PRESIDING OFFICER. Without objection, the amendment to the amendment is agreed to.

Mr. WAGNER. I offer another amendment which I send to the desk and ask to have stated.

The PRESIDING OFFICER (Mr. MINTON in the chair). The amendment offered by the Senator from New York to the amendment reported by the committee will be stated.

The CHIEF CLERK. On page 7, line 14, in the committee amendment after the word "or" it is proposed to insert the words "when requested by the Federal Loan Administrator, with the approval of the President."

The PRESIDING OFFICER. Without objection, the amendment to the amendment is agreed to.

Mr. WAGNER. I offer another amendment which I send to the desk and ask to have stated.

The PRESIDING OFFICER. The amendment offered by the Senator from New York to the amendment reported by the committee will be stated.

The CHIEF CLERK. On page 8, after line 20, in the committee amendment, it is proposed to insert the following new section:

> SEC. 6. That (a) section 1 of the act approved January 26, 1937 (U. S. C., 1934 ed., Supp. IV, title 15, sec. 613c), as amended, is hereby amended by striking out "June 30, 1941" and inserting in lieu thereof "January 22, 1947"; (b) the first sentence of section 4 of the Reconstruction Finance Corporation Act (U. S. C., 1934 ed., title 15, sec. 604), as amended, and the first sentence of section 14 of the Reconstruction Finance Corporation Act (U. S. C., 1934 ed., title 15, sec. 614), as amended, are hereby amended by striking out the word "ten" and inserting in lieu thereof the word "fifteen"; (c) the second paragraph of section 5 (d) of the Reconstruction Finance Corporation Act (U. S. C., 1934 ed., Supp. IV, title 15, sec. 606b), as amended, is hereby amended by striking out "June 30, 1939" wherever it appears therein and inserting in lieu thereof "January 22, 1947."

Mr. WAGNER. Mr. President, I wish briefly to explain the amendment. While there is much technical language in the amendment, all it does is to extend the general lending authority of the Reconstruction Finance Corporation to 1947, and also to terminate the life of the Corporation in 1947.

The PRESIDING OFFICER. Without objection, the amendment to the amendment is agreed to.

Mr. HOLT. Mr. President——

The PRESIDING OFFICER. Does the Senator from New York yield to the Senator from West Virginia?

Mr. HOLT. I desire the floor in my own right.

Mr. WAGNER. Mr. President, I have not yet yielded the floor.

Mr. BARKLEY. I wonder if the Senator from New York will yield to me to propound a unanimous-consent request.

Mr. WAGNER. I yield.

Mr. BARKLEY. I do not think it will interfere with the Senator from West Virginia.

I ask unanimous consent that during the further consideration of the pending bill no Senator shall speak more than once or longer than 15 minutes on the bill or any amendment thereto.

Mr. DANAHER. I suggest the absence of a quorum.

The PRESIDING OFFICER. Does the Senator from New York yield for the purpose of suggesting the absence of a quorum?

Mr. DANAHER. Reserving the right to object——

Mr. ASHURST. Mr. President——

The PRESIDING OFFICER. Does the Senator from New York yield, and, if so, to whom?

Mr. WAGNER. I have yielded to the Senator from Kentucky.

Mr. BARKLEY. If there is objection to the request, it can be disposed of by objection. I do not desire to consume time unnecessarily.

Mr. DANAHER. I have no idea that there will be any objection, but I notice that there are very few Senators present, and I should like to have every Senator know that there is a unanimous-consent request projected.

Mr. BARKLEY. It is only for a limitation of debate and not to fix a time for a vote on the bill. If agreed to it would give 30 minutes to every Senator, 15 minutes on the bill and 15 minutes on any amendment.

Mr. DANAHER. Mr. President, I withdraw my suggestion.

Mr. LODGE. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. LODGE. Is it not always in order to suggest the absence of a quorum?

The PRESIDING OFFICER. It is, provided the Senator having the floor yields for that purpose.

Mr. BARKLEY. Only in case the time for a final vote is fixed is a roll call necessary. It is not necessary on a request to limit debate. Of course, a Senator can make a point of no quorum at any time.

Mr. LODGE. That is what I wanted to have cleared up.

Mr. BARKLEY. The Senator can do it, but it is not obligatory under the rules to have a quorum call simply on a request for a limitation of debate.

Mr. WAGNER. Mr. President, I think I have concluded for the present.

Mr. MURRAY. I offer an amendment, which I ask to have stated.

Mr. BARKLEY. Mr. President, may I have my request acted on?

Mr. ASHURST. Mr. President, I will have to object to the request.

The PRESIDING OFFICER. Objection is made to the request of the Senator from Kentucky.

Without objection, the last amendment offered by the Senator from New York [Mr. WAGNER] is agreed to.

The Senator from Montana offers an amendment, which will be stated.

The CHIEF CLERK. On page 7, line 15, after the words "for the purpose of", it is proposed to insert the word "producing", and on the same page, line 25, after the word "to", it is proposed to insert the word "produce."

Mr. MURRAY. When this matter was in the House it was thought that the word "acquire" would be sufficient to allow the R. F. C. to make loans for the purpose of aiding in producing strategic and critical minerals. The words which I am asking to have inserted will permit loans to be made so that strategic and critical minerals may be produced in this country. Under the bill as it now stands the language might be so construed as to make it possible only to purchase these strategic and critical minerals from the outside or from domestic producers now engaged in their production, and not to permit the development or production of these very important strategic and critical minerals in this country. I, therefore, ask that the amendment be adopted.

Mr. TAFT. Mr. President——

The PRESIDING OFFICER. Does the Senator from Montana yield to the Senator from Ohio?

Mr. MURRAY. I yield.

Mr. TAFT. I do not understand that the bill as it is would in any way limit the R. F. C. or any corporation from acquiring strategic and critical materials produced in this country; but whether the Government should go into the business of mining seems to be another question; and I do not see why it should do so.

Mr. MURRAY. Under the first section of my amendment it is not a question of the Government going into mining but of loaning money so that mining concerns in this country may produce these minerals here, and we would not have to depend for them upon foreign countries. In the last war we had to depend for our supplies of manganese upon other countries, and we lost shiploads of it on the high seas while in transit to this country. We must not leave our country in the position of depending on a foreign source of supply.

Mr. TAFT. To what line does the second part of the Senator's amendment relate?

Mr. MURRAY. To line 25.

Mr. TAFT. That refers to a corporation or corporations, and that means that if the word "produce" is inserted at that place the Government may go into the mining business. I think it is bad enough for the Government to go into the manufacturing business, but I think the Government certainly ought not to go into the mining business. If it wants to loan money, I think it can loan money under the statute, as a matter of fact, to produce American manganese, and I have no great objection to putting the word "producing" in line 15, but I do object by the insertion of the amendment in line 25 to creating a Government corporation to go into the business of mining. If the Senator will modify the amendment, and confine it to line 15, I think it would be agreeable to everyone.

Mr. ASHURST. Mr. President——

The PRESIDING OFFICER. Does the Senator from Montana yield to the Senator from Arizona?

Mr. ASHURST. I do not desire to take the able Senator from Montana off the floor.

Mr. MURRAY. I yield to the Senator from Arizona.

Mr. ASHURST. Mr. President, I think the amendments offered by the able Senator from Montana [Mr. MURRAY] are timely and proper; indeed, amongst the valuable services he has rendered, his action in this instance is one of the most if not the most valuable.

I have some trepidation in entering into a debate on a question of law with the able Senator from Ohio. I bear on my breast some scars inflicted by him in legal contests—not scars on the back, but on the breast. [Laughter.] The Senator from Ohio does not inflict scars on the back or below the belt; all the scars he inflicts are above the belt and in front. However, I do not now agree with the able Senator from Ohio.

This afternoon, Saturday afternoon, when Senators are weary, especially when 2 or 3 weeks and perhaps a month more of the session remain, for Congress will not adjourn soon, I think it would be impolite for me to take much time in arguing this question.

Mr. President, we should all read history, because we learn from the reading of history that we learn nothing from history. Let us for once learn something from history. In times of antiquity when men went out to battle, personal valor and esprit de corps frequently turned the tide of battle. In those days weapons were of iron, copper, zinc, sometimes of bronze, which is a composition of copper and tin; sometimes of brass, which is a composition of copper and zinc; and now and then a weapon was fashioned of strong wood; now and then, forsooth, from strong bull hide; now and then from a piece of volcanic glass which we call obsidian. Those days have gone. There undoubtedly was a degree of chivalry in a battle conducted under such auspices that personal valor counted for much and frequently turned the tide. But, Mr. President, in recent years we have learned that the valor of the brave is of no avail against remorseless steel engines, driven by mechanics and pointed at hearts which are only

flesh and blood. We have recently seen France, with a valor beyond the range of eulogy, walk the Via Dolorosa, the path of duty, death, and glory, but her valor availed nothing against mechanized armies.

Mr. President, why do I say that the able Senator from Montana has done a noteworthy service in offering this amendment? At this time I might also refer to the work of the able junior Senator from Utah [Mr. THOMAS] and the efforts he has put forth to procure for the Nation strategic and critical and essential metals. The able Senator from Montana spoke well when he said that during the World War we were required to depend upon importations from foreign countries for many, if not most—certainly for many—of strategic and critical minerals.

Mr. President, in time of trouble and conflict we will not be able to depend upon supplies from foreign countries. The Creator, in His beneficence and judgment, has locked into the hills of the United States nearly all, if not all, the metals and minerals necessary for industry and for defense of the United States, if we but develop them.

Mr. President, there has been some talk of an adjournment of the Congress. In the most perilous age of the world's history, when civilization is in deadly danger, there are men, serious men—they are not in the Senate; they are not in the other House—who talk of adjourning, running away and abandoning their duties. Let me say to you, Mr. President, that those who vote to go home should be kept there. If they vote to go home, that is where they should stay for the remainder of their careers, because we cannot add to the efficiency and strength of the United States by running away and abandoning the duties which we were elected, sworn, and paid to perform.

There is no remorse so inveterate, so keen, as that which comes from the consciousness of having abandoned duty in a day of national distress. There is no happiness more sustaining and complete than that which is derived from the knowledge that we have performed our duty in a manner worthy of American Senators. Fortune, success, efficiency, and safety fly upon high and rapid wings; they must be seized as they pass by; for once gone, they may not be overtaken. Therefore, Mr. President, I feel quite sure that there will be no early adjournment of the Congress. Nothing would so contribute to the depreciation of the Congress in the thought of the people than adjournment, abandonment, neglect, and precipitous flight from our duties. These may be words that should not be uttered, but they have no reference to any Senator, for I believe there is not a Senator who seriously, in his own heart, thinks that the Congress should adjourn.

Now for a personal word. I have previously said that I was a candidate for reelection. I have some fences which are in a bad state of disrepair; I should like to go home and repair them; but, Mr. President, I would be unworthy to be heard here for a moment if I put the mending of my political fences and political fortunes above the success, the efficiency, the preparation of my country for defense.

Mr. President, if we are to have such preparation; if we are to assist the President in carrying out his program of preparedness, let us at least make a gesture toward acquiring the metals and minerals which are so necessary to our national life. I will refer to one particularly—manganese. We have an abundance of manganese if it can be developed. During the World War the ship *Cyclops*, laden with manganese from Brazil, was sunk without trace with over 300 souls on board. Laden with manganese, she went down to the airless meadows of the cavernous deep. Nothing has been heard of her since.

Manganese, as every Senator knows, is used to sweeten pig iron and to make steel. I shall not tire the Senate by a long list of the essential and strategic minerals necessary for our defense. I will say to the able Senator from Ohio that it is not proposed to put the Government into the mining business. The miners themselves would be the first ones to object to that. The Government, forsooth, may not go out and discover a gold mine or a manganese mine. It is not equipped to do so. Nobody proposes to have that done.

Mr. TAFT. Mr. President, will the Senator yield?

Mr. ASHURST. Certainly.

Mr. TAFT. There is no difference whatever between the Senator and me in that respect; and if the amendment is put in the bill, I have no objection to the word "producing", in line 15, page 7. Since the Senator does not want the Government to do it, however, he does not want the word "produce" in line 25. There is complete agreement; there is no difference between us.

Mr. ASHURST. Just a word, and I am through.

With all due deference to the able Senator from Ohio, whom I regard as an authentic scholar, a great lawyer, and worthy of higher places, I will say that, although I am not supporting him [laughter], I think, in order effectively and properly to carry out the spirit and intent of the amendments of the Senator from Montana, the word "produce" should be inserted before the word "acquire." I do not want to put the Government into the mining business. I want the miners to conduct such enterprises; and if given a chance to acquire credit, the miners of the country will produce the necessary metals and minerals.

Mr. MURRAY. Mr. President——

Mr. ASHURST. I yield to the Senator from Montana.

Mr. MURRAY. In view of the debate which has just taken place, I have decided, in view of the objection of the Senator from Ohio, to segregate my amendment, and offer at this time the first proposal. On page 7, line 15, after the words "for the purpose of", I move to insert "producing"; and I withdraw for the present the second amendment, to which the Senator from Ohio has objected.

Mr. TAFT. That will be entirely acceptable to me.

Mr. MILLER and other Senators addressed the Chair.

The PRESIDING OFFICER. Does the Senator from Arizona yield; and if so, to whom?

Mr. ASHURST. I yield to the able Senator from Arkansas.

Mr. MILLER. Mr. President, of course, I have not any control over the amendment offered by the Senator from Montana; but let me call the attention of the Senate to what is happening.

We shall be making the same fatal mistake and error we have made in the entire history of the present Congress and the history of the Government in dealing with the accumulation of strategic and critical war materials if we omit the amendment in line 25. The present Congress has passed a great deal of legislation. The Senator from Utah [Mr. THOMAS] and other Senators have worked unceasingly in an effort to set up machinery whereby the Government would acquire a stock pile of strategic and critical war materials; but the mistake we have made in our legislation is that we have only provided for the acquisition, and not the production, of it. That is the fatal mistake we have made.

There is not a Senator here, and there is not a man in the Army or the Navy who does not know that we have in this country an abundant supply of most of the critical and strategic war materials, and that we are not a dependent nation if we utilize the resources we have at hand; yet we have been indulging in the fanciful pastime of trying to purchase such materials from foreign countries, with the result that we now have on hand, acquired under the act of 1939, a very few tons of critical materials. We have been trying to buy them from Russia and Brazil and the Gold Coast of Africa and other places. If we mean to prepare the country, let us put the word "produce" in line 25, before the word "acquire."

I do not want further to take the time of the Senator from Arizona.

Mr. ASHURST. Mr. President, with due deference, I repeat, to the able Senator from Ohio, I believe the Senator from Arkansas [Mr. MILLER] has correctly stated the situation. There are in this country business interests which are trying to sell to the United States manganese mined in Russia under forced labor, or slave labor, as we call it. It is known as forced labor, but it is really slave labor.

I assume that no Senator would be willing to purchase from any foreign country manganese or anything else which was produced by forced or slave labor.

We must meet this issue, Mr. President, now as well as later. Success, efficiency, preparedness, are not achieved by running away from problems. In this life there are so many things that confront us that we spend much of our time trying to avoid them and running away from them when the very time thus misspent would solve the problems. We must approach and solve the problem of extracting from the bosom of our own hills the metals, the minerals, and the other things that are essential to our industry and to our protection.

Mr. BARKLEY. Mr. President——

Mr. ASHURST. I yield to the able Senator from Kentucky. I am not limited as to time. I objected in a very stentorian voice to the proposed unanimous-consent agreement.

Mr. BARKLEY. The Senator from Arizona did object to the agreement I proposed. I regret that he did.

Mr. ASHURST. It is rarely that I object to anything proposed or suggested by the able Senator from Kentucky. He has ably led his party. He has done more than lead his party; he has been a great American as well. I must have very strong feeling on a subject when I do not follow the leadership of the able Senator from Kentucky. I could not support him, however, if he were to move to adjourn. In these times I do not think we ought to limit debate when the matter is so important.

It may be said that I objected because I wanted to speak. That statement is sound. If I had not spoken, I should feel that I had been unfaithful to the constituency which has kept me here so long. I should have been remiss to the people of the United States if I failed to tell them how important it is that the miners should have an opportunity to be equipped to extract from the earth these important minerals and metals. The able Senator from New York [Mr. WAGNER], in charge of the pending bill, spoke well when he said it was a matter of haste and emergency.

After this brief statement, I yield to the Senator from Kentucky.

Mr. BARKLEY. Mr. President, I thank my very dear friend from Arizona for the unmerited compliment he paid me.

Mr. ASHURST. I mean it.

Mr. BARKLEY. But I did not rise to move to adjourn, or to ask to limit debate. I did want to ask the Senator if he does not think it is more important that the Government obtain these essential materials, whether it has to produce them or buy them, than it is to be without them in order that the Government may not go into the business of producing them in competition with some private corporation?

I assume that nobody in the Government service would think of putting the Government of the United States into the mining business in competition with the producers of these essential materials if they can be obtained from private industry; but in the case of manganese, for instance, we all know that there are in this country deposits that may not be profitably developed by private industry. There are some that may be so developed. There are others that may not be profitably developed by private industry, and yet they may be needed. As I understand, the object of this amendment is only to authorize the Government to produce them in the event it cannot obtain them by purchase. Is it not more important that the Government obtain them, by whatever method, than it is to be without them in order to protect some private industry which may not be able to produce them in sufficient quantities?

Mr. LUNDEEN. Mr. President——

Mr. ASHURST. I yield to the Senator from Minnesota.

Mr. LUNDEEN. I wish to say, in support of the statement of our able leader, that in South Dakota there are literally mountains of low-grade manganese to which the statement of the leader absolutely applies, where private industry may never enter, but where the Government, through necessity of defense, might be compelled to step in. It is our patriotic duty to see that the Nation is supplied with this strategic war material.

Mr. MILLER. Mr. President, will the Senator from Arizona yield?

Mr. ASHURST. I yield.

Mr. MILLER. I merely wanted to make a suggestion, to which I was leading up awhile ago.

Mr. ASHURST. I yield to the Senator.

Mr. MILLER. In view of the fact that the Senator from Minnesota has, through courtesy to the Senator from Ohio, withdrawn, or stated that he would withdraw, his amendment to the language on line 25, I suggest that the Senator from Arizona might then offer the word "producing" on line 25, and we would clear up this entire tangle. I believe we are all about of one accord. I believe the Senator from Ohio will agree to the amendment because I know what his intention is. He wants to make every contribution to the preparedness of this country possible, and no man wants to put the United States into the business of mining as a business.

Mr. ASHURST. That is correct.

Mr. MILLER. But that is not what we are doing by the amendment. We are saying to the Government, "Now you can do it if nobody else will." That is all we are saying.

Mr. ASHURST. That is all.

Mr. MURRAY. Mr. President, will the Senator from Arizona yield?

Mr. ASHURST. I yield.

Mr. MURRAY. A moment ago I suggested that I would divide my amendment.

Mr. ASHURST. I think that would be wise.

Mr. MURRAY. I think it would clarify the situation to have the first part of it agreed to, and then we can proceed to act on the second part of it.

It seems to me that, as suggested by the Senator from Arkansas, the second part of my amendment does not require the Government to go into business, but merely authorizes the Government to create a corporation for the purpose of producing these strategic or critical minerals if it becomes necessary to do so. The Government would not have to do it. The amendment would give the Government the mere authority to act if it became necessary. So that in that view of the situation it seems to me we should fortify ourselves, protect ourselves, against the emergency which might come in the future, when we would find ourselves without a proper and adequate supply of these indispensable minerals. In order to expedite the matter I ask that we proceed to act on the first part of my amendment, and I will later present the second proposal.

Mr. ASHURST. Very well. I have said all I should say in the circumstances, and with the understanding that the amendment pending is the amendment offered by the Senator from Montana [Mr. MURRAY] to insert the word "producing" in line 15, before the word "acquiring", that then the other amendment will be in order, I surrender the floor at this point.

THE COMMITTEE TO DEFEND AMERICA BY AIDING THE ALLIES

Mr. HOLT. Mr. President, I desire to speak only briefly about a matter which I hesitate to discuss just at this time, because of the pendency of the bill sponsored by the Senator from New York, but I feel that the people of the country have a right to know about the background of certain happenings in this country at this time. I wish to discuss the background of and something about the Committee to Defend America by Aiding the Allies. I desire to tell the Senate where it started and something about the membership.

As I noted on the floor of the Senate a few days ago, 18 persons met secretly on the 29th day of April in the city of New York, called together by Frederic R. Coudert, and started the framework for establishing the Committee to Defend America by Aiding the Allies. I am discussing it in the Senate at this time because there has been a wholesale campaign all over the United States, from New England to

the Pacific coast, by advertisements in the newspapers, full-page advertisements, by all types of propaganda of this Committee to Defend America by Aiding the Allies, to get us involved in this war.

I have no objection to anyone who desires aiding the Allies. That is his business, just as much as it is mine to feel that we should remain neutral, but I do believe that the people have a right to know the background of the organization which is generating this propaganda for such purpose, because I honestly feel that it is not a committee to defend America, but a committee to get us into war.

Mr. LUNDEEN. Mr. President, will the Senator yield?

Mr. HOLT. I yield.

AID EVERYBODY BUT AMERICA

Mr. LUNDEEN. The committee might better have been named "Committee To Aid Everybody but America."

Mr. HOLT. Let me tell the background of some of these individuals who met. Frederic R. Coudert is a lawyer in New York City. Preceding and during the World War he was legal counselor for the British Embassy, and took part in the propaganda which helped get us into the last war, whether it was much or little. The Lansing papers show he protested to President Wilson by a telegram against changing the rules during a war.

I have no condemnation from a personal view of Frederic R. Coudert. Besides his New York office Mr. Coudert has a law office in Paris at 52 Avenue des Champs Elysees. His law office there represents certain French interests which are vitally affected in the present war. Which interest is Mr. Coudert representing, his American interest, or his French interest, as a lawyer, at this particular time? The people have a right to know the whole truth about this matter. They will find, as I have been informed, that the French connections of Mr. Coudert would startle even some individuals who are going along with him.

Who else was at the meeting? There was Frank L. Polk, who was also active in the World War period, and one of the attorneys in the firm of lawyers representing J. Pierpont Morgan & Co. He was one of those who met secretly to set up this committee to aid the Allies. I do not care to discuss the activities of J. Pierpont Morgan & Co. at this time.

Who else was present? There was Thomas W. Lamont, a partner of J. Pierpont Morgan, whose record was shown to the country, long after the war occurred, by the Munitions Investigating Committee as a record wanting us to be involved in the last war. It was the Morgan firm who sent this telegram before America's entrance into the last World War:

> We want you to know that we are engaged in educational work to prepare the way for another French loan.

Is he today preparing "educationally" the American people for another loan to France and our final involvement in the war? I could proceed and discuss Mr. Lamont, but I do not desire to delay the Senate. I am sure that all my colleagues here know of the connection of Mr. Morgan's firm in Great Britain as well as in the United States. Is Mr. Lamont representing the American or the British part of J. Pierpont Morgan & Co. in this committee to aid the Allies?

Mr. LUNDEEN. Mr. President, will the Senator yield?

Mr. HOLT. I yield.

Mr. LUNDEEN. If I remember correctly, the Morgan firm was the British fiscal agent in the United States during the World War, and perhaps after that, and recently I noticed in the press that J. Pierpont Morgan turned over a mansion of his in Scotland or England to the British King. I have never heard of his turning over any mansions for the use of Uncle Sam.

Mr. HOLT. He also turned over his yacht to an English concern, which was what he did during the World War, to make the yacht into a submarine chaser.

Henry L. Stimson was a participant. He had a part in the matter. They did not set up one of their members as their leading name, but they picked out as a front William Allen White, who in private conversation told many individuals whose reputations are irreproachable that he feels we should go all the way.

Whom did they name as its director? I feel the people have a right to know the truth, not that I have any objection to have anyone, if he acts as an individual, aid the Allies who desires to do so; but let us have the background of these individuals. The truth should be known. Who is the director of the organization? It is Clark M. Eichelberger. Who is Eichelberger? He has been for years director of the League of Nations Association, which is trying to involve the United States of America in the League of Nations, which meant involvements abroad. That is Mr. Clark M. Eichelberger.

Where is this committee housed? I have not been there, but I have been informed that this Committee to Defend America by Aiding the Allies is housed in the offices of the League of Nations Association. Let me tell the Senate that next week, when I disclose to the Senate the lawyers on this committee to defend America, and show their connection as representatives of certain corporations which are profiting out of this war, it will be extremely interesting for all here.

This committee stated in the advertisement that a list of the people contributing would be found at the office of the Secretary of State. I called up the Secretary of State, and there is no such list there. They are going to file it some time in the future, they say. I do not mean to say they had to file it. We all know they are not legally bound to file it, but on the bottom of the ad it is said that the list of the individuals paying for the advertisement would be found in the office of the Secretary of State. It has not been filed with the Secretary of State.

I tell the Senate here this afternoon that some of the members of this committee are profiting personally as the result of this war, and I will name them later in the session. I have always named my man, and you will find out I will do so again.

Many of these lawyers are in legal firms which represent corporations involved in those countries, not that I object to their doing that, but why do not the people have the whole truth as to their reason for the special interest?

Also on the committee are many individuals who have openly asked for a declaration of war. They are not for peace. These individuals are for war. Many of the group may not be. I do not say they have no right to be, but, as I stated in the Senate a few days ago, if they are for war, let them enlist. I want to see the Senate and the House repeal the law so that these brave fellows, these individuals who have a cause for which they speak, can enlist in the foreign armies without losing their nationality, as they hide behind that in their advocacy of war.

Some of you have received petitions signed by individuals of this particular group. Let me read letters from two girls in New York City. We have heard much about pressure on employees in the past. Listen to this:

> A petition of the committee to defend America by aiding the Allies was circulated in our office as probably in every other office in New York, and I had to sign it together with everybody else, although not agreeing with one word of it, in order not to lose my job.

Why do not some of these individuals who have been so worried about the coercion of employees, about which we have heard so much on the floor of the Senate, check the coercion of these employees, who have had to sign these petitions or lose their jobs?

Let me read a letter from another girl in New York City:

> DEAR SENATOR HOLT: Do you know that lists are being circulated in big New York firms (the one I know of is one of the best known Fifth Avenue beauty salons), to be signed by employees, stating whether or not they are pro-Ally? The inference taken is, of course, that if not pro-Ally, they are necessarily pro-Nazi.

That is what we hear here. In other words, if you are not for the Allies, you are for Germany. Is it not time to distinguish that you can be neutral and be for the United States? That is my position with respect to this matter. I do not think one must be on either side of the question, but the United States, in order to stay out of the war, should be neutral.

Let me proceed to read from her letter:

Moreover, the employees, knowing that the head of the firm is active in the Allied cause, are afraid not to declare themselves pro-Ally, for fear of losing their jobs.

Many timid people who are against getting into this war are afraid to put their beliefs on paper, because they think that when action against the so-called "fifth columnists" comes, anyone who has signed his name to a peace petition will be persecuted in some way.

In my opinion, those who talk loudest against the Nazis are the very ones who are beginning to imitate the Nazi methods.

You are doing much for this country, and may it bear much fruit.

I am not going to give the name of the one who wrote the letter, because it might be to her disadvantage.

Mr. LUNDEEN. Mr. President, will the Senator yield?

Mr. HOLT. I yield.

Mr. LUNDEEN. I wonder if we have continued to aid the Allies for some years because of our failure to insist on these billions of dollars that are due us from European nations. Think of these billions of dollars foreign countries owe us. This morning's press reports that there are in this country deposits of more than $7,000,000,000 to the credit of and available to Great Britain and France. Yet they declare war on Germany. Great Britain today, in addition to her empire, four and a half times the size of the United States, has taken over the Faroe Islands and Iceland, both islands belonging to Denmark, thus increasing her huge empire. Great Britain already has laid the basis for taking over the colonial empires of the Netherlands and of Belgium, which would make her, perhaps, five and one-half times the size of the United States.

BILLIONS OF DOLLARS DUE US FROM THE ALLIES

Yet we continue to let these huge sums, billions of dollars which are due us, go by the board. And we have the spectacle here on the Senate floor today of Senators arguing and debating about where we are going to find pennies and nickels with which to take care of our children and our hungry people—children who cannot find schoolhouses in which to obtain even primary education. We are short of money for our students in our universities, short of money for our youth, short of money for labor, short of money to take care of the 12,000,000 unemployed. But there is such tenderness for the Allies, such readiness to pour billions into Europe.

FRANCE ON THE WAY OUT

I am not sure that they are Allies any more. There will be one country left, at least, I suppose, and that is the dear British Empire, whose burdens must be loaded on the back of Uncle Sam, and he will go staggering under those burdens while his own people beg for aid.

I wonder if the Senator from West Virginia would permit me at this point in his remarks to place in the RECORD the amount due the United States today, June 15, from these foreign countries—money which we furnished them when we went out to defend democracy and save the world. We did not succeed so very well, but there are those who would like to see the United States do the same thing all over again.

I ask unanimous consent to insert at this point in the RECORD a table showing the payments due on June 15 and July 1, 1940, on account of indebtedness of foreign governments to the United States.

Mr. HOLT. I should be glad to have the Senator do that, but I am afraid that by his remarks today he may place himself in the list of those whom Jimmy Cromwell referred to as "Trojan jackasses." He said they are in the Senate and in the House.

Mr. LUNDEEN. I should like to say in regard to Jimmy Cromwell that I understand he wrote a book in collaboration with some one about some subject or other. I believe that by the expression referred to he gave forth a perfect description of himself.

The PRESIDING OFFICER. Without objection, the table referred to will be printed in the RECORD at this point. The table is as follows:

PAYMENTS DUE JUNE 15, 1940, AND JULY 1, 1940, ON ACCOUNT OF INDEBTEDNESS OF FOREIGN GOVERNMENTS TO THE UNITED STATES

The following statement shows the amounts due under the funding and moratorium agreements on June 15, 1940, and July 1, 1940:

	Funding agreements		Moratorium agreements	Total
	Principal	Interest		
Due June 15, 1940:				
Belgium	$4,800,000.00	$4,158,000.00	$484,453.88	$9,442,453.88
Czechoslovakia	1,500,000.00		182,812.78	1,682,812.78
Estonia		286,265.00	36,585.29	322,850.29
Finland		140,367.50	19,030.50	159,398.00
France	80,063,798.30	19,261,432.50	3,046,879.72	102,372,110.57
Great Britain		75,950,000.00	9,720,765.05	85,670,765.05
Hungary		33,185.08	4,225.58	37,410.66
Italy	15,800,000.00	1,245,437.50	896,155.88	17,941,593.38
Latvia		119,609.00	15,274.26	134,883.26
Lithuania	51,335.00	107,783.67	13,683.26	172,801.93
Poland		3,582,810.00	456,229.71	4,039,039.71
Rumania	430,560.43	907,559.81	48,750.08	1,386,870.32
Yugoslavia	488,000.00	38,515.63		526,515.63
Total June 15, 1940	103,133,693.73	105,830,965.69	14,924,845.99	223,889,505.41
Due July 1, 1940:				
Greece	175,000.00		13,169.45	188,169.45

TREASURY DEPARTMENT,
May 22, 1940.

NOTE.—Hungary and Finland paid their full payments due on June 15, 1940. This fact has been verified by Mr. Maxwell, of the Treasury Department.

Mr. HOLT. Mr. President, William Allen White is the head of the Committee To Aid the Allies. What is William Allen White's belief about happenings today? I want to quote from the Emporia Gazette an article written by him after the President's speech at Charlottesville. Here is what William Allen White wrote in his newspaper. I think it is worth while for the Senate to get this, because it shows how far we have gone. He said:

The President's moving speech, which took us to the brink of war and carefully left us there, was a wise and necessary move.

Get that. That is what the head of this committee, who has been conferring and cooperating with its members, has to say about the President's speech:

The President's moving speech, which took us to the brink of war and carefully—

"Carefully." He realized we would likely be pushed over if he did not do it with care. Yes; we might slip over. That is too short in steps short of war—

left us there, was a wise and necessary move. For if the Germans win and take the British Fleet, we shall have to either abandon the Monroe Doctrine or send our ships and men to defend the islands captured from the Allies that are keys to the Panama Canal and so near to the United States that they would form dangerous air bases.

He continues:

But this is indeed our war.

Remember what occurred back in 1916? Remember the slogan "Our War"? This is Mr. William Allen White, the chairman of the committee in question writing—

But this is indeed our war which the President's speech moved us into by Executive ukase.

I want to make that clear to the Senate. This is a man who is behind this propaganda drive to get us actively engaged, and here is what he said. I repeat:

This is indeed our war which the President's speech moved us into by Executive ukase.

He says that we are in the war by the President's own statement. And this very afternoon the President was quoted as saying this to Premier Reynaud:

I know that you will understand that these statements carry with them no implication of military commitments. Only the Congress can make such commitments.

Get that? The President of the United States said:

I know that you will understand that these statements carry with them no implication of military commitments. Only the Congress can make such commitments.

What other commitments has he left out? He only modifies his commitments by one word, "military" commitments, and he says that only Congress can take that step. Mr. White and the President agree. Mr. White continues:

Congress only can declare war, but a President can take us to the edge of it, stop us there—

Perhaps he can stop us there. That is the danger. We hope he can. But what if he does not? Why take that dangerous path to the brink of war?—

a President can take us to the edge of it, stop us there and let us look over into the abysm into which we might go hastily and in catastrophe if we delayed our help to the Allies and let the war come to us instead of sending aid which will let the French and British win as they fight—

And I want to accentuate that—

our battles.

Mr. LUNDEEN. Mr. President, will the Senator yield?

Mr. HOLT. I yield.

Mr. LUNDEEN. I wonder if the Senator has noticed that radio commentators are now saying that the Army is releasing—I am not certain that this is correct—but they make the statement on the air that the Army is releasing powder facilities and powder reserves to the Allies. It is not enough to give them artillery and our war planes. Lord Lothian has demanded our ships, and we have to turn over other war materials. But we are not allowed to keep even our powder dry any more because the Allies are to have it.

CONVOYS INTO WAR

I wonder if the Senator has noticed the press speaking of proposed convoys? We are supposed to go into Europe now—into these dangerous waters, and convoy this material in order to save this world empire on which the sun never sets. That is our duty, that is our manifest destiny, to preserve them. Since when did it become American to think of everything across the ocean and forget our own people at home?

Mr. HOLT. I thank the Senator from Minnesota. I did not want to go into a discussion of that matter, but since it has been brought up I am going to place in the RECORD a statement of how old these so-called obsolete planes are. The President of the United States made a public statement in which he condemned individuals, saying that they were within the letter of the tax law but outside the spirit of that law; that things should be open and aboveboard; and yet, with a twinkle in his eye, according to those who were at the White House press conference, he said he was going to sell these "obsolete" or surplus planes to a factory, which, in turn, will sell them to somebody else. We knew that meant the Allies.

Here are some facts as given to me: The unit cost of these planes was $45,000, and these obsolete—I wish to underscore the word "obsolete"—these obsolete planes were sold back for $44,990. They certainly were obsolete, were they not? They were sold back to the factory for $44,990. There was only a loss of $10, which one would lose on an old tire if one traded it back to the dealer. They were not obsolete. The country knew they were not obsolete. Why the subterfuge?

What do I mean by that? Do Senators realize that of the ships which were turned over to the Curtiss Aircraft Company, the oldest one was delivered to the United States Government on May 16, 1939? Do Senators realize that 22 of the 50 planes which were traded in to Curtiss as obsolete planes were delivered to the United States Government between March 7 and April 10 of this year? Twenty-two of the 50 planes which the President of the United States called "obsolete" were delivered in March and April of this year.

Mr. President, at this point in my remarks I ask that a statement showing the invoice numbers and the exact dates of sale to the United States Government be printed in the RECORD.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

Invoices:

1474	May 16, 1939.
1475	May 18, 1939.
1476	May 19, 1939.

Invoices—Continued.

1477	June 21, 1939.
1479	June 26, 1939.
1480	June 26, 1939.
1481	June 26, 1939.
1482	July 7, 1939.
1483	June 30, 1939.
1484	June 30, 1939.
1485	June 30, 1939.
1486	July 7, 1939.
1487	July 7, 1939.
1489	July 19, 1939.
1490	July 17, 1939.
1491	July 10, 1939.
1492	July 24, 1939.
1493	July 24, 1939.
1494	July 24, 1939.
1495	July 24, 1939.
1496	July 22, 1939.
1500	July 24, 1939.
1503	Aug. 10, 1939.
1307	July 31, 1939.
1308	Aug. 16, 1939.
1309	Aug. 16, 1939.
1310	Aug. 16, 1939.
1311	Aug. 16, 1939.
1810	Mar. 7, 1940.
1811	Mar. 7, 1940.
1813	Mar. 11, 1940.
1814	Mar. 11, 1940.
1815	Mar. 11, 1940.
1820	Mar. 8, 1940.
1821	Mar. 15, 1940.
1822	Mar. 14, 1940.
1825	Mar. 20, 1940.
1826	Mar. 15, 1940.
1827	Mar. 20, 1940.
1828	Mar. 27, 1940.
1832	Mar. 29 1940.
1833	Mar. 29, 1940.
1834	Mar. 29, 1940.
1835	Mar. 29, 1940.
1836	Mar. 29, 1940.
1837	Mar. 29, 1940.
1838	Mar. 29, 1940.
1839	Apr. 10, 1940.
1840	Apr. 10, 1940.
1841	Apr. 10, 1940.

Mr. HOLT. In discussing William Allen White and his committee, as I shall do briefly, I wish to read what Mr. White said on the 6th day of February 1937 about what the President proposed to do with reference to packing the Supreme Court.

Three years ago Mr. White said:

Adroitly President Roosevelt is proposing to pack the Supreme Court. And because he is adroit and not forthright, he arouses irritating suspicions, probably needless, about his ultimate intentions as the leader of his party and the head of his Government. For his plan to pack the Court did not spring full panoplied from his brain in the last few weeks or the last few months. But flouting the democratic process of open discussion, the President revealed to the American people in the long campaign no inkling of this plan. In fact, time and again during the campaign he was charged with exactly what he is doing. His silence then in this morning's light was a little more than insincere.

Mr. White uses the word "ukase" in this article, in which he says that the Supreme Court is to be packed by Executive ukase—the very same language which he now uses in discussing the approach of the United States Government to the place from which there may be no retreat. Let us hope that the commitment has not gone that far.

Mr. President, I do not wish to take the time of the Senate. All I want is that the people and the Senate shall have the facts.

I ask unanimous consent that at this point in my remarks the complete editorial of February 6, 1937, by William Allen White, be printed in the RECORD to show that he approves now what he bitterly condemned before.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

[From the Emporia Gazette of February 6, 1937]

Adroitly President Roosevelt is proposing to pack the Supreme Court. And because he is adroit and not forthright, he arouses irritating suspicions, probably needless, about his ultimate intentions as the leader of his party and the head of his Government. For his plan to pack the Court did not spring full panoplied from his brain in the last few weeks or the last few months. But flouting the democratic process of open discussion, the President revealed to

the American people in the long campaign no inkling of this plan. In fact, time and again during the campaign he was charged with exactly what he is doing. His silence then in this morning's light was a little more than insincere.

Last fall he met the charge that he was trying to become an unconstitutional leader by berating the wicked monopolists, the financial manipulators whose powers should be properly clipped and who certainly should be personally punished. But while crying against these "economic royalists" he would seem to have harbored subconsciously a seven-devil lust to become an unconstitutional royalist himself. This country can take care of those who break the laws in high places. That's comparatively easy. But those who scorn the orderly processes of democracy, those leaders who by instinctive indirection slip around our laws and annul the basic implications of American democracy, they become a menace more deadly than the economic royalists whom Roosevelt denounces. In a world challenging democracy, in a day when tyrants appearing as demagogs crying out against predatory wealth have shattered Europe's democratic institutions, this court message of the President's seems strangely like the first looming American symptom of danger.

It is not what the President is doing. Most of his recommendations are sound. At base his most drastic proposal is at least debatable. But the point is this drastic proposal has had no debate before the people. Moreover, by his power over Congress the President will deny free debate there.

It may be wise to pack the Supreme Court. Necessary economic change and social growth must not be choked by the judiciary. But how shall the judiciary be checked? This is a serious question. Whose wisdom has the President consulted? Here is a vital step down a new path amounting to a constitutional change. We should not go dancing dizzily down there overnight. Change should come in a democracy only after a considered, organized, intelligent movement of the whole people. No emergency justifies haste where liberties may be curtailed. Patience is a basic virtue in any democracy.

Every change of public opinion should be definitely reflected in a growing conviction of Congress, and finally by legislation formed after amendment and debate. But this morning we wake up and read a Presidential ukase. Surely the executive branch of the Government should not take full charge of the judicial branch of the Government between hay and grass. Surely in the long campaign last year we should have had some warning of this specific change which will affect our Government so profoundly. Surely Mr. Roosevelt's mandate from the people was to function as the President, not as Der Fuehrer.

This Presidential adroitness, this uncanny capacity to avoid the direct joining of issues in full, fair, and free debate, this seemingly instinctive lack of candor, this smiling assumption of courage while avoiding all danger, this elaborate stage play to flatter the people by a simulation of frankness while denying Americans their democratic rights of discussion by suave avoidance—these traits are not the traits of a democratic leader. These are tricks which have been played in the new game wherein other peoples have lost their democratic liberties in other lands.

How long will the people be fooled?

Mr. LUNDEEN. Mr. President, will the Senator yield?

Mr. HOLT. I yield to the Senator from Minnesota.

Mr. LUNDEEN. The Senator speaks of facts. Here are a few facts which, with the Senator's permission, I should like to ask unanimous consent to have inserted in the RECORD at this point.

FRANCE AND BRITAIN CAN PAY

Mr. President, I ask unanimous consent to have printed in the RECORD at this point in my remarks an article from the Christian Science Monitor, stating that the total resources of the Allies available for foreign purchase, as late as September 29, 1939, were $15,000,000,000. The article is headed "Fifteen billion dollar war chest estimated for Allies." The article is not long, but it gives the facts. The Christian Science Monitor certainly cannot be accused of being pro-Nazi. Then my question is, Why this talk of credit to these empires, why gifts to these wealthy countries, who still owe us billions from the last war?

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Christian Science Monitor of September 29, 1939]

FIFTEEN-BILLION-DOLLAR WAR CHEST ESTIMATED FOR ALLIES

NEW YORK.—The ability of Great Britain and France to pay for the raw materials and finished goods which they will undoubtedly buy in this country in increasing quantities as the war progresses has been the subject of much discussion. A survey of combined Allied resources would warrant the conclusion that resources are ample for a long time ahead. The total resources of the British Empire and France, available for foreign purchases, are close to $15,000,000,000—which will permit a considerable cash and carry business at the rate of buying from 1914 through 1918. A sizable proportion of these funds are in the United States in the form of dollar balances, gold and marketable securities, says E. J. Donahue, of the Standard Statistics Co., in an analysis of British and French funds which may be applied to war business.

FOREIGN BANKING FUNDS

At the outset it can be said very definitely that the large foreign assets of various sorts in the United States will insure a substantial volume of war business. The dollar balances, real or potential, are already being mobilized, and they will shortly undergo a process of transfer from foreign to domestic account in payment for commodities and services supplied.

The most fluid of these resources obviously are the foreign banking funds in this country. Those held by the United Kingdom, France, and Canada total close to a billion dollars.

United States securities held by foreigners represent another liquid asset readily convertible into cash. As a matter of fact, the funds raised through liquidation of these securities will exceed by a wide margin the total of foreign bank balances here. Nationals in the United Kingdom alone hold United States securities with a value of $900,000,000, Canadians own $447,000,000, while the French have $253,000,000.

The remainder is held largely by citizens of neutral countries, particularly the Netherlands and Switzerland, whose balances are valued at $589,000,000 and $355,000,000. The value of American securities held by all other Europeans is about $390,000,000.

The British are now required to register their holdings of foreign securities with the Bank of England, and it is reasonable to assume that these assets will be expropriated. Other warring nations undoubtedly will take similar steps, creating a potential $1,600,000,000 which may be spent in the United States by Great Britain and France.

BALANCES IN UNITED STATES

In addition to the banking funds and securities held in this country, which have been almost steadily accumulating here for the past 5 years, foreigners can also draw upon their brokerage balances in the United States to pay for our merchandise. The total of these funds is relatively small ($72,000,000); but again the lion's share is held by the democratic powers. The United Kingdom, France, and Canada have more than half of the total, Germany and Italy combined have nothing, while the remainder is held by neutrals.

A much more important source of funds is the earmarked gold held in this country for the account of foreign central banks. Because of the threat of war which hung over Europe for many months huge quantities of gold bullion were shipped to the United States for safekeeping. This gold is held in the vaults of the New York Federal Reserve Bank under special license from the Treasury.

Earmarked gold virtually enjoys extraterritorial rights. It is not a part of our monetary gold stock, nor can it be acquired in any way by the Treasury. It is instantly available for conversion into dollar balances.

The value of the earmarked gold in American dollars is $1,400,000,000. No break-down of its ownership will be made public, but it is a foregone conclusion that none belongs to Germany or Italy. It is certain that a major portion is the property of the democratic nations.

The ability of the belligerents to buy in this country is by no means limited to their liquefiable American assets. They may also ship gold to us in payment for commodities purchased. In this respect England and France have a huge advantage over their adversary.

SOUTH AFRICAN GOLD

The famous Rand mines in South Africa represent the most prolific source of gold at this time. The value of their production in 1938 was $426,000,000. The United States ranked second with $178,000,000, followed closely by Canada with $165,000,000. Production in other countries is relatively small, although it is believed that Russian output last year was around $180,000,000.

The significant feature of this situation is that gold production in the British Empire last year was about $700,000,000, or more than half of the total, including Russia. Sale of this gold will be an important factor in helping the British to secure necessary war supplies abroad.

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FRANCE'S HUGE HOARD

France has the larger gold hoard of the two; it is estimated at $3,100,000,000. The United Kingdom has an estimated $2,400,000,000. The rest of the British Empire holds gold of a dollar value of $950,000,000.

In all, the British and the French are in a position to mobilize $6,000,000,000 in gold. In contrast, Germany officially reports gold holdings of only $29,000,000, and while she may have a secret cache, it cannot be large. She also has control of Czechoslovakian gold, but the total of this is only $60,000,000. Italy's entrance on Germany's side would help in this respect, but Italian gold holdings, reported at $193,000,000, are still insignificant in relation to those of the democratic nations.

Gold has often been labeled as the most important of the war's munitions. It is certainly true that, in any long war, it is economic power that determines the outcome. In this respect, the impressive war chest of gold held by Britain and France gives them a very definite edge over the Reich.

Existing gold supplies are not the only factor to be considered in this connection. The ownership of newly mined gold is also an important consideration. At present, the world is producing gold at the rate of over a billion dollars annually, and the division of this commodity wealth may have an important bearing on the outcome of the hostilities.

Mr. LUNDEEN. I have another short article, from the Willmar Daily Tribune, entitled "England Can Pay Her War Debt," a brief article written by the senior Senator from Minnesota [Mr. SHIPSTEAD] on the subject of these empires' ability to pay. I ask unanimous consent to have it printed in the RECORD at this point.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Willmar Daily Tribune of January 8, 1938]

ENGLAND CAN PAY HER WAR DEBT—SENATOR SHIPSTEAD POINTS TO PRACTICAL MEANS ALREADY IN AGREEMENT

In the Washington Times of December 20 there appears an article by Senator HENRIK SHIPSTEAD in which he replies to a British economist who had given out reasons why England was unable to pay war debts to the United States. The article was accompanied by his portrait. Senator SHIPSTEAD is a member of the Senate Committee on Foreign Affairs, and, says the Times, "during his service in that body has gained an international reputation as an authority on economic problems." The Senator's article follows:

ENGLAND CAN PAY

(By HENRIK SHIPSTEAD, United States Senator from Minnesota)

The "distinguished economist" quoted by the Times has decided that Great Britain cannot sell $200,000,000 worth of additional goods annually to the United States, and therefore the only way she could pay her war debt would be to reduce present purchases here by that amount and build a balance of trade favorable to herself. This is not all that could be done, however.

Granted that Great Britain cannot meet her war obligations to us through the export of gold, and we would not want her to do so if she could. But that is not the only answer to the dilemma.

In the funding agreement with Great Britain of June 1923 I find that the British Government has agreed to issue "definite engraved bonds in form suitable for sale to the public" in exchange for those issued under the agreement with our Government. These bonds are to be in bearer form and carry the same exemption from taxation as those issued under the existing debt agreement.

NO EFFORT TO DO IT

Why has the United States Treasury never called this alternative into use? The agreement specifically states that they will be issued "at any time" or "from time to time" at the request of the Secretary of the Treasury.

During all the default history of this debt agreement no attempt, to my knowledge, has been made to use the alternative. Yet it is obvious that it might well be used to provide both Great Britain and the United States with a way out of the dilemma in which they now find themselves.

It should not be difficult to imagine what could take place if British bonds "suitable for sale to the public" were made available in this country under this agreement. Placed in the hands of American tourists who spend about $15,000,000 a year in England alone, they could be liquidated and put in the hands of the British people through the normal process of providing these services. Or given into the hands of American tourists who spent over $225,000,000 in Canada, the Dominion could provide the mother country with assistance in discharging its obligation.

TRADE RAMIFICATIONS

Then there are the unlimited ramifications of triangular and multilateral trade. Suppose Brazil needs British exchange to buy goods from Britain. Brazil could trade coffee to an American holder of these British bonds and acquire the needed exchange, and thus the debt would be transferred. The Brazilian businessman would use the bond to pay for British goods. That would liquidate the bond and make it unnecessary for England to buy dollars. This is only one example of hundreds that might be cited.

There would be no difficulty in making a transfer of this kind. British bonds and British exchange are salable all over the world.

Such a mechanism might be used to stimulate trade and travel with Great Britain, its dominions, and throughout the world as a whole. Some special inducement might well be made as to direct the use of these obligations in these channels. Not only would the Federal Treasury thus be replenished but so would world commerce. In part, the success of a plan of this kind depends on its capacity to stimulate international business.

TRANSFER ISLANDS?

If Great Britain is ready to live up to its agreement, if it means what it says and that it is only asking for someone to point the way out, does not its own "sacred treaty" of 1923 show it that way?

On the other hand, a few miles from our own coast are the beautiful Bahamas. Also Bermuda, with a naval base, close to our shore; Jamaica, Trinidad, and British Honduras, in addition to all these innumerable islands strung along in the sea east of the entrance to the Panama Canal that we are obligated to protect. This group of islands could furnish a base for negotiating with a view to a transfer to the United States in payment of all or part of the debt. England has always paid its debt with interest whenever possible, and here are opportunities for doing so.

If Great Britain thinks so much of the sacredness of its agreements and treaties, that she can spend more than a billion dollars in a year in preparation for another holy war to enforce the sacredness of treaties, what should it not be willing to do to make good on its promise to us?

Mr. LUNDEEN. Mr. President, I also ask unanimous consent to have printed in the RECORD at this point an article from the Washington Post of February 27, 1940, entitled "Ten Thousand Families in the East Living in Grapes of Wrath Conditions, United States Agencies Learn."

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Washington Post of February 27, 1940]

TEN THOUSAND FAMILIES IN THE EAST LIVING IN GRAPES OF WRATH CONDITIONS, UNITED STATES AGENCIES LEARN

(By Alfred Friendly)

The eastern seaboard has its own Grapes of Wrath.

From Florida to New Jersey it is faced with a steadily growing migrant farm-labor problem whose victims live in economic wretchedness as desperate as that of the California-bound "Okies" of John Steinbeck's novel.

At least a dozen Federal agencies are concerned with the situation, it was learned yesterday. The Labor Department Labor Standards Division and the Farm Security Administration are already deeply involved.

Farm Security Administration estimates that 10,000 to 20,000 migrant families will progress northward from Florida this spring, "working peaches" in Georgia, going to the strawberry, potato, and vegetable areas in the Carolinas, thinning apples in the Shenandoah Valley, and working the truck farms on the Maryland and Delaware shores.

They travel in "jollopies," live in ditch-side camps with complete absence of sanitary conveniences, reports show. More often than not their small wages are further reduced by predatory labor brokers, "row bosses," and "padrones." The fields where they work are the scene of some of the country's greatest exploitation of child labor.

According to one informed F. S. A. official, conditions of migrant labor groups now in Florida are "worse than California."

Most of the migrant laborers, Federal officers believe, are colored. Almost all—colored and white—have been "tractored out" of Georgia and Alabama farms, or were sharecroppers or day laborers displaced by machines or crop curtailment.

When the migrant groups came north it is said they were joined by part-time industrial workers, mainly Italian, Polish, and Lithuanian, from Baltimore, Camden, and Philadelphia, who are recruited to work in the fields by "padrones." These collect fees from farmers for supplying labor and take part of the worker's pay for getting him the job.

"Row bosses," on the other hand, are those who arrange for the transportation of the southern workers. Often, it has been reported, they bring a group to a farm, collect their fee from the owner, and in the middle of the night move their group out to another location.

In New Jersey an F. S. A. report found "housing consists of crude barracks, particularly in the cranberry bogs, designed to house 10 to 30 families. Absolutely no comforts or conveniences. No bathing or laundry facilities."

"Typical housing for migrants" in Florida, another report says, consists of a "14-room shelter, each room containing a family numbering from 2 to 10 people, each room renting from $1.50 per week. During the 8-month season the landlord receives $819. The cost of building this shelter was $400. For each 4 to 8 such shelters the common practice is to have a single open-pit toilet.

Two major concerns to Federal officials is that children of the migrant families can obtain no education and that local "settlement laws" prevent migrants from receiving relief. The workers usually have no money between jobs and are frequently stranded.

A Palm Beach County, Fla., school-board member reported that in his area "education was in competition with beans, and beans are rapidly winning out."

Children too small to work in the fields have been left for periods of several days in disorderly houses for lack of any other place where they might be cared for, F. S. A. investigators found.

Other investigations have found that 50 percent of such migrants now in Florida are syphilitics, and in certain areas more than 80 percent. Officials have said it is "nothing less than a miracle" that there have not been epidemics of other diseases, since the migratory families drink polluted water.

At a conference last week in Baltimore, labor commissioners from Maryland, Virginia, Delaware, and New Jersey recommended that attempts be made to obtain relief for stranded families.

Mr. HOLT. Mr. President, all I desire to say is that the people of the United States have a right to know the facts. They have a right to know what is behind these organizations. Almost every time an organization has been started to oppose the administration it has been investigated by some branch of Congress. But we shall find behind this committee, acting as a so-called patriotic committee to defend America, the tentacles of British and French finance. I think history will prove that behind this committee is English and French money. In my mind there is no doubt about it. They are not interested in defending America.

I do not blame those in France who want us to come over; but I do blame individuals here who want our country to go over, with someone else's sons doing the going.

The Committee to Defend America by Aiding the Allies. Why are they not honest with the people and why do they not limit the name to two words—"Allied Committee"?

As I have said, I have not told the whole story. I have much information on the question. Later I shall take up for consideration some of the individual members of the committee and tell the Senate their background, their connection with international finance, their international background, their pressure on newspapers, why they have that pressure. That may show why almost all references to staying out of involvement have been kept out of the newspapers. I intend to show the Senate the fact that some of these individuals, as I said earlier, are making a profit out of war. Some say it is undemocratic to tax war profits, and that to do so would destroy our democracy in this country. However, they feel it is perfectly democratic to confiscate a boy's life by sending him over as a member of our naval convoy, about which they are now speaking. Any man who knows anything about history knows that a naval convoy of the type mentioned in the papers means actual war.

Mr. LUNDEEN. Mr. President, will the Senator yield?

Mr. HOLT. I yield.

Mr. LUNDEEN. Will someone please tell us how we are to defend America by stripping America of her defenses and her armament, and sending them over to foreign countries, when all our experts tell us that we cannot replace them in less than 18 months, or perhaps 2 years? During that interval of time, where is our defense? Who is going to defend us?

Mr. HOLT. That question dovetails into the facts which I gave the Senate a moment ago. Fifty planes, the oldest of them delivered last year, have been sent across the ocean, and in their places we have blueprints. I do not know whether or not any Senators have ever gone up in the air on a blueprint, but I can assure the Senate that a blueprint will not stop an air force from coming over here. Last night I heard a speaker say that he had shot many rifles, but that he had never shot a rifle "on order."

The situation is that we are stripping our defense of things which we may need. Before I came into the Chamber, it was stated over the radio that some of the very planes which we have sent over there have been taken. In other words, they may be turned over to the Germans. Some are afraid of their turning over their fleets. With the same reasoning, if the speedy victory of the German Army continues, we shall be giving to the Germans the planes which we may need for ourselves.

Mr. President, I think the time has come for America to have a committee to aid America by taking care of Americans. When we have such a committee, we shall have fewer armchair patriots who are financially and politically involved in this war—politically because they think it will give them a wave to ride upon, and financially because of actual involvement in stocks which represent sales of certain materials.

EXTENSION OF AUTHORITY OF RECONSTRUCTION FINANCE CORPORATION

The Senate resumed the consideration of the bill (S. 3938) to authorize the purchase by the Reconstruction Finance Corporation of stock of Federal home-loan banks; to amend the Reconstruction Finance Corporation Act, as amended; and for other purposes.

Mr. BARKLEY. Mr. President, I hope we may proceed to the conclusion of the pending measure. To that end, I ask unanimous consent that during the further consideration of the pending bill no Senator shall speak more than once or longer than 10 minutes on the bill or any amendment.

Mr. TAFT. Mr. President, I shall have to object. I shall require somewhat longer than 10 minutes.

Mr. BARKLEY. The suggested agreement would give the Senator 20 minutes, because he may speak 10 minutes on the bill and 10 minutes on any amendment.

Mr. TAFT. Yes; but I should like to speak longer than that.

Mr. BARKLEY. I modify the request by making it 15 minutes on the bill and 15 minutes on any amendment.

Mr. TAFT. That will be satisfactory.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Kentucky? The Chair hears none, and it is so ordered.

Mr. TAFT. Mr. President, the amendment now before the Senate relates to the production of strategic and critical materials. I should like to discuss the whole bill and the amendments at this time.

The first section of the bill relates to the Reconstruction Finance Corporation. That section really is wholly and completely unnecessary today. It is part of the plan by which $700,000,000 is to be returned to the Treasury in order that we may not have to lift the debt limit. Now we propose to go ahead and lift the debt limit by $4,000,000,000, so that this section is really unnecessary today. It is, in my opinion, a mere subterfuge. It provides that instead of issuing $300,000,000 of Government bonds to pay for Government expenses we shall have the Reconstruction Finance Corporation borrow $300,000,000 on the market with its notes—which I think are in effect guaranteed by the Federal Government—and then turn over to the Treasury the $300,000,000.

The only difference is that the $300,000,000 does not technically come within the debt limit, whereas $300,000,000 of Government bonds would do so.

The necessity for this section has entirely disappeared; and, so far as it is concerned, there is really no purpose in it. There is no more reason why the Reconstruction Finance Corporation should own the stock of the home-loan bank than that the Treasury should own the stock of the home-loan bank. There is no reason why it should be transferred from the Treasury to the Reconstruction Finance Corporation, except to avoid the necessity of lifting the debt limit. Now we propose to lift the debt limit anyway. So it seems to me that all of the first section of the bill is unnecessary.

Mr. GEORGE. Mr. President, will the Senator from Ohio yield to me?

Mr. TAFT. I yield.

Mr. GEORGE. While the pending tax bill does provide for lifting the debt limit by $4,000,000,000, nevertheless it is being lifted for the purpose of providing national-defense funds; that is, to take care of expenditures or to provide funds to be expended for national-defense purposes.

Mr. TAFT. I do not want to differ with the Senator, but the reason for increasing the debt limit is that the peacetime deficit will amount to $4,000,000,000, or something over $3,000,000,000, without any additional defense funds; and the real reason why we should have to increase the debt limit would be to take care of that debt, and not to take care of the additional defense measures.

Mr. GEORGE. Some part of it might be used for general purposes, but the provision now in the bill for lifting the debt limit is intended not to lift the debt limit for ordinary and usual expenditures of the Government but for the purpose of taking care of national-defense costs.

Mr. TAFT. That will only postpone until next year the raising of the debt limit for other purposes, because we are running over $3,000,000,000 behind for peacetime expenditures every year, and we have reached the debt limit; so we cannot go on with that deficit, and yet apparently we are going on. We added another $100,000,000 to the deficit yesterday in the Senate. We cannot go on without raising the debt limit; and the terms of the bill, as I understand it, are such that it is just beating the devil around the bush as to whether the money is used for one purpose or another. There is no necessity for this particular provision, so far as I can see, during the current year at least.

Going on to the provision for the creation of corporations, when this provision was presented to the Banking and Currency Committee the R. F. C. asked for almost unlimited power to do anything. The original amendment presented by

the R. F. C. provided that the Corporation was authorized to create or organize a corporation or corporations with such powers as it might deem necessary to aid the Government of the United States. As so requested, the R. F. C. could have gone into the electric-power business; it could have gone into the railroad business; it could have gone into the transportation business, or farming, or any other activity. The present amendment was offered in committee, and partially accepted, to cut down that power.

It was stated that what the R. F. C. really wanted the power for was to buy strategic and critical materials. There is a plan on to do so at once, and certainly that is a worthy purpose and one to which we can have no objection; but it was also insisted that the Corporation be authorized to manufacture war supplies, and the committee insisted on putting in that provision. Personally, I think it is unnecessary. I think it is particularly unnecessary because since the committee considered the bill we have already given that power to the Army of the United States. The Sheppard bill, recently passed, provides that the Army may build plants, buildings, facilities, utilities, and appurtenances, including Government-owned facilities at privately owned plants, for the manufacture of military equipment, munitions, and supplies. We have already created this power for the Government to manufacture munitions; and now we proceed to give to an entirely different department of the Government the same power to go out and manufacture more munitions.

Will they coordinate their efforts? Why should two different departments of the Government have the same function, which, after all, is a fairly dangerous function, and one that ought to be closely watched?

Personally, I prefer to give the power to the War Department, in whose hands it will be subject to the control of the Appropriations Committee, and we shall know what is being done. If we create a corporation of this kind, the corporation will be gone forever from the care of Congress. The corporation may do anything. So far as I can see, there is not any check on it. I suppose some report will be made by it, but I do not think there is any legal requirement for a report by the corporation. It may borrow money and run a business just exactly like a private business.

I do not think that is desirable. It may be necessary in some cases, but in this case I really do not think it is necessary. The Navy Department builds many of its ships. We have given the War Department power to make munitions. It seems to me that if we are going to do this sort of thing, that is the way to do it, and not to create a corporation which none of us will ever hear from again, which will go out and buy real property. We hesitate a great deal about appropriating money to let the Government buy real property; but this corporation will buy real property, and buy plants, and do all kinds of things of which we shall never hear, which no committee of Congress will ever know, and the check on which, at least in this bill, is exceedingly remote and tenuous.

The committee were so overwhelmingly in favor of going ahead with any measure proposed that I do not know that they could be stopped. I tried to cut down, as far as I could, the powers proposed to be conferred; and we cut them down to acquiring and carrying strategic and critical materials, and then to purchasing land and buildings for plants, leasing those plants, and engaging in manufacturing, if the President found it necessary, through a corporation, but only in manufacturing equipment and supplies necessary to the national defense. Even that power, it seems to me, is very much too broad under any circumstances, because "equipment and supplies" may cover food and clothing. The Government may establish clothing plants. It may establish food plants. It may manufacture flour. It may set up flour mills. It may engage in all kinds of business.

So, when the time comes, I shall offer an amendment cutting down those words to "arms, ammunition, and implements of war," which I understand, with some modifications, is satisfactory to the Senator from New York.

I do not believe there is any necessity for this particular power. I think it emphasizes the necessity for something else which I propose to offer as an amendment—the creation of a War Resources Administration. I have on the table an amendment proposing that all powers to manufacture goods and to buy supplies for the Army and Navy shall be centered in a War Resources Administration—a single administration with a single head—with power to manufacture, power to buy, and power to create the capacity which will be necessary if we are to set up an effective defense. That power today is utterly and completely scattered. We ourselves are scattering it. One day we give the power to the War Department and the next day we give the power to the R. F. C. It also rests in the Navy Department. Mr. Hopkins also has something to say about it. Mr. Knudsen apparently is doing most of the work toward planning some kind of industrial preparedness, and Mr. Knudsen has no legal authority except as the President may approve what he recommends. His power is purely advisory. In addition to that we have the Procurement Division of the Treasury. Just what their function is I do not know.

So we have six different departments dealing with the question of furnishing equipment and military supplies. I think it ought to be concentrated in one department, and that department ought to be given power. Today there is no person who can coordinate the activities of the several departments except the President of the United States and he has not time. Furthermore, the uncomfortable position is presented that at any time one department may find that the President has approved something which Mr. Hopkins recommends which the department did not know anything about, and which conflicts with some policy it has been pursuing. I believe the only way in which we can hope to create an efficient capacity in the United States is by creating a single department to deal with these matters, and giving to that single department these powers to manufacture, order, and create capacity, if you please.

I do not know that this bill makes the matter any more confusing than it already is; but who in the United States will decide whether we shall go into manufacturing war supplies? Who will do it? Is Mr. Jesse Jones to do it? Is the Secretary of War to do it, or is Mr. Hopkins to do it, or Mr. Morgenthau? Apparently, the only person to whom they head up, as I said, is the President, and the President's decisions necessarily must be hastily made. They must often be made without consideration of all the other things that are being done in the same field.

Mr. MILLER. Mr. President——

The PRESIDING OFFICER. Does the Senator from Ohio yield to the Senator from Arkansas?

Mr. TAFT. Surely.

Mr. MILLER. On that question, could the President, under the Reorganization Act—and I am asking purely for the Senator's opinion about the matter—transfer part of the duties of the various agencies to which the Senator has alluded, to the Defense Council recently composed and set up by him?

Mr. TAFT. I am sorry to say I do not really know. As set up and provided in the statute, it is purely an advisory body, and I would rather question whether he could transfer powers to it. But I am afraid I cannot answer the Senator's question.

Mr. MILLER. I myself do not know, but I was interested in the question raised by the Senator. I do not know the answer.

The PRESIDING OFFICER. The Senator's time on the amendment has expired. He has 15 minutes on the bill.

Mr. TAFT. I will add only a word. While I do not desire to object to the granting of any powers which are sought, I think the Reconstruction Finance Corporation is probably the best body to buy the critical and strategic materials. I do not think they are the best body to manufacture airplanes, or to manufacture powder or munitions, but if Congress wants to give them the power, we will hope the powers will in some way be coordinated. I think, however, we should go on

affirmatively and create one department which will undertake this whole process, because today war is a matter of machinery. Our defense is going to depend far more on the successful mobilization of American industry; on the creation of capacity for the production of thousands of planes; on the creation of capacity for the production of tanks which can be turned out, when war requires them, in great numbers.

A great many people have talked about aiding the Allies. I do not know any more effective way than by the creation of capacity, creating capacity through private manufacture, which will in no way, when it does aid the Allies, violate the neutrality of the United States.

I hope very much that, whether my amendment regarding the War Resources Administration is accepted now or not, the administration and those in charge in this body and in the House of Representatives will seriously consider the wisdom of creating the office of War Resources Administrator, with full power to mobilize the industries of the United States.

With regard to the particular amendment now pending, I myself feel that acquiring and carrying strategic materials is a fairly simple thing. When we ask the Government to go out and set up a corporation which can actually mine materials, incidentally open mines, and establish companies which can operate in competition with private enterprise in some cases, I think we are going a little further than we need to go until some plan is presented. No one has come to us and said we had to produce a particular strategic material in this country, and that the Government should do it, that it cannot be done through private enterprise. It seems to me we should grant the Government power only where someone has come and said that the particular activity cannot be carried out through private enterprise. When that is done, I should be perfectly willing to grant the power.

While I have no objection to subdivision (1), line 14, page 7, which relates to making loans to private companies, I do see an objection to the amendment in line 25, which authorizes the Government to go into the mining business and into manufacturing, possibly into agriculture, even, if an agricultural material proves to be strategic. I would be in favor of accepting the proposal of the Senator from Montana, accepting his first amendment in line 15 and rejecting the amendment in line 25.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Montana, on page 7, line 15, of the committee amendment.

The amendment to the amendment was agreed to.

Mr. MURRAY. Mr. President, I now offer as an amendment the second part of my proposal.

The PRESIDING OFFICER. The clerk will state the amendment.

The CHIEF CLERK. On page 7, line 25, after the word "to", it is proposed to insert the word "produce" and a comma.

Mr. AUSTIN. Mr. President, I desire to record myself as against the amendment. I do not care to discuss it. I am opposed to the policy involved in this whole provision, subsection 2, and, at this time, since an opportunity may not be offered for a record vote, I desire to say that I shall vote against the bill on account of the attempt to delegate power to a corporation to create another corporation. I have had opportunity to read briefly the memorandum which was handed to me, and which has been placed in the RECORD, and such study as I have made of it does not convince me that a State may delegate to a corporation power to create another corporation.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Montana [Mr. MURRAY], on page 7, line 25, of the committee amendment.

The amendment to the amendment was agreed to.

Mr. TAFT. Mr. President, I offer an amendment which I send to the desk and ask to have stated.

The PRESIDING OFFICER. The clerk will state the amendment.

The CHIEF CLERK. On page 8, line 3, it is proposed to strike out the words "equipment and supplies necessary to the national defense" and to insert in lieu thereof the words "arms, ammunition, and implements of war."

Mr. WAGNER. Mr. President, the amendment is quite agreeable to me, with certain additions which I have asked the Senator to accept. They are on line 1, page 8, after the word "purchase" to insert the words "and lease"; in line 2, before the world "build", to insert the word "lease" and a comma; in the same line, line 2, after the word "purchase", to insert the words "and produce", and in the same line, after the word "equipment", to insert a comma and the word "supplies."

Mr. TAFT. Mr. President, I have seen these amendments, and my understanding of them is that in effect they add to the possibility of manufacturing arms, ammunition, and implements of war, the manufacture of machine tools and similar materials necessary to make arms, ammunition, and implements of war, and I am willing to accept the modification.

The PRESIDING OFFICER. The Senator modifies his amendment. The question is on agreeing to the amendment of the Senator from Ohio, as modified.

The amendment as modified to the committee amendment was agreed to.

Mr. TAFT. Mr. President, I suggest an amendment which I ask to have stated.

The PRESIDING OFFICER. The clerk will state the amendment.

The CHIEF CLERK. It is proposed to add at the end of the bill the following new section:

SEC. —. (a) As provided in the Industrial Mobilization Plan, Revision of 1939 (S. Doc. No. 134, 76th Cong., 2d sess.), there is hereby created a War Resources Administration (hereinafter in this section referred to as the "Administration") to be composed of an Administrator and an Advisory Council. The Advisory Council shall be composed of representatives of the War and Navy Departments, and such other departments, commissions, and independent agencies as the President may find necessary, such representatives to be appointed by the President, and hold office at his pleasure. The salary of the Administrator shall be fixed by the President but shall not be at a rate in excess of $10,000 a year.

(b) The Administrator is authorized and directed (1) to formulate the basic policies for the mobilization of the economic and industrial resources of the country to meet the requirements of a major war; (2) after consultation with the Secretary of War and the Secretary of the Navy, to formulate detailed plans (a) for the acquisition, purchase, and storage of all raw, semiprocessed, and finished materials and supplies necessary for the national defense, and (b) for the creation of adequate manufacturing capacity to manufacture arms, ammunition, implements of war, and other equipment and supplies in such quantities, and at such rates as may be necessary in time of war; (3) to make plans for the reduction of the activities of nonessential industries in time of war, or when war is imminent, and for their partial or total conversion to more useful war purposes; (4) to coordinate the requirements submitted by the Army and the Navy for military equipment, munitions, and supplies, with the essential needs of other Government agencies and those of the civilian population; (5) to make recommendations for legislation required to carry out the plans made; (6) to exercise all powers heretofore conferred on any official or department of the Government to purchase, store, or carry strategic and critical materials; (7) to exercise all powers conferred on any official or department of the Government to manufacture arms, ammunition, implements of war, and other equipment and supplies necessary for the national defense; (8) to exercise all powers conferred on any official or department of the Government to construct Government facilities at privately owned plants, or to lease Government facilities to private manufacturers.

(c) The Advisory Council shall advise and assist the Administrator in the performance of his duties under this section.

(d) Notwithstanding any other provision of law, no military equipment, munitions, or supplies shall be contracted for by the War or Navy Department or manufactured for such Departments without the approval of the Administrator, and such approval shall be given only in accordance with the plans formulated by him.

(e) The Administrator is authorized to appoint such attorneys and other experts, without regard to the civil-service laws, and to appoint, subject to the civil-service laws, such other officers and employees as he may deem necessary to carry out the provisions of this section. The Administrator is further authorized to utilize such of the services, information, facilities, and personnel of the departments and agencies in the executive branch of the Government as he may deem necessary. The Administrator shall have power to make such rules and regulations as may be necessary to carry out the provisions of this section.

(f) There is hereby authorized to be appropriated such sums as may be necessary to carry out the provisions of this section.

Mr. TAFT. Mr. President, I wish to add only one word, and that is that we have had an industrial mobilization plan

in the United States, approved by the Secretary of War and the Secretary of the Navy, since 1931. Senate Document No. 2, Seventy-fourth Congress, first session, sets out the first revised plan. In 1936 it was again revised and approved, jointly, by Harry H. Woodring, Acting Secretary of War, and Claude A. Swanson, Secretary of the Navy. In 1939 another revision was made—Senate Document No. 134, Seventy-sixth Congress, second session, which sets out this plan, the essential feature of which is the creation of a War Resources Administration.

The amendment is drafted in accordance with the industrial mobilization plan. It is the plan which is recommended to the Army and Navy of the United States. It is the plan which all who have studied our set-up under war conditions recommend, and it seems to me that that is itself a sufficient recommendation for the adoption of this policy.

The PRESIDING OFFICER (Mr. LEE in the chair). The question is on agreeing to the amendment of the Senator from Ohio [Mr. TAFT].

Mr. WAGNER. Mr. President, the amendment is almost identical with an amendment offered by the Senator from Ohio to the military bill, and which was rejected by the Senate.

Mr. TAFT. Will the Senator yield for a moment?

Mr. WAGNER. Yes.

Mr. TAFT. The purpose of the amendment offered by the Senator from Vermont [Mr. AUSTIN] was the same. I offered no amendment to the bill referred to.

Mr. WAGNER. I beg the Senator's pardon. I meant to say the Senator from Vermont.

Mr. TAFT. This amendment, however, carries out in more detail, certainly, the industrial mobilization plan which the amendment offered by the Senator from Vermont did not.

Mr. WAGNER. I wish to correct my statement. In effect, its purpose is the same as the amendment offered by the Senator from Vermont to the military bill, which was before us, and the amendment was rejected by the Senate. We now have a board which is effectively coordinating the industries of our country, mobilizing them for this very important work, and it seems to me it would be futile to create another board to supersede the board which is now in existence and which is doing this work admirably.

I hope the amendment will be rejected.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Ohio [Mr. TAFT].

The amendment was rejected.

The PRESIDING OFFICER. The question is on agreeing to the committee amendment, as amended. Without objection——

Mr. AUSTIN. No, Mr. President; I desire to vote against it.

The PRESIDING OFFICER. The question is on agreeing to the committee amendment, as amended. [Putting the question.]

The amendment, as amended, was agreed to.

Mr. WAGNER. Mr. President, I ask that House bill 9958 be laid before the Senate and that the Senate proceed to its consideration.

The PRESIDING OFFICER. The Chair lays before the Senate a bill, the title of which will be stated.

The CHIEF CLERK. A bill (H. R. 9958) to authorize the purchase by the Reconstruction Finance Corporation of stock of Federal home-loan banks; to amend the Reconstruction Finance Corporation Act, as amended, and for other purposes.

The PRESIDING OFFICER. Is there objection to the consideration of the House bill?

There being no objection, the Senate proceeded to consider the bill.

Mr. WAGNER. I move that all after the enacting clause be stricken from the House bill, and that the Senate bill, as amended, be substituted therefor.

The PRESIDING OFFICER. Without objection, the amendment is agreed——

Mr. AUSTIN. No, Mr. President; I object.

The PRESIDING OFFICER. There is an objection. The question is on agreeing to the amendment of the Senator from New York.

The amendment was agreed to.

The PRESIDING OFFICER. The question is on the engrossment of the amendment and the third reading of the bill.

The amendment was ordered to be engrossed and the bill to be read the third time.

The bill (H. R. 9958) was read the third time, and passed.

The PRESIDING OFFICER. Without objection, Senate bill 3938 will be indefinitely postponed.

Mr. WAGNER. I move that the Senate insist upon its amendment to House bill 9958, ask for a conference with the House of Representatives thereon, and that the Chair appoint conferees on the part of the Senate.

The motion was agreed to; and the Presiding Officer appointed Mr. WAGNER, Mr. BARKLEY, and Mr. TOWNSEND conferees on the part of the Senate.

INTERFERENCE WITH MILITARY DISCIPLINE AND FINGERPRINTING OF ALIENS

Mr. CONNALLY. Mr. President, with the consent of the majority leader, the Senator from Kentucky [Mr. BARKLEY], I move that the Senate proceed to the consideration of House bill 5138, Calendar No. 1802.

The PRESIDING OFFICER. Is there objection?

Mr. AUSTIN. I should like to find out what the bill is.

Mr. CONNALLY. This is the bill reported from the Judiciary Committee relating to aliens.

Mr. AUSTIN. Having to do with the fingerprinting of aliens?

Mr. CONNALLY. Yes.

Mr. AUSTIN. I have no objection.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill (H. R. 5138) to make unlawful attempts to interfere with the discipline of the Army, the Navy, and the Coast Guard; to require the deportation of certain classes of aliens; to require the fingerprinting of aliens seeking to enter the United States; and for other purposes, which had been reported from the Committee on the Judiciary with amendments.

Mr. CONNALLY. Mr. President, this House measure came to the Senate last July or August, in the closing days of the session, and the Judiciary Committee very hurriedly reported it favorably without amendment. Subsequently the bill was recommitted to the Committee on the Judiciary, and on the 29th of May the bill was reported with amendments, as is shown by the printed copy of the bill. Thereafter we examined the bill, and, while we did not decide to change any of the substance of it, we concluded, after consulting the departments and the legislative counsel, that the whole measure should be rewritten.

I therefore ask unanimous consent that the amendment reported on June 10, in the nature of a substitute for House bill 5138, be considered in lieu of the committee amendments as carried in the original report of the bill. I may say that the committee on June 10 also reported an amendment to the title.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Texas? The Chair hears none, and it is so ordered.

The amendment, in the nature of a substitute, is as follows:

Strike out all after the enacting clause and in lieu thereof insert the following:

"TITLE I

"SECTION 1. (a) It shall be unlawful for any person, with intent to interfere with, impair, or influence the loyalty, morale, or discipline of the military or naval forces of the United States—

"(1) to advise, counsel, urge, or in any manner cause insubordination, disloyalty, mutiny, or refusal of duty by any member of the military or naval forces of the United States; or

"(2) to distribute any written or printed matter which advises, counsels, or urges insubordination, disloyalty, mutiny, or refusal of duty by any member of the military or naval forces of the United States.

"(b) For the purposes of this section, the term 'military or naval forces of the United States' includes the Army of the United States, as defined in section 1 of the National Defense Act of June 3, 1916, as amended (48 Stat. 153; U. S. C., title 10, sec. 2), the Navy, Marine Corps, Coast Guard, Naval Reserve, and Marine Corps Reserve of the United States; and, when any merchant vessel is commissioned in the Navy or is in the service of the Army or the Navy, includes the master, officers, and crew of such vessel.

"SEC. 2. (a) It shall be unlawful for any person—

"(1) to knowingly or willfully advocate, abet, advise, or teach the duty, necessity, desirability, or propriety of overthrowing or destroying any government in the United States by force or violence, or by the assassination of any officer of any such government;

"(2) with the intent to cause the overthrow or destruction of any government in the United States, to print, publish, edit, issue, circulate, sell, distribute, or publicly display any written or printed matter advocating, advising, or teaching the duty, necessity, desirability, or propriety of overthrowing or destroying any government in the United States by force or violence;

"(3) to organize or help to organize any society, group, or assembly of persons who teach, advocate, or encourage the overthrow or destruction of any government in the United States by force or violence; or to be or become a member of, or affiliate with, any such society, group, or assembly of persons, knowing the purposes thereof.

"(b) For the purposes of this section, the term 'government in the United States' means the Government of the United States, the government of any State, Territory, or possession of the United States, the government of the District of Columbia, or the government of any political subdivision of any of them.

"SEC. 3. It shall be unlawful for any person to attempt to commit, or to conspire to commit, any of the acts prohibited by the provisions of this title.

"SEC. 4. Any written or printed matter of the character described in section 1 or section 2 of this act, which is intended for use in violation of this act, may be taken from any house or other place in which it may be found, or from any person in whose possession it may be, under a search warrant issued pursuant to the provisions of title XI of the act entitled 'An act to punish acts of interference with the foreign relations, the neutrality and the foreign commerce of the United States, to punish espionage, and better to enforce the criminal laws of the United States, and for other purposes,' approved June 15, 1917 (40 Stat. 228; U. S. C., title 18, ch. 18).

"SEC. 5. (a) Any person who violates any of the provisions of this title shall, upon conviction thereof, be fined not more than $10,000 or imprisoned for not more than 10 years, or both.

"(b) No person convicted of violating any of the provisions of this title shall, during the 5 years next following his conviction, be eligible for employment by the United States, or by any department or agency thereof (including any corporation the stock of which is wholly owned by the United States).

"TITLE II

"SEC. 20. Section 19 of the Immigration Act of February 5, 1917 (39 Stat. 889; U. S. C., title 8, sec. 155), as amended, is amended by inserting, after 'Sec. 19.', the letter '(a)', and by adding at the end of such section the following new subsections:

"'(b) Any alien of any of the classes specified in this subsection, in addition to aliens who are deportable under other provisions of law, shall, upon warrant of the Attorney General, be taken into custody and deported:

"'(1) Any alien who, at any time within 5 years after entry, shall have, knowingly and for gain, encouraged, induced, assisted, abetted, or aided any other alien to enter or to try to enter the United States in violation of law.

"'(2) Any alien who, at any time after entry, shall have on more than one occasion, knowingly and for gain, encouraged, induced, assisted, abetted, or aided any other alien or aliens to enter or to try to enter the United States in violation of law.

"'(3) Any alien who, at any time after entry, shall have been convicted of possessing or carrying in violation of any law any weapon which shoots or is designed to shoot automatically or semiautomatically more than one shot without manual reloading, by a single function of the trigger, or a weapon commonly called a sawed-off shotgun.

"'(4) Any alien who, at any time within 5 years after entry, shall have been convicted of violating the provisions of title I of the Alien Registration Act, 1940.

"'(5) Any alien who, at any time after entry, shall have been convicted more than once of violating the provisions of title I of the Alien Registration Act, 1940.

No alien who is deportable under the provisions of paragraphs (3), (4), or (5) of this subsection shall be deported until the termination of his imprisonment or the entry of an order releasing him on probation or parole.

"'(c) In the case of any alien (other than one to whom subsection (d) is applicable) who is deportable under any law of the United States and who has proved good moral character for the preceding 5 years, the Attorney General may (1) permit such alien to depart the United States to any country of his choice at his own expense, in lieu of deportation, or (2) suspend deportation of such alien if not racially inadmissible or ineligible to naturalization in the United States if he finds that such deportation would result in serious economic detriment to a citizen or legally resident alien who is the spouse, parent, or minor child of such deportable alien. If the deportation of any alien is suspended under the provisions of this subsection for more than 6 months, all of the facts and pertinent provisions of law in the case shall be reported to the Congress within 10 days after the beginning of its next regular session, with the reasons for such suspension. The Clerk of the House shall have such report printed as a public document. If during that session the two Houses pass a concurrent resolution stating in substance that the Congress does not favor the suspenion of such deportation, the Attorney General shall thereupon deport such alien in the manner provided by law. If during that session the two Houses do not pass such a resolution, the Attorney General shall cancel deportation proceedings upon the termination of such session, except that such proceedings shall not be canceled in the case of any alien who was not legally admitted for permanent residence at the time of his last entry into the United States, unless such alien pays to the Commissioner of Immigration and Naturalization a fee of $18 (which fee shall be deposited in the Treasury of the United States as miscellaneous receipts). Upon the cancelation of such proceedings in any case in which such fee has been paid, the Commissioner shall record the alien's admission for permanent residence as of the date of his last entry into the United States and the Secretary of State shall, if the alien was a quota immigrant at the time of entry and was not charged to the appropriate quota, reduce by one the immigration quota of the country of the alien's nationality as defined in section 12 of the act of May 26, 1924 (U. S. C., title 8, sec. 201), for the fiscal year then current or next following.

"'(d) The provisions of subsection (c) shall not be applicable in the case of any alien who is deportable under (1) the act of October 16, 1918 (40 Stat. 1008; U. S. C., title 8, sec. 137), entitled "An act to exclude and expel from the United States aliens who are members of the anarchist and similar classes," as amended; (2) the act of May 26, 1922, entitled "An act to amend the act entitled 'An act to prohibit the importation and use of opium for other than medicinal purposes,' approved February 9, 1909, as amended" (42 Stat. 596; U. S. C., title 21, sec. 175); (3) the act of February 18, 1931, entitled "An act to provide for the deportation of aliens convicted and sentenced for violation of any law regulating traffic in narcotics," as amended (46 Stat. 1171; U. S. C., title 8, sec. 156a); (4) any of the provisions of so much of subsection (a) of this section as relates to criminals, prostitutes, procurers, or other immoral persons, the mentally and physically deficient, anarchists, and similar classes; or (5) subsection (b) of this section.'

"SEC. 21. The act entitled 'An act to provide for the deportation of aliens convicted and sentenced for violation of any law regulating traffic in narcotics,' approved February 18, 1931, is amended—

"(1) By striking out the words 'and sentenced';

"(2) By inserting after the words 'any statute of the United States' the following: 'or of any State, Territory, possession, or of the District of Columbia,'; and

"(3) By inserting after the word 'heroin' a comma and the word 'marihuana.'

"SEC. 22. No alien shall be deportable by reason of the amendments made by section 20 or 21 on account of any act committed prior to the date of enactment of this act.

"SEC. 23. (a) The first paragraph of section 1 of the act entitled 'An act to exclude and expel from the United States aliens who are members of the anarchistic and similar classes,' approved October 16, 1918, as amended, is amended to read as follows:

"'That any alien who, at any time, shall be or shall have been a member of any one of the following classes shall be excluded from admission into the United States:'.

"(b) Section 2 of such act of October 16, 1918, as amended, is amended by striking out the words 'or to have become thereafter' and inserting in lieu thereof the words 'or to be or to have been at any time thereafter.'

"TITLE III

"SEC. 30. No visa shall hereafter be issued to any alien seeking to enter the United States unless said alien has been registered and fingerprinted in duplicate. One copy of the registration and fingerprint record shall be retained by the consul. The second copy shall be attached to the alien's visa and shall be taken up by the examining immigrant inspector at the port of arrival of the alien in the United States and forwarded to the Division of Identification of the Federal Bureau of Investigation.

"Any alien seeking to enter the United States who does not present a visa, a reentry permit, or a registration card shall be excluded from admission to the United States.

"SEC. 31. (a) It shall be the duty of every alien now or hereafter in the United States, who (1) is 14 years of age or older, (2) has not been registered and fingerprinted under section 30, and (3) remains in the United States for 30 days or longer, to apply for registration and to be fingerprinted before the expiration of such 30 days.

"(b) It shall be the duty of every parent or legal guardian of any alien now or hereafter in the United States, who (1) is less than 14 years of age, (2) has not been registered under section 30, and (3) remains in the United States for 30 days or longer, to apply for the registration of such alien before the expiration of such 30 days. Whenever any alien attains his 14th birthday in the United States he shall, within 30 days thereafter, apply in person for registration and to be fingerprinted.

"SEC. 32. Notwithstanding the provisions of sections 30 and 31—

"(a) The application for the registration and fingerprinting, or for the registration, of any alien who is in the United States on the effective date of such sections may be made at any time within 4 months after such date, or within such longer period not in excess of an additional 4 months as may be prescribed by the President.

"(b) No foreign government official, or member of his family, shall be required to be registered or fingerprinted under this title.

"(c) The Commissioner is authorized to prescribe, with the approval of the Attorney General, special regulations for the registration and fingerprinting of (1) alien seamen, (2) holders of border-crossing identification cards, (3) aliens confined in institutions within the United States, (4) aliens under order of deportation, and (5) aliens of any other class not lawfully admitted to the United States for permanent residence.

"SEC. 33. (a) All applications for registration and fingerprinting under section 31 shall be made at post offices or such other places as may be designated by the Commissioner.

"(b) It shall be the duty of every postmaster, with such assistance as shall be provided by the Commissioner, to register and fingerprint any applicant for registration and fingerprinting under such section, and for such purposes to designate appropriate space in the local post office for such registration and fingerprinting. Every postmaster shall forward promptly to the Division of Identification of the Federal Bureau of Investigation the registration and fingerprint record of every alien registered and fingerprinted by him. The Commissioner may designate such other places for registration and fingerprinting as may be necessary for carrying out the provisions of this act, and provide for registration and fingerprinting of aliens at such places by officers or employees of the Immigration and Naturalization Service designated by the Commissioner.

"SEC. 34. (a) The Commissioner is authorized and directed to prepare forms for the registration and fingerprinting of aliens under this title. Such forms shall contain inquiries with respect to (1) the date and place of entry of the alien into the United States; (2) activities in which he has been and intends to be engaged; (3) the length of time he expects to remain in the United States; (4) the criminal record, if any, of such alien; and (5) such additional matters as may be prescribed by the Commissioner, with the approval of the Attorney General.

"(b) All registration and fingerprint records made under the provisions of this title shall be secret and confidential, and shall be made available only to such persons or agencies as may be designated by the Commissioner, with the approval of the Attorney General.

"(c) Every person required to apply for the registration of himself or another until this title shall submit under oath the information required for such registration. Any person authorized to register aliens under this title shall be authorized to administer oaths for such purpose.

"SEC. 35. Any alien required to be registered under this title who is a resident of the United States shall notify the Commissioner in writing of each change of residence and new address within 5 days from the date of such change. Any other alien required to be registered under this title shall notify the Commissioner in writing of his address at the expiration of each 3 months' period of residence in the United States. In the case of an alien for whom a parent or legal guardian is required to apply for registration, the notices required by this section shall be given by such parent or legal guardian.

"SEC. 36. Any alien required to apply for registration and to be fingerprinted who willfully fails or refuses to make such application or to be fingerprinted, any parent or legal guardian required to apply for the registration of any alien who willfully fails or refuses to file application for the registration of such alien, any alien or any parent or legal guardian of any alien who files an application containing knowingly false statements or who procures or attempts to procure registration of himself or another person through fraud, or any alien or any parent or legal guardian of any alien who fails to give written notice to the Commissioner in charge of address as required by section 35 of this act, shall, upon conviction thereof be fined not to exceed $100 or be imprisoned not more than 30 days, or both.

"SEC. 37. (a) The Commissioner, with the approval of the Attorney General, is authorized and empowered to make and prescribe, and from time to time to change and amend, such rules and regulations not in conflict with this act as he may deem necessary and proper in aid of the administration and enforcement of this title (including provisions for the identification of aliens registered under this title); except that all such rules and regulations, insofar as they relate to the performance of functions by consular officers or officers or employees in the Postal Service, shall be prescribed by the Secretary of State and the Postmaster General, respectively, upon recommendation of the Attorney General.

"(b) The Commissioner is authorized to make such expenditures, to employ such additional temporary and permanent employees, and to rent such quarters outside the District of Columbia as may be necessary for carrying out the provisions of this title.

"SEC. 38. (a) For the purposes of this title—

"(1) the term 'United States,' when used in a geographical sense, means the States, the Territories of Alaska and Hawaii, the District of Columbia, Puerto Rico, and the Virgin Islands;

"(2) the term "Commissioner" means the Commissioner of Immigration and Naturalization.

"(b) The provisions of this title shall take effect upon the date of enactment of this act; except that sections 30 and 31 shall take effect 60 days after the date of its enactment.

"SEC. 39. The President is authorized to provide, by Executive order, for the registration and fingerprinting, in a manner as nearly similar to that provided in this title as he deems practicable, of aliens in the Panama Canal Zone.

"TITLE IV

"SEC. 40. If any provision of this act, or the application thereof to any person or circumstance, is held invalid, the remainder of the act, and the application of such provision to other persons or circumstances, shall not be affected thereby.

"SEC. 41. This act may be cited as the 'Alien Registration Act, of 1940.'"

The PRESIDING OFFICER. The question is on agreeing to the amendment in the nature of a substitute reported by the committee.

Mr. CONNALLY. If Senators will obtain copies of the amendment in the nature of a substitute bearing date of June 10, they will see the particular form in which I desire to present the bill at this time.

Mr. President, briefly, I wish to state the nature of the bill. It deals with offenses relating to undertakings to influence members of the Army, the Navy, and the Coast Guard, and merchant ships when in the service of the Navy or the Army. It makes it a criminal offense for anyone to advise, counsel, urge, or in any way or manner cause insubordination, disloyalty, muting, or refusal of duty, and so forth, the purpose being to prevent subversive influences from building up, as it were, a "fifth column" among our own troops and our own naval forces.

It also makes it an offense to distribute any written or printed matter which advises, counsels, or urges insubordination, disloyalty, mutiny, or refusal of duty by any member of the military or naval forces of the United States.

Section 2 makes it unlawful for any person knowingly or willfully to advocate, abet, advise, or teach the duty, necessity, desirability, or propriety of overthrowing or destroying any government in the United States by force or violence.

In other words, it is an offense under the bill for anyone to advocate the overthrow by force or violence of any State government, any municipal government, or the Government of the United States. The term "any government" is defined in another section of the bill as being any State government, municipal government, or the Government of the United States.

Another provision makes it unlawful for any person, with intent to cause the overthrow or destruction of any government in the United States, to print, publish, edit, issue, circulate, sell, distribute, or publicly display any written or printed matter advocating the overthrow of the Government by force or violence.

Another provision makes it unlawful to organize or help to organize any society, group, or assembly of persons who seek, advocate, or encourage the overthrow or destruction of any government in the United States by force or violence. That is probably the broadest provision in the bill. It makes it unlawful to join or to organize any society which advocates the overthrow of the Government by force or violence. That applies to such organizations as those of the Communists and others who openly advocate the overthrow of the Government by force or violence. That is probably one of the most stringent provisions of the bill; but it should not disturb anyone, because it relates only to those who advocate, not a change of the Government under constitutional processes, not a change of the Government under democratic institutions, but the overthrow of the Government by force or violence.

Another provision makes it an offense to conspire to do any of the things which are prohibited. That, of course, is customary in criminal statutes.

Offenses are punishable by a fine of not more than $10,000, or imprisonment for not more than 10 years, or both, within the discretion of the court.

Title II amends the immigration laws with reference to the deportation of aliens. It does not repeal existing law, but superadds and superimposes additional provisions on existing law. It provides that any alien of the classes specified shall, upon warrant of the Attorney General, be taken into custody and deported.

The classes of aliens specified are the following:

Any alien who, at any time within 5 years after entry, shall have, knowingly and for gain, encouraged, induced, assisted, abetted, or aided any other alien to enter or to try to enter the United States in violation of law. It must be for gain. If a father should be found guilty of slipping into the country, his son, his wife, or another member of his family, he would not come within the prohibition; but if an alien should sell a passport to another man, and the other man should enter the country on it, the alien would be guilty, and would be deportable.

Any alien who, at any time after entry, shall have on more than one occasion, knowingly and for gain, encouraged, induced, assisted, abetted, or aided any other alien or aliens to enter or to try to enter the United States in violation of law. In other words, if, on account of love and affection, an alien should commit the offense once, he would not be liable, but if he should do it the second time he would be liable to deportation.

Any alien who, after entry, shall have been convicted of possessing or carrying, in violation of law, any weapon which shoots or is designed to shoot automatically or semiautomatically, such as sawed-off shotguns, automatic machine guns, and things of that kind.

Any alien who, at any time within 5 years after entry, shall have been convicted of violating the Alien Registration Act.

Any alien who, at any time after entry, shall have been convicted more than once of violating the provisions of title I of the Alien Registration Act. That is the proposed act.

The bill provides that no alien who is deportable under the provisions of paragraphs 3, 4, or 5 of subsection (b) of section 20 shall be deported until the termination of his imprisonment, or the entry of an order releasing him on probation or parole.

Those are substantially the changes in the deportation law.

Mr. HOLMAN. Mr. President, will the Senator yield?

Mr. CONNALLY. I yield.

Mr. HOLMAN. I am extremely interested in the success of what the Senator and his committee aim to do. I call attention to the provision specifying deportation. As of the present time, there is an evasion of the requirement for deportation of aliens, under the argument that many aliens whom we desire to deport no longer have any country to which they may be deported. Has the committee taken into consideration that contingency?

Mr. CONNALLY. That is simply a physical difficulty which the deporting authorities have to face. Sometimes they put a deportee on a ship, and he travels back and forth three or four times.

Mr. MILLER. Mr. President, will the Senator yield?

Mr. CONNALLY. I yield.

Mr. MILLER. Let me say to the Senator from Oregon that there is now on the calendar a bill which was enacted by the House, to which some objection has been made upon the call of the calendar. That bill deals with the question raised by the Senator from Oregon. The pending bill does not deal with that particular question; that is, finding a place to land the alien after the order of deportation. However, there is on the calendar a bill dealing with that question.

Mr. CONNALLY. The Senator from Oregon has put his finger on a very troublesome question. We cannot always deport aliens to the countries from which they came because frequently the countries will not receive them. A country may have been wiped out overnight by conquest.

Mr. KING. Mr. President, will the Senator yield?

Mr. CONNALLY. I yield.

Mr. KING. Regulations have been put into effect by the immigration authorities under the terms of which, when the evidence is conclusive that the deportee would not be permitted to reach his own country, the enforcement provisions shall be suspended for a rather indefinite period.

Mr. CONNALLY. I thank the Senator.

Let me say to the Senator from Oregon that on page 9 of the bill there are some sections in which I am sure he will be interested. We propose to amend the existing law to read as follows:

> That any alien who, at any time, shall be or shall have been a member of any one of the following classes shall be excluded from admission into the United States.

That is an amendment to existing law. The existing law applies to anarchists and others who advocate the overthrow of government by force or violence.

Mr. BRIDGES. Mr. President, will the Senator yield?

Mr. CONNALLY. I yield.

Mr. BRIDGES. Inasmuch as the Senator is discussing page 9, let me say that section 22, on page 9, reads:

> No alien shall be deportable by reason of the amendments made by section 20 or 21 on account of any act committed prior to the date of enactment of this act.

Was that provision inserted for constitutional reasons? It would appear that if it were not there, persons who at the present time are known to the Government to have conspired in the past might be immediately rounded up. I was wondering whether or not that language was inserted for constitutional reasons.

Mr. CONNALLY. Mr. President, I will say to the Senator that sections 20 and 21 deal with violations of the narcotic laws, prostitution, and things of that kind; so we made the sections applicable only from the date of the enactment of the bill, because it involves criminal punishment, and we did not desire to enact a retroactive measure.

Mr. BRIDGES. I thank the Senator.

Mr. CONNALLY. I will say to the Senator from Oregon that on page 9, line 16, there is a clause which will probably operate automatically to deport some of the persons who have been causing trouble out on the Pacific coast. The existing law is amended by striking out the words "or to have become thereafter" and inserting in lieu thereof the words "or to be or to have been at any time thereafter."

This provision refers to membership in communistic or other societies which advocate the overthrow of government by force or violence. In other words, if an alien seeks entry into the United States, and he is at the time a member of a communistic or anarchistic organization which advocates the overthrow of government, we exclude him; but if he enters anyway, and thereafter joins one of these organizations, he is then deportable, and he cannot avoid prosecution by saying, "Well, I have quit," because if he ever has been a member since coming into the country he is deportable.

Mr. President, title III relates to the registration and fingerprinting of aliens. Under this part of the bill it is provided that no immigrant may come to the United States until the officer issuing his visa shall have registered him and fingerprinted him, and given him a copy on his visa, and forwarded a copy to the Department of Justice. I do not think there is any question about that portion of the bill.

Mr. RUSSELL. Mr. President——

The PRESIDING OFFICER. Does the Senator from Texas yield to the Senator from Georgia?

Mr. CONNALLY. I yield.

Mr. RUSSELL. I notice that the penalty clause for failure to register is contained in section 36. This section provides that—

> Any alien required to apply for registration and to be fingerprinted who willfully fails or refuses to make such application or to be fingerprinted, any parent or legal guardian required to apply for the registration of any alien who willfully fails or refuses to file application for the registration of such alien, any alien or any parent or legal guardian of any alien who files an application containing knowingly false statements or who procures or attempts to procure registration of himself or another person through fraud, or any alien or any parent or legal guardian of any alien who fails to give written notice to the Commissioner of change of address as required by section 35 of this act, shall, upon conviction thereof be fined not to exceed $100 or be imprisoned not more than 30 days, or both.

That penalty might be sufficient for failure to give to the Commissioner written notice of change of address; but, to my mind, it is woefully inadequate to deal with fraud on the part of any alien in attempting to deceive the Government in the registration. The very aliens for whom the registration

is designed will be those most likely to be guilty of some fraud in registering, and they will not be deterred by any powder-puff penalty of a 30-day sentence or a $100 fine.

I ask the Senator from Texas if he would not be willing to accept an amendment providing that an alien who is guilty of fraud, and who willfully and knowingly violates the provisions of the act, shall be forthwith deported to the country of his origin.

I think if one willfully and knowingly and fraudulently seeks to evade this registration law, he should be deported. I do not think we should deal with him by saying we are going to put him in jail for a week or a month and fine him $25 or $100.

Mr. CONNALLY. Mr. President, allow me to say to the Senator that that was a matter of discussion. We had before us the Solicitor General and the Commissioner of Immigration and Naturalization. The Solicitor General objected to making the penalty any more stringent—and they are administering the present law—for this reason: He says that since the only object is to obtain registration and fingerprinting, if the alien has committed no other crime, and we punish him for not reporting, and then he does not report, the next day, or the day after that, we may keep on punishing him until he does register. The object of the bill is to have him registered or fingerprinted.

The Solicitor General objected to adding on deportation because, he said, there were so many worse cases calling for deportation that we might as well put in our time on getting rid of the criminals and others. If a man should simply fail to register, either through ignorance or through carelessness, or even willfully, he thought a punishment of $100 or not more than 30 days in jail would be sufficient, with the further provision that he would still have to register, or, if he did not register, he would be guilty of another offense. That is why we incorporated in the bill this penalty.

Mr. RUSSELL. Yes; but, Mr. President, of course the very persons this bill is designed to affect, the very ones it is important that we know something about, are the ones who will resort to fraud in connection with registration. Hundreds of thousands of aliens in this country will gladly comply with the provisions of this bill. From aliens of that type this country has nothing to fear; but those who are going to resort to fraud, and willfully and knowingly refuse to register, certainly should be dealt with more harshly than some little justice-of-the-peace or municipal-court or police-court punishment of $100 or 30 days in jail.

This provision says "willfully refuses." We would not punish for willfully refusing a man who did not file any application because he did not know about the necessity of doing it. It will be necessary to prove intent to perpetrate a fraud on the Government of the United States. If that is done, I think the man should be deported.

Mr. HATCH. Mr. President, will the Senator yield to me for a moment?

The PRESIDING OFFICER. Does the Senator from Texas yield to the Senator from New Mexico?

Mr. CONNALLY. I do.

Mr. HATCH. In line with what the Senator from Georgia has said, I call the Senator's attention, on page 13, to the fact that section 34, subdivision (c) provides, in the last sentence:

> Any person authorized to register aliens under this title shall be authorized to administer oaths for such purpose.

Mr. CONNALLY. He would be guilty of false swearing in addition to failing to register.

Mr. HATCH. He would commit perjury; but, under this particular statute, if he should make a false statement and commit perjury, he would be punished only by a $100 fine or 30 days in jail.

Mr. CONNALLY. Would he not be punished under the general statute on false swearing?

Mr. HATCH. I think not. This is a specific penalty for a specific offense. I am asking the Senator for his interpretation of the provision.

Mr. CONNALLY. It is possible that the Senator from New Mexico may be right. I have no objection to his offering an amendment to deal with that subject.

Mr. HATCH. Mr. President, I desire to offer an amendment——

Mr. CONNALLY. Will the Senator from New Mexico wait until I conclude my statement on the bill?

Mr. HATCH. Yes; I shall be glad to do so.

Mr. CONNALLY. Mr. President, the remaining sections of title III provide that every alien within the United States is required to be fingerprinted and registered—all of them.

In the case of children under 14 years of age, their parents are required to register for them. I shall not go into details about the forms. The aliens will be registered at post offices throughout the country, and at such other places as the Attorney General may designate. We have provided that they shall be registered at post offices because post offices are scattered all over the country and are convenient and accessible to those to be registered.

The House bill provided that the aliens must register with a Federal court. We thought that would be inconvenient. At many places the Federal court is a hundred miles or a hundred and fifty miles from the residence of the alien. We also thought that if we made it possible for aliens to be registered by postmasters, informers and others would see to it that the postmasters registered all the aliens. I can imagine such a man calling up the postmaster and saying, "Has Old Man Bohunk over here ever registered as an alien? If not, we want to know, and we will see that he comes in." That was a very practical consideration which operated on our minds.

Mr. PEPPER. Mr. President——

The PRESIDING OFFICER. Does the Senator from Texas yield to the Senator from Florida?

Mr. CONNALLY. I yield.

Mr. PEPPER. The suggestion has been made to me by persons interested in this subject that there are in this country a good many aliens who came from countries abroad to which they are not now, for practical reasons, subject to deportation, and that there are considerable numbers of such persons whose conduct has made them something of a menace to the safety and security of this country, so that administratively we cannot deport them, and yet it constitutes a menace for them to remain here.

Mr. CONNALLY. I will say to the Senator from Florida that that matter was discussed a short time ago, when the Senator from Florida was not in the Chamber.

Mr. PEPPER. I beg the Senator's pardon.

Mr. CONNALLY. The Senator from Arkansas [Mr. MILLER] pointed out that there is now pending on the Calendar of the Senate a House bill making provision for taking care of those particular cases.

Mr. PEPPER. That is what I was interested in.

Mr. CONNALLY. Mr. President, there was practically no disagreement in the subcommittee, and none in the full committee. The Senator from Connecticut did have an objection to one section, I believe on page 3, subsection (3). Is that correct?

Mr. DANAHER. Mr. President, will the Senator yield?

Mr. CONNALLY. I yield.

Mr. DANAHER. When subsection 3, which is found on page 3, lines 8 to 14, inclusive, was under consideration we found that it was proposed in the bill, in the language of its authors, not my language, to legislate against those who would "organize or help to organize any society, group, or assembly of persons who teach, advocate, or encourage the overthrow or destruction of any government in the United States."

That is the way the language came before us.

The words "by force and violence" were added after we had had considerable discussion. As the language stood in the committee, I was opposed to it entirely, because the Supreme Court has several times said that in times of peace, when there is no emergency, the constitutional protection

of the right of free speech is more than ample to protect people, even if they were to go out and undertake to organize a society to overthrow the Government. In other words, the Supreme Court held, in essence, and Mr. Justice Holmes, writing for a united Court, expressly so stated in the case of *Schenck* v. *The United States* (249 U. S.), that in the absence of emergency the constitutional protection was broad enough to protect an individual in his right of free speech.

It seemed to me that we should very properly preface this particular section with language which would provide that in time of war, or whenever the President shall have declared the existence of a national emergency by proclamation, as he did last September with reference to our present situation, having established a status when the constitutional protection would be suspended, then the law would be adequate and constitutional and valid. In other words, I wish very carefully to avoid, in our desire to attain a desirable objective, walking into what actually would be a suspension of the right of free speech, and therefore attain an unconstitutional status. Because of that I expressed these views in the committee.

By the inclusion of the words "by force or violence" in line 11, I believe most, if not all, of my objection has been met, chiefly for the reason that if there be any question as to the constitutionality of someone undertaking to organize a society to overthrow the Government of the United States by force or violence, I would much rather err in favor of the public policy of sustaining the Government's right to protect itself than I would to protect the rights of an individual who had that particular criminal and, in my judgment, unlawful intent.

I think I have stated for the RECORD the views I expressed in the subcommittee, and I think the subcommittee has in essence met the objection by joining with me in including the words "by force or violence" in line 11. I thank the Senator from Texas.

Mr. CONNALLY. Mr. President, I thank the Senator from Connecticut, and I desire to say that the Senator from Connecticut worked very diligently and industriously in the subcommittee on the bill. He is entitled to great credit, and I appreciate the fact that we were able to meet the objections which he then had, and I am gratified that he is making no objection to this section at this particular time.

Mr. DANAHER. I thank the Senator from Texas.

Mr. ASHURST. Mr. President, will the Senator from Texas yield to me?

Mr. CONNALLY. I yield.

Mr. ASHURST. The able Senator from Texas [Mr. CONNALLY] paid a just and well-deserved tribute to the Senator from Connecticut [Mr. DANAHER]. But the modesty of the Senator from Texas precluded him from going further, and I myself am going to say that the Senate, and the country as well, owe to the subcommittee which considered this proposed legislation a debt of thanks. The chairman of the subcommittee was the Senator from Texas. The other members were the Senator from Arkansas [Mr. MILLER] and, as has been said, the Senator from Connecticut [Mr. DANAHER].

It so happens that I am able to testify to the many hours of diligent work the subcommittee performed in framing this bill. They called in the heads of various bureaus and secured information and light from every proper source. I wish to thank them, not only on my own behalf, but I am sure I but speak the voice of the entire Committee on the Judiciary when I say they are entitled to the gratitude of the entire country.

Let me refer to one other matter. So many letters have been received that it is not within my power, or within the power of any other Senator, to answer all the communications which have come to the Committee on the Judiciary respecting this bill. I do not say this for the enlightenment of Senators, or of any Member of the House of Representatives, because they know it; but I am speaking to the country. This measure does not propose such a thing as a bill of attainder. The bill in no sense is in the nature of an ex post facto law. It is not even retroactive, although retroactive laws are constitutional. Many persons have written saying they are surprised that we should attempt to pass a bill of attainder. There is nothing in this measure in the nature of a bill of attainder.

Congress never passes bills of attainder, and even before the Constitution was formed many of the American colonies had provisions against bills of attainder. I wish to make it emphatic that the pending bill contains no such suggestion as a bill of attainder or ex post facto law.

Mr. President, there has not been a bill of attainder passed in England, if I remember correctly, since the reign of William and Mary, or of William the Third, when St. John Fenwick was attainted. The pending bill takes care of the legal rights of persons who are here as guests, and we will clear away much underbrush by remembering that an alien is nothing more nor less than a guest of the United States.

The United States has plenary power to invite any alien here it chooses to invite, and to exclude an alien at any time for a good reason, for a bad reason, or for no reason at all. The United States has full power, acting within its sovereignty, and it is not a breach of any alien's constitutional rights, to bar him at any time for any reason, or for no reason. In other words, a citizen need not give a reason why he invites a guest, and upon a guest there is certainly imposed the duty of behaving himself as well as the family behaves itself, and if an alien misbehaves, the sovereign plenary power of the Government is complete and full to exclude him at any time.

Mr. CONNALLY. Mr. President, I thank the Senator from Arizona very deeply.

Mr. AUSTIN. Mr. President, I think it is proper for me to say at this point, following the very eloquent remarks of the chairman of the Committee on the Judiciary, the Senator from Arizona [Mr. ASHURST], that I have polled the Members of the minority who are present, and I am able to say that the minority unanimously support the pending measure.

Mr. CONNALLY. I am very much gratified at the assurance of the Senator from Vermont, and I thank the Senator from Arizona for his generous and cordial remarks. A further word, and I shall be through. We regretted very much that we had to discard entirely the bill passed by the House and substitute a new bill after the enacting clause. However, we called in Mr. Murphy, of the Drafting Service, who worked with us some 2 weeks every day in putting the bill into shape. We called on the Department of Justice, and had the Solicitor General with us. We called in the Commissioner of Immigration and Naturalization, and together we went over all the existing laws, and worked the new provisions into the existing laws, so as to make a harmonious whole. We thought it was best to strike out all after the enacting clause of the House bill and present a complete text, as we have done. I believe that is all I care to say.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the committee in the nature of a substitute.

Mr. RUSSELL. Mr. President, I have an amendment I desire to offer.

The PRESIDING OFFICER. The clerk will state the amendment to the committee amendment.

The CHIEF CLERK. In the committee amendment, on page 14, line 1, after the word "fraud" and the comma, it is proposed to insert the words "shall upon conviction thereof be fined not to exceed $100 or be imprisoned not more than 30 days, and shall be deported to the country of his or her origin."

Mr. RUSSELL. Mr. President, this amendment would make only those guilty of the offense of willful fraud deportable. It would not make the failure to notify the Commissioner as to a change of address a deportable offense. It merely includes those who willfully fail and refuse to comply with the law or those who willfully are guilty of making false and fraudulent statements in their registration.

Mr. CONNALLY. Mr. President, will the Senator yield?

Mr. RUSSELL. I yield.

Mr. CONNALLY. I am not disposed to resist the amendment.

Mr. BROWN. Mr. President, I should like to make an inquiry of the Senator from Texas. I do not really know what the term "willful failure" means. It seems to me that the two words are contradictory. It seems to me that if a man tries to do something and fails to do it, it could not be called a willful failure.

Mr. CONNALLY. It would not be.

Mr. BROWN. It seems to me that language something like this—as I hastily put it together—would cover the situation:

Any alien applying for registration and to be fingerprinted, who with knowledge of such requirements, fails or willfully refuses.

Refusal contains in it the meaning of the word "willful"; but it seems to me that "failure" is something with which the will does not have very much to do. It seems to me the language could be made somewhat clearer.

Mr. MILLER. Mr. President, if the Senator will look at the bill on page 13, he will find in line 18, and also in line 21, and running through the entire section, that the expression "willfully fails" also means "willfully refuses." Of course, a man cannot willfully refuse to do something about which he does not know anything. I believe the whole context of the section will meet the objection or suggestion made by the Senator.

I will say to the Senator that the bill has to go to conference, and if it is necessary to clarify that matter, I believe the conferees will give it attention.

Mr. CONNALLY. Mr. President, will the Senator yield?

Mr. RUSSELL. I yield.

Mr. CONNALLY. Let me suggest to the Senator from Michigan that to my mind "willfully," in law means with an evil intent, with an improper purpose. It is wholly distinguishable from "willingly." It means with some improper purpose and some illegal intent. I think it will be found that the law dictionary so defines it.

Mr. BROWN. Mr. President, what is really meant here, it seems to me, is that the alien, with knowledge of the fact that there is such a requirement, fails to appear and be registered.

Mr. CONNALLY. Yes; that is the effect of it. But we do not want to require the Government to prove that he knew it, because it is very hard to prove what is in a man's head. If we can prove that he had knowledge, or should have had knowledge, and then innocently failed, he is not guilty. If he did not have knowledge, and failed to comply, he is innocent. But "willfully" implies a wrongful purpose, to evade, not to comply with the law.

Mr. BROWN. I am perfectly willing to accept the suggestion of the Senator from Arkansas, and let is go to conference.

Mr. DANAHER. Mr. President, will the Senator yield?

Mr. RUSSELL. I yield.

Mr. DANAHER. I think the Senator from Georgia has a wholly laudable purpose in the suggestion of the proposed amendment, but I wish to call to his attention that what he has now done is to make three single offenses subject to an order of deportation, namely, if the accused alien, or the person in charge of such alien, shall fail to register, shall refuse to register, or shall falsely register. With deportation such a dire and drastic penalty at a time when this whole matter is in an experimental stage, I submit to the Senator from Georgia and to the Senate as a group, that that subject was thoroughly canvassed with the Solicitor General, with the representatives of the Department of Justice, the Immigration and Naturalization Service, and that after most careful thought we eliminated the language which was submitted to us by the House Members, the idea of deporting the alien in the event of a conviction for the offenses listed.

Let me call to the attention of the Senator from Georgia that it will take about 6 months for this vast plan to get under way. It reaches from one end of the United States to the other; it reaches into our territories and our insular possessions; it will cover hundreds of thousands of Chinese and Japanese, as the Senator will realize, in the Hawaiian Islands and in similar places.

Mr. President, under such circumstances deportation on top of a criminal penalty is a most drastic thing, and I submit to the Senator from Georgia that, if we can get the experience that will be gleaned between now and January, in the 6 months needed to set up the machinery and get this thing in operation, we will be able, in the light of the facts, in the light of the report of progress that will be available to us, when we come back to the Congress, adequately then to deal with the situation that is represented by that report.

I earnestly urge the Senator from Georgia to withdraw his proposed amendment at this time. I believe the provision goes too far to be included in the bill.

Mr. RUSSELL. I wish merely to say that, as has been pointed out by the Senator from Texas [Mr. CONNALLY] and the Senator from Arkansas [Mr. MILLER], the entire bill will go to conference. I believe someone stated that the Senator from Connecticut is a member of the subcommittee, and undoubtedly he will be one of the conferees.

Mr. CONNALLY. Yes; he will.

Mr. RUSSELL. I do not propose to work any hardship on anyone. The bill, in my opinion, is not nearly drastic enough, but I am willing to go along with it provided it carries a sufficient penalty to make the bill workable.

I know, and every other Member of the Senate knows, that if the penalty provided for false statements or perjury is only 30 days in jail or $100 fine, the bill will not reach the aliens in this country which it is designed to reach. It will not reach the aliens against whom we want to protect this country, because they will not pay any attention to a little police-court fine of $100 or 30 days' stay in jail.

This amendment is designed to reach those who file false and fraudulent statements. Who is going to file false and fraudulent statements? It is the aliens who are in this country for no good purpose and who do not want the Government of the United States to know the true facts concerning them.

Mr. DANAHER. Mr. President, will the Senator yield?

Mr. RUSSELL. I yield.

Mr. DANAHER. I thank the Senator. Let me point out that, while that objective is wholly desirable, the Senator's draftsmanship has made this deportation penalty apply to a willful failure, if you choose, or a refusal to register. Mr. President, if, after registering these aliens, we find that there are 100,000 of them who entered the United States illegally, they are deportable anyway, and that is what we are trying to establish. If the Senator's amendment reaches only that class of aliens who willfully commit perjury, who knowingly file false statements as to their entry, then there would not be any objection to deportation as to that type. Of course not; but the Senator's amendment as drafted reaches the whole class defined in the particular section 36.

Mr. RUSSELL. Oh, no; it does not. I specifically exempt from this penalty those who refused to notify the commissioner of a change of address, because I thought in that case the penalty was too drastic.

Mr. DANAHER. I agree. But I——

Mr. RUSSELL. An alien in this country is a guest of the United States. If he refuses, with knowledge of the facts, to comply with our laws, then he should be deported to the country of his origin. I think that this deportation clause should apply to that group of aliens. They are here as visitors. We have passed laws in time of war which have resulted in sending citizens of the United States to the penitentiary—laws which subjected them to the scorn of their neighbors if they did not walk in and register when the Congress of the United States said that every American citizen within certain ages should register. Certainly when an alien is a visitor in the United States, enjoying the blessings of peace, and the blessing of being permitted to be in this country, if he willfully flouts the law of the land and says, "I, with full knowledge of the facts, refuse to register," he ought to be deported to the country of his origin.

Mr. President, I hope the Senate will adopt the amendment.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Georgia [Mr. RUSSELL], on page 14, line 1, of the committee amendment.

The amendment was agreed to.

Mr. GEORGE. I offer an amendment, which I send to the desk and ask to have stated.

The PRESIDING OFFICER. The amendment offered by the Senator from Georgia to the amendment reported by the committee will be stated.

The CHIEF CLERK. On page 14, line 1, after the word "fraud", it is proposed to change the comma to a period, strike out the words "or any", and insert the word "Any."

The PRESIDING OFFICER. Without objection, the amendment to the amendment is agreed to.

Mr. CONNALLY. Mr. President, I offer an amendment on page 7, line 24, which is purely textual in character. The language refers to section 201. I move to amend that language by changing "201" to "212". The purpose of the amendment is merely to correct a clerical error.

The PRESIDING OFFICER. Without objection, the amendment to the amendment is agreed to.

If there be no further amendments to be offered, the question is on agreeing to the committee amendment, as amended.

The amendment, as amended, was agreed to.

The PRESIDING OFFICER. The question now is on the engrossment of the amendment and the third reading of the bill.

The amendment was ordered to be engrossed, and the bill to be read a third time.

The bill (H. R. 5138) was read the third time, and passed.

The title was amended so as to read: "An act to prohibit certain subversive activities; to amend certain provisions of law with respect to the admission and deportation of aliens; to require the fingerprinting and registration of aliens; and for other purposes."

Mr. CONNALLY. Mr. President, I move that the Senate insist on its amendment, request a conference with the House of Representatives thereon, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to; and the Presiding Officer appointed Mr. CONNALLY, Mr. MILLER, and Mr. DANAHER conferees on the part of the Senate.

AMENDMENT OF INTERNAL REVENUE CODE

Mr. BARKLEY. Mr. President, there are one or two routine matters which I should like to clear up.

On the 1st of August 1939 the Senate passed Senate bill 2712, which authorized refunds or reimbursements for internal-revenue stamps destroyed or damaged, the exchange of damaged stamps, and so forth. The House passed and sent to the Senate yesterday an identical House bill—H. R. 9909—which was referred to the Committee on Finance.

I ask unanimous consent that the Committee on Finance be discharged from further consideration of House bill 9909 and that it be now taken up for consideration.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Kentucky?

Mr. AUSTIN. Mr. President, representing the minority, I have looked at the subject, and I have no objection.

The PRESIDING OFFICER. Without objection, the committee is discharged from further consideration of the bill.

Is there objection to the present consideration of the bill?

There being no objection, the bill (H. R. 9909) to amend sections 2803 (c) and 2903 of the Internal Revenue Code was considered, ordered to a third reading, read the third time, and passed.

ORDER FOR CONSIDERATION OF TAX BILL

Mr. BARKLEY. Mr. President, I ask unanimous consent that when the Senate meets on Monday it proceed immediately to the consideration of House bill 10039, the tax bill which was today reported from the Committee on Finance.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

ASSURANCES BY HITLER TO THE WESTERN HEMISPHERE

Mr. PEPPER. Mr. President, at this late hour I shall not detain the Senate for more than a word or two, and then I wish to incorporate some data into the RECORD, if I may have permission to do so.

I did not want the day to pass without making some reference, at least, to the statement which has already been adverted to by the able Senator from Oklahoma [Mr. LEE], relative to the assurances which were given the Western Hemisphere in a recent statement by Herr Hitler, the leader of the Third German Reich.

Mr. President, as some Senators have expressed it, they did not really become concerned about Hitler's designs upon the Western Hemisphere until he unequivocally stated that he had no designs. As the President so well stated, that statement arouses unhappy recollections in the mind of every living person who for the past few years has been hearing those assurances given, only to see them flagrantly and inhumanely violated in the course of a few months, and in some instances a few days after they were solemnly given.

Mr. President, in order that the matter may not be unduly protracted, I ask unanimous consent to have printed in the RECORD as a part of my remarks a brief summary appearing in the New York Times of May 12, 1940, covering the period from January 30, 1933, to May 10, 1940.

There being no objection, the summary was ordered to be printed in the RECORD, as follows:

[From the New York Times of May 12, 1940]

1933—SEVEN YEARS OF HITLER—1940

Here are the outstanding events in the history of Adolf Hitler's dictatorship over Germany:

1933

January 30, 1933: Hitler appointed Chancellor by President von Hindenburg.

February 27, 1933: Fire (attributed by many to the Nazis) burns the Reichstag building; reign of terror against Communists, Jews, and liberal political parties.

March 5, 1933: Elections give Hitler an overwhelming majority in the Reichstag.

April 1, 1933: Hitler orders nation-wide boycott against the Jews.

October 14, 1933: Hitler withdraws from the disarmament conference.

October 21, 1933: Hitler takes Germany out of the League of Nations.

1934

Jan. 26, 1934: Hitler signs 10-year amity agreement with Poland.

June 30, 1934: Hitler stages a "blood purge," executing, according to some sources, more than 150 Nazis and anti-Nazis.

July 25, 1934: Mussolini balks Hitler's plans for an Austrian coup after Austrian Nazis assassinate Chancellor Engelbert Dolfuss.

August 2, 1934: President von Hindenburg dies and Hitler combines the posts of Chancellor and President.

1935

January 13, 1935: Saar returns to Germany following a plebiscite.

March 16, 1935: Hitler denounces Versailles Treaty and reintroduces compulsory military service in Reich.

June 18, 1935: Hitler signs naval treaty with Britain limiting German Fleet to 35 percent of Britain's surface craft and 45 percent of her submarines.

1936

March 7, 1936: Hitler denounces the Locarno Treaty. German troops enter the demilitarized Rhineland.

November 25 1936: Germany and Japan sign Anti-Comintern Pact.

1937

October 13, 1937: Hitler pledges Germany to respect Belgian neutrality and territorial integrity.

November 6, 1937: Italy joins Anti-Comintern Pact.

1938

February 26, 1938: Hitler in a speech demands the right of self-determination for the Germans of Austria and Czechoslovakia.

March 12, 1938: Hitler takes over Austria.

September 15, 1938: Prime Minister Chamberlain flies to Munich for first of three meetings with Hitler in Czechoslovak crisis.

September 30, 1938: Hitler wins the Sudeten area of Czechoslovakia at Munich. Prime Minister Chamberlain and Hitler announce the "desire of our two peoples never to go to war with one another again."

1939

March 14, 1939: Hitler takes over the rest of Czechoslovakia.

March 22, 1939: Lithuania surrenders Memel to Hitler.

April 15, 1939: President Roosevelt appeals to Hitler and Mussolini to adjure aggression.

April 28, 1939: Hitler denounces the Polish nonaggression pact and the British naval pact.

May 22, 1939: Hitler signs 10-year military alliance with Italy.

August 23, 1939: Hitler's nonaggression pact with Soviet Russia signed in Moscow.

September 1, 1939: Hitler orders invasion of Poland.

September 3, 1939: Britain and France declare war on the Reich.

September 27, 1939: Warsaw surrenders to Hitler's troops after 21-day siege.

September 28, 1939: Germany and Soviet fix their frontiers in Poland.

November 4, 1939: The United States repeals her arms embargo in favor of a cash-and-carry policy which favors Hitler's enemies.

November 5, 1939: Bomb wrecks Munich beer hall after Hitler visit.

December 17, 1939: *Graf Spee,* German pocket battleship, forced into harbor of Montevideo by British warships, is scuttled on Hitler's orders.

1940

April 8, 1940: Allies mine Norwegian waters.

April 9, 1940: Hitler sends German troops into Denmark and Norway.

May 3, 1940: Allies surrender all southern and central Norway to Hitler's forces.

May 10, 1940: Hitler sends troops into Holland, Belgium, and Luxemburg.

Mr. PEPPER. Following that, Mr. President, I ask unanimous consent to have printed in the RECORD, as a part of my remarks, a statement headed "The roll of dishonor," which sets out in greater detail the statements made by Hitler relative to his designs on other countries, and the violation of those assurances.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

THE ROLL OF DISHONOR

Within the space of a few months the liberties of six nations of Europe have been overwhelmed by Adolph Hitler, the German leader. As in 1914, the German Government has again brought dishonor upon the German people, for each one of these countries had received his solemn assurance, as head of the German Government, that he would respect its independence. Every pledge has been broken, and the faith of the civilized world in the word of Germany has been utterly destroyed.

Here is the record:

1. TREATY OF LOCARNO AND THE RHINELAND

In his speech to the Reichstag on January 30, 1934, Herr Hitler announced, in reference to the Saar problem:

"This is the only territorial question which is still open between the two countries. After it has been settled the German Government is prepared and determined not only to accept the letter but also the spirit of the Locarno Pact, since there are no other territorial questions outstanding between France and Germany."[1]

After the plebiscite, which showed a clear majority for Germany, the Saar territory was handed back to Germany on March 1, 1935. On May 21, 1935, Herr Hitler repeated his assurance with regard to the Locarno Treaty:

"The German Government will therefore unconditionally respect the articles concerning the mutual relations of the nations in other respects, including the territorial provisions, and those revisions which shall be rendered necessary in the course of time will be put into effect only by the method of peaceful understanding * * * they (German Government) will scrupulously maintain every treaty voluntarily signed, even though it was concluded before their accession to power and office. In particular they will uphold and fulfill all obligations arising out of the Locarno Treaty, so long as the other partners are on their side ready to stand by that pact."[2]

This pledge was given after the conclusion and with full knowledge of the Franco-Soviet Pact, which Germany was later to put forward as releasing her from the Locarno Pact. Less than a year after this unequivocal pledge German troops, on March 7, 1936, reoccupied the Rhineland in direct violation of article 1 of the Locarno Pact, and thereby tore up the treaty which Herr Hitler had so recently reaffirmed.

2. AUSTRIA

When reports began to circulate in Europe that Germany was planning to seize Austria Herr Hitler denied such intentions in his Reichstag speech on January 30, 1934, in the following terms:

"The assertion that the German Reich intends to violate the Austrian State is absurd and cannot be substantiated or proved * * * I must categorically deny the further assertion of the Austrian Government that an attack will be made on the Austrian State or is even being planned by the Reich."[3]

Despite this vigorous denial of aggressive intentions the terrorist activities of the National-Socialists in Austria continued, culminating in the abortive Nazi putsch of July 25, 1934, and the brutal murder of Dr. Dollfuss. Herr Hitler, however, reiterated his declaration that he had no designs on Austria and gave categoric pledges in his speech to the Reichstag on May 21, 1935, when he affirmed:

"Germany neither intends nor wishes to interfere in the internal affairs of Austria, to annex Austria, or to conclude an anschluss."[4]

Further explicit assurances were given in the Austro-German agreement which was signed on July 11, 1936:

"Following on the declarations made by the Fuehrer and Chancellor on May 21, 1935, the Government of the German Reich recognizes the full sovereignty of the Austrian Federal States (art. 1). Each of the two Governments considers the internal political structure of the other country, including the question of Austrian National Socialism, as part of the internal affairs of that country over which they will exercise no influence, directly or indirectly" (art. 2).[5]

These pledges, categorical as they were, proved of no more value than his earlier assurances with respect to the Rhineland. On February 12, 1938, Dr. Schuschnigg went to Berchtesgaden, where Herr Hitler demanded that the Austrian Cabinet should be reconstructed, giving the key positions of Minister of Foreign Affairs and of the Interior to Ministers with pronounced German sympathies. This was done, but it was not sufficient for Herr Hitler, and when it was announced that a plebiscite was to be held in Austria on the issue of "Are you for a free and German, independent and social, Christain and united Austria * * *," Herr Hitler waited no longer and on March 11, 1938, after the resignation of Herr Schuschnigg had been forced by the threat of German invasion, German troops marched into Austria. On March 13 the incorporation of Austria with the Reich was announced.

3. CZECHOSLOVAKIA

The protocol of the Locarno agreement, initialed on October 16, 1925, had provided that all disputes arising between the contracting parties, of which Germany and Czechoslovakia were two, should be submitted to means of pacific settlement, and this provision was specifically implemented by a German-Czech arbitration treaty of even date. In a speech to the House of Lords on March 14, 1938, Lord Halifax revealed that—

"Field Marshal Goering on March 11 gave a general assurance to the Czech Minister in Berlin—an assurance which he expressly renewed later on behalf of Herr Hitler—that it would be the earnest endeavor of the German Government to improve German-Czech relations."

In the same speech Lord Halifax stated that on March 12, 1938, "the Czechoslovak Minister in Berlin was assured that Germany considered herself bound by the German-Czechoslovak arbitration of October 1925."

The sequel is well known. Throughout the summer of 1938 German demands on the Czechoslovak Government were increased, and no further mention was made of submitting any difficulties to arbitration. The tension culminated in the Munich agreement of September 30, 1938, whereby the Sudetenland was ceded to Germany.

In acceding to the German demands on this occasion the British Government showed that so long as there was any justification for the German claims, it was prepared to go to almost any lengths to secure peace with Germany. Despite Herr Hitler's intransignet attitude in the course of his conversations with the British Premier, Mr. Chamberlain hoped that by granting the German claims it would be possible to begin a new period of cooperation in Europe, a hope that was largely based on Herr Hitler's earnest declaration that "* * * after the Sudetenland German question is regulated we have no further territorial claims to make in Europe. I have promised that when the claims of the other minorities in Czechoslovakia have been satisfied we will guarantee the integrity of the Czech state."[6]

A similar assurance had been given to Mr. Chamberlain at Berchtesgaden and Godesberg, when Herr Hitler had emphasized also that "he had no wish to include in the Reich people of other races than Germans."[7]

These pledges also were only a prelude to further aggression. On March 14, 1939, Dr. Hacha, President of the Czech Republic, was summoned to Berlin to receive the commands of the Fuehrer that Bohemia and Moravia be placed under "German protection." The next day German troops occupied Prague, and Germany proceeded to absorb Czechoslovakia.

As before, categoric German assurances were "thrown to the winds" and confidence in Herr Hitler was now completely destroyed. It was this fact which forced Great Britain to depart from her traditional foreign policy of avoiding specific Central European commitments and to guarantee the independence of Poland, Greece, and Roumania, and declare her determination to resist any further attempt to dominate the world by force.

4. POLAND

Herr Hitler's record with regard to Poland displays a similar technique, with specific assurances prefacing a violent solution of the issues at stake.

On January 26, 1934, a German-Polish agreement was signed providing that should any disputes arise between Germany and Poland "and agreement thereon not be reached by direct negotiation, they will in each particular case, on the basis of mutual agreement, seek a solution by other peaceful means. * * * In no circumstances, however, will they proceed to the application of force for the purpose of reaching a decision in such disputes."

For 5 years—and as late as January 30, 1939, only 7 months before the outbreak of war—this agreement was constantly praised by Herr Hitler and his lieutenants as one of the outstanding achievements of German diplomacy. But the moment he felt that he could force the Polish issue the Poles became the target for an insulting campaign of official propaganda similar to that directed at the Czechs in the previous year. It is interesting to compare Herr Hitler's references to Poland during these two phases.

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[1] Text: Documents on International Affairs, 1934.

[2] Text: Documents on International Affairs, 1935, vol. 1. Approved translation.

[3] Text: Documents on International Affairs, 1934.

[4] Text: Documents on International Affairs, 1935, vol. 1.

[5] Survey of International Affairs, 1936.

[6] Hitler, Sportpalest speech, September 26, 1938 (The Times, September 27).

[7] Mr. Chamberlain, House of Commons, September 28, 1938 (Hansard).

In his speech to the Reichstag on October 6, 1939,[8] for instance, Herr Hitler referred to Poland as a state "who for centuries past had proved herself incapable of existence, was in 1916 artificially begotten and in 1919 no less artificially born by a German Government just as incapable of existence." [9]

This opinion of the nature of the Polish state hardly agrees with Herr Hitler's former utterances. On May 21, 1935, he had informed the Reichstag that "we recognize Poland as the home of a great and nationally conscious people," [10] whilst again on January 30, 1937, he had announced that "for my own fellow citizens I should like to state that the Polish nation and the Polish state have also become realities." [11]

On February 20, 1938, Herr Hitler gave the soothing assurance to the world that "this most dangerous spot (Danzig) from the point of view of European peace has entirely lost its menacing character," and on September 26 of that year he reiterated the stability of relations between Germany and Poland:

"In Poland there ruled no democracy, but a man; and with him I succeeded in precisely 12 months in coming to an agreement which, for 10 years in the first instance, entirely removed the danger of a conflict. We are all convinced that this agreement will bring lasting pacification. We realize that here are two peoples which must live together and neither of which can do away with the other. A people of 33,000,000 will always strive for an outlet to the sea. A way of understanding, then, had to be found; it has been found; and will be ever further extended."

Seven months later, on April 28, 1939, this much vaunted pact was denounced by Germany, and in less than a year German troops were invading Poland, and another of Herr Hitler's declarations had gone with the wind:

"Whatever may be the differences between the two countries (Germany and Poland) in the future an attempt to remove them by warlike actions would have disastrous effects which would bear no relation to any possible gain." [12]

5. UNITED KINGDOM

On June 18, 1935, the Anglo-German naval agreement was concluded whereby Germany agreed that the total tonnage of the German Fleet should "never exceed a percentage of 35 of the aggregate tonnage of the naval forces * * * of the British Commonwealth of Nations." [13]

At that time the German Government characterized the agreement as "permanent and definite," but on April 28, 1939, Herr Hitler summarily denounced the agreement, declaring that owing to the "policy of encirclement, the basis for the naval treaty has been removed." [14]

6. SCANDINAVIA

On April 14, 1939, President Roosevelt addressed an appeal to Herr Hitler and Signor Mussolini, in which [15] he asked them whether they were willing to give assurance that their armed forces would not "attack or invade the territory or possessions" of some 30 named states, among them Sweden, Norway, Denmark, Belgium, and the Netherlands.

Replying to Mr. Roosevelt on April 28, Herr Hitler told the Reichstag:

"All states bordering on Germany have received assurances and much more binding proposals than Mr. Roosevelt asked me for in his curious telegram." [16]

Germany signed a nonaggression treaty [17] with Denmark on May 31, 1939. It was ratified on June 2.

Article 1 stated that "the German Reich and the Kingdom of Denmark will under no circumstances resort to war or any other form of violence against each other."

In article 2 it was stated that "the pact comes into force with the exchange of instruments for ratification and is valid from then on for a period of 10 years."

The position with regard to Norway may be outlined by direct quotation from the German Official Communique of May 19, 1939:

"As a result of the declaration of the Fuehrer in his Reichstag speech of April 28, concerning Germany's readiness to conclude nonaggression pacts, negotiations with a view to the conclusion of such pacts have taken place between the German Government and the Governments of Esthonia, Latvia, Denmark, Norway, Sweden, and Finland. * * * Exchange of views with Sweden, Norway, and Finland reached the following conclusion: The Swedish and Norwegian Governments have declared anew to the German Government that their countries do not feel menaced by Germany and that in the maintenance of the principle of neutrality, integrity, and independence they do not intend to conclude nonaggression pacts with any country. They consider an agreement of this kind unnecessary and have agreed with the German Government to abstain from further pursuit of the plan. * * * [18]

It is clear from the above that, although Norway did not follow Denmark in concluding a nonaggression pact with Germany, Germany herself was ready to conclude such a pact, having initiated conversation for that purpose. Norway's refusal of a pact did not in any way detract from the obligations assumed by Herr Hitler in his speech of April 28; her refusal was in fact merely an indication that she assumed his assurances were genuine.

On August 29, 1939, Denmark received an assurance from Germany that she would respect her neutrality.[19] A similar assurance was received by Norway.[20]

In his speech of October 6, 1939, Herr Hitler said:

"In former times Germany never had any conflict with the northern states and she has none today either. * * * We have concluded a nonaggression pact with Denmark; our relations with that country are directed toward unswervingly loyal and friendly cooperation." [21]

Nevertheless on April 9, 1940, Germany occupied Denmark and invaded Norway.

7. LOW COUNTRIES

Speaking before the Reichstag on January 30, 1937, Herr Hitler said:

"The German Government has assured Belgium and Holland that it is ready to recognize and guarantee these states as inviolable neutral territories." [22]

On October 13 of the same year the German Foreign Minister declared to the Belgian Minister that:

"The German Government holds strongly that the inviolability and integrity of Belgium is of common interest to the western powers. It confirms its resolve not to prejudice this inviolability and integrity under any circumstances and at all times to respect Belgian territory, excepting, of course, in the event of Belgium's cooperating with a military action directed against Germany in an armed conflict involving Germany." [23]

The Dutch response to Herr Hitler's offer of guaranties was given by Foreign Minister de Graeff in the Dutch Parliament on March 17. His speech was reported by the German Minister in The Hague, as follows:

"There must be no impression that any doubts persist in Holland as to the inviolability of Dutch territory. The conclusion of a treaty meant the undertaking of obligations for both sides and Holland could undertake no obligations of any kind. The German Government fully understood and appreciated the Dutch standpoint." [24]

On August 26, 1939, the German Ambassador reassured the King of the Belgians that the Reich would in no way infringe the integrity of Belgium and would respect her frontiers so long as Belgium observed an attitude of strict neutrality. The Dutch Foreign Minister on the same day, and the Luxemburg Minister of State 2 days later, received similar assurance.[25]

These assurances were repeated in a German official broadcast on November 13.[26]

After the campaign against Poland Herr Hitler returned to the theme of his benevolence toward Germany's neighbors in his speech of October 6, 1939, saying:

"The new Reich has endeavored to continue the traditional friendship with Holland; it did not take over any differences between the two states nor did it create new ones. * * * Immediately after I had taken over the government I tried to establish friendly relations with Belgium. I renounced any revision as well as any desire for revision. The Reich has put forward no claim which might in any way have been regarded as a threat to Belgium." [27]

The tragic faith which the Low Countries placed in Herr Hitler's assurances was voiced by Belgian Foreign Minister Spaak as late as April 16, 1940, when he said:

"We shall remain faithful to our moral agreement with France, Germany, and Britain, which have guaranteed the integrity of our territory, and we shall never throw away the trump card which our loyal observance of our obligations has placed in our hands." [28]

On May 10 following, Germany invaded both Belgium, Holland, and Luxemburg.

Such is the catalog of Herr Hitler's promises, guaranties, and assurances, and such is the record, up to the present date, of how he has fulfilled them. So many pledges broken in the short space of 6 years have destroyed all confidence in his word.

Mr. PEPPER. Mr. President, I shall read only a few of the statements of Hitler, contained in a few brief sentences.

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[8] New York Times, October 7, 1939.
[9] Text: New York Times, October 7, 1939.
[10] Text: Documents on International Affairs, 1935, vol. 1.
[11] Text: Documents on International Affairs, 1937.
[12] Hitler: Reichstag speech, January 30, 1934. Text: Documents on International Affairs, 1934.
[13] In the matter of submarines Germany, while not exceeding the 35:100 ratio in respect of total tonnage, was given equality, but the German Government voluntarily undertook that Germany's submarine tonnage should not exceed 45 percent of the British total.
[14] Herr Hitler to the Reichstag April 28, 1939.
[15] Text in International Conciliation, 1939, p. 293.
[16] German White Book (Dokumente zur Vorgeschichte des Krieges, 1939), p. 329.
[17] Text, New York Times, June 2, 1939.
[18] German White Book, pp. 329, 330.
[19] Empire Parliamentary Association: Report on Foreign Affairs, vol. 20, p. 585.
[20] Bulletin of International News, vol. 17, p. 462.
[21] International Conciliation, 1939, p. 513.
[22] German White Book, p. 317.
[23] Ibid., p. 322.
[24] Ibid., p. 323.
[25] House of Commons Debates, vol. 352, p. 882.
[26] House of Commons Debates, vol. 353, p. 872.
[27] International Conciliation, 1939, p. 513.
[28] New York Times, April 17, 1940.

Relative to the subject of rearmament, the following is a quotation from a speech made in the Reichstag on May 17, 1933:

Germany will tread no other path than that laid down by the treaties. The German Government will discuss all political and economic questions only within the framework of the treaties (Reichstag).

On October 14, 1933:

Germany left the League and the Disarmament Conference just when Sir John Simon at Geneva was attempting a compromise between French and German views on armaments.

On March 10 and 16, 1933:

An air force and army were announced after Herr Hitler's cold had delayed the visit of Sir John Simon, who was to have attempted a general settlement involving German arms equality.

2. Locarno—January 30, 1934: "After the Saar has been settled the German Government is ready to accept not only the letter but the spirit of Locarno" (Reichstag).

March 13, 1934: "The German Government have never questioned the validity of Locarno" (Note to France).

That was in a note to France.

May 2, 1935: The Franco-Soviet pact was signed.

May 21, 1935: "The German Government will scrupuously observe every treaty voluntarily concluded. In particular they will hold to all obligations arising out of Locarno so long as other parties are ready to stand by that treaty" (Reichstag).

March 7, 1936: Germany denounced Locarno and reoccupied the Rhineland opposite France and Belgium. The excuse given was the Franco-Soviet pact, to which Belgium was not a party.

3. Austria—May 17, 1933: "The German people have no thought of invading any country" (Reichstag).

October 14, 1933: "When the Saar has been returned to Germany only a madman could consider the possibility of war between France and Germany. No one would demand that millions of men should be annihilated for a readjustment of our present frontier" (Reichstag).

May. 21, 1935: "Germany neither intends nor wishes to interfere in the internal affairs of Austria, to annex Austria, or to conclude an Anschluss" (Reichstag).

March 7, 1936: "Germany will never break the peace of Europe. After 3 years I can regard the struggle for German equality as concluded today (after the Rhineland occupation). We have no territorial demands to make in Europe" (Reichstag).

July 11, 1936: Austro-German agreement recognizes Austrian sovereignty.

January 30, 1937: "The period of so-called surprises is now over" (Reichstag).

February 12, 1938: Hitler reaffirms to Schuschnigg at Berchtesgaden the agreement of July 11, 1936.

March 11, 1938: Germany annexes Austria.

January 1, 1939: "In January 1938 I finally resolved that during this year I would, in one way or another, win the right of the six and one-half million Germans in Austria to self-determination" (Reichstag).

4. Czechoslovakia.—September 22, 1938: Mr. Chamberlain, in the House of Commons on September 28, referring to the meeting at Godesberg, said: "Hitler repeated to me with great earnestness what he had already said at Berchtesgaden—namely, that this was the last of his territorial ambitions in Europe and that he had no wish to include in the Reich non-Germans * * *. I have no hesitation in saying, after our personal contact, that I believe he means what he says."

September 26, 1938: "The last problem which must be solved confronts us. It is the last territorial claim which I have to make in Europe, but it is one I will not renounce * * *."

"We do not want to see other nations among us. We want to live our own life and we want other people to do the same. Our foreign policy aims are thus limited. * * * We do not want any Czechs."

A speech at Berlin, of course, by Herr Hitler.

SEPTEMBER 29, 1938.—The Munich agreement said that as soon as Czechoslovakia had satisfied Hungarian and Polish claims Germany would be prepared to guarantee the new frontiers.

October 9, 1938, Herr Hitler speaking:

Now as a strong state we can be ready to pursue a policy of understanding with surrounding states. We want nothing from them. We have no wishes, no claims.

That is from a speech made by Herr Hitler at Saarbrücken.

MARCH 14, 1939.—The German Foreign Office told the French and British Ambassadors that Germany intended no drastic move.

On March 15, 1939, the next day, Czechoslovakia was invaded and annexed.

That is a partial summary; and the other material which I have offered for the RECORD states the matter more in detail.

Apropos of that subject, now that Herr Hitler has stated that he has no designs on the Western Hemisphere, I hope the record of the violation of his past assurances will arouse every man and woman in the United States to a consciousness of the danger that lurks upon the American horizon.

Mr. President, in the past few days and weeks some of us have been speaking on this floor about this subject. Some persons have said we were trying to get the country into war. Some have said we were trying to cause American boys to be sent abroad to fight upon foreign battlefields and die on foreign soil. I know I speak the sentiment of every man who has opened his mouth on this floor in advocacy of aid for the Allies by means short of war in saying that that was the exact contrary of what we had in our thought. We honestly and sincerely believe this country today faces the greatest danger it has faced in its whole national history, not excluding even the Civil War days, excepting only the period when our independence was in jeopardy. Aside from that period, we have never had such threats to our economic security, to our territorial integrity, to our philosophic standards, as we experience today on account of the situation Herr Hitler has created in the world in the incredible period of 6 years.

That period will stand out as the most colossal, the most immeasurable, the most unimaginable epoch in world history. With a man of Hitler's dynamic ambition, of his unscrupulous morals, of his invincible will, and he having at his command a mastery of the technological process which no other human being has achieved, I tell my fellow Senators and my fellow citizens that the time for action is now, before it is not irretrievably too late. It may—God forbid—already be too late.

To that end, Mr. President, in order that we may begin now something that is effective; that is short of war; that is a continuation of the same thing we are now doing; that offers the one hope that the Allies shall not be destroyed from the face of the earth, I ask unanimous consent of the Senate to introduce a joint resolution, to be referred to the Committee on Military Affairs.

I should like to take the privilege of reading these few lines from it:

Resolved, etc., That the President, under the authority of title 50, section 80, United States Code, entitled "Procurement of War Materials and Mobilization of Industries, in Order To Provide for the Adequate Defense of the United States," is authorized at once to place orders for 50,000 aircraft of the most effective type and design for modern warfare and all the necessary extra parts, and to direct that such aircraft and parts be ready for delivery at a date to be fixed by the President.

The PRESIDING OFFICER. Is there objection to the introduction of the joint resolution? The Chair hears none.

The joint resolution (S. J. Res. 278) authorizing the President to place orders for 50,000 aircraft of the most effective type, and extra parts, was read twice by its title and referred to the Committee on Military Affairs.

Mr. PEPPER. Mr. President, what I have in mind in that joint resolution is briefly this: We do not need to have new automobiles turned out by the various automobile factories of the country. We have plenty of automobiles to answer the requirements of the people of the United States for a while anyway, but we do dynamically and vastly need aircraft—aircraft which will literally fill the skies wherever the defense of the United States may require them to be. But the idea of our using the magnificent industrial capacity of America to make things we do not need so sorely right now when we are not adequately equipped in armament, and particularly in the air, seems to me to be a travesty in the policy of our country.

So what the joint resolution would authorize would be for the President to place orders for 50,000 military aircraft, some of them perhaps with Ford, some perhaps with General Motors, some with Chrysler, some with other automobile manufacturing concerns, some with some other industrial firms. If they are not now equipped to turn out airplanes, under the joint resolution the President would have authority to direct that they equip themselves to turn out airplanes.

I announce the solemn opinion that the one chance we now have, whatever we might will to do, to save the Allies from complete disintegration, and therefore from dissolution of our first line of defense, is to put the whole—not a part—of the industrial capacity of America to turning out airplanes. I know the people want that done. We have authorized the manufacture of several thousand planes in the past few weeks or few days. That is fine; I favor every bit of it; but, Mr. President, we are not putting the whole power of the Nation into the production of airplanes. That one thing alone may yet turn the tide of battle if we will start now, and start with a will characteristic of an aroused America to see that it is done.

So I earnestly hope that at the very next meeting of the Military Affairs Committee of the Senate the committee shall recommend that that power may be conferred upon the President, and we may show Hitler and Mussolini that we have willed that the facilities of our magnificent, incomparable industrial plants shall, in the way of private exchange of money and goods, be put at the disposal of the Allies; and, in addition to that, we shall hearten hard-pressed Britain and France with the knowledge that we really are coming to their rescue in a perfectly permissible and proper way, yet with a determination as strong as American will, and as brave as American hearts, and as lofty in purpose as have always been American ideals.

EXECUTIVE SESSION

Mr. BARKLEY. I move that the Senate proceed to the consideration of executive business.

The motion was agreed to; and the Senate proceeded to the consideration of executive business.

The PRESIDING OFFICER (Mr. LEE in the chair). Reports of committees are in order. If there are no reports of committees the clerk will state the nominations on the calendar.

THE JUDICIARY

The legislative clerk read the nomination of Thomas J. Walker to be judge of the United States Customs Court.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

The legislative clerk read the nomination of Curtis L. Waller to be judge of the northern and southern districts of Florida.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

The legislative clerk read the nomination of Frank C. Blackford to be United States marshal for the western district of New York.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

The legislative clerk read the nomination of Jordan B. Royall to be United States marshal for the northern district of Florida.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

POSTMASTERS

The legislative clerk proceeded to read sundry nominations of postmasters.

Mr. BARKLEY. I ask unanimous consent that the nominations of postmasters be confirmed en bloc.

The PRESIDING OFFICER. Without objection, the nominations are confirmed en bloc. That completes the calendar.

RECESS

Mr. BARKLEY. As in legislative session, I move that the Senate take a recess until 12 o'clock noon on Monday next.

The motion was agreed to; and (at 6 o'clock and 30 minutes p. m.) the Senate took a recess until Monday, June 17, 1940, at 12 o'clock meridian.

CONFIRMATIONS

Executive nominations confirmed by the Senate June 15 (legislative day of May 28), 1940

UNITED STATES CUSTOMS COURT

Thomas J. Walker to be judge of the United States Customs Court.

UNITED STATES DISTRICT JUDGE

Curtis L. Waller to be United States district judge for the northern and southern districts of Florida.

UNITED STATES MARSHALS

Frank C. Blackford to be United States marshal for the western district of New York.

Jordan B. Royall to be United States marshal for the northern district of Florida.

POSTMASTERS

ALASKA

Nancy M. Meals, Valdez.

ARIZONA

George T. Stevens, Winslow.

ARKANSAS

Esmond L. Williams, Bentonville.
Howard R. Nabors, Chidester.

CALIFORNIA

Winfred E. Robb, Arlington.
Jerome Beatty, Claremont.
Myrtle A. Garaventa, Davenport.
Melvin L. Horine, Denair.
Maud W. Wilson, Fall River Mills.
Richard L. Byington, Friant.
William R. Bernard, Gonzales.
Dorathea Dooley, Hopland.
Margaret A. Brophy, Hughson.
Nettie Fausel, Independence.
Edythe C. McGowan, Julian.
Adelaide T. Orrell, Junction City.
Nannie A. Coleman, Kentfield.
Lloyd C. Rowe, Lancaster.
Frank G. Kirby, Larkspur.
Fred J. Darby, Lemoncove.
Claude T. Gadwood, Los Molinos.
Marshall E. Walden, Newman.
Roy C. Adams, Pacific Beach.
John E. Alfors, Parlier.
Martin E. Collins, Pinole.
Fred Jacobsen, Roscoe.
Manuel S. Trigueiro, San Miguel.
Lester C. Reed, Simi.
Catherine E. Ortega, Sonora.
Walter S. Young, Spreckels.
Bess Morabe, Sutter Creek.
Marjorie G. Bray, Tranquillity.

COLORADO

John Bowman, Aspen.
William Jacob Pings, Carbondale.
Ernest C. Norris, La Salle.

CONNECTICUT

Robert M. Smith, East Haddam.
Thomas H. Collins, Farmington.
Thomas J. Maher, Old Greenwich.
Daniel G. Sullivan, Watertown.

DELAWARE

Rhubert R. German, Delmar.

FLORIDA

Cora R. Williams, Cottondale.
John F. Yearty, Gulf Hammock.
Faltha Huie, Haines City.
Joe Sidney Savary, Inverness.
Arthur W. Newett, Sr., Leesburg.
Claudine J. Hansel, Pinecastle.
Bessie G. Ambrose, Waldo.

GEORGIA

Horace C. Cherry, Donalsonville.
James Jarratt Pryor, Fitzgerald.
Lois Horton, Guyton.

HAWAII

Manuel J. Carvalho, Makaweli.

IDAHO

Mary Alma Morrow, Challis.
Harry L. Clovis, Craigmont.
Henry S. Detmer, Orofino.
Katherine A. Peters, Post Falls.

ILLINOIS

Clarence D. Lawson, Aledo.
Francis P. Ryan, Assumption.
Ledru G. Schaeffer, Beardstown.
Fred H. Stoltz, Bridgeport.
Pearl Barnes, De Land.
Lowell H. Karraker, Dongola.
Betty Davis, Easton.
Charles T. O'Boyle, Ingleside.
Luella Kriete, Kenilworth.
Mary I. Brown, Little York.
George A. Kreuter, Livingston.
Harry O. Johnson, White Hall.

INDIANA

Walter E. Huber, Centerpoint.
Thomas L. Hart, Dunkirk.
William A. Maggert, Kendallville.
Orith A. Imhof, Porter.
Fred B. Pickett, Richmond.
Joe C. Hoopingarner, Rockville.

MARYLAND

T. Francis Martin, Essex.
John W. Murray, Hampstead.
Cora E. Hopkins, Mardela Springs.

MINNESOTA

Lloyd A. Ahles, Albany.
George Enblom, Atwater.
Jesse M. Pierce, Austin.
Walter F. Gregory, Backus.
Edward E. Vig, Belgrade.
William F. Priem, Bellingham.
Glen M. Squires, Blackduck.
Ethel F. Lerohl, Bovey.
Arthur Elmer Imsdahl, Brooten.
William P. Tanner, Cannon Falls.
Mae Kirwin, Chokio.
Lucy M. Berczyk, Clarissa.
A. William Danielson, Cyrus.
Anna Beatrice Perrizo, Delavan.
Fred A. Gerber, Donnelly.
Edward B. Anderson, Elbow Lake.
Christopher J. Keefe, Eyota.
Herbert G. Carlson, Gibbon.
Emma Jones, Gonvick.
Marvin B. Scheele, Hamburg.
Hans P. Becken, Hanska.
Earl P. Brackin, Herman.
Joseph M. Hilger, Iona.
Robert J. Mayheu, Ironton.
Hugh T. Kennedy, Kerkhoven.
Joseph A. Schneider, Le Roy.
Herman H. Krenzke, Lewiston.
Mary Davidson, Middle River.
Walter B. Gislason, Minneota.
Andrew J. Tauer, Morgan.
Raymond R. Keefe, Morton.
Alvin A. Ogren, New London.
Frank S. Averill, Ogilvie.
Henry Falardeau, Oklee.
Raymond C. Faust, Pierz.
Chester C. Gallagher, Plainview.
Werl Smith Harris, Proctor.
T. Donald O'Connor, Renville.
Leonard J. Reiland, Rollingstone.
Edward C. Keefe, Rose Creek.
Leslie R. Lisle, Royalton.
Arthur Oliver Skalbeck, Sacred Heart.
Harold L. Holmes, St. Hilaire.
John F. Hawley, Sandstone.
William R. Kleven, Sebeka.
Delwin B. Clabaugh, Swanville.
Ida M. Chiabotti, Tower.
Alvi Hanord Auenson, Ulen.

MONTANA

Jeanette Ross, Fromberg.

NEBRASKA

Edgar D. Collins, Ainsworth.
Anna Martin, Battle Creek.
Chris A. Andersen, Benkelman.
Carl K. McCleery, Blue Hill.
Ralph A. Gillham, Blue Springs.
Edmund J. Barrett, Lawrence.
Emil Nelson, Minden.
Emil H. Mack, Petersburg.
Arthur E. Leclair, Randolph.
Jake R. Hanks, Thedford.
Roger M. Closs, Wymore.

NEW YORK

Albert J. Linehan, Canandaigua.

NORTH CAROLINA

Clyde B. Benson, Battleboro.
Thomas L. Rich, Garland.
Pearl E. Linville, Oak Ridge.
Myrtle Riddle Payne, Paw Creek.
Lewis Taylor Bartholomew, Spring Hope.
Fred M. Pearce, Wendell.

OKLAHOMA

Gladys E. McEwen, Aline.
Ernest D. Peck, Carmen.
Hope C. McGinty, Kiefer.
Jasper Hood, Kiowa.
Benjamin M. Luton, Jr., Lindsay.
Joseph A. Waggoner, Mounds.
Beulah J. Van Coevering, Orlando.
William G. Bunyard, Roff.
Henry L. Neal, Wanette.

PENNSYLVANIA

Palmer W. Kunkle, Alburtis.
Perley J. Denman, Bradford.
William Scott Rinedollar, Everett.
Ray A. Deck, Fredericksburg
Della M. Sullivan, Genesee.
William J. Tye, Gordon.
John J. Sheridan, Hawley.
James E. Madigan, Houtzdale.
Leo A. Donahoe, McKees Rocks.
John C. Rodgers, Marianna.
Harry B. Wimer, Quarryville.
Robert E. Walley, Spring City.
Mable L. Lake, Springville.
L. Pearle Seep, Titusville.
Ella R. Williams, Vandergrift.
Claire C. Davis, West Alexander.

PUERTO RICO

Jose Alejandro Principe, Juncos.

RHODE ISLAND

Peter L. Creighton, Harrisville.
Samuel W. Smith 3d, Jamestown.

SOUTH CAROLINA

Carrie R. Goodman, Clemson.
Walter C. Kay, Honea Path.
Thomas V. Derrick, Walhalla.
George Allard Douglass, Whitmire.

TEXAS

Marion L. Garvin, Jr., Como.
James H. McClellan, Gatesville.
Willard Proctor, Grand Saline.
Mary Thomason, Nacogdoches.
James R. Kersey, Ozona.

UTAH

Marvin L. Nielson, Garland.
Elliott Larsen, Monroe.
Ray K. Bohne, Mount Pleasant.
William Warner Mitchell, Parowan.
Pontha Calder, Vernal.

VIRGINIA

Benjamin Harrison, Boyce.
William H. Ranson, Bremo Bluff.
Bessie S. Burgess, Fork Union.
R. Garnett Claybrook, Kilmarnock.
Harold W. Hale, Jr., Narrows.
James David Miller, Newport.
John William Duncan, Onancock.
Abbott D. Gerberich, Pearisburg.

WASHINGTON

Otto N. Sorensen, Edmonds.
Harvey H. Hartley, Goldendale.
Clara R. Monk, Granite Falls.
William A. Bauman, Lynden.
Ralph C. Cochran, Snohomish.

WISCONSIN

Carroll R. Eaton, Adams.
Michael P. Becker, Brillion.
Walter F. Netzel, Crandon.
Albert A. Beck, Dorchester.
John F. Clancy, East Troy.
Christian A. Hoen, Edgerton.
George Medley, Fox Lake.
George B. Meulemans, Greenleaf.
Frank J. Mader, Gresham.
Henry J. Thoma, Hartford.
John J. Hanley, Hudson.
Gilbert W. Kaepernick, Iron Ridge.
George A. Sauter, Kimberly.
William H. Brown, Laona.
Cora A. Thompson, McFarland.
Henry John O'Brien, Montfort.
Lila E. Town, Nashotah.
Russell N. Fuller, Osseo.
Roy C. Graham, Owen.
William Reuschlein, Plain.
Harry P. Walker, Plainfield.
James Oliver Luce, Platteville.
Alfred E. Von Wald, Sauk City.
Henry J. Voltz, Schofield.
John M. Kippenhan, Slinger.
Ralph E. Lyon, Strum.
Alice M. Clinton, Sullivan.
John W. O'Callaghan, Suring.
Harry W. Stimson, Trempealeau.
Eva K. Sheen, Union Grove.
Thomas A. Wiora, Wild Rose.
Julius G. Behm, Woodville.

SENATE

MONDAY, JUNE 17, 1940

(Legislative day of Tuesday, May 28, 1940)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

The Chaplain, Rev. ZeBarney T. Phillips, D. D., offered the following prayer:

Eternal and ever blessed God, who amid the gathering shadows and darkening gloom art the only true and lasting light: We beseech Thee to lighten our darkness and to harken unto our prayer, as in the secret of Thy presence we take refuge from the raging storms of life and the baseness of our own hearts.

Though the air be tremulous with anguish and we feel our own inadequacy to meet the exactions of the days that press upon us, do Thou empower us with gifts and resources of Thine own implanting and satisfy us with Thy mercy, that these, Thy servants, may be found faithful stewards of Thy bounty. In their leadership may they reveal to the world that sense of the dignity and majesty of life, which, inspired by a compelling vision of Thy purpose, shall bring all nations once more into Thy fold. We ask it in the name of Him who is the tender Shepherd of our souls—Jesus Christ, Thy Son, our Lord. Amen.

THE JOURNAL

On request of Mr. BARKLEY, and by unanimous consent, the reading of the Journal of the proceedings of the calendar day of Saturday, June 15, 1940, was dispensed with, and the Journal was approved.

MESSAGES FROM THE PRESIDENT—APPROVAL OF BILLS AND JOINT RESOLUTION

Messages in writing from the President of the United States were communicated to the Senate by Mr. Latta, one of his secretaries, who also announced that on June 15, 1940, the President had approved and signed the following bills and a joint resolution:

S. 1635. An act for the relief of the Acme Die-Casting Corporation;

S. 1638. An act for the relief of Thermal Syndicate, Ltd.;

S. 1678. An act for the relief of Charles B. Chrystal;

S. 1759. An act granting the consent of Congress to the States of Montana, North Dakota, and Wyoming to negotiate and enter into a compact or agreement for division of the waters of the Yellowstone River;

S. 2250. An act for the relief of Joseph F. Tondre;

S. 2568. An act to amend the Federal Credit Union Act (June 26, 1934, ch. 750, par. 1, 48 Stat. 1216, sec. 1761);

S. 2782. An act for the relief of Harold W. Kinderman;

S. 3009. An act authorizing the President to present the Navy Cross to Capt. Frank N. Roberts, United States Army;

S. 3038. An act to provide for the advancement of John L. Hines on the retired list of the Army;

S. 3044. An act for the relief of Nadine Sanders;

S. 3061. An act for the relief of Andrew Olson;

S. 3095. An act for the relief of Harry Huston;

S. 3306. An act for the relief of Roy F. Lassly, former Acting Chief Disbursing Clerk, Department of the Interior;

S. 3337. An act for the relief of the Lewis State Bank of Tallahassee, Fla.;

S. 3338. An act for the relief of Alice C. Wainwright;

S. 3650. An act to require the payment of prevailing rates of wages on Federal public works in Alaska and Hawaii;

S. 3813. An act to authorize the presentation of a special gold medal to William Sinnott;

S. 3887. An act for the relief of Laura Trice Converse; and

S. J. Res. 272. Joint resolution to authorize the postponement of payment of amounts payable to the United States by the Republic of Finland on its indebtedness under agreements between that Republic and the United States dated May 1, 1923, and May 23, 1932.

CALL OF THE ROLL

Mr. MINTON. I suggest the absence of a quorum.

The VICE PRESIDENT. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Adams	Chandler	Hatch	Maloney
Andrews	Clark, Idaho	Hayden	Miller
Ashurst	Clark, Mo.	Herring	Minton
Austin	Connally	Hill	Murray
Bailey	Danaher	Holman	Norris
Bankhead	Davis	Holt	Nye
Barkley	Donahey	Hughes	O'Mahoney
Bilbo	Downey	Johnson, Colo.	Overton
Bone	Ellender	King	Pepper
Bridges	George	La Follette	Pittman
Brown	Gerry	Lee	Radcliffe
Bulow	Gillette	Lodge	Reed
Burke	Green	Lucas	Reynolds
Byrd	Guffey	Lundeen	Russell
Byrnes	Gurney	McCarran	Schwartz
Capper	Hale	McKellar	Schwellenbach
Caraway	Harrison	McNary	Sheppard

Shipstead	Stewart	Truman	Wagner
Slattery	Thomas, Okla.	Tydings	Walsh
Smathers	Thomas, Utah	Vandenberg	Wiley
Smith	Townsend	Van Nuys	

Mr. MINTON. I announce that the Senator from New Mexico [Mr. CHAVEZ], the Senator from Virginia [Mr. GLASS], the Senator from New York [Mr. MEAD], the Senator from West Virginia [Mr. NEELY], and the Senator from Montana [Mr. WHEELER] are necessarily absent from the Senate.

Mr. AUSTIN. I announce that the Senator from New Hampshire [Mr. TOBEY] is absent on official business. The Senator from Vermont [Mr. GIBSON] and the Senator from Maine [Mr. WHITE] are necessarily absent.

The Senator from New Jersey [Mr. BARBOUR] is absent on official duties.

The VICE PRESIDENT. Eighty-three Senators have answered to their names. A quorum is present.

SAM ALEXANDER—VETO MESSAGE (S. DOC. NO. 213)

The VICE PRESIDENT laid before the Senate the following message from the President of the United States, which was read, and, with the accompanying bill, referred to the Committee on Military Affairs and ordered to be printed:

To the Senate:

I return herewith, without approval, S. 505, an enrolled enactment entitled "An act authorizing the President of the United States to summon Sam Alexander before an Army retiring board, and for other purposes."

This bill would authorize me to summon Sam Alexander, formerly a field clerk, Quartermaster Corps, United States Army, and major, Signal Corps, United States Army, before a retiring board for the purpose of hearing his case and inquiring whether at the time of his separation from the service he was incapacitated for active service and whether such incapacity was a result of an incident of service, and if, as a result of such hearing and inquiry, it is found that he was so incapacitated that I be authorized to appoint him a warrant officer, Regular Army, and place him immediately thereafter upon the retired list of the Army with the same privileges and retired pay as are now or may hereafter be provided by law or regulation for warrant officers of the Regular Army.

The official records of the War Department show that Mr. Alexander served as an enlisted man in the Regular Army from June 12, 1900, to June 7, 1901, as a field clerk, Quartermaster Corps, United States Army, from August 29, 1916, to February 10, 1918, and as an emergency officer during the World War from February 11, 1918, to February 9, 1920, on which last-named date he was discharged, for his own convenience, from his commission as an emergency officer. He also served as a civilian clerk, Adjutant General's Department and Quartermaster Corps, from 1898 to 1900, and from 1901 to 1916.

At no time during his military service was Mr. Alexander entitled under the law to be placed on any retired list of the Regular Army for any reason whatsoever.

I withheld my approval of a similar bill, S. 2594, Seventy-fifth Congress, first session, and see no reason for changing my view with respect to the present measure. As I stated at that time, irrespective of any determination which might now be made of the extent of any disability which existed at the time of Mr. Alexander's separation from the service, February 9, 1920, I cannot give my approval to special legislation designed to confer upon an individual retirement rights not accorded under the general laws in effect at the time the individual is separated from service. There are no facts or circumstances in Mr. Alexander's case which render it unique and which would justify a departure from the general law. The retirement system of the military services is maintained primarily as a means of vitalizing the active list, and its use as a means for conferring a private benefit or gratuity upon an individual not entitled to such under the general laws is contrary to sound policy.

FRANKLIN D. ROOSEVELT.

THE WHITE HOUSE, *June 17, 1940.*

WALTER BALLHAUS—VETO MESSAGE (S. DOC. NO. 214)

The VICE PRESIDENT laid before the Senate the following message from the President of the United States, which was read, and, with the accompanying bill, referred to the Committee on Military Affairs, and ordered to be printed:

To the Senate:

I return herewith, without my approval, S. 897, "An act to correct the military record of Walter Ballhaus."

The enactment provides that the said Walter Ballhaus, who was in fact an enemy alien owing allegiance to Germany during the World War, shall hereafter be held and considered to have been honorably discharged from the military service of the United States on the 28th day of March 1918.

It appears from the records in this case that the beneficiary entered Federal service with the Wyoming National Guard July 25, 1917, and left the United States for overseas service December 12, 1917. He was returned to this country on March 2, 1918, upon the recommendations of intelligence officers in their reports on undesirable aliens, and was discharged from the military service April 1, 1918. While in confinement at Fort Jay, N. Y., following his return to the United States, he signed the following statement: "I, the undersigned, born in Germany, do not wish to serve in the Army of the United States. I am not a citizen of the United States."

I fail to see any justification for the proposal to single out and place the beneficiary named in a status different from that of the other enemy aliens summarily discharged from the Army during the World War, such discharges having been considered necessary in the interest of a successful prosecution of the war.

FRANKLIN D. ROOSEVELT.

THE WHITE HOUSE, *June 17, 1940.*

DAVID J. SAWYER—VETO MESSAGE (S. DOC. NO. 215)

The VICE PRESIDENT laid before the Senate the following message from the President of the United States, which was read, and, with the accompanying bill, referred to the Committee on Military Affairs, and ordered to be printed:

To the Senate:

I return herewith, without my approval, S. 2295, "An act authorizing the President to reappoint and honorably discharge David J. Sawyer, second lieutenant, National Army, as of May 11, 1919."

This bill authorizes me to reappoint David J. Sawyer as a second lieutenant of Infantry, National Army, as of May 11, 1919, the date on which his dismissal by sentence of court martial took effect, and to grant him an honorable discharge to become effective as of that date.

Guilt of the specific offenses on account of which this man was found unfit to be an officer in the Army and dismissed, is neither denied nor disproved.

In view of the showing of the record, I do not feel justified in giving my approval to the act.

FRANKLIN D. ROOSEVELT.

THE WHITE HOUSE, *June 17, 1940.*

SUPPLEMENT TO RECLAMATION REPORT ON KINGS RIVER PROJECT, CALIFORNIA

The VICE PRESIDENT laid before the Senate a letter from the Secretary of the Interior, transmitting copy of a letter to him from the President of the United States concerning the reports by the Bureau of Reclamation and the Corps of Engineers on the Kings River project, California, which, with the accompanying paper, was referred to the Committee on Irrigation and Reclamation.

PETITIONS AND MEMORIALS

The VICE PRESIDENT laid before the Senate the following concurrent resolution of the Legislature of the State of Louisiana, which was ordered to lie on the table:

CONCURRENT RESOLUTION

Whereas under Sugar Act of 1937, the growing of sugarcane and the marketing of sugar produced therefrom is so restricted that

discrimination results against Louisiana in favor of foreign growers and markets; and

Whereas the Legislature of the State of Louisiana believes that the continental United States should be preferred in the distribution and allocation of the United States sugar market over foreign countries: Now, therefore, be it

Resolved by the Legislature of Louisiana (a majority of the members of both houses concurring therein), That the Congress of the United States be petitioned to vote against any extension of the Sugar Act of 1937; be it further

Resolved, That certified copies of this concurrent resolution be forwarded immediately to both Houses of the Congress and to the Senators and Representatives from Louisiana.

The VICE PRESIDENT also laid before the Senate a petition of sundry citizens of Chicago, Ill., and vicinity, praying for the rendering of immediate material aid to the Allied Nations, which was referred to the Committee on Foreign Relations.

He also laid before the Senate a telegram embodying a resolution adopted at a meeting of members of the faculty, graduates, and undergraduates of Yale University, New Haven, Conn., favoring the adoption of a system of universal compulsory military training in the United States, which was referred to the Committee on Military Affairs.

He also laid before the Senate a resolution adopted by district No. 15, Lions' Convention, in the State of Wyoming, endorsing the national-defense program and favoring the adoption of measures to explore the mineral resources of Wyoming in the interest of the national defense, which was referred to the Committee on Mines and Mining.

He also laid before the Senate resolutions of the Lions Clubs of San Leandro, Calif., Bridgeport, Ohio, and Providence, R. I., and conventions of the Lions Clubs in Missouri and Wyoming, endorsing the national-defense program and favoring the immediate enactment of legislation to stop subversive activities in the United States, which were ordered to lie on the table.

He also laid before the Senate a resolution of the one hundred and tenth general assembly of the Cumberland Presbyterian Church, in session at Cookeville, Tenn., requesting that the President issue a proclamation calling for a season of special prayer in the existing crisis; that the national-defense program be speeded; that "fifth column" activities in this country be looked into promptly; and that the President be empowered to take necessary action for preservation of the principles upon which the Republic was founded, which was ordered to lie on the table.

Mr. WALSH presented a telegram from the alumni of Amherst College, Amherst, Mass., signed by Eugene S. Wilson, Jr., secretary, favoring the rendering of material aid to the Allied nations, which was referred to the Committee on Foreign Relations.

He also presented a resolution of the Board of Selectmen of Walpole, Mass., favoring the rendering of aid to the Allies; control of exports in the interest of the Allies; strengthening the national defense; and also that Congress remain in session during the existing international crisis, which was referred to the Committee on Foreign Relations.

He also presented a resolution adopted by the annual convention of District Lodge, No. 2, Scandinavian Fraternity of America, in the State of Massachusetts, favoring the adoption of an adequate national-defense program, and also that assistance be rendered to relieve the suffering in Scandinavian countries, which was referred to the Committee on Foreign Relations.

He also presented a petition of sundry citizens of Boston, Mass., praying that material aid be rendered the Allied nations, and also that provision be made for adequate national defense, which was referred to the Committee on Foreign Relations.

He also presented a petition of sundry citizens of the State of Massachusetts, praying that all material assistance short of war be rendered the Allied nations, which was referred to the Committee on Foreign Relations.

He also presented a telegram in the nature of a petition from the alumni of Amherst College, Amherst, Mass., signed by Eugene S. Wilson, Jr., secretary, praying for the adoption of a system of universal compulsory military training in the United States, which was referred to the Committee on Military Affairs.

He also presented the petitions of South End Post, No. 105, and Navy Post, No. 297, American Legion, both of Boston, Mass., praying that Congress remain in session during the existing emergency, which were ordered to lie on the table.

He also presented a resolution of the board of directors of the Building Trades Employers' Association of Springfield, Mass., favoring an adequate national-defense program and the abolition of subversive activities, which was ordered to lie on the table.

RESOLUTION OF WALTHALL COUNTY (MISS.) POST, NO. 16, AMERICAN LEGION

Mr. BILBO presented a resolution of Walthall County Post, No. 16, American Legion, Tylertown, Miss., which was ordered to lie on the table and to be printed in the RECORD, as follows:

WALTHALL COUNTY AMERICAN LEGION, POST No. 56,
Tylertown, Miss., June 4, 1940.

Senator THEODORE G. BILBO,
Senate Office Building, Washington, D. C.

DEAR SENATOR BILBO: At a meeting of the Walthall County Post of the American Legion, the following resolutions were presented and unanimously adopted:

"*Resolved*, first, That it is the consensus of opinion of the membership of this post that the public safety will be best served by a speedy approval by the Congress of the proposal that the President be given authority to call out the National Guard for training at his discretion.

"Second. That this post feels that the interest of the United States in the war now being waged in Europe justifies the use of every means short of war to assist the Allies, and urges that the Congress give quick approval to the proposal to supply the Allies with vital war supplies and all airplanes available without materially crippling our own fighting forces.

"Third. That a copy of these resolutions be sent to Senators HARRISON and BILBO and to Representative MCGEHEE by air mail, urging their speedy and wholehearted cooperation in accomplishing these ends and in enacting other proposals having for their object the full and complete military preparedness of the United States for any emergency that may develop."

Since the National Guard is a part of our first line of defense, we feel that they do need more training than they are at present receiving. We, who have had a taste of war ourselves, feel that we are in position to know the value of training, and we also know that the National Guard is not sufficiently trained to meet a suddenly developed emergency.

As one of our representatives in the Congress, we respectfully ask your concurrence in these resolutions and that you lend your assistance to their support.

Sincerely yours,

C. O. ANDERSON,
Post Commander.
D. A. RICHMOND,
Adjutant.

MATERIAL AID TO THE ALLIED NATIONS—PETITION

Mr. HATCH. Mr. President, I present a letter addressed to me by A. J. Taylor, of Santa Fe, N. Mex., together with a petition numerously signed by citizens of Santa Fe and vicinity. I ask that the letter and the body of the petition, without the signatures attached, be printed in the RECORD and appropriately referred.

There being no objection, the letter and the petition (without the signatures attached) were referred to the Committee on Foreign Relations and ordered to be printed in the RECORD, as follows:

THE OLD MEXICO SHOP,
Santa Fe, N. Mex., June 14, 1940.

The Honorable CARL A. HATCH,
Senate of the United States, Washington, D. C.

DEAR SENATOR HATCH: The people of Santa Fe and vicinity send you the enclosed. It is the first chapter of a great petition urging material aid for the Allies, and it contains 1,004 names. More names will follow soon.

Please consider this in the same earnest manner in which it has been sent to you. We wish that you could have seen the enthusiasm and the determination of people here. The mass meeting in Santa Fe Wednesday night was first conceived on Monday. No one came here to organize nor to maneuver us through mob psychology into applauding another "cause." We approve the Committee to Defend America by Aiding the Allies, and we have reprinted its wonderful appeal in our local papers, but this petition to you is our own will and our own doing.

We are told that the Government is already doing things which we seek. If this be true, then we ask you to consider our appeal both as a stamp of approval for what has been done and as an urge to do even more.

The radio last night told us that the Government is doing all within its power to furnish supplies to the Allies. If this be true, then we are both pleased and ashamed. Pleased that we have done something and ashamed that "all within our power" should be so pitifully inadequate. Ashamed that this great Nation neither has now nor can it quickly produce the teeth and claws under whose protection it must henceforth live.

On behalf of the signers of this petition, I am,

Respectfully yours,

A. J. TAYLOR.

SANTA FE, N. MEX., *June 12, 1940.*

The Honorable CARL A. HATCH,

The Senate of the United States, Washington, D. C.

DEAR SENATOR HATCH: We, the following citizens assembled in mass meeting here tonight, believing that we bespeak the wishes of the vast majority of your constituents, do hereby petition you as our representative in the Senate of the United States to devote your efforts and your talents to the act of having immediately released to the allied democratic nations airplanes, tanks, guns, and all other supplies and munitions of war in such quantities as will be effective for modern warfare. We urge you to defend America by aiding the Allies, and we request you to send American horsepower today rather than American manpower tomorrow.

REPORTS OF COMMITTEES

Mr. O'MAHONEY, from the Committee on the Judiciary, to which was referred the bill (S. 4133) amending the Bankruptcy Act with respect to the basis of property and excluding certain corporations from the provisions of chapter XI, reported it with an amendment and submitted a report (No. 1857) thereon.

Mr. CONNALLY, from the Committee on the Judiciary, to which was referred the bill (S. 4063) declaring a forfeiture of certain land heretofore granted by the United States to the board of commissioners of the Orleans levee district, in the city of New Orleans, State of Louisiana, for levee and street purposes, reported it without amendment and submitted a report (No. 1858) thereon.

Mr. THOMAS of Oklahoma, from the Committee on Indian Affairs, to which was referred the bill (S. 3952) to provide relief for and to promote the interest of the landowners on the Uintah Indian irrigation project, Utah, and for other purposes, reported it without amendment and submitted a report (No. 1859) thereon.

Mr. SHEPPARD, from the Committee on Military Affairs, to which was referred the bill (H. R. 9453) to provide a license to the Atlantic Refining Co., and for other purposes, reported it without amendment and submitted a report (No. 1860) thereon.

Mr. LUCAS, from the Committee on Agriculture and Forestry, to which was referred the bill (H. R. 7696) to amend the United States Grain Standards Act, to provide for the grading of soybeans, and for other purposes, reported it with amendments and submitted a report (No. 1861) thereon.

Mr. HAYDEN, from the Committee on Post Offices and Post Roads, to which was referred the bill (H. R. 9575) to amend the Federal Aid Act, approved July 11, 1916, as amended and supplemented, and for other purposes, reported it with amendments and submitted a report (No. 1862) thereon.

Mr. THOMAS of Oklahoma, from the Committee on Agriculture and Forestry, to which was referred the bill (S. 2930) to provide for reimbursement to the holders of cotton-pool participation trust certificates, and for other purposes, reported it without amendment and submitted a report (No. 1864) thereon.

EXPEDITION OF SHIPBUILDING AND DEFENSE MEASURES—REPORT OF COMMITTEE ON NAVAL AFFAIRS (REPT. NO. 1863)

Mr. WALSH. Mr. President, from the Committee on Naval Affairs I report back favorably, with amendments, the bill (H. R. 9822) to expedite naval shipbuilding, and for other purposes. I ask unanimous consent to file a written report from the committee tomorrow. I also ask permission to have printed in the RECORD a memorandum relative to the bill.

The VICE PRESIDENT. Without objection, the bill will be placed on the calendar, and leave is granted to file a written report tomorrow. Without objection, the memorandum presented by the Senator from Massachusetts will be printed in the RECORD.

The memorandum is as follows:

MEMORANDUM BY MR. WALSH ON THE BILL TO EXPEDITE SHIPBUILDING AND OTHER NATIONAL-DEFENSE MEASURES REPORTED FAVORABLY, WITH AMENDMENTS, BY THE SENATE NAVAL AFFAIRS COMMITTEE

1. It permits the Secretary of the Navy, or the Secretary of the Treasury (Coast Guard), with the approval of the President during any national emergency declared by the President to exist, to advance from available appropriated funds, payments to shipbuilding contractors in amounts not exceeding 30 percent of the contract price, upon adequate security for these advances given by the contractor.

2. It permits the Secretary of the Navy and the Secretary of the Treasury to negotiate contracts for the acquisition or construction of naval vessels or aircraft, or machine tools, without competitive bidding. The purpose of this is to save time of advertising for bids and to place contracts where they can be most expeditiously completed.

3. It makes the Walsh-Healey Public Contracts Act applicable to purchases of materials and supplies on these negotiated contracts just as though they had been contracted for on the basis of competitive bidding.

4. It amends the Walsh-Healey Public Contracts Act by transferring from the Secretary of Labor to the President of the United States the power to change, modify, or suspend the provisions thereof. This is to have the Walsh-Healey Act comply with all other labor laws which vest the power of suspension, as needs of national defense require, in the President.

5. It requires the turning into the Public Treasury profits on contracts and subcontracts from the construction of naval vessels in excess of 7 percent of the total contract price on shipbuilding and 7 percent on aircraft for both Army and Navy. This is a reduction from 10 percent and 12 percent, respectively, provided for in the act of 1934.

An additional method of computing excess profits has been added to the bill in view of the fact that contracts may be negotiated. It provides that any profit in excess of 7.53 percent of the cost of performing the contract is to be considered as excess profits and must be turned into the Public Treasury.

6. It changes the present law, which provides that contracts under $10,000 are not subject to the limitation-of-profits requirement, by making contracts of $25,000 and less exempt from the 7-percent limitation-of-profits requirement. The reason for this is that so much accounting is required that many concerns will not take the small contracts if they have to go through the process of accounting for the profits thereon.

7. A new accounting procedure is set up whereby the Secretary of the Navy determines, before the contract is awarded, the amount that will be allowed for the cost of new equipment furnished by the Government to be exempt from taxes and the Internal Revenue Department issues a certificate based upon the agreement reached.

8. It provides that employees working in excess of 40 hours per week shall be paid overtime at the rate of one and one-half times their regular hourly wage. This applies to all employees who are on regular annual salary as well as those on a per diem basis.

9. It provides a limitation of overtime employment, in an effort to help increase employment, by requiring that overtime shall be worked only by those employees performing work that cannot be performed by other employees.

10. It provides that retired civil-service employees may be reemployed by various departments of the Government. This provision is for the purpose of bringing back into the service retired employees who are in good physical condition and who have been trained along special lines.

11. It provides that any civilian employee in the War, Navy, or Coast Guard may be summarily dismissed if, in the opinion of the Secretary concerned, it is necessary for national security, and also provides that such employees may be reinstated, after hearing, if subsequent investigation warrants.

12. It provides that employees who are now entitled to leave, instead of taking leave may be employed and paid their regular rate of pay. This means that such employees will receive double pay if they give up their leave period.

13. It provides that certain vessels authorized in 1937 which had a limit of cost on them, having now been found impossible of completion within the cost previously authorized, may have this limit of cost removed.

Other statutory limitations with respect to the cost of other individual naval construction projects are also waived.

It also empowers the Secretary of the Navy to employ additional personnel in the Navy Department and elsewhere and to use funds appropriated with or without competitive bidding to operate and maintain plants authorized by the act, either by Government personnel or through the agency of qualified commercial manufacturers.

It provides for the inclusion of Government-owned facilities in privately owned plants and the expansion of such plants and authorizes the disposal of such plants, buildings, and facilities when deemed advisable.

14. It provides that the Secretary of the Navy is authorized to modify existing contracts by increasing the agreed price thereof, in order to expedite national defense.

15. It permits the President to make uniform any discrepancies between the labor provisions of this bill affecting civilian em-

ployees in the Navy with civilian employees of the War Department.

16. It provides that no aliens shall be employed by a contractor who has been awarded secret, confidential, or restricted Government contracts unless he first obtains permission from the Secretary of the Department concerned.

It also provides for a fine or imprisonment for any person or firm who willfully violated the provisions regarding employment of aliens.

17. The powers granted in this act will terminate June 30, 1942, unless the emergency proclamation issued by the President on September 8, 1939, is terminated earlier.

EXECUTIVE REPORTS OF COMMITTEES

As in executive session,

Mr. McKELLAR, from the Committee on Post Offices and Post Roads, reported favorably the nominations of sundry postmasters.

Mr. HUGHES, from the Committee on the Judiciary, reported favorably the nomination of Webster J. Oliver, of New York, to be judge of the United States Customs Court to fill an existing vacancy.

Mr. KING, from the Committee on the Judiciary, reported favorably the nomination of Otto F. Heine, of Hawaii, to be United States marshal for the district of Hawaii.

Mr. VAN NUYS, from the Committee on the Judiciary, reported favorably the nomination of John C. Lehr, of Michigan, to be attorney for the eastern district of Michigan.

ENROLLED JOINT RESOLUTION PRESENTED

Mrs. CARAWAY, from the Committee on Enrolled Bills, reported that on June 15, 1940, that committee presented to the President of the United States the enrolled joint resolution (S. J. Res. 272) to authorize the postponement of payment of amounts payable to the United States by the Republic of Finland on its indebtedness under agreements between that Republic and the United States dated May 1, 1923, and May 23, 1932.

BILLS AND JOINT RESOLUTION INTRODUCED

Bills and a joint resolution were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

(Mr. WALSH introduced Senate bill 4143, which was referred to the Committee on Naval Affairs, and appears under a separate heading.)

By Mr. KING:

S. 4144. A bill to reserve certain lands on the public domain in Utah for addition to the Kanosh Indian Reservation, Utah; to the Committee on Indian Affairs.

By Mr. SHEPPARD:

S. 4145. A bill to establish in the War Department a Diesel Engine Aircraft Division; to the Committee on Military Affairs.

By Mr. McCARRAN:

S. 4146. A bill to provide for Federal cooperation with the States in the development of aircraft landing areas adequate to provide for the national defense, the Postal Service, and civil aeronautics; to the Committee on Commerce.

By Mr. TRUMAN:

S. 4147. A bill granting a pension to Dixie Louise Shane (with an accompanying paper); to the Committee on Pensions.

By Mr. PITTMAN:

S. J. Res. 279. Joint resolution to amend section 4 of Public Resolution No. 54, approved November 4, 1939, entitled "Joint resolution to preserve the neutrality and the peace of the United States and to secure the safety of its citizens and their interests"; to the Committee on Foreign Relations.

COMPOSITION OF THE NAVY

Mr. WALSH. Mr. President, I ask consent to introduce a bill, which I request be referred to the Committee on Naval Affairs. This bill is similar to one introduced in the House by Mr. VINSON of Georgia, chairman of the House Naval Affairs Committee. In view of its importance, I ask that it may be printed in the RECORD.

There being no objection, the bill (S. 4143) to establish the composition of the United States Navy, to authorize the construction of certain naval vessels, and for other purposes, was read twice by its title, referred to the Committee on Naval Affairs, and ordered to be printed in the RECORD, as follows:

Be it enacted, etc., That the authorized composition of the United States Navy in under-age vessels as established by the acts of May 17, 1938 (52 Stat. 401), and June 15, 1940, Public Law No. 629, Seventy-sixth Congress, is hereby further increased by 399,600 tons, as follows:

(a) Aircraft carriers, 79,500 tons.
(b) Cruisers, 198,000 tons.
(c) Destroyers, 80,100 tons.
(d) Submarines, 42,000 tons: *Provided*, That each of the foregoing increases in tonnages for aircraft carriers, cruisers, destroyers, and submarines may be varied upward or downward in the amount of 20 percent of the total increased tonnage authorized herein so long as the sum of the total increases in tonnages of these classes as authorized herein is not exceeded.

SEC. 2. The President of the United States is hereby authorized to construct such vessels, including replacements authorized by the act of March 27, 1934 (48 Stat. 503), as may be necessary to provide the total under-age composition authorized in section 1 of this act.

SEC. 3. There is hereby authorized to be appropriated, out of any money in the Treasury of the United States not otherwise appropriated, such sums as may be necessary to effectuate the purposes of this act, including not to exceed $50,000,000 for essential equipment and facilities at either private or naval establishments for building or equipping any ship herein or heretofore authorized.

SEC. 4. The allocation and contracts for construction of the vessels herein authorized shall be in accordance with the terms and conditions provided by the act of March 27, 1934 (48 Stat. 503), as amended.

TAXATION FOR NATIONAL DEFENSE—AMENDMENT

Mr. BONE submitted an amendment intended to be proposed by him to the bill (H. R. 10039) to provide for the expenses of national preparedness by raising revenue and issuing bonds, to provide a method for paying for such bonds, and for other purposes, which was ordered to lie on the table and to be printed.

SENATOR PITTMAN'S REPLY TO ADDRESS BY COLONEL LINDBERGH

[Mr. PITTMAN asked and obtained leave to have printed in the RECORD a radio address delivered by him on June 16, 1940, in reply to an address of the previous evening delivered by Col. Charles A. Lindbergh, which appears in the Appendix.]

OUR DRIFT TOWARD WAR—ADDRESS BY COL. CHARLES A. LINDBERGH

[Mr. LUNDEEN asked and obtained leave to have printed in the RECORD a radio address delivered by Col. Charles A. Lindbergh on June 15, 1940, on the subject Our Drift Toward War, which appears in the Appendix.]

ADDRESS BY SENATOR JOHNSON OF COLORADO ON FOREIGN SITUATION AND POSSIBILITY OF FORMATION OF THIRD PARTY

[Mr. JOHNSON of Colorado asked and obtained leave to have printed in the RECORD a radio address delivered by him on June 15, entitled "A Third Party May Be the Answer," which appears in the Appendix.]

ADDRESS BY PRESTON DELANO AT HOT SPRINGS, VA.

[Mr. BROWN asked and obtained leave to have printed in the RECORD an address delivered by Preston Delano, Comptroller of the Currency, before the District of Columbia Bankers' Association, at Hot Springs, Va., on June 7, 1940, which appears in the Appendix.]

LET'S KEEP OUT—ARTICLE BY CAPT. EDDIE RICKENBACKER

[Mr. VANDENBERG asked and obtained leave to have printed in the RECORD an article by Capt. Eddie Rickenbacker, published in the American Legion Magazine of June 1940, entitled "Let's Keep Out," which appears in the Appendix.]

ADDRESS BY SENATOR HARRISON ON PROVIDING MONEY FOR THE NATIONAL DEFENSE

[Mr. BARKLEY asked and obtained leave to have printed in the RECORD a radio address delivered by Senator HARRISON on the subject Providing Money for the National Defense, on Sunday, June 16, 1940, which appears in the Appendix.]

TRIBUTE TO SENATOR TRUMAN BY SENATOR SCHWELLENBACH

[Mr. BARKLEY asked and obtained leave to have printed in the RECORD an address delivered by Senator SCHWELLENBACH at a reception in honor of Senator TRUMAN, at Sedalia, Mo., on June 15, 1940, which appears in the Appendix.]

STATEMENT BY HENRY H. COLLINS, JR., ON SO-CALLED DEMPSEY BILL

[Mr. MURRAY asked and obtained leave to have printed in the RECORD a statement made before the Senate Committee on Immigration on House bill 4860, by Henry H. Collins, Jr., which appears in the Appendix.]

LET US STOP THIS INSANE BUSINESS—EDITORIAL FROM ST. LOUIS POST-DISPATCH

[Mr. CLARK of Missouri asked and obtained leave to have printed in the RECORD an editorial from the St. Louis Post-Dispatch of June 16, 1940, entitled "Let Us Stop This Insane Business," which appears in the Appendix.]

OUR COURSE IS CLEAR—EDITORIAL FROM THE CHICAGO DAILY NEWS

[Mr. GUFFEY asked and obtained leave to have printed in the RECORD an editorial from the Chicago Daily News of June 11, 1940, under the heading "Our course is clear," which appears in the Appendix.]

EDITORIAL FROM BALTIMORE SUN ON THE TAX BILL

[Mr. TOWNSEND asked and obtained leave to have printed in the RECORD an editorial on the pending tax bill, published in the Baltimore Sun of June 16, 1940, which appears in the Appendix.]

REVENUE BILL OF 1940

The VICE PRESIDENT. When the Senate took a recess on Saturday it had, by unanimous consent, made the tax bill the pending business of the Senate. The Chair lays the bill before the Senate.

The Senate proceeded to consider the bill (H. R. 10039) to provide for the expenses of national preparedness by raising revenue and issuing bonds, to provide a method for paying for such bonds, and for other purposes, which had been reported from the Committee on Finance, with amendments.

Mr. HARRISON. Mr. President, I ask unanimous consent that the formal reading of the bill be dispensed with, and that it be read for amendment, the amendments of the committee to be first considered.

The VICE PRESIDENT. Is there objection? The Chair hears none, and it is so ordered.

Mr. HARRISON. Mr. President, I shall occupy only a few minutes of the time of the Senate.

This bill, as amended by the Finance Committee, will yield annually $1,007,000,000. This is $3,000,000 more than the House bill.

The scheme of the bill is a very simple one. The President has requested, for the fiscal year 1941, defense funds totaling $3,250,000,000. This money is to be provided through the issuance of $4,000,000,000 in defense obligations, which are to be issued for a period of not more than 5 years. To retire these obligations, the bill imposes tax increases.

Of the additional revenue of $1,007,000,000 to be raised under the bill, $685,000,000 will be placed in a special fund which is to be available only for the retirement of the defense obligations. This revenue is from the temporary defense taxes which are imposed for a 5-year period only. The remaining revenue from the bill—namely, $322,000,000—is derived by broadening the base through the lowering of exemptions, the increase in surtaxes in the middle brackets, and the increase in the corporation income-tax rate. It was difficult to segregate the revenue from these increases from the ordinary revenue derived from such sources, and it was, therefore, deemed advisable to require the additional revenue to remain in the general fund, where it will be available to make up any deficiency in the special fund necessary to retire these obligations. By this method we shall be able to liquidate this indebtedness within a short time.

It will be noted that the debt limit has been extended $4,000,000,000 over the $45,000,000,000 limit. This extension is limited to the issue of these defense obligations, and the additional authorization will terminate as soon as all of these obligations have been retired.

I shall discuss first the permanent changes made in the internal-revenue laws, and then the temporary changes.

The permanent changes deal with the income tax. The bill reduces the $2,500 personal exemption allowed to married persons and heads of families to $2,000, and in the case of single persons from $1,000 to $800. This amounts to a 20-percent decrease in the personal exemption, both for married persons and for single persons. The $400 credit for dependents allowed under existing law is continued under the bill. The lowering of the base will add to the rolls some 2,290,000 new taxpayers. The additional revenue to be derived from this change will be in excess of $75,000,000 annually, of which $14,000,000 will be derived from new taxpayers, and the balance will be secured from taxpayers who are now taxable under the law.

The most important change in our permanent law is the increase in the surtax rates in the middle brackets. These increases begin with a 1-percent increase on surtax net incomes in excess of $6,000, and reach the greatest rate increase of 13 percent in the brackets from $44,000 to $58,000. While the surtax rates on net incomes above $100,000 are not increased, the surtaxes of the taxpayers in these higher brackets are increased, due to the lowering of the exemptions and the increase of surtax rates in the middle brackets. Thus, under the bill, a married man with a net income of $500,000 will have a permanent increase of $7,120 in his surtax. This change is estimated to yield an additional $177,000,000 annually, which, if combined with the lowering of the exemptions, will yield a total annual revenue of $252,000,000.

Another important change is to require a single individual to file a return if his gross income is $800 or more, and to require a married person to file a return if either the aggregate or separate incomes of husband and wife amount to $2,000 or more. Under the existing law, a return is not required if their gross income is less than $5,000 unless the net income in the case of a married person is $2,500 or more, or, in the case of a single person, $1,000 or more. This will result in adding 8,000,000 additional returns. At the present time there are 7,500,000 returns filed. With these 8,000,000 returns added, there will be a total of 15,000,000 returns filed annually in the future. Undoubtedly, some additional revenue will be derived from this source, but since it was impossible to estimate it with any degree of accuracy, the yield under the bill does not include any additional revenue from this source. The Finance Committee made only one slight change in this provision of the House bill.

Under the House bill, a trust was required to file a return if its gross income was $100 or more. This was believed to put an unnecessary burden upon the fiduciary, especially since an individual is not required to file a return unless his gross income is $800 or more. Accordingly the Finance Committee adopted an amendment requiring a return from a trust only where its gross income for the taxable year was $800 or over, or its net income $100 or over.

The last permanent change relates to corporations. Under the bill the rate of tax on corporations is increased by 1 percent.

For those corporations whose net income is not in excess of $5,000, the 12½-percent rate under existing law is changed to 13½ percent. For those with net incomes between $5,000 and $20,000, the rate is changed from 14 percent to 15 percent, and for those with incomes between $20,000 and $25,000 the rate is changed from 16 percent to 17 percent. For corporations with net incomes in excess of $25,000 the rate is changed from 18 percent to 19 percent. This corporation increase will result in additional annual revenue of $70,000,000.

The total additional revenue from these permanent increases will be $322,000,000.

The temporary 5-year increases for the defense taxes, which are placed in the special fund, amount to $685,000,000.

These increases are briefly as follows:

Income taxes payable under the permanent increases under the bill are increased by 10 percent. Thus, if for the calendar year 1940, my tax is $100, I will pay a defense tax of $10, or a total tax of $110. The additional revenue from this defense tax on incomes will be $135,000,000 from corporations and $123,000,000 for individuals, or a total of $258,000,000.

This 10-percent increase is also applied to estate and gift taxes. Under this provision the defense tax will yield twenty-nine million from estate taxes and three million from gift taxes or a total of thirty-two million.

The defense tax is also applied to capital stock and excess-profits taxes. The capital-stock tax rate of $1 per $1,000 of adjusted declared value is increased to $1.10 per $1,000 of adjusted declared value. The excess-profits tax payable under existing law is increased by 10 percent. The additional revenue from the capital-stock tax and the excess-profits tax will yield twelve million additional.

Most of the other Federal excise taxes are increased 10 percent, effective July 1, 1940. However, taxes on liquor, beer, and gasoline have been singled out for special treatment. The tax on distilled spirits has been increased from $2.25 a gallon to $3 a gallon, or an increase of 33⅓ percent. The tax on brandy has been increased from $2 a gallon to $2.75 a gallon, or an increase of 37½ percent.

I may say in that connection that recently the House passed unanimously a bill relative to readjusting the taxes on wines and brandy. It has been reported out unanimously by the Committee on Finance, and we have included in the pending bill the increased rates, the additional taxes from which will yield about $500,000 annually. In a few moments I shall ask that the pending business be temporarily laid aside so that we can consider the bill to which I just referred. I am sure that very little discussion will be required.

The House did not impose any increased tax on rectified spirits. The Finance Committee increased this rate from 30 cents a gallon to 40 cents a gallon. In imposing floor-stock taxes on liquor equal to the difference in the rate under existing law and the increased rate, the House allowed an exemption of 100 wine-gallons to retail dealers. The Committee on Finance removed this exemption so as not to give the retail trade an opportunity to stock up with tax-paid liquor prior to the time the increased rates became effective.

The bill also increased the tax on beer from $5 a barrel to $6 a barrel. This is a 20-percent increase. The total additional income to be derived from these sources is as follows:

Distilled spirits	$76,000,000
Beer	46,000,000
Wines and other liquors	7,000,000
Total	129,000,000

No objection was raised in the Committee on Finance to the imposition of these specially increased taxes. The committee cooperated to the fullest extent with respect to these increases.

The House bill contained increases on tobacco, except chewing tobacco, of 16⅔ percent. The Finance Committee eliminated these increases, as it was believed that tobacco is already heavily taxed, the war rates of 1918 in most instances being still in effect. The loss in revenue due to not increasing these rates is $79,000,000, which is more than offset from additional revenues secured from other sources.

The Finance Committee also continued the exemption under existing law for books containing cigarette papers of 25 or less. It was believed that the elimination of this exemption would considerably curtail the consumption of smoking tobacco.

The tax on gasoline is increased from 1 cent a gallon to 1½ cents a gallon, or an increase of 50 percent. This will yield $112,000,000 in additional revenue.

The Finance Committee changed the tax on admissions from that under the House bill. Under the existing law, admissions of 40 cents or less are exempt. Those above 40 cents are taxed at the rate of 1 cent for each 10 cents or fraction thereof. Under the House bill, admissions of 30 cents or less were exempt. The House bill was estimated to raise $25,000,000 over the return from existing law. The Finance Committee changed the tax on admissions as follows:

Admissions up to and including 9 cents, no tax.
Admissions of more than 9 cents and less than 20 cents, 1 cent.
Admissions of 20 cents or more, 1 cent on each 10 cents or fraction thereof.

It is estimated that this change will yield an increase in revenue which will more than offset any loss from the tobacco taxes.

The estimated additional revenue from this source, over the House provision relating to admission taxes, is 78.2 million dollars. As the House provision was estimated to raise $25,000,000 from admissions, the total additional revenue over that under existing law to be derived from this change in the admissions tax is $103,000,000.

The temporary excise taxes which would expire in 1941 have been extended so that they will not expire until 1945.

The rates of certain excise taxes are not increased at all by the bill. Among these are the regulatory taxes—for example, those on oleomargarine, bituminous coal, narcotics, white phosphorous matches, and certain types of firearms. These taxes are imposed, not for the purpose of raising revenue, but to regulate certain activities.

Likewise, those internal-revenue taxes have been excluded which are, in effect, import duties imposed for protection rather than for revenue—for example, the import excises on fish, animal, and vegetable oils, petroleum products, coal, lumber, and copper, and the processing tax on coconut oil.

Similarly, the bill does not affect the sugar tax, since the rates of this tax are adjusted to an integrated program of agricultural benefits and quotas.

The bill also makes no change in the taxes levied under the social-security program, since these taxes are imposed for a special purpose.

The Finance Committee also changed the title of "super taxes" in the House bill to "defense taxes," as it was believed this designation was more appropriate.

The Finance Committee also adopted an amendment offered by Senator Byrd directing the President to reduce appropriations for the executive branch of the Government for the fiscal year 1941, except appropriations for national defense, fixed charges, and trust funds.

The Finance Committee also adopted an amendment offered by the Senator from Delaware [Mr. TOWNSEND] terminating the power and authority of the President and Secretary of the Treasury to acquire foreign silver, and repealing the internal-revenue tax on transfers of any interest in silver bullion.

So far as the chairman of the committee is concerned, I regret very much that the amendment was adopted, because a bill, identical with the amendment, had already passed the Senate, and many of us did not think the amendment had any place in this particular bill; but a majority of the committee voted in favor of it.

Mr. President, I have made a brief statement explaining the provisions of the bill, and as the debate proceeds I shall be glad to answer any questions which may be propounded.

Mr. KING. Mr. President——

The PRESIDENT pro tempore. Does the Senator from Mississippi yield to the Senator from Utah?

Mr. HARRISON. I yield.

Mr. KING. I think the Senator might state that at least four or five or six of the members of the committee voted against the so-called Townsend amendment, and a minority report will be filed in due season, I hope during the day, indicating opposition to that particular amendment.

Mr. VANDENBERG. Mr. President, will the Senator from Mississippi yield?

Mr. HARRISON. I yield.

Mr. VANDENBERG. There is one figure I wish to get clear in my mind. Under the provisions of the bill as it was presented to the committee originally, as it came from the House, $729,000,000 of revenue would be raised in the next fiscal year. What would the figure be on the basis of the way the Senate committee has written the bill?

Mr. HARRISON. Seven hundred and twenty-seven million dollars for the fiscal year 1941. For a full year of operation, the Senate bill will produce one billion seven million, which is three million more than the House bill would produce.

Mr. CONNALLY rose.

Mr. HARRISON. I yield to the Senator from Texas.

Mr. CONNALLY. I wish to speak in my own time.

Mr. HARRISON. Mr. President, I ask that the Senate now consider and pass House bill 9117, relative to taxes on wines and brandy, the increased rates of which are carried in the pending bill. There is no controversy about it at all. I hope it can be acted upon immediately. I should like to see the bill now pending, temporarily laid aside, and the Senate proceed to consider the so-called Buck bill, which was unanimously reported from the Finance Committee.

Mr. McNARY. Mr. President, I have no objection to that form of action. I wanted to ask the able Senator from Mississippi, before he concluded his remarks, why he eliminated the tax on tobacco and cigarettes. I am willing to let the answer to that question wait until the Senator from Georgia [Mr. GEORGE] has had an opportunity to make whatever remarks he desires in reference to the bill in which he is interested.

TAX ON BRANDY AND WINE SPIRITS

Mr. GEORGE. Mr. President, I ask unanimous consent that the unfinished business be temporarily laid aside, and that the Senate proceed to the consideration of the bill (H. R. 9117) to eliminate the tax on brandy and wine spirits used in the fortification of wine; to increase the tax on wine; to compensate for the loss of revenue occasioned by the elimination of the tax on brandy and wine spirits used in the fortification of wine; and for other purposes.

The PRESIDENT pro tempore. Is there objection?

Mr. McNARY. Mr. President, I may have no objection, but I should like to have a brief description of the bill and its purposes.

Mr. GEORGE. I shall be glad to give it, and will take only a moment to do so. Let me say that there is a reason for considering the brandy and wine spirits bill now, because the new basic rates on brandy and wine spirits are carried in the main tax bill which has just been presented to the Senate. Therefore this bill should be passed first, in order that certain provisions in the pending tax measure may be properly applied to the new basic rates.

The bill merely provides in the last analysis for the elimination of the 10-cents-per-wine-gallon tax on brandy and wine spirits used for the purpose of fortifying sweet wines. There is a tax now of 10 cents per wine gallon upon brandy and wine spirits when used for the purpose of fortification of wine. That, broadly speaking, is a tax of 3½ cents upon a gallon of wine, because 1 wine gallon of brandy or wine spirits will fortify 3 gallons of wine. That 3½ cents tax is raised by the bill to 5 cents. The 10-cent tax on brandy and wine spirits is not lost, but the tax is simply transferred to the wine in its fortified form.

Under the existing law the tax of 10 cents on wine spirits and brandy, when used for the purpose of fortifying the sweet wine is due and collectible within 18 months after it is so used. That has resulted in some loss to the wine growers and also in the postponement of the payment of the tax to the Government, and likewise in some litigation, because some of the wine producers have gone out of business, and suits have had to be instituted upon the bond of the wine producers.

The bill simply transfers the tax from brandy and wine spirits when used for the purpose of fortifying the wine, to the wine itself, and makes it possible for the Government to collect the same amount of tax—in fact a slight increase in tax—when the wine is withdrawn from the bonded winery or storehouse for the purpose of sale.

The bill is recommended by the Treasury. It is also said to be desired by the wine producers themselves, because many inconvenient circumstances have arisen under the existing law. Principally the producers of wine have been induced to delay the payment of this tax on brandy or wine spirits until the end of 18 months, and they have dumped large quantities of wine—sometimes improperly aged—on the market to the disruption of the wine market.

The bill simply amends the three sections of the existing internal revenue code, and adds a new section for the purpose of making effective the present tax on brandy and wine spirits, and on the wine itself, the tax on wine being increased from 3½ cents to 5 cents per gallon on all wines containing 14 and not more than 21 percent of absolute alcohol, and 5 cents additional on all wine containing 21 percent and not more than 24 percent.

The 5 cents basic tax on all wines containing less than 14 percent of absolute alcohol is not changed. Of course, the tax on wine containing 24 percent of absolute alcohol is not changed, because that wine is taxed now as distilled liquor or as whisky. That is a different tax altogether.

There are no amendments to the bill. It is recommended unanimously by the Finance Committee as it came from the House.

Mr. McNARY. Mr. President, may I ask the Senator whether there is any decrease in the tax?

Mr. GEORGE. There is no decrease. There is a slight increase. The increase is estimated by the Treasury to amount to four-hundred-and-eighty-odd-thousand dollars—near one-half million dollars—a year.

Mr. McNARY. Was this bill reported unanimously by the Finance Committee of the Senate?

Mr. GEORGE. It was reported unanimously some days ago.

The PRESIDENT pro tempore. Is there objection to the present consideration of the bill?

There being no objection, the bill (H. R. 9117) to eliminate the tax on brandy and wine spirits used in the fortification of wine; to increase the tax on wine; to compensate for the loss of revenue occasioned by the elimination of the tax on brandy and wine spirits used in the fortification of wine; and for other purposes, was considered, ordered to a third reading, read the third time and passed.

MAINTENANCE OF MONROE DOCTRINE

Mr. CONNALLY. Mr. President, I have no disposition to delay the consideration of the pending tax bill; in fact, I am very much in favor of the early passage of the measure. I think for that matter we ought to pass a bill carrying much heavier rates of taxes and covering many more subjects than the pending bill covers.

I wish to advert for a few minutes to the situation which made the tax bill necessary, and to suggest that the Senate should take up at this moment—I think it will require only an hour of time—the consideration of a joint resolution reported from the Committee on Foreign Relations last week. All of us have been advised, through the radio and by other means of information, as to what is transpiring in France at this very moment. The French Republic, on account of the great military pressure upon it, will probably carry on the struggle in Europe no longer. We have announced to the world—first in 1823 through Mr. Monroe—the fundamentals of the Monroe Doctrine. That doctrine now is of more importance to us than it has ever been in the past. It may not be directly threatened at the moment, but the possibilities of its being threatened must be apparent to every Senator, and to every Member of the other House, and to everyone in the executive departments. The Senate Committee on Foreign Relations last week favorably reported a resolution, which I ask to have read at the desk.

The PRESIDENT pro tempore. The resolution will be read.

The Chief Clerk read the joint resolution (S. J. Res. 271) as follows:

Whereas many unexpected developments are daily arising from the present grave international situation; and

Whereas such developments are affecting states which have possessions in the Western Hemisphere; and

Whereas an endeavor to transfer such possessions or any of them from their present owners to any other non-American state would endanger the peace and security not only of this country but of the other American republics; and

Whereas the American republics agreed at the Inter-American Conference for the Maintenance of Peace, held in Buenos Aires in 1936, and at the Eighth International Conference of American States, held in Lima in 1938, to consult with one another in the event that the peace, security, or territorial integrity of any American republic should be threatened; and

Whereas the meeting of the Foreign Ministers of the American Republics, at Panama, October 3, 1939, resolved: "That in case any geographic region of America subject to the jurisdiction of any non-American state should be obliged to change its sovereignty and there should result therefrom a danger to the security of the American Continent, a consultative meeting such as the one now being held

will be convoked with the urgency that the case may require": Therefore be it

Resolved, etc., (1) That the United States would not recognize any transfer, and would not acquiesce in any attempt to transfer, any geographic region of the Western Hemisphere from one non-American power to another non-American power; and

(2) That if such transfer or attempt to transfer should appear likely, the United States shall, in addition to other measures, immediately consult with the other American republics to determine upon the steps which should be taken to safeguard their common interests.

Mr. HARRISON. Mr. President, will the Senator yield?

The PRESIDING OFFICER (Mr. JOHNSON of Colorado in the chair). Does the Senator from Texas yield to the Senator from Mississippi?

Mr. CONNALLY. I yield.

Mr. HARRISON. Does the Senator expect to ask for consideration of the joint resolution?

Mr. CONNALLY. Prior to obtaining the floor I had a conference with the Senator from Nevada [Mr. PITTMAN], and I understand it is his desire, as chairman of the committee, to ask for its immediate consideration.

Mr. HARRISON. Is it the opinion of the chairman of the committee that there would not be any prolonged discussion and that it would be passed speedily? I am in favor of the joint resolution, and, as I recall, every other member of the Foreign Relations Committee favors it.

Mr. PITTMAN. Mr. President, there was a meeting of the full committee at the time the joint resolution was considered, and it was unanimously reported. I do not think there is any necessity for prolonged debate on the matter.

Mr. McNARY. Mr. President, will the Senator yield?

Mr. CONNALLY. I yield.

Mr. McNARY. The matter has just been called to my attention. I think no Senator outside the membership of the Foreign Relations Committee is familiar with the joint resolution. I do not like this practice, and I have objected many times to taking up piecemeal resolutions and bills from the calendar. Let it go to the calendar. I shall object to the consideration of the joint resolution at this time until I have an opportunity to examine it.

Mr. PITTMAN. Mr. President, will the Senator yield?

Mr. CONNALLY. I yield.

Mr. PITTMAN. There has been no request for the consideration of the joint resolution. Let me suggest to the Senator from Oregon that, as no doubt he will realize when he thinks about it, some measures on the calendar are of greater national importance than others. I think a reading of the joint resolution will indicate very plainly its importance. Those who have given their approval to the announcement of the State Department consider any attempt to transfer possessions in the Western Hemisphere a violation of the Monroe Doctrine.

Mr. CONNALLY. Mr. President, speaking for myself, I have no desire to press the joint resolution upon Senators who are unwilling to proceed with its consideration at this time; but it seems to me that it is a matter of such vital and fundamental importance that the element of time cannot properly be disregarded. I hope Senators who have not already familiarized themselves with the joint resolution will do so at an early hour. Important transactions are taking place in Europe right now—not next week, not next month, but right now. Any hesitation or delay on the part of this Government in asserting what is in the joint resolution will simply involve us in difficulties in time to come. If the United States means what we have been saying, if the administration's attitude is to be confirmed and strengthened, and if the pronouncements of Senators on this floor and the actions of our diplomatic representatives mean anything, they mean, and have meant for more than a hundred years, that the United States will not tolerate the establishment of any European system in the Western Hemisphere. At this very moment France owns French Guiana, Martinique, and other islands in the Caribbean. She owns two islands off the coast of Canada, and other possessions. The Government of the United States, viewing its own safety and the safety of the American people, cannot tolerate the transfer of title to any of these possessions, either by negotiation or by the sword.

What are we preparing for? We are preparing to protect our own security and our own defense, and the pending tax bill is supposed to give us a portion of the sinews. Our protection and defense include the safety of the Western Hemisphere, including Bermuda, Canada, Greenland, and other possessions of the allied governments in the Western Hemisphere. Do we mean what we say, or have we been merely orating for home consumption?

Mr. President, I hope Senators will read the joint resolution. There is nothing in it which deviates from our traditional policy. Of course, we need not say it unless we mean to back it up with all the strength of our arms and with all the wealth of our resources. Speaking for myself and my people, we are willing to pledge all we have to make good what is proposed in the joint resolution. We might as well let the powers of the world know it. If the Department of State has not already communicated the attitude of this Government to Germany, England, and France, I hope it may, within this very day, communicate to the chancelries of those Governments the declaration that irrespective of the joint resolution, the executive department of this Government will not for a moment tolerate the transfer of any possessions in the Western Hemisphere.

Speaking for myself, if necessary I would send battleships into the territory of these particular possessions right now, not to make war upon them, but to see that war is not made upon them in this hemisphere.

Mr. President, if we are to maintain the Monroe Doctrine we must go on building what I have long prayed for and spoken for—the greatest navy that floats upon any ocean. We must go on increasing our standing army, mechanizing it, and providing it with all the modern instrumentalities of warfare, and fill the clouds with our airplanes, not for aggression, but for defense, not for conquest, but to preserve the integrity of our own country first, and the integrity of the Western Hemisphere.

So, Mr. President, I believe that in view of what is happening in Europe we cannot hesitate, we cannot delay. Any delay or hesitation on our part will be taken as an indication of weakness and fear. If we are afraid to maintain the Monroe Doctrine, then we might as well relax some of our efforts for preparedness and defense.

The joint resolution has been reported unanimously, I believe, by the Committee on Foreign Relations of the Senate. It has the approval of the Department of State. I do not want to press matters upon any Senator if he has not had time to deliberate; but every Senator who is familiar with the history of his country has had the opportunity, ever since he could read and write, to deliberate upon whether or not he believes in the Monroe Doctrine.

Mr. BARKLEY. Mr. President, will the Senator yield?

Mr. CONNALLY. I yield.

Mr. BARKLEY. I wish simply to call attention to the fact that the joint resolution has been on the calendar since the 5th of June. It is a very simple resolution, and it ought not to take long for any Senator to understand what it is and make up his mind whether or not he is for it.

Mr. CONNALLY. I make no reflection upon any Senator.

Mr. BARKLEY. I understand.

Mr. CONNALLY. I accord to every Senator what I always demand for myself; but it seems to me the Senator is correct. It is a simple matter, and all Senators ought to be familiar with it.

Mr. BARKLEY. It is not something which has been rushed in from the committee.

Mr. CONNALLY. Not at all.

Mr. BARKLEY. It has been on the calendar for nearly 2 weeks.

Mr. McNARY. Mr. President, will the Senator yield?

Mr. CONNALLY. I yield.

Mr. McNARY. The implication from that statement is that it was objected to at the last call of the Calendar.

Mr. BARKLEY. No; it was not.

Mr. McNARY. I take this opportunity to express my view that we should have more frequent calls of the calendar. I think the calendar should be called at least once a week.

It is my understanding that one of the members of the Foreign Relations Committee objected to the joint resolution. I am now trying to inquire as to his present state of mind. It is not my purpose to delay any legislation, but I do not like the practice which is sought to be followed. Secondly, I do not want anything brought up with respect to which there has been no opportunity for deliberation. I am trying to get in touch with the Senator to whom I refer, and later in the day I shall advise the Senator from Texas what I shall do.

Mr. BARKLEY. Mr. President, will the Senator yield to me for a suggestion?

Mr. CONNALLY. I yield.

Mr. BARKLEY. Let me say to the Senator from Oregon that my remarks are not directed toward him or his objection. He is certainly within his rights in objecting. The idea I sought to convey was that I hope that Senators who have not taken occasion to examine the joint resolution since it has been on the calendar will take occasion to do so at once so that they may be familiar with it.

Mr. KING. Mr. President, will the Senator yield?

Mr. CONNALLY. I yield.

Mr. KING. I have not heard of any American who believes in our form of government and in its protection expressing any doubt as to the wisdom and necessity of maintaining the Monroe Doctrine. I was wondering whether or not there had been any objection to any declaration that our Government believes in maintaining the Monroe Doctrine.

Mr. CONNALLY. I have heard of none.

Mr. CLARK of Missouri. Mr. President, will the Senator yield?

Mr. CONNALLY. I yield.

Mr. CLARK of Missouri. So far as I am concerned, I am very much in favor of the joint resolution; but I call the attention of the Senator from Utah to the fact that a few years ago one of our distinguished former colleagues took the trouble to write a book about the Monroe Doctrine, which he called an obsolete shibboleth. I refer to former Senator Bingham, of Connecticut.

Mr. KING. Let me say that I do not agree with the position taken by the former Senator from Connecticut.

Mr. CLARK of Missouri. I know the Senator does not agree with it; but the Senator said that so far as he knew there was no American who did not agree with the Monroe Doctrine.

Mr. CONNALLY. Mr. President, a sufficient answer to that is that he is a former Senator. He is not here.

Mr. BARKLEY. Mr. President, will the Senator yield there?

Mr. CONNALLY. I yield.

Mr. BARKLEY. My recollection is that later the former Senator from Connecticut, Mr. Bingham, to whom the Senator from Missouri referred, practically repudiated his own book.

Mr. CLARK of Missouri. That was the best thing he ever did.

Mr. CONNALLY. I have high respect for the Senator from Oregon and do not want to press any matter upon him, but if a Senator who is opposed to this resolution is not present, I hope the Senator from Oregon will put into operation his very effective and rather persuasive methods of getting his army here and having some consultation with them as to this matter, because I think it is very important that we should act, and act promptly. I think that any delay in connection with this resolution when events are so rapidly transpiring in Europe, will be construed to imply lack of courage and hesitation and weakness upon the part of the United States. Frankly, I think the welfare of North America and the United States is more important than that of one Senator—an absent Senator, at that. If he can do more than everybody else in the Senate and the Government, he is an exceedingly powerful man.

Mr. McNARY. Mr. President, will the Senator yield?

Mr. CONNALLY. I yield.

Mr. McNARY. What I am about to say is hearsay. I am advised that one Senator, a member of the committee, does not like subdivision (2) of the resolution. I am trying now to get in touch with him and ascertain if he will insist on his objection. If he does not, after a roll call and a further statement of the subject, I am willing that the matter proceed. I think that is a fair statement.

Mr. CONNALLY. I thank the Senator, and I think his statement is exactly right. If I were, which I never expect to be, a leader on either side, I would have some consideration for the wishes of my privates and subordinates, because I might not be leader long if I did not do so. [Laughter.]

Mr. MALONEY. Mr. President——

Mr. CONNALLY. I yield to the Senator from Connecticut.

Mr. MALONEY. I believe I am completely in accord with the joint resolution, and I know that I am entirely in accord with its purposes. I should like, however, to ask the Senator a question which relates to a matter which I presume was discussed in the Foreign Relations Committee. I refer to the language in paragraph (1):

> That the United States would not recognize any transfer, and would not acquiesce in any attempt to transfer, any geographic region of the Western Hemisphere from one non-American power to another non-American power.

I am wondering if there is a possibility that we might encounter serious difficulties a little later if a non-American power, friendly to us, desired to transfer some of its Western Hemisphere possessions to another non-American power friendly to us. I am wondering if that language would complicate such a situation should one arise. Did the committee consider that question?

Mr. CONNALLY. I do not think the committee considered that particular situation, but we were very much concerned about the present situation.

Mr. MALONEY. If Denmark, for example, or France, for example, should now desire to transfer to Great Britain some of their possessions, would this language raise a difficulty which would hamper such a desire?

Mr. CONNALLY. I am rather inclined to think that it possibly would, and I think there is good reason why it should. The Monroe Doctrine was intended to prevent the increase or building up of the European system in this hemisphere. If one European power should acquire all the possessions in the Western Hemisphere of all the other countries of Europe, it would strengthen and make more powerful in the Western Hemisphere that particular nation. If any of them have any real estate for sale, I do not see why we should not acquire it and take it over, rather than increase the power and influence of another European nation in this hemisphere.

I may say that the situation which the Senator from Connecticut envisions—and I congratulate him on his far view—could be dealt with at the time it may arise.

Mr. CLARK of Missouri. Mr. President——

Mr. CONNALLY. I yield to the Senator from Missouri.

Mr. CLARK of Missouri. If the Senator will permit me, is there anything in this joint resolution that is not in principle covered by the original declaration of President Monroe? We simply make it a little more explicit or reaffirm it and give it a more or less particular application; but everything in the resolution, as I understand the resolution, is covered by the general pronouncement of what is known as the Monroe Doctrine.

Mr. CONNALLY. I will say to the Senator from Missouri that I thank him for that friendly interruption, as I am always happy to have friendly interruptions.

Mr. MALONEY. Mr. President, will the Senator yield?

Mr. CONNALLY. I yield.

Mr. MALONEY. I think what the Senator from Missouri says is entirely true, but what I am afraid of is that Congress might soon adjourn—I hope Congress will not soon

adjourn; I hope that Congress will remain here—but if Congress should adjourn after passing this joint resolution, it seems to me it might afford to some who are, let me say, not entirely in sympathy with the policies of the administration, to raise a question that might be very aggravating.

While I am in accord with the resolution and what it is designed to accomplish, I think unless the particular matter to which I have referred has been discussed in the Foreign Relations Committee it is probably deserving of a little further consideration here. I am not going to delay the resolution at all; I can be satisfied with it as it is; but I felt in duty bound to bring the thought which occurred to me and which I have expressed to the attention of the Senator in charge of the joint resolution and the Senate.

Mr. CONNALLY. I can only repeat what I just said, that it seems to me the increase by any European power of its holdings in this hemisphere is violative, at least, of the spirit of the Monroe Doctrine as we have always known it, because that was the very essence of the Monroe Doctrine.

Spain had lost her colonies in Central and South America. Napoleon had been defeated on the Continent; there was a resurgence of monarchy and the Holy Alliance, and the leagued monarchs of Europe were encouraging Spain in an undertaking to reconquer in the Western Hemisphere her former possessions.

Mr. LODGE. Mr. President, will the Senator yield?

Mr. CONNALLY. I will yield in a moment.

In the undertaking of repudiating that ambition and establishing the Monroe Doctrine, fortunately, the United States had the tacit consent and rather the encouragement of Mr. Canning, who was then the Foreign Minister of Great Britain; with that influence we were able to establish that doctrine, and it went unchallenged for a long period of years.

I now yield to the Senator from Massachusetts.

Mr. LODGE. Is it not true, may I ask the able Senator from Texas, that the Monroe Doctrine and the joint resolution, if enacted, are only as good as our power to back them up; and without a proper Army and Navy they are just so much waste paper?

Mr. CONNALLY. I thank the Senator. I had already made some suggestion of that kind before the Senator came into the Chamber. I had stated that unless we were willing to back up this pronouncement with all the armed forces that might be required and with all the resources of our wealth, we had better not make it.

Mr. LODGE. I am glad the Senator says that; it is true.

Mr. CLARK of Missouri. Mr. President, will the Senator yield?

Mr. CONNALLY. I yield.

Mr. CLARK of Missouri. With reference to the point raised by the Senator from Connecticut [Mr. MALONEY], let me call the Senator's attention to the fact that, in addition to the portion of the Monroe Doctrine dealing with the former colonies of Spain and Portugal, to wit, the South and Central American republics, there was another portion of the Monroe Doctrine directed particularly to Russia. President Monroe said, in a communication from the Secretary of State, John Quincy Adams, to Baron Tuyll, the Russian Minister to the United States, that with the possessions of European powers in this hemisphere we would not interfere and had no disposition whatever to interfere, but that the United States would regard any attempt on the part of any European power further to increase their possessions in this hemisphere as an unfriendly act.

Mr. CONNALLY. I thank the Senator from Missouri. If there had been no Monroe Doctrine and there had been no armed power of the United States to enforce it, Maximilian's empire in Mexico might have survived. As soon as the Union was relieved of some slight pressure on its resources by reason of the War between the States, the Federal Government told Emperor Napoleon 3d that he must get his army out of Mexico, because its presence was a violation of the Monroe Doctrine, and Napoleon 3d got his army out of Mexico. Then the Mexicans took care of Maximilian.

I do not wish to delay the Senate by repetition of incidents affecting the Monroe Doctrine with which all Senators are familiar. We recall the boundary dispute with Venezuela, I believe it was, in which Great Britain made some show of armed strength, and Mr. Cleveland and his Secretary of State, Mr. Olney——

Mr. ASHURST. Yes; that was in 1895.

Mr. CONNALLY. President Cleveland and Secretary Olney sent Great Britain a note which caused Great Britain to relinquish any military measures against Venezuela arising because of the boundary dispute. So we might go on and mention a number of other, similar instances; but this is a doctrine from which we cannot recede without the surrender of the national honor.

Mr. ASHURST. Mr. President——

Mr. CONNALLY. I yield to the Senator from Arizona.

Mr. ASHURST. The able Senator will remember that in 1912 the then Senator from Massachusetts, Henry Cabot Lodge—the grandfather of the present able Senator from that State—introduced a resolution, which was passed by a vote of about 70 to 4, which recited that the United States would not look with unconcern upon the attempt Japan was then making to colonize Lower California.

Mr. CONNALLY. Magdalena Bay.

Mr. ASHURST. The Senator is correct.

Mr. CONNALLY. There were some apprehensions that Japan might acquire a naval base in Magdalena Bay. This Government did not hesitate a moment to assert its position.

By the kindness of the Senator from Arkansas [Mr. MILLER], I now have before me a copy of the resolution adopted by the Senate in 1912:

Resolved, That when any harbor or other place in the American continents is so situated that the occupation thereof for naval or military purposes might threaten the communications or the safety of the United States, the Government of the United States could not see without grave concern the possession of such harbor or other place by any corporation or association which has such a relation to another government, not American, as to give that government practical power of control for naval or military purposes.

Mr. President, some question is raised about section 2. Section 2 provides:

That if such transfer or attempt to transfer should appear likely, the United States shall, in addition to other measures—

"Other measures" is a very broad term. It does not mean that we have to wait. It means that we may adopt, in our own sovereign power, such other measures as we may deem necessary for our own security, or for the maintenance of the Monroe Doctrine; but we shall, in addition to other measures—

immediately consult with the other American republics to determine upon the steps which should be taken to safeguard their common interests.

Mr. President, some provision of that kind is absolutely necessary. While I am not deluding myself, and understand that the burden of the defense of the Western Hemisphere will fall upon the shoulders of the people of the United States; while I realize that the sacrifices will be largely ours, and that the military strength will be that of the boys and, I hope, the middle-aged men of the United States; while the naval power in large measure will be our own, we cannot wholly disregard the people of Central and South America. Their own national pride, their pride of race, require that we consult with them as to measures looking to the common defense of the United States and of those republics.

Mr. LUNDEEN. Mr. President, will the Senator yield at that point?

Mr. CONNALLY. I yield to the Senator from Minnesota.

Mr. LUNDEEN. I think the Senator is absolutely correct in the position he has taken about consulting with the Latin American countries about our defenses. I now call attention to resolutions on the subject of island air and naval bases which I introduced some time ago. These resolutions received a hostile reception on the Senate floor. I submitted a resolution for the purpose of acquiring the Netherlands possessions mentioned in the report on this resolution. I did the same as to all Danish possessions. If we had acted

then, we should have obviated the necessity for this discussion today so far as the Netherlands and Denmark are concerned.

RESOLUTIONS TO ACQUIRE BRITISH AND FRENCH POSSESSIONS

Tonight the Washington Daily News contains a United Press dispatch which I insert at this point in my remarks with the permission of the Senate.

UNITED STATES CLOSELY WATCHES NEARBY FRENCH ISLES

The United States is keeping close watch on peace developments in Europe which might affect French possessions in this hemisphere, Secretary of State Hull said today.

At the same time, Senator TOM CONNALLY (Democrat, Texas), a member of the Senate Foreign Relations Committee, demanded immediate dispatch of United States warships to all French and British islands in the new world.

Mr. Hull declined to elaborate on steps which might be taken to enforce the Monroe Doctrine in the event Germany or Italy sought to take title to any of the French islands. The doctrine pledges this Government to resist any change in the sovereignty of foreign possessions in this hemisphere.

The article states that Senator TOM CONNALLY, Democrat, Texas, now demands immediate dispatch of United States warships to all French and British islands in the New World. Why not demand all British and French possessions in the New World? This would include British Honduras and British and French Guiana. Some time ago when we had plenty of time I dared to suggest negotiations for all of these possessions, and in the event negotiations failed I referred to Andrew Jackson and the French war debt of more than a hundred years ago. That red-blooded American stated in no uncertain terms that if the French failed to pay he would seize their territories in the New World. For that I was castigated and ridiculed in the press and on the floor of the Senate. Now, when the hour of 12 approaches—quarter of 12, if you please—a dark and forboding hour of danger and death both for individual and nation, I find my colleagues in panic asserting the very action I then demanded. Well, I am glad to see Senators returning to the great road of good American common sense. Senators are now beginning to realize that our first great line of defense is not Europe but right here in the Western Hemisphere, right here at our front door, the island possessions off our coasts belonging to Danish and Dutch, the British and French. God speed the day when no flags shall fly in American skies but American flags, a great family of American nations. So I am glad that Senators are beginning to see the light for—

While the lamp holds out to burn
The vilest sinner may return.

Not only these islands but Iceland and Greenland—and I quote here, with the Senate's permission, three articles on Germany and Iceland as an air and naval base:

[From the Washington Daily News of June 17, 1940]

NAZIS IN ICELAND NEXT?

STOCKHOLM, June 17.—Germany was reported today to be contemplating air and sea operations against British-occupied Iceland to obtain a new base for an offensive against the British Isles.

[From the Washington Times-Herald of June 17, 1940]

NAZIS TO SEIZE ICELAND, REPORT—SOUGHT AS BASE TO ATTACK BRITAIN

(By Ralph Forte)

STOCKHOLM, June 16.—Unconfirmed reports circulated in Stockholm tonight that Germany is contemplating immediate sea and air operations against Iceland, 500 miles off the northern tip of Scotland, in preparation for an invasion of the British Isles.

The Germany attack on Iceland, which was occupied by British naval forces immediately after Adolf Hitler's invasion of Norway, would be launched from Germany's new Norwegian bases.

Hitler and his general staff were represented in Stockholm as believing that the occupation of Iceland, now held by comparatively small British forces, is essential if and when the long-threatened Nazi attack against Great Britain is unleashed.

A considerable number of fresh German troops now are being transported to Norway.

[From the Washington Post of June 17, 1940]

NAZIS MAY USE ICELAND AS BASE AGAINST BRITISH

STOCKHOLM, June 16.—Unconfirmed reports circulated in Stockholm tonight that Germany is contemplating immediate sea and air operations against Iceland, 500 miles off the northern tip of Scotland, in preparation for an invasion of the British Isles.

The German attack on Iceland, which was occupied by British naval forces immediately after Adolf Hitler's invasion of Norway, would be launched from Germany's new Norwegian bases, it was said in these unconfirmed reports.

A considerable number of fresh German troops now are being transported to Norway, landing at Oslo, Kristiansund, Stavanger, Haugesund, Bergen, and Trondheim, it was reported.

Meanwhile dispatches from Finland said that German troops were occupying the Finmark region of Norway and establishing military headquarters in Kirkenes, as a result of the Soviet military occupation of Lithuania.

Time and again I have urged action, and long before this war on these far northern possessions of Denmark, but certain men seem afflicted with hindsight, never foresight; they see the wagon after it has passed, never before; and please remember that where there is no vision the people perish.

Mr. CONNALLY. I will say to the Senator that I have no objection to his resolution about the acquisition of these territories by negotiation or peaceful means. My only objection in the special session was to his proposal that we should seize them by our military and naval forces during the time their owners were engaged in hostilities, when they could not protest. I did disagree to that. But so far as I am personally concerned, I should be willing right now, if it should seem at all necessary, to have the United States occupy, not for the purpose of conquest but in our own defense, any of those territories which might be threatened with conquest.

Mr. LUCAS. Mr. President, will the Senator yield for one question?

Mr. CONNALLY. I yield.

Mr. LUCAS. Will the Senator tell me whether or not there is any disagreement on the part of any of the countries in South America as to the purport and scope of the Monroe Doctrine?

Mr. CONNALLY. I will say to the Senator from Illinois that officially there is not. Of course now and then there are outbursts by individuals in Central and South America who beat their breasts and say that they do not need any Monroe Doctrine; that they can defend themselves; and that they can look after their own affairs; but officially the republics of Central and Sputh America participated in the conferences mentioned in the preamble, and in the conventions which were adopted at that time we promised and covenanted that we would have these consultations; so it is necessary for the Government in good faith to carry forward a provision of this kind. I call on the Senator from Nevada [Mr. PITTMAN] to state whether or not I am correct.

Mr. PITTMAN. Yes, Mr. President. I will add only one thing to the Senator's statement.

The reason why it was necessary to retain the preamble which refers to those two conventions is that the conventions themselves, while providing for consultation, expressly provide that joint action shall not be binding on any government; that each government, acting in its own sovereignty, may decide whether or not it wishes to adopt a certain course of action. Nevertheless, the governments do agree to consult whenever a matter is called to their attention, and it must be realized that in the defense of this hemisphere, if it is to be successfully accomplished, it will be essential for the United States to have naval, air, and other military bases in various parts of Central and South America. Those bases, of course, can be obtained only by the consent of the sovereigns involved.

We know that a very fine feeling exists with regard to cooperation for the defense of this hemisphere, and I think the enactment of this joint resolution now would announce that it expresses the sentiment of the Senate of the United States. It is already the sentiment of the Committee on Foreign Relations. Not only is it our sentiment that we shall hold that these transfers are contrary to the Monroe Doctrine, but we again notify the South American and Central American republics that we expect to consult with them in the matter.

Mr. CONNALLY. Answering the Senator from Illinois, will the Senator from Nevada indicate whether or not officially there is any dissent by any Latin-American republic to the Monroe Doctrine?

Mr. PITTMAN. There is not any official dissent whatever. One reason for the former feeling was this:

A number of years ago, in carrying out the Monroe Doctrine, our Government insisted on going into a country and taking possession of it when there was a threat that some other foreign country was about to take possession of it, using the Monroe Doctrine rather as a protective measure. I think the first pronouncement by Woodrow Wilson of a policy of nonintervention commenced to relieve the fears of the South American governments. Then, when the present administration came in, the policy of noninterference in the domestic affairs of foreign countries and nonintervention in foreign countries became an established policy of the administration. It is now an established policy of the administration.

So I say the Senator is correct in stating that there is no official opposition to the Monroe Doctrine, and the former sentiment against it has practically died out under the changed conditions. I think the present situation is excellent, and at one of these conferences a resolution was adopted which holds that a threat to any one of these countries by a foreign power is a threat to all, which comes as near to being an endorsement of the Monroe Doctrine as could be expected from the large number of governments involved.

Before I take my seat let me urge, as has already been urged by the Senator from Texas, the great importance of passing the joint resolution at once. Events are taking place very rapidly in Europe. Perhaps today, perhaps tomorrow, there may be all kinds of transfers of French property. Not only should the executive department of our Government notify them of our position, but the Congress of the United States should notify them that the executive department of the Government is upheld in its action. So I hope that some time today this matter may be arranged.

Mr. CONNALLY. I thank the Senator from Nevada. I am glad he has cleared up the question propounded by the Senator from Illinois [Mr. LUCAS].

As I understand the force of these conventions, the only obligation they have is that we shall consult. After the consultation, each nation is free to pursue its own course.

Mr. PITTMAN. That is true.

Mr. CONNALLY. But it seems to me it is highly advisable that before we take armed action with regard to any of the particular powers that might be threatened we should show them the recognition of consulting them. If the Western Hemisphere is attacked, if the Monroe Doctrine is challenged, we shall need naval bases in Latin America. We shall need air bases. We shall probably need Army bases, military bases. Of course, in the acquisition of them we must not go in and just violently take control of them by force. We must first consult with the nations affected, and then we shall know better how to proceed as to our other measures.

Mr. GILLETTE. Mr. President, will the Senator yield?

Mr. CONNALLY. I yield to the Senator from Iowa.

Mr. GILLETTE. I do not wish to take the Senator's time, but in connection with section 2, which the Senator has been discussing, I desire to say that the machinery of agreement has already been set up. I am so heartily in favor of the immediate passage of this joint resolution that I am willing to go a step further. I think the consultative machinery ought to be immediately put into operation; but, of course, this is the first step.

May I amplify what the Senator has said by calling attention to the provisions of the three conventions which have already been entered into?

In 1936 it was agreed that in the event that the peace of any American republic was menaced, each one should consult with the other members of previous conventions. It was also agreed that every act susceptible of disturbing the peace of any one of them should be regarded as susceptible of disturbing the peace of all.

Then in 1938, at Lima, it was provided that any one of the American republics, on its own initiative, might put into process of execution the consultative machinery.

Then, last October, going one step further, it was agreed—which agreement has been referred to two or three times—that in case there is a threatened transfer or attempted transfer of any territory in this hemisphere, the procedure of consultation shall be put into effect. Any American nation can, under the agreement and under the signed convention, put this into effect. I think it should be put into effect now. I think the resolution I offered should be adopted; but even if that is not done, there should be an immediate assertion of the views of the United States with reference to a redefinition of the Monroe Doctrine, and then the consultative machinery can be delayed if necessary.

Mr. CONNALLY. I thank the Senator from Iowa for his very illuminating interruption.

Mr. President, in order that Senators may have their memory refreshed as to what the original Monroe Doctrine implied, let me quote briefly from excerpts from the message of President Monroe of December 2, 1823:

> The occasion has been judged proper—

Thus Mr. Monroe spoke, and I hope Senators will listen to him. James Monroe desires to address the Senate through his printed word, if Senators are interested—

> The occasion has been judged proper for asserting as a principle in which the rights and interests of the United States are involved, that the American continents, by the free and independent condition which they have assumed and maintain, are henceforth not to be considered as subjects for future colonization by any European powers.

Then, skipping a great portion of it, Mr. Monroe spoke further:

> We owe it, therefore, to candor and to the amicable relations existing between the United States and those powers to declare that we should consider—

The United States, now, not Latin America—

> that we should consider any attempt on their part to extend their system to any portion of this hemisphere as dangerous to our peace and safety. With the existing colonies or dependencies of any European power we have not interfered and shall not interfere. But with the governments who have declared their independence and maintained it, and whose independence we have, on great consideration and on just principles, acknowledged, we could not view any interposition for the purpose of oppressing them, or controlling in any manner—

"Controlling in any manner"—

> their destiny, by any European power in any other light than as the manifestation of an unfriendly disposition toward the United States.
>
> * * * * * * *
>
> It is impossible that the Allied Powers should extend their political system to any portion of either continent without endangering our peace and happiness; nor can anyone believe that our southern brethren, if left to themselves, would adopt it of their own accord. It is equally impossible, therefore, that we should behold such interposition in any form with indifference. If we look to the comparative strength and resources of Spain and those new Governments, and their distance from each other, it must be obvious that she can never subdue them. It is still the true policy of the United States to leave the parties to themselves, in the hope that other powers will pursue the same course.

Mr. President, I think the Senate should today reaffirm, confirm, and ratify the policy given to the Nation by Mr. Monroe.

Mr. LUCAS. Mr. President, will the Senator yield?

Mr. CONNALLY. I yield.

Mr. LUCAS. In the document read by the Senator from Texas, Monroe spoke of the fact that this country could not view with indifference any attempt to make conquest or transfer of property which affected this hemisphere. That brought to my mind the discussion just had with the able Senator from Iowa about the consulting machinery which is to be set up before anything might be done.

As I view it, one of the troubles with a democracy functioning in a crisis is that there is always too much consulting before it can act. One of the reasons for the failure of

France and England at this particular time is the fact that, while they were consulting, the dictator acted.

Mr. CONNALLY. That is correct.

Mr. LUCAS. I agree with the Senator from Texas that, as a result of what is going on in Europe at the present time, this country should not wait for the consulting machinery to be set up, and should not hesitate to take alone whatever steps are necessary to see that the territory to which the Senator has referred is held inviolate from any foreign influence at this particular time.

Mr. CONNALLY. I thank the Senator from Illinois, and I think we can clearly differentiate and harmonize our views with respect to that matter.

Section 2, which requires consultation, requires consultation only to a limited extent. It provides:

In addition to other measures—

In addition to whatever other measures we adopted, we should consult to—

determine upon the steps which should be taken to safeguard their common interests.

That is, the interests of the Latin-American republics, if they are attacked, or if they are invaded, or if they are threatened. That does not include the possessions of the European powers in this hemisphere in which the Latin-American countries have only an incidental interest. I think that under the joint resolution the United States would be entirely free to take such military or naval action as it might deem necessary with regard to possessions of European powers in this hemisphere without consulting Latin-American countries, unless their interests were directly involved.

Mr. President, I feel so strongly on this subject—and I am gratified to have the agreement of the Senator from Illinois—that rather than see any effort toward a transfer of title to any possession of a European power in the Western Hemisphere, I contend the United States should not wait a moment to send either its Army or its Navy to the protective custody, as it were, of these territories in the Western Hemisphere, if that answers the Senator from Illinois.

The Senator from Oregon is not in the Chamber at the present time, and of course I shall not press for the immediate consideration of the joint resolution; but I do wish to say that I hope we may be able to get it up during this day, not tomorrow, not Wednesday, not next week, because the things which are happening in Europe are happening with the speed of electricity, they are transpiring like the flash of lightning, and the swift flight of light and time. We should not hesitate a moment to let every European power that has ears, every European statesman who has an intellect, know that the United States is not for a moment going to hesitate in maintaining its traditional policy, which we call the Monroe Doctrine, and that we are going on to arm with navies and armies and aircraft, mechanized implements of war, until we shall be prepared, standing alone, to maintain the integrity of the Western Hemisphere, and to see that no totalitarian or monarchical system shall ever be established in the Western Hemisphere.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Chaffee, one of its reading clerks, announced that the House insisted upon its amendments to the amendments of the Senate Nos. 21 and 22 to the bill (H. R. 8668) making appropriations for the fiscal year ending June 30, 1941, for civil functions administered by the War Department, and for other purposes; that the House further insisted upon its disagreement to the amendments of the Senate Nos. 3, 4, 5, 6, 8, and 11 to the bill; agreed to the further conference asked by the Senate on the disagreeing votes of the two Houses thereon, and that Mr. SNYDER, Mr. TERRY, Mr. STARNES of Alabama, Mr. COLLINS, Mr. KERR, Mr. MAHON, Mr. POWERS, Mr. ENGEL, and Mr. CASE of South Dakota were appointed managers on the part of the House at the further conference.

The message also announced that the House had disagreed to the amendments of the Senate to the joint resolution (H. J. Res. 544) making appropriations for work relief and relief, for the fiscal year ending June 30, 1941; asked a conference with the Senate on the disagreeing votes of the two Houses thereon, and that Mr. TAYLOR, Mr. CANNON of Missouri, Mr. WOODRUM of Virginia, Mr. LUDLOW, Mr. SNYDER, Mr. O'NEAL, Mr. JOHNSON of West Virginia, Mr. TABER, Mr. WIGGLESWORTH, Mr. LAMBERTSON, and Mr. DITTER were appointed managers on the part of the House at the conference.

REVENUE BILL OF 1940

The Senate resumed the consideration of the bill (H. R. 10039) to provide for the expenses of national preparedness by raising revenue and issuing bonds, to provide a method for paying for such bonds, and for other purposes.

The PRESIDING OFFICER. The clerk will state the first amendment of the Committee on Finance.

The first amendment of the Committee on Finance was, under the heading "Title I," on page 8, line 1, after the word "Corporations", to strike out "Section 231 (a) (1) of the Internal Revenue Code is amended by striking out '15 percent' and inserting in lieu thereof '16 percent', and by striking out '10 percent' wherever occurring therein and inserting in lieu thereof '11 percent'," and insert: "Section 231 (a) (1) of the Internal Revenue Code is amended by striking out 'except that in the case of dividends the rate shall be 10 percent, and', and by striking out 'of 10 percent.'"

The amendment was agreed to.

Mr. DAVIS. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Adams	Danaher	King	Reynolds
Andrews	Davis	La Follette	Russell
Ashurst	Donahey	Lee	Schwartz
Austin	Downey	Lodge	Schwellenbach
Bailey	Ellender	Lucas	Sheppard
Bankhead	George	Lundeen	Shipstead
Barkley	Gerry	McCarran	Slattery
Bilbo	Gillette	McKellar	Smathers
Bone	Green	McNary	Smith
Bridges	Guffey	Maloney	Stewart
Brown	Gurney	Miller	Thomas, Okla.
Bulow	Hale	Minton	Thomas, Utah
Burke	Harrison	Murray	Townsend
Byrd	Hatch	Norris	Truman
Byrnes	Hayden	Nye	Tydings
Capper	Herring	O'Mahoney	Vandenberg
Caraway	Hill	Overton	Van Nuys
Chandler	Holman	Pepper	Wagner
Clark, Idaho	Holt	Pittman	Walsh
Clark, Mo.	Hughes	Radcliffe	Wiley
Connally	Johnson, Colo.	Reed	

The PRESIDING OFFICER (Mr. HATCH in the chair). Eighty-three Senators have answered to their names. A quorum is present.

Mr. VANDENBERG. Mr. President, I wish to comment briefly upon the general aspect of the pending tax bill. The Republican minority side of the Finance Committee was glad to cooperate with the able Senator from Mississippi [Mr. HARRISON] in connection with the measure. It has some good aspects, but I want to submit a very brief analysis respecting its liabilities, its evasions, and its warnings.

The bill is certainly good in that it contains the amendment submitted by the distinguished Senator from Virginia [Mr. BYRD], which for the first time in 7 pell-mell, spendthrift years commits the administration to some small semblance of compulsory economy. It is a good bill in that it approaches, however timidly, to the problem of doing something about a Treasury that has been milked completely dry since 1933.

The new taxes, of course, are called defense taxes. That is a very pleasant word to apply to them. It is sort of an anaesthetic. As the bill passed the House, and as originally drawn, they were known as supertaxes, which is, of course, precisely what they are. But in order to sugar-coat a bitter pill, the Senate Finance Committee changed the supertax definition to that of a defense tax. The poor taxpayer is supposed to be happier about it as a result of the camouflage.

Well, perhaps they are defense taxes in a sense, since any contribution to the maintenance of a sound government credit is essentially a contribution to the national defense, and inasmuch as sound credit is the first line of national defense.

But the people of America should have no illusion about the thing, or what it is. They have just started to pay the bill, not merely for national defense but for the accumulated deficit spending of 7 long, extravagant years in which Santa Claus was the administration's perpetual patron saint.

We finally have reached the end of the road, and we are at the bottom of the barrel. It just happens to be a coincidence that we collided with the statutory debt limit at that particular moment when added extraordinary taxes in the name of national defense could be levied because of the concurrent coincidental need for added defense expenditure. But I call the Senate's attention to this significant fact. The new defense tax bill, so-called, will raise $731,000,000 in the next fiscal year. Meanwhile, the regular operating deficit of the Government for the next fiscal year, without any reference whatsoever to these national-defense expenditures, is a minimum of $2,800,000,000 a year. In other words, the new tax, burdensome as it is, exhausting as it does the imagination of the Treasury Department in respect to taxes—this new tax bill raises only enough money to pay 25 percent of the regular operating deficit of the Government for the next fiscal year, without any respect whatsoever to the national defense.

Mr. CLARK of Missouri. Mr. President, will the Senator yield?

Mr. VANDENBERG. I yield.

Mr. CLARK of Missouri. The Senator recalls the fact that the testimony before the Finance Committee was that even if we were to transfer, as it is proposed to do, all the ordinary normal expenditures, budgetary expenditures, for the support of the Army and Navy—not the extraordinary expenses now contemplated, but the ordinary expenses for the support of the Army and Navy—if we were to transfer them to a special defense budget, as it is proposed to do, there will be a deficit of $1,100,000,000 a year in the ordinary civil expenditures of the Government.

Mr. VANDENBERG. The Senator is entirely correct, and he is simply emphasizing once more the statements that have been made during the last 2 weeks by the able Senator from Maryland [Mr. TYDINGS].

I wish particularly to tie the proceeds of this new tax to the fiscal situation which is involved in the fiscal year to which the tax is addressed, and I repeat that it raises just 25 percent of the regular operating deficit, without one nickel for extraordinary national defense. Yet, it is called a defense tax.

Well, Mr. President, you can call it a defense tax if you please. I repeat that it may be synthetically a defense tax, but in reality it is not even an adequate tax to pay the fiddler for the delirious dance of the last 7 years.

That is not the only interesting thing about the bill. Of course, we collide with the statutory-debt limit within the next few months, and there has been a very great desire to avoid, if possible, any increase in the statutory-debt limit, because that might awaken the American people to what is happening to them by way of this accumulated deficit spending, without any regard to national defense. There has been a very great anxiety to avoid increasing the debt limit. Well, they found a clever way to avoid it, and here it is in this bill. The debt limit remains at $45,000,000,000—oh, yes—but all the Regular Army and Navy expenditures are taken out of the regular Budget, although they have been regularly and annually recurring charges in the regular Budget for 150 years—they are all taken out of the regular Budget now, and they are put aside in a defense budget, and then into that defense budget is added all the new extraordinary defense expenditures, so that you get a $4,000,000,000 so-called defense-bond privilege which is in addition to the $45,000,000,000 privilege, and it is just as much in addition to the $45,000,000,000 limit as though it had been frankly added on. Indeed, the able Senator from Kentucky [Mr. BARKLEY], the distinguished Democratic leader, almost spilled the beans in the Finance Committee when in a burst of candor he asked the Assistant Secretary of the Treasury why it would not be just as well to increase the debt limit from $45,000,000,000 to $49,000,000,000, so everybody could understand what is going on. And, of course, he was exactly right.

But what we are now to have—I would not call it "trick" arithmetic, because that is an invidious word—but it is a sort of fiscal magic which once more we are embracing. It is one more white rabbit out of a hat. We are now going to have two budgets, a regular Budget and a defense budget. We are going to have two deficits, a regular deficit and a defense deficit, and we are going to have three bond limits, one of them the statutory limit, one of them the defense limit, and the other the limit, if there is any, on the debt, which can be accumulated by the Government corporations, which is entirely outside the jurisdiction of these other limitations. Then I defy anybody to discover whether the Government is balancing its books. So, instead of simplifying the fiscal picture, instead of realistically approaching a cure to the fiscal ills, we are simply once more putting a mustard plaster on a cancer.

Mr. President, I voted for the bill in the committee, and I shall vote for it on the floor of the Senate, because it is better than nothing; but I wish to repeat that the American people need have no illusions about it. It is only a preview, and a very small taste of the taxes which must be paid by the American people during the next few years, first, for the purpose of catching up with the deficit spending of the past 7 prodigal years, and second, for the purpose of paying for the new national defense. If this Congress has the slightest conception of its responsibility to the American people, instead of even giving a moment's thought to an adjournment next Saturday or any time thereafter, it will proceed to sit down honestly, frankly, and courageously, look the fiscal situation in the face, reorganize the entire tax structure of the Government, reorganize the entire spending program of the Government, and present the American people with the truth. We must pay as we go, not only in respect to the national defense but also in respect to all Government expenditures, or the public credit will collapse.

The PRESIDING OFFICER. The question is on agreeing to the second committee amendment, which will be stated.

The CHIEF CLERK. In section 5, on page 9, line 16, after the words "per centum", it is proposed to strike out the semicolon and "and by striking out '15 percent' and inserting in lieu thereof '16 percent', so as to read:

(a) Section 143 of the Internal Revenue Code is amended by striking out "10 percent" wherever occurring therein and inserting in lieu thereof "15 percent."

The amendment was agreed to.

The next amendment was, on page 9, line 19, to strike out:

(b) Section 144 of the Internal Revenue Code is amended by striking out "15 percent" and inserting in lieu thereof "16 percent"; and by striking out "10 percent" wherever occurring therein and inserting in lieu thereof "11 percent."

And to insert in lieu thereof:

(b) Section 144 of the Internal Revenue Code is amended by striking out "except that in the case of dividends the rate shall be 10 percent, and" and by striking out "of 10 percent."

The amendment was agreed to.

Mr. KING. Mr. President, I shall very reluctantly vote for the bill. It contains provisions with which I am not in entire accord. Months ago it seemed to me that we ought to proceed realistically—if I may adopt the phrase of my friend from Michigan [Mr. VANDENBERG]—to enact a revenue measure which would in part at least meet the situation. I therefore prepared a bill which would have raised between $1,500,000,000 and $2,000,000,000. I could find no support for the suggestions which I made. The recommendation was made by the executive department that Congress enact a bill which would raise approximately $600,000,000. That, obviously, was so inadequate that the committee of the House and the committee of the Senate dealing with revenue measures felt constrained to increase the tax which was to be levied upon the American people. So we now propose to tax them approximately $1,004,000,000.

Obviously that is inadequate to meet the situation. As the Senator from Missouri [Mr. CLARK] stated, it will scarcely meet the ordinary expenses of the Government. Certainly

it will not meet the ordinary expenses of the Government if, as we should do, we allocate to national defense the ordinary expenses of the Army and Navy.

I think we should have prepared a tax bill which would raise at least two or three billion dollars, in order not to add to the enormous deficit, which is increasing year by year, and, of course, becomes a stumbling block to the resuscitation of our shattered industries, and to place the American people and the American Government upon the highway to a sound fiscal policy and to the rejuvenation of our industrial and economic life.

There are several provisions in the bill which I think are very unwise. One of them, of course—and that will receive attention later—is the measure offered by the Senator from Delaware [Mr. TOWNSEND] dealing with the silver question. It is a rider upon the bill. It is a sort of wart, if I may use a vulgarism, which he seeks to attach to what would otherwise be—I will not say a very healthy body, but one which would have greater health without it than it would have if the rider were incorporated in the bill.

I shall vote for the bill, particularly if we eliminate the provision to which I have referred, but I shall do so reluctantly, because it is inadequate to meet the situation. We ought to raise at least $2,000,000,000. I think the American people will be very much surprised when they begin to learn of the frightful expenditures and the enormous burdens which rest upon them.

Mr. TYDINGS obtained the floor.

Mr. VANDENBERG. Mr. President, will the Senator yield to me?

Mr. TYDINGS. I yield.

Mr. VANDENBERG. While I was on my feet I intended to refer to one other matter, and with the Senator's permission I should like to do so briefly.

Mr. TYDINGS. I yield.

Mr. VANDENBERG. I refer to the joint resolution regarding the restatement of the Monroe Doctrine, which the Senator from Texas [Mr. CONNALLY] presented a few moments ago. I voted in the Foreign Relations Committee for the restatement of the Monroe Doctrine with respect to the present situation. I confess that I have some reservations on the subject, as respects the major countries south of the Brazilian bulge, which have matured to the point where perhaps they are entitled to consultation and a right to consider the Monroe Doctrine on a partnership basis. However, be that as it may, I think the Senator from Texas is correct when he asserts that we should make it plain that we intend to sustain the spirit of the Monroe Doctrine in this emergency.

But, Mr. President, that entails an obligation which neither the Congress nor the executive department of the Government dares ignore. We are accepting an obligation to make good upon the defense of the Western Hemisphere, and since that obligation may fall due within 60 days so far as we are concerned, I submit that we had better conserve our national defense—what little we have of it—if we intend to reassert the Monroe Doctrine and our obligations under it. I know of nothing which would be more unfortunate at the moment than to pretend to sustain the Monroe Doctrine, and then to be unable to do it. At best we have available only the utmost minimum nucleus of a national defense, and in view of the action which obviously the Senate will take in the course of the next 24 hours on this particular question, I think it is double notice to the executive department of the Government that it must not under any circumstances release those portions of the national defense which are essential to our protection.

Furthermore, I think it would be most unfortunate if we were to give those with whom we sympathize in Europe any idea that we intend to sustain the Monroe Doctrine in behalf of their New World interests as well as our own, unless we are prepared to do so.

At this point, dealing with the whole general subject, I ask unanimous consent that there be printed in the RECORD as a part of my remarks an editorial from this morning's Washington Post entitled "False Hopes Are Cruel." And they are cruel.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

[From the Washington Post of June 17, 1940]

FALSE HOPES ARE CRUEL

The administration's policy regarding the war in Europe was clarified in some degree by President Roosevelt's reply to Premier Reynaud of France. At Charlottesville the President had pledged the United States to "extend to the opponents of force the material resources of his Nation." His message to M. Reynaud was even more emphatic in promising aid to the Allies. But he also pointed out that his statement carried "no implication of military commitments."

Two purposes appear to have inspired the safeguarding clause. No doubt the President wished to allay the fears of critics who believe that he is leading the United States close to the brink of war. And he probably wished to warn the French against expecting unlimited aid from the United States. It is questionable, however, whether his message accomplished either purpose.

Taken as a whole, the cable to M. Reynaud gives assurance to the French that as long as they continue to fight "materials and supplies will be sent them from the United States in ever increasing quantities and kinds." Actually the President has no authority to make such commitments. American ships are forbidden by the Neutrality Act to carry supplies to belligerents. Should Allied shipping prove inadaquate to the task of transporting American war supplies abroad, the President's pledge would break down.

It is well to remember that the Allies are now purchasing and hauling away in their own ships all the supplies obtained from the United States. When and if their cash is exhausted this supply of American equipment will be cut off, unless Congress modifies the Johnson Act. President Roosevelt's message to the French Premier might easily be interpreted as a pledge to grant the Allies credit when and if they need it. Here again his promise appears to have outrun his authority.

Loose assertions of this sort do not serve the interests of either the United States or the Allies. On the one hand, they encourage opposition to the American policy of permitting the Allies to obtain valuable war materials here. The American people are overwhelmingly in sympathy with the Allied cause. But they are also overwhelmingly opposed to participation in the war. There is real danger that vague commitments on the part of the President, which seem to ignore this other facet of American policy, may retard the program of aiding the Allies within the framework of legislation now on the books or on the way toward approval.

Last week former Governor Landon criticized the implication in Mr. Roosevelt's Charlottesville speech that recent events have brought this country nearer to a state of belligerency: "It would be cruel indeed," he said, "to arouse false hopes in nations that are fighting for their existence." On Saturday night Colonel Lindbergh sharpened the point by saying, "We have been doing to England and France what they did to Abyssinia, to Czechoslovakia, to Poland, to Finland, and to Norway. We have encouraged them to hope for help we cannot send."

The plain truth, of course, is in accord with Mr. Landon's statement that "Congress has not the slightest notion of declaring war." National sympathy, as the Republican leader says, is wholly with the Allies. Public opinion also favors "going the limit for national defense." But it would be very misleading to conclude from this conjunction that any sizable or important element is actively favoring American entry into the war.

The last Gallup poll on the subject, released the end of May, showed a 13-to-1 majority against this course. If there has been any pronounced change in the attitude then revealed, it has not reflected itself in any clear-cut congressional action. Opinion in that body certainly favors all aid to the Allies which is not fundamentally inconsistent with maintenance of neutrality. But more than that cannot be claimed.

The Allies' predicament today stems from overindulgence in false hopes. Certainly the United States cannot ease the distress of other democratic countries by extending the fog of illusions. It is time to look realities in the face. And that requires a clearer distinction than has yet been drawn between the material aid we are able to give the Allies and any thought of American participation in the war.

Mr. VANDENBERG. I ask also that an editorial from the Washington Daily News of today, entitled "Empty Guns and Adjectives," be printed in the RECORD at this point in my remarks.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

[From Washington Daily News, June 17, 1940]

EMPTY GUNS AND ADJECTIVES

Colonel Lindbergh warns of our drift toward war and Chairman KEY PITTMAN, of the Senate Foreign Relations Committee, answers under the title, "Colonel Lindbergh's Misconception of Our Foreign Policy."

While there are many arguable phases in our foreign policy, one stark reality stands out, about which there can be no misconception. It is that we are not now—or for a long time to come—prepared to enter a war. Not even a fourth-class war, as Representative BRUCE BARTON put it, speaking on the same day as Lindbergh.

Facts about our military inadequacy, brought out in recent days from the heads of our own armed agencies, give eloquent testimony that a declaration of war now means nothing less than national suicide.

It is well, therefore, and timely, that the week end brought forth such sharp warnings as those which came from Lindbergh and BARTON.

Both are for unstinted defense preparation. But both are realists as to our present predicament. And both being the sort that the public listens to, they have contributed much to a cooling off of the hotheads who of late have been yelling for war, regardless.

"Our present danger results from making gestures with an empty gun," says Lindbergh.

"This," says BARTON, "is a time when words are useless. Only deeds count. If words could win, then the vituperation of Secretary Ickes poured out on Hitler last year would have blown him to pieces. If calling names did any good, then Mussolini would have crawled into his hole and died of shame after hearing the President's Charlottesville speech.

"Our present job is not denunciation but production. The less Hitler hears from our politicians, and the more he hears from our factories, the better. Weapons are the only language he can understand."

We trust that those who are whooping it up to "stop Hitler now" will give heed to that hard common sense and wake up to the fact that you can't smash a tank with an adjective.

Mr. VANDENBERG. Finally, I wish to read one sentence from the testimony of George Wharton Pepper, the distinguished former Senator from the great State of Pennsylvania, who testified before the Senate Foreign Relations Committee in the neutrality hearings of last fall. I read one sentence from Senator Pepper's testimony:

It would be a tragic thing if, as a result of our utterances, they—

Meaning the Allies—

were to assume commitments which otherwise they would not assume, and plunge into war for the sake of consistency and honor, and were to turn to us to make good what they understood our assurances to be, and thus put us in a position where we would either have to smilingly explain that we never had any intention of being taken so seriously or else ourselves plunge into a war which we would not approve either as respects its necessity or its wisdom.

Mr. President, that is a sentence which ought to be burned into the conscience of the Congress and the White House. Indeed, I conclude with a fervent recommendation of the fundamental axiomatic philosophy of the first Roosevelt, who said that we should "speak softly and carry a big stick."

Mr. THOMAS of Oklahoma. Mr. President, will the Senator yield?

Mr. TYDINGS. I yield.

Mr. THOMAS of Oklahoma. Because of the importance of this question, and of the address now about to be made, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Adams	Danaher	King	Reynolds
Andrews	Davis	La Follette	Russell
Ashurst	Donahey	Lee	Schwartz
Austin	Downey	Lodge	Schwellenbach
Bailey	Ellender	Lucas	Sheppard
Bankhead	George	Lundeen	Shipstead
Barkley	Gerry	McCarran	Slattery
Bilbo	Gillette	McKellar	Smathers
Bone	Green	McNary	Smith
Bridges	Guffey	Maloney	Stewart
Brown	Gurney	Miller	Thomas, Okla.
Bulow	Hale	Minton	Thomas, Utah
Burke	Harrison	Murray	Townsend
Byrd	Hatch	Norris	Truman
Byrnes	Hayden	Nye	Tydings
Capper	Herring	O'Mahoney	Vandenberg
Caraway	Hill	Overton	Van Nuys
Chandler	Holman	Pepper	Wagner
Clark, Idaho	Holt	Pittman	Walsh
Clark, Mo.	Hughes	Radcliffe	Wiley
Connally	Johnson, Colo.	Reed	

The PRESIDING OFFICER. Eighty-three Senators having answered to their names, a quorum is present.

Mr. TYDINGS. Mr. President, the United States of America, as a nation, stands today in military preparedness just about where the French and English nations stood 2 years ago, 3 years ago, 4 years ago, 5 years ago, and so on; that is, those nations were faced with an emergency and the parliaments of both nations knew that the emergency was coming. The emergency drew closer, and finally both those nations, due to a lack of desire to face realities, to face facts, were confronted with the actual emergency, and we know the sorrowful tale from that time on. The United States of America today is in the same position. It, too, is approaching an emergency, not alone one of national defense and independence but a financial emergency.

We have had an emotional spree in this country during the last 5 or 6 weeks; our emotions have run riot. Men have said all manner and kind of things; have thrown down all manner and kind of gauntlets; have taken all manner and kind of positions on internal and external affairs without any consideration as to whether or not they could back up their assertions if the need to back them up occurred.

I am reminded now of the years from 1920 to 1929. What a wonderful period of prosperity that was. No one seemed to care about government; no one cared much about anything, except the making of money; but one day, in the latter part of 1929, after the speculative spree had somewhat worn off, we found we were beginning to enter a period of darkness and depression. During the period from 1920 to 1929 the people of the United States, through various banking organizations, loaned $14,000,000,000 of good American money to foreign governments and subdivisions thereof, and with the money which was thus loaned foreign governments and subdivisions thereof were buying from us more than they had ever before bought in the history of the world, and we were selling them our goods and receiving in payment therefor the money which we had loaned to them with which to buy the goods. Finally the loans stopped, and that was one of the contributing factors which brought the country to a state of grim reality that the prosperity was largely artificial.

We then went into the depression, and from 1929 down to date, in varying degrees, we have sought to deal with the depression. The main way of dealing with a depression is always money. So, for 10 long years, our chief means of handling the problems of the depression—and understandably so—has been by the appropriation of money. It is very seldom that anybody has seen fit to mention that we did not have the money; that perhaps the depression would last longer than had been anticipated; that perhaps new circumstances in this everyday, workaday, realistic world would alter the facts upon which we were proceeding; and that perhaps it might be wise to try to pay somewhat as we went along the roadway and to relate expenditures to income. But always there was to be an $80,000,000,000 country next year or a $90,000,000,000 country next year, or a $100,000,000,000 country next year, and the debt would take care of itself. We are now about to get over that emotional spree; we are now about to face the fact that all we have spent and all we have borrowed, in addition, must finally be paid for not by the rich, for there are not enough of them if all the property they had should be taken, but by the sweat and toil and worry of every common laborer, every ordinary farmer, every fisherman, every railroad man, and every automobile worker. They are the people now whose perspiration will manufacture the dollars which will have to go into the National Treasury to meet the bill.

During the last 5 or 6 weeks we have been greatly concerned with the national defense. We had a good peace spree, which lasted for a number of years. We could not visualize that it was necessary to have national defense in this country. It looked as if wars would be so silly; it looked as if they would be so senseless—and they are—and that they would be so wasteful—and they are—that it would be inconceivable that there would be any need for an army or a navy. During the last 5 or 6 weeks we have had a most rude awakening.

Before we come to the financial picture let us review what is ahead of the country in a military, naval, and international way. As I stand on the floor here, it appears as if the French Army has capitulated completely—complete and unconditional surrender. France as a belligerant has gone. What may happen to the French Navy none of us know. Will it fall into the hands of Germany? We do not know.

Will the French ships join the English Fleet and continue to fight? That we do not know. Assuming that the French Fleet falls into the hands of Hitler and Mussolini, the German, Italian, and French Fleets together will equal and surpass, to a small degree, the English Fleet. So that the English fleet on paper will then be no better than the equal of the combined fleet. France is now out of the picture, and we are all looking for the next attack to come on Great Britain.

The British Fleet has three bases in Great Britain. All three of those bases are on the English Channel and the North Sea; that is, they are on the eastern side of Great Britain. She has no fleet bases on the western shore of Great Britain. The attack upon Great Britain in all probability, certainly if the French Fleet comes over and joins the British Fleet, will be by sea and by air rather than by land troops. Perhaps that campaign will be to starve into submission the people in the British Isles.

The Germans have about 150 submarines which have not been operating during the past 5 or 6 weeks. They are being held back and reconditioned and rebased as a part of the new offensive on Great Britain. The air fleet will likewise be moved to bases in Norway, Denmark, Holland, Belgium, and France, and likewise will attack all British shipping going up the English Channel or the North Sea, or around on the western side of the British Isles. Certainly it will be very difficult for the British Fleet to use the 3 bases on the eastern coast of Great Britain, because there the naval vessels will be subjected to submarine attack and to air attack with more facility than if they were on the western coast.

About 30 percent of all the food Great Britain has must pass through the Port of London. If that port is shut off, it will be necessary to divert the food up the western coast of Great Britain if the people are not to starve. Every vessel that comes to the British Isles and every vessel that leaves the British Isles will undoubtedly be the target, insofar as possible, of a German submarine or a German air bomb.

So it is perfectly possible that if the French Fleet falls into German hands, first of all, with that fleet the Germans may even try a land invasion; and certainly if the French Fleet falls into the hands of the British the Germans will still be in a position to wage, with some promise of success, an attack upon the British Isles intended to starve that country into submission.

I have no doubt that the British will fight violently. I have no doubt at all that they will do everything humanly possible to defend the British Isles, and they may succeed in withstanding such an assault. They, with their Navy, may still be able to resist attack, and England may not fall; but I am assuming for the purpose of this remark—and we must make all kinds of assumptions; we must have in mind all sorts of possibilities, as well as probabilities, when we legislate—that Great Britain may, in spite of her valiant resistance, finally succumb. What then will happen to the British Fleet?

Certainly the British Fleet and the French Fleet and the Italian Fleet and the German Fleet, if we do not add any others—and I can think of still others—will constitute a very formidable fleet. Our fleet is in the Pacific. Who knows what combinations of countries are likely to find themselves together before this great holocaust is over? We have already seen Russia and Germany go together and divide up Poland. No man knows what divisions and combinations will be made. For the moment Italy and Germany are in a combination, and, in my judgment, will divide up at least a part of the land now under the French flag. Certainly if the British and the French Fleets should get into German hands, and they should want to come over on this side of the Atlantic and bother us, our fleet would be pretty well occupied—being only the size of that of Great Britain—in fighting off the English, the French, the Italian, and the German Fleets together, particularly if other powers not now in the combination should get into it. If that happens we shall have plenty to think about, because the Germans know just as well as you and I know that we have not a great number of military airplanes. They know, probably more accurately than do 90 percent of the Members of Congress, all that we have and all that we have not, because it is their business to know; and their efficiency up to this time indicates that the Germans and the Italians, and all the other countries for that matter, pretty well do know about our state of defense.

A number of persons are writing me letters, and they want me to do this, and they want me to do that. Personally, I am not anxious to commit this country to a course of action which I do not think the country can make good. Defending the United States here is one thing. Defending the United States somewhere else, away off from here, is another thing. It seems to me our attention is going to be pretty well occupied for the next year in seeing that we are able to defend the United States right here.

I do not want anyone to assume that I do not favor aid to the Allies within proper limits, such as selling surplus material which our own forces do not need. I do not want to be critical of that policy. I do not want to be anti-British or anti-French, because my sympathies and my thoughts and my prayers are all with them. At the same time, I want to be pro-American as well as sympathetic to these other countries. Therefore, it seems to me we have need for a much more realistic view than has been indicated by many of the emotional outbursts that have been made, no matter how righteous they may have been, no matter how well they might have expressed what was in my heart, because they did.

Our duty, too, is to think where we are going to be in all this situation, and whether or not we have this, that, and the other thing that we ought to have before we carry an empty gun somewhere and try to hold up somebody with it, particularly when the other fellow knows it is empty much better, perhaps, than we know it is empty.

That is only a brief picture of possibilities. I do not say any of them will happen. I am not even saying today that they are probabilities. I am saying that they are within the fair range of possibilities; and certainly, predicated on past history, they are not as impossible as they looked 2 months ago, or even 2 weeks ago, or even 2 days ago, or even 2 hours ago.

I think we ought to come to a sense of realities in this country. What are the realities? The realities are that we shall have to work as hard as we possibly can, we shall have to utilize every possible agency, first of all, to put this country in a state of adequate defense, which it is not in at the present time. It is not going to be enough to pass some appropriation bills. It is going to require the cooperation of industrialists, labor, the Congress, the Executive, the Army, the Navy, and all parts of our population. More than that, we have a great weapon in the whole international situation about which, up to this time, I have seen or heard very little, and that is the weapon of food, which may permit the United States, if it has the vision and wisdom and foresight, to play a greater role than any other thing I know of toward bringing justice and democracy back to the countries from which it may possibly be taken; for after this war is over—indeed, this very winter, whether or not it is over—there is bound to be in Europe the most tremendous famine of which we can possibly conceive.

It is impossible to take 20,000,000 men away from production, away from the farms, and put them in munition plants or in the Army, and have everybody eating in countries which do not produce sufficient food to feed themselves in the first place, without running short of food. If the United States has the food—and it has it—and if the hunger is severe—and it is going to be severe—if the United States takes a long-headed role, it may have a bigger opportunity to bring order and liberty and justice back to the world than through any other agency. I speak of the agency of food because when the snow flies, even though Germany be victorious, there will be hungry people there who have not food. There will be hungry people in Poland, and in France, and in England, and in Italy, and in every other

country in Europe, because no European or Asiatic country is in position to furnish sufficient food for the nations concerned.

What does all that indicate? Picture for a moment the ruin over there, the devastation that has followed in the wake of war, the tearing down of buildings and bridges, the disruption of railroads, the blowing up of canals, and the thousands of other things that enter into the everyday life of the people. Then picture all of these men going home, if the war comes to a quick conclusion; picture the cancelation of munitions contracts in this country; picture the widespread world depression that will exist, together with the extremely large expenditures for armaments which we have made and will continue to make in the face of developing world conditions; and think of what we propose to do about it. We propose, in this tax bill, not to raise sufficient money to pay in full our peacetime expenditures. There is no question about that. Not a dollar in this tax bill will go for future national defense. Even if we take the bill as it is written, with the amendment of the Senator from Virginia [Mr. BYRD], which adds somewhat to its ability to pay our debts, even then it will not pay all the other expenses of Government outside of the cost of the Army and Navy; and here is the proof, right over here on the wall of the Senate Chamber.

For the past 10-year period our average yearly expenditures have been $7,300,000,000. For that 10-year period each year the Government has received about $4,600,000,000. That means that in each of the 10 years which have passed it has spent $2,700,000,000 which it did not have.

Let us consider the deficit of $2,700,000,000 a year. How much have our Army and Navy cost us a year for each year during the past 10 years? One billion one hundred million dollars a year has been the average cost of our Army and Navy, and if we subtract the average cost of our Army and Navy from our average annual deficit for each of the past 10 years, we find that $1,600,000,000 a year is left over. That is how much we would have to raise if we did not appropriate a cent for the expenditures for the Army and Navy in the past, in the present, or in the future.

The pending measure comes in with $1,007,000,000 of new taxes, and it is estimated that the amendment of the Senator from Virginia will take care of $500,000,000 of additional expenses. So that the total will be about a billion and a half dollars in revenue, or its equivalent, and we would still be $100,000,000 a year short of sufficient money, $1,600,000,000, to pay for the ordinary routine expenses of the Government, without a sou marque going for any past war or present war or any possible future war.

Mr. President, that is the way we are preparing for this emergency, just as we prepared for the depression from 1920 to 1929—not at all—just as during the whole depression we prepared for this international emergency—not at all—and just as now we are beginning, not to prepare for the greater depression, the greater emergency, which is sure to come as an aftermath following the World War.

Then it is proposed that we go home next Saturday, and when it all comes back on us, the people are going to say, "Why didn't you get up on the floor of the Senate and tell them that?" Just as if there have not been men on the floor of the Senate for 20 years who told the people that this economic set-up would bring on the depression in the world, who told them from 1929 to 1940 that war clouds were gathering on the international horizon, and that we should prepare, and who are now attempting to tell them that tremendous international depression clouds of a financial nature are even closer than either one of these other two things were when the warning was first issued, and that we should prepare now. Yet someone will say 2 or 3 years from now when we are appropriating $800,000,000 or $1,763,000,000 for relief for this, that, or the other thing, as we will be, "Why didn't you fellows tell us that?"

Mr. KING. Mr. President, will the Senator yield?

Mr. TYDINGS. I yield.

Mr. KING. I hope I am not interrupting the tenor of the Senator's observations.

Mr. TYDINGS. Not at all.

Mr. KING. I wonder whether the Senator has dwelt upon the loss of foreign markets which we have already sustained, and the greater loss which will be inevitable if the Hitler regime triumphs and destroys France, and, of course, makes it impossible for Great Britain to become one of the great purchasers of our surplus commodities.

Mr. TYDINGS. I touched on it briefly, but I shall be glad to give an illustration. In normal years we shipped to foreign countries about $5,000,000,000 worth of our products. In normal years our national income, we will say, is about $70,000,000,000, roughly. What does that mean? It means that about 7 percent of all we produce in this country from the farm, factory, mine, and forest is sold abroad, and therefore it means that 7 percent of all the people who work in this country are working to produce things, not for consumption at home, but to be shipped beyond our frontiers. It means that when that market is gone that 7 percent of our working people will be unemployed.

In normal times about 50,000,000 people a year are employed in this country, and 7 percent of 50,000,000 people would be 3,500,000 working people who would be thrown out of work, and their unemployment would in turn result in others being thrown out of work, others who are dependent upon their earnings and the expenditures in other lines to keep the wheels of industry turning. That is just a sidelight, I may say to the able Senator from Utah, as he himself has often said on the floor of the Senate, of one of the things which is bound to contribute to the emergency.

I do not wish to use intemperate language, but really to me it seems absolutely criminal—and there is no other word for it—for Congress to adjourn next Saturday, as I understand is proposed, go home, and leave this financial condition to confront the people of this country, as it will confront them within 12 months after we go home.

There is absolutely not a cent of appropriation or taxes in the pending measure which will pay for past preparedness, leaving out of consideration present or future preparedness. Indeed, even with this tax bill we will not raise enough money to take care of the ordinary routine expenditures outside of defense for a single year since June 30, 1930, 10 years ago. Yet it is called a defense-tax measure.

Mr. MILLER. Mr. President, will the Senator yield?

Mr. TYDINGS. I yield.

Mr. MILLER. What would the Senator think of a motion to recommit the bill to the Committee on Finance with instructions to revamp the whole tax system?

Mr. TYDINGS. I would support the Senator in such a move, and I think it would be a healthy thing for Congress to do.

Mr. MILLER. That is the remedy.

Mr. TYDINGS. That is the best remedy. First of all, most of the taxes provided for in the bill will not be collected this year; they will not be collected until March 15, 1941, unless some amendment changing the present set-up is offered and agreed to. There are some excise taxes which would be collected this year, but we could take that part of the tax bill and pass it, and recommit the remainder of the tax question to the Committee on Finance, and let them write a real tax bill.

Does anyone believe that the world situation is half so bad as I painted it? I think I have painted it rather rosily. Does anyone think that the financial picture is any better than I have painted it? Does anyone think that the aftermath which will follow this great holocaust will be different in degree from the way I have painted it, so that it would be less than necessary to have increased taxes? I am sure no one here would say that any of the statements I have made are extravagant.

Mr. OVERTON. Mr. President, will the Senator yield?

Mr. TYDINGS. Let me finish this thought, and then I will yield. If my suggestions are not extravagant, who on this

floor will suggest a better time in our history to raise our revenues to meet our expenditures than right now, before the aftermath of the war engulfs the economic life of this country? If we cannot do it now, we never will do it, because the years ahead will be darker years, from an economic standpoint, than this year.

I yield to the Senator from Louisiana.

Mr. OVERTON. Mr. President, I have listened with a great deal of interest to the observations made today by the very able and distinguished Senator from Maryland, and I also listened to his remarks a few days ago. He has given quite thorough study to the need for additional revenue on the part of the Federal Government, and for retrenchment in expenditures along certain lines. But it is not clear to me what remedy he proposes, whether he is advocating retrenchment of expenditures for purposes other than national defense, or whether he proposes an increase of expenditures for national defense; and to what extent does he think it is necessary, in order to adjust our financial program, that the tax revenues of our Federal Government be increased?

Mr. TYDINGS. I shall be glad to answer the Senator directly. I would advocate, first, either by retrenchment or new taxes, or by both, the paying of the peacetime expenses of the Government. They are $2,700,000,000 a year more than our receipts.

The Senator from Virginia has put into the bill an amendment which would bring about a curtailment of Federal expenditures to the extent of approximately $500,000,000 a year, outside of national defense. So that if we took that $500,000,000 off the $2,700,000,000, we would need $2,200,000,000 of further reductions or new taxes, and we should raise them, because our expenses for a long while are not going to be any less, and our revenues, as we go into the future, are going to be less. So that if we are ever to make this Government pay its way, if we do not do it now, we will face a debacle of more serious consequences than was the depression of 1932. Have I answered the Senator?

Mr. OVERTON. Not altogether. That increase in tax revenue would simply take care of the deficit in the ordinary operating expenses of the Government.

Mr. TYDINGS. Army, Navy, everything, on a peacetime basis.

Mr. OVERTON. On a peacetime basis.

Mr. TYDINGS. That is correct.

Mr. OVERTON. The Senator has pointed out, and I think very graphically, the absolute necessity of making increased appropriations to take care of our national defense. Are we to do that by increasing the debt limit, or are we to impose additional taxes?

Mr. TYDINGS. I should like to start by paying for the national defense too, not in full, but I should like to have the Government make some payment on it. But if I may so state to the able Senator from Louisiana, I know that certainly there can be no excuse, even if we do not pay a single dollar of these emergency expenditures, for not paying at least for all the ordinary peacetime routine expenditures in one of the best years we are likely to have for perhaps 10 years or a whole generation.

Mr. OVERTON. I wish to say—if the Senator will yield to me for a moment further——

Mr. TYDINGS. I will yield to the Senator.

Mr. OVERTON. That I am not in disagreement at all with what the able Senator has said——

Mr. TYDINGS. I knew the Senator was not.

Mr. OVERTON. Because I have had occasion to discuss the matter with him at different times. I simply wanted to bring out, as clearly as I could, what specific plan the Senator from Maryland had in view. I thoroughly agree with him that we ought to have greater revenues, and I do not think the bill meets the requirements of our Nation today——

Mr. TYDINGS. That is what I think.

Mr. OVERTON. Either for peacetime operations or in order to provide for an adequate national defense.

Mr. TYDINGS. That is what I think.

Mr. OVERTON. But I believe that possibly the best thing to do would be to pass the pending measure, and that then Congress remain in session, so an additional tax bill may be presented to it which may or may not cover an entire revision of our tax structure.

Mr. TYDINGS. I would accept the suggestion of the Senator from Louisiana with this qualification, that we pass that part of the tax bill which has to do with excise taxes, because every day that that part of the bill fails to operate we lose that much Government revenue. Then I would refer the whole income and other tax questions back to the Finance Committee to revamp.

Mr. BANKHEAD rose.

Mr. TYDINGS. Before I yield to the Senator from Alabama, which I shall in a moment, let me point out that this tax bill, of course, increases everyone's taxes to some extent—particularly income taxes. Let me point out, however, that a man who makes $4,000 a year, who has four children, under this bill would not contribute a single dollar in the way of income taxes toward the expenses of the Government. First of all he would receive $2,000 married-couple's exemption. Then he would get credit for four dependents. That would make $1,600 more. That would make in all $3,600. Then, if he was working, he would get a 10-percent exemption on earned income, which would be $400 more. So that a married man making $4,000 a year, if he had four children, under this bill would not contribute a cent either to the cost of the Government, or the cost of defense, or the cost of future defense. He would not even contribute a $10 bill.

Is that the way to face this emergency? Does anyone think that the picture is so rosy as to permit a man making $4,000 a year completely to escape the payment of any income taxes to the National Government at a time when we have been going nearly $3,000,000,000 a year behind for 10 years? We either have an emergency or we do not have one. Most everyone I have heard talk thinks the world is in bad shape, and that there is a serious emergency. The President says so. Representatives and Senators every day say so. The press says so. Yet in the face of this most devastating situation we allow a man who has an income of $4,000 a year, under this bill, not even to contribute $10 to the cost of the Government. We are going to bar such contribution in the future.

Mr. BANKHEAD. Mr. President, will the Senator yield?

Mr. TYDINGS. I yield.

Mr. BANKHEAD. I should like to ask the Senator if he does not think this would be a good time to use the $2,000,000,000 in gold which the Government now owns and has placed in the stabilization fund, but has never used? It is all there and owned by the Government. Does not the Senator think that in this time of national emergency that money at least should be applied to the extraordinary expenses of the Government?

Mr. TYDINGS. I have not given the matter to which the Senator refers any great thought. It seems to me that the question is a logical one, and without having given it much thought I would say "Yes." But in making the affirmative answer to the Senator's question I am reminded also that the $2,000,000,000 in that fund was borrowed. We did not have that $2,000,000,000.

Mr. BANKHEAD. The Senator is clearly mistaken about that. The $2,000,000,000 was acquired by the Government as the result of the devaluation of the gold we owned. There is no debt against it at all.

Mr. TYDINGS. We could devalue it again and get $6,000,000,000 more, but I would rather finance on a little different scale.

Mr. BANKHEAD. Well, the Government owns that gold.

Mr. TYDINGS. I know it owns it, because it took it in and promised to pay so much, and gave back less than it promised to pay.

Mr. BANKHEAD. Right or wrong, the Government owns it, and some day must dispose of it. Why not now?

Mr. TYDINGS. I have no objection to that, but I do not want to get into a discussion of that question with the Senator. I would have no objection to that, but it would not change the picture one iota. Even if we should take that gold and spread it over this period of time, we would still be running the peacetime expenditures of the Government at a cost of $2,700,000,000 a year more than was taken in.

The truth is that we have to raise $1,600,000,000 in brand-new money, by new taxes or savings, or the two together in order to pay for our peacetime cost of this Government, without a dollar going to the Army or going to the Navy. That is the picture.

What does this bill do? This bill raises about $1,500,000,000 in savings and new taxes. I commend the chairman of the Finance Committee. I think it has been the finest approach we have had toward a balanced budget, and I know he has worked diligently to try to work out these taxes in the most equitable way.

But the days of easy living, the days of easy taxation, the days of unpreparedness, are gone. Men are dying tonight on the battlefields of France, men died 2 weeks ago on the battlefield of Flanders and Belgium and Holland; men will be dying shortly perhaps on the battlefields of Britain. The old days have passed; but we are proceeding as if the world were just the same today as it was 4 months ago or 4 weeks ago. Of course, just as we are unprepared on land and sea and in the air today, because we put off preparing until the emergency overtook us, so we will be unprepared when this financial avalanche sweeps over this country, causing unemployment, inflation, high cost of living, misery, and want from one end of the country to the other. Now, while we have time to build up our financial breastworks to make ourselves strong and secure, to put our finances on a sound basis, we are doing just what England and France did in a military way. They knew that war was coming, but in London people went on week ends, one week end after another, up until the time that Holland was invaded.

There were sit-down strikes all over France under Mr. Leon Blum, a great liberal, in the face of German preparedness. I shudder to think how much unnecessary blood has been spilt, how many lives have been lost unnecessarily, and how much unnecessary misery has been caused; how many civilians, women and children, and old men have gone down to their deaths, because of that government, which absolutely forestalled the preparation which France needed and had to have, and which that government evaded and set at naught. France might have had 500 or 1,000 or 2,000 more airplanes.

Mr. LUCAS. Mr. President, will the Senator yield?

Mr. TYDINGS. I shall yield in a moment. France might have had 500 or 1,000 more tanks, and these she might have had at some critical point, and perhaps they would have represented the difference between victory and defeat. All those who, with France's day of need coming closer and closer, stopped the production of all the things she had to have to defend herself have blood on their hands today; and their country is gone.

We have done the same thing. There is no man who will rise on the floor of the Congress and justify a sit-down strike. It is absolutely contrary to law, contrary to justice, and contrary to equity. I am as much in favor of labor having a square deal as anyone can be, but when labor stays in a factory and takes the property belonging to another, and in some cases tries to sabotage that property, it does not give the kind of justice which it asks for. When some of us tried to denounce it on this floor, and when we put the question to a vote, there were many, including some members of the President's Cabinet, who said it was not a crime. We all know that to be true.

Mr. LUCAS. Mr. President, will the Senator yield?

Mr. TYDINGS. I yield.

Mr. LUCAS. I wanted to make only one observation, in view of what the Senator said about the Blum regime in France. As I recall, under the Blum regime, he was responsible for the continuation of the building of airplanes for the military and naval forces of that country.

Mr. TYDINGS. Well, he may have been. That is one dim ray of light in a sea of darkness, because, as I recall, under the Blum regime the railroads of France entirely—oh, I thought the Senator made an affirmative statement.

Mr. LUCAS. No; not at all.

Mr. TYDINGS. He asked me a question?

Mr. LUCAS. What I am attempting to do is merely to bolster the Senator's argument. I was about to say that under the Blum regime, in the quiescent attitude which they assumed at that particular time, fearing no one, but going along their peaceful way, he was responsible, so I am informed, for completely stopping the building of military and naval airplanes for the defense of France.

Mr. TYDINGS. I am not in a position definitely to confirm that statement, but I think I can say, within the realm of fact, that certainly the Blum administration, to a large extent, hindered the preparedness of France. That is only typical of democracy. Democracies do not want to save themselves. They do not want to bother about it. They do not want to have to pay taxes. They would rather postpone them as long as possible. They would rather eat their cake and have it too.

Mr. President, democracy today is not a necessity. It is a luxury, and it remains to be seen whether or not we have enough money to afford a luxury like democracy, because democracy is rapidly becoming nonexistent in the world. Do we want to keep this way of life? Every Member of Congress has gone out on Armistice Day, on the Fourth of July, and on Flag Day, to tell about what a wonderful land this is, with free speech, free press, the right to worship God according to the dictates of one's own conscience, the right to trial by jury, the right to habeas corpus, with laws against excessive bail and imprisonment except upon warrant, and so forth. We have said:

> We want to keep our American way of life. When I rise in the morning and see Old Glory coming up and waving its red, white, and blue in the roseate rays of the morning sun I have a thrill, and I thank God I am an American.

Then we come back to the Senate and to the House and see democracy going over the cataract, even though the people themselves are willing to pay the taxes necessary for its preservation. The press of the country is supporting new taxes 100 percent on matters of taxation, and everybody is saying, "We must get ready for this catastrophe." With all that, we cannot obtain enough support in Congress, where the people really function through their representatives, to pay the peacetime expenditures of the Government, exclusive of past, present, or future preparedness. I am asking only that we pay for the peacetime costs of the Federal machine, without a cent going for any preparedness, past, present, or future. If we had had this tax bill, with the Byrd amendment cutting down the expenses $500,000,000, we should still be $100,000,000 a year short of paying the other costs of the Government, for every year since 1930. That is the picture.

Mr. HARRISON. Mr. President, will the Senator yield?

Mr. TYDINGS. I yield.

Mr. HARRISON. Has the Senator some amendments which he desires to offer to the bill?

Mr. TYDINGS. I have.

Mr. HARRISON. We have not made as much progress today as I had hoped. I am in sympathy with the general views expressed by the Senator. No one can be found more cooperative in trying to put through a big tax bill—and this is a pretty big tax bill. We may differ in the amounts to be raised, but I hope the Senator will let us get down to considering this bill, and if he has any amendments to offer, let us vote on them, so that we may make some progress today.

Mr. TYDINGS. I wish to lay a little foundation for the amendments, Mr. President, because I know that if I offer them without the foundation, they will blow right over the desk, and I cannot do anything about it.

I feel that what the people of the country want, and what they have a right to expect—aye, demand—is that any tax bill which passes this Congress at the present time shall pay

at least for the normal routine expenditures of the Government, exclusive of national defense. Certainly, during the past 10 years, for each and every year we have spent $2,700,000,000 more than we have taken in. For each of the past 10 years our Army and Navy have cost $1,100,000,000 a year. That leaves $1,600,000,000 a year for each of the past 10 years for which we had no money. Even with the new bill we shall still be $100,000,000 short of raising enough to pay for the peacetime expenditures of the Government, without a cent going for any of the cost of the Army and Navy, for the past 10 years, for the present, or for the future.

Mr. President, just so surely as that the sun rises and sets, whether this is a short war or a long one, whether Hitler wins it all or wins only a part of it, whether we are attacked or whether we escape attack, there will be international depression, starvation, pestilence, disease, disruption of world trade, bitterness, malice, new kinds of ideologies, and new methods employed; and we shall need every dollar of credit and every bit of sound finance of which a democracy is capable to weather the storm. Make no mistake about it. I predict that in January or February, if not before, we shall appropriate sums like $100,000,000, $200,000,000, or $250,000,000 to feed the starving and pestilence-ridden people of Asia, Europe, and perhaps Africa. We shall all vote for it; and we shall be feeding our own, too. Make no mistake about it. We cannot escape the consequences of this war, even if we escape actual involvement in it, any more than we escaped the consequences of the last World War, which did not overtake us until about 9 or 10 years after the war was over, by the device of lending to our bankrupt customers sufficient money to keep the flow of goods moving during the period from the close of the war until the depression began. That device was all that postponed the depression.

I remember well the depression of 1921. There was quite a long period when work was very slack and when conditions were very bad, but the lending policy of our people then stepped in and lent our customers the money to buy our goods. There will be no such policy after this war, because we have gone down that road, and we know that it is only a blind alley. I cannot conceive that we would go down it again.

In what year in the future, insofar as we can now see, will this country be in a better position than it now is to pay for its peacetime expenditures, outside the Army and Navy? Will the year 1941 be a better year? Will the year 1942 be likely to be a better year? Will 1943, 1944, 1945, 1946, 1947, 1948, 1949, or 1950 be a better year? I doubt it. It will be a long while before we see another year as economically beneficial to the people of this country as the year 1940.

If that is the probability, as well as the possibility, then, in heaven's name, why put off paying for our ordinary peacetime expenditures, at a time when we can better pay them, to a time when we cannot pay them as well, and do so in the name of democracy? Democracy went to pieces in 1929 because it would not prepare. Democracy went to pieces on the fields of France and other countries of Europe recently because it would not prepare. Shall the last stronghold of democracy go to pieces here because we will not financially prepare? The danger is sure to come.

Mr. HARRISON. Mr. President, will the Senator yield?

Mr. TYDINGS. I yield.

Mr. HARRISON. We have under consideration a bill which seeks to raise $1,007,000,000.

Mr. TYDINGS. Yes.

Mr. HARRISON. How much would the Senator increase it. I wish to follow up that question by asking him how he would raise the increased amount?

Mr. TYDINGS. I have three amendments which would raise $400,000,000, and I do not expect any of them to be adopted.

Mr. HARRISON. What are those amendments?

Mr. BANKHEAD. I should like to ask the Senator why he is offering them? If he feels that way about it, why does he want to waste the time of the Senate and the Congress?

Mr. TYDINGS. I am hoping that by giving the Senate this bit of what we know is the truth I can at least save the country from the fate which has just overtaken France, and perhaps have some of the amendments adopted.

Mr. HARRISON. What are the amendments?

Mr. TYDINGS. One amendment would reduce the exemptions to $800 for a single man—as the bill now before the Senate has reduced it—and to $1,600 a year for a married man without children.

Mr. HARRISON. Does the Senator allow anything for dependents?

Mr. TYDINGS. Oh, yes. The $400 for each dependent would remain the same; but I am now talking about a married man with no dependents. I believe that a married man with no dependents, if he knew that all the rich were to be taxed enormously all the way up, would be willing to give the Government $10 a year; and if every such man should give the Government $10 a year, the total would be something like $150,000,000.

Mr. HARRISON. Yes. That is $150,000,000 on that amendment?

Mr. TYDINGS. That is correct.

Mr. HARRISON. What is the other amendment?

Mr. TYDINGS. I would lower the bracket where the surtax begins on the well-to-do from $4,000 a year down to the exemption of $2,500 a year. If that were done and the surtax started at $2,500 on incomes running all the way up to a million or more dollars a year, that would raise another $100,000,000 a year.

Mr. HARRISON. In other words, the Senator does not think that a man in the higher-income brackets who now pays 79 percent normal tax and surtax is paying quite enough?

Mr. TYDINGS. I am sorry he is paying any at all; but let me say to the Senator——

Mr. HARRISON. I merely want to understand what is the Senator's position.

Mr. TYDINGS. Let me answer the Senator. I stood on this floor for 7 years and in season and out fought the extravagance of Congress, and now I have to stand on this floor, having voted against that extravagance, and fight for the taxes to pay for it. In other words, I am on the unpopular end both times. When expenditures were popular nearly everyone voted for them except the Senator now speaking and a half a dozen or more others. Now when a tax measure is before us—and taxes are always unpopular—the same Senator who voted against the extravagance has now got to stand here and fight for the taxes in order to pay for at least the peacetime expenditures of the Government.

Mr. HARRISON. Mr. President——

Mr. TYDINGS. I yield.

Mr. HARRISON. What is the other amendment the Senator has in mind? I am merely trying to see if we may get together so that we may get along with this bill.

Mr. TYDINGS. If the amendment I have been discussing should be rejected, then, I have another amendment which would raise the surtax from 4 percent to 5 percent. That would fall heavily on the rich, but would raise about $250,000,000 additional.

Mr. HARRISON. I may say to the Senator, in all friendliness, if we can proceed with the tax bill, I will help the Senator, if I can, to have the yeas and nays on all his amendments and ascertain what the sentiment of the Senate is with respect to them. I merely desire to expedite the consideration of the bill, and I know we cannot do it by continuing to discuss European affairs.

Mr. TYDINGS. I appreciate what the Senator says, but we have to discuss European affairs, because European affairs are bound to affect both the appropriations and the income of the Government. I appreciate what the Senator has said, because it shows a desire on the part of the chairman of the Finance Committee to try to anticipate the difficulties which are coming; and I am going to meet the Senator in that spirit by not speaking so long as I had originally intended.

I shall try to cooperate with him; but before I close the chapter on this piece of legislation, I wish to say that it is very difficult to write tax legislation in open debate on the floor of the Senate. The difficulty is that when one tries to integrate an amendment which has not been well thought out into a tax structure he is apt to disarrange it and put a bump in it and penalize and hurt some group or groups and not make the taxation general and equally distributed.

I have had these amendments prepared by the staff of the Joint Committee on Taxation, and they have told me they are so written as to integrate them into the tax bill which is now before the Senate. Therefore, I feel that, so far as one can forsee, no class would be singled out for unfair taxation by the amendments.

The pending bill provides that a single man shall have an exemption of $800 a year and that a married man with no children—that is, two people living together as man and wife but having no children—shall have an exemption of $2,000. It seems to me that the exemption for two people with no children ought to be $1,600 if an exemption of only $800 is to be allowed a single man. What would be the result? The result would be that even a married man who had an $1,800 income would pay no tax, for he would get a credit of $200 for earned income. Further than that, even then, all the single man would pay and all the married man would pay would be $10 each. I believe the average married man in this country, if he knows there has been a drastic increase in all the taxes on the rich, all the way up, missing none, together with an amendment which will still further increase those taxes, and that after all that has been taken there is not sufficient money to pay for the peacetime expenditures of the Government, excluding Army and Navy expenditures, would be glad in these emergent times to pay $10 a year to the cost of his Government. I cannot imagine that a man with no children who has an income, say, of $1,800 a year, would object to paying $10 a year taxes to his Government, if that is necessary, along with other taxes on the rich and the well-to-do of a greatly increased nature. I cannot believe that he would not want to make such a contribution to the security of his country, particularly when it is needed not so much for defense as to pay the cost of Government before we even get to defense.

So I am hoping that the chairman of the Finance Committee, who has perhaps more influence in this body than any other Senator in it, now that I have, so to speak, taken my life in my hands and come forward with a plan which cannot be popular but which I believe can be defended and which should appeal to the patriotism of our people, will not leave me out on a limb unless he can offer an amendment that is better.

I do not care who offers the amendment. If the Senator from Mississippi, or any other Senator, has any better amendments than mine, in heaven's name bring them on, but I have not heard of them, and every Senator on this floor knows that as this bill is written it will not even pay for the cost of routine expenses of the Government, not including a single dollar for national defense. Nobody will dispute that. Therefore, I have spoken in some detail, and I have offered something constructive, with no pride of authorship. If any Senator has a better proposal, let him come forward with it, and I will be glad to withdraw mine. If there is no better proposal, I hope the Senate will not adjourn before at least providing the machinery, either through a reduction of expenditures, in accordance with the Byrd amendment, or an increase of taxes, plus my amendment, to pay for the peacetime costs of the Government on the basis of the average cost during the past 10 years.

APPROPRIATIONS FOR WORK RELIEF AND RELIEF

The PRESIDING OFFICER (Mr. HATCH in the chair) laid before the Senate a message from the House of Representatives announcing that the House had disagreed to the amendments of the Senate to the joint resolution (H. J. Res. 544) making appropriations for work relief and relief, for the fiscal year ending June 30, 1941, requesting a conference with the Senate thereon, and appointing conferees on the part of the House.

Mr. ADAMS. I move that the Senate insist on its amendments, agree to the conference asked by the House, and that the Chair appoint conferees on the part of the Senate.

The motion was agreed to; and the Presiding Officer appointed Mr. ADAMS, Mr. GLASS, Mr. MCKELLAR, Mr. HAYDEN, Mr. BYRNES, Mr. HALE, and Mr. TOWNSEND conferees on the part of the Senate.

REVENUE BILL OF 1940

The Senate resumed the consideration of the bill (H. R. 10039) to provide for the expenses of national preparedness by raising revenue and issuing bonds, to provide a method for paying for such bonds, and for other purposes.

The PRESIDING OFFICER. The next amendment reported by the committee will be stated.

The next amendment was, on page 12, after line 17, to strike out:

"(4) Every trust the gross income of which for the taxable year is $100 or over; and

And in lieu thereof to insert the following:

"(4) Every trust the net income of which for the taxable year is $100 or over, or the gross income of which for the taxable year is $800 or over, regardless of the amount of the net income; and

So as to read:

(b) Fiduciary returns: Section 142 (a) of the Internal Revenue Code is amended to read as follows:

"(a) Requirement of return: Every fiduciary (except a receiver appointed by authority of law in possession of part only of the property of an individual) shall make under oath a return for any of the following individuals, estates, or trusts for which he acts, stating specifically the items of gross income thereof and the deductions and credits allowed under this chapter and such other information for the purpose of carrying out the provisions of this chapter as the Commissioner with the approval of the Secretary may by regulations prescribe—

"(1) Every individual having a gross income for the taxable year of $800 or over, if single, or if married and not living with husband or wife;

"(2) Every individual having a gross income for the taxable year of $2,000 or over, if married and living with husband or wife;

"(3) Every estate the gross income of which for the taxable year is $800 or over;

"(4) Every trust the net income of which for the taxable year is $100 or over, or the gross income of which for the taxable year is $800 or over, regardless of the amount of the net income; and

The amendment was agreed to.

The next amendment was, on page 13, after line 4, to strike out:

SEC. 8. Tax on cigarette papers.

Section 2000 (d) of the Internal Revenue Code (relating to tax on cigarette papers) is amended, effective July 1, 1940, by striking out "more than twenty-five but".

The amendment was agreed to.

The next amendment was, on page 13, line 13, to change the section number from 10 to 9, and in line 15, after the word "by", to strike out "sections 5 and 8" and insert "section 5", so as to read:

SEC. 9. Taxable years to which applicable.

The amendments made by this title, except the amendments made by section 5, shall be applicable only with respect to taxable years beginning after December 31, 1939.

The amendment was agreed to.

The next amendment was, under the heading "Title II", on page 13, line 22, after the numerals "15", to strike out "supertax" and insert "defense tax", so as to read:

SEC. 15. Defense tax for 5 years.

Mr. MCNARY. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Adams	Bankhead	Brown	Capper
Andrews	Barkley	Bulow	Caraway
Ashurst	Bilbo	Burke	Chandler
Austin	Bone	Byrd	Clark, Idaho
Bailey	Bridges	Byrnes	Clark, Mo.

Connally	Herring	Miller	Shipstead
Danaher	Hill	Minton	Slattery
Davis	Holman	Murray	Smathers
Donahey	Holt	Norris	Smith
Downey	Hughes	Nye	Stewart
Ellender	Johnson, Colo.	O'Mahoney	Thomas, Okla.
George	King	Overton	Thomas, Utah
Gerry	La Follette	Pepper	Townsend
Gillette	Lee	Pittman	Truman
Green	Lodge	Radcliffe	Tydings
Guffey	Lucas	Reed	Vandenberg
Gurney	Lundeen	Reynolds	Van Nuys
Hale	McCarran	Russell	Wagner
Harrison	McKellar	Schwartz	Walsh
Hatch	McNary	Schwellenbach	Wiley
Hayden	Maloney	Sheppard	

The PRESIDING OFFICER (Mr. CHANDLER in the chair). Eighty-three Senators having answered to their names, a quorum is present.

The question is on agreeing to the amendment reported by the committee on page 13, line 22.

The amendment was agreed to.

The next amendment of the Committee on Finance was, on page 14, after line 12, to strike out:

"(h) Rates until January 1945: For the period after June 25, 1940, and before January 1, 1945, the rates provided in this section and section 144, of 11 percent, 15 percent, and 16 percent shall be 12⁄10 percent, 16½ percent, and 17⁶⁄10 percent, respectively. This subsection or section 15 shall not apply in any case where its application would be contrary to any treaty obligation of the United States."

And in lieu thereof to insert:

"(h) Rates until January 1945: For the period after June 25, 1940, and before January 1, 1945, the rate provided in this section and section 144, of 15 percent shall be 16½ percent. This subsection or section 15 shall not apply in any case where its operation would be contrary to any treaty obligation of the United States, nor to a resident of, or a corporation organized under the laws of, a contiguous country so long as there is in effect with such country a treaty, ratified prior to August 26, 1937, relating to rates of income tax."

So as to read:

SEC. 202. Rates of withholding.

Section 143 of the Internal Revenue Code is amended by inserting at the end thereof the following new subsection:

"(h) Rates until January 1945: For the period after June 25, 1940, and before January 1, 1945, the rate provided in this section and section 144, of 15 percent shall be 16½ percent. This subsection or section 15 shall not apply in any case where its operation would be contrary to any treaty obligation of the United States, nor to a resident of, or a corporation organized under the laws of, a contiguous country so long as there is in effect with such country a treaty, ratified prior to August 26, 1937, relating to rates of income tax."

The amendment was agreed to.

The next amendment was, on page 15, line 10, before the word "for", to strike out "super tax" and insert "defense tax", so as to read:

(b) Defense tax for 5 years: In the case of every personal holding company, the amount of surtax under this subchapter for any taxable year beginning after December 31, 1939, and before January 1, 1945, shall be 10 percent greater than the amount of surtax computed without regard to this subsection.

The amendment was agreed to.

The next amendment was, on page 15, line 21, before the word "for", to strike out "super tax" and insert "defense tax", so as to read:

(b) Defense tax for 5 years: In the case of any taxpayer, the amount of tax payable under this section for any income-tax taxable year ending after June 30, 1940, and before July 1, 1945, shall be 10 percent greater than the amount of tax which would be payable if computed without regard to this subsection.

The amendment was agreed to.

The next amendment was, on page 16, line 4, before the word "for", to strike out "super tax" and insert "defense tax", so as to read:

SEC. 205. Capital stock tax.

Section 1200 of the Internal Revenue Code is amended by inserting at the end thereof the following new subsection:

"(c) Defense tax for 5 years: For the year ending June 30, 1940, and for the four succeeding years ending June 30, the rates provided in subsections (a) and (b) shall be $1.10 in lieu of $1."

The amendment was agreed to.

The next amendment was, on page 16, line 11, before the word "for", to strike out "super tax" and insert "defense tax", and in line 12, before the word "for", to strike out "super tax" and insert "defense tax", so as to read:

SEC. 206. Estate tax.

Chapter 3 of the Internal Revenue Code is amended by inserting at the end thereof the following new subchapter:

"Subchapter C—Defense tax for 5 years.

"SEC. 951. Defense tax for 5 years: In the case of a decedent dying after the date of the enactment of the Revenue Act of 1940 and before the expiration of 5 years after such date, the total amount of tax payable under this chapter shall be 10 percent greater than the amount of tax which would be payable if computed without regard to this section. For the purposes of this section, the tax computed without regard to this section shall be such tax after the application of the credits provided for in section 813 and section 936."

The amendment was agreed to.

The next amendment was, on page 16, line 25, before the word "for", to strike out "supertax" and insert "defense tax", so as to read:

SEC. 207. Gift tax.

Section 1001 of the Internal Revenue Code is amended by adding at the end thereof the following new subsection:

"(d) Defense tax for 1940–45: Despite the provisions of subsection (a)"—

And so forth.

The amendment was agreed to.

The next amendment was, on page 18, line 8, before the word "for", to strike out "supertax" and insert "defense tax", so as to read:

(b) Defense tax for 5 years: In the case of any transfer during the period after the date of the enactment of the Revenue Act of 1940 and before July 1, 1945, the rate provided in subsection (a) shall be 27½ percent in lieu of 25 percent.

The amendment was agreed to.

The next amendment was, on page 18, line 21, before the word "for", to strike out "supertax" and insert "defense tax"; in line 23, before the word "for", to strike out "supertax" and insert "defense tax"; in line 24, before the word "in", to insert "(a)"; on page 19, line 2, before the word "rate", to strike out "supertax" and insert "defense tax"; and, at the top of page 20, to insert:

(b) In the application of section 3441 (c) to the articles with respect to which the rate of tax is increased by this section, where the lease, contract of sale, or conditional sale, and delivery thereunder, was made before July 1, 1940, the total tax referred to in such section shall be the tax at the rate in force on June 30, 1940, and not at the increased rate.

So as to read:

CHAPTER 9A—DEFENSE TAX FOR 5 YEARS

SEC. 1650. Defense tax for 5 years.

(a) In lieu of the rates of tax specified in such of the sections of this title as are set forth in the following table, the rates applicable with respect to the period after June 30, 1940, and before July 1, 1945, shall be the rates set forth under the heading "Defense tax rate":

Section	Description of tax	Old rate	Defense-tax rate
1700 (b)	Box seats	10 percent	11 percent.
1700 (c)	Sales outside box office	10 percent	11 percent.
1700 (e)	Cabaret	1½ cents	2 cents.
1710 (a) (1)	Dues	10 percent	11 percent.
1710 (a) (2)	Initiation fees	10 percent	11 percent.
1801	Corporate securities	10 cents	11 cents.
1802 (a)	Capital stock issues	10 cents	11 cents.
1802 (a)	Capital stock issues	2 cents	3 cents.
1802 (b)	Capital stock transfers	4 cents	5 cents.
1802 (b)	Capital stock transfers	5 cents	6 cents.
1804	Insurance policies	3 cents	4 cents.
1806	Passage tickets	$1	$1.10.
1806	Passage tickets	$3	$3.30.
1806	Passage tickets	$5	$5.50.
1850 (a)	Safe-deposit boxes	10 percent	11 percent.
2700 (a)	Pistols and revolvers	10 percent	11 percent.
3250 (a) (1)	Wholesalers in liquor	$100	$110.
3250 (b)	Retailers in liquor	$25	$27.50.
3250 (c)	Brewers	$100	$110.
3250 (c)	Brewers	$50	$55.
3250 (d)	Wholesalers in malt liquors	$50	$55.
3250 (e)	Retailers	$20	$22.
3250 (e) (3)	Special cases	$2	$2.20.
3250 (f) (1)	Rectifiers	$200	$220.

Section	Description of tax	Old rate	Defense-tax rate
3250 (f) (1)	Rectifiers	$100	$110.
3250 (j)	Stills	$50	$55.
3250 (j)	Stills	$20	$22.
3400 (1)	Tires	2¼ cents	2½ cents.
3400 (2)	Tubes	4 cents	4½ cents.
3401	Toilet preparations	10 percent	11 percent.
3403 (a)	Automobile truck chassis, etc	2 percent	2½ percent.
3403 (b)	Automobiles, etc	3 percent	3½ percent.
3403 (c)	Parts	2 percent	2½ percent.
3404	Radios	5 percent	5½ percent.
3405	Mechanical refrigerators	5 percent	5½ percent.
3407	Firearms	10 percent	11 percent.
3409	Matches	5 cents	5½ cents.
3411	Electrical energy	3 percent	3½ percent.
3412	Gasoline	1 cent	1½ cents.
3413	Lubricating oils	4 cents	4½ cents.
3460 (a) (1), (2), and (3).	Transportation of oil	4 percent	4½ percent.
3481 (a)	Transfer of bonds	4 cents	5 cents.
3482	Conveyances	50 cents	55 cents.

"(b) In the application of section 3441 (c) to the articles with respect to which the rate of tax is increased by this section, where the lease, contract of sale, or conditional sale, and delivery thereunder, was made before July 1, 1940, the total tax referred to in such section shall be the tax at the rate in force on June 30, 1940, and not at the increased rate."

The amendment was agreed to.

The next amendment was, on page 20, after line 8, to strike out:

Section 1700 (a) (1) of the Internal Revenue Code is amended by striking out "until July 1, 1941, is less than 41 cents" and inserting in lieu thereof "until July 1, 1940, is less than 41 cents, and after June 30, 1940, and before July 1, 1945, is less than 31 cents" and by striking out "is less than 41 cents, until July 1, 1941" and inserting in lieu thereof "is less than 41 cents until July 1, 1940, and is less than 31 cents after June 30, 1940, and before July 1, 1945".

And in lieu thereof to insert the following:

Section 1700 (a) of the Internal Revenue Code is amended to read as follows, effective July 1, 1940:

"(a) Single or Season Ticket; Subscription:

"(1) Rate: A tax on the amount paid for admission to any place, including admission by season ticket or subscription, at the following rates:

"(A) For the period after June 30, 1940, and before July 1, 1945—

"Where the amount paid is 9 cents or less, there shall be no tax;

"1 cent where the amount paid is 10 cents or more and less than 20 cents;

"1 cent for each 10 cents or fraction thereof where the amount paid is 20 cents or more;

"1 cent for each 10 cents or fraction thereof of the amount paid for admission by season ticket or subscription, if the amount which would be charged to the holder or subscriber for a single admission is 10 cents or more.

"(B) For the period after June 30, 1945—

"Where the amount paid is $3 or less, there shall be no tax;

"1 cent for each 10 cents or fraction thereof where the amount paid is more than $3;

"1 cent for each 10 cents or fraction thereof of the amount paid for admission by season ticket or subscription, if the amount which would be charged to the holder or subscriber for a single admission is more than $3.

"(2) Exceptions.—

"(A) In the case of persons (except bona fide employees, municipal officers on official business, and children under 12 years of age) admitted free or at reduced rates to any place at a time when and under circumstances under which an admission charge is made to other persons, an equivalent tax shall be collected based on the price so charged to such other persons for the same or similar accommodations, to be paid by the person so admitted.

"(B) No tax shall be imposed in the case of persons admitted free to any spoken play (not a mechanical reproduction), whether or not set to music or with musical parts or accompaniments, which is a consecutive narrative interpreted by a single set of characters, all necessary to the development of the plot, in two or more acts, the performance consuming more than 1 hour and 45 minutes of time. In the case of tickets or cards of admission to any such spoken play sold at the ticket office of theaters at reduced rates the tax shall be based upon the price for which sold.

"(3) By whom paid.—The tax imposed under paragraph (1) shall be paid by the person paying for such admission."

Mr. McNARY. Mr. President, what is the pending proposal? I cannot keep up with it as the clerk is reading.

Mr. HARRISON. This is the admissions tax.

Mr. McNARY. It is section 1700; is it not?

Mr. HARRISON. Yes.

Mr. McNARY. I should like to have some explanation of the change.

Mr. HARRISON. I may say to the Senator that the change is that the House bill sought to raise the admissions tax by a reduction of the exemption from 40 cents to 30 cents. The Committee on Finance reduced it and made the exemption 9 cents, and then raised it. On admissions up to and including 9 cents there is no tax. On admissions of more than 9 cents and less than 20 cents there is a tax of 1 cent. On admissions of 20 cents or more, the tax is 1 cent on each 10 cents or fraction thereof.

Mr. McNARY. Is the committee substituting a graduated tax for a flat tax?

Mr. HARRISON. That is correct, although in the present law there is no tax on admissions less than 41 cents. The House reduced the exemption to 30 cents, and we adjusted the rates. It is estimated that we shall receive an increase of $71,900,000 over the amount raised by the House bill, and $103,000,000 over the amount raised by existing law.

The PRESIDING OFFICER. The question is on agreeing to the amendment reported by the committee beginning on page 20, after line 8.

The amendment was agreed to.

The next amendment was, on page 22, after line 21, to strike out:

SEC. 212. Tobacco, snuff, cigars, and cigarettes.

Subchapter A of chapter 15 of the Internal Revenue Code is amended by inserting at the end thereof the following new sections:

"SEC. 2004. Supertax for 5 years.

"Except in the case of chewing tobacco, in lieu of the rates of tax specified in such of the sections of this title as are set forth in the following table, the rates applicable with respect to the period after June 30, 1940, and before July 1, 1945, shall be the rates set forth under the heading 'Supertax rate':

"Section	Description of tax	Old rate	Super-tax rate
2000 (a) (1)	Snuff	18 cents	21 cents.
2000 (a) (2)	Tobacco	18 cents	21 cents.
2000 (b)	Snuff flour	18 cents	21 cents.
2000 (c) (1)	Cigars	75 cents	87½ cents.
2000 (c) (1)	Cigars	$2	$2.33⅓.
2000 (c) (1)	Cigars	$3	$3.50.
2000 (c) (1)	Cigars	$5	$5.83⅓.
2000 (c) (1)	Cigars	$10.50	$12.25.
2000 (c) (1)	Cigars	$13.50	$15.75.
2000 (c) (2)	Cigarettes	$3	$3.50.
2000 (c) (2)	Cigarettes	$7.20	$8.40.
2000 (d)	Cigarette paper	½ cent	7/12 cent.
2000 (d), except the last line.	Cigarette paper	1 cent	1⅙ cents.

"SEC. 2005. Floor-stocks tax:

"(a) Floor-stocks tax: Upon all the articles (except chewing tobacco) subject to tax under subsection (a), (b), or (c) of section 2000, which, on July 1, 1940, are held by any person for sale otherwise than in retail stocks, there shall be levied, assessed, collected, and paid a floor-stocks tax at a rate equal to the increase in rate of tax made applicable to such articles by section 2004.

"(b) Returns: Every person required by this section to pay any floor-stocks tax shall, on or before August 1, 1940, under such regulations as the Commissioner with the approval of the Secretary shall prescribe, make a return and pay such tax, except that in the case of articles held by manufacturers and importers the Commissioner may collect the tax with respect to all or part of such articles by means of stamp rather than return, and in such case may make an assessment against such manufacturer or importer having tobacco-tax stamps on hand July 1, 1940, for the difference between the amount paid for such stamps and the increased rates specified in section 2004.

"(c) Laws applicable: All provisions of law, including penalties, applicable in respect of the taxes imposed by section 2000 shall, insofar as applicable and not inconsistent with this section, be applicable with respect to the floor-stocks tax imposed by subsection (a)."

And in lieu thereof to insert the following:

SEC. 212. Floor-stocks tax on certain tobacco products:

Subchapter A of chapter 15 of the Internal Revenue Code is amended by inserting at the end thereof the following new section:

"SEC. 2004. Floor-stocks tax.

"Upon all articles (except chewing tobacco) subject to tax under subsection (a), (b), or (c) of section 2000 which on July 1, 1940,

are held by any person for sale there shall be levied, assessed, collected, and paid a floor-stocks tax at a rate equal to the increase, if any, in rate of tax made applicable to such articles by the Revenue Act of 1940."

Mr. McNARY. Mr. President, that is the subject to which I made reference earlier in the day, when the able Senator from Mississippi was making a preliminary statement concerning the different provisions of the bill. I should like to have a complete statement regarding the reasons which prompted the committee to eliminate the increased tax on tobacco.

Mr. HARRISON. Mr. President, I desire to make a brief statement in answer to the Senator from Oregon, and then the Senator from Kentucky [Mr. BARKLEY] and the Senator from North Carolina [Mr. BAILEY] may handle the matter.

There was carried in the House bill an increase in the tax on tobacco products. It was found that the tax on tobacco was being felt greatly by the tobacco farmers. Representatives of the tobacco farmers appeared before us and told us how tobacco had been affected. So we eliminated the increased taxes that the House had placed on tobacco, which would have raised a total of $79,000,000 additional, and tried to place it on other items. So the whole tobacco tax was reduced to that of the present law, including cigarettes, cigarette papers and also cigars.

Mr. CLARK of Missouri. Mr. President, will the Senator yield?

Mr. HARRISON. I yield.

Mr. CLARK of Missouri. Inasmuch as I represent a State which is in a very minor degree interested in tobacco, I feel free to make a statement as to the reason of the committee's action, which was that it appeared from the statement not only of the tobacco growers and those who were interested in the production of the various tobacco products but also from the statement of the Treasury officials that tobacco is the only commodity in the United States which is still bearing the full measure of the taxes which were imposed during the last war, and which have never been reduced. It seemed unfair to superimpose a new set of taxes above the taxes imposed in the last war on one commodity until other commodities and other occupations have been brought up to something equivalent to the same level, in addition to which, of course, it is recognized that the tobacco industry has suffered a terrific blow by reason of the present war and the shutting off of the exports which it formerly made.

Mr. BARKLEY. Mr. President, will the Senator yield at that point?

The PRESIDING OFFICER. Does the Senator from Oregon yield to the Senator from Kentucky?

Mr. McNARY. Yes; I yield for an explanation.

Mr. BARKLEY. As stated by the Senator from Mississippi [Mr. HARRISON] and also the Senator from Missouri [Mr. CLARK], tobacco—which is an agricultural product—is the only commodity in the United States which still bears the World War taxes. The only reduction that has ever been made was on a certain type of cigars; but, taking it as a whole, tobacco bears the same tax that was levied on it during the World War.

It will be astonishing to those who have not looked into the matter to realize that one-tenth of the entire revenues of the United States now come from tobacco. In 1939 the Treasury received approximately $600,000,000 from the tax already on tobacco. That is one-tenth of the entire revenue; and as late as 3 years ago the amount that tobacco contributed to the Treasury was one-eighth of the entire revenue of the United States Treasury.

Mr. McNARY. Mr. President, what point could be made by that statement, when we know that the tobacco consumers include practically every consumer in the country? That is no argument.

Mr. BARKLEY. If the Senator from Oregon came from a tobacco-growing section he would know that there is a point to it, because while on cigarettes and other forms of tobacco the tax is paid by the purchaser of the finished product, as a matter of fact, a substantial part of it comes out of the grower himself. There has not been an increase in the tax on tobacco products, and there will not be an increase, that will not be used by the buyers of tobacco—who are limited to four or five large companies—as a reason why the price to the grower should be reduced.

Let me point out the fact that there is already a tax of 18 cents a pound on snuff tobacco. Snuff is made out of a dark, heavy tobacco. I have often said that it takes 13 months out of every 12 to produce a crop of tobacco. It is nearly all cultivated by hand. It is cut and housed and fired and processed very largely by hand. The average price received by the farmer for the type of tobacco that goes into snuff is 6 cents a pound, and yet there is a tax of 18 cents a pound on it. The pending bill as it came from the House proposed to raise the tax to 21 cents a pound, making the Government of the United States get more than three times as much out of this product as the farmer gets out of it. While the Government last year received approximately $600,000,000 in revenue from its tax on tobacco, the farmers all over the United States on the whole received about $200,000,000; so the Government of the United States is receiving practically three times as much in the way of taxes as the growers are receiving for producing this product.

There is no other agricultural product in the United States that is taxed in any such way. While we admit that tobacco is a luxury so far as those who use it are concerned, it is not a luxury so far as those who grow it are concerned. It is just as much a necessity as wheat or cotton or rice or hemp or corn so far as the grower is concerned, and it requires infinitely more labor on the part of any farmer to produce a crop of tobacco than it does to produce any other crop that I know anything about. I know something about it, because I was raised on a tobacco farm, and it was frequently said of me that I grew up between two tobacco rows; so I do know something about the burden involved.

I heard the Senator's sub rosa expression "pumpkin." Pumpkins grow only between rows of corn, not between rows of tobacco. [Laughter.]

The market for our tobacco has been largely a European market. There is a certain type of tobacco, known as dark fired, grown in Tennessee, Kentucky, and other States, but largely in Tennessee and Kentucky, 85 percent of which found its market abroad. For years 85 percent was shipped abroad, and only 15 percent was consumed in the United States.

The proportion is almost reversed in the case of burley tobacco, because it is largely used in cigarette manufacture in the United States, and to a certain extent that is true of flue-cured tobacco.

The war in Europe has destroyed our market for this dark-fired tobacco. There is none of it being shipped, and that means that without an additional tax the price of this product to the grower of tobacco—and the grower of the tobacco is the same sort of farmer, the same sort of American citizen as those engaged in any other agricultural production—without any additional tax on tobacco, the market having been practically destroyed for some of it, the price to the grower is bound to be reduced because of that situation itself. When added to that is this increase in the tax on tobacco products, such a situation is created that it may be utterly impossible for the grower to produce tobacco at a living price.

There is no need to place this additional burden onto the growers of tobacco. We have undertaken to raise more than the amount which will be lost, $76,000,000 to $79,000,000, by other forms of taxes provided for in the bill. Therefore, it seems to me unjust to the growers of tobacco, not to mention the users of tobacco, to undertake to increase the burden upon this particular agricultural product. That has not been done, and should not be done as to any commodity produced by the farmer.

Mr. BROWN. Mr. President——

The PRESIDING OFFICER (Mr. CHANDLER in the chair). Does the Senator from Kentucky yield to the Senator from Michigan?

Mr. BARKLEY. I yield.

Mr. BROWN. I wish to say to the Senator from Oregon that I come from a State where absolutely no tobacco is produced. Tobacco is produced in Wisconsin, to our west, and in Canada, to our east. I voted in the Committee on Finance against the proposed change in the bill. After rereading the testimony, particularly considering the fact that the tobacco growers formerly shipped 350,000,000 pounds of this so-called dark tobacco to European countries, and now ship but one-fifth of that amount, or 70,000,000 pounds, I became impressed with the fact that we should defer at least until January any further tax on tobacco. The tax upon tobacco remains heavy as it now is. We can revise this tax in January; we may have to do so; but I believe that the gentlemen from the tobacco-producing States made a pretty good case in view of the tremendous loss to their market by this diminution from 350,000,000 pounds down to 70,000,000 pounds. So I have changed my mind, and decided that we should defer the imposition of this heavier tax until January, when we can consider it again.

Mr. BARKLEY. I thank the Senator from Michigan. I am not speaking for the tobacco growers of Tennessee and Kentucky alone. Tobacco is grown, as the Senator has stated, in Wisconsin; it is likewise grown in Ohio and Indiana, in southern Illinois; it is grown in Missouri, although not much is grown there; it is grown in North and South Carolina; it is grown in Virginia; it is grown in Georgia, and the same situation, on the whole, affects the growers in all these States that affects the growers in the States mentioned by me originally, Tennessee and Kentucky, with which I am more familiar because the same type of tobacco is grown in those two States.

If there is anything else I can say to clarify the situation, I shall be glad to do so.

Mr. McNARY. No, Mr. President; that is quite sufficient. I have no quarrel with the tobacco growers. I do not want to see imposed on them any undue hardship, or see them denied a legitimate profit in their agricultural pursuits. I am not a member of the Committee on Finance, and I have no technical knowledge of the culture of tobacco. I may say that it has been grown in Oregon. I recall that my grandfather, who came to Oregon from Tennessee nearly a hundred years ago, raised a crop of tobacco very successfully in Oregon. So I am speaking from the standpoint of a State where tobacco could be produced. But when we read the House hearings and then find that in the Senate it is proposed to reduce this tax, or eliminate it, and place the tax on other articles, it seems rather unfair, for the reason that during all the years of the agricultural depression, with which I am somewhat conversant, the tobacco growers were probably the most successful, from the standpoint of financial earnings, among all the agricultural producers. When the A. A. A. bill came before us, tobacco was mentioned as one of the five basic commodities, as it is in the law today, and the growers of tobacco have received annually benefit payments which have been denied to the dairymen, to the producers of poultry, hay, grasses, fruits, and vegetables. The growers of tobacco have been treated as a special class, receiving benefit payments for the last 7 or 8 years denied most of the producers of agricultural and horticultural products.

Mr. BARKLEY. Mr. President, will the Senator yield?

Mr. McNARY. I am happy to yield.

Mr. BARKLEY. In that connection, I wish to recall to the Senator from Oregon that while tobacco is made a basic product in the Agricultural Adjustment Act, it is the only basic product which bears a tax. There is no tax on the products of cotton; there is no tax on the products of corn; there is no tax on the products of rice. Tobacco is the only basic product upon which there is a tax, and that tax amounts to one-tenth of the entire revenues of the Government.

Mr. McNARY. That is true, and that is considering only five of the crops which are called basic.

Statistics can be obtained from the Department of Agriculture, the Department of Commerce, and the Treasury Department which show that during the whole of the depression the manufacturers of tobacco have earned greater profits than the manufacturers of any other American product. I wait for an answer to that.

Mr. BARKLEY. I will say to the Senator that that may be true, but the manufacturer does not bear this tax. He pays it originally, but it is taken, largely, out of the consumer and out of the producer.

I have known the time when the tobacco buyers, going into a warehouse, or onto a loose-leaf floor, where tobacco is auctioned off under the methods which now prevail, would say to the growers, "We could pay you more for this tobacco if it were not for the fact that we have to pay so much in the way of taxes into the Treasury of the United States." It is difficult for a grower to combat that situation. It may be an unjust way in which to treat the farmer, but there is no remedy against it of which I know. The buyers are now limited to four or five great companies, and if a buyer going into a warehouse uses this tax in his negotiations, the tax is already imposed, and any increase that would be added would be a depressant, so far as the price is concerned, no matter how much profit might be made by someone who made cigarettes. It certainly does not reflect itself in the price the farmer receives for the tobacco.

Mr. McNARY. Mr. President, the statement is made in connection with every tax bill that the tax finally comes out of the producer. To what extent that is true I do not know, but it does not apply any more rigorously to the producers of tobacco than to the producers of wheat or of hops.

Mr. BARKLEY. What tax is imposed on the products of wheat?

Mr. McNARY. I suspect that when we impose a tax on liquor, which includes the delicious corn whisky manufactured in Kentucky, it comes out of the producers of wheat, and corn, and barley, and the tax on beer comes out of the producers of hops. Those are all American producers, and this bill increases the duty on whisky and beer and wine, so that it will affect the growers of grapes, and hops, and barley, and wheat. They will suffer just as much as the tobacco grower will suffer. If we are to place the argument on the burden being imposed on the growers, let us finish the argument, and say we must not vote an increase of the tax on wines or malt liquors, because the tax will affect the producers' price. If there is any difference between the producers of corn and wheat and hops and grapes, and the producers of tobacco, so far as depressing their price is concerned, I cannot understand what it can be.

Mr. BARKLEY. Mr. President, will the Senator yield?

Mr. McNARY. I am very glad to yield to my distinguished friend.

Mr. BARKLEY. When we come to the question of the increase in the tax on liquor, we may have something to say about that. Of course, there is this to be said, that when we tax liquor, while a portion of the liquor has been produced by the use of corn and wheat, we are taxing liquor; but when we impose a tax on tobacco, we are still taxing tobacco, and the relative price to the consumer and the producer, I think it can be demonstrated, has no relationship to the tax that is proposed in another section of the bill on certain types of liquor.

I wish to say, while the Senator is permitting me to interrupt him, that my colleague the junior Senator from Kentucky [Mr. CHANDLER], who is now presiding, shares my views about this matter, and made a very able statement to the Committee on Finance on this subject when he appeared before it last week. He is only restrained from making a statement similar to that which I have already made by the fact that he has been placed in the chair to preside over the deliberations of this great deliberative body.

Mr. McNARY. I should be very happy to yield to the Senator from Kentucky [Mr. CHANDLER], the colleague of the majority leader.

Mr. CONNALLY. Mr. President, will the Senator yield?

Mr. McNARY. I yield to the Senator from Texas; yes.

Mr. CONNALLY. I announce that I am about to relieve the junior Senator from Kentucky from his position as Presiding Officer, and take his place in the chair. [Laughter.]

Mr. McNARY. I confess a want of knowledge with respect to the technique of tobacco raising, or tobacco culture, or manufacture, but I know that tobacco is a great source of revenue, and I doubt very much if the proposed tax will come out of the growers. I think it will come out of the manufacturers of cigarettes, which almost everyone is smoking, and without working any hardship on the people of the country.

Mr. President, for 15 cents a package containing 20 cigarettes can be purchased. That includes a 6-cent Federal tax. If that tax were increased to 8 cents, which it should be in my opinion, it would not be reflected in the price the growers of tobacco would receive, but would be absorbed by the manufacturers, because of the very great profit they now make. While we speak so tenderly of the tobacco growers, for whom we have so much sympathy, I think the four great manufacturers of tobacco, who have almost a monopoly, should do their part in helping to finance our preparation for national defense.

Mr. CHANDLER. Mr. President, will the Senator yield?

Mr. McNARY. Not now.

The PRESIDING OFFICER (Mr. CONNALLY in the chair). The Senator from Oregon declines to yield.

Mr. McNARY. I am not a member of the Finance Committee, and I have not given the matter under consideration any great thought. I have simply the casual knowledge that anyone may have who reads or reasons. I wanted an explanation convincing to me—or if not convincing, at least satisfactory—as to why the producers of cigarettes and tobacco are exempted from the payment of their share. In my opinion it is their patriotic duty to carry their part of the burden of preparation for defense. That is all I have to say, and if the tax in question is not to be proposed, I will simply say that I have given my explanation, which I think should be considered in connection with this item.

Mr. BAILEY. Mr. President, I am very glad the distinguished Senator from Oregon has said that he would not oppose the amendment. I do not think any Senator has a more earnest or intelligent interest in our farmers than has the Senator from Oregon. I believe, however, he is under a misapprehension in respect to this matter. He said that this tax would be absorbed by the manufacturers. I do not think so, for the reason that the additional tax proposed in the House bill was 1 cent on top of 6 cents, making 7 cents on each package.

Now, as to the profits. There is not a manufacturer in America making a cent of profit on a pack of cigarettes. The average profit is about six-tenths of a cent to the larger manufacturers, and less than six-tenths of a cent to the smaller ones. So the increased tax would be reflected in a higher price to the consumer.

There is just the point. Cigarettes would be put on the market upon the Federal tax basis, at 16 cents a package. Senators must take notice that 29 different States in the Union are levying taxes on cigarettes. One State has a tax as high as 9 cents a package. Some have taxes of 2 cents, some of 3 cents a package.

I should like to have the Senator from Oregon get the point which I make earnestly, that an additional tax would in all probability reduce the sale of cigarettes.

I will state the situation, Mr. President, which is one of very great gravity. The State of North Carolina is the chief cigarette and tobacco producing State in the Union. It produces about 70 percent of so-called bright tobacco. Upon the outbreak of this most unfortunate war we lost our export trade at once, and that was no small matter. That was 250,000,000 pounds a year, which is from 50 to 60 percent of the annual production. That market is now gone. The farmers cannot sell abroad any more.

If the tax were now to be increased by 1 cent, and the sales were cut down here, there would be added a fresh domestic calamity to the foreign calamity, and it would be too much for the farmers to bear.

If there were but a few farmers in the State, we might say, "All right," but in North Carolina tobacco is produced in 70 counties and by 100,000 farmers. When we consider only their immediate families, about 450,000 persons would be affected by the proposed tax, but when we consider not only their families but their relatives, it would, in my opinion, affect 600,000 or 700,000 people of North Carolina.

There is another consideration. Tobacco is the principal product of my State. We receive about $26,000,000 for cotton. We receive about $30,000,000 for horticultural products. We receive $10,000,000 for peanuts, and for Irish and sweet potatoes together about $7,000,000 or $8,000,000. But the support of North Carolina and its farmers is its tobacco, which has heretofore been yielding them approximately $100,000,000, and sometimes as high as $130,000,000 a year. This year, however, we are not able to sell 250,000,000 pounds of our tobacco. The market for it is gone. France cannot buy it; England cannot buy it; Holland cannot buy it. Their Governments last year bought 175,000,000 pounds of tobacco. How many million pounds have gone abroad since? Only 1,000,000. So what will happen to us if this Federal tax be added to the old war tax, which, so far as I know, is the highest tax on any commodity in America? The present tax is 6 cents on the retail price. In terms of acreage, the Federal Government receives $1,000 an acre on our tobacco, and the farmer, at the best, cannot get $200 an acre.

All of that was shown to the committee, and I think the committee heard it with an open mind.

Mr. McNARY. Mr. President, will the Senator yield?

Mr. BAILEY. I yield.

Mr. McNARY. To me the fallacy of the argument made by the able Senator from North Carolina is that he is pleading for his growers. If I am familiar with statistics at all, the tobacco grower has been one of the most fortunate of all the agricultural producers in the United States in the past two decades, because his production has been very profitable.

Mr. BAILEY. Mr. President, that may seem to be so. The tobacco growers receive a pretty good price per acre. Appearances have deceived my distinguished friend. What acreage does the farmer have as a rule in tobacco? One thinks of great, broad fields, such as the wheatfields and the cornfields, but the average tobacco farm is only from 3 to 4 acres. How does the farmer make his crop? He makes it with his family. It is not a matter of machinery. He begins in January, and he and his wife and his children have to attend to the plants day by day until the time of harvest comes, and then they have to sit up with the tobacco while they cure it, and then they have to market it. As the Senator from Kentucky [Mr. BARKLEY] said, it is a year-around job, requiring infinite care and infinite detail. While the price per pound may seem to be high—it is 20 cents a pound now, but it was only 14 cents a pound last year—the Government is receiving $1.13 for every pound.

Mr. BARKLEY. Mr. President, will the Senator yield at that point?

Mr. BAILEY. I yield.

Mr. BARKLEY. Even that 14 cents was for the higher type of tobacco, and, of course, did not include the price for the lower grades of tobacco, which do not come in the cigarette class—chewing tobacco, snuff, certain types of cigars, and smoking-pipe tobacco—the average of which last year was not only not 14 cents but scarcely half of that.

Mr. BAILEY. I want to get the idea out of the mind of my friend, the Senator from Oregon, that the farmers are so well paid. The estimate of the Department of Agriculture is that it costs the farmer $80 an acre to cultivate his tobacco. That is 8 cents a pound. If he receives 12 cents, there is a difference of 4 cents; and when he is receiving 4 cents a pound the Government is receiving $1 13. I have always thought that we ought to reduce the old war tax on tobacco. It is the only World War tax now on the books. The tobacco farmers of the country have turned into the Federal Treasury, through this indirect method, $600,000,000, which comes very close to being equal to the sum which has been paid out to all the other farmers in America in benefits, rental payments, and soil-conservation payments. They have borne the burden. They have produced the raw materials. They have carried the handicap, and they are willing to

carry the burden. But please do not destroy them in the hour when the effects of an unfortunate war have fallen upon them with greater force than upon any other class in all our country. I hope they will never fall upon any other class as severely as they have already fallen upon the tobacco farmers.

Mr. CHANDLER. Mr. President, the senior Senator from Kentucky and the Senator from North Carolina have so well stated my views that I shall not detain the Senate longer. I subscribe to what they have said with reference to this matter.

The PRESIDING OFFICER. The question is on agreeing to the committee amendment beginning on page 22 in line 22.

The amendment was agreed to.

The PRESIDING OFFICER. The next committee amendment will be stated.

The next amendment was, on page 25, line 8, before the word "for", to strike out "supertax" and insert "defense tax"; in line 13, before the word "rate", to strike out "supertax" and insert "defense-tax"; and in the heading of the fourth column in the table, to strike out "supertax" and insert "defense tax."

The amendment was agreed to.

The next amendment was, on page 25, at the end of the table, to insert:

"2800 (a) (5)---Rectifying------ 30 cents------ 40 cents."

Mr. MINTON. Mr. President, I cannot agree to the amendment which raises the tax from 30 cents to 40 cents a gallon on rectified spirits. At the present time a tax of 30 cents a gallon is paid on blended whiskies. No additional tax is paid on straight whiskies. Therefore, blended and rectified whiskies are now bearing a tax of 30 cents a gallon, which is not paid on other whiskies. It is now proposed not to raise the tax on all whisky, but to raise the tax only on blended whisky. It is proposed to raise it 10 cents a gallon. Mr. President, that is not done in the interest of increasing revenue.

Mr. GUFFEY. Mr. President, will the Senator yield?

Mr. MINTON. I yield.

Mr. GUFFEY. I invite the Senator's attention to the first item in the table on page 25. The old rate on distilled spirits is raised from $2.25 to $3, on brandy from $2 to $2.75, and on imported perfumes from $2.25 to $3; and yet the Senator says that the tax on other liquors is not increased. What is that but an increase in taxes?

Mr. MINTON. What I mean to say is that the $3 tax is paid on distilled spirits generally. If we make the rate $3.10 on all whisky, that is all right; but if we merely want to make the straight whisky free of anything except the $3 tax, and make the blended whiskies pay $3.10, I say that is wrong. That is not a revenue measure. That is a measure designed and intended to take advantage of the present situation to give a special advantage, a competitive advantage, to straight whisky.

Mr. BARKLEY. Mr. President, will the Senator yield?

Mr. MINTON. I yield.

Mr. BARKLEY. The 30-cent tax was originally levied in order to adjust approximately the difference between the cost of putting straight whisky and rectified whisky on the market. If the 30-cent tax was justified when the base tax was $2.25, when the $2.25 is raised to $3 does not the Senator think that an increase of 10 cents a gallon is a very modest increase? The proportion is not even carried out. The Treasury experts testified that the tax ought to be 50 cents instead of 40 cents.

Mr. MINTON. I think the facts will show that it costs more to produce blended whisky, and the distillations which are put into blended whisky, than to produce straight whisky.

Mr. BARKLEY. Evidently the Senator is not familiar with the method of manufacturing the different kinds of whisky. It costs approximately 96 cents a gallon to produce straight whisky. That is due largely to storage, the coloring process, and things of that sort. Whenever we put a $3 tax on a gallon of straight whisky costing 96 cents, before it is started on the way to be sold it has cost $3.96.

The name "rectified whisky" is a misnomer. It is not rectified. Blended whisky is not rectified whisky. Blended whisky is very largely whisky made out of two straight whiskies. Rectified whisky consists of one-fourth straight whisky and three-fourths alcohol or distilled spirits.

Mr. MINTON. Let me ask the Senator if they do not all bear a tax of $3 a gallon?

Mr. BARKLEY. They all bear a tax of $3 a gallon.

Mr. MINTON. Up to that point they are equal.

Mr. BARKLEY. Yes; up to the point of the $3 tax, of course, they are all equal. But rectified whisky, as it is called, is composed of one-fourth straight whisky, which costs at the rate of 96 cents a gallon to produce, and three-fourths raw alcohol, which may have been made yesterday. It may never have been stored. The average cost of producing the alcohol is 16 cents a gallon. So three parts of a product costing 16 cents per gallon are mixed with one part of a product costing 96 cents per gallon to obtain a rectified whisky. Even with the $3 tax which is paid on the distilled spirits, which cost 16 cents to make, we start with a cost of $3.96 on the straight whisky. If we take three-fourths of a gallon of raw alcohol, which costs 12 cents, and one-fourth of a gallon of straight whisky, which costs 24 cents—one-fourth of 96—we have a total of $3.36, including the tax, on the rectified whisky. Then when we add the present tax of 30 cents—which was put on originally in order to try to adjust the difference in cost between the two products—we still have only $3.66 as the cost of production of the rectified product, plus the tax, as compared to $3.96 on the straight product, plus the tax. So there is a difference of 30 cents a gallon. When the Treasury officials testified before the Subcommittee on Ways and Means of the House they recommended a proportionate increase in the 30-cent tax, on the same theory on which the original 30-cent tax was imposed. The House did not include it. In the testimony before the Finance Committee the other day the Alcohol Control Division and the Internal Revenue Bureau of the Treasury recommended that if we desire to adjust the situation as between the different kinds of liquor referred to, the tax really ought to be 50 cents instead of 30, but the committee made it 40 cents, or an increase of 10 cents a gallon.

Mr. HERRING. Mr. President, will the Senator yield?

Mr. MINTON. I yield.

Mr. HERRING. I wish to invite the attention of the Senator from Indiana to a certified public accountant's report which I filed with the Finance Committee, in which there is an analysis of the cost of various blends and various straight whiskies. The certified public accountant's report shows that the cost of blended whisky made with neutral spirits exceeds that of straight-run whisky.

Mr. MINTON. After all, accepting everything the Senator from Kentucky says as true, his argument is that the tax was put on to give a competitive advantage to straight whisky as against blended whisky. That was the purpose of putting the tax on in the first place; and now the Senator wants, not to raise revenue, but, under the guise of raising revenue, further to increase the advantage of straight whisky over blended whisky. Producers of blended whiskies are ready to meet their share of the tax. They do not want to evade any part of the burden of taxation which the Government seeks to place upon the people of the country to meet the defense program. They are anxious to meet their share of it, but they do not want a tax laid upon them, under the guise of raising revenue to defend the country, which does nothing except to give a competitive advantage to straight whisky, most of which, by the way, is manufactured in the State of my friend from Kentucky.

Mr. BARKLEY. Mr. President, will the Senator yield?

Mr. MINTON. I yield.

Mr. BARKLEY. I do not know what proportion is produced in Kentucky, but a considerable proportion of it is produced in my State. However, very large quantities of it

are produced in other States. We also produce the type of whisky to which the Senator from Indiana refers. We have blenders. We have rectifiers. A very large plant in the city of Louisville is objecting to the increase of 10 cents a gallon in the tax. I am not particularly pleading for the producers of my State. As a matter of justice and fairness between the particular types which are produced in all the States which produce whisky, if there was justification for the 30-cent tax on rectified whisky when the base tax was $2.25, certainly a tax of 40 cents a gallon is justified when we raise the base tax to $3.

Mr. TYDINGS. Mr. President, will the Senator yield?

Mr. MINTON. I yield.

Mr. TYDINGS. A moment ago I understood the Senator from Kentucky to state that without considering the tax the cost of producing whisky is greater than the cost of producing alcohol. The truth is that spirits cost more to produce than does whisky.

Mr. MINTON. Spirits are of a higher proof.

Mr. TYDINGS. Yes; and the higher the proof the higher the tax. Of course, alcohol is pure proof. Now, when the tax is put on it applies on all whisky, whether it comes from alcohol or what not. I think where the Senator from Kentucky has not gotten the true picture is that he is assuming that without any tax, it costs more to produce the 96-cent whisky.

Mr. BARKLEY. Mr. President, will the Senator yield there?

Mr. TYDINGS. Yes.

Mr. BARKLEY. It is true that the cost of production depends somewhat on the proof, because the more you have to concentrate by distillation, the less alcohol you get out of a given quantity of grain, and, therefore, the proportionate cost is higher.

Mr. TYDINGS. That is correct.

Mr. BARKLEY. But practically all the liquor that is put on the market is not liquor of 140 or 130 or 120 proof. It is around 90 proof.

Mr. TYDINGS. I think the Senator missed my point. The point I was making was that the Senator said that it cost more to produce a gallon of whisky without any tax than it did a gallon of alcohol without any tax, of the same proof.

Mr. BARKLEY. Yes; I said it cost more.

Mr. TYDINGS. The Senator is wrong.

Mr. BARKLEY. Take 90 proof, for instance; it costs more to produce, without tax, a gallon of straight whisky than it does a gallon of rectified whisky.

Mr. TYDINGS. Wait a moment. I did not ask the Senator that. I asked the Senator if it cost more to produce a gallon of whisky than it did to produce a gallon of alcohol of the same proof—not rectified.

Mr. BARKLEY. Yes.

Mr. TYDINGS. Oh, no.

Mr. BARKLEY. Yes; it does. It costs more because of the storage charges—4 years in storage in a barrel.

Mr. TYDINGS. I am talking about the initial cost.

Mr. BARKLEY. Straight whiskies, of course, have to carry not only the initial cost but they have to carry the cost of storage.

Mr. TYDINGS. I want to carry the Senator through the progressive stages, so as to get his starting point. Does he not concede, which is a fact, that it costs more to produce a gallon of alcohol than it does a gallon of whisky of the same proof, without any taxes?

Mr. BARKLEY. Not necessarily, but when you consider the cost of producing a gallon of whisky you can take raw alcohol as it was made yesterday, which is the type of alcohol which is put in rectified whisky. There are three different kinds of whiskies. I am not familiar with them and am not an expert on the subject. [Laughter.]

Mr. TYDINGS. Neither am I.

Mr. BARKLEY. My information is academic and was obtained as a matter of study. There is the straight whisky; there is the blended whisky; and there is the rectified whisky. A blended whisky may be made up of two straight whiskies.

Mr. TYDINGS. Or partly from rectified whisky.

Mr. BARKLEY. Rectified whisky has always been understood to be whisky that is part straight whisky and part raw alcohol. There are no storage charges on raw alcohol; it does not have to be more than a day old; but can be, immediately after the distillation process, put into the straight whisky, which then becomes a rectified product. If two whiskies upon which there has been a $3 tax are mixed, and the cost of production, including coloring and storage and all the rest, has been the same, then there is no difference and there would be no reason to put a tax on blended whisky as compared to straight whisky; but when you take the comparison in cost of producing a gallon of straight and a gallon of rectified whisky and get ready to put them on the market, the figures I have given on a 90-proof product are approximately correct.

While I am on my feet, I will say also that, because of great advertising ability on the part of producers of the rectified product, it is selling in the markets higher than the straight product.

Mr. TYDINGS. Mr. President, will the Senator from Indiana yield?

Mr. MINTON. I yield.

Mr. TYDINGS. I think the Senator from Kentucky has started his argument on a false assumption, which I know he makes in good faith. In my own State most of the people in business are making straight whisky. So if I were talking to please most of my constituents, I probably would be arguing on the side of the Senator from Kentucky. The truth is, regardless of whether whisky is blended or is straight, it pays a $3 tax. That is one thing we can take as a fact. The second thing is that it costs more to produce spirits than it does whisky, for the reason that in the process of production spirits have to be distilled many times. Almost all spirits, or all that I have ever heard of, which are used in the blending of whisky, cost more to make than the whisky itself costs. So with the tax the same on the blended and straight whisky, being $3 a gallon in either case, the cost of making straight whisky and the cost of making spirits being higher in the case of spirits, spirits are at a disadvantage economically on that basis already.

As the Senator from Iowa [Mr. HERRING] has said, the figures of the certified public accountant show that blended whisky costs more than straight whisky. There is labor; there are other expenses besides those of distillation to which I have referred. I think the Senator from Indiana is on the right track. In other words, he wants all whisky taxed the same, as I understand him.

It is significant that the Treasury experts came before the Ways and Means Committee of the House, and the House did not put in what the Treasury specifically undertook to recommend that they put in, namely, this very provision which is now in the Senate bill. It was not put in until the bill came over to the Senate. Why did not the House put it in? Because they found, upon examination of the facts, that what the Senator from Indiana is now saying is the truth, that this is a discrimination against one kind of whisky, and in favor of another, when the purpose of the bill ought to be to tax all whiskies the same.

Mr. GUFFEY. Mr. President, will the Senator yield for a question?

Mr. TYDINGS. The Senator from Indiana has the floor.

Mr. MINTON. I yield.

Mr. GUFFEY. Is the Senator referring to blended whiskies or to rectified whiskies?

Mr. TYDINGS. I am referring to rectified whiskies.

Mr. GUFFEY. What tax do such whiskies bear?

Mr. TYDINGS. The tax is $3 a gallon.

Mr. GUFFEY. How much straight whisky is used in rectified whisky?

Mr. TYDINGS. It varies according to the brand.

Mr. GUFFEY. On spirits the tax is $3.

Mr. TYDINGS. The spirits in restified whisky pay $3 a gallon, the same as other whisky. There are four times the quantity of raw alcohol in it than is in the blended whisky.

Mr. GUFFEY. How much will the tax be under this bill on a gallon of straight whisky?

Mr. TYDINGS. Three dollars.

Mr. GUFFEY. How much will it be on a gallon of blended whisky?

Mr. TYDINGS. It is $3, just the same.

Mr. GUFFEY. On blended whisky. I am talking about rectified whisky. Rectified whisky has not over one-fourth straight whisky in it. I want to educate the Senator from Maryland on whiskies. [Laughter.]

Mr. TYDINGS. The same argument the Senator from Pennsylvania is now suggesting to me was suggested, I am advised, to the House Committee on Ways and Means. The House Committee on Ways and Means were tentatively inclined to adopt it, but when the people who actually make the two kinds of whiskies laid all the facts before the Committee on Ways and Means the committee put a uniform tax on all whiskies, as it should be, namely, $3 a gallon.

Now, under this bill, rectified whisky would be taxed at a higher rate than would straight whisky.

Mr. MINTON. Mr. President, I may say to the Senator from Maryland that the producers not only pay $3 just the same, but under the present law they are paying a 30-cent tax per gallon for rectifying.

Mr. TYDINGS. That is correct.

Mr. MINTON. So they have already a differential of 30 cents a gallon against them, and now it is proposed to put on 10 cents a gallon more.

Mr. TYDINGS. The Senator is correct.

Mr. LUCAS. Mr. President, will the Senator yield?

Mr. MINTON. I yield.

Mr. LUCAS. Following the observation made by the Senator from Indiana, this differential is more than offset by the present 30-cent rectifying tax. In other words, as I understand, it takes about 4 years to age straight whisky, and on that basis there ought to be a 20-cent tax instead of a 30-cent tax, as exists at the present time. But, notwithstanding that, under this amendment, it is sought to add another 10-cent tax, making it 40 cents.

Mr. President, if the Senator will permit me to make one further observation, I know something about the history of this legislation, and this is not the first time that this type of argument has been made in the Congress of the United States. Those who are interested in producing straight whiskies, and the distilleries that are interested in producing rectified whisky, have had to stir up an age-old argument in this Congress as to the type of tax and the amount of tax which should be paid on these whiskies.

What I object to, Mr. President, is that, while we are enacting a tax-revenue measure for defense purposes, when the Government needs sound, adequate defense, once again there is brought into the argument this age-old question as between those who produce the straight whisky and those who produce rectified whisky.

If we can put a 40-cent tax upon rectified whisky, then there is no reason why at the next session we cannot put on a 45- or 50-cent tax; and, sooner or later, those who have great distilleries in this country producing rectified whisky will reach the point where they will make straight whisky and be on the same basis with the distillers who make straight whisky.

When that happens, who will be the loser thereby? It will be the Treasury Department of the United States of America, because they are now paying on the basis of 90 cents a case, and under the new amendment they will pay on the basis of $1.20 a case; and so it goes. It will be possible finally to tax these men out of business, and drive them back——

Mr. CLARK of Missouri. Mr. President, will the Senator yield?

Mr. MINTON. I yield to the Senator from Missouri to ask the Senator from Illinois a question.

The PRESIDING OFFICER. Just a minute; the Senator from Indiana has yielded to the Senator from Illinois, and until he concludes there cannot be any double yielding.

Mr. MINTON. I yield to the Senator from Missouri to ask the Senator from Illinois a question.

Mr. LUCAS. I should like to finish this argument, if I may.

The point I am making is that ultimately it will be possible to tax the rectifiers out of business, to the point where they will go back to making straight whisky. When that is done there will be only one loser, and that will be the Treasury of the United States.

I desire again to emphasize the fact that this is no time, in the course of enacting a defense measure from the standpoint of revenue, to bring in this age-old quarrel between these two different types of distillers.

I hope the amendment will be rejected.

Mr. CLARK of Missouri. Mr. President, will the Senator yield?

Mr. MINTON. I yield to the Senator from Missouri.

Mr. CLARK of Missouri. In response to what the Senator from Illinois has said, I should like to say that the statement was made before the Finance Committee in the presence of all the Treasury officials—I was not present when they themselves made the statement, but the statement was made by the Senator from Kentucky that he had been informed by the Treasury Department, and the Treasury officials were all present when the statement was made—that rectified whisky could well stand a tax of 50 cents instead of 30 cents. The Senator from Kentucky did not offer that amendment. He limited it to 40 cents; but the statement was made on the authority of the Treasury Department that the rectifying tax could well be put at 50 cents.. I ask the Senator from Kentucky whether or not that is correct.

Mr. BARKLEY. Mr. President——

The PRESIDING OFFICER. Does the Senator from Indiana yield to the Senator from Kentucky?

Mr. MINTON. I think I will admit that, and save an argument. I think that happened; but, of course, the Senator from Kentucky was very wise in doing that, because he knew that if he put the tax up to 50 cents the committee would not take it, because the committee actually voted this amendment into the bill by 11 to 10. It was very close.

Mr. BARKLEY. Mr. President, if the Senator will yield, it does not make any difference about the vote; I imagine the vote would have been the same if the tax had been 50 cents. Not only did what the Senator from Missouri has stated occur, but at another time Mr. Stewart Berkshire, the Deputy Commissioner of Internal Revenue in charge of the Alcohol Tax Unit, stated to the full committee in the presence of some other members of the Treasury, and nobody disputed it, that in order to do to this increased tax of 75 cents a gallon on straight whisky what the 30-cent tax did with respect to a $2.25 tax, the product ought to bear a 50-cent tax instead of one of 30 cents.

Mr. MINTON. Mr. President, I do not intend to delay the Senate any longer.

I do not know anything about whisky. Some persons say that all whisky is good, some just a little better than the others. To me it all tastes about the same, so I do not know. I would not know a blended whisky from a straight whisky or a rectified whisky, but I do know that what the Senator from Illinois has said is true—that there has been a fight on here in Washington between straight whisky and blended whiskies and rectified whiskies for years—and now the distillers of straight whisky have taken advantage of this opportunity, when we are passing a defense measure, to come in here and get a little defense for themselves—not only a little defense, but a little offense. That is what they are trying to do in this tax bill—to get a competitive advantage.

Mr. President, the House rejected the proposed amendment. The House would have none of it. The Senate put it in the bill by a vote of 11 to 10.

Mr. BARKLEY. Mr. President, will the Senator yield?

Mr. MINTON. Yes; I yield.

Mr. BARKLEY. The House did not pass on this question. Under the rule that was brought in under which this bill was considered by the House no amendment could be offered on the floor; and therefore the House itself did not have an opportunity to pass on the matter except as it voted for the bill as a whole.

Mr. MINTON. But, Mr. President, the committee certainly had a chance to do so. The Ways and Means Committee of the House wrote the bill. It started there. It had to start there. The foundation, the structure, and every bit of the bill were written in the Ways and Means Committee of the House. The Senator from Kentucky does not mean to tell the Senate that the persons who are fighting the fight of straight whisky were not over there before the Ways and Means Committee trying to get this proposition written in by the Ways and Means Committee.

Mr. BARKLEY. I will say to the Senator that the hearings occurred before the subcommittee of the Ways and Means Committee, and the subcommittee recommended this increase. It was eliminated by the full committee, before which hearings were not held.

Mr. MINTON. The hearings were held before the subcommittee, and the subcommittee reported the provision to the full committee, and the full committee would have none of it. So the House followed, under the rule, the bill recommended by the House committee. The bill came over here as the House bill, and now the Senate committee proposes to put on this amendment to give this advantage to the straight whiskies. It was put on and sent out of the committee by a vote of 11 to 10.

Mr. President, I agree with the Senator from Illinois that this advantage should not be granted the straight whisky people at this particular time. They should not be allowed to take advantage of this unusual situation to give them further economic advantage in this competitive field.

Mr. CHANDLER. Mr. President, the Legislature of Kentucky this year became very much concerned over the fight between the rectifiers and the distillers who make 100-proof old-fashioned Kentucky whiskies, which the Senators who preceded me claim to know so little about and manifest very little knowledge about, which leads me to believe that while I know nothing personally about them, I know about as much as some of those who ought to know more. [Laughter.] But by a vote of 2 to 1 in the Kentucky Legislature they decided that a certain course, which I propose to tell you about in a few minutes, should be pursued as to those who blend and who rectify whisky; and that term is a misnomer, because "rectify", according to the dictionary, means to make right, and that does not make it right. That does not make it any better for the consumption of the men and women of the country who drink whisky.

Generally speaking, rectifying consists of blending or mixing distilled spirits. The prime rectified product in the distilled-spirits industry is blended whisky. Blended whisky is a mixture of straight whisky, alcohol, commonly known as neutral spirits, and flavoring and coloring ingredients, on which certainly no tax is paid; and I hope Senators who vote for that kind of whisky will get it in their whisky when they drink it, because I am certain that does not make it any better, but that is what they will get. [Laughter.]

Mr. MINTON. Mr. President, will the Senator yield?

The PRESIDING OFFICER (Mr. CLARK of Missouri in the chair). Does the Senator from Kentucky yield to the Senator from Indiana?

Mr. CHANDLER. No; Mr. President. I listened to him, and I did not bother him when he was speaking, so I do not want him to bother me. [Laughter.]

There are also what are known as blends of straight whiskies, which I shall discuss a few moments later.

A few days ago a meeting of all the distillers in my State was held to consider this very important matter, just to see what ought to be done under the circumstances. What actually is proposed here is a 33⅓-percent increase in the tax on each product; on the straight whisky from $2.25 to $3; on the other from 30 to 40 cents. I will say that I will support a tax of 50 or 60 cents, because that comes closer to making matters even, and placing the two products in a fair position of competition.

Seventeen of the distilleries of my State—and many of them are small distilleries which have taken all of their capital to try to get enough money to engage in the business—voted to ask the Congress of the United States if it would do what they wanted it to do under the circumstances, to place the tax at 40 cents. Two of the distilleries were under the domination of the Seagram Co.—the Seagram Co. has plants in some of the other States—and two distilleries did not vote. Seventeen voted, and I have the request here, and the names of the distilleries that voted.

At the present time the law imposes a tax of $2.25 per proof gallon on distilled spirits. This is applicable both to the whisky and to the alcohol which goes into the blend, as well as to the straight whisky sold as such. In addition, the law at the present time imposes a tax of 30 cents per proof gallon on rectification; that is, on blended whisky. The 30-cent tax is not only a revenue producer but was enacted primarily to equalize the costs of blended whiskies and straight whiskies so that the former would not have an economic advantage in the markets over the latter.

As evidence of the economic philosophy under which the 30-cent rectifying tax was imposed—and, Mr. President, that is now the law—I call attention to the fact that blends of straight whiskies consisting of two or more whiskies each 4 years old, reduced in proof not below 90 percent, to which coloring and flavoring are not added, are not subject to the tax. I further call attention to the fact that gin made by redistillation in a rectifying house at substantially the same cost of production as gin made by distillation in a distillery is not subject to the tax. Thus, Congress did not impose the tax on these two rectified products which are of substantially the same cost as the unrectified product.

Due to present costs of production, 30-cent tax does not at the present time equalize the cost of production of a proof gallon of blended whisky and a proof gallon of straight whisky. The prime competition between blended whisky and straight whisky today is a competition between the 4-year-old straight whiskies and the blends, in which a 4-year-old whisky is used as the base.

The Kentucky straight whiskies now 4 years of age and which will become 4 years of age within the next year or two cost the average distiller, when placed in the warehouse for aging, 50 cents per proof gallon. The distiller has to pay 50 cents a gallon, I will say to the Senator from Pennsylvania, when he puts whisky in a warehouse in order to have it go through the aging process. Those of you who know more about that, and know how to drink whisky, know that unless it is aged in the wood it is not so good, it is not so mellow, and it is not what you spend your money for when you go to buy old-fashioned straight Kentucky whisky.

The cost to the distillery of carrying whisky averages about 10.8 cents per gallon per year. The average 4-year-old whisky on the market is today about 52 months old. Thus, a gallon of 4-year-old Kentucky straight whisky costs the distiller approximately 96 or 97 cents a gallon. The blends, on the average, consist of 25 percent whisky and 75 percent alcohol or neutral spirits. That means coloring, flavoring extracts, vanilla, and some other things. I do not know what is put in it; neither do you. You just have to drink it and hope it is all right. There have been times in the past few years when some persons have suddenly shriveled up from drinking some of this stuff that was not guaranteed 100 percent proof. [Laughter.]

The blends, on the average, consist of 25-percent whisky and 75-percent alcohol or neutral spirits. Thus the whisky ingredient in a gallon of blended whisky costs 24.2 cents, and the three-fourths gallon of alcohol costs to produce about 12 cents, so that the gallon of blended whisky costs approximately 36 cents. The difference in cost is therefore approximately 60 cents per gallon. With a 30-cent tax on

rectification, the blended whisky has a cost of 30 cents per proof-gallon less than the straight whisky.

With the present advertising and labeling regulations, blended whisky has had created around it a halo which has so far enabled the blender to sell his whisky at an average price higher than that of the straight whiskies. Thus he not only has an advantage in cost but a bigger spread between cost and selling price, so that if his tax is not increased to a greater extent than is the tax on straight whisky, the tax structure will result in the blender taking the market away from the straight-whisky distiller.

There are now nearly 500,000,000 gallons of straight whisky stored in the internal-revenue bonded warehouses of the country, in which a tremendous capital investment has been made. Some 45 to 50 percent of this whisky is stored in Kentucky, that State being the greatest producer of Burley tobacco and the greatest producer of bourbon whisky in the United States.

Assuming that the increase in this tax on distilled spirits from $2.25 to $3 a gallon will to some extent diminish consumption, it is obvious that the withdrawals of the 500,000,000 gallons of bonded whiskies will be slowed up to the point where the distillers may have difficulty in meeting their obligations if, in addition to that normal slow-up, the blended whisky, due to the tax structure, is put in a position to take away any of the present straight-whisky market.

From the above it will be noted that the rectifying tax should be raised to 60 cents a proof-gallon in order to equalize costs between blended whisky and straight whisky. The bill originally proposed to increase that tax to only 40 cents, and even that increase has now been eliminated, and the tax has been left at 30 cents a proof-gallon. I claim it should be 60 cents; but the committee, in its wisdom, decided to place it at 40 cents, and we agreed to vote for the 40 cents and stand by the committee. The Treasury Department and the Federal Alcohol Administration in the Treasury Department recommended that, under the circumstances, it could stand 40 cents.

Mr. BARKLEY. Mr. President, will my colleague yield?

Mr. CHANDLER. I yield.

Mr. BARKLEY. If the present law taxing the straight liquors $2.25 a gallon and the rectified 30 cents because of the rectification, will it not work to the economic advantage of the producers of straight whisky to raise the tax from $2.25 to $3 without in any way changing the tax on rectified whisky? In other words, if we are to raise one of them 75 cents a gallon, we certainly should give the other an economic advantage in the sale of its products to the country.

Mr. CHANDLER. That is the purpose of it, I will say, and I thank my colleague. The Senator from Illinois says we are raising defense taxes, and because we are raising defense taxes the Kentucky distillers who make straight whisky are agreeing to the increase in tax, but at the same time we increase their taxes we leave the other fellow just as he is, and it is not fair.

Mr. BARKLEY. I think it might be well to quote some prices. I am not going to give the names of the whiskies, because I am not in the advertising business, but I have here a list of 11 different brands of straight whisky and a list of 6 different brands of rectified or blended whisky, whichever it is, not straight whisky.

The price of the straight product ranges from $11.25 to $13.85 a case. That is the wholesale price to the public, from $11.25 to $13.85 a case, which means 12 quart bottles, containing 3 gallons. The price of the rectified product runs from $14.18 a case to $18. So that there is no danger of putting the rectifier out of business when, because of his great capital and his Nation-wide program of advertising, he is already getting from $1 to $3 a case more than the producer of the straight whisky. There is no basis for the argument that simply putting on a tax of 10 cents a gallon for the privilege of rectification, which is really for the privilege of reducing the standard of the product itself, would put these people out of business; and if we do not impose it, it certainly gives an economic advantage to the producers of straight whisky.

Mr. CHANDLER. There is no question about it, and I thank my colleague for that contribution to my remarks.

Mr. President, unless that 30-cent tax is materially increased to something approximating 60 cents a gallon, those with their capital invested in the tremendous stocks of straight whisky now in the country may find themselves in a very difficult financial position. This is particularly true of the smaller Kentucky distillers, many of whom will have difficulty in meeting their financial obligations if there is any material diminution in the rate of sale of their products.

I speak mainly for the small distilleries, such as those in the Kentucky River Valley, some of them in my county. The men and women who live in that neighborhood have had these distillery recipes for over a hundred or 150 years. They know how to make straight Kentucky whisky, and the capital is in these communities. They cannot compete with the great chains of distilleries which mix 25 percent of whisky and 75 percent of alcohol and flavoring and coloring extracts.

This is a plea to equalize the opportunity of the small distiller in Kentucky, when he is accepting a 75-cent increase of taxes to do business, to continue to meet his obligations of life.

I hope, indeed, that the amendment offered by the committee will be sustained, and I say in all sincerity it should be 10 or 20 cents higher, but we have agreed, under the circumstances, because the committee carefully considered the whole problem. I hope the Members of the Senate will stand by the Committee on Finance.

I ask unanimous consent to have printed at this point the record of a vote taken by Kentucky distillers on June 12, 1940, on the question whether the rate should be 30 cents or 40 cents a gallon.

There being no objection, the matter was ordered to be printed in the RECORD, as follows:

At a general meeting of Kentucky distillers held at Bardstown, Ky., June 12, 1940, at which meeting representatives from 22 distilling companies were present, a vote was taken as to whether or not the rectifying tax should be increased from 30 cents to 40 cents per gallon as originally proposed in H. R. 9966, and the balloting on the question resulted as follows:

In favor of an increase in the rectifying tax: James B. Beam Distilling Co., Cave Springs Distillery Corporation, Churchill Distilling Co., Dowling Bros. Distilling Co., Glencoe Distillery Co., Glenmore Distilleries Co., Inc., Labrot & Graham, Inc., H. McKenna, Inc., Tom Moore Distillery Co., Ripy Bros. Distillers, Schenley Distillers Products Corporation, Shawhan Distillery Co., Inc., Stitzel-Weller Distillery, K. Taylor Distilling Co., Taylor & Williams Distilleries, John A. Wathen Distillery Co., and Willet Distilling Co.

Opposed to an increase in the rectifying tax: Bardstown Distillery, Inc., Fairfield Distillery, Inc., and Joseph E. Seagram & Sons, Inc.

Not voting: Brown-Forman Distillery Co., and General Distillers Corporation of Kentucky.

Mr. PEPPER. Mr. President, I would not interrupt the continuity of the present discussion if I did not believe that it will be such a relatively short time before all these factors will have to be doubled and trebled, and therefore make the legislation we might pass today out of date, that I think I may do so without any great injustice to the issue involved. What I propose to do is to offer a seven-point program for the defense of America.

I realize that on this solemn day there are many besides myself whose hearts are heavy. With the surrender of the French Army, no one knows how soon the day will come when all resistance to the invincible military machine of Hitler will be utterly destroyed. Already the news service tells us that Mussolini and Ciano are on their way to a secret meeting with Hitler to determine the terms of surrender for the French people.

I know that there is not one in this Chamber who would not, if he could, repair the damage of that great loss to the cause of democracy, to the cause of culture, to the cause of international decency, to the cause of Christianity. But in the last 3 weeks, as I have spoken upon this floor and before a committee in behalf of a program which I thought would add strength to the preservation of our first line of defense,

there have been many who have come to me and said, "We wish it were possible to accomplish those purposes, but it is already too late. The damage is beyond possible repair. All we would do, therefore, would be to make a gesture if we followed your counsel. The cause is already irrevocably lost." They have already come to the consciousness that we live in a new and a more tragic world.

Mr. President, I shall not, therefore, dwell at any appreciable length upon the significance of the present situation, because my purpose is to offer a constructive program, under seven headings, which I believe will meet the demands of the American people that every energy of this great Nation, every power we possess—physical, mental, and spiritual—shall be dedicated to the cause of the preparation of the United States against a foe they know is already marching in this direction.

Mr. President, what has concerned me principally today is a sort of theoretical query which has been in my mind: What kind of an apology have those who would defend this generation's democracy to offer to posterity for this criminal neglect in its defense? What are they going to say paralyzed the will of the democracies of the world? What mysterious germ, what magic power will they say so took in its grasp the will of the democracies of the world that it was paralyzed and stagnant in the face of danger which not only threatened but accomplished its inevitable and permanent dissolution?

What are they to say about our complacency toward Hitler? In 1933 a man comes to power in the German Nation, after he has written and published to the world a book in which he declared that the German people were destined to rule the world, and declared as a single objective the accomplishment of that end, against all odds, with an unswerving and undefeatable will, by every form of perfidy and destruction that was available to his marvelous ingenuity or his extraordinary genius. Yet the world paid no attention. With those weapons he destroyed the liberties of 80,000,000 great, brave, strong people; and still we waited. Then he went outside of his own borders, using the same methods and tactics, following the same declared course; and one nation after another—strong, virile, dynamic—came to heel, many with only the threat of his terrible sword.

Others put up such resistance as their archaic methods would allow.

He went with a new procedure behind the lines of battle. He paralyzed the minds and the will of a people to fight. So he had defeated them behind the lines before he ever had attacked them at the front.

Mr. President, this generation in the last 7 years has seen the most terrible epic that the human race has ever had the horrible experience to witness. One after another countries have fallen—nations with supposedly great statesmen, men of far-sighted wisdom, well-informed foreign offices, competent and experienced intelligence units—nations that were empires of the first magnitude, whose word rang round the earth, and upon whose flag the sun in its heaven never set.

One of those empires, Mr. President, so little understanding this new peril that had arisen upon the horizon, is now, today, a bonded slave to Adolf Hitler and his satellites in the wicked confederacy which he has created. That country, whose flower is the fleur-de-lis; that country, whose banner is the tricolor; whose motto is "Liberté, égalité, Fraternité"—France—is no more. France is a vassal. France is dead.

And England, no longer the lion of old—king of beasts—Great Britain now is a great wounded lion tottering under this great, invincible sword which threatens to take its life-blood when it falls.

Mr. President, that is the world in which today we are debating whether one kind of whisky or another kind of whisky shall pay a tax of $3 a gallon.

Already Mussolini, Ciano, Ribbentrop, and Hitler are parceling out the African colonies of France. They have probably already taken over the French Fleet, or made arrangements to take it over, for no one is senile enough to imagine that they are going to let the Army of France and the people of France be spared unless they make the unconditional sacrifice at least of their fleet intact.

Mr. President, mark my word, if they do not do it, there will not be a man alive on fair France's soil after the time in which the sword of Germany could put them to death.

The naval authorities say that if you will add the French Fleet to the Italian Fleet and the German Fleet you will have a superiority in capital ships on the side of the British as against that combination, but probably a superiority of light ships on the part of the combination of Hitler, Mussolini, and the French Fleet. But, in addition to that, what is that smoke on the horizon by the East Indies? That is the fleet of the yellow men—almost the equal of the fleet of the United States itself. When Hitler and his combination marshal their forces for an attack upon Great Britain, do you think the yellow men of the east are to stay quiet in their territory, or do you not know that they will raise their sword upon the East Indies for its rubber, it manganese, and the other minerals that are not found in such plenitude anywhere else in the world, which are there almost at their doorstep. Add that fleet to the combination of Mussolini and Hitler and the French Fleet and you have a united superiority over the whole British Fleet, even if it were all in one place.

But, Mr. President, I can go further. If you add that combination together, and even had the fleet of the United States and the fleet of Great Britain, that combination as against the combination of Great Britain and the United States of America would be as 9 to 10. Even if every unit of our power were flung into that combination, even then there would be hardly an advantage to the British side.

But, Mr. President, where do you think the British Fleet is? Is it all in home waters? Is it even all in the Mediterranean? I should say roughly that 50 percent of that fleet is scattered around the world—Canada, New Zealand, Australia, the Singapore base, and the waters of the Indian Ocean, and upon the seven seas—wherever the proud flag of Great Britain up until a little while ago was the ensign of an empire which was master of all it surveyed. Britannia did rule the waves, Mr. President, until this horrible thing took place.

So I say these units—that is, the combination of Mussolini and Hitler and the Navy of France, if they shall possess it—do not have to go to Singapore, they do not have to go to Australia, they do not have to go to New Zealand, they do not have to go to Canada. All they have to do is to tighten their stranglehold around the little isle of the United Kingdom. They do not even have to encompass all the islands off the coast of the United Kingdom.

Mr. President, with but 50 percent of the British Fleet in the home waters to defend the islands of the United Kingdom, it is a very easy matter for this combination of powers to make a combination which will be overwhelming as against that portion of the British Navy.

But, Mr. President, I go a bit further. I am told that the British have three principal naval bases from Le Havre to Norway. Who now controls the territory from Le Havre to Norway? All that thousand or more miles of coast is subject definitely to just one will, the will of Adolf Hitler, and his diving Stukas which may rain death on it from the air.

In other words Hitler controls the bases all the way from Le Havre on the south and all points on the French coast, the channel ports, the ports along the coast of Norway, the Danish coast and, of course, the German coast.

A navy cannot operate without bases. It is absolutely impotent without a base for more than a short period of time. It cannot operate without those bases to which it can come for coal, oil, or for repair. So without those three bases upon the coast, on which now Germany has unquestioned sway, there may be one base in Great Britain proper.

But I ask you what would happen if in using that one base the ships were all to congregate, a great number of their great fleet, at that particularly vulnerable point. For I am assuming in making these remarks that Germany still retains an air superiority over Great Britain and France. In the beginning of the war, when England had an air force and France had an air force, and when Italy was not in

the war, even then German air superiority was unquestioned. But now with France no longer in the war, with France a vassal state, and Italy in the war, there can be no possible question but what the combined air power of Mussolini and Hitler exceeds anything which the British can possibly command.

So you give an approximate equality of naval strength to Hitler and Mussolini, and then you give them an unquestioned air superiority, and limit their field of attack to just the island of the United Kingdom. I ask, Mr. President, how long can brave Britain hold out against that vicious combination?

Therefore I give considerable credence to the estimate that has been made by certain military experts, whose names I shall not call here, who said at first that perhaps Great Britain would hold out until July. A little time ago before France fell they said perhaps the war would last until the 1st of September. But I venture to say that Great Britain will be starved out, instead of bombed out, for the very reason that they do not have a food supply sufficient to last more than a few weeks. And ships may circle the world in their effort to get food from the four corners of the earth, but when they bring it back to Great Britain, where are they going to stop? They must stop the ship, and the ship then becomes an immobile target, and the dock at which it unloads is, of course, an immobile target; so what about the airplanes up above? What did they do in the attacks on the docks at Dunkerque? They literally tore them into shambles.

So if the attacks on the docks at Dunkerque 22 miles away from the English coast could be successfully made, what is there to keep them from making shambles out of the ports of the United Kingdom when its ships come from across the seas and attempt to dock and unload the food with which to feed the people of England?

Mr. President, there were some persons a little while ago who said, "No, no, the British Ambassador is simply disseminating vicious propaganda. He is just trying to get the American people into the war, when talking about the British giving up their fleet." And then some said, "Well, what about the French giving up their fleet?" The reply was, "Oh, that is some more of that vicious propaganda emanating no doubt from the French Embassy this time and there is nothing to it."

Yet here is the newspaper of this afternoon. If I am not a man who is out of his mind, I see headlines in a Washington newspaper:

France asks for armistice—Germany demands surrender.

Then here in the next headline I see:

Britain fears Nazis will use captured fleet for invasion.

Apparently even the British are thinking there might be something to it.

Does anyone think that Hitler is a sentimentalist?

Does any Senator think that this is another Grant, who, according to the code of chivalry, takes the sword of another gallant Lee? Are we dealing with a Grant versed and steeped in the traditions of Americansm, dealing with a gallant foe who fought a gallant fight, handing back the sword to the brave owner who carried it so illustriously upon scores of battlefields This is a beast, in whose heart there is no sentiment except the sentiment to crush all opposition to his iniquitous plan.

In the summer of 1938 my wife and I had an experience which I suppose will be historical. We sat 20 feet away from Adolf Hitler, on the porch of the House of German Art in Munich, with only one table intervening between ours and his. I looked him in the eye. I looked at the cut of his face. If I ever saw the stare of a man inconsiderate of all sentiment which stood in the way of the realization of his purpose, it was in the eye of Adolf Hitler. I looked at that face, and it seemed to be cut out of stone, Mr. President. If I were delineating it in bronze or stone I should make a straight line from one cheek bone to the corner of the chin; another from the other cheek bone to the corner of the chin, a straight line across the bottom, and a straight line across the top. That would represent the fixity of purpose in the cold, hard face of Adolf Hitler.

Mr. President, that is the kind of man we are considering—worse even than Napoleon ever dared to be, more cruel than any conqueror whose hand ever held sway over the earth, and more dangerous, because he is a greater genius than any military commander the world has seen to date. The Kaiser's legions, then the flower of soldiery on the face of the earth, took 4 years and never reached Paris. This time, 5 days after Hitler really began his attack upon Paris, the French capital capitulated. Today, less than 2 weeks from the time Hitler began his march across France, there is not a straight line in the French Army, French soldiers are fighting as guerillas here and there, some of them not able to realize that the order to cease firing really means that fair France had died into slavery.

Mr. President, a moment ago I stated that the question which troubles me is, What has happened to us? What happened to Chamberlain, Baldwin, and their compatriots? What happened to the French statesmen? What happened to Gamelin? I remember that in the summer of 1938 the French placed so much confidence in the wisdom of General Gamelin that I was advised officially and authentically that he had told the British Cabinet that he could crack the Siegfried line if he were ordered to do so.

Mr. LUCAS. Mr. President, will the Senator yield?

Mr. PEPPER. I prefer not to yield, if the Senator will excuse me.

The PRESIDING OFFICER (Mr. HATCH in the chair). The Senator declines to yield.

Mr. PEPPER. The British had so much confidence in him that they believed him.

What will posterity say about the statement which Chamberlain made a little while before Adolf Hitler unleashed his tigerlike Army against the Allies? What did poor, old, deluded Chamberlain say? "Hitler has missed the bus." That was the statement of the Prime Minister of Great Britain, with two or three little mechanized divisions in Flanders, with the French depending upon the Maginot line for protection, and really no adequate preparation for modern war. Yet when Hitler was poised to strike his deadly blow, the Prime Minister of Great Britain said, "Hitler has missed the bus." I think that statement will go down in history as perhaps the most descriptive statement any statesman has uttered showing a total lack of understanding of the kind of war we face and the kind of world ours had become.

If we search Europe, we cannot find a single power which dares to raise its head against the power of Hitler and Hitler's Germany. So Europe is his vassal. France is no more than a slave. A few days ago I said that I hoped we would have a memorial service when France died. I thought of the beauty of French literature and the luster of French learning. I thought of the grandeur of the French character in the past, and how France had written in gilded letters across the illuminated sky of man's history the great accomplishments of the French people. I wish we could have paused, Mr. President, in at least a word of sympathetic sadness when the fair name of France was blotted from the map of the world. At other times she came back; but no Hitler conquered her in days past.

Such is Europe. There is nothing but vassals and slaves. Reaching to the southwest, we find a vassal state. Italy is already in collusion with Hitler. The Balkans are already trembling in their boots at every word and command he utters. Over there is a giant of Europe and Asia, Stalin, whose own bloody hand is a part of the bloody conspiracy. How far does the conspiracy reach? Take the continent of Africa, Mr. President. Does anyone think that the airplanes of Hitler and Mussolini could not pulverize any and every city upon the whole continent of Africa? So Hitler, I say, is the master of that continent also. In league with Russia and Japan, does anybody deny that he dominates the

policy of Asia and of the Far East? The East Indies are just as much the property of Hitler today as my hat is my property, which I have the power to pick up when I reach my office.

So, Mr. President, there is Europe. There is Africa. There is Asia. Let us look into the far Pacific. There we see the little continent of Australia, in the shadow of the Japanese Navy, buttressed by the navy of Italy and Germany. How long could that little country stand up? So that continent, too, today shivers under the Nazi threat. New Zealand and the islands of the Pacific are all in the same category. Today the will of Adolf Hitler is the supreme human force on the face of the earth.

"But," it is said, "look at the majesty of Great Britain, whose far-flung empire reaches around the word."

Mr. President, I make a sad announcement, in which I believe every Senator concurs. I will not say where Britain ranks in the category of nations, but Senators will understand me when I say that Great Britain is no longer a first-class power. Senators will understand me when I say that the same thing applies to the United States of America.

So here we are. The world which we used to know is dead—as much so as the ruins of Pompeii, which bring back to our mind a civilization long gone. The world in which we lived 7 years ago is a collapsed and crushed world, as dead as the ancient ruins of imperial Rome. So we need not speak about the majesty of the past. We had better concern ourselves with the challenge of the present and the future.

Someone says, "Yes, but we still have the majesty of the Western Hemisphere untouched." For a simple illustration, obtain a copy of the United States News Week for the last issue and see the number of Germans, Italians, and others of like faith and attitude who are distributed among the nations of South America. A few days ago on this floor I adverted to a fact which all Senators noticed: When the President of Brazil made a speech, he paid a compliment to the democracies, but he took pains to extol the glories of the new age which is exemplified by the virility of the totalitarian states.

But, Mr. President, someone says that the Western Hemisphere is still immune. I shall not go into the technical description of the various countries to the south of us. Many persons already think that they do not come fairly in the category of democracies. Senators know what I mean when I say that. Dictatorship is a sentiment not unknown to some. Some regale themselves with the prospect of how much mightier they could become if they followed in the illustrious footsteps of some of the dictators abroad.

The Brazilian President sent a telegram of explanation of his speech. Why did it call for an explanation? It must have had ominous language in it which made the President want to disabuse the mind of our President and our people as to any hostile intent we might have suspected in his remarks. At least the speech was capable of a double interpretation.

I thank God that the illustrious President of Brazil renewed his assurances of loyalty to the President of the United States; but even without Great Britain falling, if the mailed finger of Hitler points at one of those countries and says, "Trade with me," how many of them dare refuse? What protection can we give them if they do refuse? Will we buy their wheat, corn, cotton, cattle, meat, lard, and raw materials which we produce in abundance in this country? If so, what will Senators' constituents back home say when we come to vote money to buy their products when we cannot sell even what we grow in our own soil?

The Germans say that with their trade policies they can undermine our economy and stir up dissensions among us, weaken confidence in our Government, and bring our people nearer to doubt or hostility toward their own Government and traditions.

In this morning's newspaper there was a statement credited to the propaganda minister of Germany, who said it would be an easy matter to stir up revolution even in North America. Mark my words, Mr. President. We have already lost South America. Do Senators hear that? I am a responsible man when I make that statement. The United States today has less influence in a pinch in South America than has Hitler; and I challenge future historians to deny that statement.

So, Mr. President, the isolationists have succeeded, perhaps beyond their fondest dreams. America has become isolated at last. We did not isolate it. Hitler isolated it by a policy of encirclement which today has made us shrink back toward the confines of our own continent—even, I dare to say, north almost to the Panama Canal.

Americans, are you willing to give up your standard of living and do without exports? A Senator on this floor, speaking honestly to me one day in this Chamber when I spoke on this vital subject, said, "We do not want war." I said, "Senator, do you not see the implications of the present situation?" He said, "Why, of course, I do. It means that we shall go back to a standard of living equal to that of 1835. Take the men off the W. P. A., take away the subsidy from the farmer, take away our R. F. C. aid to business, take away the Government's program to aid all of our people, because the Government will not have the money to do it, let cotton drop to 4 or 3 cents a pound, and then not find a market for more than two-thirds of what we grow at that price, let corn drop to a few cents a bushel, let wheat become an unprofitable crop, let hogs go so low in price as to be incapable of sustaining the farmer upon his farm, let our economy crumble under our very eyes, and what will the American people be saying? Will they not be speaking sentiments upon which "fifth columnists" and Trojan horses may grow?

I tell you, Mr. President, that our country today faces the greatest challenge to our security that we have ever had in any day since the dark days when George Washington alone, by almost a Divine intervention on his side and the incomparable courage of the American people, was able to wrest the independence of this country from another.

That is the reason, Mr. President—because I was disturbed—that I wanted to offer a constructive program, for which today I know I shall be criticized. It will be said that I am a warmonger; that I am engaged in a policy for the dissemination of hysteria; that I am an irresponsible second- or third-rate Member of this body; but, Mr. President, I challenge you to wait a few weeks and see if the American people do not demand the program that I am going to offer right now, for they sense, in the way that the intuitive faculties of the people sometimes understand more than they can describe, the traditions of our country that are about to be destroyed, and they sense a jeopardy which we never before experienced.

Mr. President, it is a 7-point program that I submit for the defense of America.

A few days ago Senators were saying, "We cannot send anything abroad now; we do not have it." All right. Let us talk primarily about America and its defense.

First. Confer upon the President full wartime power to prepare and defend America. [Manifestations of applause in the galleries.]

The PRESIDING OFFICER. Just a moment; the Senator will suspend. Under the rules of the Senate, no demonstrations whatever are permitted in the galleries. Those rules must be obeyed.

Mr. CONNALLY. Mr. President, a point of order.

The PRESIDING OFFICER. The Senator will state it.

Mr. CONNALLY. Would it not be wise for the Chair to instruct the doorkeepers that when the guests of the Senate violate this rule they will be ejected?

The PRESIDING OFFICER. The doorkeepers understand their duties, and the Chair is sure they will remove from the galleries any person who violates the rules of the Senate.

Mr. PEPPER. Mr. President, I want it distinctly understood that when I refer to the President I am not talking about a particular President; I am talking about the President of the United States of America whoever he may be. I speak in the shadow of another election which will give the

people of America in the democratic way—which, thank God, still a little while longer will live here—the right to determine who their President shall be. If a Republican or some other President, by the will of the American people, is elected to the White House of our country, I still offer this program for the President of the United States of America.

So, Mr. President, I suggest:

First. Confer upon the President full wartime power to prepare and defend America.

Second. Universal defense service, so that every citizen may be best trained and placed for the country's defense.

I mean by that just what I say: Universal service, enacted as soon as the present Congress can enact it, calling to the colors of their country the men of this Nation—young men, middle-aged men, and older men—every one of them to take his place where his Government may judge that he may best serve—in the Army, in a factory, upon a highway, in building forts or ships, or whatever the defense of this God-blessed country may require.

Third. Confer upon the President power to suspend all rules, regulations, and statutes, including Army, Navy, and departmental seniority regulations, which in his judgment interfere with the maximum speed in the production, transportation, or manufacture of defense materials.

I mean by that, confer upon the President—the people's President, whoever he is, acting, of course, as he will always act, upon the advice of the proper agencies of the Government—confer upon some official who can act the power to say, if a young officer is better to lead a company than an older officer, that he shall be at the head of it. If a young naval officer is more competent on the sea than an older one, put the young officer in charge of the ship. If our country is in danger, we cannot quibble about individual rights of seniority in a crisis like that.

In addition to that, Mr. President, I have purposely included the power to suspend the wage-hour law, the power to suspend the Walsh-Healey Act, the power to suspend the National Labor Relations Act, the power to suspend any rule, any regulation, any statute which the President thinks, in his wise discretion, will interfere with the vital necessity of this country's arming itself at the earliest possible time that conditions permit.

Mr. WALSH. Mr. President——

The PRESIDING OFFICER. The Senator from Florida has declined to yield.

Mr. WALSH. The President already has power, in the interest of the national defense, to suspend every labor law.

Mr. PEPPER. I thank the Senator. I am delighted to have the able Senator confirm that.

If more hours of work are required of labor, I favor conferring upon the President power to require whatever number of hours the national emergency may necessitate; for though I have tried to defend labor as loyally as I knew how, I say to the labor unions, whose interests I have always supported on this floor, "The only chance you have to have collective bargaining and liberty of economic action is for your country to live and democracy to exist upon the face of the earth." I say to the workingman, "The only chance you have to keep from being a slave, ordered like a scourged slave from one place to another, is for the majesty of the Stars and Stripes not to be questioned in all of this broad land or continent." So I make no apology to any group whose interests I may seem unjustly to affect, because I am talking about the integrity of America, and in a matter like this there is but one right, and that is the right of society to preserve itself against all enemies.

Fourth. Confer upon the President power to suspend the present debt limitation if in his judgment such limitation interferes with the maximum speed of the defense program.

It is not any longer a question of debt limitation or of money. It is a question of building ships, of building airplanes, of building arms, of acquiring materials, of manufacturing powder, of constructing tanks, or making armored cars; and money means no more than a buried treasure if it is not the instrument by which the independence of our country may be preserved.

While we made a gallant gesture toward increasing the debt limit $3,000,000,000, we have already spent five billion since we started this program about 3 weeks ago, and we know that five billion is just a drop in the bucket. Let us tell the people so, and forget about the debt limit, and think in terms of 50,000 airplanes, two navies in two oceans, the master of both, and tanks necessary to be the accompaniment of a motorized army of 2,000,000 or 3,000,000 men. Let us think in the terms in which Hitler thinks, of materials of war and instruments of destruction upon the field of battle.

Fifth. Grant the President the authority to aid in material or credit those countries and nations which in his judgment at this time constitute America's first line of defense.

Remember, I said materials and credit. If England can hold out until the 1st of January, we will be prepared that much more. A little while ago I asked: Why did we not start 2 years ago? Why did we wait until it may be too late?

Two years ago all the democracies of Europe alone, if they had put their fingers upon the throat of Hitler, could have strangled him to death. Today all of them stand helpless before his might. Yet each one waited, thinking perhaps some other country would be eaten up but that it would not; being too timid to enter into a confederacy, thinking someone would charge it with violating international law or being unneutral; putting up some of the defenses which were as ancient as the Dark Ages. Their safety was already eaten out in its vitals by the traitorous "fifth columns" which had already unlocked the doors of their fortresses, and spiked their guns, and had almost made ready to sabotage their ships, and certainly had paralyzed their will to defend themselves.

How many times shall we ask ourselves "Why did we not do something a little while ago?" But we can still help with material and credit.

We hear of the Johnson Act. That has been the buttress and fortress behind which gentlemen have claimed the right to national and international distinction, and all it has been has been a cloud over the eyes of the American people, which has jeopardized the country our forefathers bought with their blood.

I am telling my colleagues, posterity will want to know why we let a few blind men lead us over the precipice which destroyed our right to live our kind of life, our standard of living, and, God forbid, perhaps the integrity of our country.

Mr. President, if a few dollars will enable the democracies to hold out until September 1 or October 1, let us get them over there as soon as we can.

Sixth. The President and the Congress to begin immediately the preparation and the adoption of a defense budget and a tax program adequate for the national defense.

We all know this tax bill is just a gesture. There is not one of us who does not know it is no more than a gesture. During the debate I felt like saying to those who were talking about whether the tax should be on straight whisky or blended whisky or rectified whisky, that they need not quibble about it, because before the tax really goes into effect it will be doubled and trebled so many times they will have forgotten about this day back in June when they distinguished between one kind and another.

We have not even begun to tighten our belts, I am telling my colleagues. I think the patriotism of the American people, as this crisis has become more acute, has been one of the finest things I have ever seen. It was not the Congress or the President; to be frank, it was the American people who demanded that we impose these taxes. They want to pay. They will pay until it hurts, because, in the way men understand when their security is in jeopardy, they know that to pay now is the only way they have of avoiding—if I may use a common expression—paying through the nose later.

I suppose the French people would be willing to appropriate a little more for defense, would they not, if they could go back a few sessions of their chamber. If they had known a few years ago, when the Chamber of Deputies met and

quibbled over little things while a mighty Germany grew around but a single invincible will, what they know now, would it have taken them all the afternoon to pass a tax bill? They would have been on their knees praying that every possible resource and power be concentrated at the place where it would do the greatest good.

We might just as well not pass the tax bill unless we want to amend the title and call it tax bill No. 1. Do not call it "A," because there are not enough letters in the alphabet to describe the number we are going to have. Call it No. 1, because perhaps we can count up high enough to identify the various tax bills which will have to be passed to defend America against a dominant Hitler.

The very able and foresighted chairman of the Senate Committee on Naval Affairs intimated very clearly on this floor a few days ago that if we built two navies the cost would be a colossal sum of money. Yet is there anyone who denies that we need two navies? I understand that already a bill has been introduced to increase our Navy 20 percent. Thank God for that. It does not make any difference whether we say 20 percent or 30 percent, we are building it as fast as we can. But let us build some more shipyards, let us double and treble our facilities, let us take the unemployed from the streets and highways, or from the humble homes in which they hold their sad faces in their tear-wet hands because they have not a chance to work under a democracy. Let us bring them to the shipyards and pat them on the back and say, "Thank God we have your muscles and your great strength and your strong will to work. You are Americans. Build ships. You are now building a ship, you are saving America. Build, build, build, as if your lives depended on it."

We will find "the old W. P. A. people," whom some have scorned, like Americans of all ages coming to their country's defense, and rendering meritorious service.

The last point is: Seventh. Confer on the President the power to take into custody for the duration of the defense effort all aliens whose freedom would in his opinion jeopardize the defense program.

There is no doubt in the people's minds about that subject. They do not want aliens who come to enjoy our hospitality sticking a knife in our backs. They do not want them spying upon our defenses. They do not want them disseminating vicious and destructive propaganda. Give the President the right to exercise the power of organized government, the right to put them into concentration camps, where they can do no harm through strands of barbed wire builded half to high heaven above their iniquitous heads.

I say that the American people demand of the American Congress a policy of action. Another day has passed, and we have done nothing substantial. France has fallen. Great Britain is almost to her knees. By now perhaps the French Navy is a part of the forces of Adolf Hitler and Mussolini. When in the name of God are we going to start? When are we to mobilize the will of our people, every factor of our economy, every dollar of our money, every unit of our manpower, and make this mighty Nation move as one man toward our frontiers, upon lines of defense, behind the lines, wherever they will prove to be most effective?

Mr. President, I do not suppose this is going to get a very favorable recommendation. I suppose Senators will say, "Oh, some more hysteria," or some other Senators are going to say, "I wish they would quit making these speeches. They stir up the people."

We are not stirring up the people. The people are trying to stir us up. Just listen to them and hear what they say. Hear their words. I could take State after State. Let us take the good old State of Georgia, down my way. The Macon Telegraph, the Atlanta Journal, the Atlanta Constitution, are three papers whose editorials in behalf of what I have been urging have in the last few days come to my attention. They present at least a fair cross-section of the sentiments of the fair State of Georgia.

Then we come to Alabama. We find the editor of the Montgomery Advertiser, one of the greatest papers in this country, crying out that we do something in this crucial hour. I could name a paper or papers in almost every State of the Union.

A few nights ago I spoke in Chicago, and, although it rained up until the time the speech was about to be made, there were 30,000 people present. The Chicago Tribune had said, "We warn PEPPER," in so many words, "We warn PEPPER against coming out here with his warmongering." One would have thought that they were going to set upon me like a mob. The authorities sent a couple of police officers out there. What happened? I stood before that audience and said every word I have ever said on this floor. I spoke of every iniquity and perfidy by Hitler my tongue was able to speak of, and what happened? Two in the audience booed, and, bless their holy name, some American Legion boys threw them nearly over the monument.

I say, Mr. President, that that is typical of the sentiment of America. We, as the spokesmen of a democracy, it seems to me, should wake up and lay out a program. I offer one which has come out of the heart of one who wants to be honest about this matter, though he may be deceived.

I hope to God every fear here entertained is a misconceived fear. I hope not one danger that I have foreseen shall ever come to pass. I hope that not one iota of the jeopardy that I have felt of the nightmare over my consciousness will ever come about.

Mr. President, but if I am not wrong, and if you in your hearts are not wrong, tonight is not too early to speak. I am thinking of the clock and not the calendar.

This is no time for sentiment. This is no time for ritualism. This is the time for action, because the genius of America has always called for courage, and for action, and for positive character. Thus our forefathers won this continent and all that we love today. It will be because we turn our backs to the principles which actuated them that we shall lose the inheritance our forefathers so desperately fought for.

Mr. DANAHER. Mr. President, April 12, 1939, the President approved the Public Salary Taxing Act, in which we thought we had exempted from retroactive taxation many State employees paid either in whole or in part from Federal funds. The plain justice of exempting those employees from retroactive taxation so far appealed to us that we made every effort reasonably to comprehend within their number those who were engaged in the administration of the Social Security Act. However, on November 3, 1939, the Commissioner of Internal Revenue ruled for the first time that such employees would be required to pay Federal income taxes for the years 1936, 1937, and 1938, plus interest and a 25 percent penalty. The collector of internal revenue for the district of Connecticut has been issuing letters making demands upon the employees administering the Social Security Act in the State of Connecticut, and in the number of at least 250, so far, demands have been made for retroactive inclusion in the tax returns for this year.

It seems to me that we should, in justice to such employees, take account of their situation, and in that thought I send to the desk an amendment to the pending bill, H. R. 10039, which in due course I will offer, but for the time being I ask that it lie on the table, and that it be ordered to be printed.

The PRESIDING OFFICER. Without objection, the amendment will be received, lie on the table, and be printed.

Mr. CONNALLY. Mr. President, I should like to interrogate the Senator from Mississippi [Mr. HARRISON]. I have information that there is no longer any objection to the Senate taking up and passing the joint resolution relating to the Monroe Doctrine. It seems to me perfectly apparent that the Senator from Mississippi will not even be able to conclude the debate on the pending amendment today, and if he will yield to me I shall suggest that the unfinished business be temporarily laid aside, and shall ask for the present consideration of the joint resolution to which I referred.

Mr. McNARY. I will say, Mr. President, that I have further canvassed the situation, and I find no present objection

to the immediate consideration of the joint resolution referred to by the Senator from Texas. I favor it.

Mr. BARKLEY. Mr. President, I thought we might vote on the pending amendment, and then perhaps take up the matter to which the Senator from Texas refers.

Mr. HARRISON. I wonder if we can have a vote on the pending amendment now? Will Senators be satisfied to have a division on the amendment, or is it their wish that action be taken by a yea-and-nay vote?

Mr. KING. Mr. President, before the vote is taken on the pending amendment I wish to say that in the committee, after listening with a great deal of care to a matter with which I was not very familiar, I reached the conclusion that the position which has been taken today by the able Senator from Indiana was the correct position, and I shall vote as he has suggested.

Mr. HARRISON. Let us have a division on the question.

Mr. CONNALLY. I understand that the minority prefers that action be taken on the joint resolution first before we act on the pending Senate amendment.

Mr. HARRISON. Let us, if we can, get a vote on the amendment.

The PRESIDING OFFICER. The pending amendment has been stated. Those in favor of the amendment will say "Aye." Opposed "No."

Mr. BARKLEY. I ask for a division.

The PRESIDING OFFICER. A division has been called for.

Mr. MINTON. I ask for the yeas and nays.

The yeas and nays were ordered, and the legislative clerk called the roll.

Mr. MINTON. I announce that the Senator from Mississippi [Mr. BILBO], the Senator from South Dakota [Mr. BULOW], the Senators from Virginia [Mr. BYRD and Mr. GLASS], the Senator from New Mexico [Mr. CHAVEZ], the Senator from Idaho [Mr. CLARK], the Senator from Iowa [Mr. GILLETTE], the Senator from Nevada [Mr. MCCARRAN], the Senator from New York [Mr. MEAD], the Senator from West Virginia [Mr. NEELY], the Senator from North Carolina [Mr. REYNOLDS], the Senator from Indiana [Mr. VAN NUYS], and the Senator from Montana [Mr. WHEELER] are necessarily detailed from the Senate.

Mr. HILL. I have a general pair with the Senator from Kansas [Mr. REED]. I transfer that pair to the Senator from New Mexico [Mr. CHAVEZ]. I am not advised how either Senator would vote if present. I vote "yea."

Mr. AUSTIN. The Senator from Michigan [Mr. VANDENBERG], who would vote "nay" on this question, is paired with the Senator from Idaho [Mr. CLARK], who, I am advised, would vote "yea."

My colleague the Senator from Vermont [Mr. GIBSON] would vote "nay." He has a general pair with the Senator from West Virginia [Mr. NEELY]. I am not advised how the Senator from West Virginia would vote.

I announce the following pairs on this question:

The Senator from New Hampshire [Mr. TOBEY] with the Senator from South Dakota [Mr. BULOW];

The Senator from Ohio [Mr. TAFT] with the Senator from Mississippi [Mr. BILBO];

The Senator from New Jersey [Mr. BARBOUR] with the Senator from Virginia [Mr. BYRD];

The Senator from Idaho [Mr. THOMAS] with the Senator from North Carolina [Mr. REYNOLDS];

The Senator from Maine [Mr. WHITE] with the Senator from Iowa [Mr. GILLETTE]; and

The Senator from Minnesota [Mr. SHIPSTEAD] with the Senator from Virginia [Mr. GLASS].

The result was announced—yeas 47, nays 25, as follows:

YEAS—47

Adams	Burke	Donahey	Hatch
Andrews	Byrnes	Downey	Hayden
Ashurst	Capper	Ellender	Hill
Bailey	Caraway	George	Holt
Bankhead	Chandler	Gerry	Hughes
Barkley	Clark, Mo.	Guffey	La Follette
Bone	Connally	Harrison	Lee
Lundeen	O'Mahoney	Sheppard	Thomas, Utah
McKellar	Overton	Smathers	Truman
Miller	Pittman	Smith	Wagner
Norris	Russell	Stewart	Wiley
Nye	Schwellenbach	Thomas, Okla.	

NAYS—25

Austin	Hale	McNary	Slattery
Bridges	Herring	Maloney	Townsend
Brown	Holman	Minton	Tydings
Danaher	Johnson, Colo.	Murray	Walsh
Davis	King	Pepper	
Green	Lodge	Radcliffe	
Gurney	Lucas	Schwartz	

NOT VOTING—24

Barbour	Frazier	Mead	Thomas, Idaho
Bilbo	Gibson	Neely	Tobey
Bulow	Gillette	Reed	Vandenberg
Byrd	Glass	Reynolds	Van Nuys
Chavez	Johnson, Calif.	Shipstead	Wheeler
Clark, Idaho	McCarran	Taft	White

So the committee amendment was agreed to.

MESSAGE FROM THE HOUSE—ENROLLED BILLS SIGNED

A message from the House of Representatives, by Mr. Calloway, one of its reading clerks, announced that the Speaker had affixed his signature to the following enrolled bills, and they were signed by the President pro tempore:

S. 4027. An act to transfer the active list of the Construction Corps to the line of the Navy, and for other purposes;

H. R. 3840. An act to amend the act entitled "An act for making further and more effectual provision for the national defense, and for other purposes," approved June 3, 1916, as amended, and for other purposes;

H. R. 7074. An act to amend an act to authorize the Secretary of War and the Secretary of the Navy to make certain disposition of condemned ordnance, guns, projectiles, and other condemned material in their respective Departments;

H. R. 8745. An act making appropriations for the Department of the Interior for the fiscal year ending June 30, 1941, and for other purposes; and

H. R. 8913. An act making appropriations for the legislative branch of the Government for the fiscal year ending June 30, 1941, and for other purposes.

MAINTENANCE OF THE MONROE DOCTRINE

Mr. PITTMAN. Mr. President, earlier in the day it was suggested that unanimous consent be given temporarily to lay aside the unfinished business and proceed to the consideration of Senate Joint Resolution 271. At that time it was suggested by the minority leader that he was compelled to object to the request.

I have also discussed this matter with the chairman of the Finance Committee, and he has no objection, provided the matter does not result in protracted debate.

Mr. President, this is considered to be an emergency matter, by reason of the very rapidly changing conditions in Europe. The joint resolution was debated this morning by the Senator from Texas [Mr. CONNALLY], by myself, and by other Senators. I think we are all familiar with it. It seeks nothing but reaffirmation by the Congress of the United States of the Monroe Doctrine as affecting certain islands and lands in the Western Hemisphere. I ask unanimous consent that the pending business be temporarily laid aside and that the joint resolution be considered and acted upon.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Nevada that the pending business be temporarily laid aside and that Senate Joint Resolution 271 be considered?

Mr. MCNARY. Mr. President, in the absence of the able Senator from Nevada, I stated that after a further canvass I found that there was no objection, and I thereupon withdrew my objection.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Nevada?

Mr. LUNDEEN. Mr. President, before action is taken on the request, let me say that if the administration had followed the resolutions introduced by the Senator from North Carolina [Mr. REYNOLDS] and myself in regard to the purchase of island possessions and bases along the Atlantic coast, and other naval and air bases which we suggested months

ago, even years ago, we would not be in the situation in which we find ourselves now.

If this Senate had negotiated, several years ago, for the Caribbean Islands in part payment of the old World War debts, we would not hear the press bewailing our inadequate defenses today. There would be no question about the interpretation of the Monroe Doctrine. Further, there would be no danger of European nations bringing their constant wars to our coasts. Europe and her troubles would be removed from American waters.

AID AMERICA—WHY AID EUROPE?

With these islands in our possession our coast lines would be invulnerable to any combination of powers and their navies. There were those who did not have the foresight to think in terms of America and American defense. They chattered about aiding the Allies and Europe. Now that European events have changed so rapidly perhaps we shall gain hindsight enough to act in the interests of America. We might be forced to think of aiding our own country. It has been the custom of many of our leading citizens to think only in terms of Britain and France.

AMERICA AND EUROPEAN POWER POLITICS

These are American islands geographically. They must become American islands in possession of American republics.

On the floor of the Senate, April 25, 1939, and on many other occasions I have spoken on the matter of negotiating for the Caribbean islands in part payment of the old World War debts. I called to the attention of the Senate the vast resources and possible development of these islands in addition to their strategic value to us. On that same day I included in the RECORD detailed statistics on the trade and production facilities of all the Caribbean islands, irrespective of ownership.

MONROE DOCTRINE AND WEST INDIES

I said to the Senate at that time:

I am a sincere believer in the protection of the Monroe Doctrine. In order to protect the Monroe Doctrine we must protect the Panama Canal. It is the Achilles heel, the vital spot of our defenses. We cannot fully defend it without the West Indies. The West Indies now are in the hands of foreign powers with which we have had war in the past and with which we may have war in the future. There may be difficulties to be overcome, but they are not insurmountable. While the possibility is remote, these islands may be acquired by other powers—powers other than those which now own them. Let us negotiate for them now and acquire them in this most important and vital hour.

Mr. President, I made that statement more than 1 year ago, April 25, 1939.

I repeat that statement today, and ask that this Senate have foresight enough to act now before it is too late.

I ask unanimous consent that at this point in my remarks the resolutions to which I have referred be printed in the RECORD.

There being no objection, the resolutions were ordered to be printed in the RECORD, as follows:

PURCHASE OF DUTCH WEST INDIES AND GUIANA

Joint resolution (S. J. Res. 120) providing for negotiations by the President with a view to the acquisition by purchase of the colony of Curaçao and Netherlands Guiana

Whereas adequate provision for the protection of the Panama Canal is an indispensable feature of our national-defense policy; and

Whereas possession of the colony of Curaçao and Netherlands Guiana by the United States would enable it to provide more adequately for such protection; and

Whereas the colony of Curaçao and Netherlands Guiana export products in which the United States is deficient and import products of which a surplus is produced in the United States: Therefore be it

Resolved, etc., That the President is authorized and requested to enter into negotiations, in such manner as he may deem appropriate, with the Government of Her Majesty, the Queen of the Netherlands, for the acquisition by the United States of the colony of Curaçao and Netherlands Guiana. Such negotiations shall be conducted with a view to the making of a treaty between the Government of the United States and the Government of Her Majesty, the Queen of the Netherlands, providing for the purchase by the United States of the colony of Curaçao and Netherlands Guiana.

PURCHASE OF BRITISH AND FRENCH WEST INDIES—REYNOLDS RESOLUTIONS

Joint resolution (S. J. Res. 221) for the acquisition of British islands in the Caribbean and British Honduras

Resolved, etc., That the President is hereby requested to enter into negotiations in such manner as he may deem appropriate, with the Government of Great Britain for the acquisition by the United States of the islands of the Bermudas; the Bahamas—Jamaica with the Turks, Caicos, and Cayman Islands; Trinidad and Tobago; Barbados; the Leeward Islands—A'ntigua, St. Kitts, Nevis, Dominica, Montserrat, and Virgin Islands; the Windward Islands—Grenada, the Grenadines, St. Lucia, St. Vincent; together with British Honduras, in part payment for the indebtedness of such Government to the United States.

Joint resolution (S. J. Res. 247) for the acquisition of French islands in the Caribbean and the North Atlantic Ocean

Resolved, etc., That the President is hereby required to enter into negotiations in such manner as he may deem appropriate with the Republic of France for the acquisition by the United States of the islands of Martinique, Guadeloupe, St. Pierre, and Miquelon, in part payment for the indebtedness of such government to the United States.

PURCHASE OF GREENLAND—LUNDEEN RESOLUTION

Joint resolution (S. J. Res. 119) providing for negotiations by the President with a view to the acquisition, by purchase, of Greenland

Whereas the United States would be able to make more adequate provision for its national defense if it were in possession of Greenland; and

Whereas possession of Greenland by a power hostile to the United States would constitute a distinct threat to the United States, and particularly to the populous area along the northeast seaboard of the United States; and

Whereas valuable trade could be developed between the United States and Greenland if it were a possession of the United States: Therefore be it

Resolved, etc., That the President of the United States is authorized and requested to enter into negotiations, in such manner as he may deem appropriate, with the Government of His Majesty the King of Denmark and Iceland, for the acquisition by the United States of Greenland. Such negotiations shall be conducted with a view to the making of a treaty between the Government of the United States and the Government of His Majesty the King of Denmark and Iceland, providing for the purchase by the United States of Greenland.

LUNDEEN RESOLUTIONS—ISLAND PURCHASES FROM LATIN AMERICA

Joint resolution (S. J. Res. 170) to provide for negotiations by the President with a view to acquiring certain islands owned by the Republic of Mexico

Whereas Guadalupe Island, Cerros (Cedros) Island, Isabel Island, Las Tres Marias Islands, and the Revilla Gigedo Islands are of strategic importance and vital for the defense of the Panama Canal; and

Whereas such islands are owned by the Republic of Mexico: Therefore be it

Resolved, etc., That the President is authorized and requested to enter into negotiations, in such manner as he may deem appropriate, with the Republic of Mexico with a view to acquiring by purchase or otherwise Guadalupe Island, Cerros (Cedros) Island, Isabel Island, Las Tres Marias Islands, and the Revilla Gigedo Islands from the Republic of Mexico.

Joint resolution (S. J. Res. 171) to provide for negotiations by the President with a view to acquiring certain islands owned by the Republic of Ecuador

Whereas Amortajada or Santa Clara Island, La Plata Island, Puna, Salango, and the Galapagos Islands are of strategic importance and vital for the defense of the Panama Canal; and

Whereas such islands are owned by the Republic of Ecuador: Therefore be it

Resolved, etc., That the President is authorized and requested to enter into negotiations, in such manner as he may deem appropriate, with the Republic of Ecuador with a view to acquiring by purchase Amortajada or Santa Clara Island, La Plata Island, Puna, Salango, and the Galapagos Islands from the Republic of Ecuador.

Joint resolution (S. J. Res. 172) to provide for negotiations by the President with a view to acquiring Malpelo Island and Gorgona from the Republic of Colombia

Whereas Malpelo Island and Gorgona are of strategic importance and vital for the defense of the Panama Canal; and

Whereas such islands are owned by the Republic of Colombia: Therefore be it

Resolved, etc., That the President is authorized and requested to enter into negotiations, in such manner as he may deem appropriate, with the Republic of Colombia with a view to acquiring by purchase Malpelo Island and Gorgona from the Republic of Colombia.

Joint resolution (S. J. Res. 173) to provide for negotiations by the President with a view to acquiring certain islands owned by the Republic of Panama

Whereas Isla Coiba, Jicaron, and the Perlas Islands are of strategic importance and vital for the defense of the Panama Canal; and

Whereas such islands are owned by the Republic of Panama: Therefore be it

Resolved, etc., That the President is authorized and requested to enter into negotiations, in such manner as he may deem appropriate, with the Republic of Panama, with a view to acquiring by purchase Isla Coiba, Jicaron, and the Perlas Islands from the Republic of Panama.

Joint resolution (S. J. Res. 174) to provide for negotiations by the President with a view to acquiring Cocos Island, Cano Island, and Isla San Lucas (Golfo de Nicoya) from the Republic of Costa Rica

Whereas Cocos Island, Cano Island, and Isla San Lucas (Golfo de Nicoya) are of strategic importance and vital for the defense of the Panama Canal; and

Whereas such islands are owned by the Republic of Costa Rica: Therefore be it

Resolved, etc., That the President is authorized and requested to enter into negotiations, in such manner as he may deem appropriate, with the Republic of Costa Rica with a view to acquiring by purchase Cocos Island, Cano Island, and Isla San Lucas (Golfo de Nicoya) from the Republic of Costa Rica.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Nevada?

There being no objection, the Senate proceeded to consider the joint resolution (S. J. Res. 271) approving nonrecognition of the transfer of any geographic region in the Western Hemisphere from one non-American power to another non-American power, and providing for consultation with other American republics in the event that such transfer should appear likely.

Mr. CLARK of Missouri. Mr. President, I desire to detain the Senate for only a moment. I am very much in favor of the joint resolution. I voted for it in the committee, and I am very happy indeed to have the opportunity of voting for it in the Senate. I merely desire to call attention to the fact that, so far as I know, this is the first legislative recognition of the principle of the Monroe Doctrine enunciated by President Monroe.

Mr. THOMAS of Utah. Mr. President, will the Senator yield?

Mr. CLARK of Missouri. I yield.

Mr. THOMAS of Utah. I may be mistaken, but I think the Senator will find that the Congress of the United States acted upon this principle in 1811, 12 years before the Monroe Doctrine was announced.

Mr. CLARK of Missouri. I was speaking of the doctrine enunciated in the message of President Monroe, from which I propose to quote.

Mr. THOMAS of Utah. The point I should like to make is that 12 years before the Monroe Doctrine was announced Congress had already laid down the principle in an act, and that therefore it is more than proper for Congress to act at this time.

Mr. CLARK of Missouri. I thank the Senator from Utah for his interruption. Except for the fact that this is more or less of an emergency matter, I should like to have the opportunity to discuss some of the history of the Monroe Doctrine, including the letters of Secretary of State John Quincy Adams to various European powers which preceded its enunciation.

Mr. CONNALLY. Mr. President, will the Senator yield?

Mr. CLARK of Missouri. I yield.

Mr. CONNALLY. In addition to the interruption of the Senator from Utah, it was pointed out in the debate earlier in the day that in 1912 the Senate passed a resolution in regard to the rumored acquisition by Japan of territories in Lower California, in Magdalena Bay.

Mr. CLARK of Missouri. I thank the Senator for his contribution.

Of course, it has been the policy of the United States to carry out the doctrine enunciated in the joint resolution. Back in 1830, when it was proposed that Spain transfer Cuba to England, the Government of the United States very plainly indicated that it would not tolerate any such transfer. In speaking of this as its first legislative enactment I referred to the fact that it was the first time since the pronouncement of President Monroe that Congress has legislatively adopted it in a comprehensive way. Nevertheless, that majestic pronouncement has long been the cornerstone of our foreign policy. No doctrine has ever been so dear to the hearts of our people.

Mr. President, my point in rising was to quote very briefly from the message of President Monroe. It seems almost like sacrilege, in view of the great historical and oratorical effort of the distinguished Senator from Florida [Mr. PEPPER] which has just been concluded, even to refer to so humble a patriot as James Monroe. I desire, nevertheless, to call attention to the fact that the statement of President Monroe was more than a one-way declaration. It involved certain two-way principles.

Mr. President, I desire to detain the Senate for only a moment. I quote from the message of President Monroe:

Of events in that quarter of the globe—

He was referring to Europe—

with which we have so much intercourse and from which we derive our origin, we have always been anxious and interested spectators. The citizens of the United States cherish sentiments the most friendly in favor of the liberty and happiness of their fellow men on that side of the Atlantic. In the wars of the European powers in matters relating to themselves we have never taken any part, nor does it comport with our policy so to do. It is only when our rights are invaded or seriously menaced that we resent injuries or make preparation for our defense.

With the movements in this hemisphere we are, of necessity, more immediately connected, and by causes which must be obvious to all enlightened and impartial observers. The political system of the allied powers—

He was referring then, of course, to the Holy Alliance—

is essentially different in this respect from that of America. This difference proceeds from that which exists in their respective governments; and to the defense of our own, which has been achieved by the loss of so much blood and treasure, and matured by the wisdom of their most enlightened citizens, and under which we have enjoyed unexampled felicity, this whole Nation is devoted. We owe it, therefore, to candor—

And it seems to me this sentence embraces the principle of the joint resolution now before the Senate—

We owe it, therefore, to candor—

Said President Monroe—

and to the amicable relation existing between the United States and those powers, to declare that we should consider any attempt on their part to extend their system to any portion of this hemisphere as dangerous to our peace and safety. With the existing colonies or dependencies of any European power we have not interfered and shall not interfere. But with the governments who have declared their independence and maintained it, and whose independence we have, on great consideration and on just principles, acknowledged, we could not view any interposition for the purpose of oppressing them, or controlling in any other manner their destiny, by any European power, in any other light than as the manifestation of an unfriendly disposition toward the United States. In the war between these new governments and Spain we declared our neutrality at the time of their recognition, and to this we have adhered and shall continue to adhere, provided no change shall occur which, in the judgment of the competent authorities of this Government, shall make a corresponding change on the part of the United States indispensable to their security.

Mr. President, even at the risk of subjecting President Monroe, and Secretary of State John Quincy Adams, and Secretary of War John C. Calhoun, and the other members of the Cabinet, as well as ex-Presidents Thomas Jefferson and James Madison—who were the advisers of President Monroe in writing that majestic document—to the charge of having been "isolationists," in these days a most nefarious crime, I ask unanimous consent at this point in my remarks to include the pertinent paragraphs from President Monroe's message making up the Monroe Doctrine.

The PRESIDING OFFICER. Without objection, it is so ordered.

The matter referred to is as follows:

The late events in Spain and Portugal show that Europe is still unsettled. Of this important fact no stronger proof can be adduced than that the allied powers should have thought it proper, on any principle satisfactory to themselves, to have interposed by

force in the internal concerns of Spain. To what extent such interposition may be carried, on the same principle, is a question in which all independent powers whose governments differ from theirs are interested, even those more remote, and surely none more so than the United States. Our policy in regard to Europe, which was adopted at an early stage of the wars which have so long agitated that quarter of the globe, nevertheless remains the same, which is, not to interfere in the internal concerns of any of its powers; to consider the government de facto as the legitimate government for us; to cultivate friendly relations with it, and to preserve those relations by a frank, firm, and manly policy, meeting, in all instances, the just claims of every power, submitting to injuries from none. But in regard to those continents, circumstances are eminently and conspicuously different. It is impossible that the allied powers should extend their political system to any portion of either continent without endangering our peace and happiness; nor can anyone believe that our southern brethren, if left to themselves, would adopt it of their own accord. It is equally impossible, therefore, that we should behold such interposition, in any form, with indifference. If we look to the comparative strength and resources of Spain and those new Governments, and their distance from each other, it must be obvious that she can never subdue them. It is still the true policy of the United States to leave the parties to themselves, in the hope that other powers will pursue the same course.

The PRESIDING OFFICER. The question is on the engrossment and third reading of the joint resolution.

The joint resolution was ordered to be engrossed for a third reading, and was read the third time.

The PRESIDING OFFICER. The joint resolution having been read three times, the question is, Shall it pass?

Mr. PITTMAN and other Senators called for the yeas and nays, and they were ordered.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. WAGNER (when Mr. MEAD's name was called). My colleague [Mr. MEAD] is absent on official business. I am authorized to say that if present he would vote "yea."

The roll call was concluded.

Mr. McKELLAR. The senior Senator from West Virginia [Mr. NEELY] is unavoidably detained on important business. If he were present, he would vote "yea."

Mr. SHIPSTEAD. I have a general pair with the Senator from Virginia [Mr. GLASS]. I am informed that if present he would vote as I shall vote. I vote "yea."

Mr. HERRING. My colleague [Mr. GILLETTE] is detained from the Senate. If present, he would vote "yea."

Mr. HILL (after having voted in the affirmative). I have a pair with the junior Senator from Kansas [Mr. REED]. I am advised that if he were present he would vote "yea," so I shall allow my vote to stand.

The PRESIDING OFFICER. The present occupant of the Chair announces that his colleague [Mr. CHAVEZ] is unavoidably detained. If present, he would vote "yea."

Mr. McNARY. The senior Senator from California [Mr. JOHNSON] is necessarily absent. If present, he would vote "yea."

Mr. MINTON. I announce that the Senator from South Dakota [Mr. BULOW], the Senators from Virginia [Mr. BYRD and Mr. GLASS], the Senator from Idaho [Mr. CLARK], the Senator from North Carolina [Mr. REYNOLDS], and the Senator from Montana [Mr. WHEELER] are necessarily detained from the Senate. I am advised that if present and voting these Senators would vote "yea."

Mr. AUSTIN. The following Senators are necessarily absent:

The Senator from New Jersey [Mr. BARBOUR], the Senator from Ohio [Mr. TAFT], the Senator from New Hampshire [Mr. TOBEY], the Senator from Vermont [Mr. GIBSON], the Senator from Idaho [Mr. THOMAS], the Senator from Michigan [Mr. VANDENBERG], and the Senator from Maine [Mr. WHITE]. I am advised that all of these Senators, if present, would vote "yea."

The result was announced—yeas 76, nays none, as follows:

YEAS—76

Adams	Barkley	Byrnes	Danaher
Andrews	Bilbo	Capper	Davis
Ashurst	Bone	Caraway	Donahey
Austin	Bridges	Chandler	Downey
Bailey	Brown	Clark, Mo.	Ellender
Bankhead	Burke	Connally	George
Gerry	Johnson, Colo.	Murray	Slattery
Green	King	Norris	Smathers
Guffey	La Follette	Nye	Smith
Gurney	Lee	O'Mahoney	Stewart
Hale	Lodge	Overton	Thomas, Okla.
Harrison	Lucas	Pepper	Thomas, Utah
Hatch	Lundeen	Pittman	Townsend
Hayden	McCarran	Radcliffe	Truman
Herring	McKellar	Russell	Tydings
Hill	McNary	Schwartz	Van Nuys
Holman	Maloney	Schwellenbach	Wagner
Holt	Miller	Sheppard	Walsh
Hughes	Minton	Shipstead	Wiley

NOT VOTING—20

Barbour	Frazier	Mead	Thomas, Idaho
Bulow	Gibson	Neely	Tobey
Byrd	Gillette	Reed	Vandenberg
Chavez	Glass	Reynolds	Wheeler
Clark, Idaho	Johnson, Calif.	Taft	White

So the joint resolution was passed.

The preamble was agreed to.

Mr. THOMAS of Utah. Mr. President, in one of the newspapers I read a statement concerning Senate Joint Resolution 271 which left the impression that the reason for its enactment was that the Monroe Doctrine had been just doctrine, stated from time to time by spokesmen for our Government—doctrine, but not law.

Now, however, is not the first time that Congress has by its own action made a stand for the terms and principles of what was later called the Monroe Doctrine.

In 1811, 12 years before President Monroe himself made his famous pronouncement, the Congress of the United States passed a resolution, the words of which are as follows:

Taking into view the peculiar situation of Spain, and of the American provinces; and considering the influence which the destiny of the territory adjoining the southern border of the United States may have upon their security, tranquility, and commerce: Therefore, resolved by the Senate and House of Representatives of the United States, in Congress assembled, that the United States, under the peculiar circumstances of the existing crisis, cannot, without serious inquietude, see any part of the said territory pass into the hands of any foreign power; and that a due regard to their own safety compels them to provide under certain contingencies for the temporary occupation of the said territory; they, at the same time, declare that the said territory shall, in their hands, remain subject to future negotiation.

The Monroe Doctrine is, of course, older than the 1820's. In fact, while it as a doctrine was not universally considered international law, it became that through the positive action of President Wilson in having it incorporated into the Treaty of Versailles as a regional understanding, and was definitely claimed to be international law by President Cleveland in 1895. Later in the acceptance of the conventions of 1936 and 1938 its meaning became incorporated into and made part of the understanding behind those conventions. Thus, the Monroe Doctrine is good international law of long standing and as such has been recognized for many decades.

Cleveland in presenting his position for the Monroe Doctrine says:

Practically, the principle for which we contend has peculiar, if not exclusive, relation to the United States.

Until 1936, whether the doctrine was considered as a matter of American defense, purely unilateral in its nature, whether a regional understanding or international law, it has remained almost entirely a matter for American maintenance. There had been a gradual development tending toward a multilateral responsibility. In the acceptance of the Buenos Aires Convention of 1936 and the Lima Convention of 1938, the multilateral nature of these two understandings were expressed as follows:

In the event of an international war outside America which might menace the peace of the American Republics, such consultation shall also take place to determine the proper time and manner in which the signatory states, if they so desire, may eventually cooperate in some action tending to preserve the peace of the American Continent. "And in case the peace, security, or territorial integrity of an American Republic is thus threatened by acts of any nature that may impair them, they proclaim their common concern, and their determination to make effective their solidarity, coordinating their respective sovereign wills by means of the procedure of consultation, established by conventions in force and by declarations of the Inter-American Conferences, using the measures which in each case the circumstances may make advisable. It is understood that the Governments of the

American Republics will act independently in their individual capacity, recognizing fully their juridical equality as sovereign states."

If a European power by an extension of its boundaries takes possession of the territory of one of our neighboring republics against its will and in derogation of its rights, it is difficult to see why to that extent such European power does not thereby attempt to extend its system of government to that portion of this continent which is thus taken. This is the precise action which President Monroe declared to be "dangerous to our peace and safety," and it can make no difference whether the European system is extended by an advance of frontier or otherwise. Practically, the principle for which we contend has peculiar, if not exclusive, relation to the United States. It may not have been admitted in so many words to the code of international law, but since in international councils every nation is entitled to the rights belonging to it, if the enforcement of the Monroe Doctrine is something we may justly claim, it has its place in the code of international law as certainly and as securely as if it were specifically mentioned; and when the United States is a suitor before the high tribunal that administers international law, the question to be determined is whether or not we present claims which the justice of that code of law can find to be right and valid. The Monroe Doctrine finds its recognition in those principles of international law which are based upon the theory that every nation shall have its rights protected and its just claims enforced.

When in 1911 our Secretary of State, Mr. Knox, speaking 100 years after the century-old congressional action referred to previously, declared that "the maintenance of the Monroe Doctrine is considered by us essential to our peace, prosperity, and national safety" he merely made a declaration of a right which under international law is inherent in every independent state.

Not so positive as Cleveland perhaps, Senator Elihu Root said in 1914:

The doctrine is not international law but it rests upon the right of self-protection, and that right is recognized by international law.

And in 1923 another writing, whose tenor was in the same direction as both, came from the pen of then Secretary of State Hughes, now Chief Justice of the United States, in the following words:

The Monroe Doctrine is not a policy of aggression; it is a policy of self-defense. * * * It still remains an assertion of the principle of national security. * * * The decision of the question as to what action the United States should take in any exigency arising in this hemisphere is not controlled by the content of the Monroe Doctrine but may always be determined on the grounds of international right and national security as freely as if the Monroe Doctrine did not exist. * * * The Monroe Doctrine rests "upon the right of every sovereign state to protect itself by preventing a condition of affairs in which it will be too late to protect itself."

The Monroe Doctrine and this resolution now pending must both be considered as fundamental elements of our national defense and are based upon the principle of the right of self-preservation.

It is in this especially that the justification of the Monroe Doctrine will rest in law if further justification is necessary. I—and, of course, I am sure that most of the people of the United States—do not assume that the Monroe Doctrine needs a justification after its over a hundred years of acceptance.

Let us not quibble about the terms "justification as international law" and "justification as international defense." It is in a study of the latter that we prove the former. The equation is a simple one. If we prove the necessity of the Monroe Doctrine as a vital element in our national defense, if we establish it as a prime shield in the preservation of our own Nation from danger, then we have proved its justification in international law. One need not search far into the writings of international lawyers to support this argument. It is found to be the very essence of many of their works. Boiled down, the authorities make the following points: Self-preservation is a national right, absolute and unequivocal. It includes all incidental rights to attain this end. Threatened instability of another government, where it concerns the safety of a given state, is ground for exercise of self-preservation. It is not only a right but a duty to prevent the consequencies of events which another state cannot or declares that it cannot itself control. A clear duty to repress potential dangers, if real, extends even to seeming aggressive though actually defensive action. The text writers go further. They justify positions which in our extremity we surely may never be called upon to take, such as the violation of other nations for our own expediency if our peril is real. I mention these authorities without citing them because by citing innocently and academically I do not want to be guilty of inciting. I pray Heaven we may never need to use all our rights under international law, but they are there. They are our precepts, conceived in the fairness and justice that makes international lawyers lawyers. Whoever could deny the high-minded Monroe Doctrine as international law, after a search into the international law texts with emphasis on self-defense, would be guilty of failing to draw a logical conclusion from a clear premise. The national right of self-defense under international law is the key to the understanding of the Monroe Doctrine as international law.

Self-preservation is the first law of nature to an individual. It is more than this, even, to a government, for an individual may recklessly and wantonly waste his life, but the duly constituted authorities of a government owe a higher duty, because they are impressed with an inviolable trust by the inhabitants of that government. These are my words, but their substance may be found in even a cursory reading of the principles of international law. I subscribe to them wholly, and I repeat my prayer that in an extremity we may never be called upon to use them.

Under the theory of inter-American solidarity national defense for one means national defense for all. Since President Wilson's great pronouncement at Mobile, Ala., on October 27, 1913, which speech gave birth to what has been later called the good-neighbor policy, no American nation has had fear of the "Colossus of the North." The action of many of the American states when we entered the World War in 1917; our refusal to be bound by a neutral stand when war exists between an American nation and a non-American state; incident after incident, in law and in action, in diplomacy and in conference show that understanding in matters of common interest has been easier to attain. The American states like ourselves are tensely nationalistic. Their independence of act, both in right and in fact, is greatly cherished. This is no longer though the problem that it was. Why has this become so? Because no nation wishes to impose itself upon another. The sincerity of Wilson, followed as it has been by the wisdom of Hughes, the honesty of Hull, and the leadership of Roosevelt, all of whom have accepted the moral and spiritual characteristics of Bolivar's great dream. Events in the world plus the inspiration for right may bring that dream's fulfillment sooner than even a prophet would predict. Having said what I have, it would not be proper to leave this thought without quoting from President Wilson:

The future, ladies and gentlemen, is going to be very different for this hemisphere from the past. These states lying to the south of us, which have always been our neighbors, will now be drawn closer to us by innumerable ties, and, I hope, chief of all, by the tie of a common understanding of each other. Interest does not tie nations together; it sometimes separates them. But sympathy and understanding does unite them, and I believe that by the new route that is just about to be opened, while we physically cut two continents asunder, we spiritually unite them. It is a spiritual union which we seek.

Do you not see now what is about to happen? These great tides which have been running along parallels of latitude, and that opening gate at the Isthmus of Panama, will open the world to a commerce that she has not known before, a commerce of intelligence, of thought and sympathy between north and south. The Latin American states, which, to their disadvantage, have been off the main lines, will now be on the main lines. I feel that these gentlemen honoring us with their presence today will presently find that some part, at any rate, of the center of gravity of the world has shifted.

What these States are going to see, therefore, is an emancipation from the subordination, which has been inevitable, to foreign enterprise and an assertion of the splendid character which, in spite of these difficulties, they have again and again been able to demonstrate. The dignity, the courage, the self-possession, the self-respect of the Latin American states, their achievements in the face of all these adverse circumstances, deserve nothing but the admiration and applause of the world. In the future they will

draw closer and closer to us because of circumstances of which I wish to speak with moderation, and, I hope, without indiscretion.

We must prove ourselves their friends and champions upon terms of equality and honor. You cannot be friends upon any other terms than upon the terms of honor. We must show ourselves friends by comprehending their interest whether it squares with our own interest or not. It is a very perilous thing to determine the foreign policy of a nation in the terms of material interest. It not only is unfair to those with whom you are dealing, but it is degrading as regards your own actions.

Comprehension must be the soil in which shall grow all the fruits of friendship, and there is a reason and a compulsion lying behind all this which is dearer than anything else to the thoughtful men of America. I mean the development of constitutional liberty in the world. Human rights, national integrity, and opportunity as against material interests—that, ladies and gentlemen, is the issue which we now have to face. I want to take this occasion to say that the United States will never again seek one additional foot of territory by conquest. She will devote herself to showing that she knows how to make honorable and fruitful use of the territory she has, and she must regard it as one of the duties of friendship to see that from no quarter are material interests made superior to human liberty and national opportunity. I say this, not with a single thought that anyone will gainsay it, but merely to fix in our consciousness what our real relationship with the rest of America is. It is the relationship of a family of mankind devoted to the development of true constitutional liberty. We know that that is the soil out of which the best enterprise springs. We know that this is a cause which we are making in common with our neighbors, because we have had to make it for ourselves.

Reference has been made here today to some of the national problems which confront us as a Nation. What is at the heart of all our national problems? It is that we have seen the hand of material interest sometimes about to close upon our dearest rights and possessions. We have seen material interests threaten constitutional freedom in the United States. Therefore we will now know how to sympathize with those in the rest of America who have to contend with such powers, not only within their borders but from outside their borders also.

I know what the response of the thought and heart of America will be to the program I have outlined, because America was created to realize a program like that. This is not America because it is rich. This is not America because it has set up for a great population great opportunities of material prosperity. America is a name which sounds in the ears of men everywhere as a synonym with individual opportunity because it is a synonym of individual liberty. I would rather belong to a poor nation that was free than to a rich nation that had ceased to be in love with liberty. But we shall not be poor if we love liberty, because the nation that loves liberty truly sets every man free to do his best and be his best, and that means the release of all the splendid energies of a great people who think for themselves. A nation of employees cannot be free any more than a nation of employers can be.

In emphasizing the points which must unite us in sympathy and in spiritual interest with the Latin American peoples we are only emphasizing the points of our own life, and we should prove ourselves untrue to our own traditions if we proved ourselves untrue friends to them. Do not think, therefore, gentlemen, that the questions of the day are mere questions of policy and diplomacy. They are shot through with the principles of life. We dare not turn from the principle that morality and not expediency is the thing that must guide us and that we will never condone iniquity because it is most convenient to do so. It seems to me that this is a day of infinite hope, of confidence in a future greater than the past has been, for I am fain to believe that in spite of all the things that we wish to correct the nineteenth century that now lies behind us has brought us a long stage toward the time when, slowly ascending the tedious climb that leads to the final uplands, we shall get our ultimate view of the duties of mankind. We have breasted a considerable part of that climb and shall presently—it may be a generation or two—come out upon those great heights where there shines unobstructed the light of the justice of God.

Everything that I said before, quoting President Wilson, of course applies with equal force to all the Americas as to the United States. Our danger, if there is danger, is common. There has been resentment south of us at times against the Monroe Doctrine. This is changing. The doctrine is becoming multilateral, and as it grows in this direction security will be seen to be common security. What applies to security for one applies to security for all because the alarm is universal in this hemisphere. I say this in passing because when I speak of a right I mean a collective right in the Americas as well as an individual national right in the United States alone. I am coming to the multilateral aspects of the Monroe Doctrine later in this talk.

The next consideration, if we have established the Monroe Doctrine as based upon international law, is the antecedents to the doctrine.

That which became the Monroe Doctrine truly had its birth in the American Declaration of Independence. Jefferson in 1793 clearly foresaw an America of no European political affiliation.

Before Monroe's statement on March 25, 1818, Clay, an apostle of the Spanish Americas, had said:

> Within this vast region we behold the most sublime and interesting objects of creation; the loftiest mountains, the most majestic rivers in the world; the richest mines of the precious metals; and the choicest productions of the earth. We behold there a spectacle still more interesting and sublime—the glorious spectacle of eighteen millions of people struggling to burst their chains and be free—

adding that in the establishment of their independence the United States had the deepest interest, and that once independent these governments would be animated by an American feeling and guided by an American policy. They would, he predicted, obey the laws of the New World in contradistinction to those of Europe. In Clay's speeches of 1817 and 1818, Monroe was sympathetically aroused, but deferred his action under the opposition of Adams and Calhoun.

Background for the Monroe Doctrine? One might get it from a hundred interlocking sources.

Jefferson's statement has been the American theory and the American practice, and is to this day American tradition. Never once have we mingled in European political affairs in the sense of becoming a party to those affairs. Our Army and our Navy have gone to Europe; American soldiers have fought in Europe; we have fought side by side with European armies in Europe and in Asia. We have had joint objectives, but never once has there been an entanglement. America has associated herself, but never once has she been willing to fuse her strictly American stand with Europe's. When we went to the Mediterranean and attacked Barbary pirates, we did so in defense of our own rights. When we entered the European War, we did so because the war had been brought to us. We had been attacked. Our ships had been sunk. Our property had been violated, and American lives had been lost. The locale for fighting, the selection of the soil, and the sea lanes, were simply matters of military convenience. Probably all thoughtful persons are thankful that the military strategy of the hour was such as to take the frightful scenes from our very sight.

Our entry into the World War may have been a mistake as so many people insist, but it was no more in opposition to the American position against entangling ourselves in the broils of Europe than was our expedition against the pirates or our expedition against the Chinese Boxers. America never has "entangled" herself and never intends to do so. She has a mission and a destiny in this world quite distinct from the mission and destiny of non-American states.

Washington's Farewell Address is too well known to be quoted here. But it is fundamental to the evolution of America's defensive policy. President Adams in 1797, in a message to Congress, said:

> We ought not to involve ourselves in the political system of Europe, but to keep ourselves always distinct and separate from it.

The American Monroe Doctrine always has been just an American doctrine. The nonentanglement doctrine has been also always an American doctrine. To show just how much this was understood by the fathers, in 1798 our Minister to Great Britain reported that Great Britain desired, with our cooperation, to separate South America from Spain, Great Britain then not wanting to see France secure the resources of those colonies. But although 25 years later, by our own act, we sustained the severing of many of the South American states from Spain, we were not a party to any European country in accomplishing this. At the same time that our American Minister reported England's desire to cooperate with us in the separation of Spanish colonies from Spain, our Minister is said to have replied that America would live to see Louisiana pass into the hands of new proprietors, but nothing was done about it; and when finally the United States purchased Louisiana, that purchase was consummated by an American act, and not in cooperation with any other state.

By 1800 the theory that America would resent the transfer of American territory from any non-American state to another non-American state had gained almost universal recognition in this country. Our same Minister, speaking about the Floridas, said:

> We should be unwilling to see them transferred except to ourselves.

In the same year, Madison, our Secretary of State, informed our Minister in Madrid that the United States never had favored and could not favor the transfer to Great Britain of the Spanish possessions in the Mississippi, and the instructions which Secretary Madison sent had the assent of President Jefferson. In 1802 Jefferson wrote to Livingston in Paris. Livingston was one of the commission of five that had cooperated with Jefferson in writing the Declaration of Independence, although I think he did not sign it. Let me make my point by quoting from former Under Secretary of State J. Reuben Clark's memorandum to the Secretary of State:

> Jefferson himself, writing to Livingston at Paris (1802), declared the cession of the Floridas and Louisiana "works most sorely on the United States"; that it "completely reverses all the political relations of the United States"; and that by it France "assumes to us the attitude of defiance" and makes "it impossible that France and the United States can continue long friends." Madison, writing Livingston with the approval of Jefferson, at about the same time, declared that "mere neighborhood could not be friendly" to the harmony of France and the United States. Lord Hawkesbury (1802) inquired of King as to the "line of policy" which the United States would adopt if France acquired Louisiana. In a memoir which he delivered to French authorities (1802), Livingston again spoke of the dangers of neighborhood; and in the latter part of the year (1802) Madison wrote to Pinckney in Madrid of the "injuries" coming to us on account of the "colonial officers scattered over the hemisphere and in our neighborhood."

By 1820 came one of the two incidents directly responsible for President Monroe's pronouncement. I refer to the claim of the Russian Government of the exclusive right of Russian ships off northwest America above 51° latitude.

In the diplomatic exchange which naturally followed, John Quincy Adams, then Secretary of State, enunciated the principle that since the entire area of the Western Hemisphere had been occupied, no European government could claim to have a right to establish colonies therein. Monroe, of course, is seen to have adopted this opinion. A second reason lay in the fear of European conquest of the infant republics of South America. Adams, it will be noted in passing, called the position of the United States "extra-European" politically and said that our system and the European system should be "kept as separate and distinct from one another as possible."

In quoting Adams' words one cannot refrain from pointing out that America now, in a sense, remains the same. By this I mean that when in the adoption of our Constitution the Federal Government guaranteed to each of the States a republican form of government we once more emphasized a theory which was to become fundamentally and traditionally American whenever we think of American destiny in the world. Russia was warned by Adams that Russian settlement on the American continent would be against the future peace of the world and in fact against Russia's own interests. This was before the Monroe Doctrine was enunciated.

So we spoke the essence of the doctrine to Russia and to Great Britain. Great Britain accepted the theory in so many words by disavowing the slightest designs on the infant republics.

We have Great Britain's recognition of the Monroe Doctrine before the pronouncement was even made. The Russian controversy was disposed of in the flat terms of the first of the two paragraphs which is the Monroe Doctrine itself, enunciated by President Monroe on December 2, 1823.

It may be well herein to state the doctrine in the language of its author. President Monroe stated:

> 1. At the proposal of the Russian Imperial Government, made through the minister of the Emperor residing here, a full power and instructions have been transmitted to the minister of the United States at St. Petersburg to arrange by amicable negotiations the respective rights and interests of the two nations on the northwest coast of this continent. A similar proposal had been made by His Imperial Majesty to the Government of Great Britain, which has likewise been acceded to. The Government of the United States has been desirous by this friendly proceeding of manifesting the great value which they have invariably attached to the friendship of the Emperor and their solicitude to cultivate the best understanding with his government. In the discussions to which this interest has given rise and in the arrangements by which they may terminate the occasion has been judged proper for asserting, as a principle in which the rights and interests of the United States are involved, that the American continents, by the free and independent condition which they have assumed and maintained, are henceforth not to be considered as subjects for future colonization by any European power.
>
> 2. In the wars of the European powers in matters relating to themselves we have never taken any part, nor does it comport with our policy so to do. It is only when our rights are invaded or seriously menaced that we resent injuries or make preparation for our defense. With the movements in this hemisphere we are of necessity more immediately connected, and by causes which must be obvious to all enlightened and impartial observers. The political system of the Allied powers is essentially different in this respect from that of America. This difference proceeds from that which exists in their respective governments; and to the defense of our own, which has been achieved by the loss of so much blood and treasure, and matured by the wisdom of their most enlightened citizens, and under which we have enjoyed unexampled felicity, this whole Nation is devoted. We owe it, therefore, to candor and to the amicable relations existing between the United States and those powers to declare that we should consider any attempt on their part to extend their system to any portion of this hemisphere as dangerous to our peace and safety. With the existing colonies or dependencies of any European power we have not interfered and shall not interfere. But with the governments who have declared their independence and maintained it, and whose independence we have, on great consideration and on just principles, acknowledged, we could not view any interposition for the purpose of oppressing them or controlling in any other manner their destiny, by any European power, in any other light than as the manifestation of an unfriendly disposition toward the United States. In the war between those new governments and Spain we declared our neutrality at the time of their recognition, and to this we have adhered, and shall continue to adhere, provided no change shall occur which, in the judgment of the competent authorities of this Government, shall make a corresponding change on the part of the United States indispensable to their security.

This resolution has been but a reiteration and development of America's peace policy from the very beginning. Each of its aims is in reality older than President Monroe's pronouncement.

Two statements of Monroe are of exceeding importance. One is the statement that—

> We owe it, therefore, to candor and to the amicable relations between the United States and those powers to declare that we should consider any attempt on their part to extend their system to any portion of this hemisphere as dangerous to our peace and safety.

The reference to "powers" was to European allied interests of the time.

The second presently important conclusion by President Monroe was contained in his words:

> With the existing colonies or dependencies of any European power we have not interfered and shall not interfere.

These are indeed the very essences of the resolution now before us, a resolution not more sudden or disturbing than is reading to refresh the mind with the facts of our own national history.

After the doctrine was declared we have its natural evolution. The first information we have is that it was received throughout the United States with great enthusiasm. But we were not then ready to proceed to make the understanding multilateral for we recall that Bolivar in 1826 sought closer cooperation between American states; the people of the United States clearly were cool to having any understanding with the young republics.

Texas came into the United States on a reassertion of the Monroe Doctrine, in spite of Great Britain's and France's opposition. No less was it invoked in our difficulty with Great Britain over northwest boundaries, or fear of British designs on California. It is needless to say the doctrine was at least a profitable one to us. President Polk warned against armed intervention and diplomatic interference, and the doctrine was enlarged in these dimensions, and foreign assumption of a Yucatan protectorate was inveighed against. In the sixties this country failed in one assertion, and outmaneuvered a dangerous situation to win in another.

Before 1870 it was said that territories in the New World could not be transferred from one European power to another, an interesting point in view of our present discussion. In fact President Grant is credited with effectiveness on this point, and threats of territorial cession brought forward repeated and successful assertions then. The doctrine prevented strangers from cutting through the Isthmus of Panama and added diplomatic to our engineering spurs as it came about that we built the Canal.

In early modern times we have used the doctrine under Cleveland to compel a European power to arbitrate a boundary dispute between its colony, British Guiana, and Venezuela. The assertion gave us a tense and worried hour, but when it was seen to hold the Monroe Doctrine also was seen to have grown. Theodore Roosevelt's utility of the doctrine in an attempt to prevent European punishment to "unruly" Latin American states is an interesting variation of the application of the doctrine.

But with the coming of Woodrow Wilson and his great speech at Mobile, Ala., delivered on October 27, 1913, we marked the birth of what has been called the "good-neighbor policy," and there took place the expansion of the idea wherein America herself renounced any thought of an ambition for any more territory. This was the beginning of the emergence to the Americas of the United States, not as the "Colossus of the North," as we had been called in scorn or fear, but as a great nation.

Truly this was a development of the Monroe Doctrine—such a development as may bring to us in timely arrival a multilateral accord such as to make the American nations, standing together, impervious to even the slightest "fifth column" infiltrations. We know from historians and contemporary newspapers that the Monroe Doctrine, viewed south of us, has been seen with mixed gratitude and suspicion, the latter accentuated by such events as our refusal four times in its first 4 years of existence to give fuller commitments to Latin-American nations—when we were hostile to Bolivar's splendid efforts in the 1826 so-called Panama congress. In fact, it never has been widely popular except within our own borders. We have never given a good answer to the Latin American complaint, oft-repeated, that the doctrine always has been interpreted solely by the United States. Since Wilson little contribution has been made to overcome this feeling except lately, and except also Charles Evans Hughes' divorcing the doctrine from international law, to debit the latter, not the former, with our repeated intercessions in the Caribbean. But this served only to stem unpopularizing and, while doing some good negatively, strengthened the doctrine only by not weakening it.

In 1929 the Senate Foreign Relations Committee, submitting the Kellogg-Briand Pact, conservatively interpreted the Monroe Doctrine and very wisely and very properly based its authority upon self-defense. But the doctrine may not be popularized by playing it down, or by limiting self-defense to our own territorial borders. As I said in my previous remarks, self-defense is the very essence of the Monroe Doctrine as international law. Self-defense, to be practical, and to be popular, and to elicit support where support may be direly needed, means self-defense for the whole of us, in spirit as in deed. In events to come it may stand or fall upon its popularity south of us. Indeed, we may stand or fall by the same unity, or lack of it.

If our record with the Americas were better we could propose joint and cooperative action of many types at the present moment to the advantage of all. In fact, I believe firmly that by joint action we should all undertake to guarantee the status quo among the American Republics in addition to passing this timely resolution now before us. But we have been suspected. We have been resented. We have done much but have not quite erased that "Colossus of the North" appelation. Are we imperialistic? Do we want to annex nations? Of course not, and thoughtful statesmen are beginning to understand and appreciate us as the professed good neighbor that we really are. Time would do all things, but we have not time, and we are left with problems. Today, solemnly, we may hope to solve some of them.

The states of the Americas are, fortunately, as nationalistic as we. In our Pan-American agreements independent actions always have been stressed, and this emphasis is wise. This is one reason for making the deduction made in the Senate report to accompany this resolution and place it on the calendar, wherein we say:

> It is understood that the governments of the American Republics will act independently in their individual capacity, recognizing fully their judicial equality as sovereign states.

This resolution is a restatement of some of the genius of the Monroe Doctrine rather than a new concept. It is wholly consistent with our theory of national defense. More, it is consistent with our highest aims in inter-American cooperation. Unity in the Americas, I hope we may never have to prove, is truly more than mere sentiment.

EXECUTIVE MESSAGES REFERRED

The PRESIDING OFFICER (Mr. HATCH in the chair), as in executive session, laid before the Senate messages from the President of the United States submitting several nominations in the Army, and a convention, which were referred to the appropriate committees.

(For nominations this day received, see the end of Senate proceedings.)

CONFIRMATION OF ANDREW W. HOCKENHULL AS POSTMASTER AT CLOVIS, N. MEX.

Mr. McKELLAR. Mr. President, as in executive session, I report favorably from the Committee on Post Offices and Post Roads the nomination of Andrew W. Hockenhull to be postmaster at Clovis, N. Mex., and I ask unanimous consent for the consideration and confirmation of the nomination.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and the nomination is confirmed.

MAURICE LÉON

Mr. HOLT. Mr. President, I ask unanimous consent to have printed in the body of the RECORD a short statement as to the background of Maurice Léon, whose letter, This Is America's War, was placed in the CONGRESSIONAL RECORD Saturday by the junior Senator from Florida [Mr. PEPPER].

The PRESIDING OFFICER. Is there objection?

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

> Who is Maurice Léon?
>
> When readers of the CONGRESSIONAL RECORD read their Saturday's issue, they may have read the letter of Maurice Léon in which he takes the position that we had a treaty with France to assist her when attacked by Germany. Of course, it is known by all that a treaty to be binding must be ratified by the United States Senate and this was not.
>
> However, that is not the reason for this statement. I feel the people of my country have a right to know the truth about the background of these individuals who are promoting a propaganda drive to involve us in the war. Who are they? What is their interest?
>
> As to Maurice Léon, one will find that he was born in Beirut, Lebanon Territory, and emigrated to the United States. He was educated in Paris, France. In his Who's Who biography, he shows that he considers his activity preceding our entrance into the World War as one if not the most important part of his life. He says that he "secured for the French Government its first war loans in the United States, $10,000,000 in November 1914 and $25,000,000 in April 1915, first allied war bonds on the American market."
>
> That was the first war loan to France after her entrance in the 1914–18 World War. It is a part of the $4,220,036,473 owed by France to the United States.
>
> History points to the tremendous influence the loans had on our involvement in that conflict.
>
> In the hearings of the Munitions Committee, one finds that Frank Vanderlip, president of the National City Bank, spoke about the presence of Mr. Léon on the mission to get this loan.
>
> It is not that one objects to his taking the present position that he does. But his background and his past connections show that he has been interested in our involvement previously. As I showed on the floor of the Senate, many of those speaking for our present involvement in the war in Europe are and have been interested in our past involvement. Let the people have the facts.
>
> This drive to get us in the war is not spontaneous. It is being generated by paid forces. Let Congress investigate them. After the American soldiers are killed on the battlefield, it will be too late to start such an investigation.

RECESS

Mr. BARKLEY. Mr. President, I move that the Senate take a recess until 11 o'clock a. m. tomorrow.

The motion was agreed to; and (at 6 o'clock p. m.) the Senate took a recess until tomorrow, Tuesday, June 18, 1940, at 11 o'clock a. m.

NOMINATIONS

Executive nominations received by the Senate June 17 (legislative day of May 28), 1940

APPOINTMENTS IN THE REGULAR ARMY

TO BE SECOND LIEUTENANTS, COAST ARTILLERY CORPS, WITH RANK FROM DATE OF APPOINTMENT

Joseph Paul D'Arezzo
John Frederick Freund

CONFIRMATION

Executive nomination confirmed by the Senate June 17 (legislative day of May 28), 1940

POSTMASTER

NEW MEXICO

Andrew W. Hockenhull, Clovis.

HOUSE OF REPRESENTATIVES

MONDAY, JUNE 17, 1940

The House met at 12 o'clock noon.

Rev. William Bashford Richards, D. D., pastor of the Delhi Methodist Church, Cincinnati, Ohio, offered the following prayer:

Eternal God, our Divine Father, alpha and omega, beginning and the end, Thou who hast created in Thine own image man, and set him in the universe as its jewel, we present ourselves to Thee for Thy guidance and benediction. Declare Thyself to us in ideals and consciences that disturb our self-complacency and that will lift us toward nobler personal living. We lift before Thee our care for our Nation. Thanks be to Thee for the great men in ages past who have saved Thy people, men like unto ourselves, who have been willing to remove themselves head and shoulders above the multitude to make tremendous sacrifices for high principles and, having done all, to stand. Today give us again such leadership. Save us as a people from trust in violence, realizing that only through spiritual ends can be the establishment of that which is spiritually good.

May Thy benediction rest upon all agencies that seek to establish world peace and the brotherhood of man against strife and war. This we ask in the Spirit of Christ. Amen.

The Journal of the proceedings of Friday, June 14, 1940, was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Frazier, its legislative clerk, announced that the Senate had passed without amendment a bill of the House of the following title:

H. R. 9909. An act to amend sections 2803 (c) and 2903 of the Internal Revenue Code.

The message also announced that the Senate had passed, with amendments in which the concurrence of the House is requested, a joint resolution of the House of the following title:

H. J. Res. 544. Joint resolution making appropriations for work relief and relief, for the fiscal year ending June 30, 1941.

The message also announced that the Senate had passed, with amendments in which the concurrence of the House is requested, a bill of the House of the following title:

H. R. 5138. An act to make unlawful attempts to interfere with the discipline of the Army, the Navy, and the Coast Guard; to require the deportation of certain classes of aliens; to require the fingerprinting of aliens seeking to enter the United States; and for other purposes.

The message also announced that the Senate insists upon its amendments to the foregoing bill, requests a conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. CONNALLY, Mr. MILLER, and Mr. DANAHER to be the conferees on the part of the Senate.

The message also announced that the Senate had passed, with an amendment in which the concurrence of the House is requested, a bill of the House of the following title:

H. R. 9958. An act to authorize the purchase by the Reconstruction Finance Corporation of stock of Federal home-loan banks; to amend the Reconstruction Finance Corporation Act, as amended, and for other purposes.

The message also announced that the Senate insists upon its amendment to the foregoing bill, requests a conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. WAGNER, Mr. BARKLEY, and Mr. TOWNSEND to be the conferees on the part of the Senate.

The message also announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 5982) entitled "An act for the protection against unlawful use of the badge, medal, emblem, or other insignia of veterans' organizations incorporated by act of Congress, and providing penalties for the violation thereof."

The message also announced that the Senate agrees to the amendment of the House to a bill of the Senate of the following title:

S. 4027. An act to transfer the active list of the Construction Corps to the line of the Navy, and for other purposes.

The message also announced that the Vice President had appointed Mr. BARKLEY and Mr. GIBSON members of the Joinst Select Committee on the part of the Senate, as provided for in the act of February 16, 1889, as amended by the act of March 2, 1895, entitled "An act to authorize and provide for the disposition of useless papers in the executive departments," for the disposition of executive papers in the following departments and agencies:

1. Department of Agriculture.
2. Department of the Interior.
3. Department of Justice.
4. Department of the Navy.
5. Department of the Treasury.
6. Post Office Department.
7. Civil Aeronautics Authority.
8. Federal Security Agency, Office of Education.
9. Federal Works Agency, Public Buildings Administration.
10. Federal Works Agency, Work Projects Administration.

INDEBTEDNESS OF THE REPUBLIC OF FINLAND

The SPEAKER. The Chair desires to announce that, pursuant to the authority granted him on Friday, June 14, 1940, he did, on June 15, 1940, sign the enrolled joint resolution of the Senate, Senate Joint Resolution 272, to authorize the postponement of payment due the United States by the Republic of Finland.

RELIEF APPROPRIATIONS, 1941

Mr. CANNON of Missouri. Mr. Speaker, I ask unanimous consent to take from the Speaker's table House Joint Resolution 544, making appropriations for work relief and relief for the fiscal year ending June 30, 1941, with Senate amendments, disagree to the Senate amendments, and ask for a conference.

The SPEAKER. Is there objection?

There was no objection.

The SPEAKER appointed the following conferees: Mr. TAYLOR, Mr. CANNON of Missouri, Mr. WOODRUM of Virginia, Mr. LUDLOW, Mr. SNYDER, Mr. O'NEAL, Mr. JOHNSON of West Virginia, Mr. POWERS, Mr. WIGGLESWORTH, Mr. LAMBERTSON, and Mr. DITTER.

WAR DEPARTMENT CIVIL FUNCTIONS, 1941

Mr. SNYDER. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 8668) making appropriations for the nonmilitary establishments, with Senate amendments thereto, further insist on the disagreement

of the House to the Senate amendments, and agree to the further conference asked by the Senate.

The SPEAKER. Is there objection?

There was no objection.

The SPEAKER appointed the following conferees: Mr. SNYDER, Mr. TERRY, Mr. STARNES of Alabama, Mr. COLLINS, Mr. KERR, Mr. MAHON, Mr. POWERS, Mr. ENGEL, and Mr. CASE of South Dakota.

EXTENSION OF REMARKS

Mr. MURDOCK of Arizona. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and to include a telegram received this morning.

The SPEAKER. Is there objection?

There was no objection.

Mr. LEAVY. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and to include an address delivered by Attorney General Jackson at Charlottesville, Va., June 14, 1940.

The SPEAKER. Is there objection?

There was no objection.

Mr. HOBBS. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD.

The SPEAKER. Is there objection?

There was no objection.

Mr. LUDLOW. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD in two particulars, one to include an article by former Congressman John McGroarty, and the other an article from the American Legion magazine.

The SPEAKER. Is there objection?

There was no objection.

AGRICULTURAL IMPORTS

Mr. O'CONNOR. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection?

There was no objection.

[Mr. O'CONNOR addressed the House. His remarks appear in the Appendix of the RECORD.]

EXTENSION OF REMARKS

Mr. WALTER. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and to include a radio address delivered by the Solicitor General.

The SPEAKER. Is there objection?

There was no objection.

Mr. GRIFFITH. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and to include therein two short concurrent resolutions which were passed by the Legislature of the State of Louisiana memorializing the Congress of the United States.

The SPEAKER. Is there objection?

There was no objection.

Mr. DISNEY. Mr. Speaker, I ask unanimous consent to extend my own remarks and to include articles on the "fifth column" by the Reverend Rembert Gilman Smith.

The SPEAKER. Is there objection?

There was no objection.

Mr. SWEENEY. Mr. Speaker, I ask unanimous consent to extend my remarks and include therein a short editorial from the Gaelic American, of New York City, entitled "How England Has Scrapped Treaties."

The SPEAKER. Is there objection?

There was no objection.

Mr. HENNINGS. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and therein to include three editorials from the New York Times, the Washington Post, and the St. Louis Star Times, relating to the Harry Bridges case.

The SPEAKER. Is there objection?

There was no objection.

Mr. SPENCE. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and include a resolution of the Board of Commissioners of the city of Newport, Ky.

The SPEAKER. Is there objection?

There was no objection.

Mr. BROOKS. Mr. Speaker, I ask unanimous consent to extend my remarks and include therein a speech by the Assistant Secretary of War.

The SPEAKER. Is there objection?

There was no objection.

THE SUGAR ACT

Mr. LEWIS of Colorado. Mr. Speaker, I ask unanimous consent to proceed for 1 minute.

The SPEAKER. Is there objection?

There was no objection.

Mr. LEWIS of Colorado. Mr. Speaker, vitally important to our State of Colorado and to 16 other States producing beet sugar is the bill (H. R. 9654) to extend to December 31, 1941, the provisions of the Sugar Act of 1937. Tomorrow, Tuesday, June 18, this bill will be brought before the House under a special rule. I trust that all of our friends will be present tomorrow in order to help adopt the rule and insure the passage of H. R. 9654. [Applause.]

[Here the gavel fell.]

EXTENSION OF REMARKS

Mr. MURDOCK of Utah. Mr. Speaker, I ask unanimous consent to extend my remarks and include therein a letter written by me to the Desert News of Utah.

The SPEAKER. Is there objection?

There was no objection.

HON. JONATHAN BOURNE, JR.

Mr. PIERCE. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection?

There was no objection.

[Mr. PIERCE addressed the House. His remarks appear in the Appendix of the RECORD.]

Mr. PIERCE. Mr. Speaker, I ask unanimous consent to revise and extend my remarks and include a letter recently written by Hon. Jonathan Bourne, Jr., to the Herald Tribune in New York, published as a part of my remarks, and I ask that it all be extended in the Appendix of the RECORD.

The SPEAKER. Is there objection?

There was no objection.

EXTENSION OF REMARKS

Mr. HAVENNER. Mr. Speaker, I ask unanimous consent to extend my remarks and include an editorial from the Washington Post.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. PITTENGER, by unanimous consent, was granted permission to extend his own remarks in the RECORD.

HARRY BRIDGES

Mr. LELAND M. FORD. Mr. Speaker, I ask unanimous consent to proceed for 1 minute.

The SPEAKER. Is there objection?

There was no objection.

Mr. LELAND M. FORD. Mr. Speaker, I wish to draw your attention to the 14 ships tied up in San Pedro Harbor. Some of those ships have materials on them that would be used in our defense program.

I also want to call attention to the fact that this situation is the result of a row between Bridges' C. I. O. water-front organization. This shows what this man Bridges has been doing. I believe we have dignified him when we called him a "fifth columnist." I believe the time has come when we can call a spade a spade, and we should now call these traitors by their first names, the traitors that they are.

Thank you. [Applause.]

[Here the gavel fell.]

COL. CHARLES A. LINDBERGH

Mr. KNUTSON. Mr. Speaker, I ask unanimous consent to proceed for 1 minute, and to extend my remarks by inserting a radio address made by Colonel Lindbergh on Saturday evening.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

[Mr. KNUTSON addressed the House. His remarks appear in the Appendix of the RECORD.]

Mr. COCHRAN. Mr. Speaker, I ask unanimous consent to proceed for 1 minute.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. COCHRAN. Mr. Speaker, I ask unanimous consent to include in my remarks the answer of Senator PITTMAN to Colonel Lindbergh.

The SPEAKER. Is there objection?

Mr. RICH. Mr. Speaker, reserving the right to object, I heard the speech of Senator PITTMAN last night, and I think it was one of the worst speeches that any man could possibly utter. It was ridiculous, foolish, and it was downright insane for a man to make a speech like that against Colonel Lindbergh. I object to such a speech as that going into the RECORD.

Mr. RAYBURN. Mr. Speaker, I ask unanimous consent to proceed for one-half minute.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. RAYBURN. Mr. Speaker, I just want to say that if the gentleman from Pennsylvania [Mr. RICH] or any other gentleman is going to object to any speech being put into the RECORD, or to anyone extending his remarks, then that will apply to all Members of the House.

Mr. RICH. Mr. Speaker, I withdraw my objection, but I still maintain it was a terrible speech.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

Mr. ANGELL. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include therein a short article from the Christian Science Monitor on a movement initiated by Portland Post, No. 1, of the veterans to have a flag in every American home.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. ANDERSON of California. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include therein a letter from the Secretary of the California Farm Bureau Federation.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. ALEXANDER. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

[Mr. ALEXANDER addressed the House. His remarks appear in the Appendix of the RECORD.]

Mr. ALEXANDER. Mr. Speaker, I ask unanimous consent to revise and extend my remarks and to insert all of the letter referred to.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

STRIKE-BOUND WEST COAST SHIPPING

Mr. SMITH of Virginia. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. SMITH of Virginia. Mr. Speaker, I read for the information of the House a telegram addressed to me by the Los Angeles Steamship Association, as follows:

LOS ANGELES, CALIF., *June 14, 1940.*

Hon. Representative SMITH of Virginia,
National Labor Relations Board, Washington, D. C.:

Through a jurisdictional dispute between C. I. O. and A. F. of L., Consolidated Shipbuilding Corporation at Long Beach, engaged in construction four ships Maritime Commission, now picketed by C. I. O. This morning, in retaliation, A. F. of L. picketed all docks in harbor, with result A. F. of L. truck drivers refuse pass picket line and Marine Firemen's Union on American ship refuse keep steam up and threaten leave ships. This has tied up this port. Fourteen American ships now idle and others ships will avoid calling here, resulting in complete stagnation all water-borne commerce, including handicap to airplane industry, ship construction, and other features national defense. This intolerable situation over which we have no control and earnestly request you use best efforts have C. I. O. picket lines withdraw Consolidated Corporation and A. F. of L. picket line withdraw from docks.

LOS ANGELES STEAMSHIP ASSOCIATION.

Mr. COX. Mr. Speaker, will the gentleman yield?

Mr. SMITH of Virginia. I yield.

[Here the gavel fell.]

Mr. COX. Mr. Speaker, I ask unanimous consent to address the House for one-half minute.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. COX. Mr. Speaker, apropos to what the gentleman from Virginia has just said, I wish again to say that to strike against the Government in time of stress or to strike against any essential work of the Government under such conditions is, in fact, treason and it ought so to be declared by law.

[Here the gavel fell.]

EXTENSION OF REMARKS

Mr. THORKELSON. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include therein a radio address I made last night over a national hook-up in reply to Walter Winchell.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

PERMISSION TO ADDRESS THE HOUSE

Mr. THORKELSON. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Montana?

There was no objection.

[Mr. THORKELSON addressed the House. His remarks appear in the Appendix of the RECORD.]

SUBVERSIVE ACTIVITIES IN THE UNITED STATES

Mr. DONDERO. Mr. Speaker, I ask unanimous consent to proceed for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Michigan [Mr. DONDERO]?

There was no objection.

Mr. DONDERO. Mr. Speaker, a morning newspaper carries the information that on last Saturday night in the State of Michigan an attempt was made to blow up an ammunition train and to destroy the railroad tunnel which connects the State of Michigan with the Dominion of Canada between Sarnia, Ontario, and Port Huron, Mich. The attempt was made by boring holes in the bottom of a freight car, stuffing oil-soaked rags through the holes, and setting the car on fire. The attempt missed the ammunition train by a few minutes but they did get a car containing airplane motors which were on their way to Canada.

If there is any doubt in the mind of any person in this country that we do not have subversive interests actively at work and that the "fifth column" actually exists in the United States, this piece of information ought to remove that doubt at once and forever. [Applause.]

[Here the gavel fell.]

THE AMERICAN LEGION ON PREPAREDNESS AND INTERVENTION

Mr. CASE of South Dakota. Mr. Speaker, I ask unanimous consent to proceed for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from South Dakota [Mr. CASE]?

There was no objection.

Mr. CASE of South Dakota. Mr. Speaker, I desire to read three or four sentences from a special message by Raymond J. Kelly, national commander of the American Legion, appearing in the National Legionnaire, expressing the official viewpoint of the national organization in the present emergency:

For 20 long years the Legion raised its voice to the highest pitch in the effort to arouse the Nation to the need for an adequate national defense. Few listened.

There is no change in the official position of the American Legion in regard to the neutrality of the United States. * * * The Legion believes in the protection at all hazards of the free peoples of the Western Hemisphere as our primary obligation.

* * * While we are ill-equipped to provide even a minimum of protection for the Monroe Doctrine, it is idle to consider the feasibility of entering into the great conflict across the Atlantic. With what would we intervene? How would we make our potential strength felt short of 2 or 3 years? * * * The safety of America transcends any political issue.

[Applause.]

[Here the gavel fell.]

EXTENSION OF REMARKS

Mr. CASE of South Dakota. Mr. Speaker, I ask unanimous consent to place the entire article by Mr. Kelly in the Appendix of the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from South Dakota [Mr. CASE]?

There was no objection.

Mr. SCHIFFLER. Mr. Speaker, I ask unanimous consent to revise and extend my own remarks in the RECORD and to include an editorial on Our Flag.

The SPEAKER. Is there objection to the request of the gentleman from West Virginia [Mr. SCHIFFLER]?

There was no objection.

Mr. SCHIFFLER. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include a radio address made by my colleague the gentleman from New York [Mr. BARTON].

The SPEAKER. Is there objection to the request of the gentleman from West Virginia [Mr. SCHIFFLER]?

There was no objection.

SOLICITATION OF ADVERTISING FOR THE 1940 DEMOCRATIC CONVENTION BOOK

Mr. BENDER. Mr. Speaker, I ask unanimous consent to proceed for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Ohio [Mr. BENDER]?

There was no objection.

Mr. BENDER. Mr. Speaker, a substantial citizen of Cleveland writes me as follows:

Of course, you have heard, perhaps from many sources, the tactics being used by solicitors of "advertising" in the 1940 Democratic Convention Book. There are several methods used here which are arousing the animosity of the person solicited and should, if possible, be written into the CONGRESSIONAL RECORD.

One method employed is a telegram sent by the Democratic National Committee, Washington, to the person to be solicited, stating that a solicitor will call on him in connection with a matter of considerable interest to the corporation to be solicited. In most cases the corporation solicited is working on Government contracts, either as principal contractor or subcontractor. Two solicitors are operating in Cleveland, and practically stating to such corporations that unless they take out advertising space they need not expect to ever again quote on Government work. In some cases the statements are made clearly and without equivocation. In other cases the language is more guarded, but the same implication is present. W. J. Bright and Art White are reported to be solicitors in greater Cleveland.

EXTENSION OF REMARKS

Mr. JOHNSON of Illinois. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include an address delivered by Howard W. Bessy before the annual convention of the Virginia Coal Merchants' Association.

The SPEAKER. Is there objection to the request of the gentleman from Illinois [Mr. JOHNSON]?

There was no objection.

Mr. VREELAND. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include a short editorial.

The SPEAKER. Is there objection to the request of the gentleman from New Jersey [Mr. VREELAND]?

There was no objection.

Mr. WINTER asked and was given permission to extend his own remarks in the RECORD.

PERMISSION TO ADDRESS THE HOUSE

Mr. GROSS. Mr. Speaker, I ask unanimous consent to proceed for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania [Mr. GROSS].

There was no objection.

Mr. GROSS. Mr. Speaker, I have been listening on the radio and reading in the newspapers trying to follow the President in his international dealings, and I hear him using the term "I" so much that I, with the rest of the American people, am beginning to wonder why the State Department, Congress, and he are not cooperating. I am sure the country would feel much more at ease if he would say, "We have done thus and so by way of the Department of State." I wonder if it is possible that the President has lost confidence in certain departments of the Government that he is assuming so much responsibility himself. In the last few years I have heard so much from the "I's" in Germany and in Italy that it makes me sick to hear it in the United States of America. There is no reason why we should be interested so much in Europe's war. It is just one more of their wars. In 1806 Napoleon rode into Berlin as a conqueror. In 1870 Bismarck rode into Paris as a conqueror. In 1918 Clemenceau rode over Germany in the Versailles Treaty; and in 1940 Hitler rode into Paris as a conqueror. During all those years from 1806 to 1940 America went ahead. And I think we will keep going ahead without so much "I."

[Here the gavel fell.]

EXTENSION OF REMARKS

Mr. SHAFER of Michigan. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include two tables issued by the War Department.

The SPEAKER. Is there objection to the request of the gentleman from Michigan [Mr. SHAFER]?

There was no objection.

Mr. KUNKEL. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and include therein an editorial from this morning's Washington Post.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. HORTON. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and include therein an editorial by Gen. Hugh Johnson.

The SPEAKER. Is there objection to the request of the gentleman from Wyoming?

There was no objection.

Mr. HOFFMAN. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and include therein an editorial.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

PERMISSION TO ADDRESS THE HOUSE

Mr. FISH. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. FISH. Mr. Speaker, why risk our involvement in war by maintaining two American cruisers and four destroyers at Lisbon, Portugal, in the midst of the war zone? Suppose a German or Italian submarine takes a potshot, mistaking them for Allied warships? It is likely to happen in the war zone. I am informed that our warships have no American flags painted on their sides and use no spotlights on the flag at night. Why look for trouble by ordering these warships into the war zone? It must be embarrassing to little Portugal, who wants to keep out of the European war.

Why use Lisbon as a base, without any urgent need, and run the risk of having our cruisers sunk to add fuel to the war hysteria and increase the booming of the war drums in America?

At any rate American merchant ships have finally been ordered out of the Mediterranean and on the basis of

better late than never we can heave a sigh of relief and let it go at that. [Applause.]

EXTENSION OF REMARKS

Mr. LUDLOW. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and include therein a statement by the United Government Employees, Inc.

The SPEAKER. Is there objection to the request of the gentleman from Indiana?

There was no objection.

Mr. DOXEY. Mr. Speaker, I ask unanimous consent to extend my own remarks in the Appendix of the RECORD and include therein certain resolutions adopted by the State Democratic convention recently held in Mississippi endorsing President Roosevelt for a third term and Senator Pat Harrison for Vice President.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

Mr. GEYER of California. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and include therein some election statements.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. LEWIS of Colorado. Mr. Speaker, I ask unanimous consent to extend my own remarks in the Appendix of the RECORD and include therein a short tabulation prepared by myself.

The SPEAKER. Is there objection to the request of the gentleman from Colorado?

There was no objection.

CONSENT CALENDAR

The SPEAKER. This is Consent Calendar day. The Clerk will call the first bill on the Consent Calendar.

PASSAMAQUODDY BAY

The Clerk called the joint resolution (S. J. Res. 57) authorizing the Secretary of War to cause a completion of surveys, test borings, and foundation investigations to be made to determine the advisability and cost of putting in a small experimental plant for development of tidal power in the waters in and about Passamaquoddy Bay, the cost thereof to be paid from appropriations heretofore or hereafter made for such examinations.

Mr. CHURCH. Mr. Speaker, I ask unanimous consent that the joint resolution be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

TOLL BRIDGE ACROSS THE MISSOURI RIVER, OMAHA, NEBR.

The Clerk called the next bill, H. R. 7069, authorizing Douglas County, Nebr., to construct, maintain, and operate a toll bridge across the Missouri River at or near Florence Station, in the city of Omaha, Nebr.

Mr. CHURCH. Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

AMENDMENT OF CROP-LOAN LAW

The Clerk called the next bill, H. R. 7878, to amend the crop-loan law relating to the lien imposed thereunder, and for other purposes.

Mr. CHURCH. Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

COMPENSATION FOR SPECIAL COUNSEL OF THE UNITED STATES

The Clerk called the next bill, H. R. 4366, to authorize the payment of additional compensation to special assistants to the Attorney General in the case of United States against Doheny executors.

Mr. CHURCH. Mr. Speaker, there being a minority report on this bill, I ask unanimous consent that the bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

CHANGING THE TIME OF APPOINTMENT OF PRESIDENTIAL ELECTORS AND THE ELECTION OF SENATORS AND REPRESENTATIVES IN CONGRESS

The Clerk called the next bill, H. R. 8700, to change the time of the appointment of Presidential electors and the election of Senators and Representatives in Congress.

Mr. CHURCH. Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

PRINTING OF SPEECHES AND WRITINGS OF EDMUND BURKE AS A HOUSE DOCUMENT

The Clerk called the joint resolution (H. J. Res. 307) to provide for the printing of the speeches and writings of Edmund Burke as a House document.

Mr. KEAN. Mr. Speaker, I ask unanimous consent that the joint resolution be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

SLUM CLEARANCE IN ALASKA

The Clerk called the next bill, H. R. 8884, to authorize the Legislature of the Territory of Alaska to create a public corporate authority to undertake slum clearance and projects to provide dwelling accommodations for families of low income and to issue bonds and other obligations of the authority for such purpose, and for other purposes.

Mr. SMITH of Ohio, Mr. CLEVENGER, Mr. GROSS, and Mr. RICH objected.

LEAVE OF ABSENCE AT GOVERNMENT PRINTING OFFICE

The Clerk called the next bill, Senate Joint Resolution 71, relating to pay to certain employees of the Government Printing Office for uncompensated leave earned during the fiscal year 1932.

Mr. RICH, Mr. CRAWFORD, and Mr. TABER objected.

BIOGRAPHICAL DIRECTORY OF THE AMERICAN CONGRESS

The Clerk called the next business, House Concurrent Resolution 54, authorizing the printing of a revised edition of the Biographical Directory of the American Congress up to and including the Seventy-sixth Congress.

Mr. KEAN. Mr. Speaker, I ask unanimous consent that this bill be passed over without prejudice.

The SPEAKER. Is there objection to request of the gentleman from New Jersey?

There was no objection.

TEMPORARY DETAIL OF J. L. SAVAGE

The Clerk called the next bill, H. R. 7254, authorizing the temporary detail of J. L. Savage, an employee of the United States, to service under the Government of the State of New South Wales, Australia.

Mr. TABER. Mr. Speaker, reserving the right to object, is there anybody here to explain this bill?

Mr. COSTELLO. Mr. Speaker, I might state to the gentleman that John Savage, who is an employee of our Government in the Bureau of Reclamation of the Department of the Interior, has been the supervising engineer for a large number of dams throughout the United States. He has constructed over a billion dollars' worth of such projects in this country during past years. Agents from Australia and from India have come to the United States to inspect some of these dams with a view to constructing similar projects in their own countries. Mr. Savage was detailed to go with them and show them about the United States in their inspection of the dams throughout the country. They have specifically requested that he be detailed to temporary duty in Australia,

as well as in India, in order that he might aid them in devising plans for such construction in their own countries. It is at the instance of the Department of the Interior that the bill was introduced and reported favorably by the Committee on Military Affairs.

Mr. SCHAFER of Wisconsin. Mr. Speaker, will the gentleman yield?

Mr. TABER. I yield.

Mr. SCHAFER of Wisconsin. In view of the fact that Australia is at war today, does the gentleman believe it would conform to American neutrality to pass this special act and have a high official of the United States Government placed on the pay roll and render services for Australia, which country is at war at this very moment?

Mr. TABER. I do not know that I can see any connection between neutrality and this being done, if we are just providing engineering services for a job that is to be done by them.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. SCHAFER of Wisconsin. I object to this unneutral bill, Mr. Speaker.

There being no further objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the President of the United States is authorized, if he finds that the public interest renders such a course advisable, to detail J. L. Savage, chief designing engineer of the Bureau of Reclamation, Department of the Interior, for temporary service under the Government of the State of New South Wales, Australia. Such detail, if authorized by the President, shall be made in accordance with and subject to the provisions of the act of May 25, 1938 (52 Stat. 442), as amended May 3, 1939 (Public, No. 63, 76th Cong.).

With the following committee amendments:

Page 1, line 8, strike out the period after the word "Australia" and insert "and the Government of the Punjab, India."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

The title was amended so as to read: "A bill authorizing the temporary detail of John L. Savage, an employee of the United States, to service under the Government of the State of New South Wales, Australia, and the Government of the Punjab, India."

ROME UNIVERSAL EXPOSITION, 1942

The Clerk called House Joint Resolution 486, authorizing the acceptance of the invitation of the Government of Italy to participate in the Rome Universal Exposition to be held at Rome, Italy, in 1942.

Mr. BLOOM. Mr. Speaker, as this exposition has been indefinitely postponed, I ask unanimous consent that the resolution be laid upon the table.

The SPEAKER. The gentleman from New York asks unanimous consent that the resolution be laid upon the table. Is there objection?

There was no objection.

TWO MOUNTS FOR CAVALRY OFFICERS

The Clerk called the bill (H. R. 5478) to provide for the maintenance, at public expense, of two mounts for officers of the Regular Army who are designated as mount officers.

The SPEAKER. Is there objection?

Mr. RICH. Mr. Speaker, I reserve the right to object to ask whoever is in charge of this bill some questions. Why should we want two horses now for a Cavalry officer? Is not that somewhat out of date?

Mr. COSTELLO. Mr. Speaker, the War Department has requested this legislation in view of the fact that practically all of the officers of the Cavalry now have two horses which they use in connection with their duties. The law provides for only one at Government expense. However, it is found that a second mount is necessary, and for that reason practically all of the officers do maintain at their own expense a second mount, although this second mount is used for military purposes. As a result, the Department feels that it is not fair to the officer to call upon him to take care of that additional amount out of his own pocket. The second mount is used for military purposes, and the Department feels that the Government should stand the cost, and as a result has requested the introduction of this legislation and its favorable consideration by the Congress.

Mr. RICH. Does not the gentleman think that today, with mechanized warfare, horses are inadequate as implements of war?

Mr. COSTELLO. There are certain types of terrain over which a horse is still the only feasible means of transportation. There are certain activities that horses can perform better than any other means of transportation. In good terrain tanks are satisfactory, but there are places where a tank cannot go where a horse can go. As a result, the gentleman will find that no particular military weapon ever becomes obsolete. All we do is to multiply the types, or add to them, but you can never entirely eliminate any of them when once introduced into military science.

Mr. RICH. Will these horses be used for military work, or are they for riding outside for pleasure?

Mr. COSTELLO. My understanding is that the second mount is to be used for military purposes. I am quite sure if the gentleman checks up on the use of horses he will find there is very little polo playing or other social activities which are carried on on horseback.

Mr. SCHAFER of Wisconsin. Mr. Speaker, will the gentleman yield?

Mr. COSTELLO. Yes.

Mr. SCHAFER of Wisconsin. So that we might not go back to the "horse and buggy" days, I believe the gentleman will get his bill passed if he will favor an amendment to provide these high officers with one horse and one motorcycle. Let them use the motorcycle when they need it and ride the horse when they need it.

The SPEAKER. Is there objection?

Mr. SPRINGER, Mr. HORTON, and Mr. SCHAFER of Wisconsin objected.

DELIVERY OF FIRST-CLASS MAIL MATTER

The Clerk called the bill (S. 3667) providing for the local delivery rate on certain first-class mail matter.

The SPEAKER. Is there objection? [After a pause.] The Chair hears none.

Mr. MOSER. Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice.

The SPEAKER. Is there objection?

Mr. THILL and Mr. SECCOMBE objected to the present consideration of the bill.

The SPEAKER. Three objections are required.

Mr. SECCOMBE. Mr. Speaker, I withhold my objection.

Mr. THILL. Mr. Speaker, I withhold my objection.

Mr. BARRY. Mr. Speaker, I make the point of order that the objections come too late.

The SPEAKER. The Chair is inclined to be lenient about that. They have withheld their objections.

Mr. CHURCH. I understand there were three objections and the gentlemen are withholding their objections. Would the chairman of the committee accept an amendment to strike out the last line? If so, I will offer that amendment. I do not object to this bill.

Mr. BARRY. I ask that the amendment be read.

Mr. CHURCH. While I am on my feet, the amendment merely strikes out the last proviso, "provided, such county is entirely within the corporate limits of the city." In that way other counties—Cook County, Ill.; Los Angeles County, Calif.; and Hennepin County, Minn.; and other counties—could get the benefit of this legislation. I hope this amendment is acceptable. I am hoping that the three objectors will withhold their objections.

Mr. BARRY. Mr. Speaker, will the gentleman yield?

Mr. CHURCH. I yield.

Mr. BARRY. The gentleman's amendment entirely destroys this bill, which is designed to equalize the situation in New York City, where four counties, or boroughs, have a

2-cent postal rate within their confines, and one county, wholly within the corporate city, the county of Queens, has four separate areas where the people are paying a 3-cent rate. I discussed this bill with the gentleman. The Committee on the Post Office and Post Roads has held complete hearings and has reported it out unanimously on three occasions. The House has passed it twice. The gentleman's amendment defeats the entire purpose of the bill, and we might just as well have no bill at all.

Mr. LELAND M. FORD. Mr. Speaker, will the gentleman yield?

Mr. CHURCH. I yield.

Mr. LELAND M. FORD. As I understand the gentleman's amendment, it will affect Los Angeles County in this respect: Outlying points within that county will receive the benefit of the 2-cent postage rates within that area?

Mr. CHURCH. That is right. The same thing will apply to Cook County, Ill., a part of which I have the honor to represent; also Hennepin County, Minneapolis, Minn. As I have stated, I do not object to this bill. I have a lot of sympathy for the gentleman's position, but, in view of the objections, then it seems to me the gentleman should want the bill with this amendment, and then his county, which is entirely within the city of New York—and that is what this bill does with this proviso in it—his city will get the benefit of this bill as amended by my amendment. Then Cook County, Ill., Hennepin County, Minn., and Los Angeles County will get the benefit of the legislation also; and, it seems to me, that those counties are just as compact and just as much entitled to the benefit of this legislation. The bill has always been prepared that way.

Mr. LEONARD W. HALL. Mr. Speaker, will the gentleman yield?

Mr. CHURCH. I yield.

Mr. LEONARD W. HALL. The situations to which the gentleman refers are not comparable at all to this. You are asking for an extension of this rate without city limits. This bill applies to a county within a city. If you pass the amendment which you have offered, you will have towns and villages and counties outside of a city receiving the 2-cent postal rate the same as in the city. We do not ask for that. We simply want the 2-cent postal rate within the county of Queens, which is wholly within New York City.

Mr. CHURCH. I understand that the Borough of Queens, N. Y., is entirely within the city of New York.

Mr. LEONARD W. HALL. That is right.

Mr. CHURCH. And that this bill as drawn with this proviso in it will take care of your situation.

Mr. LEONARD W. HALL. That is right.

Mr. CHURCH. But the territories in Cook County and in these other counties I have mentioned, with their outlying towns, are just as compact as the territory in towns in your county. The gentleman understands I am not objecting to the bill. I told him I did not. But there are persons who are interested. I told the gentleman I would not object. There are, however, three objectors here, which will strike your bill from the Consent Calendar, and there is a great deal of merit in this bill as amended, and I believe the gentleman should accept the amendment, and you will have legislation that will give you the benefit of the 2-cent rate.

The SPEAKER. Is there objection?

Mr. RICH. Mr. Speaker, will the gentleman yield?

Mr. CHURCH. I yield.

Mr. RICH. Is it not a fact that the Post Office Department is going in the red from eighty to one hundred million dollars a year? This administration gave you the 3-cent postage and some of these towns are sick and tired of it and want to get rid of the 3-cent postage. You will never get rid of the 3-cent postage and keep the Post Office Department operating without a deficit.

Mr. ALEXANDER. Will the gentleman yield?

Mr. CHURCH. I yield.

Mr. ALEXANDER. Does the gentleman from Pennsylvania know that in my own home district, where this matter is a problem, it is costing a lot more money to send the postmen out with mail that cannot be delivered because it does not have the 3-cent stamp, then back to the main office, then a letter or two to the person who dispatched the letter, and before you get through you spend a lot more time and money than you would save by not agreeing to the amendment offered by the gentleman from Illinois?

Mr. MASON. Mr. Speaker, will the gentleman yield?

Mr. CHURCH. I yield to the gentleman, a member of the Committee on the Post Office and Post Roads. I realize he is probably in favor of this bill.

Mr. MASON. The Post Office Committee went on record unanimously three times for this bill. If you complicate it by bringing in the county that is not within a city district, then you are going to ruin the bill, it seems to me. It is a different situation entirely.

Mr. CHURCH. I understand the Congress has passed this bill three times the way I am amending it.

Mr. MASON. Oh, no, no. It was vetoed the last time.

Mr. COLE of New York. Mr. Speaker, I demand the regular order.

The SPEAKER. The regular order is, Is there objection to the present consideration of the bill?

Mr. MOSER. Mr. Speaker, I object.

The SPEAKER. One objection is heard, not a sufficient number.

There being no further objection; the Clerk read the bill, as follows:

Be it enacted, etc., That the proviso in section 1001 of the Revenue Act of 1932 (relating to postal rates) is amended to read as follows: "*Provided*, That such additional rate shall not apply to first-class matter mailed for local delivery or for delivery wholly within a county the popuation of which exceeds 1,000,000, provided said county is entirely within a corporate city."

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

DESIGNATING THE PERSON TO ACT AS PRESIDENT UNDER CERTAIN CIRCUMSTANCES

The Clerk called the next bill, H. R. 9462, designating the person who shall act as President if a President shall not have been chosen before the time fixed for the beginning of his term, or when neither a President-elect nor a Vice President-elect shall have qualified.

Mr. CHURCH. Mr. Speaker, I ask unanimous consent that this bill may be passed over without prejudice. Because of the importance of this measure it ought to have more discussion than the unanimous Consent Calendar proceedings permit.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

UTE INDIANS

The Clerk called the next bill, S. 72, to amend the act entitled "An act conferring jurisdiction upon the United States Court of Claims to hear, examine, adjudicate, and render judgment on any and all claims which the Ute Indians or any tribe or band thereof may have against the United States, and for other purposes," approved June 28, 1938.

Mr. COCHRAN. Mr. Speaker, I ask unanimous consent that this bill may be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

ENROLLED INDIANS

The Clerk called the next bill, H. R. 5944, to carry out certain obligations to certain enrolled Indians under tribal agreement.

Mr. CHURCH. Mr. Speaker, I ask unanimous consent that this bill may be passed over without prejudice.

Mr. ROGERS of Oklahoma. Mr. Speaker, will the gentleman withhold his objection?

Mr. CHURCH. Mr. Speaker, I withhold my objection to permit the gentleman to make a statement.

Mr. ROGERS of Oklahoma. Mr. Speaker, in view of the fact that we may not have another opportunity to consider

this bill, I shall endeavor to clear up any objection that might be expressed to its passage.

This bill merely provides that Indians who have paid taxes they should not have paid may have a chance to file for a refund. You will notice from the letter of the Secretary of the Interior that he makes the following statement:

Many Indians who have received allotments of land pursuant to tribal treaties or agreements with the United States were guaranteed exemption from taxation as to their allotments by the terms of the treaties or agreements.

It has been held that such exemption is a vested contractual property right which cannot legally be set aside and denied the Indians under the fifth amendment to the Constitution.

These Indians have paid these taxes. This bill is merely to give them a chance to seek recovery of the tax that is all. Certainly the gentleman would not object to that kind of procedure.

Mr. CHURCH. In answer to the gentleman's suggestion that there may not be much more time within which to consider this bill, let me say that I do not agree with him. I think the House will be in session for some time to come. Secondly, this bill established a precedent, and that is the reason for my request.

Mr. CASE of South Dakota. Mr. Speaker, reserving the right to object, certainly this bill does not establish a precedent, because the right of Indians to apply for a refund of taxes illegally collected is a precedent that has been established in all cases where the courts have invalidated taxes.

Mr. CHURCH. Let me say to the gentleman from South Dakota that the Treasury Department does feel that this would establish a precedent, in that every claim now barred by the statute of limitations would be opened up under the provisions of this bill. It is estimated there are from 1,000 to 1,500 cases.

I contend that a bill of this character should receive further discussion than can be given it on the call of the Consent Calendar.

Mr. CASE of South Dakota. The Congress has many times passed legislation extending the time under which people were entitled to apply for refund of taxes.

Mr. ROGERS of Oklahoma. Mr. Speaker, will the gentleman yield?

Mr. CASE of South Dakota. I yield.

Mr. ROGERS of Oklahoma. Regardless of what the cost might be if the taxes were collected illegally should not the claimants recover?

The SPEAKER. Is there objection to the request that this bill be passed over without prejudice?

Mr. CASE of South Dakota. I object, Mr. Speaker.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. COLE of New York and Mr. COSTELLO objected.

AUTHORIZING PARTICIPATION OF STATES IN CERTAIN REVENUES FROM NATIONAL PARKS

The Clerk called the next bill, H. R. 9535, to authorize the participation of States in certain revenues from national parks, national monuments, and other areas under the administrative jurisdiction of the National Park Service, and for other purposes.

The SPEAKER pro tempore (Mr. WARREN). Is there objection to the present consideration of the bill?

Mr. RICH. Mr. Speaker, I object.

TOLL BRIDGE ACROSS THE STRAITS OF MACKINAC NEAR ST. IGNACE, MICH.

The Clerk called the next bill, S. 1379, granting the consent of Congress to the Mackinac Straits Bridge Authority to construct, maintain, and operate a toll bridge or series of bridges, causeways, and approaches thereto, across the Straits of Mackinac at or near a point between St. Ignace, Mich., and the lower peninsula of Michigan.

Mr. DONDERO. Mr. Speaker, I ask unanimous consent that this bill be passed over without prejudice.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Michigan [Mr. DONDERO]?

There was no objection.

BRIDGE OVER MISSISSIPPI RIVER AT OR NEAR KEOKUK, IOWA

The Clerk called the next bill, H. R. 5382, authorizing the city of Keokuk, Iowa, to purchase, construct, maintain, and operate a toll bridge across the Mississippi River at or near Keokuk, Iowa.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That in order to promote interstate commerce, improve the postal service, and provide for military and other purposes, the city of Keokuk, Iowa, or its assigns, be, and is hereby, authorized to construct, maintain, and operate a bridge and approaches thereto across the Mississippi River, at a point suitable to the interests of navigation, at or near Keokuk, Iowa, in accordance with the provisions of the act entitled "An act to regulate the construction of bridges over navigable waters," approved March 23, 1906, and subject to the conditions and limitations contained in this act. For like purposes, the city of Keokuk, Iowa, or its assigns, is hereby authorized to purchase, maintain, and operate the existing bridge for vehicular traffic crossing the Mississippi River at or near the city of Keokuk, Iowa, and said bridge after purchase shall be operated and maintained pursuant to the provisions of the act entitled "An act to regulate the construction of bridges over navigable waters," approved March 23, 1906, and subject to the conditions and limitations contained in this act.

SEC. 2. There is hereby conferred upon the city of Keokuk, Iowa, all such rights and powers to enter upon lands and to acquire, condemn, occupy, possess, and use real estate and other property needed for the purchase, location, construction, maintenance, and operation of any such bridge and its approaches as are possessed by railroad corporations for railroad purposes or by bridge corporations for bridge purposes in the State in which such real estate or other property is situated, upon making just compensation therefor, to be ascertained and paid according to the laws of such State, and the proceedings therefor shall be the same as in the condemnation or expropriation of property for public purposes in such State.

SEC. 3. The said city of Keokuk, Iowa, is hereby authorized to fix and charge tolls for transit over such bridge, and the rates of toll so fixed shall be the legal rates until changed by the Secretary of War under the authority contained in the act of March 23, 1906.

SEC. 4. In fixing the rates of toll to be charged for the use of such bridge the same shall be so adjusted as to provide a fund sufficient to pay for the reasonable cost of maintaining, repairing, and operating the bridge and its approaches under economical management, and to provide a sinking fund sufficient to amortize the cost of such bridge and its approaches, including reasonable interest and financing cost, as soon as possible, under reasonable charges, but within a period of not to exceed 20 years from the completion thereof. After a sinking fund sufficient for such amortization shall have been so provided, such bridge shall thereafter be maintained and operated free of tolls. An accurate record of the cost of the bridge and its approaches, the expenditures for maintaining, repairing, and operating the same, and of the daily tolls collected shall be kept and shall be available for the information of all persons interested.

SEC. 5. The right to alter, amend, or repeal this act is hereby expressly reserved.

With the following committee amendment:

Page 2, after line 12, strike out all of section 2 and change section numbers 3, 4, and 5 to 2, 3, and 4.

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

LIABILITY OF UNITED STATES FOR MASSACRE OF SIOUX INDIAN MEN, WOMEN, AND CHILDREN

The Clerk called the next bill, H. R. 953, to liquidate the liability of the United States for the massacre of Sioux Indian men, women, and children at Wounded Knee on December 29, 1890.

Mr. COCHRAN. Mr. Speaker, I ask unanimous consent that this bill be passed over without prejudice.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Missouri [Mr. COCHRAN]?

Mr. CASE of South Dakota. Mr. Speaker, I object.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. COCHRAN. Mr. Speaker, I object to the present consideration of the bill.

CONSTRUCTION AT MILITARY POSTS

The Clerk called the next bill, H. R. 9896, to authorize appropriations for construction at military posts, and for other purposes.

Mr. CHURCH. Mr. Speaker, I ask unanimous consent that this bill be passed over without prejudice.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Illinois [Mr. CHURCH]?

Mr. MAY. Mr. Speaker, reserving the right to object, may I say to the gentleman that this is a War Department request for the privilege of purchasing additional land that is badly needed in connection with the national-defense program.

Mr. CHURCH. May I say to the gentleman that this bill authorizes an appropriation for construction at military posts, and so forth. The amount involved is something like $15,000,000 to be expended for the construction, rehabilitation, and so forth, of these posts. The gentleman is familiar with the statement made by the gentleman from Michigan [Mr. WOLCOTT], who is not on the floor at the present time, that in matters of this kind where so much money is involved it is a sort of unwritten policy with our Consent Calendar committee that these bills should be debated, or at least have the discussion that we cannot have here. That is the reason for my request. It is to uphold the gentleman from Michigan on our side, who has done valuable service. I would not be fair to him if I did not insist on my position.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Illinois [Mr. CHURCH]?

Mr. MAY. Mr. Speaker, I object.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. CHURCH. Mr. Speaker, I am therefore obliged to object to the consideration of the bill at this time.

ACQUISITION OF ADDITIONAL LAND FOR MILITARY PURPOSES

The Clerk called the next bill, H. R. 9897, to authorize the acquisition of additional land for military purposes.

Mr. CHURCH. Mr. Speaker, I ask unanimous consent that this bill be passed over without prejudice, and supplementing my statement on the last bill, may I say that I do not feel that the present war hysteria should control to the extent that we should pass these bills by unanimous consent and without discussion. I favor quick preparation for defense, but certainly these large amounts, $3,500,000 involved in this bill and $15,000,000 involved in the other one, certainly should require fuller discussion on the floor of the House than the proceedings under the Consent Calendar afford.

Mr. MAY. May I say to the gentleman that our committee has given extensive time and had elaborate hearings on all of these matters. We have found upon testimony given by the War Department and without objection from the Bureau of the Budget that every one of these tracts of land is essential to the necessary expansion of the national defense program. We have gone into details. If the gentleman will give a reasonable excuse, or if he will read the report of the committee, he will find it is an absolute necessity at this time and should not be delayed.

Mr. CHURCH. May I state to the gentleman, who has given much study to these bills, that I will probably vote with him on this bill, but this unanimous Consent Calendar committee has worked day in and day out on these measures and we have read these bills. We are familiar with them. I have spent many hours of my time for the last 4 days familiarizing myself with these bills. If the gentleman's remarks mean that I have not read and studied every word of this bill, and the report they are a little bit exaggerated.

Mr. MAY. Mr. Speaker, I meant no such thing, and I said nothing that even intimated that. I stated that our committee had studied this matter very carefully and it believes that they are essential items in the necessary expansion of the program for national defense, for which the gentleman has already voted.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Illinois [Mr. CHURCH]?

Mr. MAY. Mr. Speaker, I object.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. CHURCH. Mr. Speaker, I am obliged to object.

AMENDMENT TO SECTION 113 OF THE CRIMINAL CODE

The Clerk called the next bill, H. R. 9024, relating to the status of retired officers of the Army, Navy, Marine Corps, and Coast Guard of the United States, and to amend section 113 of the Criminal Code.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That section 113 of the Criminal Code is hereby amended by inserting at the end thereof the following:

"Retired officers of the Army, Navy, Marine Corps, and Coast Guard of the United States, while not on active duty, shall not by reason of their status as such be subject to the provisions of this section."

With the following committee amendment:

Page 1, line 8, change the period to a colon and insert "*Provided*, That nothing herein shall be construed to allow any retired officer to represent any person in the sale of anything to the Government through the department in whose service he holds a retired status."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

ORLEANS LEVEE DISTRICT, NEW ORLEANS, LA.

The Clerk called the next bill, H. R. 9927, declaring a forfeiture of certain land heretofore granted by the United States to the board of commissioners of the Orleans Levee District, in the city of New Orleans, State of Louisiana, for levee and street purposes.

There being no objection, the Clerk read the bill as follows:

Be it enacted, etc., That there is hereby forfeited to and revested in the United States of America title to that certain strip of land situated in the city of New Orleans, parish of Orleans, State of Louisiana, measuring two hundred and ten and two one-hundredths feet in length and seven and thirty-seven one-hundredths feet in width, more particularly described in the resolution adopted February 23, 1940, by the board of commissioners of the Orleans Levee District, and being part of the land granted by the act of Congress approved April 22, 1932 (47 Stat. 133, ch. 127), to the board of commissioners of the Orleans Levee District of New Orleans, La. The control and custody of the land hereby forfeited is revested in the Attorney General.

SEC. 2. The grant by the aforesaid act of Congress approved April 22, 1932, and the restrictions and conditions imposed therein shall remain in full force and effect as to that portion of the land the title to which is not declared forfeited by this act and the Attorney General is hereby authorized to execute and deliver to the board of commissioners of the Orleans Levee District a proper quitclaim deed of that portion of the land not forfeited.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

ALASKA RAILROAD RETIREMENT

The Clerk called the next bill, H. R. 8046, to amend section 1 of the act entitled "An act for the retirement of employees of the Alaska Railroad, Territory of Alaska, who are citizens of the United States," approved June 29, 1936.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That section 1 of the act entitled "An act for the retirement of employees of the Alaska Railroad, Territory of Alaska, who are citizens of the United States," approved June 29, 1936 (49 Stat. 2017), is hereby amended to read as follows:

"That all employees of the Alaska Railroad, Territory of Alaska, who are citizens of the United States and whose tenure of employment is not intermittent nor of uncertain duration, shall come within the provisions of this act: *Provided, however*, That employees of the Alaska Railroad who in the past have been, or in the future may be, employed thereon for the period of at least 3 months per year for at least 2 years shall come within the provisions of this act."

With the following committee amendment:

Page 2, line 8, after "act", insert the following: "*Provided further*, That clerical employees of the Alaska Railroad who were subject to the Civil Service Retirement Act of May 22, 1920, as amended, at any time between July 1, 1935, and the effective date of this act shall deposit in the Alaska Railroad retirement and disability fund an additional 1½ percent of the basic salary, pay, or compensation received by them during such period, together with interest computed at the rate of 4 percent per annum compounded on the last day of each fiscal year, but such interest shall not be included for any period during which the employee was separated from the service.

"SEC. 2. The United States Civil Service Commission is hereby authorized and directed to ascertain the amount, if any, including accrued interest, due employees of the Alaska Railroad coming

within the purview of this act from the civil-service retirement and disability funds created by the act of May 22, 1920, and to certify same to the Secretary of the Treasury, who is hereby authorized and directed to transfer such amount on the books of the Treasury Department to the Alaska Railroad retirement and disability fund.

"SEC. 3. This act shall take effect on the first day of the third month next following its approval."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

SMITHSONIAN GALLERY OF ART COMMISSION

The Clerk called the next bill, H. R. 9806, to permit the Smithsonian Gallery of Art Commission to purchase a model of the winning design for the proposed Smithsonian Gallery of Art, and for other purposes.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. CHURCH. Reserving the right to object, Mr. Speaker, may I ask the chairman of the committee if he will be kind enough to explain this bill and call attention especially to the reappropriation feature? The gentleman's committee is reappropriating money in this bill.

Mr. KELLER. That is right. There is no new appropriation. The resolution, passed about a year ago, has been carried out by the Commission appointed as a result of the passage of that resolution, and the money has been spent or contracted to be spent, except for $1,000, which is left in the Treasury. This is merely to carry out the contract entered into, which did not get past the Accounting Office until too late at the end of the year.

Mr. TABER. Mr. Speaker, will the gentleman yield?

Mr. CHURCH. I yield to the gentleman from New York.

Mr. TABER. Mr. Speaker, as I understand, the bill carries an appropriation of funds without respect to the rules of the House. Under those circumstances, I believe the gentleman from Illinois should ask that the bill be stricken from the calendar.

Mr. CHURCH. Let me read section 2 for the benefit of the gentleman:

SEC. 2. There is hereby reappropriated, out of the unexpended balance of the amount appropriated in the Second Deficiency Appropriation Act, approved June 25, 1938, under the heading "Independent establishments," subheading "Smithsonian Institution," the sum of $2,500 to carry out the provisions of subsection (a) of section 1; and the sum of $1,500 is hereby made immediately available out of such unexpended balance to carry out the provisions of subsection (b) of section 1.

May I say to the gentleman that it occurs to me that the House is not in the habit of passing measures appropriating money or reappropriating money when those measures come from committees other than the Committee on Appropriations, except under exceptional situations where the House is willing to waive the point of order.

Mr. TABER. Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice.

Mr. KELLER. I hope the gentleman will withhold his request.

Mr. TABER. I cannot.

Mr. KELLER. Then I object, Mr. Speaker.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. TABER. I object, Mr. Speaker.

RETIREMENT BENEFITS FOR CERTAIN INTERPRETERS

The Clerk called the next bill, H. R. 8181, to grant retirement benefits to Chinese, Japanese, and Hindu interpreters in the United States Immigration and Naturalization Service.

Mr. MOSER. Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice.

Mr. HAVENNER. Mr. Speaker, will the gentleman withhold his request?

Mr. MOSER. I withhold it; certainly.

Mr. HAVENNER. Mr. Speaker, this bill applies to a very small group of interpreters of the Chinese, Japanese, and Hindu languages—only about 20 or 25 in all—who have been in the Government service in regular employment for over 10 years. There is a recommendation from both the Civil Service Commission and the Department of Labor that they be granted the right of retirement benefits. The bill applies only to American citizens. I hope the gentleman will withhold his request.

Mr. MOSER. Mr. Speaker, I insist on my request that the bill be passed over without prejudice.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

POST OFFICE DEPARTMENT

The Clerk called the next bill, H. R. 8645, to provide Saturday half holidays for char force working in Post Office Department.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the act of March 3, 1931, entitled "An act providing for Saturday half holidays for certain Government employees" (46 Stat. 1482; 5 U. S. C. 26a), is amended by inserting after the words "Postal Service" and the comma thereafter the following, to be followed by a comma: "excepting that this act shall apply to charmen and charwomen, head charmen and head charwomen working in the custodial service of the Post Office Department, under the supervision of the Fourth Assistant Postmaster General,".

SEC. 2. This act shall take effect immediately upon its passage.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

AMENDMENT OF THE NATIONAL DEFENSE ACT

The Clerk called the next bill, H. R. 9898, to further amend section 13a of the National Defense Act so as to authorize officers detailed for training and duty as aircraft observers to be so rated, and for other purposes.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the first proviso of section 13a of the National Defense Act as amended by section 2 of the act of July 2, 1926 (44 Stat. 781), is hereby amended by striking out the words "*Provided*, That the Chief of the Air Corps, at least two brigadier generals, and at least 90 percent of the officers in each grade below that of brigadier general shall be flying officers", and by substituting in lieu thereof the following: "*Provided*, That the Chief of the Air Corps, three brigadier generals, and at least 90 percent of the officers in each grade below that of brigadier general shall be officers who have qualified as pilots of service types of aircraft."

SEC. 2. The fourth and fifth provisos of section 13a of the National Defense Act as amended by section 2 of the act of July 2, 1926 (44 Stat. 781), and the sixth proviso of said act as amended by section 2 of the act of July 2, 1926 (44 Stat. 781), and section 3 of the act of June 16, 1936 (49 Stat. 1524), including the two provisos added by the act last-mentioned, are further amended to read as follows: "*Provided further*, That in order to insure that the commissioned officers of the Air Corps shall be properly qualified flying officers and, for the purpose of giving officers of the Army an opportunity so to qualify, the Secretary of War is hereby authorized to detail officers to the Air Corps for training as flying officers, and such officers shall start flying training immediately upon being so detailed: *Provided further*, That nothing in this act shall be construed to limit the number of officers who may be detailed to the Air Corps for training as flying officers: *Provided further*, That the limitation on the number of officers of the several branches of the Army who may be required by competent authority to participate regularly and frequently in aerial flights imposed by section 20 of the act of June 10, 1922 (42 Stat. 632), as amended by section 6 of the act of July 2, 1926 (44 Stat. 782), shall not apply to officers of the several branches of the Army detailed to the Air Corps for training and duty as aircraft observers or as other members of combat crews: *Provided further*, That flying units shall in all cases be commanded by flying officers who have received aeronautical ratings as pilots of service types of aircraft and who are commissioned in the Air Corps, or qualified permanent general officers of the line who have received aeronautical ratings as pilots of service types of aircraft: *Provided further*, That a flying officer is defined as one who has received an aeronautical rating as a pilot of service types of aircraft or one who has received an aeronautical rating as an aircraft observer or as any other member of a combat crew under such regulations as the Secretary of War may prescribe."

SEC. 3. Such laws and parts of laws as may be inconsistent with the foregoing are hereby repealed.

With the following committee amendments:

Page 1, strike out all after the enacting clause down through line 5 on page 2.

Page 2, line 6, strike out "2" and insert "1."

Page 3, line 18, strike out "3" and insert "2."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

COOPERATION WITH SCHOOL BOARD, WALKER, MINN.

The Clerk called the next bill, H. R. 6583, for expenditure of funds for cooperation with the public-school board at Walker, Minn., for the construction, extension, equipment, and improvement of public-school facilities to be available to all Indian children in the district.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That there is hereby authorized to be appropriated, out of any funds in the Treasury not otherwise appropriated, the sum of $65,000 for the purpose of cooperating with the public-school board, town of Walker, county of Cass, Minn., for the construction, extension, equipment, and improvement of the public-school facilities at Walker, Minn.: *Provided*, That the expenditure of any money so authorized shall be subject to the express conditions that the school maintained by the said district in the said building shall be available to all Indian children of the district, on the same terms, except as to payment of tuition, as other children of said school district: *Provided further*, That plans and specifications for construction, extension, or improvement of structures shall be furnished by local or State authorities without cost to the United States, and upon approval thereof by the Commissioner of Indian Affairs actual work shall proceed under the direction of such local or State officials. Payment for work in place shall be made monthly on vouchers properly certified by local officials of the Indian Service: *Provided further*, That funds thus appropriated may be used as sponsors' contribution for the construction, extension, equipment, and improvement of the public-school facilities at Walker, Minn., approved and carried on under funds of the Works Progress Administration.

With the following committee amendment:

Strike out all after the enacting clause and insert:

"That there is hereby authorized to be appropriated, out of any funds in the Treasury not otherwise appropriated, the sum of $65,000 for the purpose of cooperating with the public-school board, Cass County, Minn., for the construction, extension, equipment, and improvement of the public-school facilities at a location to be agreed upon by the Secretary of the Interior and the school officials of Cass County, Minn.: *Provided*, That the expenditure of any money so authorized shall be subject to the express conditions that the school maintained by the said district in the said building shall be available to all Indian children of the district, on the same terms, except as to payment of tuition, as other children of said school district: *Provided further*, That plans and specifications for construction, extension, or improvement of structures shall be furnished by local or State authorities without cost to the United States, and upon approval thereof by the Commissioner of Indian Affairs actual work shall proceed under the direction of such local or State officials. Payment for work in place shall be made monthly on vouchers properly certified by local officials of the Indian Service: *Provided further*, That funds thus appropriated may be used as sponsors' contribution for the construction, extension, equipment, and improvement of the said public-school facilities approved and carried on under funds of the Work Projects Administration: *And provided further*, That any amount expended on any project hereunder shall be recouped by the United States within a period of 30 years, commencing with the date of occupancy of the project, through reducing the annual Federal payments for the education of Indian pupils enrolled in public or high schools of the district involved, or by the acceptance of Indian pupils in such schools without cost to the United States, and in computing the amount of recoupment for each project interest at 3 percent per annum shall be included on unrecouped balances."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

The title was amended so as to read: "A bill for expenditure of funds for cooperation with the public-school board, Cass County, Minn., for the construction, extension, equipment, and improvement of public-school facilities to be available to Indian children in the district."

CIVIL SERVICE FOR ASSISTANT OR DEPUTY COMMISSIONERS OF THE GENERAL LAND OFFICE AND BUREAU OF INDIAN AFFAIRS IN THE DEPARTMENT OF THE INTERIOR

The Clerk called the next bill, H. R. 9041, to provide that assistant or deputy heads of certain bureaus in the Department of the Interior shall be appointed under the civil-service laws, and for other purposes.

Mr. MOSER. Mr. Speaker, I ask unanimous consent that this bill be passed over without prejudice.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

AMENDING OF CIVIL SERVICE RETIREMENT ACT AND OTHER RETIREMENT ACTS

The Clerk called the next bill, H. R. 8621, amending civil-service retirement acts and other retirement acts.

The Clerk read the title of the bill.

Mr. RAMSPECK. Mr. Speaker, I have a couple of amendments to this bill.

Mr. TABER. Mr. Speaker, the question of objection was not put.

The SPEAKER pro tempore. The Chair certainly was of the opinion that the question had been put. However, if there is any doubt about it——

Mr. TABER. No, Mr. Speaker; I was listening for it.

Mr. RAMSPECK. If the gentleman will yield to me, I would like to ask the gentleman what his objection is to the bill.

Mr. TABER. I wanted the gentleman to explain it before I let it go by.

Mr. RAMSPECK. The bill was introduced by reason of request of General Hines, of the Veterans' Administration, for the purpose of clearing up a disagreement as to the time allowed veterans for service in the armed forces of the United States in determining length of service with the Federal Government.

The SPEAKER. The Chair thinks in view of the record that he should again put the question. Is there objection to the present consideration of the bill?

There being no objection, the Clerk read the bill as follows:

Be it enacted, etc., That the first paragraph of section 5 of the Civil Service Retirement Act of May 29, 1930 (46 Stat. 472; 5 U. S. C. 707), be amended to read as follows:

"SEC. 5. Subject to the provisions of section 9 hereof, the aggregate period of service which forms the basis for calculating the amount of any benefit provided in this act shall be computed from the date of original employment, whether as a classified or an unclassified employee in the civil service of the United States, or in the service of the District of Columbia, including periods of service at different times and in one or more departments, branches, or independent offices, or the legislative branch of the Government, and also periods of service performed overseas under authority of the United States, and periods of honorable service in the Army, Navy, Marine Corps, or Coast Guard of the United States; in the case of an employee, however, who is eligible for and receives retired pay on account of military or naval service, the period of service upon which such retired pay is based shall not be included; in the case of an employee who is eligible for and receives a pension on account of non-service-connected disability under laws administered by the Veterans' Administration the minimum period of service necessary to entitle him to pension shall not be included; but in the case of an employee who is eligible for and receives pension or compensation under laws administered by the Veterans' Administration on account of service-connected disability, all honorable military or naval service shall be included; and nothing in this act shall be construed as to affect in any manner an employee's right to retired pay, pension, or compensation in addition to the annuity herein provided."

SEC. 2. That the first paragraph of section 7 of the act entitled "An act for the retirement of employees of the Panama Canal and the Panama Railroad Co., on the Isthmus of Panama, who are citizens of the United States," approved March 2, 1931 (46 Stat. 1476; 48 U. S. C. 1371f), be amended to read as follows:

"SEC. 7. Subject to the provisions of section 8 hereof, the service which shall form the basis for calculating the amount of any benefit provided in this act shall be computed from the date of original employment, whether as a classified or an unclassified employee, in the civil service of the United States, or under the municipal government of the District of Columbia, including periods of service at different times and in one or more departments, branches, or independent offices of the Government, and service on the Isthmus of Panama with the Isthmian Canal Commission, the Panama Canal, or the Panama Railroad Co.; also periods of service performed overseas and under authority of the United States and periods of honorable service in the Army, Navy, Marine Corps, or Coast Guard of the United States. In the case of an employee, however, who is eligible for and receives retired pay on account of military or naval service, the period of service upon which such retired pay is based shall not be included; in the case of an employee who is eligible for and receives a pension on account of non-service-connected disability under laws administered by the Veterans' Administration the minimum period of service necessary to entitle him to pension shall not be included; but in the case of an employee who is eligible for and receives pension or compensation under laws administered by

the Veterans' Administration on account of service-connected disability, all honorable military or naval service shall be included; and nothing in this act shall be construed as to affect in any manner an employee's right to retired pay, pension, or compensation in addition to the annuity herein provided."

SEC. 3. That the first paragraph of section 7 of the act entitled "An act for the retirement of employees of the Alaska Railroad, Territory of Alaska, who are citizens of the United States," approved June 29, 1936 (49 Stat. 2021; 5 U. S. C. 745f), as amended by the act approved August 7, 1939 (Public Law No. 320, 76th Cong.), be further amended to read as follows:

"SEC. 7. Subject to the provisions of section 8 hereof, the service which shall form the basis for calculating the amount of any benefit provided in this act shall be computed from the date of original employment, whether as a classified or an unclassified employee in the civil service of the United States or under the municipal government of the District of Columbia, including periods of service at different times and in one or more departments, branches, or independent offices of the Government and service in Alaska with the Alaskan Engineering Commission and the Alaska Railroad, or of either of them, and service on the Isthmus of Panama with the Isthmian Canal Commission, the Panama Canal, or the Panama Railroad Co.; also periods of service performed overseas under authority of the United States and periods of honorable service in the Army, Navy, Marine Corps, or Coast Guard of the United States. In the case of an employee, however, who is eligible for and receives retired pay on account of military or naval service, the period of service upon which such retired pay is based shall not be included; in the case of an employee who is eligible for and receives a pension on account of non-service-connected disability under laws administered by the Veterans' Administration the minimum period of service necessary to entitle him to pension shall not be included; but in the case of an employee who is eligible for and receives pension or compensation under laws administered by the Veterans' Administration on account of service-connected disability, all honorable military or naval service shall be included; and nothing in this act shall be construed as to affect in any manner an employee's right to retired pay, pension, or compensation in addition to the annuity herein provided."

SEC. 4. That the last clause of paragraph (o) of section 26 of the act entitled "An act for the grading and classification of clerks in the Foreign Service of the United States of America, and providing compensation therefor," approved February 23, 1931 (46 Stat. 1213; 22 U. S. C. 21), as amended by the act of August 5, 1939 (Public Law No. 277, 76th Cong.), be further amended to read as follows: "but in the case of a Foreign Service officer who is eligible for and receives retired pay on account of military or naval service, the period of service upon which such retired pay is based shall not be included; in the case of an employee who is eligible for and receives a pension on account of non-service-connected disability under laws administered by the Veterans' Administration the minimum period of service necessary to entitle him to pension shall not be included; but in the case of an employee who is eligible for and receives pension or compensation under laws administered by the Veterans' Administration on account of service-connected disability, all honorable military or naval service shall be included; and nothing in this act shall be construed as to affect in any manner an employee's right to retired pay, pension, or compensation in addition to the annuity herein provided."

SEC. 5. This act shall take effect the 1st day of the month next succeeding the date of enactment. Any person separated from the service prior to such effective date may, upon request, have his claim for retirement adjudicated under the terms of this act; but no increase in annuity shall be allowed prior to such effective date nor shall this act be construed so as to reduce the annuity of any person separated prior to its effective date.

Mr. RAMSPECK. Mr. Speaker, I offer the following amendments, which I send to the desk.

The Clerk read as follows:

Amendment offered by Mr. RAMSPECK: Page 2, line 24, strike out all of lines 24 and 25, and on page 3, strike out lines 1 to 4, inclusive, and insert:

"SEC. 2. That the first paragraph of section 97 of title II, Canal Zone Code, be amended to read as follows:

" 'SEC. 97. The computation of accredited service, subject to the provisions of section 98 of this title.' "

The SPEAKER pro tempore. The question is on agreeing to the amendment.

The amendment was agreed to.

The SPEAKER pro tempore. The Clerk will report the other committee amendments offered by the gentleman from Georgia.

The Clerk read as follows:

Amendment offered by Mr. RAMSPECK: Page 3, line 7, after the word "this", strike out the word "act" and insert the word "article."

The amendment was agreed to.

The Clerk read as follows:

Amendment offered by Mr. RAMSPECK: Page 4, line 6, after the word "this" strike out the word "act" and insert the word "article."

The amendment was agreed to, and the bill as amended was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider laid on the table.

AMENDMENT TO BANKRUPTCY ACT

The Clerk called the bill (H. R. 9864), amending the Bankruptcy Act with respect to the basis of property and excluding certain corporations from the provisions of chapter XI.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That effective as of June 22, 1938, section 270 of the act entitled "An act to establish a uniform system of bankruptcy throughout the United States," approved July 1, 1898, as amended, is amended to read as follows:

"SEC. 270. In determining the basis of property for any purposes of any law of the United States or of a State imposing a tax upon income, the basis of the debtor's property (other than money) or of such property (other than money) as is transferred to any person required to use the debtor's basis in whole or in part shall be decreased by an amount equal to the amount by which the indebtedness of the debtor, not including accrued interest unpaid and not resulting in a tax benefit on any income tax return, has been canceled or reduced in a proceeding under this chapter, but the basis of any particular property shall not be decreased to an amount less than the fair market value of such property as of the date as of which the plan became effective. Any determination of value in a proceeding under this chapter shall not be deemed a determination of fair market value for the purposes of this section. The Commissioner of Internal Revenue, with the approval of the Secretary of the Treasury, shall prescribe such regulations as he may deem necessary in order to reflect such decrease in basis for Federal income-tax purposes and otherwise carry into effect the purposes of this section."

SEC. 2. Effective as of June 22, 1938, section 396 of such act, as amended, is amended to read as follows:

"SEC. 396. In determining the basis of property for any purposes of any law of the United States or of a State imposing a tax upon income, the basis of the debtor's property (other than money) or of such property (other than money) as is transferred to any person required to use the debtor's basis in whole or in part shall be decreased by an amount equal to the amount by which the indebtedness of the debtor, not including accrued interest unpaid and not resulting in a tax benefit on any income-tax return, has been canceled or reduced in a proceeding under this chapter, but the basis of any particular property shall not be decreased to an amount less than the fair market value of such property as of the date as of which the plan became effective. Any determination of value in a proceeding under this chapter shall not be deemed a determination of fair market value for the purposes of this section. The Commissioner of Internal Revenue, with the approval of the Secretary of the Treasury, shall prescribe such regulations as he may deem necessary in order to reflect such decrease in basis for Federal income-tax purposes and otherwise carry into effect the purposes of this section."

SEC. 3. Effective as of June 22, 1938, section 522 of such act, as amended, is amended to read as follows:

"SEC. 522. In determining the basis of property for any purposes of any law of the United States or of a State imposing a tax upon income, the basis of the debtor's property (other than money) or of such property (other than money) as is transferred to any person required to use the debtor's basis in whole or in part shall be decreased by an amount equal to the amount by which the indebtedness of the debtor, not including accrued interest unpaid and not resulting in a tax benefit on any income-tax return, has been canceled or reduced in a proceeding under this chapter, but the basis of any particular property shall not be decreased to an amount less than the fair market value of such property as of the date as of which the plan became effective. Any determination of value in a proceeding under this chapter shall not be deemed a determination of fair market value for the purposes of this section. The Commissioner of Internal Revenue, with the approval of the Secretary of the Treasury, shall prescribe such regulations as he may deem necessary in order to reflect such decrease in basis for Federal income-tax purposes and otherwise carry into effect the purposes of this section."

SEC. 4. Section 306 of such act, as amended, is amended to read as follows:

"SEC. 306. For the purposes of this chapter, unless inconsistent with the context—

"(1) 'arrangement' shall mean any plan of a debtor for the settlement, satisfaction, or extension of the time of payment of his unsecured debts, upon any terms;

"(2) 'consideration' shall include evidences of indebtedness, either secured or unsecured, stock and certificates of beneficial interest therein, and certificates of beneficial interest in property;

"(3) 'debtor' shall mean a person who could become a bankrupt under section 4 of this act and who files a petition under this chapter, except that such term shall not include a corporation if any class of securities of such corporation is owned by 100 or more persons. For the purposes of this paragraph, 'securities of such corporation' shall include (a) unsecured claims against such corporation represented by notes, bonds, debentures, or evidences of indebtedness, and certificates of interest or participation in any such claims;

(b) guaranties by such corporation of claims, whether secured or unsecured, against any other person or its property, represented by notes, bonds, debentures, or evidences of indebtedness, or of certificates of interest or participation in any such claims; and (c) stock, shares, and similar interests in such corporation, certificates and other evidences of such stock, shares, or interests, and voting trust certificates for such stock, shares, or interests;

"(4) 'executory contracts' shall include unexpired leases of real property; and

"(5) 'petition' shall mean a petition filed under this chapter by a debtor proposing an arrangement."

SEC. 5. Section 323 of such act, as amended, is amended to read as follows:

"SEC. 323. A petition filed under this chapter shall state that the debtor is insolvent or unable to pay his debts as they mature and the facts showing that the petitioner is a 'debtor' as defined in section 306, and shall set forth the provisions of the arrangement proposed by him."

SEC. 6. Chapter XI of such act, as amended, is amended by inserting at the end thereof the following new section:

"SEC. 328. Upon the filing of a petition by a debtor, the judge shall enter an order approving the petition, if satisfied that it complies with the requirements of this chapter and has been filed in good faith, or dismissing it if not so satisfied."

SEC. 7. The amendments made by sections 4, 5, and 6 shall not apply with respect to proceedings in which, before the date of the enactment of this act, (a) the petition was filed under such chapter XI, or (b) the petition was amended under section 147 of such act.

With the following committee amendments:

Page 2, line 9, strike out "the date as of which the plan became effective" and insert "the date of entry of the order confirming the plan."

Page 3, line 7, strike out "the date as of which the plan became effective" and insert "the date of entry of the order confirming the arrangement."

Page 4, line 5, strike out "the date as of which the plan became effective" and insert "the date of entry of the order confirming the arrangement."

Page 4, line 14, to page 6, line 16, strike out sections 4, 5, 6, and 7.

The committee amendments were agreed to, and the bill, as amended, was ordered to be engrossed and read the third time, was read the third time, and passed, and a motion to reconsider the vote by which the bill was passed was laid on the table.

The title was amended to read as follows: "A bill amending the Bankruptcy Act with respect to the basis of property."

MOUNTAIN JUDICIAL DISTRICT, STATE OF TENNESSEE

The Clerk called the bill (S. 1681) to amend section 107 of the Judicial Code to create a mountain district in the State of Tennessee, and for other purposes.

The SPEAKER pro tempore. Is there objection?

Mr. CHURCH. Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice.

The SPEAKER pro tempore. Is there objection?

There was no objection.

DISPOSAL OF UNITED STATES CUSTOMHOUSE, DETROIT

The Clerk called House Joint Resolution 472, to prohibit the sale or disposal of the United States customhouse for the city of Detroit.

There being no objection, the Clerk read the joint resolution, as follows:

Whereas the United States customhouse, located at the northwest corner of Larned and Griswold Streets in the city of Detroit, is at the present time on the list of Federal surplus real estate to be disposed of by sale; and

Whereas the aforementioned customhouse is situated conveniently close to the Detroit River front, which location has been proven to be the most advantageous due to the nature of customs service work; and

Whereas the Federal Government is now renting privately owned space in the city of Detroit at a cost in excess of $215,000 per annum to house Federal offices; and

Whereas the present Detroit customhouse has an annual maintenance cost of only $19,000: Now, therefore, be it

Resolved, etc., That until otherwise expressly permitted by Congress the United States customhouse for the city of Detroit, administered by the Public Buildings Administration of the Federal Works Agency, shall not be sold or disposed of.

With the following committee amendments:

Page 1, in the first "Whereas", following the word "Detroit", strike out the remainder of the paragraph.

Page 1, in the second "Whereas", strike out the words "Whereas the aforementioned customhouse."

Page 1, in the third "Whereas", after the word "cost", strike out "in excess of $215,000" and insert in lieu thereof the following: "of $172,742.80."

The committee amendments were agreed to.

The House joint resolution was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider laid on the table.

ACCEPTING JURISDICTION OVER OLYMPIC NATIONAL PARK

The Clerk called the bill (H. R. 6559) to accept the cession by the State of Washington of exclusive jurisdiction over the lands embraced within the Olympic National Park, and for other purposes.

The SPEAKER pro tempore. Is there objection?

Mr. SMITH of Washington. Mr. Speaker, I reserve the right to object in order to ask my colleague from the State of Washington [Mr. HILL] a few questions. As I understand it, the purpose of this proposed legislation is to permit compliance by the Federal Government with the act of the Legislature of the State of Washington of March 16, 1939. That act provides that the State of Washington cede to the United States jurisdiction over certain territory that is now or may hereafter be included within the Olympic National Park. The park was established by act of Congress of June 29, 1938, after 3 years consideration and very complete committee hearings. The State law expressly provides that the cession of jurisdiction by the State shall not be effective until the Federal Government notifies the Governor of the State that the United States assumes police or military jurisdiction over the lands in question. This legislation, as I understand it, is intended to give this required notice, and is in compliance with the statute enacted by the Legislature of the State of Washington, which I have referred to. However, the legislation, I note, calls for certain amendments in regard to fishing privileges and rights-of-way and it is particularly these that I want to have clarified.

The amendments relating to the fishing are intended to permit the continuance of commercial fishing within the park area. Is that correct?

Mr. HILL. That is true.

Mr. SMITH of Washington. The act of Congress of June 29, 1938, expressly provides that there shall be joint consultation by the President with the Governor of the State of Washington for at least 8 months and until the final boundaries are decided upon, and these negotiations were carried on to the beginning of this year. Certain important amendments are proposed, to grant rights-of-way over and across lands along the Queets River west of the Olympic National Park and along the coast. The proposed amendment sets forth certain legal descriptions to which these rights-of-way are to apply for the movement of minerals, timber, and other products, and for the use of logging railroads and public utilities. Can the gentleman inform me whether the Governor of the State of Washington has been consulted and whether the legal descriptions contained in these amendments are satisfactory to the Governor of the State of Washington, and were agreed upon during his negotiations and consultations with the President as provided in the act of Congress?

He wrote that proviso into the act, an unusual proviso, so that all these matters could be thoroughly considered and thrashed out betwen the Federal and the State Governments, and 2 years have gone by since the act was passed with that requirement, so there has been ample time and opportunity to go into the whole proposition thoroughly. Has this been done? Have the communities and interested parties presented, through the Governor, their case?

Mr. HILL. The gentleman from Washington [Mr. WALLGREN], author of the bill, is here and he can probably answer.

Mr. WALLGREN. They are satisfactory and the legislature has passed this act giving this jurisdiction to the Federal Government.

Mr. SMITH of Washington. I will say to my colleague that that hardly answers my question. I am speaking about the amendments concerning the rights-of-way to that strip that it is proposed to acquire along the Queets River. Of

course, that is not a part of the original Park Act nor this legislation for ceding these lands. These amendments are being added under this legislation, giving notice of acceptance by the Federal Government of jurisdiction and it is very important that all the land affected be included so that there will be no question about rights-of-way in that area, so that logging railroads and private citizens and the people in those communities in that vicinity can have ingress and egress over that strip of land, referred to out there as the "Queets Corridor."

Mr. WALLGREN. The act as passed by the legislature takes into consideration all the land that might be added to the park. That particular strip is added to the park.

Mr. SMITH of Washington. I will say that that is not what I am talking about. I am talking about the rights-of-way to cross those lands, which will be included in the park, for commercial purposes. Although the area is not within my congressional district, being in the gentleman's district, some of my constituents are interested. I have been urging to the National Park Service and the Public Lands Committee that such amendments be included in this legislation. It is quite possible that those interested did not make timely presentation of this matter to the President through the Governor, having been more or less dilatory in regard to this entire park matter, which has been pending for 5 years, since the gentleman introduced his first bill early in 1935. In view of this somnolence, I am trying to ascertain whether the legal descriptions of the lands crossed by the rights-of-way have been verified and approved by the Governor of the State of Washington. My colleagues apparently do not know whether this has been done or not. This, it seems to me, is important. The lands are described as being within township 24 north, range 10 west, township 25 north, range 10 west, township 24 north, range 10½ west, township 24 north, range 11 west, township 24 north, range 12 west, and township 24 north, range 13 west, sections 25 to 27, inclusive, Willamette meridian.

The SPEAKER pro tempore. The time of the gentleman from Washington has expired.

Is there objection?

Mr. HORTON. Mr. Speaker, reserving the right to object, I would like to ask the gentleman whether he is aware of the fact that this narrow strip of land up and down the Queets River to the ocean is about 20 miles in length and runs all the way from a quarter of a mile to 3 miles wide, and that it extends up the coast for about 40 miles and extends at least a half mile out into the ocean so as to encompass two potential submerged oil fields; and that by the extension of the park in the manner in which it has been extended absolutely cuts off any up and down free traffic on that part of the coast. The park extends from the high mountains out into the ocean, so that one must pass through the park in order to travel north and south. I understand, under the provisions of this bill, they are to grant certain concessions as to roads. Without the granting of those concessions there would be no ingress or egress to the country lying between the ocean and the mountains.

Mr. SMITH of Washington. Mr. Speaker, will the gentleman yield?

Mr. HORTON. I yield.

Mr. CHURCH. Mr. Speaker, I demand the regular order.

The SPEAKER pro tempore. The regular order is demanded. Is there objection to the consideration of the bill?

Mr. SMITH of Washington. Mr. Speaker, under the circumstances, I am constrained to ask unanimous consent that this bill be passed over without prejudice.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Washington?

There was no objection.

SALE OF INDIAN FORESTRY PRODUCTS

The Clerk called the next bill, S. 2983, to authorize the sale of lumber and other forest products obtained from the forests on Indian reservations by Indian enterprises.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the lumber and other forest products produced by Indian enterprises from the forests on Indian reservations may be sold under such regulations as the Secretary of the Interior may prescribe without compliance with section 3709 of the Revised Statutes.

The bill was ordered to be read a third time, was read a third time, and passed, and a motion to reconsider was laid on the table.

PAYMENT OF FIRE CLAIMS, CHIPPEWA INDIANS, MINNESOTA

The Clerk called the next bill, S. 3352, to amend the act of August 27, 1935 (49 Stat. 2194), and for other purposes.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. COSTELLO. Mr. Speaker, I ask unanimous consent that this bill be passed over without prejudice.

The SPEAKER pro tempore. Is there objection?

There was no objection.

DISPOSITION OF TRUST OR RESTRICTED ESTATES OF INDIANS

The Clerk called the next bill, H. R. 9887, to provide for the disposition of trust or restricted estates of Indians dying intestate without heirs.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Interior may investigate the allotment in the name of any deceased Indian. Upon final determination by the Secretary that the Indian holder of a trust or restricted allotment of lands or an interest therein has died intestate without heirs, the lands or interest so owned, together with all accumulated rents, issues, and profits therefrom held in trust for the decedent, shall escheat to the tribe owning the land at the time of allotment.

If the tribe which owned the land at the time of allotment has been reorganized or reconstituted by reason of amalgamation with another tribe or group of Indians or of subdivision within the tribe or otherwise, the land shall escheat to the tribe or group which has succeeded to the jurisdiction of the original tribe over the area in question. If neither the tribe which owned the land at the time of allotment nor a successor tribe or group exists, the land or interest therein shall be held in trust for such Indians as the Secretary may designate or, if the Secretary determines that the land cannot be appropriately used by or for such Indians, shall be sold, and the proceeds shall be held in trust for such Indians as he may designate.

SEC. 2. If an Indian found to have died intestate without heirs was the holder of a restricted allotment or homestead or interest therein on the public domain, the land or interest and all accumulated rents, issues, and profits therefrom shall escheat to the United States and the land shall become part of the public domain: *Provided*, That if the Secretary determines that the land involved lies within or adjacent to an Indian community and may be advantageously used for Indian purposes, the land or interest shall escheat to the United States to be held in trust for such Indians as the Secretary of the Interior may designate.

SEC. 3. The proviso in section 12 of an act entitled "An act to provide for determining the heirs of deceased Indians for the disposition and sale of allotments of deceased Indians, for the leasing of allotments, and for other purposes," approved June 25, 1910 (36 Stat. 855, 858), is repealed.

With the following committee amendments:

Page 2, line 10, after the word "designate" insert "within the State or States wherein the land is situated."

Page 2, line 14, after the word "designate" insert a comma and "within the State or States wherein the land is situated."

Page 3, beginning in line 1, insert the word "needy."

Page 2, line 2, insert "where the value of the estate does not exceed $2,000, and in case of estates exceeding such sum, such estates shall be held in trust by the United States for such Indians as the Congress may hereafter designate."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

TORT CLAIMS AGAINST THE UNITED STATES

The Clerk called the next bill, H. R. 7236, to provide for the adjustment of certain claims against the United States and to confer jurisdiction in respect thereto on the court of claims and the district courts of the United States, and for other purposes.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. CHURCH. Mr. Speaker, reserving the right to object for the purpose of asking the gentleman from New York

[Mr. CELLER] a question. As I understand, this bill sets a new precedent. In the report, the Attorney General, Mr. Jackson, states:

The continued immunity of the Government to suit on common-law torts does not seem to be warranted, either as a matter of principle or as a matter of justice.

He states the purpose of the bill is to take care of that. It seems to me this bill is of such importance, establishing a new precedent, that it ought to be considered more than proceedings on this Consent Calendar will permit.

I am going to ask unanimous consent, Mr. Speaker, that this bill go over without prejudice.

The SPEAKER. Is there objection?

There was no objection.

TO COMMEMORATE THE TWO HUNDREDTH ANNIVERSARY OF THE FOUNDING OF THE UNIVERSITY OF PENNSYLVANIA

The Clerk called the next business, House Joint Resolution 512, authorizing the recognition of the two hundredth anniversary of the founding of the University of Pennsylvania by Benjamin Franklin and the beginning of university education in the United States, and providing for the representation of the Government and people of the United States in the observance of the anniversary.

The SPEAKER. Is there objection to the present consideration of the resolution?

There was no objection.

Mr. COSTELLO. Mr. Speaker, I ask unanimous consent that a similar joint resolution, Senate Joint Resolution 214, may be substituted for the House resolution.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

The Clerk read the Senate resolution, as follows:

Whereas there are to be held at Philadelphia, Pa., and at other places during the year 1940 celebrations commemorating the two hundredth anniversary of the founding of the University of Pennsylvania by Benjamin Franklin, said institution being the first university to be established in what are now the United States; and

Whereas in accordance with resolutions of the president and fellows of the University of Pennsylvania, there will take place in Philadelphia, Pa., on the 16th, 17th, 18th, 19th, 20th, and 21st of September 1940 formal ceremonies of celebration of the bicentennial, in the presence of the governing boards, faculties, students, and alumni of the university, the delegates of other institutions, distinguished guests, and a large number of friends and benefactors; and

Whereas the Commonwealth of Pennsylvania and the city of Philadelphia will be officially represented at the ceremonies; and

Whereas the University of Pennsylvania endeavors to foster and maintain the ideals of truth and freedom so dear to Americans: Therefore be it

Resolved, etc., That the Government and people of the United States unite with the University of Pennsylvania in a fitting and appropriate observance of the two hundredth anniversary of its founding, which marked the formal beginning of university education in the United States (Harvard, William and Mary, and Yale were founded before the University of Pennsylvania, but they were not universities until after the University of Pennsylvania became a university).

SEC. 2. There is hereby established a commission to be known as the United States University of Pennsylvania Bicentennial Commission (hereinafter referred to as the Commission) to be composed of 15 commissioners, as follows: The President of the United States and 4 persons to be appointed by him, the President of the Senate and 4 Members of the Senate to be appointed by said President of the Senate, and the Speaker of the House of Representatives and 4 Members of the House to be appointed by said Speaker.

SEC. 3. The Commission, on behalf of the United States, shall cooperate with the representatives of the University of Pennsylvania, the Commonwealth of Pennsylvania, and the city of Philadelphia in the appropriate observance of such anniversary and shall extend appropriate courtesies to the delegates of foreign universities and other foreign learned bodies or individuals attending the celebration as guests of the University of Pennsylvania.

SEC. 4. The members of the Commission shall serve without compensation and shall select a chairman from among their number, but the President of the United States shall be designated as the "honorary chairman" of the Commission.

SEC. 5. There is hereby authorized to be appropriated, out of any money in the Treasury not otherwise appropriated, the sum of $10,000 to be expended by the Commission for expenses, including actual and necessary traveling and subsistence expenses, incurred while discharging its functions under this joint resolution. The Commission shall have power to select, hire, and fix the compensation of such officers and employees as shall be necessary for the performance of its duties without regard to the provisions of other laws applicable to employment or compensation of officers or employees of the United States.

SEC. 6. Any vacancies occurring in the membership of the Commission shall be filled by the President of the United States.

The Senate joint resolution was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider and a similar House joint resolution (H. J. Res. 512) were laid on the table.

HAYWARD INDIAN SCHOOL

The Clerk called the next bill, S. 2984, authorizing the transfer of title of the Hayward Indian School to the State of Wisconsin.

Mr. COSTELLO. Mr. Speaker, I ask unanimous consent that this bill may be passed over without prejudice.

Mr. GEHRMANN. Mr. Speaker, reserving the right to object, I am wondering what the reason is for the gentleman's request. The school is in my district, but it is a liability to the Federal Government because it is not being used for school purposes. It is used as a camp for transients at the present time. The Federal Government has been negotiating to sell it to the State of Wisconsin for years.

A similar bill was passed by the House about a month ago in connection with the Tomah School. That bill was on all fours with the pending bill. The pending bill only authorizes the State of Wisconsin and the Interior Department to enter into negotiations.

Mr. COSTELLO. Mr. Speaker, I may state to the gentleman from Wisconsin that the report from the Department of the Interior indicates that the school apparently has not been entirely released from use by the Indian Bureau, that the school buildings are being utilized at the present time.

Mr. GEHRMANN. The report is not very clear. The school building is not being used by the Indian Bureau; it is the hospital building that is being used, and that is reserved. The report will show that we reserve the hospital buildings. I would fight against their being released, but that is an entirely separate proposition. There is a tract of land of about 320 acres. The school and the hospital buildings are located on different parts of this tract of land.

Mr. COSTELLO. The gentleman states that the school building is separated from the hospital plant.

Mr. GEHRMANN. Absolutely.

Mr. COSTELLO. How about facilities such as water and light?

Mr. GEHRMANN. So far as electricity is concerned, it is on a high line. Water comes from a well. The well furnishes water for all the buildings. I would absolutely fight against getting rid of the hospital or the nurses' home or the doctors' home. I would insist that those remain there because we need them. But the school building has been closed for years and never will be used for school purposes again.

Mr. COSTELLO. May I ask the gentleman, the author of the report on the bill, whether it is intended to turn over that ground to the State?

Mr. GEHRMANN. I do not know. The Department of the Interior asked me to introduce the bill the first year I was here; that bill provided that it be turned over to the State of Wisconsin, because it is a liability to the Federal Government as it is now. At that time the State did not care to have it, because there was disagreement as to who was to furnish the heat, because the heating plant is a unit.

Mr. SCHAFER of Wisconsin. Mr. Speaker, reserving the right to object, I hope the gentleman from California will withdraw his request.

I am a member of the Committee on Indian Affairs which favorably reported this bill. At the hearing the Commissioner of Indian Affairs appeared before the committee in favor of this bill. This bill does not transfer one acre of ground, not one board, not one piece of a building. It provides only that the Secretary of the Interior is authorized to transfer to the State of Wisconsin upon such terms and in such manner as may be mutually agreed upon. We have a big plant lying idle. Certainly when taxpayers' funds are

invested in great buildings it is not in the interest of economy to have the buildings stand idle and deteriorate.

I hope the gentleman will follow the recommendations of the Secretary of the Interior in favor of this discretionary bill, which was recommended by the Commissioner of Indian Affairs, and unanimously reported by the Committee on Indian Affairs of the House.

Mr. COSTELLO. Mr. Speaker, in view of the fact that the gentleman has stated the property is no longer utilized in any way for school purposes and is not to be so used in the future, I shall be pleased to withdraw my request that the bill be passed over.

The SPEAKER. Is there objection to the present consideration of the bill?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Interior be, and he is hereby, authorized to transfer to the State of Wisconsin, upon such terms and in such manner as may be mutually agreed upon, for institutional or other public use, title to all or any part of the property known and designated as the Hayward Indian School, located at Hayward, Wis.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

WAPATO INDIAN IRRIGATION PROJECT

The Clerk called the next bill, H. R. 3402, to authorize the appropriation for payment of the cost of providing additional water for the Wapato Indian irrigation project, Washington.

Mr. CHURCH. Mr. Speaker, I ask unanimous consent that this bill may be passed over without prejudice. It exceeds $500,000 in amount and is of such consequence that I feel more opportunity should be had for its consideration than can be had on the Consent Calendar.

Mr. SCHAFER of Wisconsin. Mr. Speaker, reserving the right to object, this bill does provide for a total appropriation of $800,000—$20,000 annually for 40 years. In fact, when the bill was originally considered by the Committee on Indian Affairs I raised a question about it and asked that a subcommittee be appointed to study the bill. A subcommittee was appointed to hold hearings and study the legislation and report to the full committee. I was a member of that subcommittee. What did we find? We found that these Indians had a valid interest and title to water rights in the Indian reservation. Under a reclamation project the Government of the United States promised those Indians under a solemn, binding treaty, and under an act of Congress enacted August 1, 1914, that it would furnish sufficient water to them in payment of those water rights to adequately irrigate all 40-acre allotments on the Yakima Indian Reservation. It has been found that the Indians have not received sufficient water to do that and this bill provides sufficient water. We have stricken out the $931,500 which the bill, as originally introduced, carried for the Reclamation Bureau to spend. The bill merely executes the contractual obligations of Uncle Sam with his Indian wards. These Indians need that water and they are entitled to it under the treaty and they are entitled to it under the law. I hope the gentleman will not oppose this $20,000 annual expenditure so that Uncle Sam can keep faith with his Indian wards under his treaty obligations and the provisions of existing law.

Mr. CHURCH. Would the gentleman mind telling the House why they have waited 26 years?

Mr. SCHAFER of Wisconsin. Yes. Some of our American Indians have waited 50 years and some will wait 100 years to have their solemn, binding contracts with Uncle Sam carried out. I assure the gentleman that the Indian Commissioner supports this bill which was amended and favorably reported by the Committee on Indian Affairs with a unanimous vote.

Mr. CHURCH. Mr. Speaker, on account of the splendid explanation just made by the gentleman from Wisconsin and because this bill calls for less than a million dollars, I withdraw my request.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That there is hereby authorized to be appropriated, out of any money in the Treasury not otherwise appropriated, sufficient money now estimated in the amount of $1,731,500 to defray the actual cost of furnishing an additional water supply adequate for the irrigation of 40 acres of each allotment on the Yakima Indian Reservation, Wash., in accordance with the act of August 1, 1914 (38 Stat. 604), and an agreement between the Bureau of Reclamation and the Office of Indian Affairs approved by the Secretary of the Interior on September 3, 1936. A sum of money equal in amount to the amount of such cost when determined shall be transferred to the reclamation fund in 40 annual installments to reimburse the Bureau of Reclamation for the proportionate share of the unpaid cost of constructing the necessary storage facilities required to assure the delivery of the necessary quantity of water.

With the following committee amendment:

Page 1, line 3, strike out all after the enacting clause and insert the following:

"That there is hereby authorized to be appropriated, out of any money in the Treasury not otherwise appropriated, the sum of $800,000, and credited to the reclamation fund, to defray the actual cost of furnishing an additional quantity of water annually of 100,000 acre-feet which is needed to provide adequate irrigation for 40 acres each of the Indian allotments of the Yakima Reservation as contemplated by the act of August 1, 1914, and as set out in the terms of the agreement between the Bureau of Reclamation and the Office of Indian Affairs approved by the Secretary of the Interior September 3, 1936, the same to be made available in amounts not to exceed $20,000 annually for 40 years."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

AUTHORIZING LANDS TO BE HELD IN TRUST FOR KLAMATH INDIANS

The Clerk called the next bill, H. R. 8922, relating to lands of the Klamath and Modoc Tribes and the Yahooskin Band of Snake Indians.

Mr. COSTELLO. Mr. Speaker, I ask unanimous consent that this bill be passed over without prejudice.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California [Mr. COSTELLO]?

Mr. PIERCE. Mr. Speaker, reserving the right to object, I do not see why there should be any objection to this bill. These Indians use their own money, which is in the Treasury of the United States, to buy certain pieces of land within their reservation or just outside of it. It is their own money and it is in the Treasury of the United States. The Government is paying 4 percent. The land is to be deeded to the Government of the United States to be held in trust for the Indians and there cannot be any objection. The Budget objected on the ground that they ought to come back every year to the Congress.

Mr. COSTELLO. I may say to the gentleman that there are two provisions in this bill. The second provision is as he states. It authorizes the use of private funds to acquire additional land for the benefit of the Indians. But the first part of the bill, as I understand it, would allow the Indians to deed back to the Federal Government land which they now hold in fee, and it is hard for me to understand what the program of the Department of the Interior is going to be, whether it will be to try to rehabilitate the Indians and make it possible for them to be self-sustaining, or, having turned the land over to the Indians in order to allow them to take care of themselves, we are now going to turn around, take the land back, and hold it forever in trust and keep the Indians forever as wards of the Government. This appears to be a reversal of the previous policy of the Department of the Interior, and I fail to see the real purpose in doing that.

Mr. ROGERS of Oklahoma. This involves small areas. They are scattered. What they are trying to do is get the Indian land all together and united. That is the reason that provision is in here. It pertains to small areas outside and they are scattered and they want to turn that land back.

Mr. COSTELLO. Apparently the purpose is to keep the Indians constantly under the dominion of the Federal Government.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California [Mr. COSTELLO]?

There was no objection.

FRED B. WOODARD

The Clerk called the next bill, H. R. 9432, to limit the operation of sections 109 and 113 of the Criminal Code, and section 190 of the Revised Statutes of the United States with respect to certain counsel.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. COSTELLO. Mr. Speaker, I object.

EASEMENT FOR A ROAD RIGHT-OF-WAY OVER THE COAST GUARD RESERVATION AT FLAGLER BEACH, FLA.

The Clerk called the next bill, S. 3958, to authorize the Secretary of the Treasury to grant to the Road Department of the State of Florida an easement for a road right-of-way over the Coast Guard Reservation at Flagler Beach, Fla.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized to grant to the Road Department of the State of Florida an easement to construct and maintain a highway across such of the lands constituting a part of the Coast Guard Reservation at Flagler Beach, Fla., as the Secretary may designate. Such easement shall be granted subject to such reasonable conditions as the Secretary may deem desirable to be included therein for the purpose of enabling the United States to use the reservation in such manner as the Government's interests may require.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

EMERGENCY PROVISIONS FOR VESSELS AFFECTED BY NEUTRALITY ACT OF 1939

The Clerk called the next business, Senate Joint Resolution 260, to make emergency provision for the maintenance of essential vessels affected by the Neutrality Act of 1939, and for adjustment of obligations with respect to such vessels.

Mr. CHURCH. Mr. Speaker, in view of the fact there is a rule outstanding for the consideration of this joint resolution, and in view of the fact it has to do with our neutrality and is rather complicated, I ask unanimous consent that the joint resolution be passed over without prejudice.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Illinois [Mr. CHURCH]?

Mr. BLAND. Mr. Speaker, reserving the right to object, I hate very much to object but I shall be compelled to do so. May I state to the gentleman that while there is a rule outstanding for the consideration of this joint resolution, there are 17 rules on the Speaker's desk.

This joint resolution arises by reason of the Neutrality Act which blocked out ships from combat zones. This joint resolution does not undertake to permit ships to go into combat zones. Those ships that were blocked out first were then redistributed and some were sent to the Mediterranean. Now we are confronted with another proclamation under the Neutrality Act, and what we are trying to do by this joint resolution is not to authorize those ships to go into pohibited areas, but to secure legislation whereby the Maritime Commission in the manner prescribed by this act may provide so that those ships can continue in some operation and be ready for use in the event of an emergency and to provide for reimbursement. It does not encroach upon the Neutrality Act at all, but arises by reason of the Neutrality Act.

Mr. FISH. Reserving the right to object, Mr. Speaker, I should like to take this occasion merely to say to the House, particularly those who voted for the neutrality bill for so many years, and finally those who renewed their vote the last time it was up for consideration, that in my humble opinion the Neutrality Act which prohibits American ships going into the war zone has been the reason for keeping America out of this European war.

Mr. BLAND. I say to the gentleman, this is not sending ships into the combat area; the joint resolution provides that adjustments may be made whereby the ships may be laid up, at a smaller cost than probably would be the case on subsidies; or for postponement of the maturity dates for these vessels that are in essential services, or rearrangement of maturities; the postponement or cancelation of interest, extending merely, and not canceling, any obligation that has been made; the extension of the 20-year life limitation; and temporary or emergency employment so that the ships can be kept in condition and can be ready for use.

Mr. SCHAFER of Wisconsin. Reserving the right to object, Mr. Speaker, in order to ask the gentleman if there is any provision in this joint resolution which directly or indirectly will permit machinations to declare any of these ships surplus and violate our Neutrality Act by selling and sending them 3,000 miles across the sea to some foreign country, in the same manner that we have violated our American neutrality by selling and sending a number of our badly needed planes from our wholly inadequate supply of fighting planes. The President said that we cannot have our cake and eat it, too, when he delivered a message to Congress several weeks ago. We cannot have our national defense and at the same time sell and send its implements 3,000 miles across the sea.

Mr. BLAND. No; this is to take the ships out of the areas where they cannot go, to keep them from being laid up, and to use them in other essential services.

Mr. SCHAFER of Wisconsin. There is no provision in this joint resolution under which one of these New Deal brain-trusters in the Attorney General's office can write manifestos or misinterpretations of the law whenever he sees fit, under which these ships can be sold and sent 3,000 miles across the sea, as was recently done in the case of our Army and Navy battle planes?

Mr. BLAND. My answer is absolutely no.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Illinois?

Mr. VAN ZANDT. I object, Mr. Speaker.

The SPEAKER pro tempore. Is there objection to the present consideration of the joint resolution?

Mr. VAN ZANDT. I object.

EXCHANGE OF COAST GUARD SITES

The Clerk called the next bill, H. R. 9995, to amend the act of April 6, 1938 (52 Stat. 201), entitled "An act authorizing the Secretary of the Treasury to exchange sites at Miami Beach, Dade County, Fla., for Coast Guard purposes."

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the act of April 6, 1938 (52 Stat. 201), is hereby amended to read as follows:

"That the Secretary of the Treasury is hereby authorized to exchange the existing Coast Guard sites located at Miami Beach, Dade County (commonly known as the House of Refuge property), and at Fort Lauderdale, Broward County (commonly known as the Base SIX property), in the State of Florida, or either of them, for any other site or sites, or facilities thereon, or both, located in either of said counties, which are determined by a board of Coast Guard officers, appointed by the Commandant, to be adequate consideration for such exchange and suitable for Coast Guard purposes, subject to the approval of the Secretary: *Provided*, That the title to any land acquired in this manner shall be subject to the approval of the Attorney General: *Provided further*, That any conveyance by the Government under this act shall be by a quitclaim deed.

"SEC. 2. The Secretary of the Treasury is authorized to enter into such contracts, accept such bonds or other undertakings, and perform any and all other acts as he deems necessary to protect the interests of the United States in carrying out the provisions of this act."

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

BOULDER CANYON PROJECT ADJUSTMENT

The Clerk called the next bill, H. R. 9877, authorizing the Secretary of the Interior to promulgate and to put into effect charges for electrical energy generated at Boulder Dam, providing for the application of revenues from said project, authorizing the operation of the Boulder Power Plant by the United States directly or through agents, and for other purposes.

Mr. LEWIS of Colorado. Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Colorado?

There was no objection.

RULES OF PROCEDURE IN CRIMINAL CASES

The Clerk called the next bill, H. R. 4587, to give the Supreme Court of the United States authority to prescribe rules of pleading, practice, and procedure with respect to proceedings in criminal cases prior to and including verdict, or finding or plea of guilty.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Supreme Court of the United States shall have the power to prescribe, from time to time, rules of pleading, practice, and procedure with respect to any or all proceedings prior to and including verdict, or finding of guilty or not guilty by the court if a jury has been waived, or plea of guilty, in criminal cases in district courts of the United States, including the district courts of Alaska, Hawaii, Puerto Rico, Canal Zone, and the Virgin Islands, in the Supreme Courts of Hawaii and Puerto Rico, in the United States Court for China, and in proceedings before United States commissioners. Such rules shall take effect 6 months after their promulgation, and thereafter all laws in conflict therewith shall be of no further force and effect.

With the following committee amendment:

Page 2, line 5, strike out "Such rules shall take effect 6 months after their promulgation" and insert in lieu thereof "Such rules shall not take effect until they shall have been reported to Congress by the Attorney General at the beginning of a regular session thereof and until after the close of such session."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

MARINE WAR-RISK INSURANCE

The Clerk called the next bill, H. R. 6572, to amend the Merchant Marine Act, 1936, as amended, to provide for marine war-risk insurance and reinsurance and for marine risk reinsurance and for other purposes.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. SCHAFER of Wisconsin. I object, Mr. Speaker.

Mr. BLAND. Mr. Speaker, will the gentleman reserve his objection?

Mr. SCHAFER of Wisconsin. Yes.

Mr. BLAND. May I say to the gentleman that while ordinarily I would not ask that this bill be passed on the consent calendar, yet there is a very serious situation when you consider that marine insurance has its headquarters in London, and in marine insurance the market is likely to be lost in a very short time. This is similar to the bill we passed in the World War. We are providing insurance here, which is the life blood of a merchant marine, in order that the ships may sail not to belligerent zones, for everything in this bill about going to belligerent zones has been cut out, but we are providing simply for American ships with American goods complying with the Neutrality Act.

Mr. SCHAFER of Wisconsin. Is it not a fact that insurance corporations in the United States write this kind of insurance? I have in my office records indicating that the firm of Roosevelt & Sargent, of Boston, Mass., has written a considerable amount of maritime insurance on our American Merchant Marine, which is subsidized from our American taxpayers' Treasury.

Mr. BLAND. But they do not write all of it. It is customary with American insurance, in view of the large amounts involved, to reinsure, and this reinsurance is done in the London market.

Mr. SCHAFER of Wisconsin. Does the gentleman mean to tell me that the firm of Roosevelt & Sargent, of Boston, which has written insurance on a large part of our American merchant marine, which is subsidized from our almost bankrupt Federal Treasury, has been selling British insurance to Uncle Sam? I think it is about time to stop buying British and begin to buy American.

Mr. BLAND. It is reinsurance and I agree with the gentleman, but it has simply been since we have been getting ships under our own flag that we have been able to build up a marine-insurance business in this country.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. SCHAFER of Wisconsin. I object to this socialist measure, Mr. Speaker.

Mr. THILL. I object, Mr. Speaker.

MARJORIE PARK, TAMPA, FLA.

The Clerk called the next bill, H. R. 9981, to authorize the construction of certain facilities in Marjorie Park, Davis Island, Tampa, Fla., and for other purposes.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Federal Works Administrator be, and he is hereby, authorized to accept on behalf of the United States of America, without cost, title to a tract of land in Marjorie Park, Davis Island, Tampa, Fla., suitable for use for the site of a United States quarantine station.

SEC. 2. There is hereby authorized to be appropriated the sum of $76,000 to be expended by the Federal Works Administrator, for the construction and installation of such buildings, utilities, and appurtenances thereto on the tract of land herein authorized to be acquired to replace the existing United States quarantine station adjoining MacDill Field, Fla.

SEC. 3. Upon completion of the construction above authorized, the Federal Works Administrator is hereby authorized and directed to transfer to the control and jurisdiction of the Secretary of War as an addition to MacDill Field, Fla., or for use for other military purposes, the land and improvements now comprising the United States quarantine station adjoining MacDill Field, Fla.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

CIVIL AERONAUTICS AUTHORITY

The Clerk called the next bill, H. R. 9899, extending the jurisdiction of the Civil Aeronautics Authority over certain air-mail services, and for other purposes.

The Clerk read the title of the bill.

Mr. JENNINGS. Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice. I understand the hearings have not been printed.

Mr. LEA. Mr. Speaker, reserving the right to object, may I inquire what is the objection to the bill?

Mr. JENNINGS. I understand the hearings have not been printed. This is an important bill and one that will have a far-reaching effect.

Mr. LEA. The committee was unanimous after a full hearing on the matter.

Mr. JENNINGS. I shall have to object unless the bill goes over.

Mr. BULWINKLE. Mr. Speaker, will the gentleman reserve his objection? There is nothing in this bill which will at all affect anything in the United States, and it should be passed.

Mr. EDMISTON. The Civil Aeronautics Authority requested this legislation so they could continue this air-mail pick-up service.

Mr. BULWINKLE. May I ask the gentleman to withdraw his objection?

Mr. EDMISTON. It was unanimously reported by the committee.

Mr. VAN ZANDT. Mr. Speaker, will the gentleman yield?

Mr. JENNINGS. I yield.

Mr. VAN ZANDT. I may say to the gentleman from Tennessee that many cities in Pennsylvania, Ohio, and West Virginia which have no airports are denied air-mail service due to the Post Office Department and the C. A. A. having no authority to operate air-mail pick-up service. If this amendment is adopted immediately, within 60 or 90 days, thousands of people in Pennsylvania, Ohio, and West Virginia will again enjoy the privilege of air-mail service.

Mr. JENNINGS. I understand the Postmaster General refused to give his consent to it.

Mr. SNYDER. Oh, no.

Mr. JENNINGS. I shall have to ask, Mr. Speaker, that the bill go over without prejudice.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

AMENDMENT OF TRANSPORTATION ACT OF 1920

The Clerk called the next bill, H. R. 10014, to amend the Transportation Act, 1920, as amended.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That title II of the Transportation Act, 1920 (41 Stat. 457), as amended, is hereby further amended by adding at the end of that title the following new section:

"SEC. 213. With respect to any bonds, notes, or other securities acquired on behalf of the United States under the provisions of this act, including, without limitation of the foregoing, any securities acquired as an incident to a bankruptcy, receivership, or reorganization proceeding, or by assignment, transfer, substitution, or issuance, or by purchase, default, or other acquisition (whether at a foreclosure sale or otherwise) of collateral given for the payment of obligations to the United States, the President, or any officer, agent, or agency he may designate, is authorized to sell, exchange, or otherwise dispose of any such bonds, notes, or other securities, or to enter into arrangements for the extension of the maturity thereof, in such manner, in such amounts, at such prices, for cash, securities, or other property, or any combination thereof, and upon such terms and conditions as the President or any officer, agent, or agency so designated may deem advisable and in the public interest."

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

ADMINISTRATION OF THE WASHINGTON NATIONAL AIRPORT

The Clerk called the next bill, S. 3927, to provide for the administration of the Washington National Airport, and for other purposes.

Mr. CHURCH. Mr. Speaker, reserving the right to object, I would like to have the attention of some of the members of the District of Columbia Committee. I understand that existing law, probably wisely, limits the administration of the Civil Aeronautics Authority to leasing the property of the new Washington National Airport by granting revocable licenses. Section 3 of this bill, and I hope some one will read it here, is very broad, and it seems to me would stand some amendment. At least more discussion should be had on this measure than is afforded on the consent calendar. The report states that this field will be ready early this fall, while I have heard numerous reports that it will not be ready for several years.

If the chairman of the committee desires to make a statement I would be very glad to yield to him.

Mr. LEA. This airport is expected to be in operation before the first of the year.

Mr. CHURCH. The letter in the report says that, but what is the evidence in the hearings as to when it will be ready?

Mr. LEA. The evidence is that it will be open probably in October of this year.

Mr. CHURCH. The Washington airport in shape at that time? This legislation seems to me very premature.

Mr. LEA. Oh, no. It is going to be necessary to grant concessions there. For instance, the air lines will have concessions to conduct their ticket offices inside the building, and there will be concessions for a restaurant. The concessions will amount probably to $100,000 a year. It will be much more valuable to the Government, if they can be let for a definite period, so it is the best proposition to give this authority. This authority should be granted before the airport goes into operation, in order that the concessionaires may move in and begin to operate in their business.

Mr. CHURCH. Section 3 of the bill provides:

The Administrator is empowered to lease, upon such terms as he may deem proper, space or property within or upon the airport for the purposes essential or appropriate to the operation of the airport.

The old plan is done away with, unless you amend this bill in some way. It leaves the terms of the leases entirely to the discretion of the Administrator.

Mr. LEA. The Civil Aeronautics Authority gives the Administrator the right to make a lease on revocable conditions, while this would broaden the authority and give him the right to make a lease for a time definite.

Mr. CHURCH. Will the gentleman give me an illustration where an exception is made to the requirement that leases to Government property be on revocable conditions? Why should this law be changed in this instance?

Mr. BULWINKLE. Mr. Speaker, will the gentleman yield?

Mr. CHURCH. Yes.

Mr. BULWINKLE. This is different from anything that we have had heretofore.

Mr. CHURCH. It is different?

Mr. BULWINKLE. Yes; for this reason. Out at this airport there will be a restaurant, and they are contemplating putting in $150,000 worth of equipment. That is, the people who run the restaurant contemplate putting $150,000 worth of equipment into it. We have nothing like that on any other Government property. These men are putting up immense sums of money in order to make this a great airport, and we want to lease it.

The SPEAKER pro tempore. The time of the gentleman from Illinois has expired.

Mr. BULWINKLE. Mr. Speaker, I ask unanimous consent that the gentleman's time be extended for 5 minutes.

The SPEAKER pro tempore. Is there objection?

There was no objection.

Mr. RICH. Mr. Speaker, will the gentleman yield?

Mr. CHURCH. I yield to the gentleman from Pennsylvania.

Mr. RICH. Will these concessions be let out by competitive bidding, or is the one who is going to have charge to be permitted to designate any one he wants to go there?

Mr. BULWINKLE. No; my understanding is this: that he is going to survey the field, and do the best he can to get the best results. That is what I understood. There is to be no competitive bidding.

Mr. RICH. How is that to be determined?

Mr. BULWINKLE. Here is a man who says that he is going to equip his restaurant in such and such a way and that he will pay such an amount. Let me ask the gentleman this question: Here are two air lines that are coming in to this airport or perhaps three. Is the gentleman going to say to them that they must bid for this space?

Mr. RICH. Oh, that is an entirely different proposition. These air lines come in here and they will make a charge which everybody will have to pay.

Mr. BULWINKLE. They are charged with the space in this field and that is what they are going to do with the others.

Mr. RICH. Whenever we let contracts for anything that the Government purchases we let it out at competitive bidding. It seems to me that is what they should do here.

Mr. LEA. The Government sells service. The air lines will have their offices inside this airport and will pay rent to the Government. It is important that this should be for a definite period instead of revocable at will.

Mr. RICH. What is the cost of this airport? What will it cost the Government when we complete it?

Mr. LEA. I could not give you the figure, but it is an expensive airport and these rentals may exceed $100,000 a year.

Mr. RICH. Who knows what this is going to cost? Can you get those figures?

Mr. BULWINKLE. Yes; we can get them.

Mr. RICH. Will you insert them in the RECORD—the total cost of this airport?

Mr. BULWINKLE. Yes.

Mr. RICH. How are they going to figure out the revenue——

Mr. CHURCH. Mr. Speaker, I refuse to yield further.

The SPEAKER pro tempore. Is there objection?

Mr. CHURCH. Mr. Speaker, I ask unanimous consent that this bill be passed over without prejudice.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Illinois?

There was no objection.

EASEMENT TO CERTAIN LAND IN CITY OF FARGO, N. DAK.

The Clerk called the next bill, S. 2059, authorizing a grant to the city of Fargo, N. Dak., of an easement in connection with the construction of water and sewer systems.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Administrator of the Civil Aeronautics Authority is authorized and directed to grant to the city of Fargo, N. Dak., a permanent easement authorizing such city to construct and maintain a system of interceptor or trunk sewer lines and water mains under the west 60 feet of a tract of land owned by the United States and located north of such city of Fargo, in Cass County, N. Dak., such tract of land being now used as the site of an airways radio and range station, and is more specifically described as follows: Beginning at the northwest corner southeast quarter of section 30, township 140 north, range 48 west, fifth principal meridian; thence east 880 feet to a point; thence south 645 feet to a point; thence west 880 feet to a point; thence north 645 feet to the place of beginning, containing in all 13$\frac{1}{33}$ acres.

The easement authorized to be granted by this act shall be in lieu of the license revocable at the will of the Secretary of Commerce, granted to such city by a certain instrument dated December 20, 1934, and executed by Ewing Y. Mitchell, Assistant Secretary of Commerce, as amended by a certain instrument dated March 12, 1935, and executed by the said Ewing Y. Mitchell. Such easement shall be granted subject to such reasonable conditions as the Secretary of Commerce may deem desirable to include in the grant for the purpose of preventing interference with the operation and maintenance of the air-navigation facilities now or hereafter located upon such tract of land.

SEC. 2. Such easement shall be granted subject to the following condition:

(1) The grantee shall not use any machines or erect any temporary structures on said land that will extend more than 10 feet above the surface of the immediately surrounding area without permission of the operator in charge of the station or erect any permanent structures above the ground;

(2) None of the operations of the city in the exercise of any of the privileges granted by this easement shall interfere in any way with any wires, cables, conduits, pipes, sewers, or other structures of any kind or character now installed in or across such tract or hereafter installed in such tract by the Government or by any subsequent owner of any part of the tract;

(3) The grantee shall not make any excavations that will prevent or at any time unduly impede ingress and egress to the rest of the tract and, upon making any excavations, shall promptly restore the soil and surface of the land to its former condition;

(4) Such other reasonable conditions as the Administrator in the Civil Aeronautics Authority may deem desirable for the purpose of preventing interference with the operation and maintenance of the air-navigation facilities now or hereafter located upon such tract of land.

With the following committee amendments:

Page 2, line 5, after the word "meridian" strike out the balance of the line and all of lines 6, 7, 8, and 9, and the word "acres" in line 10, and insert, "thence north along the north and south quarter line 75 feet to a point, thence east parallel to the east and west quarter line 880 feet to a point; thence south 720 feet to a point; thence west parallel to the east and west quarter line 880 feet to a point on the north and south quarter line; thence north along the north and south quarter line 645 feet to the point of beginning, containing 14.55 acres, more or less."

Page 2, line 26, strike out the words "Such ease", and all of lines 1 to 5, inclusive, on page 3.

The committee amendments were agreed to.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

AUTHORIZING A RADIO-MONITORING STATION IN MASSACHUSETTS

The Clerk called the next bill, S. 2611, authorizing the purchase of a site and the erection of a building in the State of Massachusetts for use as a radio-monitoring station, and for other purposes.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Federal Communications Commission be, and it is hereby, authorized to purchase for the United States a suitable site in the State of Massachusetts, provided a suitable site now owned by the Government is not available for the purpose, and cause to be erected thereon, according to plans and specifications to be approved by it, a suitable building or buildings, for use as a radio-monitoring station or to modify or reconstruct existing buildings or facilities on such site for such purpose, and to provide the necessary associated antenna systems, roadways, power, water, and sanitary facilities, including the construction and installation of goniometric apparatus and including necessary outfits, apparatus, and equipment at a total cost of said site, buildings, and equipment of not to exceed $30,000.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

ADDITIONAL QUARANTINE POWERS

The Clerk called the next bill, S. 2111, to amend the act entitled "An act granting additional quarantine powers and imposing additional duties upon the Marine Hospital Service," approved February 15, 1893, as amended.

The SPEAKER pro tempore. Is there objection?

Mr. CHURCH. Mr. Speaker, I ask unanimous consent that this bill be passed over without prejudice.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Illinois?

Mr. BULWINKLE. Reserving the right to object, Mr. Speaker, I ask unanimous consent that the committee be allowed to file a supplementary report. The gentleman from Illinois is objecting to it on account of the Ramseyer rule.

The SPEAKER pro tempore. Is there objection first to the request of the gentleman from Illinois that the bill be passed over without prejudice?

Mr. CHURCH. Mr. Speaker, I have no objection. I think if the supplementary report is filed it will be very helpful to our committee. The Ramseyer rule I do not believe has been complied with in this case, but I did not want to make a point of order.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Illinois that the bill be passed over without prejudice?

There was no objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from North Carolina [Mr. BULWINKLE] that the committee be permitted to file a supplementary report?

There was no objection.

RESERVE OFFICERS' TRAINING CORPS, UNIVERSITY OF ALASKA

The Clerk called the next bill, H. R. 9391, to amend section 40, National Defense Act, as amended, relating to the organization of the Reserve Officers' Training Corps, so as to provide for an exception with respect to the University of Alaska.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. RICH. Mr. Speaker, reserving the right to object, I would like to ask the gentleman from Alaska just what this bill does?

Mr. DIMOND. Mr. Speaker, under existing law it is necessary that there must be 100 physically fit students at any college or university for the formation of an infantry R. O. T. C. unit. Only 50 are required for some other branches of the service. At the University of Alaska the War Department desires the formation of an infantry unit, but only 77 students could have been furnished during the past year. We anticipate there will be about 80 the coming year. The bill before us fixes the minimum number at 50, instead of 100 as required by existing law, for the University of Alaska. Nevertheless, in the interest of national defense it is desirable to have those 80 or 50 students, or however many there may be, in a Reserve Officers' Training Corps unit at that university. The War Department reports that the additional expense involved is so small that it will not call for any additional appropriation.

Mr. RICH. Are those boys subject to call?

Mr. DIMOND. Just the same as others. Once they go into the R. O. T. C. unit under this act they will be in the same status as any other boys similarly situated.

Mr. RICH. Are those boys who mostly live in Alaska?

Mr. DIMOND. I should say 90 percent of them live in Alaska.

Mr. RICH. And they would be subject to service there at any time?

Mr. DIMOND. Oh, yes. Under existing world conditions, and having in mind particularly the physical position of Alaska and our relations with the two most powerful nations on the other side of the Pacific, it is of considerable national consequence that we provide in Alaska itself all factors of defense possible. While it is true that 60, or 70, or 80 men to be trained each year are not of imposing strength, it would, I submit, be unwise not to make use of these young men in the most efficient possible way by preparing them for service through the training which they will receive as members of the Reserve Officers' Training Corps at the University of

Alaska. Since the students at the university desire to undertake this training, it would be a shame to deny them the opportunity because in number they are something under 100.

While there is no occasion to become unduly alarmed at any action taken by our neighbors in eastern Asia, it would be folly for us not to give proper attention to the really enormous military and naval developments, and particularly developments in air, which have occurred in that area in recent years. A few days ago I had occasion to invite the attention of the House to the fortifications, both military and naval, of Komandorsky Islands which lie so close to our own Aleutian Islands, fortifications in the construction of which a considerable number of Germans have participated. The Komandorsky Islands lie within a short distance of our own Aleutian Islands and, therefore, furnish, as it were, a stepping stone between Soviet Russia and Japan on one hand, and the United States on the other.

Information came to me recently further indicating the activity of Soviet Russia in the Bering Sea area at the point where Russian Siberia most closely approaches Alaska, namely, at Bering Strait. The distance between the main bodies of Siberia and the United States is approximately 54 miles. Almost in the middle of the Strait lie two islands less than two miles apart, one called Big Diomede, which belongs to Russia, and the other called Little Diomede, which is a part of the Territory of Alaska.

Until the present summer both islands were inhabited almost entirely by Eskimos. The only white men on Big Diomede were a Russian administrator and his assistant, and the only white people on Little Diomede were a missionary and two school teachers. Recently the Eskimos from Little Diomede Island have reported the influx of a considerable number of Russians to Big Diomede Island, one report saying that the newcomers amounted to thousands. While there may be some exaggeration in these reports as to numbers, it seems certain that a substantial number of Russians are now on Big Diomede Island. This island is rocky and relatively inhospitable, and there would be no occasion for its settlement by Russians except for purposes of military fortifications.

What I have said is brought to the attention of the House in order to enforce my point that any measure which we can here take looking toward the better defense of Alaska, and thus toward the better defense of the United States, we ought to take without hesitation, and at the earliest possible moment. If by passing this bill we can train between 50 and 100 young Alaskans each year to serve our Nation more effectively in time of need, it would be, indeed, unwise to neglect to take such a step.

Hearings were had on the bill before the Committee on Military Affairs, and at the conclusion thereof a favorable report was ordered. The chairman was generous enough to designate me as the member of the committee to make the report. In the printing of the report, through a clerical error, the second word of the seventh paragraph of the report was written "opposition," whereas the word is and should be "position." That particular sentence should read as follows:

Alaska's position is of such importance in plans of national defense that within the last 2 years Congress has appropriated substantial sums of money for the establishment of naval air bases at Sitka and at Kodiak, Alaska, and an Army cold-weather experimental station at Fairbanks, Alaska, and, more recently, for an Army air base at Anchorage, Alaska.

The following excerpts from the report on the bill, embracing the correction above noted, will more fully explain the objects and purposes of the measure:

The Committee on Military Affairs, to whom was referred the bill (H. R. 9391) to amend section 40, National Defense Act, as amended, relating to the organization of the Reserve Officers' Training Corps, so as to provide for an exception with respect to the University of Alaska, having considered the same, report favorably thereon without amendment and recommend that the bill do pass.

The purpose of the bill is to so amend section 40 of the National Defense Act of June 3, 1916, as amended, as to make possible the establishment of a Reserve Officers' Training Corps infantry unit at the University of Alaska, with a minimum of 50 physically fit male students.

Existing law on the subject provides as follows:

"*Provided*, That no such unit shall be established or maintained at any institution until an officer of the Regular Army shall have been detailed as professor of military science and tactics, nor until such institution shall maintain under military instruction at least 100 physically fit male students, except that in the case of units other than infantry, cavalry, or artillery, the minimum number shall be 50."

From the foregoing it appears that a minimum of 100 students is required for the maintenance of an infantry, artillery, or cavalry Reserve Officers' Training Corps unit, but that units in other branches of the Army may be established with a minimum of 50 students. It is sought by the bill, in the case of the University of Alaska, to make 50 the minimum number for the establishment of an infantry Reserve Officers' Training Corps unit.

The Territory of Alaska is vast in area, containing about 589,000 square miles, and at the present time has a population of approximately 72,000, of which an estimated 41,000 belong to the white race, and the remaining 31,000 to the native Eskimo, Aleut, and Indian races.

The University of Alaska is situated about 3 miles from the city of Fairbanks, Alaska, near the center of the Territory in latitude approximately 65° north. The total enrollment of the university for the year ending June 30, 1940, was 268. It is a coeducational institution. Most of the students attending the university are residents of Alaska and a majority of those were born in the Territory. It is the only institution of higher learning in Alaska. The university gives courses in agriculture, arts and letters, business administration, chemistry, civil engineering, education, general science, home economics, mining and mining engineering.

Alaska's position is of such importance in the plans for national defense that within the last 2 years Congress has appropriated substantial sums of money for the establishment of naval air bases at Sitka and at Kodiak, Alaska, and an Army cold-weather experimental station at Fairbanks, Alaska, and, more recently, for an Army air base at Anchorage, Alaska. The Navy Department is now asking for the establishment of a Navy air base at Unalaska, Alaska.

It is entirely proper that the people of Alaska should contribute to the national defense in the Territory. They are eager to make such contribution. At their request, two National Guard units have been authorized for Alaska and it is expected that those units will be established at an early date, as soon as facilities can be had. During the past year an attempt was made to establish an R. O. T. C. unit at the university and 77 freshmen and sophomores completed the course in military science. However, it now appears that unless this legislation is passed the unit cannot be maintained. Judging by the expansion of the enrollment of the university in past years, it seems highly probable that an R. O. T. C. unit established there will expand in numbers from year to year so that it will soon be more than 100. The enactment of the bill will permit the establishment of a unit immediately and thus contribute through the training of students in military science to the defense of the Territory and of the Nation.

The Secretary of War reports that the cost of the unit and its maintenance for the fiscal years 1940 and 1941 will be negligible and that no additional appropriations for those years will be necessary.

The bill was submitted to the Bureau of the Budget which reports that there is no objection to its enactment.

Upon introduction the bill was referred, in the usual course, to the Secretary of War for an expression of his views with respect thereto. Under date of May 28, the Secretary of War addressed a letter to the chairman of the committee, favoring enactment of the bill. That letter is as follows:

WAR DEPARTMENT,
Washington, May 28, 1940.

Hon. ANDREW J. MAY,
Chairman, Committee on Military Affairs, House of Representatives.

DEAR MR. MAY: Responsive to your request of April 16, 1940, the War Department submits the following report on H. R. 9391, to amend section 40, National Defense Act, as amended, relating to the organization of the Reserve Officers' Training Corps, so as to provide for an exception with respect to the University of Alaska.

Section 40, National Defense Act, at present states "* * * that no such unit (Reserve Officers' Training Corps) shall be established or maintained at any institution until such institution shall maintain under military instruction at least 100 physically fit male students, except that in case of units other than infantry, cavalry, or artillery the minimum number shall be 50: * * *."

The proposed legislation changes the above language in such a manner as to require a minimum of 50 physically fit male students for an infantry unit instead of 100. The amendment applies only to the University of Alaska.

The War Department desires to establish and maintain an infantry Reserve Officers' Training Corps unit at the University of Alaska as a special defense measure. It is not feasible to establish a unit other than infantry at that institution. The authorities of the University of Alaska desire this unit. Because of the comparatively small student enrollment, the university cannot meet the requirement of enrolling at least 100 physically fit male students, but gives assurance that it can enroll more than 50. Therefore, the proposed bill will enable the War Department to establish and maintain this desired unit.

The War Department would not favor such a change in section 40 of the National Defense Act for the Reserve Officers' Training Corps generally, but does favor this bill because of the special defense requirements of the Territory of Alaska.

The cost of the establishment of this unit and its maintenance for the fiscal years 1940 and 1941 will be negligible. Therefore, no additional appropriation for these years will be necessary.

This proposed legislation was submitted to the Bureau of the Budget which reports that there would be no objection to the submission of this report.

Sincerely yours,

HARRY H. WOODRING,
Secretary of War.

The SPEAKER pro tempore. Is there objection?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That section 40 of the National Defense Act of June 3, 1916, as amended, be, and the same is hereby, amended by adding thereto the following additional proviso: *"Provided further,* That an infantry unit may be established and maintained at the University of Alaska upon the condition that this institution shall maintain under military instruction at least 50 physically fit male students."

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

Mr. DIMOND. Mr. Speaker, I ask unanimous consent to revise and extend my remarks on the subject of this bill and to include excerpts from the report on the bill.

The SPEAKER pro tempore. Without objection, it is so ordered.

There was no objection.

BRIDGE OVER SUSQUEHANNA RIVER NEAR HARRISBURG, PA.

The Clerk called the next bill, H. R. 9618, to extend the times for commencing and completing the construction of a bridge across the Susquehanna River at or near the city of Harrisburg, Pa.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the times for commencing and completing the construction of a bridge across the Susquehanna River, at or near the city of Harrisburg, Pa., authorized to be built by the Dauphin County (Pa.) Authority by an act of Congress approved August 7, 1939, are hereby extended 1 and 3 years, respectively, from May 1, 1940.

SEC. 2. The right to alter, amend, or repeal this act is hereby expressly reserved.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

USE OF THE PUBLIC DOMAIN

The Clerk called the next bill, H. R. 9389, to more effectively utilize certain lands of the public domain, and for other purposes.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. RICH. Mr. Speaker, reserving the right to object, will not the gentleman from Utah [Mr. ROBINSON] explain the bill?

Mr. ROBINSON of Utah. The purpose of the bill is set forth in the report. Principally, the bill restores 12,000 acres of land to the Goshute Indian Reservation in Utah. Also, it gives these tribes of Indians the right to sue.

Mr. RICH. Are we going to dedicate this land to the Indian tribes?

Mr. ROBINSON of Utah. It restores this land to the Indians. It is part of the public domain, quite barren, and of little value.

Mr. RICH. Does the Department of the Interior approve this bill?

Mr. ROBINSON of Utah. Yes; the Department approves this bill, and their letter is found in the report.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That in order to more effectively utilize certain lands of the public domain all vacant unappropriated lands in the following-described area be, and they are hereby, added to the Goshute Reservation, subject to all valid existing rights and claims:

Township 10 south, range 19 west, and fractional sections 1, 12, 13, 24, 25, and 36, township 10 south, range 20 west, Salt Lake meridian, Utah.

With the following committee amendments:

Amendment No. 1: Strike out the language in lines 8, 9, and 10 and insert in lieu thereof the following:

"Sections 5, 6, 7, 8, 17, 18, 19, 20, 29, 30, 31, all in township 10 south, range 19 west, Salt Lake base and meridian.

"Lots 1 and 2 in fractional section 1, and fractional sections 12, 13, 24, 25, all in township 10 south, range 20 west, Salt Lake base and meridian.

"Lots 1, 2, 3, and 4; northeast quarter and the northeast quarter southeast quarter in fractional section 12, and fractional sections 1, 13, 24, 25, all in township 11 south, range 20 west, Salt Lake base and meridian.

"Lots 1, 2, 3, 4, 5, and 6 in fractional section 1; lots 1 and 2 in fractional section 12, all in township 12 south, range 20 west, Salt Lake base and meridian.

"The south half northeast quarter, northwest quarter, north half southwest quarter, southeast quarter southwest quarter, southeast quarter, section 23; southwest quarter, northwest quarter southeast quarter, south half southeast quarter, section 24; north half north half, south half northeast quarter, southeast quarter northwest quarter, northeast quarter southwest quarter, southwest quarter southwest quarter, southeast quarter, section 25; east half west half, northeast quarter, north half southeast quarter, southeast quarter southeast quarter, section 26; northeast quarter northwest quarter, east half, section 27; lot 2, southeast quarter northwest quarter, section 30; north half southeast quarter, section 33; and the south half southeast quarter, section 35, all in township 12 south, range 19 west, Salt Lake base and meridian."

The amendments were agreed to.

Mr. ROBINSON of Utah. Mr. Speaker, I offer a committee amendment.

The Clerk read as follows:

Committee amendment offered by Mr. ROBINSON of Utah—

Mr. ROBINSON of Utah. Mr. Speaker, this amendment is set forth in the report but was inadvertently left out of the bill. I ask that it be included in the bill.

The SPEAKER pro tempore. Without objection the further reading of the committee amendment will be dispensed with.

There was no objection.

The committee amendment reads as follows:

At the end of the bill add the following: *"Provided,* That jurisdiction is hereby conferred on the Court of Claims to hear and determine any and all claims, which the Shoshone Nation, or any division thereof (except the Eastern Division whose claims have been adjudicated by, and the Northwestern Division whose claims are now pending in, the Court of Claims), or any tribe or band of Indians living on the Fort Hall Reservation (except the Piute Indians) including, without limitation, claims arising under or growing out of the treaty of October 1, 1863, with the Western Bands of the Shoshone Nation, the treaty of October 12, 1863, with the Shoshone-Goship bands of Indians, and the treaty of October 14, 1863, with the mixed bands of Bannocks and Shoshones, may have against the United States. The provisions of the act of February 28, 1929 (45 Stat. 1407), available and applicable to the Northwestern Division of the Shoshone Nation (northwestern bands of Shoshone Indians) shall, to the extent not inconsistent herewith, be available and applicable to the aforesaid tribes or bands, any of which may bring a suit or suits, either singly or jointly, within 5 years from the date of approval of this act in accordance with the provisions of said act of February 28, 1929: *Provided further,* That at the trial of any suit instituted hereunder, any letter, paper, document, map, or record relating to any claim asserted, in the possession of any officer or department of the United States or committee of Congress (or a certified copy thereof) may be used as competent evidence, and the departments of the Government of the United States shall give to the attorneys for said Indians full and free access to such letters, papers, documents, maps, or records as may be useful to said attorneys in the preparation for trial or other determination of any suit or cause of action instituted hereunder, and shall afford facilities for the examination of the same and, upon written request by said attorneys, shall furnish copies thereof: *Provided further,* That the United States may set off against any judgment obtained, all sums expended gratuitously for the benefit of the plaintiff except that there shall not be offset in any case (1) expenditures made prior to the event or events upon which the cause of action is based, nor (2) expenditures made under the authority of the act of June 18, 1934 (48 Stat. 984), and the extensions thereof in the acts of May 1, 1936 (49 Stat. 1260), and June 26, 1936 (49 Stat. 1967), nor (3) expenditures under any emergency appropriation or allotment made subsequently to March 4, 1933, and generally applicable throughout the United States, for rural rehabilitation or relief in stricken ag-

ricultural areas, relief from distress caused by unemployment and the conditions resulting therefrom, the prosecution of public works and public projects for the relief of unemployment and for work relief, and for the conservation and development of natural resources: *Provided, however,* That where land has been purchased under such emergency appropriation or allotment and the title thereto has been vested in the United States in trust for the Indian claimants, there may be offset against such claimants the value of the beneficial use of such land which is enjoyed by them."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

TRANSPORTATION OF FOREIGN MAILS

The Clerk called the next bill, H. R. 9990, to amend section 4008 of the Revised Statutes, relating to transportation of foreign mails.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That section 4008 of the Revised Statutes (39 U. S. C., sec. 653) is hereby amended to read as follows: "The mail between the United States and any foreign port, or touching at a foreign port between ports of the United States, shall be transported by such means as in the judgment of the Postmaster General may promote the efficiency of the foreign mail service."

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

ESTABLISHMENT OF FOREIGN POSTAL AGENCIES

The Clerk called the next bill, H. R. 9991, to amend section 4021 of the Revised Statutes and to repeal section 4023 of the Revised Statutes, relating to establishment of postal agencies.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That section 4021 of the Revised Statutes (39 U. S. C., sec. 672) is amended to read as follows:

"SEC. 4021. The Postmaster General may establish postal agencies at such foreign seaports or airports at which United States mail steamers or airships touch to land and receive mails, as may in his judgment promote the efficiency of the foreign mail service; and he may pay the postal agents employed thereat a reasonable compensation for their services, in addition to the necessary expenses for office rent, office furniture, clerk hire, and incidental expenses."

SEC. 2. Section 4023 of the Revised Statutes (39 U. S. C., sec. 674) is hereby repealed.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

LAND TITLES

The Clerk called the next bill, H. R. 9736, to amend section 355 of the Revised Statutes, as amended, to authorize the Attorney General to approve the title to low-value lands and interests in lands acquired by or on behalf of the United States subject to infirmities, and for other purposes.

Mr. LEAVY. Mr. Speaker, I ask unanimous consent that this bill may be passed over without prejudice.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Washington?

There was no objection.

USE OF THE PUBLIC DOMAIN

The Clerk called the next bill, H. R. 9705, to make more effective use of certain parts of the public domain, and for other purposes.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That there is hereby added to the Uintah and Ouray Reservation, subject to any valid existing rights, 61,389.89 acres, more or less, of undisposed-of, surplus, opened lands of said reservation, described as follows:

TOWNSHIP 2 NORTH, RANGE 2 EAST, UINTA MERIDIAN

Section 31, lots 1 and 2, south half northwest quarter, south half, south half northeast quarter.

Section 33, lots 1 and 2, west half southwest quarter.

TOWNSHIP 1 NORTH, RANGE 2 EAST, UINTA MERIDIAN

Section 4, lots 1 and 5.

Section 5, lot 4, south half north half, south half.

Section 6, lots 1, 2, 3, and 4, southeast quarter northwest quarter, south half northeast quarter, north half southeast quarter, southeast quarter southeast quarter.

Section 7, lots 2 and 4, east half northwest quarter, southeast quarter southwest quarter, east half northeast quarter.

Section 8, northwest quarter, north half northeast quarter, southeast quarter southwest quarter.

Section 9, lots 1, 2, 3, and 4, south half, south half northwest quarter.

Section 10, lot 4.

Section 11, all (lots 1, 2, 3, 4, and 5, southwest quarter).

Section 14, all (lots 1, 2, 3, and 4, west half west half, northeast quarter northwest quarter).

Section 15, south half, west half northwest quarter, southeast quarter northwest quarter.

Section 16, all.

Section 17, northwest quarter northeast quarter, southwest quarter northwest quarter, southwest quarter.

Section 18, all (lots 1, 2, 3, and 4, east half west half, east half).

Section 19, lot 1, northeast quarter northwest quarter, northeast quarter.

Section 20, northwest quarter, west half northeast quarter, east half southwest quarter.

Section 21, all.

Section 22, lots 1, 2, and 3, southwest quarter, south half northwest quarter, northeast quarter northwest quarter, west half northeast quarter, northeast quarter northeast quarter.

Section 23, lot 1.

Section 27, lots 1, 2, and 3, west half northwest quarter, northwest quarter southwest quarter.

Section 28, all.

Section 29, west half west half, north half southeast quarter, southeast quarter southeast quarter, south half northeast quarter.

Section 30, east half.

Section 31, east half southeast quarter, northwest quarter southeast quarter.

Section 32, southwest quarter, east half northwest quarter, south half southeast quarter, northeast quarter northeast quarter.

Section 33, north half, east half southeast quarter.

TOWNSHIP 3 SOUTH, RANGE 2 EAST, UINTA MERIDIAN

Section 3, all (lots 1, 2, 3, 4, and 5, southwest quarter, southwest quarter northwest quarter).

Section 4, all (lots 1, 2, 3, and 4, south half north half, south half).

Section 5, all (lots 1, 2, 3, and 4, south half north half, south half).

Section 6, lot 8.

Section 8, lots 1, 2, 3, and 4, south half north half, north half southeast quarter, southeast quarter southeast quarter.

Section 9, northwest quarter, north half northeast quarter, southwest quarter northeast quarter, north half southwest quarter, southwest quarter southwest quarter, northeast quarter southeast quarter.

Section 10, northwest quarter northwest quarter, northwest quarter northeast quarter.

Section 15, southwest quarter, east half northwest quarter, south half southeast quarter.

Section 21, northeast quarter northeast quarter.

Section 22, east half, northeast quarter northwest quarter, east half southwest quarter.

Section 23, southwest quarter, west half northwest quarter, southeast quarter northwest quarter.

Section 25, southwest quarter southwest quarter.

Section 26, north half northwest quarter, northwest quarter northeast quarter, southwest quarter southwest quarter.

Section 27, west half northwest quarter, west half northeast quarter, northeast quarter northeast quarter, southeast quarter southeast quarter.

Section 28, southeast quarter southwest quarter, northeast quarter northeast quarter.

Section 33, lot 6, east half southeast quarter, northwest quarter southeast quarter.

Section 34, northeast quarter northeast quarter, south half southwest quarter.

Section 35, east half northwest quarter, northwest quarter northeast quarter, northwest quarter southwest quarter, southeast quarter southwest quarter.

Section 36, east half southwest quarter, southeast quarter northwest quarter.

TOWNSHIP 4 SOUTH, RANGE 2 EAST, UINTA MERIDIAN

Section 1, lots 1, 2, 3, south half north half, east half southeast quarter, northwest quarter southeast quarter.

Section 2, lots 1, 2, southeast quarter northeast quarter.

Section 12, northeast quarter, north half southeast quarter, southeast quarter southeast quarter, northeast quarter southwest quarter.

Section 13, lots 4, 5, 8, 9, east half northeast quarter, northeast quarter southeast quarter.

TOWNSHIP 4 SOUTH, RANGE 3 EAST, UINTA MERIDIAN

Section 6, all (lots 1 and 2).

Section 7, all (lots 1, 2, 3, 4, 5, 6, 7, and 8, east half southwest quarter).

Section 17, all (lot 1).

Section 18, all (lots 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, and 12, southeast quarter southwest quarter, south half southeast quarter).

Section 19 lots 3, 4, and 9, northeast quarter, east half northwest quarter.

Section 20, lots 1, 2, 3, and 4.
Section 29, lots 3 and 4.
Section 30, lots 1 and 2, southeast quarter northeast quarter.
Section 31, lots 4, 5, 8, 13, and 14.

TOWNSHIP 5 SOUTH, RANGE 2 EAST, UINTA MERIDIAN

Section 1, lots 6 and 7.
Section 12, lots 1, 2, 3, and 4.

TOWNSHIP 5 SOUTH, RANGE 3 EAST, UINTA MERIDIAN

Section 5, lot 4.
Section 6, lots 1 and 2, south half northeast quarter, north half southeast quarter.
Section 7, lots 5, 9, 10, and 11.
Section 8, lots 2, 3, and 4.

TOWNSHIP 2 NORTH, RANGE 1 EAST, UINTA MERIDIAN

Section 26, lots 1 and 2, south half southwest quarter.
Section 27, all (lots 1, 2, 3, and 4, southwest quarter northwest quarter, south half).

TOWNSHIP 1 NORTH, RANGE 1 EAST, UINTA MERIDIAN

Section 21, southeast quarter northeast quarter, northeast quarter southeast quarter.
Section 24, northeast quarter, east half northwest quarter.
Section 35, northwest quarter southwest quarter.

TOWNSHIP 1 SOUTH, RANGE 1 EAST, UINTA MERIDIAN

Section 2, southwest quarter southeast quarter.
Section 23, north half southwest quarter, east half west half northeast quarter.
Section 33, northwest quarter southeast quarter.
Section 36, northwest quarter northeast quarter.

TOWNSHIP 2 SOUTH, RANGE 1 EAST, UINTA MERIDIAN

Section 1, lots 2 and 3.
Section 3, southwest quarter northwest quarter, northwest quarter southwest quarter.
Section 4, lot 1, southeast quarter northeast quarter.
Section 9, northeast quarter northwest quarter, southwest quarter northeast quarter.
Section 12, southeast quarter northwest quarter northwest quarter, south half northeast quarter northwest quarter, south half north half northeast quarter northwest quarter.
Section 21, lots 1, 2, 3, 6, 8, and 10, northeast quarter, east half northwest quarter.
Section 22, lots 3 and 4.
Section 27, lots 1 and 2.
Section 28, east half northwest quarter, east half northeast quarter, southwest quarter northeast quarter.
Section 34, east half southeast quarter, southwest quarter southeast quarter.
Section 35, northwest quarter southwest quarter.

TOWNSHIP 1 NORTH, RANGE 1 WEST, UINTA MERIDIAN

Section 20, west half northeast quarter.
Section 21, southeast quarter southwest quarter.
Section 27, northeast quarter southwest quarter, northwest quarter southeast quarter.
Section 28, north half southwest quarter, northeast quarter northwest quarter.

TOWNSHIP 1 SOUTH, RANGE 1 WEST, UINTA MERIDIAN

Section 6, northwest quarter southeast quarter.
Section 7, lot 3.
Section 16, south half northeast quarter, northeast quarter southeast quarter, west half southwest quarter northwest quarter, west half northwest quarter southwest quarter.
Section 17, east half southeast quarter.
Section 35, southwest quarter northwest quarter.

TOWNSHIP 3 SOUTH, RANGE 1 WEST, UINTA MERIDIAN

Section 3, north half southeast quarter.
Section 11, east half southeast quarter.
Section 12, northwest quarter southwest quarter.
Section 19, lot 4.
Section 25, west half southeast quarter.
Section 33, southeast quarter.
Section 34, east half southeast quarter.
Section 35, northwest quarter southwest quarter.

TOWNSHIP 2 SOUTH, RANGE 2 WEST, UINTA MERIDIAN

Section 5, lots 1, 2, 3, and 4 south half north half.
Section 6, all (lots 1, 2, 3, 4, 5, 6, and 7, south half northeast quarter, southeast quarter northwest quarter, east half southwest quarter, southeast quarter).
Section 7, lots 1 and 2, east half northwest quarter, northeast quarter.
Section 8, southeast quarter southeast quarter.
Section 9, south half.
Section 16, all.
Section 17, east half, northwest quarter, north half southwest quarter, southeast quarter southwest quarter.
Section 18, lots 3, 4, southeast quarter, southwest quarter, southwest quarter southeast quarter, northeast quarter northwest quarter, northeast quarter.
Section 20, northeast quarter, east half northwest quarter.
Section 21, all.
Section 28, north half north half, southeast quarter northeast quarter.

TOWNSHIP 3 SOUTH, RANGE 2 WEST, UINTA MERIDIAN

Section 7, south half southeast quarter.
Section 8, southwest quarter southwest quarter.
Section 9, south half south half.
Section 15, southeast quarter, west half southwest quarter.
Section 16, northwest quarter, southeast quarter, northeast quarter southwest quarter.
Section 17, southwest quarter southwest quarter.
Section 21, north half northeast quarter.

TOWNSHIP 1 SOUTH, RANGE 3 WEST, UINTA MERIDIAN

Section 3, lots 1, 2, 3, and 4, south half north half, southeast quarter, east half southwest quarter.
Section 4, lots 1, 2, 3, and 4, south half north half, north half south half, southwest quarter southeast quarter.
Section 5, southwest quarter, west half southeast quarter, northeast quarter southeast quarter.
Section 9, northeast quarter northeast quarter.
Section 10, east half, east half northwest quarter, southwest quarter northwest quarter, northeast quarter southwest quarter.

TOWNSHIP 2 SOUTH, RANGE 3 WEST, UINTA MERIDIAN

Section 1, lots 1 and 2, south half northeast quarter, southeast quarter.
Section 2, southwest quarter northwest quarter.
Section 12, northeast quarter northeast quarter, southwest quarter, west half northwest quarter, southeast quarter northwest quarter, southwest quarter southeast quarter.
Section 13, west half, southeast quarter, west half northeast quarter, southeast quarter northeast quarter.
Section 18, lot 4.
Section 19, northeast quarter southwest quarter, south half southeast quarter.
Section 20, south half southwest quarter.
Section 29, southwest quarter, north half northwest quarter.
Section 30, lots 1 and 2, east half northwest quarter, northeast quarter.
Section 31, lots 2, 3, and 4, east half southwest quarter, southeast quarter northwest quarter, south half northeast quarter, southeast quarter.
Section 32, west half northwest quarter, southeast quarter northwest quarter, southwest quarter northeast quarter.

TOWNSHIP 3 SOUTH, RANGE 3 WEST, UINTA MERIDIAN

Section 2, south half northwest quarter, north half southeast quarter, northeast quarter southwest quarter.
Section 3, lot 3.
Section 5, lots 1, 2, 3, and 4.
Section 6, lots 1, 2, 3, 4, 5, 6, and 7, south half northeast quarter, southeast quarter northwest quarter, northeast quarter southwest quarter, northwest quarter southeast quarter.
Section 7, lots 3 and 4, east half southwest quarter, southeast quarter, southeast quarter northwest quarter, southwest quarter northeast quarter.
Section 17, north half southwest quarter, northwest quarter southeast quarter.
Section 19, all (lots 1, 2, 3, and 4, east half west half, east half).
Section 20, southwest quarter southwest quarter.
Section 21, east half southwest quarter.
Section 27, south half southwest quarter.
Section 28, south half south half, northwest quarter southwest quarter, southwest quarter northwest quarter.
Section 29, northwest quarter, south half northeast quarter, northeast quarter southeast quarter.
Section 30, lots 1, northeast quarter northwest quarter, northeast quarter.
Section 32, south half south half, northeast quarter.
Section 33, northwest quarter, north half northeast quarter.
Section 34, north half northwest quarter, northwest quarter northeast quarter.

TOWNSHIP 4 SOUTH, RANGE 3 WEST, UINTA MERIDIAN

Section 2, lot 10.
Section 5, lots 1 and 2.

TOWNSHIP 1 SOUTH, RANGE 4 WEST, UINTA MERIDIAN

Section 5, lots 3 and 4, south half northwest quarter, west half southeast quarter, east half southwest quarter, northwest quarter southwest quarter.
Section 8, north half northeast quarter.
Section 9, southeast quarter northwest quarter, northeast quarter southwest quarter.
Section 16, east half northwest quarter, northwest quarter southwest quarter, southeast quarter southwest quarter.
Section 21, northwest quarter, southeast quarter, southeast quarter southeast quarter.
Section 27, northwest quarter northeast quarter, southeast quarter northeast quarter, northeast quarter southeast quarter.
Section 34, south half northeast quarter, north half southeast quarter, southeast quarter southeast quarter.
Section 35, southwest quarter southwest quarter.

TOWNSHIP 2 SOUTH, RANGE 4 WEST, UINTA MERIDIAN

Section 1, southwest quarter southwest quarter.
Section 2, lots 2, 3, 4, southwest quarter northeast quarter.
Section 11, northeast quarter northeast quarter.
Section 12, north half southwest quarter, southeast quarter southwest quarter, southwest quarter southeast quarter.

Section 13, south half north half, northeast quarter northwest quarter, northwest quarter northeast quarter, northeast quarter southwest quarter, southwest quarter southeast quarter.
Section 24, northeast quarter northeast quarter.
Section 35, southeast quarter southeast quarter.
Section 36, southeast quarter, east half southwest quarter, southwest quarter southwest quarter.

TOWNSHIP 3 SOUTH, RANGE 4 WEST, UINTA MERIDIAN

Section 1, lots 1, 2, 3, and 4, south half north half, west half southwest quarter, northeast quarter southwest quarter.
Section 2, all (lots 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, 15, and 16).
Section 3, lots 1, 2, 3, and 4, south half northeast quarter, southeast quarter northwest quarter.
Section 11, north half.
Section 12, all.
Section 13, east half, northwest quarter, east half southwest quarter, northwest quarter southwest quarter.
Section 24, northeast quarter, northeast quarter northwest quarter.

TOWNSHIP 2 SOUTH, RANGE 5 WEST, UINTA MERIDIAN

Section 7, lots 1, 2, 3, and 4, east half southwest quarter.
Section 15, southeast quarter.
Section 18, lots 1, 2, 3, and 4, east half west half, west half east half.
Section 19, lots 1, 4, northeast quarter northwest quarter, northeast quarter, southeast quarter southwest quarter, southwest quarter southeast quarter.
Section 20, north half, north half south half, southwest quarter southeast quarter.
Section 21, north half, southeast quarter, north half, southwest quarter, southeast quarter southwest quarter.
Section 22, all.
Section 27, northwest quarter northwest quarter.
Section 28, north half northeast quarter.
Section 29, northeast quarter northeast quarter, south half northwest quarter, southwest quarter southeast quarter.
Section 30, lot 1, east half northwest quarter, west half northeast quarter, southeast quarter northeast quarter.
Section 33, east half northeast quarter, northwest quarter northeast quarter.
Section 34, west half northwest quarter, southeast quarter northwest quarter, east half southwest quarter, northwest quarter southwest quarter, south half southeast quarter.

TOWNSHIP 3 SOUTH, RANGE 5 WEST, UINTA MERIDIAN

Section 2, lot 4, southwest quarter northwest quarter, west half southwest quarter, southeast quarter southwest quarter.
Section 3, lots 1 and 2, southeast quarter northeast quarter.
Section 6, lots 6 and 7, east half southwest quarter, southeast quarter.
Section 11, northwest quarter, west half northeast quarter, northeast quarter southwest quarter, northwest quarter southeast quarter.
Section 12, southwest quarter northeast quarter, west half southeast quarter.
Section 13, west half east half.

TOWNSHIP 2 SOUTH, RANGE 6 WEST, UINTA MERIDIAN

Section 8, south half.
Section 9, south half.
Section 12, east half.
Section 13, east half, northwest quarter, north half southwest quarter.
Section 14, north half, north half south half.
Section 15, north half south half, southwest quarter southwest quarter.
Section 16, all.
Section 17, north half, north half south half, south half southeast quarter.
Section 18, lots 1, 2, and 3, east half northwest quarter, northeast quarter southwest quarter, northeast quarter, north half southeast quarter, southeast quarter southeast quarter.
Section 19, lots 1 and 2, southeast quarter northwest quarter, south half northeast quarter.
Section 20, south half north half.
Section 21, south half north half.
Section 22, south half north half.
Section 23, northwest quarter, west half northeast quarter, southeast quarter northeast quarter.
Section 24, southwest quarter northwest quarter.

TOWNSHIP 3 SOUTH, RANGE 6 WEST, UINTA MERIDIAN

Section 1, all (lots 1, 2, 3, and 4, south half north half, south half).
Section 2, all (lots 1, 2, 3, and 4, south half north half, south half).
Section 3, all (lots 1, 2, 3, and 4, south half north half, south half).
Section 4, all (lots 1, 2, 3, and 4, south half north half, south half).
Section 5, all (lots 1, 2, 3, and 4, south half north half, south half).
Section 6, all (lots 1, 2, 3, 4, 5, 6, and 7, south half northeast quarter, southeast quarter northwest quarter, east half southwest quarter, southeast quarter).
Section 7, all (lots 1, 2, 3, and 4, east half west half, east half).
Section 8, all.
Section 9, all.
Section 10, north half.
Section 11, all.
Section 12, all.
Section 17, all.
Section 18, all (lots 1, 2, 3, and 4, east half west half, east half).

TOWNSHIP 3 SOUTH, RANGE 7 WEST, UINTA MERIDIAN

Section 9, southwest quarter northeast quarter, northeast quarter southeast quarter.
Section 10, west half southwest quarter.
Section 12, all.
Section 13, northeast quarter southeast quarter, southwest quarter northwest quarter, southwest quarter southwest quarter.
Section 14, northeast quarter northeast quarter, south half northwest quarter, north half southwest quarter, southeast quarter southwest quarter, west half southeast quarter, southeast quarter southeast quarter.
Section 15, south half northeast quarter, northwest quarter northeast quarter, northeast quarter northwest quarter.
Section 23, north half northeast quarter.
Section 24, north half north half, southeast quarter northeast quarter.

SEC. 2. The Secretary of the Interior is hereby authorized under such rules and regulations as he may prescribe (1) to exchange any lands or interest in lands described in section 1, including water rights or surface rights to such lands, for other lands or interests in lands as aforesaid, in which event or events the lands parted with shall cease to be a part of the Uintah-Ouray Reservation and the lands obtained shall become a part thereof; and (2) to purchase and acquire other lands in which event or events the land so purchased or acquired shall become a part of such reservation. Except as in section 1 hereof, no lands in Utah shall be added to any reservation under the provisions of section 3 of the act of June 18, 1934 (48 Stat. 984), and any lands formerly belonging to any Indian reservation in said State to the extent that they have not been disposed of by the United States are hereby declared to be the absolute property of the United States, free from any trust restrictions.

SEC. 3. That the Secretary of the Interior is hereby authorized and directed, subject to any valid existing rights, to establish a grazing unit within Utah Grazing District No. 8, to be administered by the Bureau of Indian Affairs, for the exclusive use and benefit of the Indians of the Uintah and Ouray Reservation. Said unit shall consist of an area of unappropriated public lands adjacent to the base properties of the Uintah and Ouray Indians and commensurate with but not exceeding the grazing rights of such base properties determined in accordance with range requirement standards adopted by the Grazing Service of the Department of the Interior. Such grazing unit shall be subject to all statutes and administrative orders and regulations applicable to the administration of Indian affairs.

SEC. 4. The State of Utah may, if it desires, relinquish to the United States any tracts of school or other State-owned lands, surveyed or unsurveyed, within the area described in section 3 hereof, and said State shall have the right to make selections in lieu thereof outside of said area, equal in value to the lands relinquished, from the vacant, unappropriated, public lands within the State of Utah, such lieu selections to be made in accordance with regulations to be prescribed by the Secretary of the Interior, which shall be made after obtaining suggestions from the Utah State Land Board, but in any event within 90 days after enactment hereof. No fee or commission shall be charged for any exchange of land made hereunder. The value of improvements owned by the State on lands relinquished by the State shall be taken into consideration and full credit in the form of public lands shall be allowed therefor.

With the following committee amendment:

At the end of the bill add a new section No. 5 reading as follows:

"SEC. 5. In any suit instituted in the Court of Claims under the Act of June 28, 1938 (52 Stat. 1209), there shall be set off against any recovery, in lieu of the set-off provisions contained in section 5 thereof, any payment made by the United States on any claim asserted by said band and all sums expended gratuitously by the United States for the benefit of said band, except that there shall not be offset in any suit (1) expenditures made prior to the time the cause of action sued upon arose, (2) expenditures made under the authority of the Act of June 18, 1934 (48 Stat. 984), and the extensions thereof in the Acts of May 1, 1936 (49 Stat. 1260) and June 26, 1936 (49 Stat. 1967), (3) expenditures made for education or in fulfillment of obligations assumed by the United States under treaties or acts of Congress, (4) expenditures made under any emergency appropriation or allotment made subsequently to March 4, 1933, and generally applicable throughout the United States, for rural rehabilitation or relief in stricken agricultural areas, relief from distress caused by unemployment and the conditions resulting therefrom, the prosecution of public works and public projects for the relief of unemployment and for work relief, and for the conservation and development of natural resources: *Provided, however,* That where land has been purchased under such emergency appropriation or allotment and the title thereto has been vested in the United States in trust for the

benefit of such band, there may be offset the value of the beneficial use thereof, it being the intent of this act that it shall supersede the act of March 3, 1909 (35 Stat. 788), and that any and all bands of the Ute Indians may assert any and all claims which have accrued against the United States since the Ute Indians acknowledged themselves to be under the exclusive jurisdiction thereof (9 Stat. 984) and that the United States may set off against any amount found due on any claim asserted any and all payments made thereon, whether pursuant to judgment of a court, statute of Congress, or otherwise, and the aforesaid gratuities.

"With respect to any suit instituted under said act of June 28, 1938 (52 Stat. 1209), the Supreme Court of the United States shall have authority to review, as in other cases, any final judgment, or any judgment relating to the right of the plaintiff to recover but which reserves for further proceedings the determination of the amount of the recovery and the amount of offsets rendered.

"If in any suit instituted under said act of June 28, 1938 (52 Stat. 1209), the Court shall find that any band or bands of Ute Indians entered into a treaty with the United States, negotiated by an agent thereof, whereby such band or bands agreed to surrender, give up, or relinquish to the United States the possessory right of occupancy in and to certain described lands, and in substantial compliance with the provisions thereof, did give up, surrender, or relinquish to the United States the occupation of said lands and that the United States notwithstanding its failure to ratify said treaty or treaties assented to or accepted the benefits of such giving up, surrender, or relinquishment, it is hereby declared that such action shall be sufficient grounds for equitable relief and the Court shall enter judgment in favor of said Indians for the value of said lands as of the time the right of occupancy thereto was given up, surrendered, or relinquished to the United States: *Provided*, That said judgment shall not as respects such cause of action include any increment, interest, or equivalent thereof, from the date of taking to the date of judgment, as an element of just compensation or otherwise; and this proviso is not severable from the provisions of this paragraph: *Provided further*, That the words 'range 35' wherever appearing in section 6 of said act of June 28, 1938 (52 Stat. 1209), shall be construed to mean 'township 35 north': *Provided further*, That in awarding compensation to the attorney or attorneys prosecuting any suit under said Act, the Court of Claims, or the Secretary of the Interior, as the case may be, shall consider all services rendered by said attorney or attorneys under said act, including services rendered before the Members and committees of Congress, the departments of the Government, and the courts, with respect to all suits instituted thereunder: *Provided, further*, That actual expenses of said attorney or attorneys incurred or expended in the prosecution of any suits instituted under said act shall be paid as provided in the contracts approved by the Secretary of the Interior under which such suits are instituted."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

DAM AND DIKE, NORTH SLOUGH, COOS COUNTY, OREG.

The Clerk called the next bill, H. R. 6408, to extend the times for commencing and completing the construction of a dam and dike for preventing the flow of tidal waters into North Slough in Coos County, Oreg.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the times for commencing and completing the construction of a dam and dike for preventing the flow of tidal waters into North Slough in Coos County, Oreg., in township 24 south, range 13 west, Willamette meridian, authorized to be constructed by the State of Oregon, acting through its highway department, the North Slough drainage district, and the North Slough diking district, by an act of Congress approved August 26, 1937, is extended 1 and 3 years, respectively, from August 26, 1939.

SEC. 2. The right to alter, amend, or repeal this act is hereby expressly reserved.

With the following committee amendment:

Page 2, line 2, strike out "1939" and insert in lieu thereof "1940."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

TO INCREASE THE SIZE OF THE REGULAR ARMY OF THE UNITED STATES

The Clerk called the next bill, H. R. 10010, to increase the size of the Regular Army of the United States.

Mr. CHURCH. Mr. Speaker, reserving the right to object, and I do not intend to object, I believe that because of the importance of this bill the chairman of the Committee on Military Affairs should explain it to the House.

Mr. MAY. Mr. Speaker, the bill is a very simple one. Under the National Defense Act of June 3, 1916, the maximum strength of the United States Regular Army is placed at 280,000 members. This bill merely strikes out the figures "280,000" and inserts in lieu thereof "400,000." It would authorize the enlistments to be increased from 280,000 to 400,000. That is all it does.

Mr. FISH. Mr. Speaker, will the gentleman yield?

Mr. MAY. I yield.

Mr. FISH. All this bill does is to increase the size of the Regular Army from 280,000 to 400,000.

Mr. MAY. That is all.

Mr. FISH. That is all. But it is one of the most important bills that could be before the Congress, and to my mind it is a very sound bill.

It is amazing that we should consider this bill here by unanimous consent and without any discussion, and I hope the gentleman will continue and do a little more explaining as to exactly what it does.

Mr. CHURCH. As I understand it, this bill is different. The Congress has already appropriated for 375,000 men?

Mr. MAY. Yes.

Mr. CHURCH. Therefore, this is an authorization to increase the number 280,000 up to 400,000, or an increase of 120,000 men only. There is an increase in authorization for the 25,000 additional over and above the number 375,000 appropriated for?

Mr. MAY. Included in that is also 40,000 that have been authorized in the Air Corps, which belongs in the Regular Army, so there is in fact very little space allowed for getting 400,000. I may say furthermore, I agree with the gentleman from New York, it is a very sound bill. In addition to that, may I make the further agreement with him, if he will agree, it is a very essential bill and one very much needed at this time.

Mr. FISH. I want to congratulate the chairman of the Committee on Military Affairs for bringing this bill in. He is absolutely right. It is a very much needed bill. Is there anything in this bill to increase the National Guard to 400,000?

Mr. MAY. It does not affect the National Guard. It is merely confined to the Regular Army.

Mr. FISH. Does not the gentleman believe that the National Guard should be increased to 400,000?

Mr. MAY. May I say to the gentleman that many members of the Committee on Military Affairs of the House, including the chairman, were not satisfied with leaving the limit at 400,000. Many of us would like to have placed it at 750,000. But we thought we would be modest and reasonable about it, because the Congress will be in session on the first of January and if the exigencies of the time require more, I am satisfied the Congress will carry it out.

Mr. FISH. Does this bill carry with it not only increasing the number to 400,000 but also provide modern equipment for those 400,000?

Mr. MAY. The bill does not do anything in the world but strike out "280,000" and insert "400,000."

Mr. WADSWORTH. Will the gentleman yield?

Mr. MAY. I yield to the gentleman from New York.

Mr. WADSWORTH. May I say to the gentleman from Kentucky and to the gentleman from New York in reference to the question about increasing the National Guard, that the National Defense Act already authorizes a maximum strength in the National Guard of 425,000 men.

Mr. FISH. Is that being lived up to?

Mr. WADSWORTH. No. The Congress has never appropriated sufficient money.

Mr. FISH. There are only about 200,000 in the National Guard?

Mr. WADSWORTH. About 230,000, but the authorization is already in the act.

Mr. CHURCH. Would the gentleman make a statement in reference to legislation having to do with the National Guard? It is being talked about putting the National Guard under the control of the President. Can the gentleman

make any statement clarifying that in view of the fact the hearings on this bill were in executive session and are not available? I would like to have your statement on that subject.

Mr. MAY. I did not get the gentleman's question.

Mr. CHURCH. People are exercised over whether or not the President is going to take charge of the National Guard. Can the gentleman clear the atmosphere in that respect?

Mr. MAY. I wish I could clear the atmosphere in many respects. However, legislation is now pending and has been reported to the House in reference to that matter and I do not think I should enter into a discussion of that bill at this time because it does not relate to this particular matter.

Mr. RICH. Will the gentleman yield?

Mr. MAY. I yield to the gentleman from Pennsylvania.

Mr. RICH. If the National Guard of the States, as stated by the gentleman from New York, stands at 425,000, will the gentleman, who is head of the Military Affairs Committee, and in whom we have a lot of confidence, give us his judgment as to what we ought to do? Does he not believe that we should insist that the States be permitted or that the Government assist the States in increasing the size of the National Guard because it will not cost the Federal Treasury as much money as it would to increase the Regular Army? If we do that, we will have that many men in time of war we can draw on, and the cost will be reduced.

Mr. MAY. I agree largely with what the gentleman from Pennsylvania said. If we can reduce the cost of our Military Establishment in any way, we ought to do it. One of my reasons for agreeing with the other members of my committee in making this only 400,000 instead of 750,000 was that the whole thing might pipe down in a few months and we may not find a necessity for doing so much along these lines. However, we will have plenty to do in the meantime.

Mr. RICH. I am not objecting to that. I believe the gentleman is doing the wise thing, as he always does, but does he not believe that while we are appropriating these great sums of money we should also increase the National Guard?

Mr. MAY. The National Guard men are all State officials, yet they are members of the United States Army. They operate under the control of the Governors of the various States until a national emergency is declared by the President, at which time the President calls them for active duty in the Army.

Mr. MOTT. Will the gentleman yield?

Mr. MAY. I yield to the gentleman from Oregon.

Mr. MOTT. Has the gentleman any information as to approximately how long it will take to recruit the Army up to the proposed authorized strength of 400,000?

Mr. MAY. About 8 months.

Mr. MOTT. Can the gentleman tell us what success the Army has had to date in recruiting up to its present authorized strength?

Mr. MAY. It has been very good, but I do not have the exact information. The increase has been steady and progressive.

Mr. EDMISTON. Will the gentleman yield?

Mr. MAY. I yield to the gentleman from West Virginia.

Mr. EDMISTON. Further answering the gentleman from Oregon, they feel that 500,000 is about the extent that may be reached by volunteers.

Mr. MOTT. Within 8 months?

Mr. EDMISTON. Yes.

Mr. VAN ZANDT. Will the gentleman yield?

Mr. MAY. I yield to the gentleman from Pennsylvania.

Mr. VAN ZANDT. Is it not true that we are adding many implements of war to the Army?

Mr. MAY. Yes.

Mr. VAN ZANDT. In addition we must add manpower if we are going to have a well-balanced army, and we will have to have 400,000 men.

Mr. FITZPATRICK. Mr. Speaker, I demand the regular order.

The SPEAKER. Is there objection to the present consideration of the bill?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That section 2 of the National Defense Act, approved June 3, 1916, as amended, be further amended by striking out the words "two hundred and eighty thousand" in the last sentence of that section and substituting in lieu thereof the words "three hundred and seventy-five thousand."

With the following committee amendment:

Page 1, line 7, strike out the words "three hundred and seventy-five thousand" and insert "four hundred thousand."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

PERMITTING COMMUNICATION UTILITIES TO CONTRIBUTE FREE SERVICES TO THE NATIONAL DEFENSE

The Clerk called the next bill, S. 3018, to amend section 210 of the Communications Act of 1934, approved June 19, 1934 (48 Stat. 1073; 47 U. S. C. 210), so as to permit communication utilities to contribute free services to the national defense.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That section 210 of the Communications Act of 1934, approved June 19, 1934 (48 Stat. 1073; 47 U. S. C. 210), is hereby amended by inserting after the words "SEC. 210" the letter "(a)" and by adding at the end of the section the following subsection:

"(b) Nothing in this act or in any other provision of law shall be construed to prohibit common carriers from rendering to any agency of the Government free service in connection with the preparation for the national defense: *Provided*, That such free service may be rendered only in accordance with such rules and regulations as the Commission may prescribe therefor."

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

PREVENTING PUBLICATION OF INVENTIONS IN THE NATIONAL INTEREST

Mr. LANHAM. Mr. Speaker, I ask unanimous consent for the present consideration of the bill (H. R. 10058) to amend the act relating to preventing the publication of inventions in the national interest, and for other purposes.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. CHURCH. Reserving the right to object, Mr. Speaker, this bill is an important measure, and I believe it should be considered other than on the Consent Calendar. Will the gentleman give me the Consent Calendar number of this bill?

Mr. LANHAM. The Consent Calendar number of this bill is 847.

Mr. RICH. Will the gentleman explain the bill?

Mr. LANHAM. I should be glad to.

This is a bill unanimously reported by the Committee on Patents, a bill which is very important in the matter of our national defense, and it is desired by both the War Department and the Navy Department for that purpose. Our present patent laws provide that in time of war applications for patents on inventions that have peculiar application to national defense may be kept secret in order that those inventions may not become available to foreign governments. The provision of this bill is for a period of 2 years to permit and authorize the keeping of inventions and applications for patents therefor secret if they, in the judgment of the War Department and the Navy Department, are needed for our national defense.

In protection of the inventor the bill goes further than the law has heretofore gone in this regard. The former law provided that there should be no compensation whatever to the inventor making the application until his invention actually was used. This bill protects the inventor by making provision for compensation in case his invention is useful for national defense but is held secret in order that it may not become known to foreign governments.

Mr. AUGUST H. ANDRESEN. Mr. Speaker, will the gentleman yield?

Mr. LANHAM. I yield to the gentleman from Minnesota.

Mr. AUGUST H. ANDRESEN. Is there anything in this bill that would release the inventor so that he could make his patent public if the War and Navy Departments turned down his invention?

Mr. LANHAM. I may say that the practice is that whenever the Navy Department and the War Department find that they have in the particular field to which the invention applies better facilities for national defense than those presented by the application for the patent on the new invention, they have no objection to the granting of the patent, and the practice is to grant it.

Mr. AUGUST H. ANDRESEN. We have been led to believe that a good many patents on inventions have been submitted to the War or Navy Department, such as those relating to tanks and other modern implements of war, and that the admirals and generals turned them down, so the inventors took them to foreign countries.

Mr. LANHAM. As a matter of practice, there is a board on patents from both the Army and the Navy that serves with the board in the Patent Office to determine what is sufficiently important in the matter of national defense to keep the invention secret.

Mr. HOLMES. Mr. Speaker, will the gentleman yield?

Mr. LANHAM. I yield to the gentleman from Massachusetts.

Mr. HOLMES. I understand also that the rights of the inventors during this 2-year period are absolutely protected.

Mr. LANHAM. Absolutely. If the invention is considered of sufficient value to keep it secret, there is provision in this bill for the compensation of the inventor, and then when the application for the patent is finally granted and there is no further reason to keep it secret, the inventor would have the additional 17 years granted under the patent.

Mr. CHURCH. If the gentleman will yield, the gentleman from Massachusetts [Mr. HOLMES] has the impression that the rights of the inventor are protected, but is it not a fact that just the opposite is the case? We discussed this matter in committee. The Government can take a man's invention and put it on a shelf and leave it there, under the terms of this bill, for 2 years.

Mr. LANHAM. I would say to the gentleman in reply that the amendment that is placed in this bill gives the inventor advantages he has never had before. Heretofore he has been paid only when the invention was used. According to the terms of this bill, the War and Navy Departments are authorized to agree with him upon compensation during the time it is withheld. Therefore, the inventor has advantages under this bill and is encouraged to make inventions in the interest of the national defense.

Mr. CHURCH. Will the gentleman point out to me the language in this final bill, H. R. 10058, whereby if an inventor's idea is not used by the Government he at any time gets paid for his invention?

Mr. LANHAM. He gets it in the proviso on page 2, beginning in line 16, which reads as follows:

Provided, That the Secretary of War or the Secretary of the Navy or the chief officer of any established defense agency of the United States, as the case may be, is authorized to enter into an agreement with the said applicant in full settlement and compromise for the damage accruing to him by reason of the order of secrecy, and for the use of the invention by the Government.

Mr. CHURCH. In other words, there is merely authority in this bill for the Secretary of the Navy and the Secretary of War to enter into agreement with him, but this bill gives the Patent Commissioner and the Secretaries of the Navy and of War the power to shelve the invention for a period of 2 years. It is because of the far-reaching effect of this bill that I am opposed to its passage by unanimous consent on this calendar, and the gentleman is acquainted with my feeling in the matter.

Mr. LANHAM. Quite so.

Mr. CHURCH. This is very important legislation. I think that perhaps such a bill should be worked out, but, although I have the utmost respect for the gentleman's motives, I may say that this is just one of those measures which prove that Congress should remain in session and give more thorough consideration to measures of this kind. The first few lines of this bill are very far-reaching:

Whenever the publication or disclosure of an invention by the granting of a patent might, in the opinion of the Commissioner of Patents, be detrimental to the public safety or defense, he may order that the invention be kept secret and withhold the grant of a patent for such period or periods as in his opinion the national interest requires.

Why, in Europe they protect every incentive of the inventor to invent and perfect his invention. I am very interested in carrying out the purpose of the gentleman's bill, but this bill is very far reaching and undertakes to apply a new principle, that of applying wartime measures to peacetime. That is exactly what it does. It should be considered when amendments may be considered and full discussion had.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. CHURCH. I object, Mr. Speaker.

INTERFERENCE WITH DISCIPLINE OF THE ARMY, NAVY, AND COAST GUARD, DEPORTATION OF CERTAIN CLASSES OF ALIENS, FINGERPRINTING OF ALIENS, ETC.

Mr. HOBBS. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 5138) to make unlawful attempts to interfere with the discipline of the Army, the Navy, and the Coast Guard; to require the deportation of certain classes of aliens; to require the fingerprinting of aliens seeking to enter the United States, and for other purposes, with Senate amendments, disagree to the Senate amendments, and agree to the conference asked by the Senate.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Alabama? [After a pause.] The Chair hears none and appoints the following conferees: Messrs. SUMNERS of Texas, HOBBS, and HANCOCK.

AUTHORIZING COUNTY OF LAWRENCE, STATE OF OHIO, TO ACQUIRE AND OPERATE AS A UNIT CERTAIN PRIVATELY OWNED TOLL BRIDGES ACROSS THE OHIO RIVER ADJOINING SUCH COUNTY

Mr. CHAPMAN. Mr. Speaker, I ask unanimous consent for the present consideration of the bill (H. R. 9920) authorizing the county of Lawrence, Ohio, to acquire and operate as a unit certain privately owned toll bridges across the Ohio River adjoining such county.

The clerk read the title of the bill.

The SPEAKER. Is there objection to the present consideration of the bill?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the county of Lawrence, Ohio, or any duly organized bridge commission of such county, is authorized to acquire all right, title, and interest in any privately owned highway toll bridge across the Ohio River at any point within or adjoining such county, including the approaches thereto, and all interest in real property necessary therefor, by purchase, or by condemnation in accordance with the laws of the State of Ohio governing the acquisition of privately owned bridges by public authority.

SEC. 2. Jurisdiction of all condemnation proceedings under this act is hereby conferred upon the United States District Court for the Southern District of Ohio, and for such purpose the process of such court may be served outside of the State or district in which such court is located. Such proceedings shall follow, as near as may be, the law of the State of Ohio governing procedure in such condemnation cases. Copies of any final judgment or decree of such court in any such condemnation proceeding relating to land located outside the district in which such court is located shall be filed with the clerk of the court of the district in which such land is located.

SEC. 3. Any bridge acquired pursuant to this act shall be operated as a toll bridge and shall be grouped with any other bridge so acquired for financing purposes. The rate of toll of any such bridge shall be so adjusted as to provide, together with the tolls from all other bridges acquired pursuant to this act, (a) a sinking fund sufficient to amortize as soon as possible under reasonable charges, but within a period not exceeding 25 years from the date of the issuance of bridge revenue bonds to finance the acquisition of bridges under this act, the principal, interest, financing cost, and redemption premium, if any, of all such bonds, and (b) a fund sufficient to pay the reasonable cost of maintaining, operating, and repairing such bridges under economical management during such period. After the fund provided in clause (a) shall have been so provided, such bridge shall thereafter be maintained and operated

free of toll. An accurate record of the amount of bonds issued in the acquisition of such bridge, the financing costs thereof, the interest and redemption premiums payable thereon, the actual expenditures for maintaining, repairing, and operating such bridges, and of the daily tolls collected shall be kept and shall be available for the information of all persons interested.

SEC. 4. The right to alter, amend, or repeal this act is hereby expressly reserved.

With the following committee amendment:

Page 2, line 2, after the word "authority", insert "and to maintain and operate said bridges in accordance with the provisions of the act entitled 'An act to regulate the construction of bridges over navigable waters,' approved March 23, 1906, and subject to the conditions and limitations contained in that act."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

BRIDGE ACROSS OHIO RIVER NEAR SHAWNEETOWN, ILL.

Mr. CHAPMAN. Mr. Speaker, I ask unanimous consent for the present consideration of the bill (H. R. 9509) to extend the times for commencing and completing the construction of a bridge across the Ohio River at or near Shawneetown, Ill.

The SPEAKER. Is there objection to the request of the gentleman from Kentucky?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the times for commencing and completing the construction of a bridge across the Ohio River at or near Shawneetown, Ill., authorized to be built by the county of Gallatin, State of Illinois, by an act of Congress approved July 18, 1939, is hereby extended 1 and 3 years, respectively, from July 18, 1940.

SEC. 2. The right to alter, amend, or repeal this act is hereby expressly reserved.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

AMENDMENT OF ACT OF AUGUST 27, 1935, WITH RESPECT TO ADDITIONAL CLAIMS FILED BY INDIANS

Mr. ROGERS of Oklahoma. Mr. Speaker, I ask unanimous consent to return to Calendar No. 811, the bill (S. 3352) to amend the act of August 27, 1935 (49 Stat. 2194), and for other purposes.

Mr. MARTIN of Massachusetts. Mr. Speaker, reserving the right to object, what is the purpose of this bill?

Mr. COSTELLO. Mr. Speaker, this is a bill for the Chippewa Indians, to which I objected at the time it was up for consideration because it apparently involved a large amount of money. However, I have been informed it involves not more than $5,000 and arises out of the Minnesota fire claims, and for this reason I told the gentleman from Oklahoma I would withdraw my objection.

The SPEAKER. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

The SPEAKER. Is there objection to the present consideration of the bill?

There being no objection, the Clerk read the bill as follows:

Be it enacted, etc., That the act of August 27, 1935 (49 Stat. 2194), be, and the same is hereby, amended so as to allow the submission of claims by Indians thereunder at any time prior to June 30, 1941. The Comptroller General of the United States is directed to receive and settle any additional claims filed by Indians before said date and to reconsider all such claims which have been heretofore disallowed on account of failure to file them within the period of 2 years imposed by the act.

SEC. 2. Irrespective of the date of death or the sum involved or any contrary rule or practice with respect to payments of the claims, all amounts found due deceased Indians whose heirs have been determined by the Secretary of the Interior shall be paid to the appropriate superintendent or other bonded officer of the Indian Service for the benefit of the heirs, to be handled and accounted for by him with other moneys under his control in accordance with existing law and regulations. The amounts due deceased claimants whose heirs have not been thus determined shall be so paid upon applications therefor filed by the superintendent, for credit to the estates.

SEC. 3. The superintendent of the Consolidated Chippewa Agency is hereby authorized to file claims for any and all claimants or heirs of claimants whose whereabouts cannot be determined after due and diligent search, and a verified certificate filed by the superintendent that such due and diligent search has been made, shall be sufficient condition precedent to the right to file any such claim.

SEC. 4. Claims filed hereunder may be sworn to before a local postmaster or a superintendent or other officer of the Indian Service authorized to administer oaths.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

EFFECTIVE USE OF PUBLIC DOMAIN

Mr. MURDOCK of Utah. Mr. Speaker, I find that in the bill H. R. 9705 (Calendar No. 839), passed a few moments ago, there is a typographical error on page 20, line 17, wherein the bill refers to section 3, when it should refer to section 1. I ask unanimous consent that that correction may be made in the bill.

The SPEAKER. Is there objection?

There was no objection.

DISPOSITION OF CERTAIN RECORDS, UNITED STATES GOVERNMENT

Mr. ELLIOTT. Mr. Speaker, I ask unanimous consent for the present consideration of the bill (H. R. 10026) to provide for the disposition of certain photographed records of the United States Government, and for other purposes, which I send to the desk.

The SPEAKER. Is there objection?

Mr. MARTIN of Massachusetts. Mr. Speaker, I reserve the right to object. Will the gentleman please explain the bill?

Mr. ELLIOTT. Mr. Speaker, this bill seeks to facilitate the disposition of certain original records of the Government of the United States, which records have been photographed, and multifilmed; and the photographic and multifilmed copies have been placed in conveniently accessible files, and provision made for their preservation, examination, and use. The bill, by all of the statements of the various departments, will save $1,000,000 a year in filing. Four hundred thousand dollars alone will be saved in W. P. A. by their own statement.

Mr. SCHAFER of Wisconsin. Mr. Speaker, will the gentleman yield?

Mr. ELLIOTT. Yes.

Mr. SCHAFER of Wisconsin. If this bill should become law, what will become of the old original records? Will some fellow be able to make a lot of money buying and selling some old original records which might be of considerable value because of their age?

Mr. ELLIOTT. Those records will be kept in the archives, as they are at present.

Mr. SCHAFER of Wisconsin. Original records?

Mr. ELLIOTT. Yes. I may say that the W. P. A. alone has thousands of records filed away, which they anticipate they may need numerous copies of at a later date. By photographing one single copy or filming it, it can be set aside and preserved indefinitely, and many additional copies could be had without the setting up of additional facilities to care for them.

Mr. SCHAFER of Wisconsin. I understood that the gentleman is going to have photostatic copies of these records made for the permanent record and that the originals were to be destroyed. Did I misunderstand the gentleman?

Mr. ELLIOTT. This has nothing to do with the records; they are already on file in the Archives Building. These are for new records filed from day to day.

Mr. SCHAFER of Wisconsin. They will not include any of the old records going back a hundred years or so?

Mr. ELLIOTT. Oh, no; it has nothing to do with that. If we did, they would be very much better off. If we could keep them in the shape of a film instead of in a paper volume they would be better off, because the film would not deteriorate while the paper would.

Mr. KRAMER. And did I understand the gentleman to say that there would be a tremendous saving if this bill is agreed to?

Mr. ELLIOTT. Yes. I sent out copies of the bill to each Department, and I have been assured that this bill will save

a million dollars a year to the Government. The gentleman from California [Mr. GEARHART] and myself went through this list, and if the gentlemen are interested in saving a million dollars a year in filing they ought to accept this bill.

Mr. MARTIN of Massachusetts. I congratulate the gentleman's committee on making a saving. It is the first committee that I have heard of doing that this year.

Mr. SCHAFER of Wisconsin. Has this bill the approval of the Bureau of the Budget?

Mr. ELLIOTT. Yes.

Mr. SCHAFER of Wisconsin. I am very glad that at last, when Uncle Sam's Treasury is almost bankrupt, the New Deal shows some little interest in saving a few dollars for our overburdened taxpayers. Therefore, I shall not object to the consideration of this bill.

Mr. ELLIOTT. The other member of the committee—and they call it the wastepaper-basket committee—and I went over the matter thoroughly and we have been assured that it would save a million dollars a year.

The SPEAKER. Is there objection?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That whenever any agency of the United States Government shall have photographed or microphotographed all or any part of the records kept by or in the agency, and whenever such photographs or microphotographs shall be placed in conveniently accessible files and provision made for preserving, examining, and using the same, the head of such agency may, with the approval of the Archivist of the United States, cause the original records from which the photographs or microphotographs have been made or any part thereof to be disposed of according to methods prescribed by law, provided records of the same specific kind in the particular agency have been previously authorized for disposition by Congress.

SEC. 2. Photographs or microphotographs of any record photographed or microphotographed as herein provided shall have the same force and effect as the originals thereof would have had, and shall be treated as originals for the purpose of their admissibility in evidence. Duly certified or authenticated copies of such photographs or microphotographs shall be admitted in evidence equally with the original photographs or microphotographs.

With the following committee amendment:

Page 1, after the word "agency", in line 5, insert, "in a manner and on film that complies with the minimum standards of quality approved for permanent photographic records by the National Bureau of Standards."

The committee amendment was agreed to.

The bill as amended was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider laid on the table.

DELIVERY OF CERTAIN FIRST-CLASS MAIL MATTER

Mr. MOSER. Mr. Speaker, I ask unanimous consent to proceed for one minute.

The SPEAKER. Is there objection?

There was no objection.

Mr. MOSER. Mr. Speaker, in the consideration of the bill S. 3667, to provide for the 2-cent local delivery rate of postage on certain first-class mail matter, I objected, and opportunity having been denied me to voice my opposition thereto, because it is legislation to wipe out a tax of 1 cent within the corporate confines of a city, and continue it necessary for the rest of the United States to pay a 3-cent postage rate to handle and deliver a first-class letter from one town across a river 100 yards wide, and make it possible to deliver first-class mail from New York City and County proper across the East River into Queens County and Brooklyn, New York. I object, because it is a rank discrimination.

Mr. Speaker, the Constitution of the United States, section 8, provides as follows:

The Congress shall have power to lay and collect taxes, duties, imposts, and excises, to pay the debts and provide for the common defense and general welfare of the United States; but all duties, imposts, and excises shall be uniform throughout the United States.

Mr. Speaker, having devoted nearly a quarter of a century of my life to the postal service of the United States, I may be considered somewhat qualified to speak on this subject. My colleague and friend the gentleman from Pennsylvania [Mr. RICH], has again referred to the 3-cent postage rate on first-class mail as the creation of the Democratic Party as on previous occasions. As heretofore I would remind him that the extra 1 cent added to the regular "2 cents per ounce or fraction thereof" legal rate for first-class mail under the law, is a tax levied on first-class mail and approved by a Republican President of the United States, under its advocacy by a Postmaster General selected by this same Republican President and nominated for the position to which he was confirmed by a Republican Senate.

This Postmaster General, Walter Folger Brown, during the administration of President Hoover, advocated the increased rate on first-class postage rates, and I quote from the Literary Digest, October 24, 1931, which article captioned "Is the Two-Cent Stamp Doomed?" in which former Postmaster General Brown is quoted from the New York Times and carries other pertinent observations on the subject and quotations from other publications and editors, as follows:

IS THE 2-CENT STAMP DOOMED?

The biggest business organization in the world is "in the red."

This organization is the United States Post Office, the Washington correspondents tell us.

If, in December, Congress acts on the recommendation of Postmaster General Walter Folger Brown, the 2-cent stamp will soon be supplanted by a new one of 2½ or 3 cents, to meet a deficit that now approaches $100,000,000 a year. As reported in the New York Times, Mr. Brown explains:

"A half-cent raise will bring in an additional $65,000,000 yearly, and with a 1-cent increase the deficit would be more than balanced by the extra $135,000,000.

"This would enable the Post Office Department to accomplish some other things we have in mind in this manufacturing and selling of stamps and postal service."

Though the United States Post Office Department has not paid its own way since about 1851, we read, its annual deficit in the last 5 years has been increasing by such leaps and bounds that now Postmaster General Brown contends that Congress ought to readjust postal rates and expenditures "to recover the entire cost of handling the post-office business from postal patrons, in proportion to the use which they make of post-office facilities."

Increased letter-postal rates to Canada and Great Britain went into effect on September 1, raising the old 2-cent rate to 3 cents across our northern border and 5 cents across the Atlantic. When other increases go into effect on November 1, the Philadelphia Inquirer reminds us, "practically all foreign destinations will be subject to the 5-cent rate, except the independent nations of Latin America. The Pan American Union will then be a postal union with a uniform letter rate on a 2-cent basis."

In 1930, notes the Boston Herald, this foreign mail comprised only 354,000,000 pieces out of a total of some 28,000,000,000.

But this business of handling mails "can no more be transformed into a money-making enterprise than a brook trout can be made to live in a cage"—so insists Representative Clyde Kelly (Republican Pennsylvania), of the House committee on postal affairs. Congressman Kelly has published a book on United States Postal Policy, in which he contends that it is perfectly logical that the Government should transport and deliver private mail for less than cost. In sharp opposition to Postmaster General Brown, Mr. Kelly asserts:

"No responsible American has ever agonized over postal deficit. That has always been a monopoly of postal officials who get no pleasure in contemplating the service given for a 2-cent stamp as the greatest value for the money in the world."

The prospect of the passing of the 2-cent stamp brings tears to the eyes, or at least the pens, of a number of editors. Almost sentimentally they quote the words of the Manchester (England) Guardian, moved by the boost in foreign rates, to mourn:

"There were always about the relations of this country and the States two strange and beautiful things:

"One is the Canadian frontier—3,000 miles of frontier without one defense work. The other is—soon we must say was—the reciprocal postage rate.

"Any Englishman could write to the States for the same penny half-penny that he would write to any part of England or the Empire itself.

"That mutual privilege was, one felt, something precious—of a worth not to be weighed in gold."

Loyal Republican organs like the New York Herald Tribune acquiesce in the Postmaster General's recommendation; but others, including the New Orleans Times-Picayune (independent Democratic), the Albany Knickerbocker Press (independent Republican), the Milwaukee Journal (independent), and the Birmingham News (independent), all agree that economies should not include the stamp boost. Calling attention to the fact that Mr. Brown proposes an increased rate for first-class mail only, "though first-class mail is the only branch of the Postal Service that pays its own way and more," the Washington News (independent) goes on to say:

"But first-class mail is also the one class of mail which meets no competition from private services.

"On letter mail the Government has a monopoly. The express companies fight for a share of all the other business handled.

"It is not proposed to raise the rates on second-, third-, and fourth-class mail, already carried at a loss. But letter mail, which produces 60 percent of the Post Office Department's annual revenues, is asked to carry the burden because for most of those who pay letter postage there is no escape."

Mr. Speaker, the Chamber of Commerce of the City of New York has inveighed against the 3-cent first-class postage rate and sought congressional enactment of legislation for the highly prejudiced relief in the interest of Greater New York, and this bill is the answer to their prayers.

Mr. Speaker, it was not long after the enactment of the Revenue Act of 1932, more especially section 1001, relating to first-class postage rates, until Mr. General Public became educated to the methods by which heavy mailers of first-class mail could avoid payment of the tax of an additional 1 cent, amounting to 50 percent. Lodges and clubs, and so forth, found it more economical to abandon the first-class sealed letter with the 2-cent stamp and used the unsealed postage-saver envelope. Electric-light, gas, and telephone companies found, in compact territory, they could deliver bills more economically than to mail them at the first-class rate plus the tax. Postal cards at 1 cent each for cost and the postage came into great favor, and the revenues anticipated by Postmaster General Brown fell way below the calculated amount. To recover as much of this lost business and revenue as possible became the problem of the Post Office Department.

Mr. Speaker, to catch the user of the postage-saver envelope the regulations were changed from the one-time 20 identical copies to 30 copies at a single mailing to secure advantage of the third-class rates of postage, were advanced to 200 identical copies, and the 1-cent embossed stamped envelope long sold by the Post Office Department became unmailable for this purpose unless with a regulatory legend of permissibility by reference to the specified section of the Postal Laws and Regulations are printed on the envelope sold with the stamp embossed thereon for the purpose. The Post Office Department was hard pressed to find a way of making it inconvenient and unpopular to use its own most economical service, thus seeking to discourage it. The further pinch of reduced revenues engendered the entirely unconstitutional administrative regulation of providing 2-cent first-class rates for local delivery within the office of mailing.

Mr. Speaker, when I was a post-office inspector in Chicago it was claimed that Western Avenue, within that city's limits, extended 38 miles in length; the extent to which additional communities and extended City Delivery Service since then is not known, but calculated considerable. This administrative action in the lifting of a tax imposed under the Revenue Act of 1932 from first-class postage rates effected a condition where a patron of the office at one extreme end of the avenue could have a letter delivered for 2 cents to a resident at the extreme opposite end of the delivery service. The same situation would apply in New York City within the confines of the delivery service of the post office. A letter collected from a street box at the Battery would pass through the Station P collection service and be canceled and then transported through New York City post-office facilities and be delivered through Kings Bridge Station or beyond as far as extended since I studied that city's distribution system.

Contrasted to this removal and effacement of this tax imposed under the Revenue Act of 1932 is the example in the district that I represent. The boroughs of Hamburg and West Hamburg, and Leesport and West Leesport are separated by the Schuylkill River, about 100 yards wide at these points, but first-class postage rates between these places bear the 50-percent tax that has been removed for local delivery within the area served by a single post office.

Mr. Speaker, this bill S. 3667 is discriminatory in its provisions and is the answer to the prayers of the New York Chamber of Commerce in that it would further violate the constitutional restrictions on Congress in further removing uniformity of a tax otherwise applied "throughout the United States." It removes "such additional (tax) rate to first-class matter mailed for local delivery wholly within a county the population of which exceeds 1,000,000, provided said county is entirely within a corporate city." That means delivery across the East River to take in Brooklyn, N. Y. It is discriminatory and affects no other spot in the United States.

Mr. Speaker, there is another matter to be considered. High officials of the Post Office Department have repeatedly assured postal employees there will be no reduction in salaries if the present rate of first-class postage continues. Postal employees are therefore effective lobbyists with Members of Congress to maintain this increased rate of first-class postage, even though it is a tax under the Revenue Act of 1932. With this assurance on the part of officials of the Post Office Department, I can only come to one conclusion as to the reaction on the part of the gentleman from New York [Mr. BARRY] if the elimination of this tax on the first-class postage rates for New York City and Brooklyn, N. Y., were to be taken literally at the word of the officials of the Post Office Department, and postal salaries were to be reduced in those cities commensurate to the loss of revenue, which must be borne by the other taxpayers of the Nation.

AMENDING SECTION 301 (A) OF THE SUGAR ACT OF 1937

Mr. DEROUEN. Mr. Speaker, I move to suspend the rules and pass the bill (S. 3237), to amend section 301 (a) of the Sugar Act of 1937.

Mr. TABER. Mr. Speaker, a point of order.

The SPEAKER. The gentleman will state it.

Mr. TABER. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER. The Chair will count. [After counting.] One hundred and fifty-three Members are present, not a quorum.

Mr. DEROUEN. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 153]

Allen, Pa.	Drewry	Mansfield	Seger
Anderson, Mo.	Flaherty	Marcantonio	Shafer, Mich.
Andrews	Flannery	Massingale	Shanley
Bates, Mass.	Gamble	Merritt	Sheridan
Bradley, Pa.	Green	Mitchell	Smith, Maine
Brewster	Halleck	Monroney	Smith, Wash.
Brown, Ohio	Hawks	Norton	Smith, W. Va.
Burdick	Jenkins, Ohio	Oliver	Somers, N.Y.
Burgin	Jennings	Pace	Sullivan
Byron	Johns	Pfeifer	Sumners, Tex.
Casey, Mass.	Keefe	Reed, N. Y.	Tenerowicz
Chapman	Keller	Risk	Thomas, N. J.
Cooley	Kirwan	Romjue	Thomas, Tex.
Crowther	Lemke	Routzohn	Vinson, Ga.
Darrow	Lynch	Sabath	Voorhis, Calif.
Dickstein	McArdle	Sandager	White, Ohio
Dingell	McGranery	Schuetz	Wolcott
Disney	McLean	Schwert	Wood

The SPEAKER. Three hundred and sixty-two Members have answered to their names, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

The SPEAKER. The Clerk will report the bill.

The Clerk read as follows:

Be it enacted, etc., That subsection (a) of section 301 of the Sugar Act of 1937 is amended by adding at the end thereof the following: "The Secretary is authorized to make payments, notwithstanding a failure to comply with the conditions provided in this subsection, but the payments made with respect to any crop shall be subject to a deduction of $10 for each child for each day, or a portion of a day, during which such child was employed or permitted to work contrary to the foregoing provisions of this subsection, in the 1937, 1938, and 1939 crops."

The SPEAKER. Is a second demanded on the motion of the gentleman from Louisiana [Mr. DEROUEN]?

Mr. HOPE. Mr. Speaker, I demand a second.

Mr. DEROUEN. Mr. Speaker, I ask unanimous consent that a second be considered as ordered.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

The SPEAKER. The gentleman from Louisiana is recognized.

Mr. DEROUEN. Mr. Speaker, the bill under consideration is Senate bill 3237, which has to do with an amendment to section 301 (a) of the Sugar Act of 1937.

The planters, in employing children in Louisiana, I mean boys under 14 or 15 years of age, have been penalized under this act. The law permits them to be employed over 14 years of age. There were a few farmers who employed children for a week or 10 days or 2 days who were under that age. I cite one case. There were employed 77 people and there were only 2 children under the age of 14. They took every precaution not to violate the law. We have never abused child labor in that area of Louisiana. We are very jealous of supporting child labor.

We took this precaution, that when they presented themselves, 40 or 50 or 60 at a time, we asked them their ages. They were made to sign an affidavit, a declaration that they were over that age. In addition to that, we have their parent or guardian, their uncle or someone in the family subscribe to that declaration or that affidavit. When the overseer or manager of a farm would find out they were under age they were immediately discharged. Fifty-four farmers were involved. Some of them were on the border line, and after investigation they were passed by, and there remains 43 of them for the years 1937, 1938, and 1939 whose benefit payments are withheld by the Secretary of Agriculture. This has been investigated thoroughly. It has the recommendation of the Department of Agriculture. It has the support and approval of the National Child Labor Committee. It has the support of labor organizations, as far as I know. I feel these farmers are justly entitled to be paid. They are conforming with every regulation.

Some of these men have $1,000 or $2,000 benefit payments that are held up. They have five or six children and they have had to take them out of school and college on account of this, and in addition they have mortgages on their farms. It is recommended that these cases are meritorious and they should be paid.

Mr. Speaker, the amendment which is now proposed to the Sugar Act is recommended by the Secretary of Agriculture for the purpose of straightening out a situation in which the language of the law is so strict that it has created administrative problems which can only be cured by an act of Congress.

Let me explain the difficulties. The Sugar Act requires that farmers who grow sugarcane and sugar beets comply with five conditions before they can become eligible for payments from the Department of Agriculture. These payments are financed by the sugar industry through a tax on sugar, and the amount collected from that tax each year is about $20,000,000 in excess of the amount paid out to farmers. The five conditions of compliance include acreage restrictions, soil-conserving practices, fair prices for sugarcane or sugar beets, a minimum-wage scale for labor in the fields, and also a prohibition against children being employed. In all of the cases involved the first four conditions have been complied with, but there have been technical violations in a few cases where boys, who had every appearance of being above the required age and who misrepresented their ages, were employed or permitted to work for 1 or 2 days. In every case which I know of the boy was discharged immediately upon a doubt being raised as to his age, even though in all cases he claimed to be over-age and had the appearance of mature growth.

As all of you know, the Sugar Act is the only law which fixes the wages of agricultural workers, and the growers of my State have paid the higher wages required. It is also a fact that the Sugar Act is the only law which prohibits children from performing agricultural work on the farm. This is something new and, like all new laws, it took a while for the farmers to make adjustments to guard against unintentional infractions.

Now, let me emphasize that this is not a proposal to change the law for the future. It is merely an amendment by which those farmers who were the victims of misrepresentation or inadvertence, as the Secretary of Agriculture himself states, may be allowed to participate in the program through the payment of a penalty of $10 per day per child. Under the provisions of section 301 of the Sugar Act, the growers have been deprived of the full payments due to them for the 1937, 1938, and 1939 crops. It is quite obvious Congress never intended that such an exaggerated and excessive penalty would ever be applied in technical cases, and yet the law is so strictly worded that the Secretary of Agriculture is without discretion. The amendment which we advocate fits the penalty to the offense but still does not excuse any farmer no matter how technical his so-called violation may have been.

The amendment which we now offer first received the unanimous approval of the Senate Committee on Agriculture after the Secretary of Agriculture had submitted a letter approving the change and recommending certain language, which has been adopted as written by the Department of Agriculture. The Senate then considered the matter and again it was passed unanimously; next the House Committee on Agriculture, after considering the proposal, likewise gave its unanimous approval and recommended to the House the adoption of the amendment. The Rules Committee now submits a special rule for its consideration.

In addition to the approval of the Department of Agriculture, I am pleased to announce that the National Child Labor Committee has looked into this proposal very carefully and after a complete study of the matter, the chairman has written a letter stating that they have no objection to the correction proposed in this amendment.

Mr. Speaker, let me stress again that for the purposes of the 1940 crop and for future years, if the law continues in effect, there will be no change made whatsoever in the requirements as to child labor. The amendment which is now under consideration will have the effect of clearing cases with respect to the 1937, 1938, and 1939 crops, but even in those cases it does not remove all penalties but fixes the penalties on a basis which is more in keeping with other child-labor laws of the United States.

Mr. Speaker, I speak with experience as a sugarcane grower for 50 years when I say that the sugarcane growers of Louisiana have gone through a great many hardships in order to comply with the strict regulations of the Department of Agriculture, and I am sure that everyone will see the justice of this claim which is based upon such extraordinary circumstances that it would be an injustice to deprive these farmers of their entire payments, simply because they had inadvertently or because of misrepresentation made to them technically violated one out of five conditions required to be eligible for payments. To show that there was no intention whatsoever to exploit children or to take advantage of child labor, the wages paid to the boys permitted to work for a day or two were at the wage scale for adults, as required by the regulations of the Department of Agriculture. If they paid an adult's wage, they expected to get the results of the work of a full-grown man. This definitely shows that there was no improper motive or intent to avoid child-labor regulations. In no case was there any employment of a group of children, but in every case which I know of the farmer who is being deprived of his payment had employed or permitted to work one overgrown boy for 1 or 2 days. These farmers are law-abiding citizens who deserve the relief which the Department of Agriculture has recommended when giving its approval to the amendment before us.

Mr. Speaker, under the Sugar Act of 1937, title IV, sections 401 to 406, inclusive, a tax of one-half cent per pound is levied on sugar consumed in the United States. This tax annually provides revenue of $66,000,000 to $73,000,000. The purpose of this sugar tax is to raise funds with which to finance the sugar program, including payments to growers of sugarcane and sugar beets. Each year the total cost of the sugar program has been at least $20,000,000 less than the total tax revenue, which means that the United States Treasury benefits upward of $20,000,000 annually.

In the appropriation bill for the Department of Agriculture each year an appropriation is made to cover all costs of the sugar program, including payments to farmers. Congress in 1938 made available funds with which to pay farmers on the 1937 crop. In 1939 Congress appropriated

funds to make payments on the 1938 crop; this year funds have been made available to make payments on the 1939 crop, and the appropriation for the 1940 crop will be made available through similar appropriations. Therefore, all funds used for payments to farmers based upon the 1937, 1938, and 1939 crops have already been appropriated by Congress for this specific purpose and the money has been collected into the United States Treasury by means of the tax on sugar.

According to table 24, page 42, of the official report of the United States Tariff Commission dated March 1940 and entitled "Statistics on Sugar," the Federal sugar revenues and disbursements under the sugar program have been as follows:

Year	Internal-revenue taxes		Net tax revenue
	Gross collections [1]	A. A. S. sugar payments [2]	
1934	$33,887,000	$56,000	$33,831,000
1935	66,440,000	57,015,000	9,425,000
1936	1,295,000	28,000,000	−26,705,000
1937	4,272,000	2,336,000	1,936,000
1938	66,368,000	29,730,000	36,638,000
1939	73,233,000	51,324,000	21,909,000

[1] The Jones-Costigan Sugar Act, effective June 8, 1934, imposes processing and import compensating taxes on the basis of one-half cent per pound for 96° sugar. Sugars of other polariscopic test were taxed proportionally. These taxes were discontinued following the decision of the Supreme Court on Jan. 6, 1936, that the processing-tax provisions of the Agricultural Adjustment Act were unconstitutional. The Sugar Act of 1937, effective Sept. 1, 1937, imposes an excise tax on manufactured sugar produced in the United States and an import compensating tax on manufactured sugar imported into the United States. The rate of tax is one-half cent per pound on 96° sugar, and sugars of other polariscopic test are taxed proportionally. Source: U. S. Bureau of Internal Revenue.

[2] Source: U. S. Department of Agriculture, Agricultural Adjustment Administration.

Mr. Speaker, I believe the preponderance of evidence submitted to the House this afternoon clearly indicates the fairness and justice of the enactment of this legislation in order that these sugar farmers might be paid the benefit payments justly due and owing them.

Mr. Speaker, I yield 3 minutes to the gentleman from Nebraska [Mr. COFFEE], who reported this bill.

Mr. COFFEE of Nebraska. Mr. Speaker, this bill was reported by the Senate unanimously. It came out of our Committee on Agriculture unanimously, and in order that you may know just what it is, let me read it to you. It is a very short amendment to the child-labor section of the Sugar Act of 1937:

That subsection (a) of section 301 of the Sugar Act of 1937 is amended by adding at the end thereof the following: "The Secretary is authorized to make payments, notwithstanding a failure to comply with the conditions provided in this subsection, but the payments made with respect to any crop shall be subject to a deduction of $10 for each child for each day, or a portion of a day, during which such child was employed or permitted to work contrary to the foregoing provisions of this subsection, in the 1937, 1938, and 1939 crops."

Mr. Speaker, this bill has been made necessary by virtue of the fact that our present sugar law provides a too severe penalty for child-labor violations. The sugar-beet or sugar-cane grower, who inadvertently violates the child-labor section of that act, would have his entire sugar benefit payments held up.

In many instances in Louisiana, I understand, there are payments of $50,000 or more held up because some child under age was employed for several days, although that child may have lied about his age when he got the job. Nevertheless, the law is such that the Secretary of Agriculture is unable to make these payments to the growers, even though they have complied with every other condition of the law. If they employed a child under age for 1 day the entire payment is held up. Consequently, in the interest of justice and equity, this bill provides that these payments may be paid, but that the penalty for violation shall be $10 per day for each day for each child that worked on the 1937, 1938, and 1939 crops. It does not apply to the 1940 crop. When this sugar legislation went into effect, many growers were not familiar with the provisions of the law. Let me read a letter which I received from Courtenay Dinwiddie, general secretary of the National Child Labor Committee, which committee was incorporated by act of Congress in 1907:

Mr. Dinwiddie writes me as follows:

NATIONAL CHILD LABOR COMMITTEE.
New York City, May 16, 1940.

Hon. HARRY B. COFFEE,
House of Representatives, Washington, D. C.

DEAR CONGRESSMAN COFFEE: The National Child Labor Committee favors the passage of S. 3237 as revised by the Senate and approved by the House Committee on Agriculture and now on the House Calendar. We believe that the loss of the entire sugar subsidy by a grower because of a minor infraction of the child-labor provisions of the Sugar Act of 1937 may easily work a hardship, and that S. 3237 now before the House would provide a reasonable remedy. We have taken this position on the bill in the light of assurance from Hon. MARVIN JONES that it does not waive or abrogate penalties for violations of the child-labor provisions of the Sugar Act of 1937 with respect to the 1940 crop and in the light of your own assurance that the discussion of this point on the floor of the Senate, when S. 3237 was agreed to, is a guarantee that the bill does not have the effect of abrogating any penalties with respect to the 1940 crop.

Sincerely yours,

COURTENAY DINWIDDIE,
General Secretary.

[Here the gavel fell.]

Mr. DEROUEN. Mr. Speaker, I yield 2 additional minutes to the gentleman from Nebraska.

Mr. COFFEE of Nebraska. Mr. Speaker, let me say that so far as I know there have been no violations of the child-labor sections in the sugar-beet areas in Nebraska, and very few, if any, in any of the sugar-beet areas. This bill applies primarily to the Louisiana situation. I feel that as a matter of equity this House should pass this bill, and it should be passed almost unanimously.

Mr. HORTON. Mr. Speaker, will the gentleman yield?

Mr. COFFEE of Nebraska. I yield.

Mr. HORTON. Is there anything at all showing that any growers have willfully violated the child-labor provisions of the act?

Mr. COFFEE of Nebraska. No. I want to say there is no evidence to my knowledge showing that any of the growers have willfully violated the Child Labor Act. The Secretary of Agriculture has recommended the passage of this bill.

Mrs. ROGERS of Massachusetts. Mr. Speaker, will the gentleman yield?

Mr. COFFEE of Nebraska. I yield.

Mrs. ROGERS of Massachusetts. The gentleman said that the violations of the child-labor provisions have been inadvertent. There is nothing in the bill but inadvertence. If they were inadvertent had we not better scrap all child-labor legislation and start anew? If we have laws against child labor how can we expect to enforce them if we forgive the penalties when violators claim inadvertence? It is very easy to claim that.

Mr. COFFEE of Nebraska. I think the gentlewoman from Massachusetts is unduly alarmed. I feel that when the Congress finds it has provided a penalty that is entirely too severe, in the interest of maintaining child-labor legislation, the penalty should be rewritten to more nearly provide the proper penalty, such as is being done in this bill.

Mrs. ROGERS of Massachusetts. But you are saying after the violation that there shall be no punishment. Why does this not set a precedent that when penal laws are violated the penalty is lifted retroactively?

Mr. COFFEE of Nebraska. If I may answer the gentlewoman from Massachusetts, a penalty provision is contained in this bill. The grower is penalized to the extent of $10 per day per child for every day the under-age child was permitted to work.

Mr. REES of Kansas. Mr. Speaker, will the gentleman yield?

Mr. COFFEE of Nebraska. I yield.

Mr. REES of Kansas. I think the gentleman said that about $50,000 is involved in payments withheld. How many growers would this affect?

Mr. COFFEE of Nebraska. I do not know how many growers or how much money is involved. In Louisiana there are large plantations, and more than $50,000 is involved in several of the pending cases.

Mr. MICHENER. Mr. Speaker, will the gentleman yield?

Mr. COFFEE of Nebraska. I yield.

Mr. MICHENER. As I understand it, organized labor, which is always protecting child labor, favors the enactment of this legislation.

Mr. COFFEE of Nebraska. I cannot say as to that, but I do know that the National Child Labor Committee approves and recommends the passage of this bill.

Mr. MICHENER. I understood the chairman of the committee to say that the statement I made was correct.

[Here the gavel fell.]

Mr. HOPE. Mr. Speaker, I yield myself 2 minutes.

Mr. Speaker, there is no question of policy involved in this bill either as to agriculture or child labor; it is simply a matter of adjusting a penalty which appears to be unusually severe to most of us who have looked into the matter. It is true that in some cases large sums of money are involved. This is because the mere employment for 1 day of a child under the age provided in the law might compel a producer to forfeit all of his Government payment. That payment, however, is not a gratuity given to him, it is a payment which comes out of his own pocket, because it is paid out of a tax that he pays himself. It seems to me that in the bill we are discussing there is a sufficient penalty for an inadvertent violation of the law—and this applies only to inadvertent violations—that is a payment of $10 per day for every child for every day the child was employed. I do not think a penalty of this kind will lend any encouragement to the employment of child labor. I hope therefore that in justice to those who have suffered these severe penalties this legislation will be enacted.

[Here the gavel fell.]

Mr. HOPE. Mr. Speaker, I yield 8 minutes to the gentlewoman from Massachusetts [Mrs. ROGERS].

Mrs. ROGERS of Massachusetts. Mr. Speaker, first of all I want to speak on the position of organized labor regarding this violation of the child-labor provisions of the act. On May 28, 1940, the newspaper, Labor, carried an editorial headed "Block Bill To Exploit Kiddies." The article is as follows:

BLOCK BILL TO EXPLOIT KIDDIES

Legislation criticized by opponents as designed to permit the exploitation of children of tender years in sugar fields was blocked in the House this week when an effort was made to bring it up under unanimous consent.

Its supporters immediately went before the reactionary Rules Committee and obtained a special rule for its consideration.

Congresswoman EDITH NOURSE ROGERS (Republican, Massachusetts) is leading the fight against the proposal, insisting its passage would be a national disgrace.

Under the Costigan-Jones Sugar Control Act, providing subsidies for the sugar industry, the employment of children under 14 is forbidden. Planters who violate this provision lose their claim to Government benefits.

The Department of Agriculture is holding up a number of checks because of violations, one being for $240,000 which a Louisiana planter cannot get because he employed 10-year-old children in the cane fields.

Legislation which a planters' lobby quietly slipped through the Senate and is trying to get through the House directs the Department of Agriculture to turn the checks loose and let offenders off with a fine of $10.

"It is unconscionable," Mrs. ROGERS said, "to use our Government's money to reward the sugar-plantation owners who violated the law.

"The report on this bill is an ironic paradox. It says that children were employed by planters under an inadvertence. If it is merely inadvertent to employ a 10-year-old child instead of an unemployed man or woman, then we should frankly repeal all child-labor laws.

"Either we must deny benefits under the Sugar Act to any Simon Legree who employs children under 14 or we should, in common decency, and as an act of public honesty, frankly admit that we condone the employment of children by sugar growers."

Such organizations as the National Congress of Parents and Teachers and the Young Women's Christian Association petitioned the Speaker of the House for a public hearing before it was considered. I have received numerous letters and telegrams protesting against this amendment. Hearings were not granted and the legislation has been railroaded through every committee. Now there is an attempt to railroad it through the House.

Mr. Dinwiddie, of the National Child Labor Committee, has never answered the letter I wrote to him in which I told him I was amazed that he should ask the Members of Congress to vote for this bill which condoned violations of the child-labor laws. In other letters he had asked me to protect child labor from exploitation.

Mr. COFFEE of Nebraska. Mr. Speaker, will the gentlewoman yield?

Mrs. ROGERS of Massachusetts. I will yield in just a minute.

Mr. Speaker, I wish to state to the House that two of these violators would receive payments in the neighborhood of $250,544; and also that in asking someone about it, I was told that one of these employers claimed he had only allowed a child to work for 1 day. It is a pretty good business proposition, is it not, for him to secure nearly $200,000 by paying a fine of only $10? Over a million dollars are involved in payments out of the Treasury in this bill—money due the Government in payment by sugar growers for admitted violations of the Sugar Act. The passage of this amendment will be a costly procedure for the Federal Treasury. No other group of violators of legislation passed by the Congress has ever been granted such exemptions. These Louisiana sugar violators of our laws have asked to be put in a highly privileged class.

There seems to be some power that these two largest violators of the law exert, as they are the ones so often spoken of. There is something very queer about this, because if a man pays $10 a day per child as a fine he will then receive some $180,000. In other child-labor acts, if the laws are violated by the employer, in every instance, so far as I know, the employer has been obliged to pay the full penalty required by law. There is something very mysterious about this amendment. This exacts full payment in 1940 if a man should violate the law, but allows the man—retroactively for 3 years, 1937, 1938, 1939—who has violated the act to escape with only a very small fine. I do not feel these employers employed children under 14 years of age inadvertently. We have a tremendous labor market today, a tremendous number of unemployed, men who are able to work in the sugar fields and who can stand the work in the hot sun. I asked one man why older persons were not employed. He replied that they can stand it. Think of employing children in that work. Little children under 14 do not grow properly if they are forced to do hard labor; they cannot stand labor out in that hot sun in the sugarcane fields.

I wrote to the chairman of the Rules Committee and asked to be heard when the bill was brought before the Rules Committee in order to protect little boys and girls and to prevent child labor and it is the only time in all my 16 years of experience in Congress when I asked for a hearing that the Rules Committee did not grant me a hearing. The bill was railroaded through the Senate, apparently without hearings, anyway without a report. It was reported by the House Committee on Agriculture, and in talking with Members on the floor here I am very sure they do not understand the provisions of the bill. I do not believe for a minute that Members here are willing to make a mockery of the Child Labor Act. If this amendment be adopted it will be a terrible blow on the child-labor record of this administration that has claimed to champion child labor.

Mr. CONNERY. Will the gentlewoman yield?

Mrs. ROGERS of Massachusetts. I yield to the gentleman from Massachusetts.

Mr. CONNERY. I would like to call to the gentlewoman's attention the fact that the words "inadvertent violator," which we have heard so many times here today, appears nowhere in this bill. Every single violator could claim that the violation was inadvertent, and no doubt many have done so even though their violations were deliberate and intentional.

Furthermore, a statement was made that this bill involves only $50,000 when, as a matter of fact, the amount involved is well over a million dollars. In fact, I have it right here in this report from the Sugar Division of the Department of Com-

merce that in one instance two sugar producers who are violators will split $255,000 or more.

Mrs. ROGERS of Massachusetts. The gentleman is absolutely correct. He is a great adviser against child labor—against the exploitation of little children. Apparently the growers admit they have violated the law, yet they ask that they be allowed to receive their full payments minus $10 per day per child for violations, which is practically nothing in the way of a fine. It is very bad for the legislative honor of Members of Congress if they sanction this type of legislation. If we pass this bill today, we are saying, in effect, to persons who violate the law, no matter what kind of law it may be, "You can go ahead and violate the law and later Congress will very obligingly forgive you if you pay $10, or some small sum. Then you can go ahead and violate it." This is very bad procedure. This would be a very bad precedent to establish.

Mr. COFFEE of Nebraska. Will the gentlewoman yield?

Mrs. ROGERS of Massachusetts. I yield to the gentleman from Nebraska.

Mr. COFFEE of Nebraska. I want to correct a statement that has been made. It has been stated here that only $50,000 is involved. I do not know how much is involved. I know that in some cases it is more than $50,000, but I have had no letters from anyone in reference to the total amount.

Mrs. ROGERS of Massachusetts. I understand there are no violators in the gentleman's State. So far as the beet-sugar growers are concerned, there are practically no violators. The following is the list of violators sent to me by Dr. Bernhardt, of the Department of Agriculture.

Sugarcane and sugar-beet producers involved in investigation of alleged noncompliance with the child-labor provisions of the Sugar Act of 1937, classified according to amount of conditional payments

Payment intervals and area	Number of producers involved	Amount of payments
MAINLAND CANE AREA		
Total [1]	39	$514,354.04
Under $500	1	248.24
$500 to $1,000	4	2,685.55
$1,000 to $2,500	12	18,951.86
$2,500 to $5,000	5	16,528.34
$5,000 to $10,000	7	54,763.79
$10,000 to $25,000	5	80,364.17
$25,000 to $50,000	3	90,267.82
$50,000 to $175,000	2	250,544.27
DOMESTIC BEET AREA		
Total [2]	33	6,302.82
Under $100	5	441.70
$100 to $150	11	1,305.73
$150 to $200	5	863.67
$200 to $300	6	1,438.05
$300 to $400	4	1,382.35
$400 to $500	2	871.32

[1] In addition to the foregoing, a payment of about $220,000 has been deferred in 1 case on the 1938 crop as an "offset" pending final determination with respect to a disputed minor instance of alleged noncompliance in the 1937 crop.

[2] Data on the amount of conditional payments are not available in Washington for approximately 150 additional possible noncompliance cases in sugar-beet areas, since their payment records are in the field offices.

There are more cases than are listed here among the cane-sugar-grower violators at the present time which are being investigated. This is a very cruel piece of legislation and very far reaching.

Mr. COFFEE of Nebraska. In view of the fact the gentlewoman has found a case involving $250,000, does the gentlewoman consider that is a just penalty to impose upon anyone in the event he violated the provisions of the law, even though it might have been through inadvertence?

Mrs. ROGERS of Massachusetts. Of course, the grower can appeal to the courts or the grower can secure the passage of a private bill. If you pass this measure, you are passing an omnibus claims bill in effect involving over a million dollars. Each claim should be considered on its merits. This is a very unwise piece of legislation. I am surprised that the gentleman from Nebraska and others have not informed themselves regarding the number of violators and the amounts involved.

Mr. CONNERY. The gentlewoman will agree, and I think every Member of this House will agree, that at the time section 301 (a) was placed in this act, it was done for the purpose of guarding against child-labor employment. Here we have cases where violators have admitted they violated the law and still have the audacity to ask compensation and forgiveness.

Mrs. ROGERS of Massachusetts. Yes; but apparently they do not ask forgiveness; they demand payment. They do not pretend it is an inadvertence. They admit they violated the law, then say it makes no difference and they must be paid. This is very pernicious legislation. It is very unfortunate that it is brought up under suspension without a chance to explain it fully or to amend it. It is "gag" procedure; only 10 minutes' time is given to the opposition.

Mr. RICH. Will the gentlewoman yield?

Mrs. ROGERS of Massachusetts. I yield to the gentleman from Pennsylvania.

Mr. RICH. At the time these children were hired did the growers know they were hiring children who were not supposed to be hired?

Mrs. ROGERS of Massachusetts. They knew the law, of course. They could have easily found out. If they violate the law in the State of Massachusetts they have to pay the penalty, as they do in the State of the gentleman from Nebraska [Mr. COFFEE]. There are no extenuating circumstances for inadvertence. The growers in Louisiana are intelligent enough and they must have known they would have to pay a fine if they employed children under 14. The penalty was such that they should take precautionary measures not to violate the law; but they took that chance, feeling they would be protected.

To show that the original act was perfectly fair, clear, and understandable, and was liberal to those farmers who wanted to employ their own children, I quote that section of the act:

(a) That no child under the age of 14 years shall have been employed or permitted to work on the farm, whether for gain to such child or any other person, in the production, cultivation, or harvesting of a crop of sugar beets or sugarcane with respect to which application for payment is made, except a member of the immediate family of a person who was the legal owner of not less than 40 percent of the crop at the time such work was performed; and that no child between the ages of 14 and 16 years shall have been employed or permitted to do such work, whether for gain to such child or any other person, for a longer period than 8 hours in any 1 day, except a member of the immediate family of a person who was the legal owner of not less than 40 percent of the crop at the time such work was performed.

The amendment is as follows:

The Secretary is authorized to make payments, notwithstanding a failure to comply with the conditions provided in this subsection, but the payments made with respect to any crop shall be subject to a deduction of $10 for each child for each day, or a portion of a day, during which such child was employed or permitted to work contrary to the foregoing provisions of this subsection, in the 1937, 1938, and 1939 crops.

Mr. RICH. I have known of cases where the parents swore to the age of the child.

Mrs. ROGERS of Massachusetts. Of course, the gentleman knows that it was the duty of the sugar grower to make sure he had not violated the law and to take no chances on that score.

Mr. RICH. I would like to know—I want some information as to whether the growers knowingly violated the law.

Mrs. ROGERS of Massachusetts. I made the following statement on the floor some time ago, I will say to the gentleman:

Section 301–A, however, expressly exempts the farmer who may wish to use his own child in planting or harvest time on his own farm. It seeks merely to outlaw the vicious padrone system, under which large groups of children are practically sold to a padrone or overseer, who "rents them out" for profit on these large plantations.

If they did not know, these overseers must have known and these overseers were employed by them. With the tremendous number of unemployed it must have been very easy to find

many people over 14 to do the work in the sugar fields. I see no excuse or justification on the part of the sugar growers.

[Here the gavel fell.]

Mr. MURRAY. Mr. Speaker, I yield 2 additional minutes to the gentlewoman from Massachusetts.

Mrs. ROGERS of Massachusetts. Mr. Speaker, I stated before that in those States that have child-labor laws the violators are always fined and punished in some way. The employers may protest, but no legislation is passed retroactively for their relief, nor do they ask for it.

They calmly pay the penalty. This is also true with Federal legislation of this kind. In all my 16 years in Congress I have never known of such an amendment to an act of this type to be brought before the House for passage. We retroactively forgive people for disobeying the law. I feel we must guard against general legislation of this type as well as prevent the employment of little children.

The irony of the whole thing is that the violators are exempted from paying their full penalty for the years 1937, 1938, and 1939; but in the year 1940 they are to pay the penalty. Apparently the administration does not have the courage to come out openly and change the law. Will they come back later and ask us to forgive the violators in 1940? If you pass this bill you will rue the day you did it, for you will have started a precedent which it will be hard to stop. Labor will say, and justly, you have not the courage to vote for the employment of little children, but after the child-labor laws have been violated you will condone it. What a ridiculous and untenable position to be placed in. How can Members defend their position, Mr. Speaker?

Mr. DEROUEN. Will the gentlewoman yield?

Mrs. ROGERS of Massachusetts. I yield to the gentleman from Louisiana.

Mr. DEROUEN. I will be very happy to explain why this is in there.

Mrs. ROGERS of Massachusetts. I am sorry. I cannot yield for a statement, but I yield for a question, if the gentleman wishes to ask me a question.

Mr. DEROUEN. No. I wanted to explain why it is in here. This is a crop that must be saved in 60 days.

Mrs. ROGERS of Massachusetts. I do not yield further. We are all familiar with the raising of sugarcane, and we must prevent child labor. Also, we all know there are plenty of unemployed who are able and glad of the opportunity to work without abusing little children. I cannot believe that the Members will vote for this measure and thereby condone and put their stamp of approval on child labor. [Applause.]

[Here the gavel fell.]

Mr. MURRAY. Mr. Speaker, I yield 4 minutes to the gentleman from Illinois [Mr. DIRKSEN].

Mr. DEROUEN. Mr. Speaker, I yield 3 minutes to the gentleman from Illinois.

Mr. DIRKSEN. Mr. Speaker, it appears to me that there is so much confusion about this whole matter that one example will probably clarify the issue in everybody's mind. As Confucius once said, "A picture is worth a thousand words," so let me give you a word picture of a single case.

A gentleman landed in Washington about 6 or 7 weeks ago from the city of Chicago. He was the general counsel for a sugar corporation in Louisiana. He told me a story about a benefit check running into hundreds of thousands of dollars which was being held up in the Department of Agriculture for an alleged violation of the child-labor provision of the Sugar Act, in which there is an interdiction on hiring a child under 14 years of age. When I heard the story I thought it was wholly unbelievable and said he ought to see the Secretary of Agriculture. I made an arrangement to see the Secretary in company with this gentleman at 4:30 on that afternoon. In that company was the Secretary of Agriculture, the Solicitor General of the Department of Agriculture, the head of the Sugar Section, two or three other members of the Department, myself, and the gentleman from Chicago. This is the story that was verified in the presence of the Secretary by the Solicitor General, who had all the files.

This company had been hiring thousands of persons on this particular sugar plantation in Louisiana. It so happened that they hired a boy who said he was over 16 years of age, not 14, as provided in the law. They hired him and kept him on the pay roll, as I recall, for 2 days. Then they became suspicious of his age and finally said, "You do not look as if you are over 14, and we will have to let you go."

That is all the evidence there was in the record, according to the Secretary and the Solicitor of the Department. They had sent investigators into Louisiana, but the only evidence that they could record that this boy was under 14 years of age was a baptismal certificate that had been made 7 years after the boy was born. The priest who made the certificate could not be found. On that single case, on that flimsy evidence, they were holding up a sugar check for the year 1938 of more than $200,000.

The singular thing about it is that this company complied with the law and got their check in 1937. They complied with the law, and then this alleged violation in 1937 became the basis for holding up their 1938 check. The Department of Justice ruled that under the provisions of the law they could not release that check. The answer of the Secretary of Agriculture when we had discussed this for an hour was, "I did not know there was anything like that going on. Any sugar corporation in the country might be blackmailed, and any individual could file a trumped-up charge that some child was under 14, and hold up several hundred thousand dollars in benefits for which the grower made the sacrifice in conformity with the Sugar Act of 1937."

There we have the Secretary of Agriculture himself stating that that is a preposterous and impossible situation, and that it should be remedied. So here is an amendment to the Sugar Act designed to impose a penalty of $10 a day for future years, and making it possible to release the money now being held, and unconscionably being held, by the United States Government. It is a travesty upon the interpretation of statutes that there cannot be more common sense, that there cannot be a rule of reason applied, but that is the penalty for red tape that starts in an administrative agency, goes through an entire department, and then comes up against an irresistible barricade in the General Accounting Office. If you do justice today, you will vote overwhelmingly for this amendment to the 1937 act, because nobody wants to believe that on such a flimsy pretext and such a tenuous premise the United States Government is doing business, after these people have made their sacrifices and reduced their acreage, and on top of it paid the processing tax on the sugar they produced.

Mrs. ROGERS of Massachusetts. Mr. Speaker, will the gentleman yield?

Mr. DIRKSEN. I yield to the gentlewoman from Massachusetts.

Mrs. ROGERS of Massachusetts. Does it not seem to the gentleman that a claim should be brought in here just as all other claims are brought in?

Mr. DIRKSEN. And then have the claim repose here in the Congress for 10 years while they go broke? Every day Uncle Sam is asking them to pay on the line when it comes time for the payment of the processing tax. No, the Government of the United States cannot do business on that basis. The Government expects payment from its taxpayers at a stated time. Therefore, the Government should pay its claims when due and payable.

Mrs. ROGERS of Massachusetts. The gentleman is usually extremely anxious to have the law obeyed. You will have violations of all our laws if you allow that.

Mr. DIRKSEN. There is not an iota of possibility in that at all. I am interested in seeing this Government do justice.

Mrs. ROGERS of Massachusetts. But it is condoning child labor.

Mr. DIRKSEN. There is no condonation of child labor involved here at all because there has never been proof of a violation. If a child comes to me and says, "Mr. DIRKSEN, I would like to work on your plantation," I say, "How

old are you?" He may say, "I am 17." I know what the law states, that a child cannot work if he is under 14. But the boy says, "I am 17, and you can ask my father and my mother, who live in the cottage down the road." There is no baptismal certificate on record. How am I going to prove it or disprove it? Those are the bases on which these checks are being denied to the people who produce the sugar and are paying the taxes today.

Mr. FITZPATRICK. Mr. Speaker, will the gentleman yield?

Mr. DIRKSEN. I yield to the gentleman from New York.

Mr. FITZPATRICK. I will tell the gentleman how they prove it in our State, and that is by getting the birth certificate, which they must bring to the employer. That is how they do it.

Mr. DIRKSEN. The gentleman must know that many States have a very inadequate birth registration system. As a matter of fact, when I was certified for a commission in the Army I could not find any birth record on file in my home town, and Uncle Sam almost denied me a commission during the World War just on that score. So when you get into some of these other States you find that situation manifest today.

Mr. CONNERY. Mr. Speaker, will the gentleman yield?

Mr. DIRKSEN. I yield to the gentleman from Massachusetts.

Mr. CONNERY. The gentleman has cited a very interesting story in describing the case he mentioned a few moments ago.

Mr. DIRKSEN. They are virtually all the same.

Mr. CONNERY. If that were the only case then we might view it in the light of one with extenuating circumstances and it would make it more possible probably for the House to look with favor on this particular bill, but if the gentleman would like to know it, and basing my statement on an official report I have received from the Sugar Division of the Department of Agriculture, I can say that in 1937 there were 25 different producers involved as violators in this type of violation in Louisiana; in 1938 there were 37 different producers in violation; and in 1939 there were 15 different producers in violation. It would be improbable to state that all of these cases are virtually all the same and to say these violations are all inadvertent.

Mr. DIRKSEN. It does not make any difference how many producers there are, it does not make any difference how much money is involved, these people have complied with the act. If there has been any violation as alleged it is due to a misrepresentation on the part of some child, and would you, in the name of conscience and justice, penalize our own citizens today on that kind of a basis? That is all the evidence there is to go on. This measure ought to be adopted by an overwhelming vote. [Applause.]

Mr. DEROUEN. Mr. Speaker, I yield 2 minutes to the gentleman from Louisiana [Mr. MOUTON].

Mr. MOUTON. Mr. Speaker, I should like to say that I believe this bill is most meritorious and worthy of favorable action on the part of the House. The Department of Agriculture has approved it, all domestic producing areas of the sugar industry are for it, the Senate has approved it, and our House Committee on Agriculture has approved it.

It will correct an inequitable condition which exists under the Sugar Act of 1937 and will harm no one in any respect whatsoever. These sugarcane and sugar-beet producers for whom the measure will afford relief are badly in need of the funds to carry on the operations of their farms. They are the victims of circumstances in being denied these payments by the Government on their crops, and I fully believe that they are deserving of this help.

I appeal to you for your support in passing the bill as offered.

Section 301 of the Sugar Act outlines the conditions which must be fulfilled by a farmer who produces sugarcane in order that he may become eligible for the payment which the Secretary of Agriculture is authorized to make. There are five conditions required and one of them states that no child under 14 years of age shall be employed or permitted to work and no child under 16 years of age shall be employed or permitted to work longer than 8 hours per day.

The amendment now before the House and which has already passed the Senate unanimously, merely seeks to correct a situation which has been brought about by the fact that in the administration of the law no discretion whatsoever is permitted to the Secretary of Agriculture according to the interpretation of the law by the Department of Justice. There is no purpose to change the Sugar Act with regard to present or future enforcement. The Secretary of Agriculture has recognized the merits of the unfortunate and difficult situation existing with respect to the 1937 and 1938 crops and in his letter to the Senate Agriculture Committee, he has given his approval to the amendment. In fact, the language of the amendment now proposed was suggested by the Secretary of Agriculture in his letter, reading as follows:

> The Department, therefore, recommends that the first section of S. 3237 be changed to read as follows:
>
> "That subsection (a) of section 301 of the Sugar Act of 1937 is amended by adding at the end thereof the following: 'The Secretary is authorized to make payments, notwithstanding a failure to comply with the conditions provided in this subsection, but the payments made with respect to any crop shall be subject to a deduction of $10 for each child for each day, or a portion of a day during which such child is employed or permitted to work contrary to the foregoing provisions of this subsection.' "

Discussing the general situation in Louisiana, the Secretary describes in his letter the administrative difficulties which are sought to be corrected by the proposed amendment. He states:

> In administering the act, a number of cases have been found in which children under age were employed or permitted to work on farms, although the producers apparently did not know that the children were under age and used reasonable precautions to ascertain the facts. In the opinion of the Department, the law now requires that payment be denied in such a case, although the producer has met all other conditions for payment provided in the act. These conditions require the payment of wages determined by the Secretary to be fair and reasonable; the carrying out of soil practices which the Secretary prescribes for preserving and improving the fertility of the soil; the holding of sugarcane or sugar-beet marketing within the limitations of the proportionate share for the farm; and, in the case of producers who are also processors, the payment of prices for sugarcane and sugar beets which the Secretary determines to be fair and reasonable. Producers who have met these conditions of the act undoubtedly suffer a hardship by reason of the withholding of payments because of inadvertent child-labor violations.

I can state to the House that my own investigation and information shows that there are only a very few cases over the period of the crops of 1937 and 1938 which show that anyone under age has found employment or been permitted to work in the sugarcane industry. I am pleased to state that a sincere effort has been made by the industry to educate and inform all of the farmers with respect to the conditions required by the Sugar Act and particularly child-labor regulations. As far as I am able to learn there has been no further evidence of children being employed during the past year, and the isolated cases in which a technical violation was found in connection with the 1937 or 1938 crops can be laid to the misrepresentations as to ages by the children or their parents, and to the fact that the existence of child-labor regulations in agriculture was something entirely new in the experience of farmers.

In every case which I know of, the young man was discharged immediately upon question being raised or doubt created as to his age. A typical case, as an illustration, is that of an orphan boy who is being supported by his uncle on a small farm. As is usual with farm boys, he performed some of the chores which every one of you who were born on a farm knows is the usual experience of farm life. The custom prevails that at harvesting time, neighbors help each other by one neighbor going with all of his laborers to help in the harvest, and this usually comes when weather conditions have placed the crop in jeopardy. Now, the boy in question had been working with his uncle and was permitted to help out under extraordinary circumstances. In the minds of the farmers there was an emergency and everybody pitched in to help. To my mind, there was no violation

of the child-labor principles, especially that the provisions of section 301 (a) exempt the child of a farmer as far as work on his farm may be concerned. But, the fact remains that a boy, under age, did work on another farm.

Now, all of these matters have to be explained and brought to the knowledge of the poor farmer who may be uninformed and who is a law-abiding citizen with no intention, whatsoever, to avoid laws or regulations.

Another typical example is that of a large plantation where a man on a truck solicited laborers and took a gang on his truck out to the plantation. They were put to work as a gang on 1 day. On the next day the overseer noticed that one of the young men appeared to be too young, although well developed. He questioned the foreman, who said that the boy was 15 and could work 8 hours. The overseer was not satisfied with the representations of the boy, who could not furnish proof of his age, and so that boy was immediately paid off at the adult rate in the wage scale and told not to come back. There was no birth certificate available in this case and the agent of the owner, acting upon instructions which had been given by the owner not to employ children under 16, discharged the young man on suspicion of being under age, although the boy insisted he was over age. It is very evident that the fact of prompt discharge and the payment of the adult rate, plus the fact that the boy was not worked more than 8 hours per day, demonstrates that there was no intention or attempt to exploit children or violate the child-labor regulations. In my opinion, Congress never intended that a case of this kind should be subject to so technical an interpretation of the law that permitting a boy to work for 1 or 2 days is a violation requiring the Secretary to charge the owner with noncompliance with the entire program, although he had complied with the four other conditions.

In explanation of the proposed amendment, let me emphasize and direct your attention to the fact that this amendment does not absolve anyone from any violation, no matter how inadvertent or technical. If the regulations were violated, there must be a penalty, but the penalty should be in proportion to the offense and should be equally applied upon all persons.

All Federal and State child-labor laws have penalties which are definite and limited, and they are made to fit the offense. There are fines up to $10,000, but no higher. That is in accordance with legal procedure and enforcement.

Under the Sugar Act, the payments have become a very important part of any farmer's income for the reason that he is required to pay a higher wage rate to laborers and there is collected on all sugar a tax of one-half cent per pound. This tax is paid by the processors, but since the purchase contract for sugarcane is based upon the price of sugar, it is easy to see that the tax results in a lower price for the sugarcane bought; therefore, the Government payment is in the form of a refund to the grower of sugarcane and acts as a means of distributing the income from the crop commensurately among laborers, farmers, and processors. There should be a penalty for violation, but that penalty should not be a complete loss of all right to participate in a program when the four other conditions have been met and the tax on sugar collected, regardless. Therefore, it is proposed by this amendment to fix a penalty of $10 per day for each day that each child may be employed, so that one who violates the law persistently will have to pay a much greater penalty than one who merely employed a youth through inadvertence or because of a misrepresentation as to age, but who discharged him as soon as doubt was created as to the actual age of the person employed.

I am opposed to child labor, and I favor child-labor regulations. I want to assure my colleagues that this amendment does not excuse the employment of children. But, I must also explain that the Sugar Act is the only law which regulates child labor in agriculture. Benefit payments are made to farmers who produce cotton, wheat, corn, rice, and other products, without requirements as to child labor or wage scales in the agricultural operations. Therefore, it is easy to understand by one who chooses to be understanding that this innovation in agricultural regulation was something new in the experience of farmers during the first year or two. Since that time I can assure you the situation has improved so greatly that I know of no cases where there have been complaints of child-labor violation in the crop operations of the past year. This shows the good intentions and the effort being made to cooperate in the enforcement and observance of the law. We all recognize that the purpose and intent of child-labor regulations is constructive, and farmers should be encouraged when they show a willingness to adjust themselves to these new requirements. The enforcement of any law in America can best be obtained by reasonable recognition of the difficulties of first application or enforcement. No one can convince citizens of the fairness and desirability of a law by harsh and technical interpretations which refuse to accept the good faith of farmers, most of whom have been the victims of misrepresentation by those seeking employment and their parents.

When it is considered that there are over 70,000 workers who are employed at one time or another by the Louisiana sugar growers during each crop year, it is quite evident that the industry cannot be accused of opposition or unwillingness to observe child-labor prohibitions, when there have been less than 50 cases of technical violation holding up payments under the sugar program for the past 3 years, and those cases are admittedly not based upon evidence of willful intent or guilty knowledge.

I trust that the House will support this amendment which does not, I repeat, absolve or forgive violations of child-labor regulations but merely and solely and exclusively provides a penalty which is in proportion to the offense. Finally, let me say again that the amendment does not affect the regulations or the law with respect to present or future operations, but is merely intended to correct an unfair and unfortunate situation which has inadvertently come about but by which well-earned payments on the past crops of 1937 and 1938 are now being withheld from farmers. As already stated, this amendment has the approval of and is written in the language recommended by the Secretary of Agriculture.

Mr. JOHNS. Mr. Speaker, I yield 4 minutes to the gentleman from Michigan [Mr. CRAWFORD].

Mr. CRAWFORD. Mr. Speaker, I think this proposition is pretty well understood by all those present. When we enact legislation which has to do with farm labor, the hiring of people on the farm, the gathering of the crops, especially the seasonable crops which must be taken in very rapidly—and this, I think, applies to almost all the crops—we get into relationships and transactions such as we are now here discussing.

I do not believe it was the intent of the people who represent the cotton areas, the wheat areas, the corn areas, the sugar areas, the fruit areas, or any other crop area of this country, to have an act administered in this manner. I do not believe it was the intent of any of them to attempt to penalize a farm operator whether in the form of a corporation, a partnership, or a proprietorship; whether growing sugar, fruit, cotton, wheat, corn, or any other crop, and have such a burden imposed upon him for a technical violation, if you please, of this nature, even if there was a technical violation.

I certainly hope that this amendment will be adopted.

Mr. MURDOCK of Arizona. Mr. Speaker, will the gentleman yield?

Mr. CRAWFORD. I yield to the gentleman from Arizona.

Mr. MURDOCK or Arizona. I want most certainly to protect our children, but I also want to save our farmers from unjust, illogical penalties. Does the gentleman believe that this law, if passed, will relieve a farm operator of a technical penalty without doing injury to the spirit of our child-labor laws? If so, I shall support it.

Mr. CRAWFORD. The amendment proposed here will penalize a farmer $10 per day per person, or any part of a day, if he hires anyone under 14 years of age; and if you

can show me how a farmer can pay $10 a day for farm labor, and get out whole, I wish you would show me the details of the operation, because I would like to know something about it.

Mr. MURDOCK of Arizona. And this pending measure will prevent positively the hiring of child labor, will it not, on our farms and ranches?

Mr. CRAWFORD. That penalty will, of course.

Mr. MURDOCK of Arizona. Exactly. We must balance common sense and justice in these matters.

Mr. CRAWFORD. Unless you have some new kind of farm operation that I do not know anything about—and I study those matters pretty closely.

Mr. COFFEE of Nebraska. Mr. Speaker, will the gentleman yield?

Mr. CRAWFORD. I yield.

Mr. COFFEE of Nebraska. Is it not a fact that this penalty of this large amount of money taken from these Louisiana producers is largely their own money taken from them by virtue of the tax?

Mr. CRAWFORD. The grower of sugarcane and the grower of sugar beets grows those products under a participating contract, and the 55 cents per hundred tax against a bag of sugar is charged back against that sugar, and the farmer has to carry his share of the burden and the processor has to carry his share of the burden.

Now, there is just one other point. A question has been raised about somebody getting a benefit payment of around $200,000. Suppose you are growing cotton on a big cotton plantation, or wheat on a wheat plantation, or sugar on a sugar plantation. We have designed these agricultural laws so that these large benefits go to the grower, irrespective of whether it is a corporation or an individual; so that has nothing to do with the situation here at all.

Mrs. ROGERS of Massachusetts. Mr. Speaker, will the gentleman yield?

Mr. CRAWFORD. I yield to the gentlewoman from Massachusetts.

Mrs. ROGERS of Massachusetts. Does it not seem to the gentleman from Michigan clearly fair that when people have violated the law they should pay the penalty which they knew when they violated the law they would have to pay?

Mr. CRAWFORD. I suppose the gentlewoman from Massachusetts would have us penalize a farming operative $50,000 or $100,000 or $300,000 for violating some crazy law that Congress enacted or some bureau administrator put into operation? I do not think that has anything to do with the situation at all. [Applause.]

[Here the gavel fell.]

The SPEAKER. The question is on the motion of the gentleman from Louisiana to suspend the rules and pass the bill.

The question was taken; and on a division, demanded by Mrs. ROGERS of Massachusetts, there were—ayes 190, noes 21.

So, two-thirds having voted in favor thereof, the rules were suspended, and the bill was passed.

A motion to reconsider was laid on the table.

CHARGES FOR ELECTRICAL ENERGY, BOULDER DAM

Mr. TAYLOR of Colorado. Mr. Speaker, I move to suspend the rules and pass the bill (H. R. 9877) authorizing the Secretary of the Interior to promulgate and to put into effect charges for electrical energy generated at Boulder Dam, providing for the application of revenues from said project, authorizing the operation of the Boulder power plant by the United States directly or through agents, and for other purposes, as amended, which I send to the desk and ask to have read.

The SPEAKER. The gentleman from Colorado moves to suspend the rules and pass the bill, H. R. 9877, with amendments, which the Clerk will report.

The Clerk read as follows:

Be it enacted, etc., That the Secretary of the Interior is hereby authorized and directed to, and he shall, promulgate charges, on the basis of computation thereof, for electrical energy generated at Boulder Dam during the period beginning June 1, 1937, and ending May 31, 1987, computed to be sufficient, together with other net revenues from the project, to accomplish the following purposes:

(a) To meet the cost of operation and maintenance, and to provide for replacements, of the project during the period beginning June 1, 1937, and ending May 31, 1987;

(b) To repay to the Treasury, with interest, the advances to the Colorado River Dam fund for the project made prior to June 1, 1937, within 50 years from that date (excluding advances allocated to flood control by section 2 (b) of the Project Act, which shall be repayable as provided in section 7 hereof), and such portion of such advances made on and after June 1, 1937, as (on the basis of repayment thereof within such 50-year period or periods as the Secretary may determine) will be repayable prior to June 1, 1987;

(c) To provide $600,000 for each of the years and for the purposes specified in section 2 (c) hereof; and

(d) To provide $500,000 for each of the years and for the purposes specified in section 2 (d) hereof.

Such charges may be made subject to revisions and adjustments at such times, to such extent, and in such manner, as by the terms of their promulgation the Secretary shall prescribe.

SEC. 2. All receipts from the project shall be paid into the Colorado River Dam fund and shall be available for:

(a) Annual appropriation for the operation, maintenance, and replacements of the project, including emergency replacements necessary to insure continuous operations;

(b) Repayment to the Treasury, with interest (after making provision for the payments and transfers provided in subdivisions (c) and (d) hereof), of advances to the Colorado River Dam fund for the construction of the project (excluding the amount allocated to flood control by section 2 (b) of the Project Act), and any readvances made to said fund under section 5 hereof; and

(c) Payment subject to the provisions of section 3 hereof, in commutation of the payments now provided for the States of Arizona and Nevada in section 4 (b) of the Project Act, to each of said States of the sum of $300,000 for each year of operation, beginning with the year of operation ending May 31, 1938, and continuing annually thereafter until and including the year of operation ending May 31, 1987, and such payments for any year of operation which shall have expired at the time when this subdivision (c) shall become effective shall be due immediately, and be paid, without interest, as expeditiously as administration of this act will permit, and each such payment for subsequent years of operation shall be made on or before July 31, following the close of the year of operation for which it is made. All such payments shall be made from revenues hereafter received in the Colorado River Dam fund.

Notwithstanding the foregoing provisions of this subsection, in the event that there are levied and collected by or under authority of Arizona or Nevada or by any lawful taxing political subdivision thereof, taxes upon—

(i) the project as herein defined;

(ii) the electrical energy generated at Boulder Dam by means of facilities, machinery, or equipment both owned and operated by the United States, or owned by the United States and operated under contract with the United States;

(iii) the privilege of generating or transforming such electrical energy or of use of such facilities, machinery, or equipment or of falling water for such generation or transforming; or

(iv) the transmission or control of such electrical energy so generated or transformed (as distinguished from the transmission lines and other physical properties used for such transmission or control) or the use of such transmission lines or other phyical properties for such transmission or control,

payments made hereunder to the State by or under the authority of which such taxes are collected shall be reduced by an amount equivalent to such taxes. Nothing herein shall in anywise impair the right of either the State of Arizona or the State of Nevada, or any lawful taxing political subdivision of either of them, to collect nondiscriminatory taxes upon that portion of the transmission lines and all other physical properties, situated within such State and such political subdivision, respectively, and belonging to any of the lessees and/or allottees under the Project Act and/or under this act, and nothing herein shall exempt or be construed so as to exempt any such property from nondiscriminatory taxation, all in the manner provided by the constitution and laws of such State. Sums, if any, received by each State under the provisions of the Project Act shall be deducted from the first payment or payments to said State authorized by this act. Payments under this section 2 (c) shall be deemed contractual obligations of the United States, subject to the provisions of section 3 of this act.

(d) Transfer, subject to the provisions of section 3 hereof, from the Colorado River Dam fund to a special fund in the Treasury, hereby established and designated the "Colorado River development fund," of the sum of $500,000 for the year of operation ending May 31, 1938, and the like sum of $500,000 for each year of operation thereafter, until and including the year of operation ending May 31, 1987. The transfer of the said sum of $500,000 for each year of operation shall be made on or before July 31 next following the close of the year of operation for which it is made: *Provided*, That any such transfer for any year of operation which shall have ended at the time this section 2 (d) shall become effective, shall be made, without interest, from revenues received in the Colorado River Dam fund, as expeditiously as administration of this act will permit, and without readvances from the general funds of the

Treasury. Receipts of the Colorado River development fund for the years of operation ending 1938, 1939, and 1940 (or in the event of reduced receipts during any of said years, due to adjustments under section 3 hereof, then the first receipts of said fund up to $1,500,000) are authorized to be appropriated only for the continuation and extension, under the direction of the Secretary, of studies and investigations by the Bureau of Reclamation for the formulation of a comprehensive plan for the utilization of waters of the Colorado River system for irrigation, electrical power, and other purposes, in the States of the upper division and the States of the lower division, including studies of quantity and quality of water and all other relevant factors. The next such receipts up to and including the receipts for the year of operation ending in 1955 are authorized to be appropriated only for the investigation and construction of projects for such utilization in and equitably distributed among the four States of the upper division. Such receipts for the years of operation ending in 1956 to 1987, inclusive, are authorized to be appropriated for the investigation and construction of projects for such utilization in and equitably distributed among the States of the upper division and the States of the lower division. The terms "Colorado River system", "States of the upper division", and "States of the lower division" as so used shall have the respective meanings defined in the Colorado River compact mentioned in the Project Act. Such projects shall be only such as are found by the Secretary to be physically feasible, economically justified, and consistent with such formulation of a comprehensive plan. Nothing in this act shall be construed so as to prevent the authorization and construction of any such projects prior to the completion of said plan of comprehensive development; nor shall this act be construed as affecting the right of any State to proceed independently of this act or its provisions with the investigation or construction of any project or projects. Transfers under this section 2 (d) shall be deemed contractual obligations of the United States, subject to the provisions of section 3 of this act.

SEC. 3. If, by reason of any act of God, or of the public enemy, or any major catastrophe, or any other unforeseen and unavoidable cause, the revenues, for any year of operation, after making provision for costs of operation, maintenance, and the amount to be set aside for said year for replacements, should be insufficient to make the payments to the States of Arizona and Nevada and the transfers to the Colorado River development fund herein provided for, such payments and transfers shall be proportionately reduced, as the Secretary may find to be necessary by reason thereof.

SEC. 4. (a) Upon the taking effect of this act, pursuant to section 10 hereof, the charges, or the basis of computation thereof, promulgated hereunder, shall be applicable as from June 1, 1937, and adjustments of accounts by reason thereof, including charges by and against the United States, shall be made so that the United States and all parties that have contracted for energy, or for the privilege of generating energy, at the project, shall be placed in the same position, as nearly as may be, as determined by the Secretary, that they would have occupied had such charges, or the basis of computation thereof, and the method of operation which may be provided for under section 9 hereof, been effective on June 1, 1937: *Provided*, That such adjustments with contractors shall not be made in cash, but shall be made by means of credits extended over such period as the Secretary may determine.

(b) In the event payments to the States of Arizona and Nevada, or either of them, under section 2 (c) hereof, shall be reduced by reason of the collection of taxes mentioned in said section, adjustments shall be made, from time to time, with each allottee which shall have paid any such taxes, by credits or otherwise, for that proportion of the amount of such reductions which the amount of the payments of such taxes by such allottee bears to the total amount of such taxes collected.

SEC. 5. If at any time there shall be insufficient sums in the Colorado River Dam fund to meet the cost of replacements, however necessitated, in addition to meeting the other requirements of this act, or of regulations authorized hereby and promulgated by the Secretary, the Secretary of the Treasury, upon request of the Secretary of the Interior, shall readvance to the said fund, in amounts not exceeding, in the aggregate, moneys repaid to the Treasury pursuant to section 2 (b) hereof, the amount required for replacements, however necessitated, in excess of the amount currently available therefor in said Colorado River Dam fund. There is hereby authorized to be appropriated, out of any money in the Treasury not otherwise appropriated, such sums, not exceeding said aggregate amount, as may be necessary to permit the Secretary of the Treasury to make such readvances. All such readvances shall bear interest.

SEC. 6. Whenever by the terms of the Project Act or this act payment of interest is provided for, and whenever interest shall enter into any computation thereunder, such interest shall be computed at the rate of 3 percent per annum, compounded annually.

SEC. 7. The first $25,000,000 of advances made to the Colorado River Dam fund for the project shall be deemed to be the sum allocated to flood control by section 2 (b) of the Project Act and repayment thereof shall be deferred without interest until June 1, 1987, after which time such advances so allocated to flood control shall be repayable to the Treasury as the Congress shall determine.

SEC. 8. The Secretary is hereby authorized from time to time to promulgate such regulations and enter into such contracts as he may find necessary or appropriate for carrying out the purposes of this act and the project act, as modified hereby, and, by mutual consent, to terminate or modify any such contract: *Provided, however*, That no allotment of energy to any allottee made by any rule or regulation heretofore promulgated shall be modified or changed without the consent of such allottee.

SEC. 9. The Secretary is hereby authorized to negotiate for and enter into a contract for the termination of the existing lease of the Boulder power plant made pursuant to the Project Act, and in the event of such termination the operation and maintenance, and the making of replacements, however necessitated, of the Boulder power plant by the United States, directly or through such agent or agents as the Secretary may designate, is hereby authorized. The powers, duties, and rights of such agent or agents shall be provided by contract, which may include provision that questions relating to the interpretation or performance thereof may be determined, to the extent provided therein, by arbitration or court proceedings. The Secretary, in consideration of such termination of such existing lease, is authorized to agree (a) that the lessees therein named shall be designated as the agents of the United States for the operation of said power plant; (b) that (except by mutual consent or in accordance with such provisions for termination for default as may be specified therein) such agency contract shall not be revocable or terminable; and (c) that suits or proceedings to restrain the termination of any such agency contract, otherwise than as therein provided, or for other appropriate equitable relief or remedies, may be maintained against the Secretary. Suits or other court proceedings pursuant to the foregoing provisions may be maintained in, and jurisdiction to hear and determine such suits or proceedings and to grant such relief or remedies is hereby conferred upon, the District Court of the United States for the District of Columbia, with the like right of appeal or review as in other like suits or proceedings in said court. The Secretary is hereby authorized to act for the United States in such arbitration proceedings.

SEC. 10. This act shall be effective immediately for the purpose of the promulgation of charges, or the basis of computation thereof, and the execution of contracts authorized by the terms of this act, but neither such charges, nor the basis of computation thereof, nor any such contract, shall be effective unless and until this act shall be effective for all purposes. This act shall take effect for all purposes when, but not before, the Secretary shall have found that provision has been made for the termination of the existing lease of the Boulder power plant and for the operation thereof as authorized by section 9 hereof, and that allottees obligated under contracts in force on the date of enactment of this act to pay for at least 90 percent of the firm energy shall have entered into contracts (1) consenting to such operation, and (2) containing such other provisions as the Secretary may deem necessary or proper for carrying out the purposes of this act. For purposes of this section such 90 percent shall be computed as of the end of the absorption periods provided for in regulations heretofore promulgated by the Secretary and in effect at the time of the enactment of this act.

If contracts in accordance with the requirements of this section shall not have been entered into prior to June 1, 1941, this act shall cease to be operative and shall be of no further force or effect.

SEC. 11. Any contractor for energy from the project failing or refusing to execute a contract modifying its existing contract to conform to this act shall continue to pay the rates and charges provided for in its existing contract, subject to such periodic readjustments as are therein provided, in all respects as if this act had not been passed, and so far as necessary to support such existing contract all of the provisions of the Project Act shall remain in effect, anything in this act inconsistent therewith notwithstanding.

SEC. 12. The following terms wherever used in this act shall have the following respective meanings:

"Project Act" shall mean the Boulder Canyon Project Act;

"Project" shall mean the works authorized by the Project Act to be constructed and owned by the United States, exclusive of the main canal and appurtenances mentioned therein, now known as the All-American Canal;

"Secretary" shall mean the Secretary of the Interior of the United States;

"Firm energy" and "allottees" shall have the meaning assigned to such terms in regulations heretofore promulgated by the Secretary and in effect at the time of the enactment of this act;

"Replacements" shall mean such replacements as may be necessary to keep the project in good operating condition during the period from June 1, 1937, to May 31, 1987, inclusive, but shall not include (except where used in conjunction with the word "emergency" or the words "however necessitated") replacements made necessary by any act of God, or of the public enemy, or by any major catastrophe; and

"Year of operation" shall mean the period from and including June 1 of any calendar year to and including May 31 of the following calendar year.

SEC. 13. The Secretary of the Interior shall, in January of each year, submit to the Congress a financial statement and a complete report of operations under this act during the preceding year of operation as herein defined.

SEC. 14. Nothing herein shall be construed as interfering with such rights as the States now have either to the waters within their borders or to adopt such policies and enact such laws as they

may deem necessary with respect to the appropriation, control, and use of waters within their borders, except as modified by the Colorado River compact or other interstate agreement. Neither the promulgation of charges, or the basis of charges, nor anything contained in this act, or done thereunder, shall in anywise affect, limit, or prejudice any right of any State in or to the waters of the Colorado River system under the Colorado River compact. Sections 13 (b), 13 (c), and 13 (d) of the Project Act and all other provisions of said Project Act not inconsistent with the terms of this act shall remain in full force and effect.

SEC. 15. All laborers and mechanics employed in the construction of any part of the project, or in the operation, maintenance, or replacement of any part of the Boulder Dam, shall be paid not less than the prevailing rate of wages or compensation for work of a similar nature prevailing in the locality of the project. In the event any dispute arises as to what are the prevailing rates, the determination thereof shall be made by the Secretary of the Interior, and his decision, subject to the concurrence of the Secretary of Labor, shall be final.

SEC. 16. This act may be cited as "Boulder Canyon Project Adjustment Act."

The SPEAKER. Is a second demanded?

Mr. SHORT. Mr. Speaker, I demand a second.

Mr. TAYLOR. Mr. Speaker, I ask unanimous consent that a second be considered as ordered.

The SPEAKER. Is there objection?

There was no objection.

The SPEAKER. The gentleman from Colorado is entitled to 20 minutes and the gentleman from Missouri to 20 minutes.

Mr. TAYLOR. Mr. Speaker, I yield 10 minutes to the gentleman from Nevada [Mr. SCRUGHAM].

BACKGROUND

Mr. SCRUGHAM. Mr. Speaker, the basic purpose of this bill is to change certain features in the original Boulder Dam Act in the matter of fixed charges. This bill results from an accord between the seven States of the Colorado River Basin, the Interior Department, and the nine power contractors.

BASIC PURPOSES

The bill changes three features of the Boulder Canyon Project Act, under which Boulder Dam was built, viz., (A) the basis of fixed charges payable out of the Colorado River Dam fund; (B) the basis of rate determination, and (C) the method of operating the power plant. It does not affect the Colorado River Compact, the All-American Canal, or other features of the Project Act, nor the primary conception that power is being sold to pay for the dam, rather than the dam being built to sell power, and is subordinate to navigation, flood control, and irrigation.

A

Changes in fixed charges are made in four respects, as follows:

First. Interest is reduced from 4 to 3 percent. Four percent is excessive. The actual cost of Federal borrowings outstanding during construction of the dam was slightly less than 2.8 percent. The present long-term Federal interest cost, as determined by R. E. A. is 2.66 percent. A rate of 3 percent is authorized for power development by the Reclamation Repayment Act of 1939. At Bonneville 3½ percent is charged at present, but is not fixed by statute, and may be changed; this rate is charged on only 32 percent of the investment, the rest being written off; no firm-power contracts were made in advance, and the Government bears the risk of finding a market after completion. The market for Boulder Dam energy was assured, in advance of construction, by firm contracts for 100 percent of the firm power for 50 years. A lower rate of interest, commensurate with the lesser risk, is justified. Four percent is charged on P. W. A. loans, but 45 percent of the project cost is written off. There was no grant here.

Second. Twenty-five million dollars was allocated by the Project Act to flood control—although a flood-control dam would have cost $35,000,000 to $40,000,000—to be repaid only out of excess revenues, if any. If they were inadequate, repayment was deferred until the rest of the investment was repaid. Recent studies indicate that there would be no excess whatever after 1945. The bill makes the flood-control allocation definitely repayable, without interest, after the balance of the investment is retired, and waives interest on it. Flood-control expenditures are ordinarily nonreimbursable. The flood protection is not for the power users but for farming communities two or three hundred miles away from the center of power use.

Third. Twenty-five million dollars, not required by the Project Act, must be paid the Treasury under the bill for use in the development of the Colorado River Basin at the rate of $500,000 per year.

Fourth. Three hundred thousand dollars each year will be paid to each of the States of Arizona and Nevada in commutation of the 18¾ percent of excess revenues given each State by the Project Act.

B

The bill stabilizes the rate base. The Project Act set up an initial rate standard and a different rate standard for periodic revisions:

First. The rate initially fixed was required to be high enough, if maintained for 50 years, to repay the investment—minus flood control—with interest. The rate actually fixed was over 50 percent higher than even that requirement, because only 64 percent of the contract revenues were taken into account, the metropolitan water district's contract being ignored because the district had not then voted bonds. It has since done so and built a $200,000,000 aqueduct for municipal and domestic purposes. Thus the initial rate, during the early years, is very high; but—

Second. The Project Act required a rate revision in 1945, and each 10 years afterward, upward or downward, as competitive prices—costs of fuel-generated power—at distributing points and competitive centers might require. In 1930 it was generally believed that the sources of supply of fuel oil were nearing depletion, that fuel prices would advance very substantially, and that, therefore, rates based upon competitive conditions would assure amortization in 50 years. Instead, new sources of supply for the Los Angeles area have been developed and fuel-oil prices have materially decreased. The existing act, therefore, does not assure amortization within 50 years, because the present rate is subject to an early downward revision; which would probably eliminate all excess revenues, and hence any further payments on the flood-control item or to Arizona and Nevada.

The bill abolishes the hazardous and speculative competitive basis and substitutes a rate mathematically computed to be adequate to meet operation, maintenance, replacements, and all fixed charges enumerated above. Complete amortization of the investment is assured for the first time.

C

Changes in operation of the plant: The bill is contingent on substitution of Government operation, directly or through agents, for the present lease. Secretary Ickes has agreed that if the bill is adopted the plant will be operated by the present lessees, the city of Los Angeles and the Southern California Edison Co., Ltd., as Government agents.

SUMMARY OF RESULTS OF THE BILL

The Government is assured:

First. The receipt of all money necessary for operation and maintenance and for the ordinary replacements required to keep the dam and power plant in good operating condition;

Second. The return of its entire investment within the 50-year period, with interest, except the $25,000,000 flood-control item, which will be repayable after the 50-year period, without interest, although ordinarily flood-control advances are not repayable at all;

Third, twenty-five million dollars for development in the river basin; and

Fourth. The ownership of the dam and power plant, which during the 50-year period will be operated and, through maintenance and replacements, kept in good operating condition, at the expense of the power contractors, and at the end of the period, although fully paid for by them, owned by the Government.

Under P. W. A. power projects constructed during the same period the Government loaned 55 percent of the cost and made an outright grant of 45 percent. After the borrower had repaid slightly more than half the cost, with interest,

it, and not the Government, owned the project. Here the Government gets all its money back and owns the plant forever.

The power users receive a rate assured against major fluctuations for 50 years. Although the rate will be lower than the rate fixed until 1945, it will be higher than the present cost of steam power.

Arizona and Nevada receive fixed amounts in lieu of taxes, instead of a speculative share of profits, if any, thus through the payment of an amount fixed by compromise carrying out the intent of the original act.

All the Colorado River Basin shares not only in the benefits of the Government's development fund but also in the elimination of features of the existing law which in the past have resulted in discord.

Mr. MURDOCK of Arizona. Mr. Speaker, will the gentleman yield?

Mr. SCRUGHAM. Yes.

Mr. MURDOCK of Arizona. Does the gentleman feel that this legislation would guarantee the United States Treasury repayment in better and more certain form than the present existing law?

Mr. SCRUGHAM. Absolutely.

Mr. SHORT. Mr. Speaker, I yield 5 minutes to the gentleman from South Dakota [Mr. MUNDT].

Mr. MUNDT. Mr. Speaker, this is rather a complicated and comprehensive bill to consider adequately and thoroughly in the 40 minutes allotted to it under suspension of the rules. It really demonstrates I think as clearly as any bill which we will have before us this year the result of certain power policies inaugurated by the New Deal, and which are now beginning to bear a harvest in legislation of this type. It will be recalled that the Boulder Dam project was one of the first big power projects of the country. It was put through under a Republican administration under the old-fashioned idea that those communities receiving the benefits of power projects should be compelled to pay for these benefits, and would be compelled to pay for them by paying for power rates lower than formerly, but high enough to amortize the project. But since that time have come the Bonneville project, the T. V. A. development, and others put forth under a different philosophy, a philosophy that the public as a whole should pay for power projects destined primarily to give preferential rates to particular localities. Coming from a State where we have few industries, it is not my particular problem, except to point out to States like the New England States, and industrial areas like Illinois, Indiana, and Wisconsin, all of which have representatives here to take care of their interests, that if we continue the philosophy of loading upon the entire Federal Treasury and all of the taxpayers, the responsibility of paying for projects to give preferential low-power rates to certain localities, the industries of this country will gravitate to the areas around those power projects inevitably as a law of economics.

But coming from a great farm State, as I do, I have no further obligations in that regard except to point out the fact to representatives of areas directly interested. I do point this out as a member of the committee which studied this bill, as this is a dangerous manifestation of the trend which under the New Deal has been accentuated and aggravated to a very hazardous degree; that is, that after a series of power projects have been completed and a survey is made, if it is then determined that project C has made a preferential deal with the Government, the representatives of projects A and B and D and E come to Congress and say, "We are entitled to just as good a deal as that of project C." Consequently, Gresham's law of money comes into play in the power business, and the bad projects drive out the good projects, just as bad money drives out good money in a monetary system, and good Government contracts such as this one are driven out of existence by arguments, more or less valid, which we have heard used by gentlemen interested in this seven-State project. This good project is being driven out of existence because the bad projects of T. V. A. and preferential contracts at Bonneville have given them preferential rates in comparison with Boulder Dam. So we see the rule in operation very clearly in this legislation. The worst contract from the standpoint of the Government and the taxpayers becomes the standard which all other projects seek to emulate.

Mr. Speaker, I have no desire to penalize the States interested in this particular project; they have good reason to ask for consideration comparable to that given other projects. But, by the same token, so have all other communities a right and reason to ask for cheaper power if that is to be accepted as a responsibility of the Government.

I call attention to the manner in which Gresham's law works on Government projects not to defeat this specific cry for help but to caution Congress that since the worst deal in a series tends to become the universal law of the land, Congress should go slow in setting up unsound projects in any field of endeavor.

I say, I think there is some logic in the argument that we should not penalize this particular project for uneconomic concessions extending to others, but it does demonstrate clearly that if this country continues the procedure of taxing the citizens of all the country to give preferential power rates to citizens in a small section of the country, the industries which are now happily located in New England, in Ohio, in Illinois, and elsewhere will no longer pay taxes in those States, but will quite naturally go to the areas where the Government as a whole, using the taxpayers' money taken from the people as a whole, is giving cheap power rates to those areas.

[Here the gavel fell.]

Mr. GEYER of California. Will the gentleman yield?

Mr. MUNDT. If I have time.

Mr. GEYER of California. You would not object to taxing the whole country to help out certain sections for agriculture, would you?

Mr. MUNDT. I certainly would object to any position which would tend to make an unjust relationship between agriculture and the whole country. The difficulty with your implied argument is that the rest of the country has been mooching on the farmers for the past 10 years, failing to pay the farmer the cost of production for the things which he raises on the farm.

Mr. GEYER of California. Since this is the farmer, then it is all right?

Mr. MUNDT. Since which is the farmer?

Mr. GEYER of California. Since the discrimination is in favor of the farmer, this is O. K.?

Mr. MUNDT. To my best knowledge, the Government unfortunately has never discriminated in favor of the farmer. The farmer has always gotten the seamy side of the cloak of discrimination.

The SPEAKER. The time of the gentleman from South Dakota has expired.

Mr. SHORT. Mr. Speaker, I yield 3 minutes to the gentleman from California [Mr. HINSHAW].

Mr. HINSHAW. Mr. Speaker, I have a very high regard for the gentleman from South Dakota [Mr. MUNDT]. He and I are personal friends. I know he has given a great deal of study to this measure and that he has arrived at certain conclusions with which, unfortunately, I cannot agree.

In the first place, mention is made that we will receive some preferentially low power rates in California. I would like to inform the House and my good friend that, as far as we are concerned, we can generate steam-generated power from oil much cheaper than we can buy it from Boulder Dam. The only reason we are interested now, as we have been in the past, in the power from Boulder Dam is the fact that we need water. We must have water. In order to get water we must have Boulder Dam.

Mr. MURDOCK of Utah. Will the gentleman yield?

Mr. HINSHAW. I yield.

Mr. MURDOCK of Utah. Is it not a fact that at the time of the construction of the Boulder Canyon project you could generate power cheaper at Los Angeles than you could get it from the Boulder Canyon project?

Mr. HINSHAW. That is quite true.

Mr. MURDOCK of Utah. And you made that sacrifice in order to get your permanent water supply?

Mr. HINSHAW. That is exactly true. I thank the gentleman from Utah. We paid a higher rate for power than we needed to in the first place, and we are willing to pay it now, in order to get water, for our land without water is a desert. With the water our land becomes a garden, and many of you who have been there know what it is. Anyone who would intimate that we do not intend to pay for this project is certainly misunderstanding the question and, I believe, misstating the facts.

In this whole plan we are guaranteeing the payment of 100 cents on the dollar to the United States Government for the loan which it is making to us to enable us directly or indirectly to obtain water. We are paying interest on that loan, and we are doing something beyond that. We are paying for a flood-control project which is as far from the consuming center of this power as Pittsburgh is from Washington. If any Member of this House knows any district in the United States that itself, as a district, is paying for a flood-control project 175 miles from its back door, I would like to know where it is. But we are doing all those things in order to obtain water. I think we should have your favorable consideration on this bill and give us a chance to compete somewhat with the other sections of the country.

Mr. SMITH of Ohio. Will the gentleman yield?

Mr. HINSHAW. I yield.

Mr. SMITH of Ohio. What rate of interest?

Mr. HINSHAW. We are now paying 4 percent interest, and the interest rate will be reduced under this bill to 3 percent.

[Here the gavel fell.]

Mr. SHORT. I yield the gentleman 2 additional minutes, Mr. Speaker.

Mr. THOMAS F. FORD. Will the gentleman yield?

Mr. HINSHAW. I yield.

Mr. THOMAS F. FORD. Is it not true that after we have paid back the entire sum, after we have paid $25,000,000 for flood control, which no other power project ever paid, then we turn the thing back to the United States free and clear for its use and benefit forever?

Mr. HINSHAW. The gentleman is entirely correct. We not only pay for it and pay interest on the loan and pay for $25,000,000 worth of flood control which is of no direct benefit to us, but we give it back to the United States free and clear and pay for the development of the upper and lower basin States to boot.

Mr. SMITH of Ohio. Will the gentleman yield?

Mr. HINSHAW. I yield.

Mr. SMITH of Ohio. What explanation do you give for the reduction in the interest rate which you are asking? Why should you have a reduction from 4 to 3 percent?

Mr. HINSHAW. That is a very complicated subject and I will try to explain it briefly. In the first place, the present arrangement is that every 10 years the rates for power shall be adjusted in accordance with the competitive rates in Los Angeles County. Those competitive rates will be reduced in 1945. The sum of money we pay to the Colorado River Dam fund is the sum that we will pay for electricity on a competitive rate. Then the Colorado River Dam fund in turn distributes that to the Treasury, paying part of it in interest and part of it in principal. If you leave the contract as it is, the Government will be the loser; also will other States which are cooperating with us in this venture, because the rates will be very considerably reduced under the existing plan. While it actually appears to be a reduction in interest the total amount that will be paid to the Government under the new plan is equal to or greater than under the present plan.

Mr. MURDOCK of Utah. Is it not true that this legislation substitutes a certainty for an uncertainty?

Mr. HINSHAW. It substitutes a certainty for an uncertainty both to the Government and to the people of the Basin States and to the power consumers in Los Angeles County, the ones paying this bill.

Mr. Speaker, this bill (H. R. 9877) represents a meeting of the minds of the responsible officials in seven Western States and in a number of cities in Los Angeles County and several other power contractors such as the Metropolitan Water District. It has been a colossal task to bring about this meeting of minds of so many divergent interests. After their agreement had been consummated, the Department of the Interior, the Bureau of the Budget, and the Attorney General of the United States all had their day and say. I pay special tribute to the energy and persistence of the committee of sixteen and its able chairmen, and to the dogged perseverance of Mr. E. F. Scattergood, general manager of the bureau of water and power of the City of Los Angeles. These men have served their people well and faithfully in bringing this solution to fruition.

[Here the gavel fell.]

Mr. TAYLOR. Mr. Speaker, I yield 2 minutes to the gentleman from California [Mr. LELAND M. FORD].

Mr. LELAND M. FORD. Mr. Speaker, I would like to join in what my colleague the gentleman from California [Mr. HINSHAW] has just said. The facts, briefly, are these: We are asking for 3 percent interest. We have paid 4. Out in our district we put up $220,000,000. We did not come around asking for any gift. We put up our own money. We are going to pay it off 100 percent. When the time is up the Government will get this dam without putting any money into it, it will be paid off fully. We are paying interest on it.

We are not asking for any grants, we are just asking that we be not discriminated against with reference to this matter of interest. Many interests of the country fare far more liberally than we have—they have received grants, they have received higher percentages with reference to the amount of flood control that has been written off. As my colleague says, the flood control provided by this dam is not in our district, it is 170 miles from us. The flood control goes primarily to the Imperial Valley. Notwithstanding that we are paying it off, but we feel we are entitled to this adjustment. Furthermore, we have agreed to take 100 percent of the power. Let me point out for your information that in no other case in the construction of any of these new dams has a community been required to take all the power. We took it notwithstanding the fact that we could produce power in our own city at a rate far cheaper. But we took it in order to get the water. We believe we are entitled to the bill because we are paying our way and we are not asking any grants.

Mr. SHORT. Mr. Speaker, I yield 5 minutes to the gentleman from Wyoming [Mr. HORTON].

Mr. HORTON. Mr. Speaker, I will not take 5 minutes because I see the Members have made up their minds on this bill. I am not a member of the Committee on Irrigation and Reclamation, but I have followed this bill for the last 20 years. I want to assure the House that I am absolutely in favor of this bill and all the provisions of the bill.

There is no question in the world but what the Government will get every dollar and get it more surely under these new provisions than under the old. Every dollar will be returned to the Government. The title to the Boulder Dam project is now in the name of the Government, and when the cost is entirely paid off title will still remain in the Government.

Mr. O'CONNOR. Mr. Speaker, will the gentleman yield?

Mr. HORTON. I yield.

Mr. O'CONNOR. I want to confirm every word the gentleman has said. I am a member of the Committee on Reclamation which had this bill under consideration. We held extensive hearings on the matter. I am convinced that the Government today through the enactment of this bill will be much better secured for the return of the money that it has invested than it has been under the law as it exists. I have supported the bill all along, and am going to support it today.

Mr. HORTON. I may say that this is not a departmental bill. This bill is the result of 20 years of effort and intensive study on the part of outstanding engineers of the West.

The Colorado River compact was entered into after extensive hearings. The gentleman from Nevada [Mr. SCRUGHAM], for instance, was there at that time as was also the Governor of Wyoming, who afterward went to the United States Senate. Another man who became Governor of Wyoming was also there. That is the type of men who worked this thing out. The best engineers throughout that western country worked on the bill. So it is not in any sense of the word a departmental bill, but is the result of intensive study on the part of those best fitted to understand the subject.

BOULDER CANYON PROJECT ADJUSTMENT ACT

The question of modification of the Boulder Canyon Project Act as to rates and repayment, without modification of the rights of Arizona and Nevada, or of the Basin States, was before Congress in 1937. At that time it was opposed by the Interior Department and the congressional delgations of all four of the Upper Basin States of the Colorado River. Such legislation not only involved the determination of a fair rate base but protection of the Government's investment and adjustment of the interests of the States of the Colorado River Basin.

The Secretary of the Interior and various Members of Congress at that time advised the power contractors at Boulder Dam that it would be necessary for them to confer with the representatives of the States of the basin. Since Boulder Dam and its facilities were a reclamation project, operated and maintained under direction of the Interior Department, the Secretary stated he would cooperate in an attempt to reach an understanding among the various interests as a basis of proposed legislation. The Government as an interested party was thus properly represented through the Interior Department with active participation of the Reclamation Bureau.

For a period of over a year the representatives of the States and power contractors carried on conferences. Questions affecting power rates and resulting revenues from the Boulder power plant were involved. This necessitated the making of extensive studies which were undertaken by all the interested parties.

After the basis of agreement between the States and power contractors was reached, there followed numerous conferences with officials, engineers, and accountants of the Interior Department in an effort to reach a form of legislation which would protect the Government investment and at the same time preserve the essential features of the agreement between the interests in the basin. It was also referred to the Treasury Department and Budget Bureau.

The legislation now before Congress thus had its inception in and is sponsored by the interests within the Colorado River basin. It has the approval of the Department of the Interior as evidenced by the report of that Department. It clearly defines the interests of the parties involved; it removes the uncertainties and ambiguities of the original act; and it provides for a more certain repayment of the Government's investment in 50 years by fixing the rate base on an amortization basis instead of leaving the rate to be adjusted from time to time on a competitive basis.

The legislation is sought by the interests in the seven Colorado River basin States, but is designed to and does protect the investment of the Government.

[Here the gavel fell.]

Mr. TAYLOR. Mr. Speaker, I yield 3 minutes to the gentleman from Utah [Mr. MURDOCK].

Mr. MURDOCK of Utah. Mr. Speaker, so far as the people of Utah are concerned, this bill is the most vital that this House will consider, or has considered at this session of Congress. Back in 1922, Wyoming, Colorado, Utah, New Mexico, Arizona, Nevada, and California, the seven great States comprising the drainage system of the Colorado River, entered into a compact dividing the waters of the Colorado River between what were designated in the compact as the upper and lower basins of the Colorado River. In the upper basin are the States of Utah, Wyoming, Colorado, and New Mexico; and in the lower basin, Arizona, Nevada, and California. Besides dividing the water, the compact contemplated and comprehended a comprehensive development and utilization of this great resource, the Colorado River. It contemplated the utilization of every drop of water in that great river system that it was feasible and possible to conserve for domestic use, for irrigation, for mining, for power, and for recreation. After the compact was duly signed by the seven signatory States, it was then referred to the legislatures of the respective States for ratification. All of the States ratified it with the exception of Arizona. Arizona's Legislature, up to this time, has failed to ratify, but we are still hopeful that she will see the light and see the equity of ratification, and that we may soon announce to the Congress that Arizona has joined her six sister States.

In 1928 the Boulder Canyon Project Act was passed. It provided for the construction of what is now commonly referred to as the Boulder Dam. The primary purpose of this great dam and the reservoir created thereby was the assurance to southern California and its rapidly expanding population a permanent and adequate supply of culinary water. There were secondary purposes, such as power, flood control, and navigation, and we find now that the recreational features made possible by this vast dam and reservoir loom very large in the picture, and it will probably develop into one of the Nation's greatest recreational centers.

It was known at the time of the passage of the Boulder Canyon Project Act in 1928 that power could be developed cheaper right in Los Angeles than it could be generated and transmitted from the Boulder Canyon project to Los Angeles and the surrounding territory. But in order to assure the great population of southern California an adequate and permanent culinary water supply, the people and even the utility companies engaged in business in that locality were willing to sacrifice something in the way of increased power rates in order to secure this permanent supply of culinary water.

The failure of Arizona to ratify the compact by legislative act created a barrier to the act, but this was overcome by Congress agreeing in the act itself that with the ratification of six States the Federal Government would proceed with the project. Congress, considering the compact entered into and ratified by the six States, definitely understood that each and all of the States along the Colorado River had a vital stake in its development.

Southern California, realizing that the power facilities to be developed afforded by far the best means of repayment to the Government of the Federal investment in the project, placed the burden of repayment on power revenues. The Boulder Canyon Project Act provided that not one dollar of Federal money should be expended on the project until contracts were entered into securely and adequately providing for repayment of the principal and interest necessary in the construction of the project within the period of 50 years. The act also provided that $25,000,000 of the amount necessary for construction should be allocated to flood control. This item was to be repaid out of 62½ percent of excess power revenues; 18¾ percent of excess revenues was to be paid to each of the States of Nevada and Arizona. The act also provided an interest rate of 4 percent. It also provided that after repayment of the $25,000,000 allocated to flood control, all excess revenues from power above the 37½ percent going to the States of Arizona and Nevada should be paid into a development fund, which should be earmarked and set apart for the development of the Colorado River and its tributaries. The act provided that the rate of falling water at the dam per kilowatt-hour should be based on competitive rates in the area of consumption of the power.

The Bureau of Reclamation worked out in great detail elaborate schedules of revenues from the dam and segregated these revenues into payments of principal, interest, maintenance, and upkeep, replacement payments to Arizona and Nevada, retirement of the flood-control item, and finally, payments into the development fund. Graphs were also prepared, fully illustrating what the revenues would be and their disposition. In these schedules of revenues and

their disbursement, and in these graphs illustrating the receipt of revenues and their disposition, a very vivid and beautiful picture was painted to the upper basin States as to what would be received in the development fund for development in these States.

The people and the officials of my State—and I am sure the same thing can be said for the other upper basin States—looked forward to the completion of this great Boulder Canyon project and the vast revenues to come in from it with the hope and ambition that it would not be long until projects in Utah and the other States would be commenced and completed. The act provided that in 1945 power rates should be revised upward or downward, according to competitive conditions in the area of consumption of power. California seemed unwilling to wait until 1945 for this revision. Immediately on completion of the project, and even before one dime had been repaid to the Federal Government by the power contractors, consisting of the city of Los Angeles, the Metropolitan Water District, which includes the city of Los Angeles, and a number of other cities and communities in its vicinity, and the Southern California Edison Co., started a movement for revision of power rates. They called attention to the fact that the interest rate of 4 percent was exorbitant. They pointed out that rates at Bonneville and rates promulgated by the Tennessee Valley Authority were unfair and prejudicial to southern California because of higher rates she would have to pay in the use of Boulder power.

A hearing was had before the Secretary of the Interior, but, being unwilling to even await the decision of Secretary Ickes, the power contractors from the Boulder Canyon project sponsored legislation in the form of a rider which was attached to the Bonneville project legislation 3 years ago. Realizing that this legislation was absolutely unfair to my State and prejudicial to her interests, I opposed the rider to the Bonneville legislation before the Rivers and Harbors Committee of the House. I opposed it on the floor of the House, and the result was that it was stricken from the Bonneville bill.

We were threatened by Nevada, Arizona, and California Senators that the rider would be attached in the Senate, so I followed the legislation to the Senate, appeared before Senate committees, conferred with Senators from the seven Colorado River States, and the rider providing for modification of rates at Boulder was unsuccessful in passage at that time. During these committee hearings and during conferences on this legislation, I adamantly and consistently took the position that my State had not been provided for in the original act; that what it was to get from power revenues from the Boulder Canyon project were very uncertain and indefinite, and that before I would agree to any modification of these rates, I would have to know definitely what was coming to the upper basin States for development of projects in these States, and especially in the State of Utah. On being asked what I considered the upper basin States were entitled to, I arrived at a minimum of $500,000 annually, to be paid into a development fund for the upper basin States during the 50-year period of amortization.

My suggestion of $500,000 to the upper-basin States annually was ridiculed and denounced by the power contractors as being exorbitant and unreasonable. After the adjournment of Congress in 1937, the Governors of the Colorado River States began negotiations with respect to modification of power rates. These negotiations and conferences have been continued right up to and during the present session of Congress. A bill was finally unanimously agreed upon by the agents and officials representing the 7 States. This bill was introduced by Governor Scrugham of Nevada and finally was brought to my attention. I gave the bill thorough study and pointed out that the question of transmountain diversion was not sufficiently and definitely provided for in the Scrugham bill. I pointed out to the sponsors of the bill that the provision for the utilization of the waters of the Colorado River system for irrigation, electrical power, and other purposes in the upper basin and lower basin as defined in the compact might be technically construed as precluding transmountain diversions, and inasmuch as any comprehensive development or utilization of the Colorado River and its tributaries in Utah would of necessity have to include transmountain diversion projects, I would not consent to the bill unless the term "States of the upper division" and "States of the lower division" were substituted for "upper basin" and "lower basin."

This amendment was agreed to and placed in the bill. The bill, as introduced by the gentleman from Nevada, Congressman SCRUGHAM, provided for an annual payment of $500,000 into a development fund. It also provided for a payment of $600,000 annually to the State of Nevada and Arizona. But the payments to Arizona and Nevada were to commence June 30, 1938, and payments into the development fund were not to begin until 2 years later, that is, June 30, 1940. I pointed out that since both payments, that is, payments to Arizona and Nevada on the one hand, and payments into the development fund on the other, came from the same source under the original act, to wit, excess revenues, it would be manifestly unfair to allow the disparity of 2 years in commencing these payments. On this question I appeared before the House Committee on Irrigation and Reclamation some weeks ago, and, after my presentation of the matter to the committee, the power contractors, as well as the committee, were convinced that my position was correct and equitable, so they readily agreed to and did accept my amendment providing for commencement of payments into the development fund beginning June 30, 1938, the same as payments for Arizona and Nevada. This amendment also provided that the additional $1,000,000 into the development fund, as a result of advancing the time of payment for 2 years, should go exclusively to the Upper Basin States. Thus my amendment resulted in adding $1,000,000 net to the development fund for the Upper Basin States. I also called attention to the fact that payments to Nevada and Arizona were made contractual obligations of the Federal Government, but that such a provision had been omitted so far as payments into the development fund were concerned, pointing out again the inequity of this omission. I was able to justify my position on this question to the satisfaction of the Irrigation and Reclamation Committee, and the amendment suggested by me, making transfers to the development fund contractual obligations of the Federal Government, was adopted by the committee, thus precluding future Congresses from tampering with or modifying this feature of the bill.

I realize, Mr. Speaker, that the bill in its present form will not be satisfactory to some of the people of Utah. It is not wholly satisfactory to me; but my observation in 8 years as a Member of Congress is that if you wait until all people are satisfied, if you refuse to agree to anything until every group has placed its approval on legislation, the result is no legislation. I have been given to understand, and it has been testified to by officials from the Bureau of Reclamation, that in all probability there would never be any payments into the development fund under the provisions of the present act, that notwithstanding the beautiful and optimistic pictures painted by the Bureau of Reclamation back in 1928, with reference to the vast amount which would go into the development fund, we must now disillusion ourselves and face the fact that unless this bill, or something similar to it, is passed there would be nothing at all paid into the development fund. I have never been able to agree with the Bureau of Reclamation on this construction of the original act, but it is the Bureau of Reclamation and the Secretary of the Interior who must administer the act; and whether I like it or not, I am bound by their construction.

I am frank to admit that $500,000 divided among four States; as it must be, and for a certain period during the period of amortization, among all seven States, is not a very large sum of money; but, as compared with nothing, it assumes astronomical proportions; and it is my best judgment that it is probably the best proposition that we will ever be able to work out on the disposition of the power revenues from the Boulder project. The propitious time to have definitely fixed the rights of Utah and the rights of the other

upper-basin States was in the original act. This was not done. Whether it was the result of dereliction, neglect, indifference, or what not, on the part of Utah's delegation in Congress at that time, I will not say, but on coming to Congress I had to take what I found, and with the little I found to work with I feel that the result contained in the present bill should be very satisfactory. The bill as originally introduced by the gentleman from Nevada, Governor SCRUGHAM, was apparently considered satisfactory by the officials of the State of Utah, and particularly by the splendid gentlemen who represented the Governor of Utah in the preparation of the bill. The bill as it now comes to us, containing my amendments, is an infinitely better bill.

Under the terms of the present bill, there will be adequate money for all necessary surveys of projects, which, of course, is the first and most important step in a comprehensive development of the waters of the Colorado River. Agricultural development in the State of Utah has little chance of expansion except in the utilization of the waters of the Colorado River. Hydroelectric development in the State of Utah is also largely limited to utilization of the waters of this great river. There is being surveyed now in Utah, among other projects, what is commonly referred to as the Colorado River-Great Basin project. This is a gigantic project, including storage reservoirs, power dams, and transmountain diversion. If the project proves feasible, it will result in doubling the agricultural population of the State of Utah. It will make possible cheap and abundant hydroelectric power, which will bring large fabrication plants to Utah for the fabrication of our vast stores of copper, lead, zinc, iron, alunite, and other metals and minerals. In fact, this project, if and when constructed, will result in making Utah industrially, agriculturally, economically, and socially, a State of double its present population and importance. Some people, by reason of the size of this project and the enormity of its cost, are rather prone to discount it and even scoff at its possibility. Other people, including competent engineers, in discussing and contemplating it, are very enthusiastic. I prefer to take my position with the latter group. No great project, regardless of its nature, has ever been begun or completed if approached with a faint heart simply because of enormous size and costs. If the project is feasible, it should be constructed, and, in my opinion, will be constructed. If determined to be not feasible, then there are hundreds of lesser projects from one end of the State to the other on which moneys received under this bill can be efficiently expended. This bill makes certain and definite what in the present act is uncertain and indefinite. One of my colleagues on the Republican side referred to the fact that the Boulder Canyon project was initiated by a Republican administration. That is true. But, as is typical of Republican administrations, the original act now is conspicuous by reason of its uncertainty, by reason of its indefiniteness. The Democratic Party has been delayed 8 years now in rectifying this mistake of the Republican Party; but during this delay the Democratic Party has been busy and has had its hands full rectifying and correcting other mistakes of the Republican Party. We have at last reached this one, and we take pride in now clothing this great project in Democratic certainty, substituting Democratic certainty and definiteness for Republican uncertainty and indefiniteness. The Boulder Canyon project, in my opinion, constitutes the outstanding monument in the United States to the wisdom and farsightedness of the reclamation program, and I take this opportunity, Mr. Speaker, of complimenting the present Commissioner of the Bureau of Reclamation, John C. Page, who is a splendid gentleman, a competent engineer, and an excellent administrator. Under his guidance and administration there has been commenced and will be completed the greatest reclamation and conservation program ever undertaken by the human race. In conclusion I recommend the passage of this bill and trust that there will not be one dissenting vote to its approval.

The SPEAKER. The question is, Shall the rules be suspended and the bill, as amended, passed?

The question was taken; and two-thirds having voted in favor thereof, the rules were suspended and the bill was passed.

A motion to reconsider was laid on the table.

The SPEAKER. Without objection, House Resolution 503 and House Resolution 497 will be laid on the table.

There was no objection.

PREVENTION OF PUBLICATION OF INVENTIONS IN THE NATIONAL INTEREST

Mr. LANHAM. Mr. Speaker, I move to suspend the rules and pass the bill (H. R. 10058) to amend the act relating to preventing the publication of inventions in the national interest, and for other purposes.

The Clerk read the bill, as follows:

Be it enacted, etc., That the act of Congress approved October 6, 1917 (40 Stat. 394, ch. 95, U. S. C., title 35, sec. 42), be amended to read as follows:

"Whenever the publication or disclosure of an invention by the granting of a patent might, in the opinion of the Commissioner of Patents, be detrimental to the public safety or defense, he may order that the invention be kept secret and withhold the grant of a patent for such period or periods as in his opinion the national interest requires: *Provided*, That the invention disclosed in the application for said patent may be held abandoned upon it being established before or by the Commissioner that in violation of said order said invention has been published or disclosed or that an application for a patent therefor has been filed in a foreign country by the inventor or his assigns or legal representatives, without the consent or approval of the Commissioner of Patents.

"When an applicant whose patent is withheld as herein provided and who faithfully obeys the order of the Commissioner of Patents above referred to shall tender his invention to the Government of the United States for its use, he shall, if and when he ultimately receives a patent, have the right to sue for compensation in the Court of Claims, such right to compensation to begin from the date of the use of the invention by the Government: *Provided*, That the Secretary of War or the Secretary of the Navy or the chief officer of any established defense agency of the United States, as the case may be, is authorized to enter into an agreement with the said applicant in full settlement and compromise for the damage accruing to him by reason of the order of secrecy, and for the use of the invention by the Government."

SEC. 2. This act shall take effect on approval and shall remain in force for a period of 2 years from such date.

The SPEAKER. Is a second demanded? Without objection, a second will be considered as ordered.

There was no objection.

Mr. LANHAM. Mr. Speaker, I made an explanation of this bill when it was sought to be brought up under unanimous consent. It is a very important measure in the matter of national defense and very much desired by the Navy and the War Department.

If there are no questions with reference to it, I do not care to occupy the time of the House further.

The SPEAKER. The question is, Shall the rules be suspended and the bill passed?

The question was taken; and two-thirds having voted in favor thereof, the rules were suspended, and the bill was passed.

A motion to reconsider was laid on the table.

EXTENSION OF REMARKS

Mr. HOUSTON. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include therein a brief newspaper article.

The SPEAKER. Is there objection to the request of the gentleman from Kansas [Mr. HOUSTON]?

There was no objection.

FURTHER MESSAGE FROM THE SENATE

A further message from the Senate, by Mr. Frazier, its legislative clerk, announced that the Senate insists upon its amendments to the joint resolution (H. J. Res. 544) entitled "Joint resolution making appropriations for work relief and relief for the fiscal year ending June 30, 1941," disagreed to by the House; agrees to the conference asked by the House on the disagreeing votes of the two Houses thereon, and appoints Mr. ADAMS, Mr. GLASS, Mr. MCKELLAR, Mr. HAYDEN, Mr. BYRNES, Mr. HALE, and Mr. TOWNSEND to be the conferees on the part of the Senate.

AMENDMENT OF BANKRUPTCY ACT

Mr. McLAUGHLIN. Mr. Speaker, I move to suspend the rules and pass the bill (H. R. 9139) to amend an act entitled "An act to establish a uniform system of bankruptcy throughout the United States," approved July 1, 1898, and acts amendatory thereof and supplementary thereto.

The Clerk read the bill, as follows:

Be it enacted, etc., That section 81 of chapter IX of the act entitled "An act to establish a uniform system of bankruptcy throughout the United States," approved July 1, 1898, as amended, is amended to read as follows:

"SEC. 81. This act and proceedings thereunder are found and declared to be within the subject of bankruptcies and, in addition to the jurisdiction otherwise exercised, courts of bankruptcy shall exercise original jurisdiction as provided in this chapter for the composition of indebtedness of, or authorized by, any of the taxing agencies or instrumentalities hereinafter named, payable (a) out of assessments or taxes, or both, levied against and constituting liens upon property in any of said taxing agencies or instrumentalities, or (b) out of property acquired by foreclosure of any such assessments or taxes or both, or (c) out of income derived by such taxing agencies or instrumentalities from the sale of water or power or both, or (d) from any combination thereof: (1) Drainage, drainage and levee, levee, levee and drainage, reclamation, water, irrigation, or other similar districts, commonly designated as agricultural improvement districts or local improvement districts, organized or created for the purpose of constructing, improving, maintaining, and operating certain improvements or projects devoted chiefly to the improvement of lands therein for agricultural purposes; or (2) local improvement districts, such as sewer, paving, sanitary, or other similar districts, organized or created for the purposes designated by their respective names; or (3) local improvement districts, such as road, highway, or other similar districts, organized or created for the purpose of grading, paving, or otherwise improving public streets, roads, or highways; or (4) public-school districts or public-school authorities organized or created for the purpose of constructing, maintaining, and operating public schools or public-school facilities; or (5) local improvement districts, such as port, navigation, or other similar districts, organized or created for the purpose of constructing, improving, maintaining, and operating ports and port facilities; or (6) any county or parish or any city, town, village, borough, township, or other municipality: *Provided, however,* That if any provision of this chapter, or the application thereof to any such taxing agency or district or class thereof or to any circumstance, is held invalid, the remainder of the chapter, or the application of such provision to any other or different taxing agency or district or class thereof or to any other or different circumstances, shall not be affected by such holding."

SEC. 2. Section 83 (b) of chapter IX of such act, as amended, is amended to read as follows:

"(b) Upon approving the petition as properly filed, or at any time thereafter, the judge shall enter an order fixing a time and place for a hearing on the petition, which shall be held within 90 days from the date of said order, and shall provide in the order that notice shall be given to creditors of the filing of the petition and its approval as being properly filed, and of the time and place for the hearing. The judge shall prescribe the form of the notice, which shall specify the manner in which claims and interests of creditors shall be filed or evidenced, on or before the date fixed for the hearing. The notice shall be published at least once a week for three successive weeks in at least one newspaper of general circulation published within the jurisdiction of the court, and in such other paper or papers having a general circulation among bond dealers and bondholders as may be designated by the court, and the judge may require that it may be published in such other publication as he may deem proper. The judge shall require that a copy of the notice be mailed, postage prepaid, to each creditor of the petitioner named in the petition at the address of such creditor given in the petition, or, if no address is given in the petition for any creditor and the address of such creditor cannot with reasonable diligence be ascertained, then a copy of the notice shall be mailed, postage prepaid, to such creditor addressed to him as the judge may prescribe. All expense of giving notice as herein provided shall be paid by the petitioner. The notice shall be first published, and the mailing of copies thereof shall be completed at least 60 days before the date fixed for the hearing.

"At any time not less than 10 days prior to the time fixed for the hearing, any creditor of the petitioner affected by the plan may file an answer to the petition controverting any of the material allegations therein and setting up any objection he may have to the plan of composition. The judge may continue the hearing from time to time if the percentage of creditors required herein for the confirmation of the plan shall not have accepted the plan in writing, or if for any reason satisfactory to the judge the hearing is not completed on the date fixed therefor. At the hearing, or a continuance thereof, the judge shall decide the issues presented and unless the material allegations of the petition are sustained shall dismiss the proceeding. If, however, the material allegations of the petition are sustained, the judge shall classify the creditors according to the nature of their respective claims and interests: *Provided, however,* That the holders of all claims, regardless of the manner in which they are evidenced, which are payable without preference out of funds derived from the same source or sources shall be of one class. The holders of claims for the payment of which specific property or revenues are pledged, or which are otherwise given preference as provided by law, shall accordingly constitute a separate class or classes of creditors.

"At the hearing, or a continuance thereof, the judge may refer any matters to a special master for consideration, the taking of testimony, and a report upon special issues, and may allow reasonable compensation for the services performed by such special master, and the actual and necessary expenses incurred in connection with the proceeding, including compensation for services rendered and expenses incurred in obtaining the deposit of securities and the preparation of the plan, whether such work may have been done by the petitioner or by committees or other representatives of creditors, and may allow reasonable compensation for the attorneys or agents of any of the foregoing: *Provided, however,* That no fees, compensation, reimbursement, or other allowances for attorneys, agents, committees, or other representatives of creditors shall be assessed against the petitioner or paid from any revenues, property, or funds of the petitioner except in the manner and in such sums, if any, as may be provided for in the plan of composition. An appeal may be taken from any order making such determination or award to the United States circuit court of appeals for the circuit in which the proceeding under this chapter is pending, independently of other appeals which may be taken in the proceeding, and such appeal shall be heard summarily.

"On 30 days' notice by any creditor to petitioner, the judge, if he finds that the proceeding has not been prosecuted with reasonable diligence, or that it is unlikely that the plan will be accepted by said proportion of creditors, may dismiss the proceeding."

SEC. 3. Section 83 (e) of chapter IX of such act as amended is amended to read as follows:

"(e) Before concluding the hearing, the judge shall carefully examine all of the contracts, proposals, acceptances, deposit agreements, and all other papers relating to the plan, specifically for the purpose of ascertaining if the fiscal agent, attorney, or other person, firm, or corporation promoting the composition, or doing anything of such a nature, has been or is to be compensated, directly or indirectly, by both the petitioner and the creditors thereof, or any of such creditors—either by fee, commission, or other similar payment, or by transfer or exchange of bonds or other evidence of indebtedness whereby a profit could accrue—and shall take evidence under oath to make certain whether or not any such practice obtains or might obtain.

"After such examination the judge shall make an adjudication of this issue, as a separate part of his interlocutory decree, and if it be found that any such practice be possible, he shall forthwith dismiss the proceeding and tax all of the costs against such fiscal agent, attorney, or other person, firm, or corporation promoting the composition, or doing anything of such a nature, or against the petitioner, unless such plan be modified within the time to be allowed by the judge so as to eliminate the possibility of any such practice, in which event the judge may proceed to further consideration of the confirmation of the plan. If it be found that no such practice is possible, then the judge may proceed to further consideration of the confirmation of the plan.

"At the conclusion of the hearing, the judge shall make written findings of fact and his conclusions of law thereon, and shall enter an interlocutory decree confirming the plan if satisfied that (1) it is fair, equitable, and for the best interests of the creditors and does not discriminate unfairly in favor of any creditor or class of creditors; (2) complies with the provisions of this chapter; (3) has been accepted and approved as required by the provisions of subdivision (d) of this section; (4) all amounts to be paid by the petitioner for services or expenses incident to the composition have been fully disclosed and are reasonable; (5) the offer of the plan and its acceptance are in good faith; and (6) the petitioner is authorized by law to take all action necessary to be taken by it to carry out the plan. If not so satisfied, the judge shall enter an order dismissing the proceeding.

"Before a plan is confirmed, changes and modifications may be made therein, with the approval of the judge after hearing upon such notice to creditors as the judge may direct, subject to the right of any creditor who shall previously have accepted the plan to withdraw his acceptance, within a period to be fixed by the judge and after such notice as the judge may direct, if, in the opinion of the judge, the change or modification will be materially adverse to the interest of such creditor, and if any creditor having such right of withdrawal shall not withdraw within such period, he shall be deemed to have accepted the plan as changed or modified: *Provided, however,* That the plan as changed or modified shall comply with all the provisions of this chapter and shall have been accepted in writing by the petitioner. Either party may appeal from the interlocutory decree as in equity cases. In case said interlocutory decree shall prescribe a time within which any action is to be taken, the running of such time shall be suspended in case of an appeal until final determination thereof. In case said decree is affirmed, the judge may

grant such time as he may deem proper for the taking of such action."

SEC. 4. Section 84 of chapter IX of such act, as amended, is amended to read as follows:

"SEC. 84. Jurisdiction conferred on any court by section 81 shall not be exercised by such court after June 30, 1942, except in respect of any proceeding initiated by filing a petition under section 83 (a) on or prior to June 30, 1942."

The SPEAKER. Is a second demanded?

Mr. MICHENER. Mr. Speaker, I demand a second.

The SPEAKER. Without objection, a second will be considered as ordered.

There was no objection.

Mr. McLAUGHLIN. Mr. Speaker, I yield myself 5 minutes.

Mr. Speaker, this bill, H. R. 9139, is a simple bill. It seeks to amend the Municipal Bankruptcy Act by extending it for 2 years from the date of its expiration, which is June 30 of this year, just 2 weeks from today, and also extends the act to cover counties. In addition, the bill sets up safeguards for the protection of bondholders against improper practices on the part of fiscal agents engaged in refinancing and readjusting obligations of governmental subdivisions.

The necessity for the Municipal Bankruptcy Act was recognized in 1933 and the bill was originally passed at that time. As passed the bill included counties. However, in 1936 the Supreme Court declared the Municipal Bankruptcy Act unconstitutional.

In the Seventy-fifth Congress the bill was redrafted and when it went to the Supreme Court again, in the Bekins case, it was declared constitutional. When the bill was redrafted counties were not placed in the redrafted bill; however, there was no legal reason for removing counties from the bill. It is just as legal if it includes counties as if it does not. This is recognized by all.

The necessity for this legislation is pressing. There are instances, especially in the South, in which as many as 95 percent of the holders of securities of a municipality or other governmental subdivision have agreed to readjust their obligations, but because of the refusal of the small minority of holders of bonds to join with the great majority, it is impossible to readjust the outstanding obligations.

Mr. Speaker, extensive hearings were held before the bankruptcy subcommittee of the Judiciary Committee and the bill was drawn in its present form and reported favorably by the Committee on the Judiciary. No minority report was filed, but one of the members of the committee, the distinguished gentleman from Michigan, is opposed to the bill.

Mr. MICHENER. Will the gentleman yield?

Mr. McLAUGHLIN. I yield to the gentleman from Michigan.

Mr. MICHENER. Does the gentleman state that I am the only member of the committee opposed to the bill?

Mr. McLAUGHLIN. I am not aware of any others. There may be others, but I am not aware of them.

At any rate, the situation is that within 2 weeks this law will expire, and if it does it will work a tremendous hardship on the municipalities which are now seeking to readjust their obligations and upon the counties which are seeking to take advantage of the provisions of this bill. All that this does, Mr. Speaker, is to put the bill, so far as concerns the governmental subdivisions covered, in the same form in which it was originally passed by the House.

The Congress has subscribed to the philosophy of municipal bankruptcy, and that is not an issue before us at this time. Personally, I have no interest in bankruptcy for municipalities or counties, because I come from a State which has a constitutional provision prohibiting the State from borrowing any money.

[Here the gavel fell.]

Mr. McLAUGHLIN. Mr. Speaker, I yield myself 1 additional minute.

Mr. Speaker, because of the crying necessity and need for this bill, its enactment is urged at this time. The gentleman from Michigan, who will address you, a gentleman for whom we have the highest regard, has expressed himself as opposed to the philosophy of municipal bankruptcy. I submit that is not the issue at this time. The Congress has subscribed to the philosophy of municipal bankruptcy. It is on the books, and this bill merely extends it for 2 years. It does not make the proposal a permanent part of our law, but simply extends the act for 2 years in order to enable these counties and municipalities which are seeking to take advantage of it to have the opportunity of doing what it is necessary for them to do in order to take advantage of it.

[Here the gavel fell.]

Mr. MICHENER. Mr. Speaker, I yield myself such time as I may require.

The gentleman from Nebraska [Mr. McLAUGHLIN] has stated in a general way the purposes of this proposed legislation. However, at the risk of repeating, I shall amplify a little.

This bill, H. R. 9139, does three things:

First. The present municipal bankruptcy law expires on June 30, 1940, and this bill would extend that law until June 30, 1942, a period of 2 years.

Second. It penalizes unethical, dishonest, and racketeering methods now possible and which have been practiced in some instances under the existing law.

Third. It establishes as a policy of government the right of counties and parishes to avail themselves of the provisions of the municipal bankruptcy law to the same extent as is accorded to municipalities, such as drainage, reclamation, water, irrigation, and other agricultural improvement districts, local improvement districts, paving districts, and municipal corporations generally. This bill will provide bankruptcy shelter for counties which want to escape being held to their bonded obligations.

The original Municipal Bankruptcy Act was enacted in 1934. Up to that time the Congress had never seriously considered passing a law that would permit municipalities to repudiate or be relieved from performing the terms of their written contracts as expressed in bonds issued by the municipality. In 1934 the country was in an emergency. Overexpansion and bond-salesmen technique had made it possible for many municipalities and even some counties to sell to a credulous and unsuspecting public municipal bonds that never were warranted from a sound economic standpoint. As an emergency measure and with a definite date of expiration, the municipal bankruptcy law was enacted. This innovation in legislative policy was carried to the Supreme Court of the United States and, as stated in the report of the committee—

The Supreme Court of the United States on May 25, 1936, in the case of *Ashton* v. *Cameron County Water Improvement District No. 1* (298 U. S. 513 56 Sup. Ct. 892; 80 L. ed. 1309), held the original Municipal Bankruptcy Act to be unconstitutional as an invasion of the sovereignty of the States. In the Seventy-fifth Congress another municipal bankruptcy law was enacted by the Congress, and on April 25, 1938, the Supreme Court of the United States in *U. S.* v. *Bekins* (304 U. S. 27; Sup. Ct. 811; 82 L. ed. 1137) held the said municipal bankruptcy law to be constitutional.

The original law, as it passed the Congress, contained the word "counties" along with other municipalities. The Judiciary Committee, in its effort to avoid unconstitutionality in its rewrite of the law in the Seventy-fifth Congress, eliminated counties. This was done because the Ashton-Cameron case raised serious doubt in the minds of the Judiciary Committee as to whether a law including counties would be held constitutional.

Mr. WALTER. Mr. Speaker, will the gentleman yield?

Mr. MICHENER. I yield to the gentleman from Pennsylvania.

Mr. WALTER. Certainly the gentleman is not taking the position that the Supreme Court nullified the original Municipal Bankruptcy Act because counties were included?

Mr. MICHENER. I am a member of the subcommittee on bankruptcy and I have been since its inception. I have gone through this very thoroughly. The gentleman from Pennsylvania is a member of the Committee on the Judiciary also, and the gentleman knows well that the word "counties" was left out of the rewrite because we wanted to make

the law constitutional, and we did not want any question about it. The Ashton-Cameron case suggested the doubt. There was some question. For instance, the gentleman from Alabama [Mr. HOBBS] took the position at that time—and he was the only member of the committee who did—that we should omit counties, out of an abundance of caution, but I never took that position and I do not believe the majority of the committee, including the gentleman from Nebraska [Mr. MCLAUGHLIN], took that position at that time.

Mr. MCLAUGHLIN rose.

Mr. MICHENER. I do not want to misrepresent my very able and courteous friend. I will yield just for a question.

Mr. MCLAUGHLIN. Does the gentleman mean to advise the House that either the Bekins decision or the Ashton-Cameron decision held that the inclusion of the word "counties" affected the constitutionality of this act?

Mr. MICHENER. No. The Ashton-Cameron case—the case holding the original law unconstitutional—was based on the ground that political subdivisions—as the committee understood the decision—could not go through bankruptcy, and certainly a county is a political subdivision of a State. The decision did not mention counties, however.

Later there were some changes in the personnel of the Supreme Court, and when the municipal-bankruptcy law came up for another hearing, the Court in the Bekins case sustained the law. I believe that decision is broad enough to include counties. I am convinced after a careful study of the last opinion—and I believe the Reconstruction Finance Corporation attorneys are also so satisfied—that that opinion is broad enough so that if counties want to go through bankruptcy they may do so, and if States want to go through bankruptcy they may go through bankruptcy, so far as the Constitution is concerned. The advisability of the policy is a matter to be determined by Congress.

I do not believe that this Congress wants to establish any such policy.

Mr. SHORT. Mr. Speaker, will the gentleman yield?

Mr. MICHENER. I yield to the gentleman from Missouri.

Mr. SHORT. If we continue to squander two dollars for every one dollar we take in, how much longer will it be before we will have to extend this law not only to the counties and the States but to the Nation as a whole?

Mr. MCLAUGHLIN. Mr. Speaker, will the gentleman yield just for a question?

Mr. MICHENER. I yield to the gentleman from Nebraska for a question.

Mr. MCLAUGHLIN. I might observe that the gentleman who just interrupted the gentleman from Michigan filed a letter with the committee asking it to report this bill favorably to the House.

Mr. SHORT. I am in favor of it because it has been thrust upon us, not by choice.

Mr. PIERCE. Mr. Speaker, will the gentleman yield?

Mr. MICHENER. I yield to the gentleman.

Mr. PIERCE. Will this include school districts, drainage districts, and irrigation districts?

Mr. MICHENER. Drainage districts, school districts, cities, or municipalities are all included under the present law. I am perfectly willing that this law should be continued for a period of 2 years "as is," but I am unwilling to extend the law to include counties and, possibly, a little later, as has been suggested, we will be asked to include States.

Whether or not the Congress should encourage counties to avail themselves of the doubtful privilege of bankruptcy is not a new question. There is no general demand for any such innovation coming from the country. There are possibly two or three counties in Florida where there might be some justification for such a law. General law enacted to meet specific cases is usually unwholesome. Indeed, one of the Representatives in this body from my own State of Michigan has called attention to the fact that there is one county in his congressional district which borrowed more money than it should have borrowed, which enjoys the benefits of sewers, drains, and highways, for which it is burdensome to pay. This Member of Congress has some constituents who feel that if that county could only go through bankruptcy, then its debt would be reduced, its taxes lowered, and its people relieved of a financial burden. Well, now, I am familiar with that great county in Michigan, and it never will and never should go through bankruptcy. It has the power to tax; it has much taxable property. It is a great industrial county, and I cannot believe that its citizens would vote, even though they were given an opportunity, to escape payment of their honest county debt and, as a result, bring want, suffering, and distress to the people who trusted the county and loaned their money to the county, and had faith in the integrity of the county. What I say for this county in Michigan should stand for every county in the United States.

Now, this bill would not be before the Congress were it not for the insistence and perseverence, I might say, of some fiscal agents of municipalities operating in Florida. It is interesting to note how this particular bill got before the Congress. The gentleman from Illinois [Mr. REED], a member of the Committee on the Judiciary, introduced a bill amending the municipal bankruptcy law in one minor particular. This was a proper amendment, was unanimously agreed to by the committee, and unanimously passed the House. When it got into the Senate there was engrafted upon it a bill providing for the continuation of the municipal bankruptcy law for a period of 2 years, extending that law to include counties and materially changing the method of securing the consent of the 51 percent of the bondholders before a plan of refinancing could be submitted to the court. The chief proponent of this bill, and especially of the last provision, was Krummer & Co., the fiscal agent of numerous municipalities and counties in Florida. Extensive hearings were held by the Judiciary Subcommittee. It would be enlightening if the people of Florida might read those hearings and know just what this particular fiscal agent has been doing to some of the bondholders, as well as the municipalities it represents in Florida.

To say that its practices were unethical is putting it mildly. In short, the fiscal agent was employed by the municipality to work out its financial problems. In other words, to get as much reduction as possible or more favorable terms, if possible, by which the municipality might liquidate its indebtedness. For this service the fiscal agent was to receive a stipulated compensation. Being thus employed to get the best deal possible for the municipality, this same fiscal agent then sought the bondholder who had loaned the money to the municipality. It then got a written contract with the unsuspecting bondholder, by the terms of which the bondholder agreed to pay the fiscal agent a specified compensation for getting as much money as the fiscal agent could out of the municipality to apply on the bonded debt. The municipality was at one end, the bondholder at the other end, while the fiscal agent was in the middle, collecting tribute from both ends. Now, it just does not seem right that things like this should be permitted to happen. Specific instances were shown where it was claimed the fiscal agent received as much as 20 percent of the amount of the bonds for getting the bondholder and the municipality together; that is, if a widow up in my district bought a bond of one of these municipalities in Florida and paid $100 for the bond, and then the municipality defaulted and did not pay interest for some time, in the compromise the widow might get $80 and the fiscal agent $20 out of the transaction. The municipality was but little better off and the bondholder—the widow—really took the count.

Mr. CANNON of Florida. Mr. Speaker, will the gentleman yield?

Mr. MICHENER. I yield to the gentleman from Florida.

Mr. CANNON of Florida. If the statement the gentleman has just made has been true, is it not also true that the bill now under consideration corrects and forms quite an inhibition against that practice?

Mr. MICHENER. Yes; the gentleman from Florida is correct. The Judiciary Committee was so shocked at such conduct on the part of this particular fiscal agent that it has written into the pending bill a drastic provision, the purpose of which is to prevent any fraud, graft, unfair or unethical practice in the future. I have no hesitancy in saying that certain fiscal agents in Florida are making a genuine racket out of the municipal bankruptcy law, and were it not for the provision in this bill, and if counties were included, the pastures would be just that much greener for unscrupulous fiscal agents.

Now, I am in nowise reflecting upon the splendid gentleman from Florida [Mr. CANNON], who introduced this bill. He knew not whereof he spoke when he endorsed the original bill. Just as soon as the hearings developed the facts as they are, the gentleman from Florida [Mr. CANNON] did not push that provision of the bill further. I am in nowise criticizing any one of the fine gentlemen who represent Florida in the House. I am sure that none of them would be a party to any unethical practice on the part of any fiscal agent or anybody else. However, ofttimes these fiscal agents pursue devious routes their wonders to perform and it takes an expert to interpret and understand the ramifications of their transactions.

Mr. McLAUGHLIN. Mr. Speaker, will the gentleman yield?

Mr. MICHENER. I yield.

Mr. McLAUGHLIN. I am sure the gentleman wants to be fair, as he always does——

Mr. MICHENER. Surely.

Mr. McLAUGHLIN. And certainly the gentleman is not indicating to the House that under the bill, as it has been reported by the Judiciary Committee, such a practice could possibly obtain?

Mr. MICHENER. I thought I had made that clear. However, if there is any doubt, I repeat that the pending bill contains a provision attempting to outlaw and prevent in the future the practices which this fiscal agent has been indulging in.

I am endorsing the good features of this bill. I want the bill to come up under the rule which was granted for its consideration. If that is done, amendments to the bill will be in order and a vote can be had on whether or not this House wants to establish as legislative policy the right of counties to go through bankruptcy. Under this suspension of the rules, those favoring the bill can talk for 20 minutes and those opposing the bill can talk for 20 minutes, and then the House must vote "yes" or "no" without reading the bill for amendment. This is the most rigid kind of "gag" rule and those Members who are opposed to "gag" rules certainly can find no justification in voting for this suspension.

Mr. SPRINGER. Mr. Speaker, will the gentleman yield?

Mr. MICHENER. I yield to the gentleman, who is a member of the committee.

Mr. SPRINGER. I think my distinguished colleague has made a very splendid statement and may I ask him this question: If an extension should be made under this law to include counties, what effect would it have on the sale of county bonds generally?

Mr. MICHENER. Municipal bonds have always stood on a little higher plane than the average corporation bond. The average corporation bond is based upon the security and soundness of the corporation, its management, and the probability that the corporation will be able to meet the interest and the bond when due. A municipal bond is based upon the integrity of government. No county ever has sufficient assets to make it possible for the bondholder to foreclose on the property of the county and realize on its security. It is the right that the county or the municipality has to levy a tax that makes the municipal bond attractive. If the Congress, through this legislation, announces to the world that counties are to be permitted to incur as much debt as they possibly can, get their roads built, their drains constructed, their pavements completed, their county buildings erected, and then refuse to levy taxes to repay those who in good faith have loaned them the money, then I say the country is reaching a new low so far as financial integrity is concerned. The municipal-bond market must necessarily suffer.

The time has come when our Government, our municipalities, and our people should begin to think about paying their debts rather than creating more debts, which must mean repudiation or bankruptcy. Maybe my notions along this line belong to the "horse and buggy" age. Yet there are some things about the "horse and buggy" age worthy of emulation and not least among these things is the old virtue of common honesty. This may sometimes mean hardship and sacrifice. Why, the committee was informed that in Florida they have a $5,000 homestead tax exemption, and we all know that Florida has constitutional provisions making that State a refuge for wealthy persons who want to escape as much taxation as possible while they live, and contribute as little estate tax as possible when they die. Now, where a county has borrowed money and made improvements, and then goes through bankruptcy, the fellow who paid for the improvements gets no benefit at all from the improvements, yet in many cases pays for most of them.

I realize that much propaganda has been put on in favor of this bill. There is some justification for continuing the present law for a period of 2 years. Under this procedure there is no chance to separate the good from the bad—no chance to amend. I therefore hope that this suspension will be voted down and then that the bill will be brought up in a form whereby it may be perfected and an opportunity given to make this legislation represent the will of what I believe to be a majority of this House.

Mr. MURDOCK of Utah. Mr. Speaker, I ask unanimous consent to extend the remarks I made this afternoon.

The SPEAKER pro tempore. Is there objection?

There was no objection.

Mr. McLAUGHLIN. Mr. Speaker, I yield 4 minutes to the gentleman from Florida [Mr. CANNON], the author of the bill.

Mr. CANNON of Florida. Mr. Speaker, I regret that the very fine gentleman from Michigan [Mr. MICHENER] saw fit to so indulge himself in his presentation of this case. I remember well having been called on to fight for this legislation as the author of the bill as best I could before the committee, that there were other States besides Florida definitely and unqualifiedly interested in this legislation, and for your information, and regardless of what my predecessor in speech has said I say to you that from California the Irrigation District Association of California, A. L. Cowell, Stockton, Calif., attorney, wrote to me, and from Illinois the Florida Tropical Acres, Inc., and from Ohio the Ohio Municipal Council, from Cleveland, Ohio. Then it was that I heard from the law firm of Wood and Cooke, attorneys, of Billings, Mont., and also from Missouri, North Carolina, Nebraska, Minnesota, Indiana, Kansas, Texas, Alabama, and Virginia.

That, I assure you, Mr. Speaker, is not a Florida picture. I am sorry that the gentleman so indulged himself. I attended the same hearings every day that he did. I worked just as hard as the good gentleman did, and his statement was not a true case and it was indeed prejudicial in this matter. I am sorry to call your attention to that, but in the interest of fairness I must. Those are the facts.

In my home county, if you please, the county of Dade, our bonds are selling at a premium, but representing, as I do, 9 counties, I find that at least 6 of those counties have been pauperized in the past, during the years of 1924 and 1925 because of the boom. I have found further, and so has the gentleman from Michigan [Mr. MICHENER], that 40 States in this Union enjoy the citizenship of the owners of these bonds. This is not a State proposition. It is a general proposition, given rise to by the infiltration of many peoples and many interests during the Florida boom.

This particular case is brought about in this manner: It has been our experience in the resettling and refunding of our bonded indebtedness in Florida that 95 percent of those people

invariably have come in and agreed to an amicable settlement and agreement. There have been religiously and constantly some 5 percent of those people who have refused an agreement, residing as they do in the 40 States of this Union. Those people bought those bonds at anywhere from 10 to 30 cents on the dollar and today they hold out for dollar-for-dollar settlement. In many cases, of course, some of the people were representing local residents in Florida.

Mr. HENDRICKS. Mr. Speaker, will the gentleman yield?

Mr. CANNON of Florida. I yield.

Mr. HENDRICKS. The gentleman from Michigan [Mr. MICHENER] said there were about three counties in the State interested in this matter. My interest in it is because I have had telegrams from county commissioners from more than three counties in my district and telegrams from city commissioners and bankers and others who are interested in this matter.

Mr. THORKELSON. Will the gentleman yield?

Mr. CANNON of Florida. I yield.

Mr. THORKELSON. The gentleman mentioned Billings, Mont. That is not in my district. It is in the Second District of Montana. Have they made a request? Are they on the verge of bankruptcy?

Mr. CANNON of Florida. Let me answer your question. Wood and Cook, attorneys of Billings, had this to say:

> I am very much interested in this measure (H. R. 9139), as are many people in this western country, and I presume that such is the case in Florida. The bill should certainly be enacted into law.

That is signed by that firm of lawyers.

Mr. THORKELSON. He did not infer that his county was on the verge of bankruptcy?

Mr. CANNON of Florida. I have read just what he said in respect to this legislation. In one county in my district we have a situation like this: The assessed valuation of the county is only one-third of its bonded indebtedness. Those people are just as honest and just as able in the management of their affairs as other people throughout this country, and the fact that this county and similar counties which I represent find themselves in financial straits is because we of Florida, during the boom which visited itself upon us in 1925, were called upon to expand and improve to take care of the influx of the citizenry from other States. [Applause.]

[Here the gavel fell.]

EXTENSION OF REMARKS

Mr. DIMOND. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and include therein a letter written by myself and several other brief excerpts from papers and documents.

The SPEAKER pro tempore. Without objection, it is so ordered.

There was no objection.

By unanimous consent, Mr. CARLSON was granted permission to revise and extend his own remarks in the Appendix of the RECORD.

MUNICIPAL BANKRUPTCY

Mr. McLAUGHLIN. Mr. Speaker, I yield 5 minutes to the gentleman from Illinois.

Mr. REED of Illinois. Mr. Speaker, sometimes individuals are unfortunate in the names that their parents have selected for them. Sometimes statutes are enacted by legislative bodies and they suffer similarly from misnomer. I think that applies to the statute which we at this time seek to amend.

When most of us think about bankruptcy we think about a proceeding wherein a person comes into court and, to relieve himself of his debts, he surrenders his property, takes his legal exemptions, and then says to his creditors, "Divide up what is left."

The statute which is in force at the present time and which we know as the Municipal Bankruptcy Act has been and is misnamed. It should be the Municipal Compositions Act. There is a great deal of difference between bankruptcy and composition. The Constitution of the United States mentions the word "bankruptcy" in the powers of Congress, and this is a very broad term. It has been construed in the following words:

> Congress shall have the power to establish uniform laws on the subject of any person's general inability to pay his debts throughout the United States (*Kunzler* v. *Kohaus*, 5 Hill, 317, 321).

Composition acts under the bankruptcy statute are different than ordinary benefit acts. They have been described by our Supreme Court as proceedings—

> Voluntary on both sides, by which the debtor of his own motion offers to pay his creditors a certain percentage of their claims in exchange for relief from his liabilities. The amount there may be less or more than would be realized from a distribution in bankruptcy. For the purpose of the composition all the creditors are treated as partners, and the will of the majority is enforced upon the minority, provided the decision of the majority is approved by the court (*Continental Illinois Bank & Trust Co.* v. *Chicago, Rock Island & Pacific Railway Co.*, 294 U. S. 648).

In case a municipality wishes to avail itself of the benefits of the present law, it does not come in solely on its own motion, but when it files its petition in the court it presents thereto a plan of composition acceptable to 51 percent of the aggregate amount of the securities affected by the plan, who must join in the petition. The whole matter is then submitted to the court, who, after due notice to all parties in interest, may, after a hearing, confirm or modify the same and then enter an order for the composition of the debts, provided 66⅔ percent of the aggregate amount of the securities affected by the plan agree thereto. So it is not similar to an ordinary bankruptcy case.

It has been said by the gentleman from Michigan [Mr. MICHENER], or at least intimated by him, that this legislation had its inception in Florida and that Florida is the State mostly interested therein. Let me say that about a year ago the American Bar Association met in convention at San Francisco. At that time they took up the proposition of whether or not legislation ought to be passed to continue this so-called municipal bankruptcy act in force. In order to inform their members they sent to the various clerks of the district courts throughout the United States to get data in support thereof. From that data compiled a year ago it was found that 159 suits for municipal bankruptcy were then pending in district courts throughout the United States. The 159 cases were broken down as follows: 2 from Arizona, 14 from Arkansas, 8 from California, 30 from Florida, 25 from Indiana, 48 from Kentucky, 1 from Michigan, 2 from Missouri, 2 from New Jersey, 1 from North Carolina, 2 from Oklahoma, 9 from Michigan, 1 from South Carolina, 2 from Tennessee, and 12 from Texas.

Likewise at that time there had been in 17 States of the Union a total of 102 cases that had been disposed of and there were 3 cases then pending on appeal. The committee on constitutional and practical problems arising from the Municipal Debt Readjustment Act of the Federal Government in its report to the American Bar Association at San Francisco said, in part, that the so-called Municipal Bankruptcy Act "has served a useful purpose to date and since it is likely that the wreckage of the depression cannot be cleared away entirely by June 30, 1940, the act itself should be extended for another 2-year period."

The Chicago Bar Association has also quite recently petitioned the Congress to extend this act for 2 more years.

Mr. Speaker, it is admitted by the gentleman from Michigan [Mr. MICHENER] that, excluding the provision including counties and parishes, the bill before us today is an improvement on the present law. If since 1937, it has been invoked in 264 instances in over 20 States and has the commendation of the largest and most conservative of the associations of lawyers in America, I see no reason why its benefits should not be extended to counties and parishes and the act itself continued in force for 2 additional years.

[Here the gavel fell.]

CREATION OF MOUNTAIN DISTRICT, STATE OF TENNESSEE

Mr. SMITH of Virginia, from the Committee on Rules, presented the following privileged resolution for printing

under the rule, which was read, referred to the House Calendar, and ordered printed:

House Resolution 530

Resolved, That immediately upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of S. 1681, an act to amend section 107 of the Judicial Code to create a mountain district in the State of Tennessee, and for other purposes. That after general debate, which shall be confined to the bill and shall continue not to exceed 1 hour, to be equally divided and controlled by the chairman and the ranking minority member of the Committee on the Judiciary, the bill shall be read for amendments under the 5-minute rule. At the conclusion of the reading of the bill for amendment the Committee shall rise and report the same to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

MUNICIPAL BANKRUPTCY

Mr. McLAUGHLIN. Mr. Speaker, I yield 5 minutes to the gentleman from Alabama [Mr. HOBBS].

Mr. HOBBS. Mr. Speaker, I would appreciate the attention of my colleagues over here, my colleagues on the Republican side.

Mr. Speaker, the narrow issue presented here is whether the widows and orphans to whom our good friend from Michigan referred shall get nothing or something.

Mr. MICHENER. Mr. Speaker, will the gentleman yield right there?

Mr. HOBBS. I am always happy to yield to my friend from Michigan.

Mr. MICHENER. On what does the gentleman base that positive statement?

Mr. HOBBS. I base that positive statement on this: That ever since the Florida boom burst they have received practically nothing. Under this bill they will get something, and I will proceed to show you how.

Mr. ZIMMERMAN. Mr. Speaker, will the gentleman yield there?

Mr. HOBBS. I would like to proceed, but I cannot refuse the request of my friend from Missouri.

Mr. ZIMMERMAN. I want to make a brief observation.

Mr. HOBBS. I have but 4 minutes.

Mr. ZIMMERMAN. But I have had some experience in refinancing levy and drainage districts. I have known a group of highjackers to go out and buy a few bonds and prevent a settlement when a majority wanted to settle; and the highjackers forced them to pay the face amount, 100 cents on the dollar, while the other men did not take the amount agreed upon.

Mr. HOBBS. To prevent such highjacking is one of the purposes of this bill. And then I want to say just this, and if you forget everything else, please remember this one fact. Florida has not asked for one dollar of reduction in the face amount of her outstanding municipal bonds. There has not been a single refinancing operation under this bill, not one, that did not give dollar for dollar of principal. There has not been a single case in which the bonds were not refinanced at par—par for par. Think that over. It is the truth, according to the evidence undisputed before our committee. The only benefit Florida cities have received under this law is reduced interest rates—some of them from 8 percent—down to a reasonable rate. The new refunding bonds bear interest, in some instances as low as 2 or 2½ percent, for the first year or so, but it comes right on back up to 4, 5, and 6 percent over a period of years. Floridians were no more to blame for overbonding than the speculators from other States who participated in that folly, and in many cases induced it. Yet not one of the municipalities of Florida "welched" as to principal.

They simply overestimated their ability to pay, thinking that the boom would be permanent. They are not blameless, but they should not be criticized too harshly. They have come clean. All they ask is a scaling down of interest so that they can pay.

That is a good record.

The same, in the main, may be said in behalf of the other debtors who have sought some relief under this law.

There is no logical reason to deny counties that are in the same predicament as the cities and drainage and irrigation districts are the same relief and hope.

This bill stops the only real complaint against this law—double payment to fiscal agents.

Defeat this bill and let the law expire, and you kill the only chance which that widow for whom the gentleman from Michigan pleads has of getting more than what the little boy shot at with his new rifle—nothing. Pass it, and she gets full face value, plus some interest.

This law seeks to solve a real problem. It faces facts. Mandamus ordering increased taxes when the old taxes have not been and cannot be paid, is a vain procedure. It produces nothing.

Bonds were issued during the boom. The boom burst. Now there is not a Chinaman's chance to pay in any other way than to give them an extension at a reduced interest rate, then they will pay dollar for dollar, par for par on the bonds that were issued, if we give them time and a chance.

Mr. MAY. Will the gentleman yield?

Mr. HOBBS. I yield to the gentleman from Kentucky.

Mr. MAY. In the first place, they had an unparalleled boom, then an unparalleled depression?

Mr. HOBBS. That is right. This is the only chance for the widow in Michigan to get her money back. This is a good bill, a fair bill. It should be passed.

[Here the gavel fell.]

Mr. MICHENER. Mr. Speaker, a parliamentary inquiry. A rule was granted on this bill and is now pending. If this motion to suspend the rules is voted down, then the bill will be eligible for consideration under the rule which permits amendments to strike out the word "county"; is that not true?

Mr. RAYBURN. It may be true, and it may not be true.

Mr. MICHENER. Well, the Speaker probably knows.

Mr. RAYBURN. I do not know whether the rule will be called up or not.

The SPEAKER. The Chair presumes also that the gentleman from Michigan would know.

The question is on the motion to suspend the rules and pass the bill.

The question was taken; and on a division (demanded by Mr. MICHENER) there were—ayes 103, noes 46.

Mr. MICHENER. Mr. Speaker, I object to the vote on the ground a quorum is not present.

The SPEAKER. Evidently there is not a quorum present.

The Doorkeeper will close the doors, the Sergeant at Arms will notify the absent Members, and the Clerk will call the roll.

The question was taken; and there were—yeas 223, nays 100, not voting 108, as follows:

[Roll No. 154]

YEAS—223

Allen, Ill.	Cannon, Mo.	DeRouen	Gore
Allen, La.	Carlson	Dies	Gossett
Arends	Cartwright	Dirksen	Graham
Arnold	Case, S. Dak.	Dondero	Grant, Ala.
Barden, N. C.	Celler	Doughton	Griffith
Barnes	Chapman	Doxey	Guyer, Kans.
Barry	Church	Duncan	Gwynne
Bates, Ky.	Clark	Dunn	Hare
Beam	Claypool	Durham	Harrington
Beckworth	Cochran	Eberharter	Hart
Bell	Coffee, Nebr.	Edmiston	Harter, Ohio
Bland	Coffee, Wash.	Elliott	Havenner
Bloom	Cole, Md.	Ellis	Healey
Boehne	Colmer	Evans	Hendricks
Boland	Connery	Faddis	Hennings
Boykin	Cooper	Ferguson	Hill
Brooks	Costello	Fernandez	Hinshaw
Brown, Ga.	Courtney	Fitzpatrick	Hobbs
Bryson	Cox	Ford, Miss.	Holmes
Buck	Cravens	Ford, Thomas F.	Hook
Buckler, Minn.	Crosser	Fulmer	Hope
Burch	Crowe	Garrett	Hull
Byrne, N. Y.	Crowther	Gathings	Hunter
Byron	Darden, Va.	Gearhart	Izac
Caldwell	Davis	Gehrmann	Jacobsen
Camp	Delaney	Geyer, Calif.	Jarman
Cannon, Fla.	Dempsey	Gibbs	Jenks, N. H.

Johnson, Ind.	Maciejewski	Pittenger	Starnes, Ala.
Johnson, Luther A.	Magnuson	Poage	Steagall
Johnson, Lyndon	Mahon	Polk	Stefan
Johnson, Okla.	Maloney	Rabaut	Sumners, Tex.
Johnson, W. Va.	Martin, Ill.	Ramspeck	Sutphin
Jones, Tex.	Massingale	Randolph	Sweeney
Kee	May	Rankin	Tarver
Kefauver	Miller	Rayburn	Terry
Keller	Mills, Ark.	Reece, Tenn.	Thomas, Tex.
Kelly	Mills, La.	Reed, Ill.	Thomason
Kennedy, Md.	Mott	Richards	Tolan
Kerr	Mouton	Robertson	Vincent, Ky.
Kilday	Mundt	Robinson, Utah	Vinson, Ga.
Kitchens	Murdock, Ariz.	Rogers, Okla.	Vreeland
Kleberg	Murdock, Utah	Sasscer	Wallgren
Kocialkowski	Myers	Satterfield	Walter
Lanham	Nelson	Schiffler	Ward
Lea	Norrell	Scrugham	Warren
Leavy	O'Connor	Secrest	Weaver
Lesinski	O'Day	Shannon	Welch
Lewis, Colo.	O'Leary	Sheppard	West
Ludlow	Parsons	Short	Wheat
McAndrews	Patman	Smith, Conn.	Whelchel
McCormack	Patrick	Smith, Ill.	White, Idaho
McGehee	Patton	Smith, Va.	Whittington
McKeough	Pearson	Smith, Wash.	Williams, Mo.
McLaughlin	Peterson, Fla.	Snyder	Wolverton, N. J.
McMillan, John L.	Peterson, Ga.	South	Zimmerman
Maas	Pierce	Sparkman	

NAYS—100

Alexander	Fish	Kinzer	Rogers, Mass.
Andersen, H. Carl	Gartner	Knutson	Routzohn
Anderson, Calif.	Gerlach	Kunkel	Rutherford
Andresen, A. H.	Gilchrist	Landis	Schafer, Wis.
Andrews	Gillie	LeCompte	Schulte
Angell	Goodwin	Lewis, Ohio	Simpson
Austin	Grant, Ind.	Luce	Smith, Ohio
Ball	Gross	McDowell	Springer
Bender	Hall, Edwin A.	McGregor	Sumner, Ill.
Blackney	Hall, Leonard W.	McLeod	Sweet
Bolton	Hancock	Marshall	Taber
Bradley, Mich.	Harness	Martin, Iowa	Talle
Byrns, Tenn.	Harter, N. Y.	Martin, Mass.	Thill
Chiperfield	Hess	Michener	Thorkelson
Clason	Hoffman	Monkiewicz	Tibbott
Clevenger	Horton	Moser	Tinkham
Cole, N. Y.	Jarrett	Murray	Treadway
Corbett	Jeffries	O'Brien	Van Zandt
Crawford	Jennings	Osmers	Vorys, Ohio
Curtis	Jensen	Powers	Wadsworth
Dworshak	Johnson, Ill.	Rees, Kans.	White, Ohio
Elston	Jones, Ohio	Rich	Wigglesworth
Engel	Jonkman	Robsion, Ky.	Williams, Del.
Englebright	Kean	Rockefeller	Wolfenden, Pa.
Fenton	Kilburn	Rodgers, Pa.	Youngdahl

NOT VOTING—108

Allen, Pa.	Ditter	Kirwan	Ryan
Anderson, Mo.	Douglas	Kramer	Sabath
Barton, N. Y.	Drewry	Lambertson	Sacks
Bates, Mass.	Eaton	Larrabee	Sandager
Bolles	Edelstein	Lemke	Schaefer, Ill.
Boren	Fay	Lynch	Schuetz
Bradley, Pa.	Flaherty	McArdle	Schwert
Brewster	Flannagan	McGranery	Seccombe
Brown, Ohio	Flannery	McLean	Seger
Buckley, N. Y.	Folger	McMillan, Clara	Shafer, Mich.
Bulwinkle	Ford, Leland M.	Mansfield	Shanley
Burdick	Fries	Marcantonio	Sheridan
Burgin	Gamble	Mason	Smith, Maine
Carter	Gavagan	Merritt	Smith, W. Va.
Casey, Mass.	Gifford	Mitchell	Somers, N. Y.
Cluett	Green	Monroney	Spence
Collins	Gregory	Nichols	Stearns, N. H.
Cooley	Halleck	Norton	Sullivan
Creal	Hartley	Oliver	Taylor
Culkin	Hawks	O'Neal	Tenerowicz
Cullen	Houston	O'Toole	Thomas, N. J.
Cummings	Jenkins, Ohio	Pace	Voorhis, Calif.
D'Alesandro	Johns	Pfeifer	Winter
Darrow	Keefe	Plumley	Wolcott
Dickstein	Kennedy, Martin	Reed, N. Y.	Wood
Dingell	Kennedy, Michael	Risk	Woodruff, Mich.
Disney	Keogh	Romjue	Woodrum, Va.

So, two-thirds having voted in favor thereof, the rules were suspended and the bill was passed.

The Clerk announced the following pairs:

On this vote.

Mr. Cullen and Mr. Cooley (for) with Mr. Jenkins of Ohio (against).

Mr. Dingell and Mr. Martin J. Kennedy (for) with Mr. Douglas (against).

Mr. Spence and Mr. O'Toole (for) with Mr. Brown of Ohio (against).

Mr. Gavagan and Mr. Schuetz (for) with Mr. Seccombe (against).

Mr. Woodrum of Virginia and Mr. Michael J. Kennedy (for) with Mr. Seger (against).

Mr. Fay and Mr. Sullivan (for) with Mr. Gifford (against).

Mr. Pfeifer and Mr. Keogh (for) with Mr. Ditter (against).

Mr. Dickstein and Mr. Edelstein (for) with Mr. Gamble (against).

Mr. Lynch and Mr. Somers of New York (for) with Mr. Eaton (against).

Mr. Merritt and Mr. Schwert (for) with Mr. Johns (against).

Mr. Buckley of New York and Mr. Bulwinkle (for) with Mr. Plumley (against).

General pairs:

Mr. Burgin with Mr. Halleck.
Mr. Flannagan with Mr. Barton of New York.
Mr. Romjue with Mr. Woodruff of Michigan.
Mr. Collins with Mr. Mason.
Mr. Pace with Mr. Wolcott.
Mr. Folger with Mr. Culkin.
Mr. O'Neal with Mr. Bates of Massachusetts.
Mr. Mansfield with Mr. Thomas of New Jersey.
Mr. Creal with Mr. Winter.
Mr. Nichols with Mr. Bolles.
Mrs. Clara G. McMillan with Mr. Keefe.
Mr. Cummings with Mr. Darrow.
Mr. Monroney with Mr. Leland M. Ford.
Mr. Kirwan with Mr. Hawks.
Mr. Drewry with Mr. Jennings.
Mr. Wood with Mr. McLean.
Mr. Boren with Mr. Hartley.
Mr. Gregory with Mr. Lambertson.
Mr. McArdle with Mr. Brewster.
Mr. Green with Mr. Cluett.
Mr. Anderson of Missouri with Mrs. Smith of Maine.
Mrs. Norton with Mr. Carter.
Mr. Sabath with Mr. Sandager.
Mr. Flaherty with Mr. Burdick.
Mr. Allen of Pennsylvania with Mr. Stearns of New Hampshire.
Mr. Casey of Massachusetts with Mr. Lemke.
Mr. Ryan with Mr. Reed of New York.
Mr. Schaefer of Illinois with Mr. Oliver.
Mr. Flannery with Mr. Risk.
Mr. Taylor with Mr. Shafer of Michigan.
Mr. Sheridan with Mr. Marcantonio.
Mr. Fries with Mr. Houston.
Mr. Kramer with Mr. Tenerowicz.
Mr. Smith of West Virginia with Mr. Shanley.
Mr. Bradley of Pennsylvania with Mr. Sachs.
Mr. McGranery with Mr. Larrabee.

Messrs. MUNDT, MAAS, and STEFAN changed their votes from "nay" to "yea."

The doors were opened.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

The SPEAKER. Without objection, House Resolution 468 will be laid on the table.

There was no objection.

RECONSTRUCTION FINANCE CORPORATION AND STOCK OF FEDERAL HOME-LOAN BANKS

Mr. STEAGALL. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 9958) to authorize the purchase by the Reconstruction Finance Corporation of stock of Federal home-loan banks; to amend the Reconstruction Finance Corporation Act, as amended, and for other purposes, with Senate amendments thereto. I may say there is no substantial change in these amendments which would justify a conference.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Alabama [Mr. STEAGALL]?

Mr. MARTIN of Massachusetts. Mr. Speaker, I object at this time because I am not acquainted with the amendments.

Mr. STEAGALL. I may say that the gentleman from Massachusetts [Mr. LUCE], the gentleman from Michigan [Mr. CRAWFORD], the gentlewoman from Illinois [Miss SUMNER], and the gentleman from Connecticut [Mr. MILLER] have examined the amendments.

Mr. MARTIN of Massachusetts. I will ask the gentleman to let that go over until the morning.

Mr. STEAGALL. They are all perfectly agreeable.

Mr. MARTIN of Massachusetts. I am not sure of the amendments and I will ask the gentleman to withhold his request until tomorrow.

Mr. STEAGALL. Mr. Speaker, I withdraw the request.

ANNOUNCEMENT

Mr. IZAC. Mr. Speaker, my colleague, the gentleman from California [Mr. VOORHIS] is unavoidably detained. Had he been here he would have voted "yea" on the resolution just passed.

The SPEAKER pro tempore. The gentleman from Missouri has raised a question with reference to such announcements.

The Chair has consulted the decisions of three or four former Speakers, and the precedents are all uniform to the effect that it is improper practice to make such announcements. The gentleman from Missouri has notified the Chair that he will object to all such statements, and the Chair trusts therefore that the gentleman will withdraw his request.

Mr. IZAC. Mr. Speaker, I withdraw the request.

EXTENSION OF REMARKS

Mr. GOSSETT. Mr. Speaker, I ask unanimous consent to revise and extend my own remarks in the RECORD and to include therein an excerpt from a recent speech by the President.

The SPEAKER. Is there objection to the request of the gentleman from Texas [Mr. GOSSETT]?

There was no objection.

MAKING THE WORLD SAFER FOR DEMOCRACY

Mr. GOSSETT. Mr. Speaker, I ask unanimous consent to address the House.

The SPEAKER. Is there objection to the request of the gentleman from Texas [Mr. GOSSETT]?

There was no objection.

Mr. GOSSETT. Mr. Speaker, this Nation must immediately prepare mentally, morally, and physically to deal with the present emergency and also with possible future emergencies. Today's defeat of the great French democracy by the force of dictators' arms makes evident the necessity that we respond at once to President Roosevelt's plea for rapid production of essential war materials and supplies.

Dictators laugh at democracy. They scoff at democratic efficiency and at democratic ideals. The time has come when the home of democracy must speak with strength as well as with principles. The voice of America henceforth and forever must not only be a voice of justice but also a voice of authority, based upon indomitable strength and power.

No one has better expressed the grave concern of our great liberty-loving Republic than its farsighted, courageous, President in delivering his national-defense message to the Congress on May 16, at which time he said in part:

> These are ominous days—days whose swift and shocking developments force every neutral nation to look to its defenses in the light of new factors. The brutal force of modern offensive war has been loosed in all its horror. New powers of destruction, incredibly swift and deadly, have been developed, and those who wield them are ruthless and daring. No old defense is so strong that it requires no further strengthening, and no attack is so unlikely or impossible that it may be ignored.
>
> Let us examine, without self-deception, the dangers which confront us. Let us measure our strength and our defense without self-delusion.
>
> The clear fact is that the American people must recast their thinking about national protection.
>
> Surely the developments of the past few weeks have made it clear to all of our citizens that the possibility of attack on vital American zones ought to make it essential that we have the physical, the ready ability to meet those attacks and to prevent them from reaching their objectives.
>
> This means military implements—not on paper—which are ready and available to meet any lightning offensive against our American interest. It means also that facilities for production must be ready to turn out munitions and equipment at top speed.
>
> We have had the lesson before us over and over again—nations that were not ready and were unable to get ready found themselves overrun by the enemy.

Mr. Speaker, we need more action and less words. We should start now. Before the sun goes down we should sign proper contracts with Henry Ford and have him begin tomorrow with his program to produce 1,000 airplanes per day. We should immediately begin to utilize the tremendous industrial, scientific, and human resources of this country and continue at top speed until no power on earth can challenge the strength of American arms. Our world must be made unsafe for robber barons to stalk their helpless prey.

But it is not enough simply to prepare for war. We must also prepare for peace. The responsibility for world leadership has already fallen upon our shoulders. We may shortly become the only oasis of liberty remaining in a mad, fear-crazed, war-torn world. We must keep the torch of freedom burning until the tear-dimned eyes of suffering and enslaved millions can again catch the gleam. With clear heads and steady hands, we must help to rebuild a decent world order. We must take the lead in the peace that has to follow after the war.

To the isolationists, we cite all human history, both sacred and profane. On almost the first page of sacred history the Almighty taught Cain that unforgettable truth that he had some very definite responsibilities for his brother's welfare. Those persons who care not what happens to others so long as it does not happen to them are either depraved in mind or in intellect, or in both.

Self-interest as well as concern for humanity requires that we preserve, protect, and defend democracy. This challenge should find ready response in the heart of every American who is worthy of his heritage.

Notwithstanding our professions of high principle, however, our record in the past decade has been none too good. We should blush with shame to think that more than 2,000,000 Chinese have been killed and more than 40,000,000 made homeless largely through the use of American scrap iron and gasoline. We have no right to threaten aggressors with one hand and aid them with the other. We should remember that economic sanctions are often more potent than military sanctions. Our economic power should be used to aid defenseless peoples and to defeat aggressors. We should not aid in the commission of crime by knowingly selling supplies to the criminal.

Mr. Speaker, it has been said with some truth, it seems to me, that politics destroyed America's leadership in the peace that followed the first World War. If this be true, let us pray that history does not repeat itself following this second World War.

If more of us lived for our country, fewer of us would have to die for our country.

Let all of us who love America rededicate ourselves to those principles that gave her birth and happiness. Let us resolve that henceforth, whether in peace or in war, we will devote to her service the best that we possess of mind and heart, with the hope that divine Providence will guide our feet in the paths of peace.

EXTENSION OF REMARKS

Mr. CONNERY. Mr. Speaker, I ask unanimous consent to revise and extend my own remarks in the RECORD on the subject of S. 3237, the sugar bill which we had before us today for consideration, and to include certain communications and tables.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts [Mr. CONNERY]?

There was no objection.

Mr. HOOK. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include two letters from the Secretary of Agriculture.

The SPEAKER. Is there objection to the request of the gentleman from Michigan [Mr. HOOK]?

There was no objection.

Mr. BROOKS asked and was given permission to extend his own remarks in the RECORD.

Mr. JOHNSON of Oklahoma. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include therein some resolutions passed by citizens of my district with reference to the international situation.

The SPEAKER. Is there objection to the request of the gentleman from Oklahoma [Mr. JOHNSON]?

There was no objection.

Mr. CLAYPOOL. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and include therein an article by Hon. Louis Johnson.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

PERMISSION TO ADDRESS THE HOUSE

Mr. FISH. Mr. Speaker, I ask unanimous consent to address the House for 1 minute to make an announcement.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. FISH. Mr. Speaker, there are a number of Members on the Republican side who want to appear before the resolutions committee of the Republican National Convention on foreign affairs to urge an antiwar plank. The resolutions committee, headed by Mr. Hyde, of Oklahoma, will hold hearings this Wednesday evening, June 19, in the Bellevue-Stratford Hotel, on the eighteenth floor. Republican Members of Congress who want to appear then on the foreign-affairs plank will be welcome at any time from 8 o'clock to midnight to make any statement they wish to on that subject. Mr. O. G. Saxon, the secretary of the committee, can be reached at room 524, Bellevue-Stratford Hotel, at Philadelphia.

Mr. HOBBS. Mr. Speaker, will the gentleman yield?

Mr. FISH. Not for a facetious remark.

Mr. HOBBS. I wanted to inquire in what city those hearings would be held.

Mr. FISH. The City of Brotherly Love, Philadelphia.

[Here the gavel fell.]

NATIONAL DEFENSE

Mr. HARTER of Ohio. Mr. Speaker, I ask unanimous consent to recommit to the committee of conference the bill (H. R. 9850) to expedite the strengthening of the national defense.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

EXTENSION OF REMARKS

Mr. TALLE. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and include therein an address delivered by Col. Hanford MacNider at Des Moines, Iowa.

The SPEAKER. Is there objection to the request of the gentleman from Iowa?

There was no objection.

Mr. BRADLEY of Michigan. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and include therein a very short article from the United Mine Workers' Journal of June 15, 1940.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. SPARKMAN. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and include therein an editorial from the Washington Star of today.

The SPEAKER. Is there objection to the request of the gentleman from Alabama?

There was no objection.

Mr. RANDOLPH. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and include therein an article from the Washington Daily News of today.

The SPEAKER. Is there objection to the request of the gentleman from West Virginia?

There was no objection.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to Mr. GREGORY (at the request of Mr. VINCENT of Kentucky), for today, on account of illness.

SENATE BILL REFERRED

A bill of the Senate of the following title was taken from the Speaker's table and, under the rule, referred as follows:

S. 785. An act relating to the acquisition of foreign silver by the United States; to the Committee on Ways and Means.

ENROLLED BILLS SIGNED

Mr. PARSONS, from the Committee on Enrolled Bills, reported that that committee had examined and found truly enrolled bills of the House of the following titles, which were thereupon signed by the Speaker.

H. R. 3840. An act to amend the act entitled "An act for making further and more effectual provision for the national defense, and for other purposes," approved June 3, 1916, as amended, and for other purposes;

H. R. 7074. An act to amend an act to authorize the Secretary of War and the Secretary of the Navy to make certain disposition of condemned ordnance, guns, projectiles, and other condemned material in their respective Departments;

H. R. 8913. An act making appropriations for the legislative branch of the Government for the fiscal year ending June 30, 1941, and for other purposes; and

H. R. 8745. An act making appropriations for the Department of the Interior for the fiscal year ending June 30, 1941, and for other purposes.

The SPEAKER announced his signature to an enrolled bill of the Senate of the following title:

S. 4027. An act to transfer the active list of the Construction Corps to the line of the Navy, and for other purposes.

ADJOURNMENT

Mr. RAYBURN. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 5 o'clock and 38 minutes p. m.) the House adjourned until tomorrow, Tuesday, June 18, 1940, at 12 o'clock noon.

COMMITTEE HEARINGS

COMMITTEE ON IMMIGRATION AND NATURALIZATION

There will be a meeting of the Committee on Immigration and Naturalization, Wednesday, June 19, 1940, at 10:30 a. m., for the consideration of private bills and unfinished business.

COMMITTEE ON INTERSTATE AND FOREIGN COMMERCE

There will be a meeting of the Committee on Interstate and Foreign Commerce at 10 a. m. Wednesday, June 19, 1940, in room 1334, New House Office Building, for the purpose of holding hearings on H. R. 9807 and H. R. 10013, to amend the Securities Act of 1933, etc.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1763. A letter from the Secretary of War, transmitting a letter from the Chief of Engineers, United States Army, dated June 6, 1940, submitting a report, together with accompanying papers and an illustration on reexamination of San Diego Harbor, Calif., requested by resolution of the Committee on Rivers and Harbors, House of Representatives, adopted March 26, 1940 (H. Doc. No. 844); to the Committee on Rivers and Harbors and ordered to be printed, with an illustration.

1764. A letter from the Secretary of War, transmitting a letter from the Chief of Engineers, United States Army, dated June 6, 1940, submitting a report, together with accompanying papers and an illustration, on reexamination of Los Angeles and Long Beach Harbors, Calif., requested by resolution of the Committee on Rivers and Harbors, House of Representatives, adopted February 9, 1938 (H. Doc. No. 843); to the Committee on Rivers and Harbors and ordered to be printed, with an illustration.

1765. A letter from the Acting Secretary of the Interior, transmitting a draft of a proposed bill to reserve 600 acres of land of the public domain for the use and benefit of the Kanosh Band of Indians in the State of Utah; to the Committee on Indian Affairs.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII,

Mr. WEAVER: Committee on the Judiciary. H. R. 1999. A bill to confer jurisdiction upon certain United States commissioners to try petty offenses committed on Federal reservations; without amendment (Rept. No. 2579). Referred to the Committee of the Whole House on the state of the Union.

Mr. SASSCER: Committee on Public Buildings and Grounds. H. R. 9116. A bill designating building guards employed in buildings under the jurisdiction of the Federal Works Agency as United States Building Police, and for other purposes; with amendment (Rept. No. 2580). Referred to the Committee of the Whole House on the state of the Union.

Mr. SWEENEY: Committee on the Post Office and Post Roads. H. R. 9491. A bill relating to compensation of former employees of the Railway Mail Service in certain positions and reinstated prior to August 14, 1937; without amendment (Rept. No. 2581). Referred to the Committee of the Whole House on the state of the Union.

Mr. HOBBS: Committee on the Judiciary. H. R. 10094. A bill to require the registration of certain organizations carrying on activities within the United States, and for other purposes; without amendment (Rept. No. 2582). Referred to the Committee of the Whole House on the state of the Union.

Mr. SMITH of Virginia: Committee on Rules. House Resolution 530. Resolution for the consideration of S. 1681, an act to amend section 107 of the Judicial Code to create a mountain district in the State of Tennessee, and for other purposes; without amendment (Rept. No. 2593). Referred to the House Calendar.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of rule XIII,

Mr. MACIEJEWSKI: Committee on Immigration and Naturalization. S. 2768. An act authorizing the naturalization of Thomas A. Lambie; without amendment (Rept. No. 2583). Referred to the Committee of the Whole House.

Mr. MACEIJEWSKI: Committee on Immigration and Naturalization. S. 2775. An act for the relief of Henry Gideon Schiller; without amendment (Rept. No. 2584). Referred to the Committee of the Whole House.

Mr. MACEIJEWSKI: Committee on Immigration and Naturalization. S. 2909. An act for the relief of Dexter and Elizabeth Shiomi; without amendment (Rept. No. 2585). Referred to the Committee of the Whole House.

Mr. MACEIJEWSKI: Committee on Immigration and Naturalization. H. R. 9297. A bill to enable Ernest Hermann Schmidt to remain permanently in the United States; without amendment (Rept. No. 2586). Referred to the Committee of the Whole House.

Mr. LESINSKI: Committee on Immigration and Naturalization. S. 1789. An act to authorize the cancelation of deportation proceedings in the case of Florence Sinclair Cooper and daughter, Margaret Lavallie, and Philip P. Roy; without amendment (Rept. No. 2587). Referred to the Committee of the Whole House.

Mr. LESINSKI: Committee on Immigration and Naturalization. H. R. 6295. A bill for the relief of Fred S. Hondros; without amendment (Rept. No. 2588). Referred to the Committee of the Whole House.

Mr. KENNEDY of Maryland: Committee on Claims. H. R. 8666. A bill for the relief of certain claimants on account of loss by fire for which the United States was adjudged liable; with amendment (Rept. No. 2589). Referred to the Committee of the Whole House.

Mr. TALLE: Committee on Immigration and Naturalization. H. R. 7143. A bill for the relief of Fanny Karp; with amendment (Rept. No. 2590). Referred to the Committee of the Whole House.

Mr. TALLE: Committee on Immigration and Naturalization. H. R. 7458. A bill for the relief of Amelia Maria Cavarzan; without amendment (Rept. No. 2591). Referred to the Committee of the Whole House.

Mr. McGEHEE: Committee on Immigration and Naturalization. S. 3412. An act for the relief of John Nicholas Chicouras; without amendment (Rept. No. 2592). Referred to the Committee of the Whole House.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. COLLINS:

H. R. 10097. A bill to provide for a maximum 3-percent interest rate on loans secured by a lien on United States Government life insurance; to the Committee on World War Veterans' Legislation.

By Mr. LEA:

H. R. 10098. A bill to amend section 204 of the act entitled "An act to provide for the termination of Federal control of railroads and systems of transportation; to provide for the settlement of disputes between carriers and their employees; to further amend an act entitled 'An act to regulate commerce,' approved February 4, 1887, as amended; and for other purposes," approved February 28, 1920; to the Committee on Interstate and Foreign Commerce.

By Mr. RANDOLPH:

H. R. 10099. A bill to amend the District of Columbia Alley Dwelling Act, as amended; to the Committee on the District of Columbia.

By Mr. VINSON of Georgia:

H. R. 10100. A bill to establish the composition of the United States Navy, to authorize the construction of certain naval vessels, and for other purposes; to the Committee on Naval Affairs.

By Mr. SUMNERS of Texas:

H. R. 10101. A bill to make unlawful the transportation of convict-made goods in interstate commerce, and for other purposes; to the Committee on the Judiciary.

By Mr. SUTPHIN:

H. R. 10102. A bill to provide a means whereby partial payment can be made to citizens of the United States of their claims against the Imperial Russian Government; to the Committee on Ways and Means.

By Mr. SCHIFFLER:

H. J. Res. 572. Joint resolution requesting the President of the United States to convoke a consultative meeting at which each of the foreign ministers of American republics be invited to participate, and for other purposes; to the Committee on Foreign Affairs.

By Mr. BLOOM:

H. J. Res. 573. Joint resolution to amend section 4 of public resolution No. 54, approved November 4, 1939, entitled "Joint resolution to preserve the neutrality and the peace of the United States and to secure the safety of its citizens and their interests; to the Committee on Foreign Affairs.

By Mr. KENNEDY of Maryland:

H. Res. 531. Resolution granting an increase in compensation to the assistant clerk to the Committee on Claims; to the Committee on Accounts.

MEMORIALS

Under clause 3 of rule XXII, memorials were presented and referred as follows:

By the SPEAKER: Memorial of the Legislature of the State of Louisiana, memorializing the President and the Congress of the United States to consider their House Concurrent Resolution No. 14, with reference to the Sugar Act of 1937; to the Committee on Agriculture.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII,

Mr. BURCH introduced a bill (H. R. 10103) reviving and renewing patent No. 1,467,930, serial No. 557,262, which was referred to the Committee on Patents.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

8778. By Mr. ENGEL: Petition of Edna E. Corbus, secretary of Women's Guild, St. Johns Evangelical Church of Muskegon, Mich., and 40 members of this organization, urging

Congress to refrain from any action which might necessitate the sending of American boys to fight on foreign soil; to the Committee on Foreign Affairs.

8779. By Mr. HINSHAW: Petition of 1,399 citizens of the city of Pasadena, Calif., urging immediate and effective aid to England and France in their struggle against dictatorship; that the Congress stay in session to consider emergency legislation for Allied help and speed the process of rearmament; that everything possible be done to release planes and other implements of war to the Allies without impairing our own security; that laws should be repealed which interfere with our assisting the Allies in moneys, credits, munitions, voluntary enlistments, and in the Allies' control of contraband; to the Committee on Foreign Affairs.

8780. By Mr. LUTHER A. JOHNSON: Petition of R. E. Cornforth, adjutant, Miles Scrivener Post, No. 454, the American Legion, Hearne, Tex., advising of resolution by his post asking that Congress stay in session during the emergency; to the Committee on Ways and Means.

8781. Also, petition of the Milford Civic Club, the Milford Luncheon Club, and all other Milford civic organizations, of Milford, Tex., favoring all possible assistance to the Allies short of an expeditionary force; to the Committee on Military Affairs.

8782. Also, petition of the Corsicana Lions Club, Corsicana, Tex., favoring preparedness and curbing un-American activities; to the Committee on Military Affairs.

8783. Also, petition of the Lions Club, of Groesbeck, Tex., favoring compulsory military service and material aid to the Allies; to the Committee on Military Affairs.

8784. By Mr. MARTIN J. KENNEDY: Petition of the Baker and Confectionery Workers International Union of America, Local No. 1, New York City, concerning the Sherman antitrust law; also expressing opposition to any war except in the case of actual invasion by armed forces; to the Committee on the Judiciary.

8785. By Mr. MARSHALL: Petition of a number of citizens of Cleveland, requesting that any reductions in the regular governmental expenditures, especially where they would reduce the salaries of postal employees, be opposed; to the Committee on Appropriations.

8786. By Mr. POLK: Petition of S. B. Purtee and other citizens of Portsmouth, Ohio, urging that action be taken to learn the mission in the United States of Capt. Otto Stennes, Germany's chief agent, who recently arrived in San Francisco; also, against the Nazi Bund camps and other subversive groups; to the Committee on Immigration and Naturalization.

8787. By Mr. SUTPHIN: Petition of the mayor and council of the Borough of Rumson, N. J., urging that Congress remain in session; to the Committee on Ways and Means.

8788. By Mr. ROMJUE: Petition of the Farmers' Mutual Insurance Co. of Marion County, Mo., commending the President of the United States for urging upon the Nation the necessity of vast expenditures for preparedness and national defense, and calling upon Congress to expedite all measures looking to full and proper preparedness and national defense; to the Committee on Military Affairs.

8789. By the SPEAKER: Petition of Mary Archer, Flying Hill Farms, Reading, Pa., petitioning consideration of their resolution with reference to the defense program; to the Committee on Military Affairs.

8790. Also, petition of the business and professional men of 1 Wall Street, New York, petitioning consideration of their resolution with reference to the defense program; to the Committee on Military Affairs.

8791. Also, petition of the Corsicana Lions Club, Corsicana, Tex., petitioning consideration of their resolution with reference to the defense program; to the Committee on Military Affairs.

8792. Also, petition of Alexander, Borkowski & Stern, Steubenville, Ohio, petitioning consideration of their resolution with reference to the defense program; to the Committee on Military Affairs.

8793. Also, petition of the International Lions Club, San Leandro, Calif., petitioning consideration of their resolution with reference to the defense program; to the Committee on Military Affairs.

8794. Also, petition of the Lions Club, Bridgeport, Ohio, petitioning consideration of their resolution with reference to the defense program; to the Committee on Military Affairs.

8795. Also, petition of the Hamilton Lions Club, District 13 B, Hamilton, Ohio, petitioning consideration of their resolution with reference to the defense program; to the Committee on Military Affairs.

8796. Also, petition of the Davenport Lions Club, Davenport, Iowa, petitioning consideration of their resolution with reference to the defense program; to the Committee on Military Affairs.

8797. Also, petition of the Lions International, Rolla, Mo., petitioning consideration of their resolution with reference to the defense program; to the Committee on Military Affairs.

8798. Also, petition of Daughters of the American Revolution, Ellen Hardin Walworth Chapter, Brooklyn, N. Y., petitioning consideration of their resolution with reference to the defense program; to the Committee on the Judiciary.

8799. Also, petition of United Automobile Workers of America, Congress of Industrial Organizations, Fisher Local, No. 602, Lansing, Mich., petitioning consideration of their resolution with reference to Senate bill 591, United States Housing Authority program; to the Committee on Banking and Currency.

8800. Also, petition of the Lions International Club, Houma, La., petitioning consideration of their resolution with reference to the defense program; to the Committee on Military Affairs.

8801. Also, petition of the Michigan State Industrial Union Council, Detroit, Mich., petitioning consideration of their resolution with reference to immigration legislation; to the Committee on Immigration and Naturalization.

8802. Also, petition of Local 1–12, International Longshoremen's and Warehousemen's Union, North Bend, Oreg., petitioning consideration of their resolution with reference to House bill 9766, immigration legislation; to the Committee on Immigration and Naturalization.

8803. Also, petition of Workers Alliance G–220, Los Angeles, Calif.; petitioning consideration of their resolution with reference to immigration legislation; to the Committee on Immigration and Naturalization.

8804. Also, petition of the Lions Club of Providence, Providence, R. I., petitioning consideration of their resolution with reference to the defense program; to the Committee on Military Affairs.

8805. Also, petition of undergraduates of Yale University, New Haven, Conn., petitioning consideration of their resolution with reference to the defense program; to the Committee on Military Affairs.

8806. Also, petition of the Young People's Religious Union, Boston, Mass., petitioning consideration of their resolution with reference to foreign affairs; to the Committee on Foreign Affairs.

8807. Also, petition of the Lions International, Glenrock, Wyo., petitioning consideration of their resolution with reference to the defense program; to the Committee on Military Affairs.

8808. Also, petition of Dixie Thirty-first Division Association, Miami, Fla., petitioning consideration of their resolution with reference to immigration legislation; to the Committee on Immigration and Naturalization.

SENATE

TUESDAY, JUNE 18, 1940

(Legislative day of Tuesday, May 28, 1940)

The Senate met at 11 o'clock a. m., on the expiration of the recess.

The Chaplain, Rev. ZeBarney T. Phillips, D. D., offered the following prayer:

Lord of all power and might, who hast set a restlessness in our hearts and hast made us all seekers after that unto

which we cannot fully attain: Forbid that we should be satisfied with what we have made of life, but do Thou guide us in every choice, making us humble, brave, and loving.

We do not ask that Thou wilt keep us safe, but that Thou wilt keep us loyal to the ideals of America, and so prepare us for the great adventure in helping to build the City of God in a distracted world. Keep us at tasks too difficult for us, that we may be driven unto Thee for strength. Make us aware of the contentious kingdom within ourselves, which we must learn to rule before we can hope to rule others. Increase our faith in the ultimate triumph of goodness, and help us to realize that each responsibility is but an opportunity to gird ourselves that we may worthily serve our God and our country. Strengthen us with might by Thy Spirit in the inner man, that, Christ dwelling in our hearts by faith, we may be filled with all the fullness of God. Amen.

THE JOURNAL

On request of Mr. BARKLEY, and by unanimous consent, the reading of the Journal of the proceedings of the calendar day of Monday, June 17, 1940, was dispensed with, and the Journal was approved.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Calloway, one of its reading clerks, announced that the House had passed without amendment the following bills and joint resolution of the Senate:

S. 2611. An act authorizing the purchase of a site and the erection of a building in the State of Massachusetts for use as a radio-monitoring station, and for other purposes;

S. 2983. An act to authorize the sale of lumber and other forest products obtained from the forests on Indian reservations by Indian enterprises;

S. 2984. An act authorizing the transfer of title of the Hayward Indian School to the State of Wisconsin;

S. 3018. An act to amend section 210 of the Communications Act of 1934, approved June 19, 1934 (48 Stat. 1073; 47 U. S. C. 210), so as to permit communication utilities to contribute free services to the national defense;

S. 3237. An act to amend section 301 (a) of the Sugar Act of 1937;

S. 3352. An act to amend the act of August 27, 1935 (49 Stat. 2194), and for other purposes;

S. 3667. An act to provide for the local delivery rate on certain first-class mail matter;

S. 3958. An act to authorize the Secretary of the Treasury to grant to the Road Department of the State of Florida an easement for a road right-of-way over the Coast Guard Reservation at Flagler Beach, Fla.; and

S. J. Res. 214. Joint resolution authorizing the recognition of the two hundredth anniversary of the founding of the University of Pennsylvania by Benjamin Franklin and the beginning of university education in the United States, and providing for the representation of the Government and people of the United States in the observance of the anniversary.

The message also announced that the House had passed the bill (S. 2059) authorizing a grant to the city of Fargo, N. Dak., of an easement in connection with the construction of water and sewer systems, with amendments, in which it requested the concurrence of the Senate.

The message further announced that the House had disagreed to the amendments of the Senate to the bill (H. R. 5138) to make unlawful attempts to interfere with the discipline of the Army, the Navy, and the Coast Guard; to require the deportation of certain classes of aliens; to require the fingerprinting of aliens seeking to enter the United States, and for other purposes; agreed to the conference asked by the Senate on the disagreeing votes of the two Houses thereon, and that Mr. SUMNERS of Texas, Mr. HOBBS, and Mr. HANCOCK were appointed managers on the part of the House at the conference.

The message also announced that the House had passed the following bills and joint resolution, in which it requested the concurrence of the Senate:

H. R. 3402. An act to authorize the appropriation for payment of the cost of providing additional water for the Wapato Indian irrigation project, Washington;

H. R. 4587. An act to give the Supreme Court of the United States authority to prescribe rules of pleading, practice, and procedure with respect to proceedings in criminal cases prior to and including verdict, or finding or plea of guilty;

H. R. 5382. An act authorizing the city of Keokuk, Iowa, to purchase, construct, maintain, and operate a toll bridge across the Mississippi River at or near Keokuk, Iowa;

H. R. 6408. An act to extend the times for commencing and completing the construction of a dam and dike for preventing the flow of tidal waters into North Slough in Coos County, Oreg.;

H. R. 6583. An act for expenditure of funds for cooperation with the public-school board, Cass County, Minn., for the construction, extension, equipment, and improvement of public-school facilities to be available to Indian children in the district;

H. R. 7254. An act authorizing the temporary detail of John L. Savage, an employee of the United States, to service under the government of the State of New South Wales, Australia, and the government of the Punjab, India;

H. R. 8046. An act to amend section 1 of the act entitled "An act for the retirement of employees of the Alaska Railroad, Territory of Alaska, who are citizens of the United States," approved June 29, 1936;

H. R. 8621. An act to amend the Civil Service Retirement Act and other retirement acts;

H. R. 8645. An act to provide Saturday half holidays for char force working in Post Office Department;

H. R. 9024. An act relating to the status of retired officers of the Army, Navy, Marine Corps, and Coast Guard of the United States, and to amend section 113 of the Criminal Code;

H. R. 9139. An act to amend an act entitled "An act to establish a uniform system of bankruptcy throughout the United States," approved July 1, 1898, and acts amendatory thereof and supplementary thereto;

H. R. 9389. An act to more effectively utilize certain lands of the public domain, and for other purposes;

H. R. 9391. An act to amend section 40, National Defense Act, as amended, relating to the organization of the Reserve Officers' Training Corps, so as to provide for an exception with respect to the University of Alaska;

H. R. 9509. An act to extend the times for commencing and completing the construction of a bridge across the Ohio River at or near Shawneetown, Ill.;

H. R. 9618. An act to extend the times for commencing and completing the construction of a bridge across the Susquehanna River at or near the city of Harrisburg, Pa.;

H. R. 9705. An act to make more effective use of certain parts of the public domain, and for other purposes;

H. R. 9864. An act amending the Bankruptcy Act with respect to the basis of property;

H. R. 9877. An act authorizing the Secretary of the Interior to promulgate and to put into effect charges for electrical energy generated at Boulder Dam, providing for the application of revenues from said project, authorizing the operation of the Boulder power plant by the United States directly or through agents, and for other purposes;

H. R. 9887. An act to provide for the disposition of trust or restricted estates of Indians dying intestate without heirs;

H. R. 9898. An act to further amend section 13a of the National Defense Act so as to authorize officers detailed for training and duty as aircraft observers to be so rated, and for other purposes;

H. R. 9920. An act authorizing the county of Lawrence, Ohio, to acquire and operate as a unit certain privately owned toll bridges across the Ohio River adjoining such county;

H. R. 9927. An act declaring a forfeiture of certain land heretofore granted by the United States to the board of commissioners of the Orleans levee district, in the city of New Orleans, State of Louisiana, for levee and street purposes;

H. R. 9981. An act to authorize the construction of certain facilities in Marjorie Park, Davis Island, Tampa, Fla., and for other purposes;

H. R. 9990. An act to amend section 4008 of the Revised Statutes relating to transportation of foreign mails;

H. R. 9991. An act to amend section 4021 of the Revised Statutes and to repeal section 4023 of the Revised Statutes relating to establishment of postal agencies;

H. R. 9995. An act to amend the act of April 6, 1938 (52 Stat. 201), entitled "An act authorizing the Secretary of the Treasury to exchange sites at Miami Beach, Dade County, Fla., for Coast Guard purposes";

H. R. 10010. An act to increase the size of the Regular Army of the United States;

H. R. 10014. An act to amend the Transportation Act, 1920, as amended;

H. R. 10026. An act to provide for the disposition of certain photographed records of the United States Government, and for other purposes;

H. R. 10058. An act to amend the act relating to preventing the publication of inventions in the national interest, and for other purposes; and

H. J. Res. 472. Joint resolution to prohibit the sale or disposal of the United States customhouse for the city of Detroit.

CALL OF THE ROLL

Mr. BARKLEY. I suggest the absence of a quorum.

The VICE PRESIDENT. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Adams	Davis	Lee	Russell
Andrews	Donahey	Lodge	Schwartz
Ashurst	Downey	Lucas	Schwellenbach
Austin	Ellender	Lundeen	Sheppard
Bailey	George	McCarran	Shipstead
Bankhead	Gerry	McKellar	Slattery
Barkley	Gillette	McNary	Smathers
Bilbo	Green	Maloney	Smith
Bone	Guffey	Mead	Taft
Bridges	Gurney	Miller	Thomas, Idaho
Brown	Hale	Minton	Thomas, Okla.
Bulow	Harrison	Murray	Thomas, Utah
Burke	Hatch	Neely	Tobey
Byrd	Hayden	Norris	Townsend
Byrnes	Herring	Nye	Truman
Capper	Hill	O'Mahoney	Tydings
Caraway	Holman	Overton	Vandenberg
Chandler	Holt	Pepper	Van Nuys
Clark, Idaho	Hughes	Pittman	Wagner
Clark, Mo.	Johnson, Colo.	Radcliffe	Walsh
Connally	King	Reed	White
Danaher	La Follette	Reynolds	Wiley

Mr. MINTON. I announce that the Senator from New Mexico [Mr. CHAVEZ], the Senator from Virginia [Mr. GLASS], the Senator from Tennessee [Mr. STEWART], and the Senator from Montana [Mr. WHEELER] are necessarily absent from the Senate.

Mr. AUSTIN. I announce that the Senator from North Dakota [Mr. FRAZIER] and the Senator from Vermont [Mr. GIBSON] are necessarily absent.

The Senator from New Jersey [Mr. BARBOUR] is absent on official duties.

The VICE PRESIDENT. Eighty-eight Senators have answered to their names. A quorum is present.

TRIBUTE TO THE LATE MARTIN ROBERTS

Mr. DAVIS. Mr. President, the sudden death of Martin Roberts, of the Library of Congress, comes as a shock to his many friends. I have known Mr. Roberts and his brother, David Roberts, who also served for many years in the Library, as public servants of rare insight and most commendable understanding. Mr. Martin Roberts at the time of his death was Chief Assistant Librarian of the Library of Congress. His devotion to the Library and his intense interest in every phase of its development were apparent to all who knew him. He was not a man to seek self-advancement but gave his life completely to the great institution which he served for over 37 years. Mr. David Roberts, of the Prints Division of the Library, was a hymn writer and a poet. These brothers will long be remembered for the dignity, the grace, the charm, and the personal loyalty which they brought to our national institution of learning. Congress has suffered a loss in the passing of these great-hearted public servants.

Mr. President, I ask unanimous consent to have included in the RECORD as a part of my remarks an editorial on Martin Arnold Roberts taken from the Washington Evening Star, June 17, 1940.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

MARTIN ARNOLD ROBERTS

News of the sudden death of Martin Arnold Roberts has come as a shock to hundreds of public officials, scholars, and others who have had reason to appreciate his endeavors as chief assistant librarian of the Library of Congress.

Mr. Roberts, it must be conceded, was not universally famous, yet it may be wondered if any other servant of the common good in his generation ever more truly deserved the gratitude of the entire national community. The great intelligence, understanding, and sympathy with which he was endowed were dedicated to the development of what is now the most important bibliographic establishment in the world. He lived for the Library from 1903 onward. Those with whom he was intimately asscciated speak of him as "a man of unremitting and self-sacrificing industry," but the words are inadequate. It is necessary to explain that "his workdays were ordinarily 18 hours long; neither Sundays nor holidays nor the usual vacations were permitted to interrupt his labors. His was a career of devoted service which he pursued with an indomitable spirit that never surrendered to fatigue or even took account of the limits of physical endurance." His home was in Baltimore, and it was characteristic of him that he cheerfully commuted daily to Washington during no fewer than 37 years.

Himself a scholar of distinction, an alumnus of Johns Hopkins, Harvard and Columbia Universities, Mr. Roberts cultivated a talent for the giving of exactly that sort of help which research workers require. His authoritative knowledge of books he freely pledged to all who sought his aid. A certain generous enthusiasm stimulated his efforts without disturbing his native modesty and simplicity. Kindliness was his outstanding quality, a humane cooperative faculty his most notable capacity. Nothing else pleased him so much as the privilege of contributing to the completion of a task which he considered worthy of the effort. He was a builder, adding himself and his genius to the expansion of the Library and the advancement of its patrons. His memory assuredly will be treasured by all who care about cultural progress in this earth. As it was declared of Wren at St. Paul's, his monument will be found in the shrine of learning to which he gave his heart.

SUPPLEMENTAL ESTIMATE, LEGISLATIVE ESTABLISHMENT (S. DOC. NO. 216)

The VICE PRESIDENT laid before the Senate a communication from the President of the United States, transmitting a supplemental estimate of appropriation for the legislative establishment, Senate and House of Representatives, amounting to $30,000, fiscal year 1941, which, with the accompanying papers, was referred to the Committee on Appropriations and ordered to be printed.

SUPPLEMENTAL ESTIMATE, DEPARTMENT OF STATE (S. DOC. NO. 217)

The VICE PRESIDENT laid before the Senate a communication from the President of the United States, transmitting a supplemental estimate of appropriation for the Department of State (Alaskan International Highway Commission), fiscal year 1941, amounting to $15,000, which, with the accompanying paper, was referred to the Committee on Appropriations and ordered to be printed.

APPROPRIATION FOR FOREIGN AIR MAIL TRANSPORTATION (S. DOC. NO. 218)

The VICE PRESIDENT laid before the Senate a communication from the President of the United States, transmitting a proposed provision affecting the appropriation for foreign air mail transportation for the Post Office Department, fiscal year 1941, which, with the accompanying paper, was referred to the Committee on Appropriations and ordered to be printed.

SUPPLEMENTAL ESTIMATE, NAVY DEPARTMENT (S. DOC. NO. 219)

The VICE PRESIDENT laid before the Senate a communication from the President of the United States, transmitting a supplemental estimate of appropriation for the Navy Department, fiscal year 1941, amounting to $6,900, to cover expenses of the Marine Band in attending the convention of the Grand Army of the Republic, to be held at Springfield, Ill., September 8 to 13, 1940, which, with the accompanying paper, was referred to the Committee on Appropriations and ordered to be printed.

PROVISION RELATIVE TO APPROPRIATION FOR FEDERAL WORKS AGENCY (S. DOC. NO. 220)

The VICE PRESIDENT laid before the Senate a communication from the President of the United States, transmitting

the draft of a proposed provision pertaining to an existing appropriation for the Federal Works Agency, Public Roads Administration (Mount Vernon Memorial Highway), which, with the accompanying paper, was referred to the Committee on Appropriations and ordered to be printed.

PETITIONS AND MEMORIALS

Mr. WALSH presented a resolution of the Boston (Mass.) Social Club, protesting against involvement of the United States in foreign wars, which was referred to the Committee on Foreign Relations.

He also presented a resolution of the board of directors of the Chamber of Commerce, of Cambridge, Mass., favoring the rendering of material aid to the Allied nations and the adoption of an adequate national-defense program, which was referred to the Committee on Foreign Relations.

He also presented a telegram in the nature of a petition from the Beverly (Mass.) branch of the Committee to Defend America by Aiding the Allies, praying that the United States render all needed aid to the Allies without impairing American national-defense requirements, which was referred to the Committee on Foreign Relations.

He also presented a telegram in the nature of a petition from the General Town Committee for National Defense, Brockton, Mass., praying that the United States render material aid to the Allied nations, which was referred to the Committee on Foreign Relations.

He also presented petitions of sundry citizens of Adams, Mass., praying that material aid be rendered the Allied nations, which were referred to the Committee on Foreign Relations.

Mr. VANDENBERG. Mr. President, a committee of three undergraduates from Michigan State College has brought to Washington petitions praying that our Nation may keep out of war. The petitions are signed by 3,800 students of that college. I ask leave to present the petitions to the Senate for appropriate reference, and request that the body of one of the petitions be printed in the RECORD.

There being no objection, the petitions were received and referred to the Committee on Foreign Relations, and the body of one of the petitions was ordered to be printed in the RECORD, as follows:

EAST LANSING, MICH.

Three hundred white crosses were put up on our campus last night, dedicated to those who have not yet "died for democracy."

We, the students of Michigan State College, ask that you use your influence to keep our Nation out of war, so that we might live to build our democracy peacefully.

Mr. VANDENBERG. Mr. President, I also present a letter addressed to me by constituents of Kalamazoo, Mich., together with petitions numerously signed by citizens of Kalamazoo and vicinity. I ask that the letter and the body of one of the petitions, without the signatures attached, be printed in the RECORD and appropriately referred.

There being no objection, the letter and petitions—without the signatures attached—were referred to the Committee on Foreign Relations and the body of one of the petitions was ordered to be printed in the RECORD, as follows:

KALAMAZOO, MICH., *June 14, 1940.*

To the Honorable ARTHUR VANDENBERG,
United States Senate, Washington, D. C.

MY DEAR SENATOR: Enclosed you will find the signatures of but a few of the many people who are aware of the dangerous trend of the present policies of our administration. It seems to us that the voices now heard most loudly in Washington do not reflect the opinions of the majority of our voters.

We would appreciate it greatly if you will give careful consideration to the wishes of the people having signed the enclosed request.

May we also request that you forward these signatures to your colleague, the Honorable PRENTISS BROWN, with the further request that he forward them to our own well-known Congressman, the Honorable PAUL W. SHAFER?

Most sincerely,

YOUR UNDERSIGNED CONSTITUENTS.

To the Honorable ARTHUR H. VANDENBERG, Senator;
To the Honorable PRENTISS BROWN, Senator;
To the Honorable PAUL W. SHAFER, Congressman:

Please use your influence and encourage proper legislation to keep our country out of the present European conflict. We do not favor weakening our own defenses by selling war material and equipment to any foreign nation. We do favor expanding our own defense program. Block the war hysteria.

Mr. TYDINGS. Mr. President, I have received in the last few days from constituents in Maryland numerous petitions signed by many thousands of people praying that the United States do all it effectively and expediently can to insure the victory of the Allies in the present European conflict, which I now present. The petitions are sponsored by the Maryland committee affiliated with the National Committee to Defend America by Aiding the Allies—that is the title of the committee. I think the petitions should be referred to the Committee on Foreign Relations.

The VICE PRESIDENT. Without objection, the petitions will be received and referred to the Committee on Foreign Relations.

RESOLUTION OF HOWELL-GRANTHAM POST, NO. 53, AMERICAN LEGION

Mr. BILBO presented a resolution of Howell-Grantham Post, No. 53, American Legion, Lucedale, Miss., which was referred to the Committee on Foreign Relations and ordered to be printed in the RECORD, as follows:

Resolution deploring the present world crisis, reaffirming our loyalty to the ideals of government that our former Allies are making great sacrifices to maintain, pledging our loyalty to their cause, and urging immediate aid to them by our Government

The following is a resolution unanimously adopted by the Howell-Grantham Post, No. 53, of the American Legion, Lucedale, Miss.

"Feeling that it might be of value in promoting aid to the Allies in their great struggle against Germany, we are sending it to you with the hope that it might cause other American Legion posts and citizens to take the same stand which will result in our Government giving immediate and necessary aid to the Allies as Congress may deem wise:

"Whereas one of the fundamental purposes of the American Legion is to perpetuate and foster the democratic ideals of government that have been maintained by the United States of America during the entire period of its existence, for the promotion of which many sacrifices have been made and for the protection of which the members of this organization, as well as many other loyal citizens of our country, joined with England, France, and the other allied governments in the World War; and

"Whereas the same forces which menaced the peace of the world in the years 1914 to 1918 have again risen in more barbaric and monstrous form, threatening to crush the civilization not only of Europe but of the entire world, and since there is such a strong tie between the citizens of the United States and of England and France, not only by reason of former relationships as defenders of peace but of similarity in forms of government and ideas of peace, it is impossible for this organization to remain inactive and silent while those countries are resisting to a bitter death the preservation of civil liberties, which, if maintained, will greatly benefit us; and

"Whereas we believe if our former Allies lose this great struggle, it will be necessary ultimately for us to fight the same forces that now oppose them, and without their aid; and

"Whereas in making such sacrifices, not only for their benefit but for the entire civilized world, they should be assured not only of our sympathy, our admiration for their bravery and courage, but that every possible aid should be rendered them immediately by our Federal Government before it is too late—the kind of aid to be determined by those in national authority, but some substantial aid without delay: Now, therefore, be it

"Resolved by the Howell-Grantham Post, No. 53, of the American Legion, Lucedale, Miss.—

"SECTION 1. That this post of the American Legion definitely affirm its loyalty to the cause of good government which our former Allies are now so courageously defending, and that we condemn with all possible vigor the ferocious, monstrous, and barbaric attempts by Germany to destroy modern civilization, and decry its ruthless practice of destroying human lives.

"SEC. 2. That we dedicate whatever resources we may have for their immediate aid and defense and express our unwillingness to sit idly by with a surplus of food and an inexhaustible supply of metals and ammunitions that can be used by them in defending and establishing the peace of the world.

"SEC. 3. That we pledge our cooperation to the United States Government and to our President, and not only endorse his statement to Congress that we give the Allies first call upon anything material we can produce, but that we go further, and urge that every weapon we possess which is not indispensable to preserve law and order within our own boundaries and not necessary for our immediate defense be made available to them, and that such other aid as in the wisdom of Congress, such as giving credit, furnishing food, medical supplies, and money, be extended, and if necessary delivered.

"SEC. 4. That our services be offered to crush the so-called "fifth column" in this country, as well as to stamp out all non-American, un-American, and disloyal persons and practices that may exist.

"SEC. 5. That this resolution be published as an expression of this post not only as a means of promoting immediate aid to the Allies,

but of guaranteeing to those loyal Americans who did not return from the World War that the torch is still held high, and that they are not forgotten, even though a greater battle wages in Flanders Field."

Yours sincerely,

L. L. VISE,
Commander, Howell-Grantham Post, No. 53.
LUCEDALE, MISS., *June 12, 1940.*

REPORTS OF COMMITTEES

Mr. BULOW, from the Committee on Civil Service, to which was referred the bill (H. R. 960) extending the classified executive civil service of the United States, reported it with amendments, and submitted a report (No. 1865) thereon.

He also, from the same committee, to which was referred the bill (H. R. 6507) to provide for leave of absence, with pay, for any employee of the United States or of the District of Columbia who may be called upon for jury service in any State court or court of the United States, reported it without amendment and submitted a report (No. 1866) thereon.

Mr. MEAD, from the Committee on Civil Service, to which was referred the bill (S. 4116) amending the act of June 25, 1938, extending the classified civil service to include postmasters of the first, second, and third classes, and for other purposes, reported it without amendment and submitted a report (No. 1867) thereon.

Mr. HUGHES, from the Committee on the Judiciary, to which was referred the bill (S. 2524) to incorporate the Military Order of the Purple Heart, reported it with an amendment and submitted a report (No. 1868) thereon.

Mr. CLARK of Missouri, from the Committee on Commerce, to which was referred the bill (S. 4061) extending the jurisdiction of the Civil Aeronautics Authority over certain air-mail services, and for other purposes, reported it with an amendment and submitted a report (No. 1869) thereon.

He also, from the same committee, to which was referred the bill (S. 4075) extending the jurisdiction of the Civil Aeronautics Authority over certain air-mail services, and for other purposes, reported it with amendments.

Mrs. CARAWAY, from the Committee on Commerce, to which was referred the bill (H. R. 8372) to extend the times for commencing and completing the construction of a bridge across the Mississippi River at or near Chester, Ill., reported it without amendment and submitted a report (No. 1870) thereon.

She also, from the same committee, to which were referred the following bills, reported them severally with an amendment and submitted reports thereon:

S. 3929. A bill to extend the times for commencing and completing the construction of a bridge across the Mississippi River at or near Memphis, Tenn. (Rept. No. 1871);

S. 3934. A bill authorizing the State of Michigan, acting through the International Bridge Authority of Michigan, to construct, maintain, and operate a toll bridge or series of bridges, causeways, and approaches thereto, across the St. Marys River, from a point in or near the city of Sault Ste. Marie, Mich., to a point in the Province of Ontario, Canada (Rept. No. 1872); and

S. 4091. A bill authorizing the county of Lawrence, Ohio, to acquire and operate as a unit certain privately owned toll bridges across the Ohio River adjoining such county (Rept. No. 1873).

Mr. BILBO, from the Committee on Commerce, to which was referred the bill (H. R. 8172) to amend section 5 of the act of Congress approved June 26, 1906, relative to the Alaska salmon fishery, reported it with an amendment and submitted a report (No. 1874) thereon.

Mr. BAILEY, from the Committee on Commerce, to which was referred the bill (H. R. 9972) authorizing the improvement of certain rivers and harbors in the interest of the national defense, and for other purposes, reported it with amendments and submitted a report (No. 1876) thereon.

Mr. McKELLAR, from the Committee on Post Offices and Post Roads, to which was referred the bill (H. R. 8350) permitting official mail of the Pan American Sanitary Bureau to be transmitted in penalty envelopes, reported it without amendment and submitted a report (No. 1877) thereon.

REPORTS ON DISPOSITION OF EXECUTIVE PAPERS

Mr. BARKLEY, from the Joint Select Committee on the Disposition of Executive Papers, to which were referred, for examination and recommendation, 23 lists of records transmitted to the Senate by the Archivist of the United States, which appeared to have no permanent value or historical interest, submitted reports thereon pursuant to law.

BILLS INTRODUCED

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. ANDREWS:

S. 4148. A bill granting a pension to E. G. Vans Agnew; to the Committee on Pensions.

By Mr. RUSSELL:

S. 4149. A bill to amend the Immigration Act of 1924 to require aliens admitted into the United States as officials of foreign governments either to maintain their status or to depart from the United States, with the approval of the Secretary of State; to the Committee on Immigration.

By Mr. THOMAS of Oklahoma:

S. 4150. A bill for the relief of Silas Young, Lillian Brown, and Nathaniel Brown; to the Committee on Claims.

By Mr. NEELY:

S. 4151. A bill granting an increase of pension to Robert Blake; to the Committee on Pensions.

HOUSE BILLS AND JOINT RESOLUTION REFERRED OR PLACED ON THE CALENDAR

The following bills and joint resolution were severally read twice by their titles and referred, or ordered to be placed on the calendar, as indicated below:

H. R. 4587. An act to give the Supreme Court of the United States authority to prescribe rules of pleading, practice, and procedure with respect to proceedings in criminal cases prior to and including verdict, or finding, or plea of guilty; and

H. R. 9139. An act to amend an act entitled "An act to establish a uniform system of bankruptcy throughout the United States," approved July 1, 1898, and acts amendatory thereof and supplementary thereto; to the Committee on the Judiciary.

H. R. 5382. An act authorizing the city of Keokuk, Iowa, to purchase, construct, maintain, and operate a toll bridge across the Mississippi River at or near Keokuk, Iowa;

H. R. 6408. An act to extend the times for commencing and completing the construction of a dam and dike for preventing the flow of tidal waters into North Slough in Coos County, Oreg.;

H. R. 9509. An act to extend the times for commencing and completing the construction of a bridge across the Ohio River at or near Shawneetown, Ill.;

H. R. 9618. An act to extend the times for commencing and completing the construction of a bridge across the Susquehanna River at or near the city of Harrisburg, Pa.; and

H. R. 9995. An act to amend the act of April 6, 1938 (52 Stat. 201), entitled "An act authorizing the Secretary of the Treasury to exchange sites at Miami Beach, Dade County, Fla., for Coast Guard purposes"; to the Committee on Commerce.

H. R. 7254. An act authorizing the temporary detail of John L. Savage, an employee of the United States, to service under the Government of the State of New South Wales, Australia, and the Government of the Punjab, India; to the Committee on Foreign Relations.

H. R. 8046. An act to amend section 1 of the act entitled, "An act for the retirement of employees of the Alaska Railroad, Territory of Alaska, who are citizens of the United States," approved June 29, 1936; and

H. R. 8645. An act to provide Saturday half holidays for char force working in Post Office Department; to the Committee on the Civil Service.

H. R. 9024. An act relating to the status of retired officers of the Army, Navy, Marine Corps, and Coast Guard of the United States, and to amend section 113 of the Criminal Code;

H. R. 9898. An act to further amend section 13a of the National Defense Act so as to authorize officers detailed for training and duty as aircraft observers to be so rated, and for other purposes;

H. R. 9981. An act to authorize the construction of certain facilities in Marjorie Park, Davis Island, Tampa, Fla., and for other purposes; and

H. R. 10010. An act to increase the size of the Regular Army of the United States; to the Committee on Military Affairs.

H. R. 9389. An act to more effectively utilize certain lands of the public domain, and for other purposes; to the Committee on Public Lands and Surveys.

H. R. 9705. An act to make more effective use of certain parts of the public domain, and for other purposes; and

H. R. 9887. An act to provide for the disposition of trust or restricted estates of Indians dying intestate without heirs; to the Committee on Indian Affairs.

H. R. 9990. An act to amend section 4008 of the Revised Statutes relating to transportation of foreign mails; and

H. R. 9991. An act to amend section 4021 of the Revised Statutes and to repeal section 4023 of the Revised Statutes relating to establishment of postal agencies; to the Committee on Post Offices and Post Roads.

H. R. 3402. An act to authorize the appropriation for payment of the cost of providing additional water for the Wapato Indian irrigation project, Washington;

H. R. 6583. An act for expenditure of funds for cooperation with the public-school board, Cass County, Minn., for the construction, extension, equipment, and improvement of public-school facilities to be available to Indian children in the district;

H. R. 8621. An act to amend the Civil Service Retirement Act and other retirement acts;

H. R. 9391. An act to amend section 40, National Defense Act, as amended, relating to the organization of the Reserve Officers' Training Corps so as to provide for an exception with respect to the University of Alaska;

H. R. 9864. An act amending the Bankruptcy Act with respect to the basis of property;

H. R. 9877. An act authorizing the Secretary of the Interior to promulgate and to put into effect charges for electrical energy generated at Boulder Dam, providing for the application of revenues from said project, authorizing the operation of the Boulder power plant by the United States directly or through agents, and for other purposes;

H. R. 9920. An act authorizing the county of Lawrence, Ohio, to acquire and operate as a unit certain privately owned toll bridges across the Ohio River adjoining such county; and

H. R. 9927. An act declaring a forfeiture of certain land heretofore granted by the United States to the board of commissioners of the Orleans Levee District, in the city of New Orleans, State of Louisiana, for levee and street purposes; to the calendar.

H. R. 10014. An act to amend the Transportation Act, 1920, as amended; to the Committee on Interstate Commerce.

H. R. 10026. An act to provide for the disposition of certain photographed records of the United States Government, and for other purposes; to the Committee on the Library.

H. R. 10058. An act to amend the act relating to preventing the publication of inventions in the national interest, and for other purposes; to the Committee on Patents.

H. J. Res. 472. Joint resolution to prohibit the sale or disposal of the United States customhouse for the city of Detroit; to the Committee on Public Buildings and Grounds.

AMENDMENT TO SECOND DEFICIENCY APPROPRIATION BILL

Mr. SHEPPARD submitted an amendment intended to be proposed by him to the second deficiency appropriation bill, 1940, which was referred to the Committee on Appropriations and ordered to be printed, as follows:

At the proper place in the bill, to insert the following:

For customs appraiser's warehouse addition at Houston, Tex., $75,000.

SUPPLEMENTAL APPROPRIATIONS FOR NATIONAL DEFENSE—AMENDMENT

Mr. ANDREWS submitted an amendment intended to be proposed by him to House bill 10055, making supplemental appropriations for the national defense, and so forth, which was referred to the Committee on Appropriations and ordered to be printed, as follows:

On page 21, to strike out lines 17, 18, and 19, and in lieu thereof to insert the following:

"For the Navy for the construction of a water-supply system for the naval station in Key West, Fla., $2,000,000, built either by the Navy, or in cooperation with the State agency, so that Army, Navy, and civilian population may be jointly supplied with an adequate water supply."

JOINT COMMITTEE TO INVESTIGATE AS TO NUMBERS AND COMPENSATION OF OFFICERS AND EMPLOYEES OF CONGRESS

Mr. TYDINGS submitted the following concurrent resolution (S. Con. Res. 52), which was referred to the Committee on Appropriations:

Resolved by the Senate (the House of Representatives concurring), That a joint committee of Congress is hereby created, consisting of three Senators, to be appointed by the Vice President, and three Members of the House of Representatives, to be appointed by the Speaker of the House. Any vacancy occurring in the membership of such joint committee shall be filled in the same manner as the original appointment.

It shall be the duty of the joint committee to investigate and report to the Congress not later than January 3, 1941, what adjustments, if any, should be made in the numbers and compensation of the officers and employees of the Senate and House of Representatives, including joint committees and other joint services of the two Houses and including any employees under the jurisdiction of the Architect of the Capitol who are not subject to the Classification Act of 1923, as amended.

There is hereby made available, one-half from the contingent fund of the Senate and one-half from the contingent fund of the House, such amount, not in excess of $3,000, as may be required for necessary personnel and expenses of such joint committee.

EXPEDITION IN STRENGTHENING THE NATIONAL DEFENSE—CONFERENCE REPORT WITHDRAWN

Mr. SHEPPARD. Mr. President, I request that the conference report on the bill (H. R. 9850) to expedite the strengthening of the national defense, submitted by me on the 14th instant, may be withdrawn for further consideration.

The VICE PRESIDENT. Without objection, it is so ordered.

ADDRESS BY SENATOR WHEELER AT THE FLOYD B. OLSON MEMORIAL EXERCISES, MINNEAPOLIS, MINN.

[Mr. CLARK of Missouri asked and obtained leave to have printed in the RECORD the address delivered by Senator WHEELER at the Floyd B. Olson memorial exercises at Minneapolis, Minn., on June 17, 1940, which appears in the Appendix.]

ADDRESS BY JUSTICE WILLIAM O. DOUGLAS AT MIDDLETOWN, CONN.

[Mr. MALONEY asked and obtained leave to have printed in the RECORD an address delivered by Hon. William O. Douglas, Associate Justice of the United States Supreme Court, at Middletown, Conn., on June 16, 1940, which appears in the Appendix.]

AMERICA AND PREPARATION—ADDRESS BY ASSISTANT SECRETARY OF WAR JOHNSON

[Mr. NEELY asked and obtained leave to have printed in the RECORD an address by the Honorable Louis Johnson, The Assistant Secretary of War, delivered at the dedication of Fairmont Hospital, Fairmont, W. Va., June 17, 1940, which appears in the Appendix.]

EDITORIAL FROM DETROIT NEWS ON AMERICAN FOREIGN POLICY

[Mr. VANDENBERG asked and obtained leave to have printed in the RECORD an editorial from the Detroit News of June 12, 1940, entitled "Whoa, Mr. President! Not So Fast, Please," which appears in the Appendix.]

THE MARCH OF ECONOMIC DEMOCRACY

[Mr. PEPPER asked and obtained leave to have printed in the RECORD resolutions adopted by the Twenty-fifth Annual Convention of the Amalgamated Clothing Workers of America, excerpts from the address delivered by the Secretary of

the Interior on the Twenty-fifth Anniversary of the Amalgamated Clothing Workers of America on May 18, 1940, the statement of the Committee on Political Action adopted by the Twenty-fifth Annual Convention of the Amalgamated Clothing Workers of America, and the complete address delivered by Secretary Ickes on Saturday, May 18, 1940, which appear in the Appendix.]

PARTICIPATION IN THE EUROPEAN WAR—ARTICLE BY PROF. PHILIP C. JESSUP

[Mr. DANAHER asked and obtained leave to have printed in the RECORD a letter from Philip C. Jessup, published in the Hartford Courant on June 15, 1940, entitled, "This War is Not Yet Our War," which appears in the Appendix.]

OPPOSITION TO PUBLIC OWNERSHIP OF UTILITIES

Mr. BONE. Mr. President, I ask to have incorporated in the RECORD, as a part of my remarks, a letter which I am writing to the people of my State regarding attacks on public ownership in that State.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

DEAR FRIEND: History repeats itself. In 1927 private power interests paid the Voters' Information League in our State to try to discredit Seattle City Light. In 1940 the Let the People Vote League has been created by the same interests to cripple public utility districts by passage of initiative 139.

Government reports show Puget Sound Power & Light Co. appropriated $150,000 for expenses of the Voters' Information League. Of this, $25,000 was put up by the National Electric Light Association, propaganda agency of the private power industry.

Today's league is a twin of 1927's league. Use of citizens' committees with catchy titles is an old trick. In our State there was a Washington Committee on Public Utility Information. In California, power companies used the Greater California League and the People's Economy League.

This characteristic strategy is explained in a Stone & Webster letter. I quote: "We, as the company, will not be placed in the position of fighting this situation, there being a strong citizens' committee who will fight it * * *."

Sworn testimony about the Greater California League, as found in Government reports, was that the league "was simply the name under which he (Mr. Cullinan, a power company agent) carried on the campaign and disbursed the funds."

Puget Sound Power & Light Co. admitted under oath it gave $124,000 to the Washington Committee on Public Utility Information in 1930 to fight the district power law which is again being attacked. Washington Water Power Co. spent $33,435 in the same fight, though it did so more openly.

The Federal Government can, and I believe will, find out how much the private power companies are giving the Let the People Vote League. I have asked for an investigation.

The public, so often victimized by private power-company propaganda, should guard against being victimized again. The Federal Trade Commission, after an exhaustive probe that started in the Hoover administration and ended in 1935, declared that private electric utilities had the most extensive and expensive propaganda machine in the country. The Commission quoted a boss of this propaganda mill as boasting that the public pays for its operations * * * and so it does, to the tune of millions of dollars.

Any law sponsored by the private power companies, no matter how plausible it may appear, should be under suspicion. Federal reports tell why.

These reports show the utilities deliberately decided to invade the schools with their propaganda, and did so in our State. This was done in pursuance of a plan originated by the notorious Insulls in Illinois. The scheme was worthy of the sinister brain of the Nazi Goebbels. Like the Nazi propagandist, the utilities adopted lying as a propaganda weapon. The basic Insull strategy, as used in our State was—and I quote the authors—"not to try logic or reason but to try to pin the bolshevik idea on my opponent" * * * make it appear all public ownership advocates are "reds" * * * logic won't work * * * so use lies instead * * * that was the utility policy, and still is.

It was also part of the Insull plan, used in our State—and again I quote—"to cloud the main issue" * * * in other words, lead the public off the track, get the people confused.

The Insull plan also involved use of citizens' committees, use of money to control newspapers, paying authors to write books favorable to the power company viewpoint, controlling public officials, subsidizing teachers, and intimidating businessmen.

Continuing in the traditional manner, the power companies are merely using the Let the People Vote League to disseminate a new and very deceptive argument in favor of initiative 139. That league is advertising that P. U. D. revenue bonds are a general tax obligation; and that P. U. D.'s can now incur unlimited public debt. Both statements are untrue.

Even if initiative 139 were a good measure, its backers yould not have the right to support it by falsehoods. Voters should rebuke such tactics. I hope you use this letter to work against this initiative. And if it isn't too much trouble, will you let me hear from you?

Sincerely yours,

HOMER T. BONE.

REVENUE BILL OF 1940

The Senate resumed the consideration of the bill (H. R. 10039) to provide for the expenses of national preparedness by raising revenue and issuing bonds, to provide a method for paying for such bonds, and for other purposes.

The VICE PRESIDENT. The clerk will state the next amendment reported by the committee.

The next amendment of the Committee on Finance was, on page 25, after line 14, to strike out:

"(1) Upon all distilled spirits produced in or imported into the United States upon which the internal-revenue tax imposed by law has been paid, and which on July 1, 1940, are held, by a retail dealer in liquors in a quantity in excess of 100 wine gallons in the aggregate or by any other person in any quantity, and intended for sale or for use in the manufacture or production of any article intended for sale, there shall be levied, assessed, collected, and paid a floor-stocks tax of 75 cents on each proof-gallon, and a proportionate tax at a like rate on all fractional parts of such proof-gallon.

"(2) Every person required by this subsection to pay any floor-stocks tax, and every retail dealer in liquors, shall, on or before August 1, 1940, under such regulations as the Commissioner, with the approval of the Secretary, shall prescribe, make a return and pay such tax. Payment of the tax shown to be due may be extended to a date not later than February 1, 1941, upon the filing of a bond for payment thereof in such form and amount and with such surety or sureties as the Commissioner, with the approval of the Secretary, may prescribe.

And in lieu thereof to insert:

"(1) Upon all distilled spirits produced in or imported into the United States upon which the internal-revenue tax imposed by law has been paid, and which on July 1, 1940, are held and intended for sale or for use in the manufacture or production of any article intended for sale, there shall be levied, assessed, collected, and paid a floor stocks tax equal to the sum of the following:

"(A) Seventy-five cents on each proof-gallon, and a proportionate tax at a like rate on all fractional parts of such proof-gallon; plus

"(B) Ten cents on each proof-gallon, and a proportionate tax at a like rate on all fractional parts of such proof-gallon, in the case of distilled spirits upon which the rectification tax imposed under the internal-revenue laws has been paid, except that such 10-cent rate shall not apply to distilled spirits which are rectified distilled spirits solely by reason of the addition of not more than 2½ percent by volume of coloring, blending, smoothing, or flavoring materials, and shall not apply to liqueurs, cordials, or similar compounds.

"(2) Every person required by this subsection to pay any floor-stocks tax shall, on or befcre August 1, 1940, under such regulations as the Commissioner, with the approval of the Secretary, shall prescribe, make a return and pay such tax. Payment of the tax shown to be due may be extended to a date not later than February 1, 1941, upon the filing of a bond for payment thereof in such form and amount and with such surety or sureties as the Commissioner, with the approval of the Secretary, may prescribe.

So as to read:

SEC. 213. Distilled spirits.

(a) Section 2800 of the Internal Revenue Code is amended by inserting at the end thereof the following new subsections:

"(g) Defense tax for 5 years: In lieu of the rates of tax specified in such of the sections of this title as are set forth in the following table, the rates applicable with respect to the period after June 30, 1940, and before July 1, 1945, shall be the rates set forth under the heading 'Defense-tax rate':

Section	Description of tax	Old rate	Defense-tax rate
2800 (a) (1)	Distilled spirits generally	$2.25	$3.
2800 (a) (1)	Brandy	$2	$2.75.
2800 (a) (3)	Imported perfumes	$2.25	$3.
2800 (a) (5)	Rectifying	30 cents	40 cents.

"(h) Floor-stocks tax.

"(1) Upon all distilled spirits produced in or imported into the United States upon which the internal-revenue tax imposed by law has been paid, and which on July 1, 1940, are held and intended for sale or for use in the manufacture or production of any article intended for sale, there shall be levied, assessed, collected, and paid a floor-stock tax equal to the sum of the following:

"(A) Seventy-five cents on each proof-gallon, and a proportionate tax at a like rate on all fractional parts of such proof-gallon; plus

"(B) Ten cents on each proof-gallon, and a proportionate tax at a like rate on all fractional parts of such proof-gallon, in the case of distilled spirits upon which the rectification tax imposed under the internal-revenue laws has been paid, except that such 10-cent rate shall not apply to distilled spirits which are rectified distilled spirits solely by reason of the addition of not more than 2½ percent by volume of coloring, blending, smoothing, or flavoring materials, and shall not apply to liqueurs, cordials, or similar compounds.

"(2) Every person required by this subsection to pay any floor-stocks tax shall, on or before August 1, 1940, under such regulations as the Commissioner, with the approval of the Secretary, shall prescribe, make a return and pay such tax. Payment of the tax shown to be due may be extended to a date not later than February 1, 1941, upon the filing of a bond for payment thereof in such form and amount and with such surety or sureties as the Commissioner, with the approval of the Secretary, may prescribe.

The amendment was agreed to.

The next amendment was, on page 28, line 13, before the word "for", to strike out "Super-Tax" and insert "Defense Tax"; in line 14, before the word "for", to strike out "Super-Tax" and insert "Defense Tax"; in line 19, before the word "Rate", to strike out "Super-tax" and insert "Defense-tax"; in the headings of the table, last column, to strike out "Super-tax" and insert "Defense-tax"; in the second line of the table, third column, to strike out "10" and insert "15"; and in the last column, to strike out "12" and insert "18"; in the third line of the table, third column, to strike out "20" and insert "25"; and in the last column, to strike out "24" and insert "30"; and after the sixth regular line in the table, to strike out "3031 (a)—Fortification of wines—10 cents—12 cents", so as to read:

SEC. 214. Wines and fermented malt liquors.

Chapter 26 of the Internal Revenue Code is amended by inserting at the end thereof the following new subchapter:

"SUBCHAPTER F—DEFENSE TAX FOR 5 YEARS

"SEC. 3190. Defense tax for 5 years.

"In lieu of the rates of tax specified in such of the sections of this title as are set forth in the following table, the rates applicable with respect to the period after June 30, 1940, and before July 1, 1945, shall be the rates set forth under the heading 'Defense-tax rate':

Section	Description of tax	Old rate	Defense-tax rate
3030 (a) (1) (A)	Still wines	5 cents	6 cents.
3030 (a) (1) (A)	Still wines	15 cents	18 cents.
3030 (a) (1) (A)	Still wines	25 cents	30 cents.
3030 (a) (2)	Sparkling wines	2½ cents	3 cents.
3030 (a) (2)	Sparkling wines	1¼ cents	1½ cents.
3030 (a) (2)	Liqueurs, cordials, etc	1¼ cents	1½ cents.
3150 (a)	Fermented malt liquors	$5	$6.

The amendment was agreed to.

The next amendment was, on page 29, line 6, after the word "person", to strike out the comma and "other than a retail dealer," and in line 9, after the numerals "3190" and the period, to insert "The tax imposed by this subsection shall not apply to the retail stocks of fermented malt liquors held by a person on premises as to which such person has incurred occupational tax as a retail dealer in liquors or a retail dealer in malt liquors for the period beginning on July 1, 1940, and as to which no other occupational tax with respect to dealing in distilled spirits, wines, or malt liquors, has been incurred by such person for a period beginning on such date", so as to read:

"SEC. 3191. Floor-stocks tax on fermented malt liquors.

"(a) Floor-stocks tax: Upon all fermented malt liquors upon which the internal-revenue tax imposed by law has been paid, and which on July 1, 1940, are held by any person and intended for sale there shall be levied, assessed, collected, and paid a floor-stocks tax at a rate equal to the increase in rate of tax made applicable to such articles by section 3190. The tax imposed by this subsection shall not apply to the retail stocks of fermented malt liquors held by a person on premises as to which such person has incurred occupational tax as a retail dealer in liquors or a retail dealer in malt liquors for the period beginning on July 1, 1940, and as to which no other occupational tax with respect to dealing in distilled spirits, wines, or malt liquors, has been incurred by such person for a period beginning on such date.

The amendment was agreed to.

The next amendment was, on page 30, line 12, before the word "for", to strike out "super tax" and insert "defense tax", so as to read:

SEC. 215. Playing cards.

Section 1807 of the Internal Revenue Code is amended by inserting "(a) General Rule.—" before the first paragraph and inserting at the end thereof the following new subsection:

"(b) Defense tax for 5 years: In lieu of the rate of tax specified in subsection (a), the rate of tax for the period after June 30, 1940, and before July 1, 1945, shall be 11 cents."

The amendment was agreed to.

The next amendment was, on page 32, after line 8, to insert the following:

TITLE IV

SEC. 401. All power and authority of the President and the Secretary of the Treasury under the Silver Purchase Act of 1934 with respect to the acquisition of foreign silver shall cease and terminate on the date of enactment of this act; and all proclamations, orders, rules, regulations, and other action promulgated, made, issued, or taken by the President or the Secretary of the Treasury with respect to foreign silver pursuant to any power or authority so terminated shall cease to be effective on and after such date: *Provided*, That nothing in this act shall be construed to limit the authority of the Secretary of the Treasury to acquire and make payment for foreign silver purchased or contracted for prior to the date of enactment of this act.

SEC. 402. Section 1805 of the Internal Revenue Code (relating to the tax on transfers of any interest in silver bullion) is hereby repealed.

Mr. McNARY. Mr. President, at this point I suggest the absence of a quorum.

The VICE PRESIDENT. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Adams	Davis	Lee	Russell
Andrews	Donahey	Lodge	Schwartz
Ashurst	Downey	Lucas	Schwellenbach
Austin	Ellender	Lundeen	Sheppard
Bailey	George	McCarran	Shipstead
Bankhead	Gerry	McKellar	Slattery
Barkley	Gillette	McNary	Smathers
Bilbo	Green	Maloney	Smith
Bone	Guffey	Mead	Taft
Bridges	Gurney	Miller	Thomas, Idaho
Brown	Hale	Minton	Thomas, Okla.
Bulow	Harrison	Murray	Thomas, Utah
Burke	Hatch	Neely	Tobey
Byrd	Hayden	Norris	Townsend
Byrnes	Herring	Nye	Truman
Capper	Hill	O'Mahoney	Tydings
Caraway	Holman	Overton	Vandenberg
Chandler	Holt	Pepper	Van Nuys
Clark, Idaho	Hughes	Pittman	Wagner
Clark, Mo.	Johnson, Colo.	Radcliffe	Walsh
Connally	King	Reed	White
Danaher	La Follette	Reynolds	Wiley

The VICE PRESIDENT. Eighty-eight Senators having answered to their names, a quorum is present.

Mr. HARRISON. Mr. President, may we not have order?

The VICE PRESIDENT. It is not necessary for the Chair to remind Senators that they are considering quite an important bill. The pending amendment is an important one, or the Senator from Mississippi would not take the floor to discuss it. The Chair requests the occupants of the galleries also to refrain from any conversation.

Mr. HARRISON. Mr. President, we have reached that part of the bill which contains the so-called Townsend amendment, which proposes to repeal the Silver Purchase Act as it relates to foreign silver. I desire to ask the Senator from Delaware, in view of the fact that there have been some developments with reference to this matter, whether we cannot come to some agreement. Of course, I voted in the committee against the incorporation of the amendment in the bill. I did so because the subject matter of the amendment has been considered on the floor of the Senate and action was taken by the Senate. As I recall, the bill, identical with the pending amendment, was passed by a margin of several votes.

Mr. TOWNSEND. The vote was 46 to 35.

Mr. HARRISON. The bill was sent to the House, and I did not think it was proper to encumber the pending tax bill with this amendment, the subject matter of which the Senate had already considered for some 10 days.

Mr. TOWNSEND. Mr. President, will the Senator yield?

Mr. HARRISON. Permit me to conclude my statement. I find that since the bill was passed some question was raised in the House as to whether the Senate had a right to take up for consideration the so-called Townsend bill, and act on it before the House had taken action. Senators will recall that the bill also repealed the internal-revenue tax on transfers of any interest in silver bullion.

Since that time there has been a new development. Any objection to the bill of the Senator from Delaware, because of any tax question raised which might involve the question of the bill originating in the House, has been withdrawn in the House. The bill has been taken from the Speaker's table and has been referred to the Ways and Means Committee. Of course, I can give the Senator from Delaware no assurance as to what action the Ways and Means Committee will take; but, in view of the fact that the technical objection as to the right of the Senate to originate the bill has been withdrawn, I am wondering whether the Senator from Delaware would not be willing to have the amendment withdrawn from the bill at this time.

Mr. TOWNSEND. Mr. President, the Senator from Mississippi is always fair, but the bill went to the House on May 9, and has been on the Speaker's table ever since. I understood the ruling to be that it was revenue legislation, and that it was to be sent back to the Senate. Since the bill has been incorporated into the pending tax bill, they have agreed in the House, the Senator has stated, to send the bill to the Ways and Means Committee.

I do not think we should at this time, when we can have the amendment incorporated in the pending bill, agree to withdraw it. If the House acts on the bill in the meantime, that is all there will be to it.

Mr. HARRISON. Mr. President, the Senator is very persuasive, of course. After explaining to him what was done in the House yesterday about the technical objection being withdrawn and the bill having been referred to the Ways and Means Committee, how much time would the Senator desire to consume on the amendment? Can we not agree to a limitation of time for the consideration of the amendment?

Mr. TOWNSEND. Certainly. It will take me only 10 minutes, and I shall be willing to have a vote, so far as I am concerned.

Mr. HARRISON. I ask unanimous consent that 10 minutes be allotted to this amendment, after which time a vote shall be taken on it.

Mr. BARKLEY. Mr. President, I think it would be better to have a limitation of debate on each Senator. I doubt whether we would be justified in voting after listening to the Senator from Delaware, without any other Senator having an opportunity to say anything about the amendment. I suggest that we fix a limitation of 10 minutes to each Senator on the amendment.

Mr. HARRISON. I make the request that not more than 10 minutes be taken by any Senator on the pending amendment.

Mr. McNARY. Mr. President, I should have to object to that. It is pretty early to undertake a limitation of 10 minutes, in the consideration of a bill which provides for the collection of over a billion dollars in taxes.

Mr. BARKLEY. The limitation is to be only in connection with the pending amendment.

Mr. McNARY. I understand that, but this is an important amendment, and other Senators may desire to discuss it longer than the able Senator from Delaware. I do not like the idea, and I shall object.

Mr. HARRISON. Very well. There are only two of the committee amendments left, and the Senator from Delaware may proceed then.

Mr. TOWNSEND. Mr. President, the silver amendment to the tax bill reads exactly the same as the text of my bill to stop the buying of foreign silver which passed the Senate on May 9. This bill, Senate bill 785, after more than a month, is still on the Speaker's table, or was yesterday. It has not been referred to any committee of the House of Representatives and that body has not acted upon it.

The reason for the delay is said to be that some members of the House considered that Senate bill 785, because it contained a provision for repeal of the tax on silver trading, infringed on the constitutional prerogatives of the House of Representatives relative to revenue-raising bills.

In the present instance the tax bill, H. R. 10039, has already passed the House of Representatives, and the amendment of the Senate Finance Committee relating to the tax on silver trading is obviously germane and in no sense violates any precedent. The reasons for removing the silver-trading tax were explained by me in the course of my speech in the Senate on April 30, 1940, which appears in the CONGRESSIONAL RECORD on pages 5249 and 5250.

The reasons why we should discontinue the purchase of foreign silver were presented and thoroughly discussed in the Senate in May, and on May 9, by a vote of 45 to 36, this body decided in favor of my measure. By adopting the pending silver amendment to the tax bill the Senate will clear the way for its enactment.

It is almost needless to point out the dire necessity facing the United States, under present world conditions, to bend every last scrap of energy to the proper defense of the Nation, and to stop every possible source of leak and wastage of our resources, however small. This is no time for easy-going squandering of millions.

The foreign-silver program was adopted in 1934 to augment this country's stock of monetary metals. How indefensible continuance of such a policy today is can be seen by only a glance at the statistics. Of gold alone this country now holds in the neighborhood of $20,000,000,000, while excess reserves of the members of the Federal Reserve System exceed $6,600,000,000.

The Treasury's Daily Statement for June 12, 1940, shows 1,280,000,000 ounces of silver held idle in the general fund, not as backing for silver certificates.

Therefore, for this country to be spending energy in buying foreign silver is a criminal waste and a dangerously foolish one.

The most recent defense of continued buying of foreign silver is that it makes employment in American factories. Is it not obvious to any school child that, because of urgent national-defense requirements, America will have hard work cut out for it for years to come? Is it not crystal clear that every worker taken away from the production of United States Army and Navy airplanes, tanks, gas masks, guns, uniforms, and supplies for the purpose of producing other goods with which to meet the demands of those who sell our Treasury tons of foreign silver we do not need, leaves a treacherous gap in the line of our national defense?

Can any Senator imagine any foreign country, however rich, importing silver it does not need under the serious conditions now facing us? Not even in peacetime did a single nation follow our example on silver. On the contrary, the whole world was quick to profit by our Silver Purchase Act and unload on us the unwanted metal.

Nor should we be so utterly foolish as to imagine that the continued purchase of foreign silver can buy goodwill abroad. That is a ridiculous assumption that only the most naive would believe. The chief beneficiaries of our silver policy need us infinitely more than we need them, and the assumption that we dare not discontinue a policy which we voluntarily adopted in 1934 because some foreign country might be sorry to see it done is an insult to the intelligence of every red-blooded American.

Mr. President, we held long hearings in the Committee on Banking and Currency, and after the hearings the bill was reported to the Senate by a vote of 14 to 4 from the committee. The Senate voted on the measure, and by a vote of 46 to 35 passed it. Now it comes to the Senate again by vote of 14 to 6 from the Finance Committee, and I sincerely hope it will be continued in the bill.

Mr. DOWNEY. Mr. President, I trust that the distinguished Senator from Delaware, as well as all other Senators here present, will not vote in support of the amendment presented by the Senator, without a full realization that the adoption of this particular amendment at this particular time will be a heavy blow to continental solidarity. If we desire to disrupt the finances of Mexico, if we desire to injure Mexico, if we desire to lend aid and comfort to the enemies of the United States in Mexico, if we desire to weaken the hands of our friends in Mexico, this is the apt and perfect way to accomplish that end.

Mr. President, I take it that one of the Achilles' heels of our defense may be developed in the neighboring territory from which we can be attacked. I myself have no fear that any aggressor from abroad will attempt directly to reach the United States and strike us from our own coast line. If any attack is made upon the United States, it must come either from Canada or from Mexico. Our relations with Canada are such that we can operate as freely and as effectively from Canada as we can from our own soil. Should we not make every effort to strengthen our fraternal bonds with our neighbor to the south to the end that harmonious cooperation in our common defense may be attained?

Let us consider the various ways that this amendment, if it were agreed to, would affect our relations with Mexico. In the first place, Mexico is very much dependent upon our commerce. Our purchase of silver from her provides her an outlet for her largest export, silver. If we cease the purchase of silver at this time, with the London market destroyed, with Mexico unable to sell any other place, we break off and disrupt that commerce, with no present means of restoring it. We destroy not only the silver industry of Mexico and disemploy hundreds of thousands of men in that industry.

We will likewise deal a heavy blow to the mining industry generally, as silver is a common byproduct in the production of other important metals and minerals.

Mr. WAGNER. Mr. President, will the Senator yield?

Mr. DOWNEY. I yield.

Mr. WAGNER. The Senator emphasized what would happen with respect to Mexico, which, of course, is true. But in our consideration of this question, we ought to include the Republics of Honduras, Chile, and Peru. While they do not sell us as much silver as does Mexico, they will also be seriously affected economically if the amendment in question is agreed to. Well over half of our foreign silver purchases are from the Latin American countries, largely from these I have mentioned. The Senate should realize that this is the most unfortunate time possible to take action detrimental to these particular countries whose friendship means so much in the present crisis.

Mr. DOWNEY. I thank the distinguished Senator from New York for his contribution; and, of course, what I am now saying as to the effect of the pending amendment upon our relationship with Mexico applies likewise, though in a lesser degree, to countries in South America, Central America, and Canada.

Mr. President, to understand exactly how unfortunate would be the effect of the proposed amendment, let us consider the conditions existing south of the Rio Grande. We are fortunate at the present time that the present Government of the United States has built up friendly relations with the Government of Mexico. We should be happy that President Cardenas is not only friendly to our Government, but sees eye to eye with our people in relation to events now occurring in Europe.

I ask the Senator from Delaware to consider how unfortunate it would be if there were now a government in Mexico unfriendly to us, that would allow the landing of troops there and the building of military bases for aggression against us. We should be upon our knees tonight thanking Heaven that the Government of Mexico is friendly to us. And the people of Mexico should be grateful for our increasingly friendly and fair attitude toward them.

Mr. TOWNSEND. Mr. President, will the Senator yield?

Mr. DOWNEY. I yield.

Mr. TOWNSEND. I see no reason for Mexico being unfriendly to us by reason of our discontinuing the purchase of foreign silver from all countries alike, and paying for it 35 cents an ounce, when the chairman of the Federal Reserve Board, the Advisory Counsel to the Federal Reserve Board, and all the newspapers in the United States I have had the opportunity to read declare that we are using our good money to purchase from those foreign countries something for which we have no use. If the Senator wants to continue to give away good American money for foreigners' stuff that we have no use for, I want him to take the responsibility for it.

Mr. BARKLEY. Mr. President, will the Senator yield?

Mr. DOWNEY. I yield.

Mr. BARKLEY. Congress only yesterday passed a joint resolution further implementing the solidarity of the Western Hemisphere by serving notice on the world that we would not recognize or acquiesce in any transfer of ownership or propriety over any American territory to any other non-American government.

A few days ago we passed a bill through the Senate permitting the Secretary of War and the Secretary of the Navy to authorize all the western republics to use our facilities for the preparation and manufacture and the purchase of implements of defense.

Now, suppose it should transpire that, because of some unfortunate internal economic condition in any of the western republics—the Senator has mentioned Mexico, but it will apply in varying degrees to four or five other republics of the Western Hemisphere—suppose it should turn out that, in order to defend herself either against internal destruction or against foreign attack, one of these western republics should find it necessary to make application to the United States to permit her to obtain the supplies necessary for her defense in this country, and she had nothing with which to pay for it except silver, what would be our attitude, in view of what we have done to encourage her, if we denied her the opportunity to pay for it with the only commodity she had in exchange?

Mr. DOWNEY. I thank the Senator from Kentucky for that able contribution, which is no surprise coming from him, as his contributions always are of the highest order.

Mr. TOWNSEND. Mr. President, will the Senator yield?

The PRESIDING OFFICER (Mr. CHANDLER in the chair). Does the Senator from California yield to the Senator from Delaware?

Mr. DOWNEY. I yield.

Mr. TOWNSEND. Then, the Senator would go far enough to use our good American dollars and the labor of our country to purchase from foreigners something for which we have no use?

Mr. BARKLEY. O, Mr. President, the Senator from Delaware knows that we are not paying a dollar in money, in good American dollars or any other kind of dollars, out of the Treasury of the United States in order to get this silver.

Mr. TOWNSEND. How are we getting it?

Mr. BARKLEY. The silver is coming in here in exchange for American goods. That is how it comes here, and the Senator knows that to be so.

Mr. TOWNSEND. If we do not have to pay for it, it is the strangest transaction I know about.

Mr. BARKLEY. Silver comes in in exchange for American goods, and it finally finds its way into the American Treasury, and a new silver certificate is exchanged for every dollar of it. Not a dollar raised by taxes goes into the purchase of silver, and the Senator knows that as well as I do; yet he always talks about using good American money, and intimates that we are taking it out of the Treasury after it has been raised by taxation, in order to buy this silver.

Mr. TOWNSEND. It finally boils down to this: That we pay our good American money for something from a foreign country for which we have no use, and that Uncle Sam pays the bill.

Mr. DOWNEY. Mr. President, I think that mathematically the Senator from Delaware and other Senators who

are supporting him must totally fail to comprehend the very trifling amount our Government spends on silver as compared with gold. In the first place, our Government pays 100 times as much per ounce for gold as it pays for silver—$35 an ounce for gold and 35 cents an ounce for silver. Experts tell us that the price of silver is very near its price for commercial purposes, while gold, when it becomes worth nothing as a monetary standard, will not be worth very much more than silver. In other words, we are paying $35 an ounce for gold, and when that market breaks gold will not be worth very much more than silver for commercial purposes. At 35 cents an ounce silver is very close to its value for commercial purposes, for we can always find a market for silver at $3 or $4 a pound for commercial purposes.

I realize that there are some great corporations in this Nation which would rather buy silver at 18 or 20 cents an ounce than at 35 cents an ounce. I do not blame such companies. Their attitude is reasonable. I am not attacking any Senator who represents that viewpoint. Of course, if industries want to make more money, they would rather buy in a free market than in a governmental market which holds the price of silver at 25 or 30 percent above its commercial value. But, Mr. President, speaking from some study of and experience with Mexican conditions, it seems to me that rather than discontinue the purchase of silver from Mexico, so that some of our businesses may buy silver a few cents an ounce cheaper, it would be better for us to give to them every pound of silver in the Treasury of the United States, because it might prove cheaper in the long run.

The distinguished Senator from Delaware has said that we have the right to take the proposed action. Of course, if we want to imperil continental solidarity, we have the right to do it. There is no doubt of that. But I wish to tell the Senator from Delaware how the people of Mexico may look at it, though Senators who read history with their prejudices and not with their reason may have difficulty comprehending my statement. Many Mexican citizens know that our businessmen have been guilty of many acts of bribery and oppression. Many of them know that revolutions have been fomented in the American Embassy, and that arms and men have been distributed in revolutionary outbreaks from the American Embassy in Mexico. Let me be clearly understood. I am referring to past conditions that will never be repeated, I hope. But let us recall, Mr. President, that oppressive conduct is not forgotten in a day and that many citizens of Mexico do not wholly agree with the attitude of their Government toward the people of the United States. So if we want to make it hard for the Government of Mexico to carry all the citizens of Mexico into friendly relations with us, we should approve this amendment. Otherwise, not.

Oh, yes, Mr. President, this amendment is a good way to fracture continental solidarity.

Why is it a good way? Because within 30 days it will devastate Mexican finances. It may create a panic. It will surely throw out of employment multitudes of Mexican workers. It is all right for us in the Senate to say that we have the right to do that. Of course we have, and if we wish to destroy Mexican commerce and Mexican friendship for us, we should do that very thing.

Mr. WAGNER. Mr. President, will the Senator yield?

Mr. DOWNEY. I yield.

Mr. WAGNER. Does it not seem to the Senator a paradox that at the very time when the President and other agencies of the Government are discussing a plan for the interchange of goods between American countries for our mutual interest and protection, we should consider passing a law which will deprive Mexico—taking Mexico for illustration—of the opportunity of exporting a commodity which represents 20 percent of all its exports by value? Would not such a law be absolutely at variance with our national policy and destructive of our national-defense program in this hemisphere?

Mr. DOWNEY. Yes. To answer the distinguished Senator from New York, it seems to me to be a most extraordinary thing. The whole Nation is alarmed and disturbed about our national defense. I think every Senator should place the defense of his people and his Nation first.

Mr. TAFT. Mr. President, will the Senator yield?

Mr. DOWNEY. I yield.

Mr. TAFT. I am not particularly familiar with Mexican politics, but the Senator's statements regarding the present government's attitude seem to me contrary to the impression I had received. After all, the Cardenas government has freely confiscated American property and refused to pay for it in any way. It has sponsored and invited communistic organizations to meet in Mexico. My understanding is that the man who is now contesting the Cardenas government is far more friendly to the United States than is the Cardenas party itself. Will the Senator advise me as to the conditions of Mexican politics? My understanding is contrary to what he has been saying about the friendly attitude of the Cardenas government.

Mr. DOWNEY. Mr. President, I consider it improper for me to make any comment in the Senate about the attitude of presidential candidates in Mexico toward the American people or the American Government, and I will not do that. However, I will say that I have personally known and talked with some of the leaders of the present Mexican Government, and I can assure the distinguished Senator from Ohio that they are most favorably inclined toward the people of the United States. Whoever is elected President, I hope that that attitude may continue. However, let me say, Mr. President, that I think that Senators who support this measure fail to apprehend the waves of chaos and revolutionary disturbance which will sweep this continent and the world in the next 2 or 3 years.

Mr. TAFT. Mr. President, will the Senator yield?

Mr. DOWNEY. I shall be glad to yield in a moment.

I think all our power and efforts should be conserved and projected toward stabilizing and making Mexico more prosperous. Although we have the right to do this particular act, the cold fact is that it will help destroy Mexican finances, Mexican commerce, and Mexican employment. It will help to destroy our friendship with Mexico.

Mr. TAFT. Mr. President, will the Senator yield?

Mr. DOWNEY. I yield.

Mr. TAFT. My recollection is that when this matter was debated previously it was stated by those who know about silver that, as a matter of fact, silver is intrinsically worth 35 cents an ounce, or substantially that amount, and that there would be no substantial reduction in price, or, if so, only a few cents. I do not quite see, therefore, why our discontinuance of the purchase of silver would have any such revolutionary effect on Mexican finances, and why the silver which Mexico produces would not be worth substantially as much as before, without forcing us into the position of issuing silver certificates and inflating our currency for the purpose of carrying out the purchase.

Mr. DOWNEY. Mr. President, do I need to call to the attention of the distinguished Senator from Ohio the probability that within the next 24 or 48 hours England will be under siege? Does the Senator realize that from now on Mexico cannot sell her silver in the London market, or to the other nations which are at war? With present world conditions Mexico cannot hope to find any market whatsoever for her silver, even though the experts may tell us that intrinsically silver is worth from 20 to 25 cents an ounce and I think ultimately it may be worth substantially more than that.

Mr. BARKLEY and Mr. TAFT addressed the Chair.

The PRESIDING OFFICER. Does the Senator from California yield; and if so, to whom?

Mr. DOWNEY. I yield first to the Senator from Kentucky.

Mr. BARKLEY. Mr. President, while it is true that 35 cents an ounce has been the world price, the world price is fixed because of the number of purchasers of silver and the demand for silver. What has been coming into the United States has not been bringing on the market, and in exchange for our goods, more than the world price; but it was stated before the committee and on the floor of the Senate that if the United

States were to withdraw the opportunity for silver to come into the United States, and thereby remove from the world market one of the large consumers of silver, the price would in all probability drop to 20 cents an ounce. That, of course, is speculative. No one can tell what effect the withdrawal of the United States from the silver market would have; but, in view of what the Senator says as to the London market and the inability of England or France, and perhaps all of Europe, longer to participate in the silver market, if we should withdraw it is very probable that the price would drop much below 20 cents an ounce.

Mr. DOWNEY. I thank the Senator for his contribution. I might go further and say that in view of the present disturbed world conditions Mexico would find difficulty in finding any market whatsoever in the whole civilized world today.

I desire to call the attention of the Senate to one further fact, and then I shall conclude.

Last year we imported into the United States three and a half billion dollars of gold; we imported about $70,000,000 of silver. In other words, the total amount of silver imported was about 2 percent of the total amount of gold. Right now every week we are taking in more gold at $35 an ounce than we will take in in a whole year in silver.

The Senator from Delaware is to be admired and congratulated for his attempt to set right the unfortunate monetary condition of the United States; I do congratulate him, and I hope that when he takes up the problem of gold in a big way he will work it out; but to try to save on Mexican silver five or ten or fifteen million dollars a year with the possible penalty of destroying the friendship and cooperation between the two nations, I cannot believe is justified.

Mr. TOWNSEND. Mr. President, will the Senator yield?

The PRESIDING OFFICER. Does the Senator from California yield to the Senator from Delaware?

Mr. DOWNEY. I yield.

Mr. TOWNSEND. It is not five or ten or fifteen million dollars. The Government is paying $130,000,000 a year for foreign silver; and that is much below the amount it was paying out 2 years ago, when it was as high as $250,000,000.

Mr. DOWNEY. I am sure the Senator is in error in his statement on the amount spent last year on foreign silver. The sum was approximately $70,000,000; but, in any event, my remarks, Mr. President, referred particularly to Mexico. We are buying annually about 100,000,000 ounces of silver from Mexico, and at 35 cents an ounce that costs about $35,000,000. But that $35,000,000 worth of silver is worth at least twenty or twenty-five million dollars for commercial purposes. Consequently, all we are losing on the silver we are buying from Mexico is from five to ten million dollars a year. So far as I am concerned, I would rather see this Nation spend five or ten billion dollars than to lose the friendship or to risk the loss of the friendship and cooperation of Mexico.

For these reasons I am strongly opposed to this amendment. I hope it will be defeated.

OPPOSITION TO ADJOURNMENT OF CONGRESS

Mr. CAPPER. Mr. President, I rise to say that I am firmly convinced that the Congress should not adjourn at this critical time, and if my mail is any indication at all, the people throughout the Nation want Congress to remain in session during the emergency. They say we would be deserting our post in time of crisis if we should quit now. I am getting every day thousands of telegrams and letters from Kansas and from all parts of the country protesting against Congress adjourning at the present time. These protests come from farm groups, veterans' organizations, businessmen, churches, educational associations, and all classes of citizens. It is my best judgment at this time that Congress should not adjourn prior to the Republican national convention. I very much doubt if Congress should do more than recess for each convention. At any rate, decision as to adjournment or recess before the Democratic convention should wait until we see what happens in the early days of next month.

There can be no question the country wants Congress to stay on the job. They want the Congress to keep the United States out of war. After all, we are hired by the year, and if it seems events may occur which might require congressional action, the Congress should respect the wishes of the people and stay here to deal with such eventualities and also do everything we can to keep us out of Europe's war.

I ask unanimous consent to have printed in the RECORD a few of the letters and telegrams received by me in the past few days, which indicate what is in the minds of our constituents at this moment.

The PRESIDING OFFICER. Without objection, it is so ordered.

The letters and telegrams are as follows:

GREELEY, KANS., *June 14, 1940.*

Senator ARTHUR CAPPER,
Washington, D. C.

HONORABLE SIR: Pottawatomie Grange, No. 1502, discussing the trend of world affairs and the relation of the United States to world affairs, have voted.

Feeling the counsel of the Congress is of paramount value to our statesman, we respectfully request you use your influence to remain in session in the National Capital that you may render all aid and counsel possible to our President.

Sincerely,

MRS. THERESA ROMMELFANGER,
Secretary, Pottawatomie Grange, No. 1502.

BERRYTON GRANGE FAIR,
Berryton, Kans., June 13, 1940.

Hon. ARTHUR CAPPER,
United States Senate, Washington, D. C.

DEAR SENATOR: Berryton Grange, No. 1430, of Berryton, Kans., at its regular meeting of June 12, went on record as desiring Congress to remain in session during the present crisis and to notify our Senators and Congressman of that desire.

Very truly yours,

BERRYTON GRANGE, No. 1430.

Whereas the strife and warfare in Europe now threatening to engulf the entire Eastern Hemisphere leads to unsettled conditions, uneasiness, unrest, uncertainty in the Western Hemisphere, and more particularly the United States of America; and

Whereas it now appears that the Government of the United States of America must proceed with all dispatch to prepare for national defense, and at the same time proceed with caution and utmost neutrality, in order that this country may not become involved in this great calamity: Now, therefore, be it

Resolved, That the Congress of the United States be requested to remain in session at the Capitol in Washington, D. C., until the crisis is passed; be it further

Resolved, That a copy of this resolution be sent to Franklin D. Roosevelt, President of the United States; JOHN N. GARNER, Vice President and President of the United States Senate; WILLIAM B. BANKHEAD, Speaker of the House of Representatives of the United States; and to each of the Members of the Kansas delegation in the Senate and in the House of Representatives.

Don Poland; Mrs. Don Poland; W. J. Walker, M. D.; B. G. Dyer, M. D.; James W. Porter; L. J. McClellan; Tom Fisher; Webb Gilbert; William C. Mennin, Jr.; Guy A. Tunney, M. D.; Tuila Norton Bellhamp; Mrs. Wayne Estes; Mrs. C. G. Blakeley, Jr.; G. F. Benson, D. D. S.; L. C. Oshen, D. D. S.; H. H. Kirkpatrick, M. D.; J. D. Bowen, M. D.; Archibald Baier, M. D.; F. C. Taggart, M. D.; W. W. Reed, M. D.; Robert H. Forney; Orner M. Raines, M. D.; James G. Stewart, M. D.; Clyde B. Trew, M. D.; Thos. P. Butcher, M. D.; W. P. Williams; Ben Lang; Rex Boaz; T. C. Boggs; John J. Helm, D. D. S.

C. V. HAGGMAN, M. D.,
Scandia, Kans., June 12, 1940.

The Honorable ARTHUR CAPPER,
The Senate, Washington, D. C.

DEAR SIR: Due to the tragic and grave situation in Europe and to our position in world affairs we believe it is necessary for Congress to remain in session.

We also believe in the United States giving all possible aid to the Allies.

Yours truly,

C. V. Haggman, M. D.; Mrs. C. V. Haggman; Mrs. Mary Creager; Blanche M. Haggman, R. N.; E. Porter Ahrens, D. D. S.; E. C. Wires, druggist; E. T. Olsen, mayor; Mrs. Cora Ahrens, acting postmaster; Sharmore Roberts, assistant postmaster.

JENNINGS POST, NO. 351, THE AMERICAN LEGION,
Jennings, Kans., June 11, 1940.

Hon. ARTHUR CAPPER,
Washington, D. C.

DEAR SIR: By command of our post, in regular meeting assembled, we are writing to inform you it is our considered opinion it would be to the best interest of our country for the Congress of the United

States to remain in session until such time as the present "war emergency" shall have abated, and we ask that you use your best efforts to that end.

Yours very truly,

MELVIN STEPHENS,
Post Judge Advocate.
H. M. HICKERT,
Commander.
JESSE M. HUFF,
Vice Commander.
HENRY HEILMAN,
Adjutant.
A. N. HICKERT,
Finance Officer.
WM. KRIZEK,
S. C. HENRY,
JOHN L. WELTER.

OVERLAND PARK, KANS., *June 13, 1940.*

Hon. ARTHUR CAPPER,
Senator, Washington, D. C.

DEAR SIR: Regardless of the fact that the political conventions will be held shortly, I believe that Congress should stay in session.

We all know that a grave crisis is facing this country, and I believe that every man should be at his post. This is no time for the law-making body of our Government to recess as in the coming months there will be many laws to pass, repeal, and amend, and in the paraphrased words of Lord Nelson, "Today, America expects every American to do his duty."

The present situation requires the constant attention of Congress now.

Respectfully yours,

D. K. DICKINSON,
Commander, Dwight Cowles Post, No. 370.

MEDICINE LODGE, KANS., *June 13, 1940.*

Hon. ARTHUR CAPPER,
Senate Office Building, Washington, D. C.:

The Barber County Post, No. 69, American Legion, Medicine Lodge, Kans., urges you that regardless of impending political conventions the Congress remain in session during the present world unrest and/or until the national preparedness program is fully completed.

W. J. COPPINGER, *Adjutant.*

OSAWATOMIE, KANS., *June 13, 1940.*

Hon. ARTHUR CAPPER,
Washington, D.C.:

Members of our post want the Senate to remain in session during the emergency notwithstanding the political conventions.

HINKLE POST, 204, AMERICAN LEGION.

SYRACUSE, KANS., *June 13, 1940.*

Hon. ARTHUR CAPPER.

DEAR SIR: Legion Post No. 27 feels our Congress should stay in session for the present. Personally and from opinions formed by talking to many others there is too much power in the hands of a few at the head of our Government. We want no more wars on foreign soil. Hope this gets to you in time. I could get many signers for this by others than the Legion.

Yours truly,

MERLE D. SELLERS,
Post Commander.

SYRACUSE, KANS.

We, the undersigned officers and members of the H. F. B. H. Post, No. 27, of the American Legion, Kansas, do hereby request you use all your influence possible to demand that Congress stay in session "during the emergency."

Merle D. Sellers, commander; Lovell Cumming, adjutant; R. B. Owings, Harry Herndon, J. R. Bane, G. F. Shirley, James R. Brogan, W. R. Schroll, N. W. Oakes, William C. Zimmerman, E. W. McNeal, George H. Fuller, J. B. Owings.

FLEMING-JACKSON-SEEVER POST, No. 6,
Atchison, Kans., June 13, 1940.

Hon. ARTHUR CAPPER,
United States Senator, Washington, D. C.

MY DEAR SENATOR: I wish to urge upon you the necessity that Congress stay in session during this emergency, notwithstanding the political conventions. The present situation requires the constant attention of Congress now.

Sincerely yours,

O. P. MAY.

SMITH CENTER, KANS.,
June 13, 1940.

Senator CAPPER,
Washington, D. C.

DEAR SENATOR: I, with 72 members of the U. S. Center Post of the American Legion, together with the mandate of the 1939 National Legion Convention, notwithstanding the party conventions, urge that Congress remain in session during the emergency of strained international relations.

We also question the advisability of high Government officials making speeches to the world stating our feelings on international affairs and questions. Actions are more effective than words and are not so effective as evidence.

Please permit me to again remind you of H. R. Nos. 8930 and 9000.

Sincerely,

MACK WERTZ, *Post Commander.*

GEORGE W. HOOD POST, No. 91,
THE AMERICAN LEGION,
Washington, Kans., June 12, 1940.

Senator ARTHUR CAPPER,
Washington, D. C.

MY DEAR SENATOR: The members of George W. Hood Post, No. 91, the American Legion, urge you to use all your power and efforts to keep the United States Congress in continuous session during the present emergency.

Very truly yours,

FRANK G. KIRK, *Commander.*

MIAMI POST, No. 156,
THE AMERICAN LEGION,
Paola, Kans., June 13, 1940.

Hon. ARTHUR CAPPER,
Senate, Washington, D. C.

DEAR SENATOR: The 126 members of Miami Post, No. 156, American Legion, request that you use your influence in having Congress remain in session during the emergency.

We feel that this is a grave time and that the present situation requires a constant attention of Congress now.

Notwithstanding the coming political conventions, we think Congress should remain in session.

Thanking you for past favors, I am

Yours truly,

OTTO GERKE, *Commander.*

LUKE STEED POST, No. 159,
THE AMERICAN LEGION,
Fort Riley, Kans., June 12, 1940.

Senator ARTHUR CAPPER,
House of Senate, Washington, D. C.

DEAR SIR: The members of this post urge that you do everything possible in supporting a resolution that Congress stay in session during this emergency.

Thanking you for what you have done in the past in supporting resolutions adopted by the American Legion, I beg to remain,

Very truly yours,

RAYMOND CURTIS,
Commander, Luke Steed Post.

COLUMBUS, KANS., *June 14, 1940.*

Hon. ARTHUR CAPPER,
United States Senator.

We request Congress remain in session during period of emergency.

THE AMERICAN LEGION.

OUR TRIOS POST, No. 92,
AMERICAN LEGION,
Meade, Kans., June 12, 1940.

Hon. ARTHUR CAPPER,
Washington, D. C.

MY DEAR SENATOR: We wish to acquaint you and all our representation in Congress that it is the unanimous belief of all Legionnaires in this southwestern part of Kansas that Congress stay in session during the emergency now confronting the United States and the entire world.

A possible recess can be taken if the conventions interfere but this is not recommended as a wise course.

We urge you to remain at your posts of duty in Washington.

Respectfully submitted.

W. H. SOURBIER,
Legion Commander.

THE FIRST BAPTIST CHURCH OF LAWRENCE, KANS.,
June 12, 1940.

Senator ARTHUR CAPPER,
Washington, D. C.

DEAR SENATOR: The clipping I enclose is from the morning Kansas City Times, and expresses my sentiments in regard to keeping Congress in session during this grave crisis through which we are passing.

Congress should be in session ready to act with the President if the need arises, but above all it should be on guard lest we get into this overseas war.

I trust you will do all in your power to keep the Congress in Washington as long as seems necessary.

With sincere hopes for the highest welfare of country, I am,

Very respectfully yours,

GEORGE SHAWNEE.

THE FIRST METHODIST CHURCH AND
THE WESLEY FOUNDATION AT THE UNIVERSITY OF KANSAS,
Lawrence, Kans, June 15, 1940.

Senator ARTHUR CAPPER,
Washington, D. C.

DEAR SENATOR CAPPER: I wish once more to commend your firm stands for peace and for maintaining democratic procedures. Democracy can never be defended (?) except by practicing democracy. A war to defend democracy would immediately result in the repudiation of democracy through creation of a virtual dictatorship and the institution of M-day regimentation.

Be assured that large numbers of youth, with whom it is my privilege to work, are ready to give unstintedly for our country's well-being through peaceful service; but they, as I, are convinced that war can never achieve any enduring good for our country and that democracy cannot be defended except by courageous democratic practice and by national attitudes and works of constructive, cooperative solution of the ills of humanity.

Specifically, I earnestly urge your continued courageous leadership for:

1. Insistence that the United States remain at peace—in fact as well as in word.
2. Resistance to all attempts to delegate to the administration power to call out militia or to declare an emergency and initiate M day.
3. Resistance to all attempts to institute a draft or compulsory military training.
4. Urging Congress to remain in session as long as a national emergency exists. That could be done for months at far less cost than one battleship—or one international mistake.

Appreciating your constructive leadership, I remain,

Sincerely,

REV. EDWIN F. PRICE.

PROTECTION, KANS., *June 11, 1940.*

Senator ARTHUR CAPPER,
Washington, D. C.

DEAR HONORABLE SENATOR: May God bless you for your attitude on the war question. Europe's troubles are age-old, having been going before we as a nation were born. We miserably failed in any permanent settlement of their affairs about a quarter of a century ago, and another effort could even be worse.

Nationally, preparation for defense has its place, and my prayers ascend daily for our Congress, our President. Should compulsory military training come as a part of the defense program, may God bless our National Legislature that due consideration may be given to those of us who, for scriptural reasons and conscience's sake, cannot take up training for a soldier's life.

With gratefulness to our Government for past considerations, and with trust in God for the future, I close, remaining,

Sincerely yours,

Bishop D. D. MILLER.

FIRST BAPTIST CHURCH,
Manhattan, Kans., June 12, 1940.

Senator ARTHUR CAPPER,
Washington, D. C.

MY DEAR SENATOR CAPPER: May we continue to count on you to make every effort to keep America out of the present world war?

It seems to many of us, practically all with whom I have talked, that Congress should remain in session during the present crisis.

It would cast a favorable light upon all if they could forget for the time their politics and remember that they are Americans.

I am, respectfully yours,

FREDERIC S. LA RUE.

SOLOMON PRESBYTERIAL SOCIETY, KANSAS SYNODICAL,
June 12, 1940.

DEAR SENATOR CAPPER: We listen to and enjoy your Sunday evening broadcasts so much. We believe Congress should remain in session during this real emergency, until definite plans are made and being carried out for our national defense, and that Congress should decide upon our attitude toward other nations, not any one man.

Our first defense is to rid the country of antagonists within—deport all who are against the United States form of government.

At our Dickinson County Women's Republican Club meeting a few months ago we passed unanimously a resolution about which our president, Miss Helen Seelye, wrote you, Senator REED, and Representative REES. I believe this is a fine time to put through a bill and pass an amendment to the Constitution to this effect:

1. That representation be according to number of United States citizens.
2. That all members of executive, legislative, and judiciary be required, the same as President, to be native-born citizens of our Republic of United States of America.

This would be an opportunity to also limit term of office of President to one 6- or two 4-year terms.

Our club is now putting on a membership drive—dues 25 cents—aimed at 800 members out of 3,000 registered Republican women in county.

We women worry so much over conditions in this country. We are free to say what we please, but there seems little that we can do about it.

We hope to save our American Christian civilization, and that you will help us to stay out of this war, which is not ours.

Sincerely,

LILLIAN C. GRAFF.

P. S.—Daily I pray God to be merciful to us, to spare us the horrors of warfare, and that our young people may have faith and courage to face the aftermath which we shall have to share.

God bless you for your stand against war.

THE BUSINESS AND PROFESSIONAL WOMEN'S CLUB, INC.,
Sedan, Kans., June 13, 1940.

Senator ARTHUR CAPPER,
Washington, D. C.

DEAR SIR: In view of the serious international and national situation, we feel that it is advisable for Congress to remain in session until the immediate crisis is passed.

Very truly yours,

THE SEDAN BUSINESS AND PROFESSIONAL
WOMEN'S CLUB,
By BEATRICE CHUBB, *President.*

WHITING, KANS., *June 4, 1940.*

Hon. ARTHUR CAPPER,
Washington, D. C.

DEAR SENATOR: I am not much when it comes to writing letters, but your leaflet was received and has been carefully read. And I agree with every word 100 percent. You mentioned Senator CLARK. I also have been watching him and have admired the stand he has taken. I used to see quite a bit of his father, "Champ" Clark, when I lived in Iowa. The last time I saw him was when he and ex-Congressman Grosvenor, of Ohio, came to Tama, Iowa, to have a debate ("horse and buggy" days). Then I remember paying CLARK'S father-in-law $350 for an imported Guernsey heifer and ship to the farm here in Kansas.

I think Congress should stay in Washington this summer as long as the European situation is as it is.

Glad immigration was taken out of and away from labor.

I called on Senator TAFT at Topeka, and liked him very much, although I was a Bull Mooser, etc., in past days.

Met Wendell Willkie at Kansas City; very much taken with him. Saw young Theo. R. at Topeka, like him; but just cannot fall for Dewey.

Gannet sure has made good the last few days, although I haven't the pleasure of knowing him.

Someone (Democrat) called on F. D. R. F. D. R. asked him who he would vote for in place of himself. He said anybody.

We had plenty thunder last night, but no rain, which is needed.

There has never been a time in history of the United States when farmer could pay 6-percent interest and get away with it. So hope Wallace's 3 percent goes through, but am not sure about it from an economic standpoint. Have not gone into it that far, but if it is O. K. from that standpoint, it is a step in the right way.

Yours faithfully,

CHAS. F. M. STONE.

CLAY CENTER, KANS., *June 8, 1940.*

To the Honorable Senator BRIDGES,
Senate Office Building, Washington, D. C.

DEAR SENATOR: After having heard your radio address as of June 7, 1940, I feel it necessary that I write to you complimenting you on your talk.

I am one of those who, on April 8, 1917, offered my services to my country and spent the greater part of 2 years overseas. For this service I claim the right to speak freely to you at this time.

For Congress to adjourn at this time is only comparable to the absconding of King Leopold, of Belgium—deserting his subjects when they needed him most. I think that Congress should remain in session and in some way try to alleviate the sufferings of the American people due to their treasonable acts of delegating power to the President of the United States not granted him under the Constitution. Perhaps I am a little bitter, but I do believe that granting the President powers to which he is not entitled on 67 different occasions to build him up whereby he can make laws by an Executive order, taking away from me my rights as an American citizen under the Constitution, is nothing less than treason. I think I feel the same as a great many American citizens feel at this time concerning the situation in Washington. I think the first duty of Congress is to stay in session until this emergency is over and take back for the people their rights that have been taken away from them.

I would like to refer you to the CONGRESSIONAL RECORD, volume 83, and No. 34, to an article by Mr. HOFFMAN, of Michigan, found on page 2677. It covers several pages, but I am quite sure that your time would be well spent in reading it.

Hoping that I have not been too blunt in my statements, I am,

Yours very truly,

D. O. JACKSON, M. D.

GARDNER, KANS.

DEAR SENATOR: I am going to ask that Congress stay on guard as long as the situation demands it. No more powers to the President are desirable. And no blank checks. He doesn't seem to know what he wants or why. We, of course, do not want any war.

Sincerely,

O. P. JOHNSON.

OMAHA, NEBR.

DEAR MR. CAPPER: For God's sake stay in Washington and don't lose your head, or we will be throwing Government contracts around in useless rearmament and this set-up will have us across the pond as they have planned for years. It is up to you. The majority I talk to feel the same way.

Yours,

R. T. JOHNSTON.

TOPEKA, KANS., *June 6, 1940.*

Senator ARTHUR CAPPER,
Washington, D. C.

DEAR SIR: It is through you I hope to deliver this message to Congress.

I, an American citizen, urge Congress to say in session during the critical months to come. Keep the power of Congress to steer us through this situation. Keep the defense program out of control of politicians or one man, and allow industrialists and business managers to plan to the advantage of this good old United States.

Sincerely,

Mrs. MAYSEL DELANEY.

GARNETT, KANS., *June 5, 1940.*

DEAR SENATOR: I think Congress ought to stay in session indefinitely to look after this Nation's interests in this time of war abroad, so as to safeguard those interests and, if possible, to stay out of the wars of Europe and Asia. Of course, we ought to prepare for defense as rapidly as it can be done with efficiency. I have never felt easy about our foreign policy in the hands of the present administration, and if Congress stays in session it might prove a safeguard against any wild move.

With sincere regards, I am,

Rev. M. D. BRYANT,
Christian Minister in Your Old Home Town.

LEAVENWORTH, KANS., *June 8, 1940.*

Senator ARTHUR CAPPER,
Washington, D. C.

DEAR SENATOR: See by this morning's paper the following: "Await the Draft Step." What does this mean? The volunteers are not coming in fast enough. Has the President's four sons volunteered? If not, why not?

Things don't look good to me, and every American citizen should wake up. Seems they have been unconcerned as to what the President is doing, and his rubber-stamp Congress.

Hope you will vote against this compulsory service, or our democracy is gone before we start to fight for it. We don't want a dictator in the United States, and it seems we are headed there at a high rate of speed. By all means, Senator CAPPER, vote to have Congress remain in session during this critical period. I know you will never vote to send the boys over to fight a war that is not our war, but if this compulsory service goes into effect we can look forward to nothing but war.

If the United States would keep out, I think the war would end in a short time, but the President wants us to get into this war, and he has been given entirely too much power. Where is our freedom if we have to listen to one man, a great country like this?

Respectfully,

ANNA HOY.

WASHBURN COLLEGE,
Topeka, Kans., June 8, 1940.

The Honorable ARTHUR CAPPER,
United States Senate, Washington, D. C.

DEAR SENATOR CAPPER: We earnestly urge that you use all your influence to prevent the early adjournment of Congress. If ever the collective wisdom of our Representatives in Washington was needed, it is now.

We favor giving all possible help to the Allies short of sending American soldiers to Europe.

Very respectfully yours,

H. J. COLBURN.
Mrs. H. J. COLBURN.

ATCHISON FURNITURE & CARPET CO.,
Atchison, Kans., June 10, 1940.

Hon. ARTHUR CAPPER,
Washington, D. C.

MY DEAR SENATOR: On behalf of all the members of our firm, I have been asked to write you to use your influence to keep Congress in session, and not to adjourn as long as there is danger of entanglement in Europe.

Also, we believe the militia should only be subject to call by Congress, and not by the President alone.

We believe in defense, but in no circumstances to send our soldiers to any foreign soil to settle someone else's troubles. We ask that you use your good office to that effect.

Thanking you for your earnest consideration in the above matter, I am,

Yours very truly,

C. K. REDDICK.

STILWELL, KANS., *June 13, 1940.*

Senator ARTHUR CAPPER,
Washington, D. C.:

We urge the keeping of Congress in session till emergency passes. Believe we should go to any extent to help Allies defeat the madmen of Europe.

Mr. and Mrs. R. P. BRINKMAN.

LANSING, KANS., *June 13, 1940.*

Senator ARTHUR CAPPER,
Washington, D. C.

SENATOR ARTHUR CAPPER, SENATORS, AND CONGRESSMEN OF KANSAS: Favor continuance of Congress.

Supt. Etta Beavers, Women Officers Holyfield, Hitchcock, Henderson, Lundscom, Donica, Smith, Powers, Shumway, Smutney, Hatcher, Chandler, Downs, Keller, Sullivan, Glover. Men Officers Lindell, Fraham, Fager, Christ, Brown, Wilson, Mailor, Powell, Varclay, Rudisell, and Delahurty.

SHAWNEE, KANS., *June 14, 1940.*

DEAR SIR: I earnestly urge you to remain in Washington in session during the present crisis.

Sincerely,

ALMA L. RIEKE.

MERRIAM, KANS., *June 14, 1940.*

DEAR SIR: We people feel it an urgent need for Congress to remain in session at this critical time. Please help.

Mrs. R. P. HARDESTY,
Member, Women's Republican Club.

SHAWNEE, KANS., *June 14, 1940.*

Mr. ARTHUR CAPPER,
Washington, D. C.

DEAR SIR: Please use your influence to keep Congress in session at present. We feel you're needed more than ever in these strenuous times.

Yours truly,

Mr. and Mrs. D. M. ALDEN.

WICHITA, KANS.

Senator CAPPER,
Washington, D. C.

DEAR SENATOR: As a citizen of the United States whom you are representing, I plead with you to use all your influence to (1) keep the United States out of the war; (2) to oppose the proposed measure for compulsory military training.

This measure would be unconstitutional. Our Constitution stipulates religious freedom. This measure would take religious freedom away from such groups as Methodists, Mennonites, and Friends.

Let's not lose the very thing we are so anxious to preserve. (3) To use your influence in support that Congress remain in session rather than giving the President dictatorial power of the Army and Navy.

The United States must stay out of the war.

Sincerely,

Mrs. MAX SAVAGE.

OLMITZ, KANS., *June 11, 1940.*

Hon. ARTHUR CAPPER,
Washington, D. C.

DEAR SENATOR: I am writing you at this time to encourage you to live up to the splendid promise you have repeatedly made, that you will not vote to send our boys across to fight Europe's battle again. We have not forgotten the "kept us out of war." We wish to impress that Congress should not adjourn but stay on the job and protect us from foreign propaganda and hired newspapers and paid columnists to spread their propaganda to get us in war and sacrifice our boys for the benefit of Europe's age-old war.

They fooled us once, and it looks like they are working good and making headway now to do it again.

We thank you, Dear Senator, for the stand you are taking. Stay with it and, above all, stay in Washington and watch out for the interest of our State and country.

Very truly yours,

J. G. SCHREIBER.

MERRIAM, KANS., *June 14, 1940.*

Hon. ARTHUR CAPPER,
House of Senate, Washington, D. C.

DEAR SIR: Our country today is in grave danger. It is going to take cool, clear thinking and effort to guide us through.

Congress should stay in session to see that our country is properly prepared and made ready for all emergencies. We must not permit ourselves to be caught in the position in which England and France found themselves.

Unfortunately, our President does not possess the ability to supply the leadership needed. Therefore it becomes imperative that our Congress be constantly on the alert to guide us safely through.

You (the Congress) are our safeguard at this time. We look forward to your continued best effort to see us safely through this storm.

Sincerely yours,

Dr. C. A. BROOKS.

SAN ANTONIO, TEX., *June 13, 1940.*

Senator ARTHUR CAPPER,
Washington, D. C.

DEAR MR. CAPPER: I am a Kansan, a teacher in the city schools at Manhattan, and at present vacationing and going to school in San Antonio.

This communication is meant to earnestly beseech you and the other Members of Congress to stay right where you are until this crisis is over.

We need more than one mind to help us in this time of dire distress and uncertainty.

Sincerely,

Mrs. LUCY C. WILCOX,
Manhattan, Kans.

LAWRENCE, KANS., ROUTE 2, *June 14, 1940.*

Senator ARTHUR CAPPER,
Washington, D. C.

DEAR SIR: We are asking you to use your influence to keep Congress in Washington during the international crisis, also to use every means possible to keep the United States out of war.

America won the World War, and France and England showed their appreciation by refusing to pay their debt to the United States of America. Again they are calling for help; this is their war, not ours.

Save the American soldiers for America.

Mrs. JAMES DENHAM
(and family).

PARSONS, KANS., *June 13, 1940.*

Hon. ARTHUR CAPPER,
United States Senate, Washington, D. C.

DEAR SIR: Stay on the job.

Hitler and his Huns should be forced east of the Rhine where we of the A. E. F. left them in 1919, but in this country President Roosevelt needs watching himself, and I think Congress should remain in session and do the job.

Respectfully yours,

B. O. BOWER.

WYANDOTTE HIGH SCHOOL,
Kansas City, Kans., June 14, 1940.

Senator ARTHUR CAPPER,
Washington, D. C.

MY DEAR MR. CAPPER: I am writing you this brief note to indicate how many of us feel regarding the early adjournment of Congress. For reasons which I am sure you will readily understand, thousands of your constituents feel that it would be unsafe to adjourn Congress while the international situation remains so critical. I hope you will do everything in your power to keep Congress in session indefinitely, even though I am sure this will be a hardship on many of the Members.

Do not bother to answer this. I just wanted you to know how I felt about it.

Very cordially,

J. F. WELLEMEYER.

NATE KOONTZ DRUG CO.,
Topeka, Kans., June 14, 1940.

The Honorable Senator ARTHUR CAPPER,
Senate Chambers, Washington, D. C.

DEAR SIR: In contacting our people in this locality we find that a large majority are of the opinion that the Congress should remain in session, at least until a degree of stabilization has been worked out.

We trust that you will give this sentiment your utmost consideration and that you will see fit to cast your vote for a continued session.

Appreciating your consideration of the above, we are,

Yours respectfully,

NATE KOONTZ DRUG CO.,
By N. P. KOONTZ.

TOPEKA, KANS., *June 12, 1940.*

Senator ARTHUR CAPPER,
Washington, D. C.

The Honorable Senator ARTHUR CAPPER: We have no knowledge of the pressure that is being exerted on you and your colleagues to drag our dear country into the war. While we know that you are exerting all your influence to keep the United States out of the European conflagration, we still wish to give you our moral support in the fight you are making for us. I am glad for the statement in the papers made by Senator WHEELER, of Montana: "I'm not going to support any candidate for President who's going to try to get us into the war." Although we have no sympathy for a country that wants to rule by force, still to try and conquer them is to stoop to their methods when this country has its hands full with her own problems. Let us solve our internal difficulties and remain a strong democracy, and no Hitler can harm us with his force from without.

Very truly yours,

Dr. and Mrs. G. R. GOEDDERT.

P. S.—We think it would be safer to keep Congress in session during the summer.

UNIVERSITY OF WICHITA,
Wichita, Kans., June 13, 1940.

Hon. ARTHUR CAPPER,
United States Senator from Kansas,
Senate Office Building, Washington, D. C.

DEAR SENATOR CAPPER: Just a note to let you know how the six voting members of our family stand on the questions before us at this critical time.

We ask you not to weaken in your fight for United States neutrality. Your original strict neutrality stand has had our continuous endorsement. Don't waver now.

Why not add your voice to that of courageous Senator WHEELER and help put our dictator-inclined President in his proper place? One individual cannot and does not speak for all the people, but F. D. R. would usurp that privilege and at the same time claim to be the champion of democracy. Let's demand true democratic processes. We look to you to help keep a tight checkrein on our emotional Chief lest he go completely haywire.

By all means stay in Washington. Congress must remain on the job now by all means and represent the sober-minded element of the country. Of course, we're counting on you to fight to retain the Johnson Act and other such orderly thought-out acts which should not be overthrown in moments of hysteria which our excitable and unstable Chief Executive seems to have stirred up.

Sincerely yours,

G. W. MELCHER.

KANORADO, KANS., *June 12, 1940.*

Senator ARTHUR CAPPER,
Washington, D. C.

MY DEAR SENATOR: I feel that Congress should be in session during an emergency, and I feel that a greater emergency exists at the present time than has existed for some time.

I also think that when emergencies exist, like at the present time, decisions which are vital to all of the people, as well as to the Nation itself, should not be left for one man to decide.

Therefore I ask that if you can conscientiously do so to vote against the adjournment of Congress at the present time. I am sure that if you can vote to keep Congress in session until this emergency has passed your action will be appreciated by many more than I.

I certainly hope that the United States can honorably keep out of war. I believe that this is the wish of the majority of the people.

Respectfully yours,

OTIS N. TAYLOR.

THE FIRST NATIONAL BANK OF WASHINGTON,
Washington, Kans., June 14, 1940.

Senator ARTHUR CAPPER,
Washington, D. C.

HONORABLE SENATOR: I, as a Republican voter, feel that it is imperative that Congress remain in session and not leave the affairs of this country in the hands of one person at such a time. We do not want a dictator.

Respectfully yours,

JULIA B. CLINE.

CHASE, KANS., *June 12, 1940.*

Senator ARTHUR CAPPER,
Washington, D. C.

DEAR SIR: We are writing to ask you to lend your influence to hold Congress in session during these days of unrest.

We have two sons who would be of military age, and, like millions of other parents, are praying that our sons may never have to take part in this terrible war that is waging in Europe.

Yours truly,

Mrs. STANLEY WESTMACOTT.
STANLEY R. WESTMACOTT.

ELMORE, HEATH & CO.,
Topeka, Kans., June 13, 1940.

Senator ARTHUR CAPPER,
Washington, D. C.

DEAR SENATOR CAPPER: I sincerely hope that you will use every resource at your command to prevent the adjournment of Congress during these summer months while it appears so necessary that our country remain in the hands of its citizens.

We are face to face with a very serious emergency and undoubtedly there are many minds in Washington who are included in the Roosevelt circle of intimate advisers who would seize upon this opportunity to further experiment with alien ideas, and we must not allow this to happen. One man, even though his name may be Roosevelt, cannot know the personal reactions of 130,000,000 people in this country.

Please accept my kindest regards and best wishes.

Sincerely yours,

D. V. ELMORE.

MONUMENT, KANS., *June 12, 1940.*

Senator ARTHUR CAPPER,
Washington, D. C.

DEAR SIR: As constituents, we are writing to say that we agree heartily with the idea that Congress remain in session during the existing crisis in Europe.

We are opposed to the policy by which the United States ships Japan material with which to fight China. We also believe that the United States should send the Allies all the material help possible, but that actual entrance into the conflict should be avoided.

Sincerely yours,

MRS. MALCOLM PETERSON.
MALCOLM PETERSON.

HUTCHINSON, KANS., *June 13, 1940.*

Senator ARTHUR CAPPER.

DEAR SIR: I am writing you in regard to keeping our Nation protected through the keeping of our Congress in continuous session. Please do not adjourn Congress, but stay right in Washington to help save our Nation; and I can always trust you that you will always do everything that can be done for the safety of our Nation.

Respectfully,

MRS. ANNA VANDYKE.

AMERICAN SERVICE CO.,
Lawrence, Kans., June 14, 1940.

Hon. ARTHUR CAPPER: I wish you to know that a dozen or so men here in Lawrence feel that Congress should remain in session. How many more feel the same I have no way of knowing excepting that all I've talked to have the above attitude.

Personally, I think we should send our Navy over to relieve the British; send planes with volunteer pilots and continue the materials shipments regardless of credits.

Yours very truly,

ROBERT A. HAGGART.

THE FITZPATRICK MORTGAGE CO.,
Salina, Kans., June 14, 1940.

Senator ARTHUR CAPPER,
Senate Office Building, Washington, D. C.

DEAR SENATOR: I believe that I state the opinion of most of the businessmen, professional men, and church people when I say that they think it is best that during the war in Europe Congress should stay in session or take a vacation during the two conventions so that our American dictator cannot do what he wants without Congress there.

I know this is a large feeling all over the State also.

Respectfully yours,

F. R. FITZPATRICK.

THE COWLEY-LANTER LUMBER CO.,
Overland Park, Kans., June 14, 1940.

Senator ARTHUR S. CAPPER,
Washington, D. C.

DEAR SENATOR: Noting there is some talk of adjourning Congress at an early date I am writing with all the emphasis that I possess against such action.

I feel that the very great responsibilities that are yours should not be turned over to any one man. We are relying on you to keep us away from dictatorship or third terms, for where too much authority is turned over to any one man that is always a possibility.

So I urgently ask that you do not adjourn.

Sincerely,

CLARE J. COWLEY.

THE KAMEN PLUMBING SUPPLY CO.,
Wichita, Kans., June 14, 1940.

To the SENATORS OF THE STATE OF KANSAS,
Washington, D. C.

HONORABLE SENATORS: We, the undersigned, manager and employees of the Kamen Plumbing Supply Co., as citizens and taxpayers of the United States, are in favor of immediate help to the Allies.

We would like to see some action taken at once regarding the above, and also get our preparedness program in operation. There seems to be too much dilly-dallying around between the Democrats and Republicans. This is no time to have political differences. What we want is action before it is too late.

Yours very truly,

SHERMAN KAMEN.
S. STEIN.
L. S. CREED.
W. L. PENCE.
ETHEL CHAPMAN.
RUSSELL ROE.
O. J. BARKER.
MRS. W. L. PENCE.

KANSAS CITY, KANS.

Senator CAPPER,
Washington, D. C.

MY DEAR MR. CAPPER: Due to world conditions, as an American citizen and a voter in Kansas, I urge—

(1) That Congress remain in session indefinitely to safeguard our democracy.

(2) That only American-born citizens be allowed to work in munitions and airplane factories, Government offices, on Government or defense projects, or anywhere else where espionage or sabotage would be detrimental to our defense.

(3) That all unions be abolished, so that all American-born citizens who wish may work, so that employers may hire their own choice of help without dictation from outside interests, and so that the enormous income from union dues be retained in the pockets of the laborers and not lining pockets of high-powered executives of sometimes doubtful derivation and patriotism. Also to avoid danger of strikes.

(4) That all subversive activities be investigated.

(5) That party politics and vote-getting be sidetracked; if necessary, even eliminating all elections for this year.

Where no legislation covers the above-mentioned points, I again urge that such legislation be enacted to preserve our democracy.

I am sincerely,

HELEN O. PALMER.

JUNE 12, 1940.

NATIONAL BANK OF TOPEKA,
Topeka, Kans., June 14, 1940.

Senator ARTHUR CAPPER,
Mayflower Hotel, Washington, D. C.

MY DEAR SENATOR: We out here in Kansas are becoming very much disturbed about the possibility of Congress adjourning and leaving the fate of America in one man's hands.

Congress for the past 3 or 4 years has stayed in session for spending large amounts of money, which seems to have done very little good. It seems to me that a very grave responsibility is that of the Senate and House of Representatives to stay in session until something more definite comes out of the conflict in Europe.

Hundreds of people are talking about this, and I am passing this information on to you for what it may be worth.

Very truly yours,

CHAS. O. BLEVANS, *President.*

THE PENN MUTUAL LIFE INSURANCE CO.,
Topeka, Kans., June 12, 1940.

Senator ARTHUR CAPPER,
United States Senate, Washington, D. C.

DEAR SENATOR CAPPER: It does not seem possible that a single Member of the House or Representatives or a single United States Senator would give a moment's consideration to the thought of an adjournment of Congress during the crisis that confronts this country.

I am confident that you and the entire Kansas delegation will oppose, with every ounce of energy you possess, an effort on the part of any person, or persons, to influence Congress to abdicate its responsbility to the people now.

Our President needs and should have the counsel of Congress in making decisions of such momentous consequences as confront this country. The people of the United States have the right to expect sane, careful consideration of every question regarding the war situation, not hasty, impulsive decisions that may have very serious consequences.

Let us lend every aid possible to the Allies, but let us at all times give first thought to our own safety and well being.

I here voice the preponderance of opinions as I hear it daily on the street and every place I go, "Congress should stay in session continuously as long as war clouds hang heavily over the world."

Sincerely yours,

J. E. SPALDING,
Associate General Agent.

OSBORNE, KANS., *June 10, 1940.*

Senator ARTHUR CAPPER,
Washington, D. C.

DEAR SIR: After reading your article in Capper's Weekly of June 8, we want to let you know that we approve of the action you are taking in regard to the many questions arising at this time. We don't want our foreign policy to include intervention in the European war.

We also hope you will vote against compulsory training for our boys from 18 to 20. Why should they, who are just coming into manhood, have to be the first ones called?

We trust and pray we will not be drawn into this terrible conflict. We are also praying that our leaders will think of the awful cost before going in.

May we as parents remind you that we are standing by you.

Yours truly,

MRS. HAROLD CORNWELL.

P. S.—We are very much in favor of Congress staying in session during the summer.

PALMER, KANS., *June 12, 1940.*

To the Honorable Senator ARTHUR CAPPER,
Washington, D. C.

MY DEAR SENATOR CAPPER: In view of the even more grave world situation I feel it my duty to encourage you to maintain the stand you have repeatedly expressed in word and deed, and that is to keep this beloved Nation of ours from complete intervention in the European war, and to this end I think it absolutely necessary for the Congress and Senate to stay in continuous session until the war is over; and by all means do not repeal the

Johnson Act, which inevitably would lead to complete intervention in our judgment. Let us apply the Monroe Doctrine both ways—America for the Americans and Europe for the Europeans. Let us stay out of the European mess. Now we know fully well that you stand for everything that we want and need but we are sending you this message to encourage you to stand fast, and we are praying that the good Lord may bless your effort for the sake of our boys and the future welfare of our whole Nation.

I am,

Very sincerely yours,

EMIL MEIER.
MRS. EMIL MEIER.

CITIZENS NATIONAL BANK,
Eureka, Kans., June 12, 1940.

Senator ARTHUR CAPPER,
Washington, D. C.

DEAR SENATOR: I notice from the papers that it is contemplated that Congress shall adjourn some time during June.

It would seem to me that if there was ever a time that Congress should remain in session it would be now, in view of the present extremely unsettled world conditions, and I hope that it will be your view also.

Very truly yours,

R. L. MARLIN.

GREAT BEND, KANS., *June 11, 1940.*

DEAR SENATOR: I ask you if you will do your part to keep Congress in session so that the President can't put us in the war in Europe. There is no work for you at home. The people of United States don't want a war and don't want to fight a war. The people will be back of you if you do all your part to keep United States out of the war.

Yours truly,

WALTER KRUCKENBERG.

EMPORIA, KANS., *June 12, 1940.*

Senator ARTHUR CAPPER,
Washington, D. C.

DEAR SENATOR CAPPER: Legions of people like myself, who are members of families that have lived in this country for generations, and who have always tried to stand for the best ideals of American citizenship, are greatly disturbed by the emotionalism and hysteria that are sweeping us closer to war. And, Mr. Capper, we are looking to our Representatives in Congress to stay on the job in Washington to help solve our problems in this grave situation. That, we feel, is their responsibility, and we do not want them running away from it.

Years of sober consideration convinced us that we had no business in another European war. Surely the hysteria of a week should not plunge us into the conflict. We are willing and eager to help the Allies in every way possible short of war, but we do not want our American young men slaughtered across the sea. Everyone to whom I talk feels that way about the situation.

Yours very truly,

L. W. BURTCH.

Hon. Senator ARTHUR CAPPER,
Washington, D. C.

DEAR MR. CAPPER: Stay in session. Keep us out of a war that is definitely not our war.

Congress bears this responsibility and I am depending upon you as our representative to stop Roosevelt now.

Help keep us out of war.

Sincerely,

MARY ALICE JORDAN,
3500 York Way, Topeka, Kans.

EMPORIA, KANS., *June 12, 1940.*

DEAR MR. CAPPER: Will you please do all you can to have Congress remain in session as long as you feel there is an emergency.

Very truly,

MRS. W. J. COLLINS.
W. J. COLLINS.

ELLINWOOD, KANS., *June 11, 1940.*

DEAR SIR: In view of the troubled world conditions and the bellicose attitude of our President, we most strongly urge you to protect our American interests and our homes by using your vote and influence to keep Congress in session.

We feel that our safety lies in our Senators and Representatives who alone have the constitutional right to vote on the vital issue of war or peace for the United States.

We feel that the Allies can best be aided by our industry and the maintenance of peace in this country. We deeply resent the attitude of our President in making promises and inflammatory speeches and assuming power to pledge aid. This is, we feel, the right and duty of our two Houses.

We add our voice to others who also feel that Congress should remain in session, as this, we feel, is our only bulwark against dictatorship in this country. Our sincerest thanks to you for your voicing the opinion of the people of Kansas in the past.

We have the honor to remain,

Yours very truly,

JOHN A. WEBER.
VALERIE E. WEBER.

WHITE CITY, KANS., *June 12, 1940.*

Senator ARTHUR CAPPER,
Washington, D. C.:

We are asking you to do everything in your power to keep this country out of war.

We think the defense program is all right, but we must not be allowed to get in this war under the screen of our defense.

We also think that Congress should stay in session until the danger of this war is over, if for no other reason than to hold our President down, and give him to understand that this is not a one-man Government as yet. We think Congress must stay in session to protect the people from the President's mistakes.

We heard the President's speech, and the way it sounds, he is doing his best to get us in the war, instead of keeping us out of it.

So we are asking you, our Senator, to do your best to keep us out of the European conflict.

DALE NORTH.
MRS. GORDON C. NORTH.
PEGGY ANN NORTH.
MRS. F. C. HERMAN.
GORDON NORTH.
F. S. CAMP.

CANEY, KANS., *June 12, 1940.*

Senator ARTHUR CAPPER.

DEAR SIR: I'm writing you in the interest of this terrible tragedy of war. Won't you please stay in Congress and use what influence you have to keep others to stay? For we need you all in the interest of peace. Please do all you can for us, for you're all we have to look to for our peace and to save our boys in the foreign countries. I'll always praise you and your efforts to help us.

Your friends,

The BARRIS FAMILY.

LEAVENWORTH, KANS., *June 11, 1940.*

Senator ARTHUR CAPPER,
Washington, D. C.

DEAR SENATOR: After hearing Mr. Roosevelt's speech last night, I think it more important than ever that Congress remain in session.

I cannot understand how Congress can allow one man to rule these United States. The people that are represented by Congress are expecting Congress to act for them.

Thanking you, I am,

Respectfully yours,

ANNA HOY.

INDEPENDENCE, KANS., *June 13, 1940.*

Hon. ARTHUR CAPPER,
Washington, D. C.

DEAR SENATOR CAPPER: In view of the vast expenditures authorized by Congress for national defense and other purposes, the prospective passage of a brand new tax bill increasing materially the taxes, the increasing the national debt limit $4,000,000,000, and the general situation in Europe, it would seem that it is the imperative duty of Congress to remain in session and not to recess for more than just a few days. I believe that if Congress should adjurn with little opportunity to reassemble before next January that many serious things might happen, as it is very clear to me that the President is desirous of putting the country into the war. There is a lot of discussion among the people about the increase in the national-debt limit, and the voting of billions for defense, and that surely the expenditure of this vast sum should be closely supervised and scrutinized. I find very little criticism of the national-defense program, as the people generally feel that we should put ourselves in a state of defense, but they are interested in how effectively the money will be spent.

There is probably a more important side to the whole situation than the foregoing, and that is, that the people here seem more firmly convinced that under no circumstances should we enter the war in Europe, and they are looking to Congress to prevent the President from putting the country at war.

I thought you might like to have my views and the result of my observations here.

With kindest regards and best wishes, I am

Sincerely yours,

CHESTER STEVENS.

THE EMAHIZER-SPIELMAN FURNITURE CO.,
Topeka, Kans., June 11, 1940.

Hon. ARTHUR CAPPER,
United States Senate, Washington, D. C.

DEAR SENATOR: These are critical times in this country, and there no doubt is a great deal of pressure being put upon you from various angles.

In talking to a large number of people in Topeka, I find that most of them feel as I do, and that is that in the present emergency Congress should stay in session until this emergency is past. I urge you therefore to do whatever you can to see that Congress is not adjourned.

If the two bodies of Congress ever had a duty to perform, it would seem to me that they are facing it at present.

With kindest personal regards, I am

Yours very truly,

J. S. KRITSER, JR.

TOPEKA, KANS., *June 13, 1940.*

Senator ARTHUR CAPPER,
Washington, D. C.

DEAR SENATOR CAPPER: I wish to add my voice to that of many others asking you to use all your influence with the powers that be to keep Congress in session during this world emergency. Also to give the President more power—which the adjournment of Congress would entail—would be undemocratic and un-American.

Yours truly,

HARRIET A. TOMSON.

M. G. STEVENSON,
Ashland, Kans., June 12, 1940.

Hon. ARTHUR CAPPER,
Washington, D. C.

DEAR SENATOR: Out this way we believe that the crisis now prevailing demands that Congress remain in session. By no means allow that occupant of the White House to have full sway in our defense preparations. I do not believe he is to be trusted. His great show of patriotism at this time is no credit to him as he had to be kicked into that position. The failure to use funds voted to Army and Navy for armament, stamps he and his advisers as disloyal, and I would not be surprised to know that it was prompted by the reds and pinks in his administration. If we win in the congressional elections, he should be stripped of all the powers given him by Congress that are not specifically conferred upon him by the Constitution.

Isn't there danger in shipping our guns, planes, etc., to the Allies at this time when it will take so long a time to replace them for our own protection? Isn't this some more of the boring from within? Personally I am for helping the Allies with everything we can except men, but I am uneasy about our own defense. There is no doubt that Hitler will bring the war to this side if he beats down France and England. But keep Congress in session.

Yours truly,

"STEVEY."

Getting plenty of rain out here now.

STRONG CITY, KANS., *June 13, 1940.*

Senator ARTHUR CAPPER,
Washington, D. C.:

We sincerely trust that you will use all your influence to postpone adjournment of Congress until present international crisis is over.

CHASE COUNTY WOMEN'S REPUBLICAN CLUB,
MRS. ROSS EVANS.

HORTON, KANS., *June 14, 1940.*

Senator ARTHUR CAPPER,
Washington, D. C.:

In view of the serious national and international situation, may we urge you and your colleague, Senator CLYDE REED, to do all in your power to keep Congress in session until the immediate crisis is passed.

MRS. LEONE NEWLIN,
President, South Brown County Women's Republican Club.

HERINGTON, KANS., *June 13, 1940.*

Senator ARTHUR CAPPER,
Washington, D. C.:

Herington Woman's Republican Club strongly urge Congress stay in session. Tragedy to desert post now. Need all possible cooperative wisdom of both branches of Government.

LELIA MUNSELL, *President.*

KANSAS WOMEN'S REPUBLICAN CLUB,
Burlington, Kans., June 14, 1940.

DEAR SENATOR CAPPER: I hope you will use all of your influence to keep Congress in session. I feel that Congress should be a check upon the President, or we will be at war very soon. And I also believe the President feels that he is the only power in this country, and he must be held down.

I know you will use your influence to help keep a checkrein on him.

Sincerely,

IRENE H. SHERWOOD.

WOMEN'S CHRISTIAN TEMPERANCE UNION OF KANSAS,
Norton, Kans., June 12, 1940.

DEAR SENATOR CAPPER: It would be folly to adjourn Congress at this time. Congress is our only hope of staying out of this war.

Sincerely,

MRS. IDA M. WALKER,
President, Norton County Women's Republican Club.

EVEREST, KANS., *June 8, 1940.*

Mr. ARTHUR CAPPER,
Washington, D. C.

DEAR MR. CAPPER: I am writing my opinion of things concerning the war: Our boys belong here in the United States of America. We are all willing to defend our own country, but we won't stand for shipping them to foreign countries to be used as targets for Nazi bullets. We demand the right to vote on this matter which concerns us so seriously. We are strongly opposed to compulsory military training and are asking you to do all things possible to keep those things from happening.

We have neighbors who are, or were, New Dealers; but not now. The Democrats as a whole don't trust the President any more than the Republicans trust him. He isn't honest with us and we don't trust his motives. He isn't so much concerned with defense plans as with getting his hands on those billions as an aid to his third-term election. The most important thing for our citizens now is to defeat him this fall and elect a man whom we think won't try to become a dictator. Unless we do we may find ourselves with the same form of government as Germany has; with no more voice in the governing of our affairs. We approve all you have been doing, Mr. Capper.

Please continue to work for the best interest of your countrymen.

Very truly,

H. C. BELL.

We favor Congress remaining in Washington, D. C.

PITTSBURG, KANS., *June 15, 1940.*

ARTHUR CAPPER,
Member of Congress, Washington, D. C.:

We feel strongly that Congress should remain in session during present crisis.

CRAWFORD COUNTY REPUBLICAN WOMEN'S CLUB.

LANE, KANS., *June 13, 1940.*

Senator ARTHUR CAPPER,
Washington, D. C.

DEAR SIR: I've talked to quite a lot of people—both Democrats and Republicans—and most of them think it would be tragic for Congress to adjourn at a critical time like this.

Yours very truly,

EVA BAKER MORRIS,
Republican Committeewoman.

THE FIRST DISTRICT REPUBLICAN COMMITTEE OF KANSAS,
Washington, Kans., June 13, 1940.

Senator ARTHUR CAPPER,
United States Senate, Washington, D. C.

DEAR SENATOR: Knowing that you have the interests of your constituents in mind at all times, we are writing asking that you stay on the job in Congress, regardless of pressure from the administration to do otherwise.

Our hope of safety is the strength of the Republican men in the Senate and House and the watchful eye of the American Legion at home. The New Deal has been such a great, grand fizzle since it assumed dictatorial powers the past 7 years, left us stranded on the verge of bankruptcy and war.

As public opinion is the most powerful weapon at our command, we wish to register ours at this time.

The women's Republican organization of our county met in their first meeting last Monday evening, with a large crowd and much interest shown in national as well as local affairs.

We expect to have regular meetings each month until after the election in November.

Very truly,

ELIZABETH GROODY,
Washington County Vice Chairman.

STILWELL, KANS., *June 13, 1940.*

Senator ARTHUR CAPPER:

We, the members of the Stilwell (Kans.) Women's Republican Club, at a special called meeting do urge you to use your influence to postpone adjournment Congress until present crisis is passed.

GRACE E. SHANNON,
Correspondent Secretary.

THE UNITED REPUBLICAN WORKERS OF AMERICA,
Kansas City, Kans., June 12, 1940.

Hon. ARTHUR CAPPER,
Washington, D. C.

DEAR SENATOR: Our country is perhaps now going through a crisis as serious as any it has ever experienced. The soldiers and citizens each has an important work to do, but no less and perhaps more important is the work and policy of our Government as formulated by the duly elected and acting representatives. You are our protectors, and we are asking you to hold tenaciously to every right vested in you by our Constitution and the laws of our land. A delegation of any right is most dangerous even under normal condition.

Therefore, we are earnestly requesting that Congress continue in session until the next Congress convenes.

Yours truly,

JUSTUS N. BAIRD,
Secretary.

IOLA, KANS., *June 12, 1940.*

Senator ARTHUR CAPPER,
United States Senate, Washington, D. C.

DEAR SIR: The Allen County Women's Republican Club unanimously voted to send you greetings and assurance of its confidence. To urge you to use your influence—

1. To keep Congress in session during these distressing times.

2. To do all in your power to keep our Army and Navy out of the direct conflict of the war in Europe.

With best regards and confidence,

ALLEN COUNTY WOMEN'S REPUBLICAN CLUB,
LOIS NEVITT, *Secretary.*

OVERLAND PARK, KANS., *June 14, 1940.*

Senator ARTHUR CAPPER,
Washington, D. C.:

We the women of the Overland Park Republican Club of 82 members, in view of the serious international and national situation, urge you to postpone adjournment of the Senate and House until the immediate crisis is past.

Mrs. DELLA JESSUP,
President of Overland Park Club.
MARY R. KNOX,
Republican Precinct Committeewoman.

CLEARWATER, KANS., *June 14, 1940.*

Senator ARTHUR CAPPER,
Washington, D. C.:

Urge postponement of adjournment of Congress until immediate crisis passes.

Mrs. B. C. BEAL,
President, Clearwater Women's Republican Club.

KANSAS CITY, KANS., *July 17, 1940.*

Senator ARTHUR CAPPER,
Washington, D. C.:

We the Council of Republican Women of Wyandotte County voted today to request you to vote for Congress to remain in session until after the crisis is over.

MABEL SILVERS
(and 300 members).

ASHLAND, KY., *June 15, 1940.*

Hon. ARTHUR CAPPER,
United States Senate, Washington, D. C.

DEAR SENATOR CAPPER: During the special session of Congress I wrote you my views regarding the advisability of Congress remaining in session.

In order to prevent any precipitate action which might involve us in war I feel that it is more necessary at present than at that time. I believe the public sentiment is decidedly in favor of having Congress remain in session while there is a chance of becoming involved in the European struggle.

Respectfully yours,

IVAN R. BURKET.

JENNINGS FEED & COAL CO.,
Overland Park, Kans., June 15, 1940.

Hon. Senator CAPPER,
Washington, D. C.

DEAR SENATOR: It is my opinion that Congress should continue in session as long as conditions in Europe are so unsettled.

Yours truly,

R. M. JENNINGS.

J. J. HYDE, JUSTICE OF THE PEACE,
Kingman, Kans., June 15, 1940.

Hon. ARTHUR CAPPER, M. C.,
Washington, D. C.

DEAR SENATOR CAPPER: As you probably know by now, the sentiment in this county is practically unanimous that the Congress stay in continuous session during this emergency.

Many people are of the opinion that you have no right whatever to quit your post at this time; that, insofar as we, the people, have been informed, your job is in Washington.

Many others think that Mr. Roosevelt should not be left alone. Not that he would get lonesome, but for the reason that he has shown himself to be incapable of intelligent leadership in times of peace. And now that war is just around the corner, it is thought that 500 heads are very much better than 1.

Sincerely submitted.

J. J. HYDE.

TOPEKA, *June 14, 1940.*

Senator ARTHUR CAPPER,
Washington, D. C.

DEAR SIR: America is not ready for a one-man government. I do not want my boy sent overseas. I beg Congress to refuse to adjourn until the European crisis is over.

Sincerely yours,

R. E. SCHNEBLY.

We, as members of the Washington County Womans Republican Club, are urging Congress to remain in session this summer or during the European crisis. We feel it is most important.

Veva Bonar, Louie Pitcher, Mildred L. Akers, Roxy W. Longwell, Ruth Griffin, Lois Schropp, Audree M. Higbee, all of Washington, Kans.

HOXIE, KANS., *June 15, 1940.*

Hon. ARTHUR CAPPER,
Washington, D. C.

DEAR MR. CAPPER: In view of the serious international and national situation, I urge you to do all in your power to postpone the adjournment of the Senate and the House. We do not want to get into that war, and I believe the only way we will keep out is to keep Congress in session, even if it is all summer.

Sincerely,

Mrs. F. C. ROADHOUSE.

KANSAS CITY, KANS., *June 14, 1940.*

SIR: This is our sincere and honest hope and belief. Help the Allies, stay out of war, and stay in session.

Mr. and Mrs. N. G. BREWER AND SON.

KANSAS CITY, MO., *June 17, 1940.*

Senator ARTHUR CAPPER,
Senate Office Building:

I think Congress should remain in session in order to keep us out of war.

L. L. MARCELL.

SEDALIA, MO., *June 14, 1940.*

Senator ARTHUR CAPPER,
Washington, D. C.

DEAR SIR: I want to suggest that Congress remain in session as long as the conflict continues in Europe, so as to guard our peace and neutrality.

Respectfully,

JOHN R. BOCKELMAN.

BUTLER, MO., *June 12, 1940.*

DEAR FRIEND: Again I am writing you and hope I am not intruding on your time by asking you to please do all you can to keep Congress in session, for if ever they were needed in Washington it surely is now. It is the hope and prayer of the American people to stay out of this awful war. So will you please do all in your power to keep Congress in session, which is their duty in a time like this? Thanking you again for your ever efforts to prevent a war,

Mr. and Mrs. JOE WRIGHT.

BARTLESVILLE, OKLA., *June 11, 1940.*

Senator ARTHUR C. CAPPER,
Senate Office Building, Washington, D. C.

DEAR SIR: We have been watching the growing hysteria and tension in the United States, particularly noticeable in the press, which has been created by the European war. We believe that the greatest check upon Executive rashness lies in Congress, and to properly restrain dangerous activities and insure cool-headed action Congress should remain in session during the entire emergency.

Furthermore, we are opposed to United States entry into this European conflict. We are praying that you and other Members of Congress will approach the problems ahead with the very utmost caution. You will earn the gratitude of our friends as well as ourselves by making calm, intelligent decisions which do not further the interests of the few who stand to benefit or are easily stampeded but which consider the many to whom intervention would mean the sacrifice of everything in a futile European catastrophe.

Yours truly,

TOM C. WHERRY,
Mrs. T. C. WHERRY.

JUNE 11, 1940.

Mr. ARTHUR CAPPER,
United States Senator, Washington, D. C.

DEAR ARTHUR: The world conditions are so tragic at present that it seems to me Congress should remain in session until the crisis has become less serious, and I trust you will insist upon it doing so and prevail upon other Member to support you.

I hope you are very well, and with kindest regards,

Sincerely yours,

FRANK A. LEHMAN.

IONIA, MO., *June 11, 1940.*

Senator CAPPER,
Washington, D. C.

DEAR SIR: President Roosevelt is gaining so much dictatorial power that in the near future I am of the opinion that anyone who disagrees with either his foreign or domestic policies, or who failed to vote for him will be considered a "fifth columnist" and a traitor to his country.

I am a loyal citizen, working for the interest of my country, which I don't think is being done altogether in Washington, D. C.

However, I certainly endorse your and Senator CLARK'S stand.

I urge you to try to keep Congress in continuous session and not to give the President any more dictatorial powers.

I always listen with interest to your Sunday afternoon program.

Do all in your power to keep us out of this war. As you always say, "This is not our war," which is correct.

Sincerely yours,

VIOLA BOCKELMAN.
GEORGE BOCKELMAN.

Mr. CAPPER. I also ask to have printed in the RECORD an excellent editorial from the Kansas City Star on the same subject urging the Congress to remain in session.

The PRESIDING OFFICER. Without objection, it is so ordered.

The editorial referred to is as follows:

[From the Kansas City Star of June 12, 1940]

CONGRESS SHOULD NOT QUIT

Congress can't provide for national defense simply by voting billions of dollars and then going home and forgetting all about it while its Members race around in a political campaign trying to get themselves renominated and reelected.

Both the common defense and the general welfare demand that Congress stay on the job, maintain the proper balance of government, and complete the work laid out before it. The administration wants Congress to adjourn in a week or so and get out of Washington. This would be a breach of responsibility in such a crisis. The day-by-day decisions required ought to be made by the President in consultation with Congress, not by the President alone. In its full meaning defense is too big a task to be performed by the administration alone. Our foreign policy is too vital to be determined in the absence of Congress. If Congress adjourned, it could reassemble only at the call of the Executive. It cannot thus abdicate.

It has abdicated its authority and responsibility too often in past years. That is the course now to be checked. The work of defense will require a constant watchfulness. If it is to go forward speedily—as it must—it will require at various stages the advice and consent of the legislative branch of the Government. That advice and consent should be immediately available.

But in addition Congress has not completed its work, its own scheduled work. If it should quit within a week or so it would be running away from that work.

Adequate defense requires an efficient and smoothly functioning industry in the Nation. No obstacle should be left in the way. It has been widely demanded and in large part already agreed upon in Congress that various obstructive measures should be so revised as to aid rather than hold back industry. Included are the amendments to the Wagner Act already passed by a big majority in the House, the proposed amendments to the Wage and Hour and the Walsh-Healey Acts, with still other measures designed to promote industrial production to the fullest possible extent.

There are the further needs of the Hatch clean-politics bill in a campaign year and of the Logan-Walter bill to provide a check on the independent and quasi-judicial agencies in keeping with a democratic system.

Not one of these measures has been completed. Every one of them is as necessary today as it was weeks ago—even more essential, in fact.

Let Congress stand by its duty and go on with its job. It faces a test and a responsibility fully equal to that of the administration. It must perform in an hour of need.

REVENUE BILL OF 1940

The Senate resumed the consideration of the bill (H. R. 10039) to provide for the expenses of national preparedness by raising revenue and issuing bonds, to provide a method for paying for such bonds, and for other purposes.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the committee on page 32, beginning in line 9.

Mr. HARRISON. Mr. President, I hope the amendment which has been reported by the Finance Committee will be rejected. That is all I desire to say.

Mr. MILLER. Mr. President, I do not desire to take the time of the Senate to discuss the amendment on page 32 prohibiting the purchase by our Government of foreign silver further than to say that I expect to vote against including the amendment in the bill now pending. I do not want that vote, however, to be construed as indicating that I do not think the foreign silver-purchase policy of the Government is wrong. I think the Congress ought to stop it and I voted for this amendment when it passed the Senate in the form of a bill. I think the Congress ought to enact a separate law to that effect; but I do not think the amendment has any proper place in this tax bill, and for that reason I shall vote against it.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the committee on page 32, beginning in line 9.

Mr. HARRISON, Mr. BARKLEY, and other Senators asked for the yeas and nays.

The yeas and nays were ordered, and the Chief Clerk proceeded to call the roll.

Mr. MALONEY (when his name was called). On this vote I have a pair with the senior Senator from Georgia [Mr. GEORGE], who has been compelled temporarily to leave the Chamber. If he were present and voting, he would vote "nay." If I were permitted to vote I should vote "yea."

Mr. SHIPSTEAD (when his name was called). I have a general pair with the senior Senator from Virginia [Mr. GLASS]. I am informed that if present he would vote as I intend to vote and that he has been specially paired on this question. Therefore I am at liberty to vote, and vote "yea."

The roll call was concluded.

Mr. HOLMAN (after having voted in the affirmative). I have a general pair with the junior Senator from Tennessee [Mr. STEWART]. I am informed that if he were present he would vote "nay." I transfer that pair to the senior Senator from North Dakota [Mr. FRAZIER], who, if present, would vote "yea," and let my vote stand.

Mr. AUSTIN. Mr. President, I announce the following pairs:

The Senator from New Jersey [Mr. BARBOUR], who would vote "yea," with the Senator from New Mexico [Mr. CHAVEZ], would vote "nay";

The Senator from Vermont [Mr. GIBSON], who would vote "yea," with the Senator from Montana [Mr. WHEELER], who would vote "nay";

The Senator from California [Mr. JOHNSON], who would vote "yea," with the Senator from Illinois [Mr. LUCAS], who would vote "nay"; and

The Senator from Virginia [Mr. GLASS], who would vote "yea," with the Senator from Idaho [Mr. THOMAS], who would vote "nay."

Mr. McNARY. The senior Senator from California [Mr. JOHNSON] is unavoidably absent. If he were present, he would vote "yea."

Mr. CONNALLY. Mr. President, when this amendment in the form of a bill was before the Senate previously I voted for it, but I do not think it ought to be placed upon this tax bill. I vote "nay."

Mr. MINTON. I announce that the Senator from New Mexico [Mr. CHAVEZ], the Senator from Tennessee [Mr. STEWART], and the Senator from Montana [Mr. WHEELER] are necessarily absent from the Senate. I am advised that if present and voting the Senators named would vote "nay."

The Senator from Georgia [Mr. GEORGE], the Senator from Illinois [Mr. LUCAS], the Senator from Florida [Mr. PEPPER], and the Senator from Oklahoma [Mr. THOMAS] are detained in various Government departments. I am advised that if present and voting they would vote "nay."

The Senator from Virginia [Mr. GLASS] is unavoidably detained. I am advised that if present and voting he would vote "yea."

The result was announced—yeas 35, nays 46, as follows:

YEAS—35

Ashurst	Clark, Mo.	La Follette	Taft
Austin	Danaher	Lodge	Tobey
Bailey	Davis	Lundeen	Townsend
Bridges	Donahey	McNary	Tydings
Brown	Gerry	Nye	Vandenberg
Bulow	Gurney	Radcliffe	Walsh
Burke	Hale	Reed	White
Byrd	Holman	Russell	Wiley
Capper	Holt	Shipstead	

NAYS—46

Adams	Ellender	Lee	Schwartz
Andrews	Gillette	McCarran	Schwellenbach
Bankhead	Green	Mead	Sheppard
Barkley	Guffey	Miller	Slattery
Bilbo	Harrison	Minton	Smathers
Bone	Hatch	Murray	Smith
Byrnes	Hayden	Neely	Thomas, Utah
Caraway	Herring	Norris	Truman
Chandler	Hill	O'Mahoney	Van Nuys
Clark, Idaho	Hughes	Overton	Wagner
Connally	Johnson, Colo.	Pittman	
Downey	King	Reynolds	

NOT VOTING—15

Barbour	Gibson	McKellar	Thomas, Idaho
Chavez	Glass	Maloney	Thomas, Okla.
Frazier	Johnson, Calif.	Pepper	Wheeler
George	Lucas	Stewart	

So the amendment of the committee was rejected.

The PRESIDING OFFICER. The next amendment reported by the committee will be stated.

The next amendment of the Committee on Finance was, at the top of page 33, to insert:

SEC. 403. The President is hereby authorized and directed to reduce appropriations for the executive branch of the Government for the fiscal year ending June 30, 1941 (except appropriations for national defense, fixed charges, and trust funds), in such manner that the total amount of such reductions shall not be less than 10 percent of the total amount of the appropriations affected. Such reductions in appropriations shall be impounded and returned to the Treasury.

Mr. BYRD. Mr. President, I have been requested by several Senators to make an explanation with respect to the effect of the pending amendment.

The amendment provides for the reduction of nondefense expenditures by 10 percent.

Mr. McKELLAR. Mr. President, will the Senator yield?

Mr. BYRD. I yield to the Senator from Tennessee.

Mr. McKELLAR. I desire to ask the Senator from Virginia if the amendment applies to salaries of employees, to compensation of ex-service men, and old-age pensions.

Mr. BYRD. I will say to the Senator that the interpretation given by the Budget Bureau and the Treasury Department is that it does not apply to any of them. I shall make that very clear in the remarks I am about to make.

Mr. McKELLAR. It does not apply to any one of them?

Mr. BYRD. It does not, nor to the salaries set forth in the Classification Act, which are regarded as fixed charges.

Mr. McKELLAR. I am in full sympathy with the Senator's proposal, with the exception that I should not want it to apply to those matters.

Mr. LA FOLLETTE. Mr. President, will the Senator from Virginia yield?

Mr. BYRD. I yield.

Mr. LA FOLLETTE. On that point, is it not contemplated that reductions in total pay rolls will be obtained through the device of furloughing employees?

Mr. BYRD. I will say to the Senator that of course that depends on whether or not the total reduction required under the amendment cannot be obtained from other sources. I will frankly say that the amendment does give the President authority to inaugurate furloughs; and a large saving likewise may be effected by not filling positions which become vacant during the next year.

Mr. LA FOLLETTE. If the Senator will further permit me, in other words, it is not contemplated that the classified civil-service employees will have any reduction in salary, but large numbers of them may be deprived of their salaries altogether.

Mr. BYRD. The Bureau of the Budget and the Treasury Department think that is not an accomplished fact. There may be some furloughs, but not of any great consequence.

Mr. DAVIS. Mr. President, would those who may be furloughed be given the first opportunity to secure positions in the places created under the defense activities?

Mr. BYRD. I certainly think such opportunity should be given.

Mr. President, this country is faced with providing for the tremendous cost of armaments. No one can predict what that cost may be. Some have predicted that it will be as much as $20,000,000,000, and it must be very evident to everyone that we cannot continue to pyramid the costs of the armament facing us upon the deficit which now exists in the ordinary expenditures of the Government.

There are only three ways by which we can provide for this additional expenditure. One is by reducing the nondefense and nonessential expenditures of the Government, and diverting the savings to national defense. The second method is to increase taxes. The third method is to increase the bonded indebtedness of the country. I realize, of course, that we must use all three methods, but it seems to me that in the great emergency which confronts the Nation we should endeavor to eliminate for the period of the emergency all nonessential, nondefense expenditures so that the money thus liberated can be spent on the essential purposes of our national defense.

Let me read the amendment to the Senate, so that it may be thoroughly understood:

The President is hereby authorized and directed to reduce appropriations for the executive branch of the Government for the fiscal year ending June 30, 1941 (except appropriations for national defense, fixed charges, and trust funds), in such manner that the total amount of such reductions shall not be less than 10 percent of the total amount of the appropriations affected.

Mr. President, this amendment does not require a horizontal cut, it requires that the total of all nondefense appropriations, as interpreted by the President, shall be reduced to the extent of 10 percent.

Mr. OVERTON. Mr. President, will the Senator yield?

Mr. BYRD. I yield.

Mr. OVERTON. As I understand the provision contained in the amendment, the President would be authorized to wipe out any appropriation in full. There is not to be a horizontal cut of 10 percent of each appropriation. It would be left to the President to leave intact one appropriation, to wipe out entirely some other appropriation, and to reduce another appropriation by 50 percent. In other words, the President would be authorized to do what he pleased to do with any appropriation, with the instruction that he should make reductions which would be equivalent to 10 percent of the total of the nondefense appropriations. Is that correct?

Mr. BYRD. The amendment provides that the total of nondefense appropriations, after eliminating national defense, fixed charges, and trust funds, shall be reduced by 10 percent. The President would have the power so to distribute the reductions as to do the least damage and to cause the least interruption of the normal activities of the Government.

Mr. OVERTON. Mr. President, I should like to make a suggestion to the able Senator from Virginia. I think the purpose contained in the amendment could be served by providing, instead of giving this full blanket authorization to the President, that in no case shall any appropriation be reduced more than 25 percent. It seems to me that would give the President sufficient leeway. He could reduce an appropriation up to 25 percent, and no more than that. Then other appropriations he could not touch at all. But I do not think it is necessary to give the President, or anyone else, authority to wipe out entirely appropriations made by the Congress.

The nondefense appropriations, some of which may not be so very essential, have been very carefully considered by the Committees on Appropriations of the House and of the Senate, and carefully considered by both Houses. To vest authority in the President, after this careful consideration, to eliminate entirely an appropriation within his discretion, I think is going further than is necessary to go.

The purpose back of the amendment advocated by the Senator from Virginia can be carried out by authorizing the President to make a reduction which would be equivalent to 10 percent of the total nondefense appropriations, but at the same time not reducing any appropriation more than 25 percent. I offer that as a suggestion, and I expect later to offer an amendment to that effect.

Mr. BYRD. The very clear answer to that is that there are some appropriations which should either be utilized 100 percent or not be used at all. Let us take, for instance, some of the public-works appropriations. If they are reduced by 25 percent, perhaps the money will not be sufficient for the construction of public buildings, or for whatever else the money may be appropriated.

Mr. BARKLEY. Mr. President, will the Senator yield?

Mr. BYRD. I yield.

Mr. BARKLEY. What is the Senator's interpretation of the fixed charges, which are exempt?

Mr. BYRD. I am coming to that now. I have a statement from the Bureau of the Budget and the Treasury Department giving their interpretation of the fixed charges.

Mr. BARKLEY. This provision is not merely an authorization; it is mandatory. The President is required to make

such reductions as that the total cut shall be 10 percent, so that he would have to go elsewhere if he found it impossible to reduce any expenditures, for instance, in the State Department, which I think would be very likely, or in the Department of Justice, which I think very likely. I do not see how there can be any reduction in either of those departments under present conditions; yet they are not part of the national defense; so that he would have to go elsewhere and reduce some other appropriation by more than 10 percent in order to reach an average of 10. Likewise I wish to ask the Senator whether, under his interpretation and as the Budget Bureau has indicated, it would affect the relief appropriations already made. It would be necessary either to reduce relief appropriations which were made a few days ago, or find enough somewhere else to cut out in order to make the average 10 percent. If it cannot be found elsewhere, and there is some department in connection with which the President cannot make any reduction, it might result in a greater reduction in the relief appropriations than 10 percent in order to arrive at the average of 10. Is that true?

Mr. BYRD. I do not think that is necessarily true. If the Senator will permit me to give the items which are not subject to cut, I think it will be clear.

The chairman of the Committee on Finance, the Senator from Mississippi [Mr. HARRISON], and I had a conference with Mr. Bell, the Under Secretary of the Treasury; Mr. Smith, the Director of the Budget; and Mr. Lawton, who is associated with the Bureau of the Budget, I think. These gentlemen cooperated in drawing the language of the amendment. I do not mean to commit them to the policy involved, because they have no authority, of course, to commit the administration with respect to a policy; but they, in fact, largely prepared the amendment, and they have advised the Senator from Mississippi and me that it is workable in its language, and that the savings anticipated, in their judgment, could be derived. They have given to me a memorandum of the items which are not subject to reduction. First is the interest on the public debt, $1,100,000,000.

The second is veterans' pensions, $460,000,000, the reason being that the veterans' pensions are fixed by act, and therefore they are construed to be a fixed charge, under the terms of the amendment.

The retirement funds, such as the railroad-retirement funds and other funds, amounting to $225,000,000.

Next is social-security grants—grants which are made to the States for old-age pensions and other matters, whereby the Federal Government has become obligated, are regarded as a fixed charge, to the extent of $400,000,000.

The payments to farmers under the Soil Conservation Act, under contracts which have already been made and will, of course, have to be performed by the Government, $450,000,000.

Mr. BARKLEY. Does that $450,000,000 include the $212,000,000 contained in the agricultural appropriation bill recently passed?

Mr. BYRD. It does not include the so-called parity payments, but it does include what are known as the soil-conservation benefit payments, because contracts have been made with the farmers for the expenditure of that money.

Public roads are exempted under this amendment, in the opinion of the Budget Director and the Treasury Department, because contracts have already been made with the States for the expenditure of $170,000,000 for public roads in the coming year.

There are certain P. W. A. grants which have been obligated. In other words, the Government has made a definite committal for these grants to the extent of $125,000,000.

Tax refunds, of course, are not subject to reduction, and they amount to $71,000,000.

Miscellaneous grants of $72,000,000 would be exempted.

The total exempted, therefore, under the item of fixed charges, is $3,083,000,000, according to the memorandum which has been given me by the Bureau of the Budget.

Mr. PITTMAN. Mr. President, will the Senator yield?

Mr. BYRD. I yield.

Mr. BARKLEY. Mr. President, if the Senator from Nevada will permit me, I should like to ask the Senator from Virginia whether the Budget has submitted a list of the appropriations which will be affected by the 10 percent cut.

Mr. BYRD. I have given the exemptions.

Mr. BARKLEY. I was wondering whether they also itemized the appropriations which could be cut.

Mr. BYRD. I can give the Senator, shortly, somewhat of a rough analysis of it, but the items I have indicated are exempted from the cut in the appropriation bills.

Mr. PITTMAN. There is no doubt that the subject on which we have now entered will involve considerable debate. The Senator from Virginia is beginning his speech. I wish to present a report before the Senator begins his speech.

Mr. BYRD. I have no objection to yielding to the Senator from Nevada for the purpose of making a report.

Mr. PITTMAN. It will take 5 or 10 minutes to explain the matter to which I refer. It is an emergency matter.

Mr. BYRD. Will the Senator from Nevada permit me to finish this formal explanation with respect to salaries, regarding which I have received many inquiries? The Director of the Budget and Mr. Bell, of the Treasury Department, have assured the Senator from Mississippi and myself that they will regard as fixed expenses any salaries which are set forth by law, which include all salaries fixed by the Classification Act.

Mr. McCARRAN. Mr. President, will the Senator yield at that point?

Mr. BYRD. I yield.

Mr. McCARRAN. I notice in the list submitted to the Senator, which he has read as being appropriations for departments exempted from the effects of his amendment, that the Bureau of the Budget, or whoever was consulted, did not specifically name salaries.

Mr. BYRD. The list which was given me was the list of items. Of course the salaries are included.

Mr. McCARRAN. Before the Senator from Virginia concludes I wish he would refer to the colloquy which occurred on May 31 between him and me, when he introduced this amendment or one in substance like it. On page 11029 of the RECORD the following appears:

> Mr. McCARRAN. Mr. President, does the amendment mean a reduction in the pay of Federal employees?
>
> Mr. BYRD. It means a reduction in the pay of Federal employees provided the 10-percent reduction cannot be absorbed by other reductions and economies in the respective departments.
>
> Mr. McCARRAN. I will oppose with everything in my being a reduction in the pay of Federal employees, because I think they are the most underpaid workers in the United States today.
>
> Mr. BYRD. It also provides for a reduction of salaries of Senators and Representatives by 10 percent.

I wish to draw the Senator's attention to that colloquy in order that he may discuss it in connection with the fact that the authorities he has quoted to the Senate do not eliminate Federal employees.

Mr. BYRD. Mr. President, the amendment referred to by the Senator from Nevada is entirely a different amendment from the one subsequently introduced by the Senator from Virginia. The amendment to which the Senator refers provided for a horizonal reduction of 10 percent in the appropriations of each executive department of the Government, not relating to national defense, and should that amendment have been adopted it would have meant, of course, that those departments which could not absorb the reduction by the postponement of public works or in some other way, would have been required to bring about a reduction in salaries. I was perfectly frank with the Senator in making that statement.

Furthermore, the amendment proposed by the Senator from Virginia provided for reduction in legislative appropriations, and had that been agreed to by Congress naturally there would have been a reduction of 10 percent in the salaries of Representatives and Senators, because there are no other items contained in the legislative appropriation than salaries. But the pending amendment is an entirely different amendment, because it directs the President to cut the over-all or lump-sum appropriations for nondefense purposes, which gives him the discretion to reduce those appropriations which he thinks can best be reduced in this time of great national emergency.

Mr. WAGNER. Mr. President, will the Senator yield?

Mr. BYRD. I yield.

Mr. WAGNER. When the Senator read the appropriations which would be exempt from the provisions of his amendment, he did not specifically mention appropriations for the payment of subsidies for slum clearances. As the Senator knows, those are obligations assumed by the United States Government for the period of time provided in the contract. So I take it they must be included in the exemption.

Mr. BYRD. Among the exempted items are miscellaneous grants of $72,000,000, and no doubt the appropriation for slum clearance is in that amount. I agree with the Senator from New York that the slum-clearance appropriation is in the same classification as the appropriation for public roads.

Mr. WAGNER. So it is not the intent of the Senator, of course, to affect those obligations in any way by his amendment?

Mr. BYRD. Not if an obligation has been made by the Government.

Mr. WAGNER. I am speaking of obligations already entered into.

Mr. BYRD. With respect to the matter of salaries, Mr. President, the chairman of the Finance Committee, the Senator from Mississippi [Mr. HARRISON], and, if necessary, any other Senator, can communicate with the Bureau of the Budget or the Treasury Department. We were told by the officials of these departments that any salaries fixed by law would be regarded as fixed charges in the sense that the Congress, by a measure of this character, could not reduce those salaries unless the Classification Act was amended. We all recall that in 1933, when salaries were reduced, they were reduced by a direct amendment of the Classification Act. The legal authorities whom I have consulted are of the opinion that there can be no reduction of salaries unless the Classification Act is amended. There are three classes of salaries, so far as I have been able to ascertain——

Mr. LODGE. Mr. President, will the Senator yield?

Mr. BYRD. I yield.

Mr. LODGE. Can the Senator state roughly what percentage of Federal positions are covered by the Classification Act?

Mr. BYRD. I will make that clear. There are three classes of salaries. One is the salaries of post-office employees, customs officers, immigration officers, school teachers and several other groups, which are fixed within limits respectively by special pay statutes. This information has been given me by the Civil Service Commission. These special pay statutes are regarded by the Bureau of the Budget as imposing fixed charges, and therefore not susceptible to reduction under this amendment.

Then there is another class of salaries of a relatively few emergency agencies that come within the limitations which by Executive order can be changed whenever the President chooses. Those salaries could be reduced under this amendment, but the President already has the authority to reduce them. He can reduce them now if he chooses. Employees receiving such salaries constitute only a small percentage of the employees of the Federal Government, mostly in the higher brackets, and mostly employed in some of the emergency agencies.

Virtually all other salaries are determined by the Salary Classification Act, which fixes a scale of pay based upon classifications, and it has been ruled, as I said, by the Bureau of the Budget and the Treasury Department, that they would not be legally permitted to reduce those salaries under the language of the amendment.

I am frank to say that if it is impossible to reduce the expenditures in the amount provided in the amendment, by the postponing temporarily of public works or in some other way, there may be some necessity for furloughs, but I am advised by the Bureau of the Budget that a large saving can be effected by not filling vacancies that may occur in the next year.

Mr. BARKLEY. Mr. President, I ask the Senator to yield so I may ask him a question at that point.

Mr. BYRD. I yield.

Mr. BARKLEY. The list which he read a moment ago from the Bureau of the Budget covering the exempted appropriations, aggregated about three billion and one-half dollars. Is that correct? Has the Senator exact figures?

Mr. BYRD. Three billion eighty-three million dollars.

Mr. BARKLEY. A little over $3,000,000,000. The appropriations for national defense amount, I believe, to more than over $5,000,000,000, but still by the time we finish——

Mr. BYRD. The appropriations for national defense included in these figures amount to $3,300,000,000. Those are the appropriations for national defense up to 2 or 3 days ago when these figures were obtained.

Mr. BARKLEY. We will soon have before us a $1,700,000,000 bill which is now in the Appropriations Committee. We have been roughly estimating our appropriations for national defense at $5,000,000,000. That would make the amount a little over $8,000,000,000 in all. How much will be left upon which this 10-percent reduction must be applied after all the items referred to by the Senator have been exempted?

Mr. BYRD. The Bureau of the Budget estimates that there will be left $4,372,000,000 susceptible of a reduction under the terms of this amendment.

Mr. BARKLEY. So, in order to carry out the Senator's amendment, the President would have to make such reductions here and there where he could as to make an aggregate reduction of approximately $400,000,000?

Mr. BYRD. The aggregate would be $430,000,000, but the Bureau of the Budget thinks that reduction can reach a total of $500,000,000, because the language of the amendment is that there shall be a reduction of not less than 10 percent.

Mr. BARKLEY. Let me ask the Senator another question. Of course, he has no break-down of this $4,000,000,000, or whatever the exact amount is.

Br. BYRD. I can give the Senator the break-down very roughly. The first items subject to reduction are the administrative costs of the different executive departments of the Government, which aggregate approximately $945,000,000.

There has been a tremendous increase in the cost of the executive departments since 1930. I have the figures before me. Let us take just one item. The independent offices and commissions are today costing $274,000,000, while in 1930 they cost $92,000,000. Their cost today is nearly three times as much as in 1930. Similar increases have been made in all the other departments of the Government.

Mr. BARKLEY. Permit me to make an inquiry there. The administrative expenses consist very largely of salaries. I suppose there are other items, but the regular department administrative expenses are largely made up of salaries. I called attention a moment ago to the impossibility of any reduction in the State Department. Does the Senator agree to that suggestion?

Mr. BYRD. I agree that the State Department cannot be reduced, but, as a matter of fact, that is a small expenditure. It is only $19,000,000 in all.

Mr. BARKLEY. Does the Senator also agree to the suggestion that probably salaries in the Department of Justice cannot be reduced?

Mr. BYRD. I agree to that. That is in the memorandum of the Bureau of the Budget. The salaries in the Department of Justice are $39,000,000.

Mr. BARKLEY. There may be others, but those two occurred to me. Of the $4,000,000,000 plus which would be subject to the reduction, practically one-fourth is represented by the relief appropriation. How much are the parity payments which the Senator says will be subject to the reduction?

Mr. BYRD. The total appropriations for the purpose of the agricultural adjustment program, until the amendment to the relief bill was adopted the other day, were $862,000,000. From that sum $450,000,000 will be exempted for the A. A. A., for payments on contracts which have already been made.

Mr. BARKLEY. That is under the soil-conservation program.

Mr. BYRD. That is under the soil-conservation program; but under the terms of my amendment there will be subject to reduction a proportionate share, or whatever part the

President may deem proper, of the parity payments for 1941, which I am told are $210,000,000. The $165,000,000 fund for the disposal of surplus commodities will also be subject to reduction. Payments of $45,000,000 under the Sugar Act will also be subject to reduction.

Mr. BARKLEY. Three or four weeks ago, as I recall, we appropriated approximately $85,000,000 for the purchase of surplus commodities. One hundred million dollars was added to the relief bill the other day for that purpose. So those two items will be subject to a reduction of not less than 10 percent, or such part of it as would be necessary to make the average reduction 10 percent.

Mr. BYRD. The matter would be entirely in the discretion of the President.

Mr. BARKLEY. He would have to find as much as 10 percent, taking into consideration the aggregate of $4,000,000,000. So if he should find that in some department he could not make any reduction he would be required to reduce more than 10 percent somewhere else in order to make the average not less than 10 percent.

Mr. BYRD. Mr. President, there is a very substantial sum for public works. Public highways, as I have said, are exempted; but the total for public works in the present Budget is $789,000,000. In his veto message on the river and harbor bill the other day the President recognized the necessity, at this time of great crisis, of postponing public works and letting the money go for national defense. He said this:

> Regardless of every other consideration, it seems to me that the nonmilitary activities of the War Department should give way at this time to the need for military preparedness. This is a need, not so apparent at the time the bill was under consideration by the Congress, that must now be recognized by all as a matter demanding priority of attention.

Mr. BARKLEY. Does the $800,000,000 for public works include anything in the Public Works Administration proper, for uncompleted contracts?

Mr. BYRD. It does; but there is an exemption of $125,000,000 for P. W. A.

Mr. BARKLEY. That would reduce to $650,000,000 the amount of public-works funds upon which the 10-percent reduction would operate.

Mr. BYRD. That is correct.

Mr. RUSSELL. Mr. President, will the Senator yield?

Mr. BYRD. I yield.

Mr. RUSSELL. Can the Senator tell us to what agencies of the Government the $600,000,000 has been appropriated?

Mr. BYRD. The Tennessee Valley Authority, $40,000,000; reclamation, $59,000,000; river and harbor improvements, $50,000,000; flood control, $121,000,000; public buildings, $59,000,000; grants to public bodies, $113,000,000; and other public works, $155,000,000.

Mr. RUSSELL. Some of those items could be classed as defense items and exempted from the reduction, could they not?

Mr. BYRD. The memorandum prepared by the Budget Bureau, which I have read, exempts $125,000,000 of P. W. A. funds and miscellaneous grants of $72,000,000.

Mr. RUSSELL. It occurs to me that the President might say that some features of the Tennessee Valley Authority and of river and harbor work are certainly very important parts of national defense.

Mr. BYRD. If the President should so rule, they would be completely exempted from the reduction, and the money would not have to be made up in any other way, because the items would be exempted from the nondefense appropriations.

Mr. RUSSELL. The Senator states that no salaries of Federal employees who are in the classified service would be reduced.

Mr. BYRD. That is the ruling of the Budget Bureau and of the Treasury Department.

Mr. RUSSELL. I am in favor of the theory of the Senator's amendment; but it seems to me that he has excluded and exempted until he has placed all the burden of the reduction squarely on the agricultural program and on the relief bill, they being the only items which would be clearly out in the open and subject to the cut.

Mr. BYRD. Mr. President, let us discuss the farmers. I know how interested the Senator from Georgia is in that matter. The farmers are exempted to the extent of one-half of the new appropriations which they have been receiving. In 1930 and 1931 not one dollar of these new appropriations went to the farmers. As the Senator knows, one-half of the $800,000,000 which they now receive is exempted. At this time of great national crisis, I think the farmers of the country are willing to make their contribution to prepare the Nation for any emergency which may occur.

Mr. RUSSELL. I think the farmers are as patriotic as any other class of people, and perhaps more patriotic than some classes; but the Senator is asking them to be more patriotic than other classes. The Federal employee will not have his salary reduced.

Mr. BYRD. The Senator does not understand. Of the $4,000,000,000 only 10 percent consists of agricultural appropriations, which can be considered for reduction. Only about $400,000,000 can be considered.

Mr. RUSSELL. But the burden may all be placed on the farmers if the President sees fit to do so.

Mr. BYRD. All the $400,000,000 could come from the farmers if the President saw fit to take it from that source; but I do not think the President would see fit to do so. The Senator says that only 10 percent is put on the backs of the farmers. I have heard him make that statement time and time again. Of the total amount subject to reduction, only 10 percent comes from the farmers' appropriations.

Mr. RUSSELL. The Senator is familiar with the fact that practically every item subject to reduction has the benefit of a Budget estimate except the agricultural items. The President did not send to Congress any Budget estimate for parity payments. He did not send any Budget estimate for the supplemental funds under section 32.

Mr. BYRD. It may be that there will be no necessity for parity payments. The prices of wheat, cotton, and the other essentials used in this great conflict may go up.

Mr. HATCH. Mr. President, will the Senator yield?

Mr. BYRD. I yield.

Mr. HATCH. Has the Senator been keeping up with the prices of farm commodities for the past few weeks?

Mr. BYRD. I will say to the Senator that I happen to be a farmer. I know something about the prices of farm commodities.

Mr. RUSSELL. Mr. President, will the Senator yield?

Mr. BYRD. I yield to the Senator from Georgia.

Mr. RUSSELL. Would the Senator be willing to accept an amendment to this section which would provide that the President may not reduce any item by more than 20 percent, or which would establish some limitation whereby all the burden could not be imposed on any single appropriation?

Mr. BYRD. In the case of public works it would be a foolish thing to provide 75 percent of the cost of a building. The building could not be built with 75 percent of its cost. Either it must be completely built or not built at all. I am willing to trust the President of the United States in this matter. We have trusted him to spend billions of dollars in lump-sum appropriations.

Mr. RUSSELL. I am willing to trust the President of the United States, but I disagree with him on some of his ideas as to Budget estimates. I am perfectly willing to trust him, but I did not agree with him that Budget estimates should be made for some items, but not for parity payments.

Mr. BYRD. I do not think I have made myself clear. The amendment proposed by me simply eliminates fixed charges. The exemptions which I have just read are what the Budget Bureau regards as fixed charges. There are no exemptions by name in the amendment, if the Senator will read it.

Mr. RUSSELL. I understand that; but the classification is very broad. The classification is for national defense. Many of the items which the Senator mentioned as being subject to the cut could, in the discretion of the President, be classified as national-defense items; but nobody could say that section 32 funds or parity payments are national-defense items.

Mr. BYRD. If every Senator is to insist upon the exemption of appropriations in which he is particularly interested, there is no need for talking about economy or trying to obtain money for defense purposes from nondefense appropriations. We cannot cut great sums out of the Budget without creating hardships somewhere. Everybody knows that. However, even after the cut is made, we shall be spending twice as much for nondefense purposes as we spent when President Roosevelt took office. If we eliminate every dollar for defense purposes, after making the 10-percent cut we shall be spending twice as much for the administration of the Federal Government as we spent when the Democratic administration came into power.

Mr. RUSSELL. I am in favor of economy. I have not been as consistent in that respect as has the Senator from Virginia, who, of course, has been the great economizer of the Congress. He has been consistent during his entire tenure of office.

Mr. BYRD. I appreciate the statement of the Senator, although I do not deserve it.

Mr. RUSSELL. However, I do not propose, under the guise of economy, to vote for any measure which will have the sole effect of repealing appropriations made by the Congress for one class of people. If the Senator wants to economize all down the line, including a 10-percent reduction in salaries, I am willing to go along with him, but I do not propose to support any proposal for reductions when the Senator's own statement shows that in the last analysis the entire burden of the 10-percent reduction, which is mandatory, will fall on agricultural appropriations and upon relief appropriations, which are designed for those most in need.

The Senator says he is willing to trust the President. I notice that he proposes to make the 10-percent cut mandatory. He does not propose a 10-percent permissive cut, which the President might apply if he saw fit. The President is directed to make a cut of 10 percent.

Mr. BYRD. There would be no need of Congress passing an authorization for the President to make a reduction if he saw fit to do so. He already has the power to withhold appropriations.

Mr. RUSSELL. Why does the Senator object to an amendment which would afford some measure of protection to certain appropriations providing that they may not be cut more than 20 or 25 percent?

Mr. BYRD. To answer the Senator from Georgia with respect to the farmers, there is $862,000,000 in the last Budget for the purpose of administration of what is known as the agricultural adjustment program. There was not a cent in the Budget of 1930, 1931, or 1932 for that purpose. I am not saying there should not have been. However, that is a new expenditure.

Mr. RUSSELL. The Senator would not want us to go back to the condition of agriculture which existed in 1931 and 1932, would he?

Mr. BYRD. Certainly not; but of the $862,000,000, half is exempted under the soil-conservation program. Those payments are regarded by the Budget Bureau as a fixed charge, because contracts have been made. That leaves about $400,000,000 subject to reduction, and that is only 10 percent of the total amount which is subject to reduction. When the Senator says that all the burden is falling upon the farmer I think he does the President a great injustice when he assumes that the President will take the $400,000,000 in toto from the one source. He may take part of it. Probably he will be compelled to take part of it.

Mr. RUSSELL. I did not make any such suggestion. I said that if substantial economies were effected in those appropriations, from the very force of circumstances, as outined by the Senator, they would have to come out of the agricultural items and out of the relief bill, because no other large sums exist which the President can impound.

Mr. BYRD. The Senator has completely omitted public works. The President says that such things should be postponed in this day of emergency.

Mr. RUSSELL. What public works already authorized did the President say ought to be postponed? I know he vetoed the river and harbor bill.

Mr. BYRD. He vetoed the river and harbor bill, and stated as his policy that:

> Regardless of every other consideration, it seems to me that the nonmilitary activities of the War Department should give way at this time to the need for military preparedness. This is a need, not so apparent at the time the bill was under consideration by the Congress, that must now be recognized by all as a matter demanding priority of attention.

Mr. RUSSELL. Does the Senator know how much of the public-works program has not been obligated or for which contracts have not been entered into? We have made no public-works appropriations recently of any size.

Mr. BYRD. I have read that the P. W. A. grants which have been obligated are $125,000,000; miscellaneous grants, $72,000,000. I have not the itemized statement of the miscellaneous grants.

I will give the complete total: Public highways $192,000,000. The Budget Bureau has given the contracts which have been made with the States next year for public highways, and they are therefore exempted.

The amount for the Tennessee Valley Authority is $40,000,000. If the President should construe that as a defense appropriation, then it would not be subject to the reduction.

Reclamation, $59,000,000.

Rivers and harbors, $50,000,000.

Flood control, $121,000,000.

Public buildings, $59,000,000.

Grants to public bodies, $113,000,000; other grants $155,000,000.

Mr. RUSSELL. Does the Senator know of what those two items consist?

Mr. BYRD. The estimate given to me by the Bureau of the Budget says that $125,000,000 of P. W. A. funds have been pledged and $72,000,000 of miscellaneous grants have been pledged. So there is a broad field there.

Some of these expenditures, as the Senator says, may be regarded as defense expenditures. That being the case, they are removed from the category of expenditures it is necessary to reduce.

Mr. LA FOLLETTE. Mr. President——

The PRESIDING OFFICER (Mr. BILBO in the chair). Does the Senator from Virginia yield to the Senator from Wisconsin?

Mr. BYRD. I yield.

Mr. LA FOLLETTE. I should like to ask the Senator from Virginia if he has any tentative tables or break-downs which would show from what sources this saving is to come?

Mr. BYRD. I have attempted to give that. I will start over again.

Mr. LA FOLLETTE. I realize the Senator has itemized certain categories of expenditures which he has been informed by the Budget Bureau would be subject to reductions if this amendment should prevail; but what I am anxious to know is, has the Senator any estimate which would show what, in the opinion of the Budget Bureau, could be saved out of these other items and, therefore, what proportion of the cut would fall upon agricultural appropriations and upon appropriations for relief?

Mr. BYRD. I have no definite itemized statement. I have the statement made by the President on June 3 that plans were being made to reduce by 10 percent the nondefense spending, which will result in $500,000,000 of saving.

That was announced in the newspapers. I do not assume that the studies have gone so far as to enable an itemized statement to be given of these different matters today. It would hardly be reasonable to expect that.

Mr. LA FOLLETTE. Can the Senator, then, give us a break-down which will show what proportion of the expenditures which have been listed in various categories will be eliminated because they are connected with national defense?

Mr. BYRD. That, of course, would have to be approximate. I can say, first, that the administrative expenses for the departments of the Government are about $945,000,000. I, for one, believe there can be some economies in the Government; I, for one, believe we have too much personnel working for the Government; I, for one, believe we can save money by not filling vacancies as the Director of the Bureau of the Budget has said. I have stated that if we went into all the Government departments we would find that very substantial savings could be made without disturbing any function of the Government, without disturbing the efficient administration of the departments.

Mr. LA FOLLETTE. Assuming——

Mr. PITTMAN. Mr. President——

The PRESIDING OFFICER. Does the Senator from Virginia yield to the Senator from Nevada?

Mr. BYRD. I yield.

Mr. PITTMAN. I will not interrupt the Senator from Wisconsin at the moment.

Mr. LA FOLLETTE. I merely wish to say that, if I understand the Senator from Virginia, there could be, in his estimation, approximately $78,000,000 saved out of administrative expenses.

Mr. BYRD. Of course it is unfair to me to be required to state how much could be saved by a reduction in administrative expenses of the departments. That would take a most exhaustive investigation. I do say, however, that money can be saved there.

Mr. LA FOLLETTE. Then, the amount I have suggested would be the maximum required by the Senator's amendment. Is that a fair statement?

Mr. BYRD. Nine hundred and forty-five million dollars is the amount of the expenditures of the executive departments.

Mr. LA FOLLETTE. Then, the saving would be $94,000,000 if a 10-percent reduction were made.

Mr. BYRD. If 10 percent should be taken out of $945,000,000, of course, it would be $94,000,000.

Mr. LA FOLLETTE. It would be $94,000,000, and not $500,000,000. What I am trying to get from the Senator, if I can, is some understanding of what proportion, making the most favorable assumptions possible, would be left to fall upon the agricultural appropriations and upon relief?

TRANSPORTATION OF RED CROSS RELIEF SUPPLIES

Mr. PITTMAN. Mr. President——

Mr. BYRD. I yield to the Senator from Nevada.

Mr. PITTMAN. I thank the Senator for yielding to me.

From the Committee on Foreign Relations, I report back, with an amendment, the joint resolution (S. J. Res. 279) to amend section 4 of Public Resolution No. 54, approved November 4, 1939, entitled "Joint resolution to preserve the neutrality and the peace of the United States and to secure the safety of its citizens and their interests," and I submit a report (No. 1875) thereon.

Mr. President, an emergency situation has arisen with regard to the Red Cross. The steamship *McKeesport,* supported and operated by the Red Cross, is 2 days out from the port of New York. It is loaded with, probably, half a million dollars' worth of medical supplies and certain characters of food for relief in France. It was discovered, however, probably after the vessel left, that it was totally impossible to get safe conduct from all the belligerent countries. The Neutrality Act requires that Red Cross vessels may operate to belligerent countries—that is the exception in the Neutrality Act—provided they get safe conduct from all the belligerents.

It happens at present that there are three belligerents who are named in the President's proclamation whose business address at the present time is not known. It is totally impossible to get in communication with them in order to get their grant of safe conduct to this vessel. The vessel, therefore, is not going to Bordeaux, but is going to Bilbao, Spain.

Mr. LA FOLLETTE. Mr. President, will the Senator yield?

Mr. PITTMAN. I yield.

Mr. LA FOLLETTE. May I suggest that if the Senator desires to take this proposal up at this time, it might be of benefit to the Senate if he would first secure unanimous consent to do so, and then permit a quorum to be called, so that all Senators could be present to listen to his explanation.

Mr. PITTMAN. I shall follow practically the course the Senator suggests; but I thought it would be desirable to make an explanation before I asked unanimous consent, because it is rather extraordinary to ask unanimous consent to act on a report from a committee without the report going to the calendar. So, I thought I would first try to explain the matter briefly and then ask if there was objection.

To proceed, Germany was communicated with and said that so far as the ship going across to Bordeaux was concerned, it would not be disturbed by the German Government, but that Government said "When it gets into the harbor of Bordeaux, we cannot guarantee its safety in that harbor." They said, "That harbor may be mined; we may be bombing that harbor; and, therefore, while we will do nothing to it directly, we cannot guarantee its safety."

Of course the situation has changed somewhat since the German Government made that reply, but, nevertheless, it is obvious that the requirement of the act as to "proceeding under safe conduct granted by States named in any proclamation issued under the authority of section 1 (a)," is totally impossible and, unless we are going to abandon any attempt at Red Cross relief in Europe, there will have to be a change in it. The change that is proposed is simply to strike from the act the words:

> Proceeding under safe conduct granted by States named in any proclamation issued under the authority of section 1 (a).

An amendment was offered by the Senator from Missouri [Mr. CLARK] proposing to add these words after the word "vessel:"

> Shall not prohibit the transportation by any vessel armed and not under convoy.

I may state in that connection——

Mr. BYRD. Mr. President, will the Senator yield?

Mr. PITTMAN. Certainly.

Mr. BYRD. I have the floor, and if this matter is of an emergency character, I am glad to yield the floor to the Senator for a while.

Mr. PITTMAN. I do not think it will take over 4 or 5 minutes. I thought that the matter should be explained, though, as I intend to ask unanimous consent later.

Mr. BYRD. I yield to the Senator.

Mr. McNARY. Mr. President——

The PRESIDING OFFICER. Does the Senator from Nevada yield to the Senator from Oregon?

Mr. PITTMAN. I yield.

Mr. McNARY. I just entered the Chamber, and am not aware of what has taken place, but I can say to the able Senator from Nevada that there will have to be a roll call whatever the proposal is; then there must be an explanation made. If the Senator is asking unanimous consent, and is about to make his explanation, rather than make two, he could make one, and that should follow a roll call. I suggest, if he has the floor now, and if he wants to proceed in a logical and orderly way, that there should be a roll call, and then the Senator can make his proposal to those who are assembled after proper notice.

Mr. PITTMAN. That would be satisfactory to me.

Mr. McNARY. I suggest the absence of a quorum.

The PRESIDING OFFICER. The Senator from Virginia yielded to the Senator from Nevada to present a report. The Senator from Oregon suggests the absence of a quorum, and the clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Adams	Bankhead	Brown	Capper
Andrews	Barkley	Bulow	Caraway
Ashurst	Bilbo	Burke	Chandler
Austin	Bone	Byrd	Clark, Idaho
Bailey	Bridges	Byrnes	Clark, Mo.

Connally	Hill	Minton	Slattery
Danaher	Holman	Murray	Smathers
Davis	Holt	Neely	Smith
Donahey	Hughes	Norris	Taft
Downey	Johnson, Colo.	Nye	Thomas, Idaho
Ellender	King	O'Mahoney	Thomas, Okla.
George	La Follette	Overton	Thomas, Utah
Gerry	Lee	Pepper	Tobey
Gillette	Lodge	Pittman	Townsend
Green	Lucas	Radcliffe	Truman
Guffey	Lundeen	Reed	Tydings
Gurney	McCarran	Reynolds	Vandenberg
Hale	McKellar	Russell	Van Nuys
Harrison	McNary	Schwartz	Wagner
Hatch	Maloney	Schwellenbach	Walsh
Hayden	Mead	Sheppard	White
Herring	Miller	Shipstead	Wiley

The PRESIDING OFFICER. Eighty-eight Senators have answered to their names. A quorum is present.

Mr. PITTMAN. Mr. President, it is my purpose in a few moments to ask unanimous consent that the unfinished business be temporarily laid aside in order that the Senate may consider Senate Joint Resolution 279. I should expect an objection unless a good reason were presented why this should be done. It is quite an extraordinary thing to ask.

However, yesterday the State Department conferred with me, and placed in my hands a joint resolution for the purpose of amending section 4 of the Neutrality Act with regard to the American Red Cross. It seems that the Red Cross has a vessel, the *McKeesport*, 2 days out from New York, carrying a very large cargo of Red Cross material intended for use in France. The Red Cross officials thought they could get a safe conduct through Bordeaux. Mind you, section 4 of the Neutrality Act requires that before Red Cross vessels may go to a belligerent port they must have a grant of safe conduct by all the belligerent powers named by the President in his proclamation.

We had the Assistant Secretary of State, Mr. Long, and Mr. Norman Davis, president of the Red Cross, before us today. Of course France would grant a safe conduct. Germany has said they would not interfere with the ship at all, but by the time the *McKeesport* arrives in the harbor of Bordeaux that port might be in the process of being bombed by the Germans, or it might be mined, and therefore they could not grant safe conduct.

There is, however, a more difficult and impossible situation than that. One section of the Neutrality Act requires that all of the belligerent governments named in the President's proclamation shall also grant safe conduct. Mr. Long testified before us today that there were three of the governments whose officials they could not find even to communicate with them, namely, Belgium, Holland, and Norway, and therefore it is wholly impossible for American Red Cross ships to go to any belligerent port with the language of section 4 in the law.

The situation now is that, not being able to get a grant of safe conduct from all these governments, the vessel has been routed to Bilbao, Spain, which is a neutral port, but both Mr. Long and Mr. Norman Davis have doubts as to whether the relief materials on the vessel can be successfully carried through Spain into France for distribution. If they cannot, and they cannot be taken into any other belligerent port, there appears to be nothing for the vessel to do except to return to the United States.

With the language to which I have referred eliminated, if they could do nothing else, they could probably run into London or Liverpool, or some other port, and use for relief these goods which have been purchased by the American people, and are being shipped over there, and are badly needed.

It might be possible that they would be able to go into Bordeaux, under the changed situation which exists, provided they can go into a belligerent port without the necessity of a grant of safe conduct by all the belligerents.

Of course, it is an impossible situation. In the committee the use of this power without that restraint was fully discussed. It is evident that there is more danger attached to it than there would be if they had safe conduct from all the governments.

Mr. Davis was questioned by the Senator from Missouri [Mr. CLARK] and others as to whether or not if he had the authority he would attempt to run a blockade. He said the answer to that would be certainly not, that he would not attempt such a thing as that.

There is another responsibility besides Mr. Norman Davis' responsibility in the matter. An American Red Cross vessel has no more right to go into a combat area than has any other American vessel, without the permission of the President of the United States. The President has to my knowledge granted only one permit to an American vessel to go within the broad combat areas he has established, and that was for the ships sent over to bring back citizens of the United States from the belligerent countries. That is the only exception the President has made. He certainly would not grant a permit to a Red Cross vessel to go into a combat area where there was a blockade or where there was any danger of the Red Cross vessel being sunk.

Mr. CLARK of Missouri. Mr. President, will the Senator from Nevada yield?

Mr. PITTMAN. I yield.

Mr. CLARK of Missouri. I think the chairman of the committee will agree that the assurance given the committee by the Assistant Secretary of State, representing the State Department, was equally as strong as the assurance of the head of the American Red Cross that this power would not be used for the purpose of running a blockade. I may say that I had very great misgivings about this joint resolution, and still have some misgivings, but I think it is fair to say that the assurance on the part of the official representative of the State Department as to the use to be made of this power in case of a blockade was fully as strong as that of the head of the American Red Cross.

Mr. PITTMAN. I agree with the Senator.

Mr. BONE. Mr. President, will the Senator yield?

Mr. PITTMAN. I yield.

Mr. BONE. I should like to know what the term "running a blockade" means. Does it imply going in without previous arrangement, or what application is given that language?

Mr. PITTMAN. I certainly take it that if the governments involved should consent that a Red Cross ship could go in, as they did during the World War, that would not be running a blockade.

Mr. BONE. I can understand they would not run a blockade if there were a general understanding and consent that a ship might pass through.

Mr. PITTMAN. That was done during the World War, and it may be done again now.

Mr. BONE. I was constrained to propound the question because the joint resolution itself makes no reference textually to any such thing.

Mr. PITTMAN. No. That was involved in the discussion in the committee with the Assistant Secretary of State and the president of the Red Cross.

Mr. CLARK of Idaho. Mr. President, will the Senator from Nevada yield?

Mr. PITTMAN. I yield.

Mr. CLARK of Idaho. I suppose that England is now in a state of blockade. Perhaps English ports are blockaded. At least Germany has been sinking every ship going in and coming out of English ports that she could sink, with submarines and airplanes, and very likely will intensify that so-called blockade. How would this joint resolution benefit the situation, under those conditions?

Mr. PITTMAN. It would not, if those conditions existed. Still, there are other countries where there is suffering. The Red Cross is trying to do something. There is no doubt at all that if any country is blockaded, either from the air or from the water, that would end it so far as the Red Cross was concerned, or so far as any of our vessels were concerned. We tried to exempt the Red Cross vessels, or vessels chartered and operated by the Red Cross, and carrying Red Cross materials, from the mandatory provision in section 2 (a) of the Neutrality Act, which makes it absolutely unlawful for an American vessel to go to any belligerent

port. We desired, if there was no danger, to have a Red Cross ship go, so we put that language in the law, providing they could go when they were granted safe conduct by all the belligerent powers. That is impossible now, because some of the countries have not any official representatives. But the main protection comes from the President of the United States, after all. The vessels cannot go to any belligerent ports without going through combat areas, and no American vessel, whether it be a Red Cross vessel or not, can go into such an area without the permission of the President; and so far he has been very chary in giving his permission. He has made but one exception, that being as to our refugee ships. At that time he took every precaution to notify all the belligerent powers that those ships were refugee ships, that they were carrying nothing except food necessary to supply our citizens while they were being brought back.

There may be, and probably will be, a great restriction on the use of the Red Cross.

Mr. McCARRAN. Mr. President, will my colleague yield?

Mr. PITTMAN. I yield.

Mr. McCARRAN. I notice that in the joint resolution the item of food has been included.

Mr. PITTMAN. Yes.

Mr. McCARRAN. May we understand that that is food merely for those who are in the ship or who may return with the ship, or is it food to be delivered to the needy in the countries which may be visited by the ship?

Mr. PITTMAN. It is for both, as testified today by Mr. Norman Davis. He said that as a general thing the foodstuffs they carried were canned milk, and things such as that which children must have. They might even be prevented from delivering that kind of foodstuffs in some countries. There might be objection to them doing that. If there is objection, they will have to stop, that is all.

Mr. McCARRAN. I take it that the ship's manifest would show food included.

Mr. PITTMAN. Yes; it would show food.

Mr. McCARRAN. And if food is precluded by a blockade or a declaration of any belligerent nation, then that declaration would apply in regard to the item of food.

Mr. PITTMAN. It would, and the President would not be justified in allowing a ship to go through such a combat area, because it would involve a risk which the Congress does not intend shall be taken.

Mr. CLARK of Missouri. Mr. President, will the Senator yield?

Mr. PITTMAN. I yield.

Mr. CLARK of Missouri. I think the illustration of the point was brought out in the discussion this morning before the Committee on Foreign Relations, when Mr. Davis and Assistant Secretary Long testified that the Italian Government stated that they would like to see every item on the manifest before they would grant safe conduct. They did not object to the item of food, but they did state that under the Italian law soaps and motor vehicles were unconditional contraband, soap by reason of being a fat, and motor vehicles being contraband in every nation in the world.

The question was asked Mr. Davis and Mr. Long as to what would happen if an Italian ship should stop the Red Cross vessel and, after examining the manifest, confiscate the soap and the motor vehicles on the vessel. The reply was that the Red Cross would simply lose those items. In other words, there is no question of the right of a nation to seize unconditional contraband if it desires so to do. But the testimony this morning was that the Germans had raised no question as to the item of food. I wish to speak in my own time about the item of food in a few minutes; but the Germans raised no question about that, and it was agreed, apparently, on all sides in the Committee on Foreign Relations this morning, that if Italy or any other belligerent should stop the vessel on the ground that soap or motor vehicles, ambulances, and trucks for transportation of medical supplies, were contraband, and should take them off, there would simply be no question that the Red Cross would have to lose them. No international incident would be created by such a seizure. The chairman of the committee will agree with me in that statement, I am sure.

Mr. PITTMAN. Of course, the amendment offered by the Senator from Missouri provides expressly that the vessel shall not be armed, or under convoy.

Mr. McCARRAN. Mr. President, will my colleague yield?

Mr. PITTMAN. I yield.

Mr. McCARRAN. If the ship in question should be sunk without being stopped, and if it carried what was known nationally or internationally as contraband, then what would be our position, inasmuch as the ship was carrying contraband?

Mr. PITTMAN. Of course, we could have no complaint if it were carrying contraband, providing it was sunk in accordance with international law—and I presume that is what the Senator means?

Mr. McCARRAN. Yes.

Mr. PITTMAN. Red Cross ships are marked all over with Red Cross insignia. Everyone is notified of the weight, the size, and the character of the ship. Everyone is notified that it is not armed. There is no excuse for a submarine sinking it without notice. That was not done during the World War, and I do not think it will be done by any nation which knows that the ship is a Red Cross ship. If the ship is legally searched and it is found to contain contraband, and the contraband should be confiscated, we could not complain. That is all there is to it.

The Red Cross realizes that it will be quite difficult to render relief to the millions of suffering people in Europe now by reason of the very extraordinary conditions in the war that is going on, and they will not attempt it except when they can do so in comparative safety.

Mr. McCARRAN. I take it that the ship in question carries the American flag. I take it that it carries the universal insignia of the Red Cross. If by any chance it should be sunk, there is nothing that would so incite the American people toward war, notwithstanding the fact that it might be proved that it carried contraband.

Mr. PITTMAN. There is no doubt about that. So far as I can see, there is no absolute safety in attempting to distribute relief to the refugees and wounded and suffering in the warring countries, and we must decide on one policy or the other—whether we shall attempt to render the aid, which it seems impossible can come from anywhere else, and possibly take some few little chances in connection with it, or whether we shall say we will not take any chances at all. I do not think there are as great chances of danger as some may think. I do not believe that any of the countries of the world today would deliberately sink a Red Cross ship. I have never known that to occur in all history. However, some of the things on the ship may be taken off the ship.

Mr. President, I ask unanimous consent for the consideration of the joint resolution. However, I do not ask that action be taken on the request until others have spoken on the subject.

The PRESIDING OFFICER (Mr. ELLENDER in the chair). Is there objection to the request of the Senator from Nevada?

Mr. McNARY. The request has been made, but that should not cut off the debate, and I ask that action on the request be postponed until the debate is concluded. I should prefer that the debate be concluded first.

Mr. PITTMAN. Yes; I ask that that be included in my request.

Mr. GILLETTE. Mr. President, there is no intention on my part to delay action on this proposal. If the Senate intends to act upon it, it must be acted upon immediately, because the need is great. In the Foreign Relations Committee, I believe I was the only one who opposed reporting the joint resolution to the Senate, and I want to make a statement with reference to my view on the matter.

The present neutrality law exempts from the prohibition against sending American vessels to belligerent ports after a Presidential proclamation has been made Red Cross vessels, or those which are under the control of the Red Cross and

carrying Red Cross supplies, provided the belligerents themselves give approval. In this particular case the ship was cleared without having such approval from several of the belligerents. It is now probably 2 days out from Bordeaux. An attempt was made to secure approval or safe conduct from Germany and Italy. Germany stated, as was presented to the committee, and as referred to by the distinguished chairman of the committee, the Senator from Nevada [Mr. PITTMAN], that she did not feel in a position to give safe conduct to Bordeaux because of the uncertain condition of the war situation at that point. Italy said that she could not do so.

Mr. CLARK of Missouri. Mr. President, will the Senator yield at that point?

Mr. GILLETTE. I yield.

Mr. CLARK of Missouri. I think it should be emphasized that, so far as Germany was concerned, as the committee was informed this morning, Germany raised no question as to the character of the ship, or her willingness to permit the ship to pass across the seas.

Mr. GILLETTE. None whatever.

Mr. CLARK of Missouri. The suggestion of Germany was that she could not insure safe conduct because of the fact that Bordeaux might possibly be another Dunkerque, for instance, by the time the Red Cross ship arrived there. Therefore Germany could not grant safe conduct.

Italy raised objection on another ground. Italy said she would insist on a detailed copy of the manifest, and called attention to the fact that two articles which might be included—and which, in fact, are included—were unconditional contraband under Italian law.

Mr. GILLETTE. The Senator from Missouri is entirely correct. Germany took the position, and a perfectly reasonable position, that, because of the uncertain conditions, she could not give safe conduct or guarantee safe conduct, which she might not be in a position to enforce.

Italy refused to give safe conduct because under her law motor vehicles and soap, among other articles, are contraband, and they might be on the vessel's manifest. She therefore refused to give safe conduct. In response to my query, the witnesses before us said that those articles were on this boat.

The boat is now a couple of days out, bound for Bordeaux. It cannot go in without safe conduct. We are asked to adopt a joint resolution to obviate the necessity for that safe conduct. If we do so, and if the boat contains contraband articles, as it is said it does, which Italy refuses to clear, and proceeds on its voyage, and if Italy comes with a submarine or a cruiser or any other war vessel and insists on the right of search and confiscation of that material from a Red Cross boat, as has been suggested by the Senator from Nevada, what position would we be in?

Mr. President, there is no incident that would so inflame the minds of the American people as the holding up of a Red Cross vessel and the confiscation of articles on it contributed through the generosity of the American people for the help of the needy. That is the reason why I in the committee refused to support the joint resolution, and I cannot now support it on the floor of the Senate.

Mr. PITTMAN. I ask unanimous consent for the present consideration of the report.

The PRESIDING OFFICER. Is there objection to the unanimous-consent request of the Senator from Nevada?

Mr. McNARY. The Senator from Wisconsin [Mr. LA FOLLETTE] desired to be heard on the matter. For that reason I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Adams	Bilbo	Byrnes	Danaher
Andrews	Bone	Capper	Davis
Ashurst	Bridges	Caraway	Donahey
Austin	Brown	Chandler	Downey
Bailey	Bulow	Clark, Idaho	Ellender
Bankhead	Burke	Clark, Mo.	George
Barkley	Byrd	Connally	Gerry
Gillette	La Follette	Nye	Smith
Green	Lee	O'Mahoney	Taft
Guffey	Lodge	Overton	Thomas, Idaho
Gurney	Lucas	Pepper	Thomas, Okla.
Hale	Lundeen	Pittman	Thomas, Utah
Harrison	McCarran	Radcliffe	Tobey
Hatch	McKellar	Reed	Townsend
Hayden	McNary	Reynolds	Truman
Herring	Maloney	Russell	Tydings
Hill	Mead	Schwartz	Vandenberg
Holman	Miller	Schwellenbach	Van Nuys
Holt	Minton	Sheppard	Wagner
Hughes	Murray	Shipstead	Walsh
Johnson, Colo.	Neely	Slattery	White
King	Norris	Smathers	Wiley

The PRESIDING OFFICER (Mr. LEE in the chair). Eighty-eight Senators have answered to their names. A quorum is present.

The Senator from Nevada [Mr. PITTMAN] has made a unanimous-consent request that Senate Joint Resolution 279 be considered at this time. Is there objection?

Mr. VANDENBERG. Mr. President, reserving the right to object, I should like to be recognized for a moment to submit a question to the Senator from Nevada, which question did not arise this morning in the committee. However, it seems to me to bear definitely on the point.

I assume that we still would prefer not to send any American ships with anything—even with Red Cross supplies—into any portion of the maritime world which might be dangerous. Therefore, if ample tonnage is still available under other flags, and particularly under the British flag and the French flag, to carry Red Cross supplies going to those countries, why should not the same rule apply in respect to Red Cross supplies as applies to other commodities?

Then we come to the question of whether or not shipping facilities are available. Upon that question I wish to quote from a letter which Representative GEORGE BATES, of Massachusetts, has received from the Maritime Commission. The Commission quotes an important publication in New York as follows, under date of May 29:

> Shipping authorities of Great Britain and France, at the outset of the European war confronted with the problem of acquiring additional merchant vessels to transport war materials now have an abundance of tonnage available. The present situation reflects sharp contrast to the frenzied scramble made by the Allies for American and other neutral tonnage at premium prices up to a couple of months ago.

Our Maritime Commission says:

> It would appear from the above that the Allies have sufficient merchant tonnage to move whatever war supplies, foodstuffs, and other essential materials they may require from the United States.

I submit this question to the Senator: If it be true that Great Britain and France now have sufficient merchant tonnage to move whatever is required, why should we break down in any respect the particular injunction against the use of American ships which we wrote into the neutrality law last fall?

Mr. PITTMAN. Mr. President, I do not see very much change in the situation from what we anticipated when we drafted the provision with regard to the Red Cross. I voted for the exception with regard to the Red Cross vessels because for many years, indeed from time immemorial, Red Cross vessels have had a unique status in the marine world. Throughout all history in war, Red Cross vessels have been held sacred by all the warring powers. Red Cross vessels were held sacred during the World War. That is the last experience we have had.

This war has been very short. As I recollect, not a single Red Cross ship was sunk during the World War; and they were going to all ports at that time. Unless the Senator has in mind that different conditions of war apply to Red Cross vessels than apply to ordinary merchantmen, then, of course, the argument of the Senator applies to any vessel.

So far as I am personally concerned, if foreign vessels could be obtained to carry the goods under the terms and conditions that they must be moved by the Red Cross, and that the vessels must be chartered to the Red Cross and be under the direct control of the Red Cross, it would be preferable, of course. So far as I am concerned I should

urge the Red Cross to follow that practice. But it never has been done before.

Mr. VANDENBERG. The point is simply this: Last fall Congress said in its wisdom that even a Red Cross ship should not enter certain waters without a safe conduct from the belligerent countries involved. Now we are proposing to say that Red Cross ships shall go without a safe conduct because a safe conduct cannot be obtained. Therefore they must go at greater risk than they would have gone under the condition precedent.

Mr. PITTMAN. We do not say they must go. We say that if the President of the United States considers it safe to go in any part of the zone he may permit it. That is now the law.

Mr. VANDENBERG. I confess great sympathy with the viewpoint of the able Senator from Iowa; and so far as I am concerned I very reluctantly consented in the committee to this action, because it seems to me that when we demand a safe conduct and fail to get it, and then propose to proceed without one, obviously we are multiplying the hazards. I do not think we should multiply any hazards at this time. I think we confront about all the hazards we can assimilate. Yet we all, of course, want to sustain this great humanitarian work, and to do anything we can for the sufferers in the war areas. But if it is possible to ship the supplies under foreign signal flags—and the statement I have read from the Maritime Commission would indicate that it still can be done under foreign signal flags—it seems to me it would be preferable to leave the law as it is, and let the Red Cross work proceed under our auspices in ships which carry foreign signal flags.

Mr. PITTMAN. From the evidence received this morning, it is impossible to comply with the provision requiring safe conduct by all belligerent nations, and, therefore, we might just as well stop. We are trying to see if we can go on with Red Cross relief without that restriction, because the restriction makes it impossible.

Mr. TYDINGS. Mr. President, will the Senator yield?

Mr. PITTMAN. I will yield in a moment. It might be better to have foreign vessels become American Red Cross vessels. They have got to be designated, whether they are foreign or not, as American Red Cross vessels, and they have got to have some American Red Cross personnel on board in charge of them. Of course, if a foreign ship in the service of the Red Cross were sunk there would not be as many American citizens lost; perhaps one or two Americans would lose their lives, but there would be the same cry probably against the sinking of a vessel killing but three or four Red Cross officers as if a dozen of them were killed.

However, the main proposition is this: The Congress in special session in 1939 decided practically unanimously, I think, that the President of the United States should have the power to designate combat areas, knowing that the designation of such combat areas would be a greater protection than the simple prohibition of American vessels going to belligerent ports, because American ships which were sunk in 1917 were sunk away out at sea, and some of them were not going to belligerent ports. The provision as to combat areas was the strongest protection in the act, and yet we had to leave it to the discretion of the President to fix the combat areas. Many said he never would fix them but the first thing he did was to fix them.

Mr. McCARRAN. Mr. President——

Mr. PITTMAN. Let me conclude the explanation. The President took in the whole of Europe, though he did not have to. Not only that, but in the Neutrality Act we had to grant him the discretion to determine when it was to the interest of this Government to make an exception to the combat-area provision. He has made only one exception so far, and that was to permit American relief ships to go into combat zones to bring home our citizens. That is the only exception. Section 3 of the law grants the President absolute power over American Red Cross vessels. He can prohibit any one of them from going anywhere near Europe, as he can prevent all our other ships from going there. We have had to trust that discretion to him because it is something that cannot be handled without a discretion; he can stop any one of these Red Cross ships any minute he wants to, and I have no doubt he will stop them if there is danger of their being sunk.

Mr. TYDINGS. Mr. President, will the Senator yield?

Mr. PITTMAN. I yield.

Mr. TYDINGS. I should like to ask the Senator if, in the hearings on this measure, there was any testimony to show whether or not, in the event the Red Cross ships of our own country were not permitted to go abroad, the Red Cross service could still be performed by other ships flying other flags than that of our own country?

Mr. PITTMAN. No; there was no testimony on that subject at all.

Mr. LA FOLLETTE. Mr. President, will the Senator yield there?

Mr. PITTMAN. I yield.

Mr. LA FOLLETTE. I was going to say that my recollection of the testimony is that Mr. Davis stated that Red Cross supplies were now going abroad in vessels of foreign flags. He mentioned the fact that on ships carrying armament and caissons Red Cross supplies should be well packed in between the other cargo.

Mr. PITTMAN. That is true. I thought the Senator from Maryland meant if he were chartering any foreign vessels for use as Red Cross vessels.

Mr. TYDINGS. The Senator is right. I meant to ask, assuming that it would not be possible to get safe conduct for American ships carrying Red Cross supplies, whether or not there was before the committee any evidence which would show that Red Cross service could yet be carried on in other ships not flying the American flag, so that there would be no interruption of the service?

Mr. PITTMAN. Undoubtedly. As the Senator from Wisconsin says, it was stated that Red Cross relief material is being shipped on many vessels to countries in Europe as fast as the vessels are able to take them.

Mr. TYDINGS. I take it for granted, from the debate here on the floor, that the only reason American ships are being used is that at the time this particular cargo went over there were no other available ships. Is that correct?

Mr. PITTMAN. That was not testified to, but undoubtedly that is true. We know the fact to be that all vessels until recently were engaged in carrying Red Cross supplies.

Mr. TYDINGS. I think a great many of us who are not on the committee, and are not so familiar as are the chairman of the committee and other members of it, are wondering to what extent the shipment of Red Cross supplies will be curtailed if our own ships are prohibited from going into these zones. That is something that interests me, and I should like to have that evidence in deciding my own position on the matter.

Mr. PITTMAN. I could not say as to that.

Mr. WHITE. Mr. President, will the Senator yield?

Mr. PITTMAN. I yield.

Mr. WHITE. The testimony before the committee was that foreign-flag ships were being utilized to the fullest possible extent for carrying munitions and materials of war, as the chairman of the committee has indicated, and the only chance that the Red Cross had of getting any of these supplies on those vessels was to fill in the chinks, so to speak, and only in very nominal quantities, such as could be sandwiched in between the other cargo.

Mr. TYDINGS. In other words, the Senator's answer leaves me under the impression that the reason an American ship is going to Europe is that the other ships to which the Senator from Michigan adverted are not available for carrying Red Cross supplies; that it is impossible to get ships that will fly foreign flags to carry nothing but Red Cross cargo at this juncture when ships are in such demand for the Allies for other supplies?

Mr. PITTMAN. I do not know, but it is perfectly evident that the Red Cross had to charter this American vessel to carry $500,000 worth of supplies to Europe. It is a whole

shipload. It is being taken to one port for distribution in one section of the world. There is no doubt in my mind that the officers of the Red Cross are just as anxious as we are to keep their vessels from being sunk and lives lost; in fact, they are probably a little more humane than we are, as a general thing.

I believe the President of the United States has demonstrated by the way he designated the combat areas, and has kept all ships out of them, that he realizes the importance of preventing one of our vessels carrying American citizens being sunk; and I do not think he will be very lenient in the matter. I agree with the Senator from Michigan that foreign vessels can be chartered to carry these supplies in the future. The Red Cross, through caution, and the President, through caution, would require that it be done; but we are faced today with the fact that we have a limitation in the act which is impossible of performance. It is impossible to get a grant of safe conduct from five or six belligerent countries, especially as three of them cannot be found.

Mr. McCARRAN. Mr. President——

Mr. PITTMAN. I yield.

Mr. McCARRAN. Two of them have been found. As I understand from the statement made by the Senator from Iowa, two of the belligerents have been found, namely, Germany and Italy. These two belligerents have refused safe conduct, as I gather that from the statement made by the Senator from Iowa. That being so, this resolution seeks to set aside a provision of the neutrality law which we passed during the special session of Congress. It not that true?

Mr. PITTMAN. Certainly.

Mr. McCARRAN. So, two belligerents having refused safe conduct for some reason or other—and they could both be found and were found—I should like to know why we should fly in the face of war?

Mr. PITTMAN. This amendment does not require us to "fly in the face of war," and we cannot fly anywhere so long as the provision to which I have referred is on the statute books. It will not be flying in the face of war when it is removed from the books so far as safe conduct is concerned. The intention to injure one and safe conduct are two different things. Germany, according to the testimony of Mr. Breckenridge Long, said this vessel would be all right going across the ocean until it got to Bordeaux; that they would not interfere with it. They said they would not interfere with it even at Bordeaux unless, they explained, they might perhaps be bombing Bordeaux at that time or the harbor might be mined. They do not object to this ship going there; they would not protect the ship; they simply said, "we will give it safe conduct; and it will have to take its own chances." That is what they told us. As a matter of fact, if the harbor was being bombed or the officers of the vessel were informed that the harbor was mined, they would be foolish to take the chance. I do not think anybody would be foolish enough to do it. On the other hand, with a complete conquest of France, and with Bordeaux in the possession of the Germans—I assume that is an event that will probably occur sometime soon—they would not continue bombing that port.

Mr. McCARRAN. Mr. President, a headline in the newspaper I picked up a few minutes ago indicates that the war is still going on, and that Great Britain is urging France to continue in the war; so Bordeaux may be in a condition of siege, or it may be bombed, at the very time this ship approaches the port.

Mr. PITTMAN. There is no doubt in the world that if that is going on, nobody will attempt to break in through that port. As a matter of fact, what those directing the ship want to do now is to have it go somewhere else. Here is a whole shipload of goods which has been contributed by the American people, a million dollars' worth, and we do not know where to take it. Finally we have billed it to a neutral port, Bilbao, Spain, and when we get it there we do not know what we can do with it there. We cannot take it to any other so-called belligerent port under this law. We shall have to bring it back. It will be a great deal better to find some port that is not blockaded, some place where there are suffering people, and run in there and dump the cargo. We do not want to bring it back here; but we shall have to bring it back here if we leave that provision in the act.

Mr. McCARRAN. Mr. President, let me say that the only reason why I inquired of my colleague, the able chairman of the Committee on Foreign Relations, is that there never was an hour, so far as I know, when this country was facing such an emergency—an emergency which was created, I am sorry to say, by some expressions which were uttered by the head of this Government not very long ago which aroused the hatred of foreign countries at war, a hatred which we should not have engendered. It is for that reason that everything possible may be done now to throw us over the precipice and into war. It was an unfortunate thing, an unhappy event. I think that is recognized throughout the length and breadth of America today. Be that as it may, it is an event of the past so far as we are concerned.

We have known, however—it has been disclosed to the Senate—that during the first World War ships went out of our ports under flags which should not have been flown at their mastheads. We know that the American flag was flown at the mastheads of vessels which should not have carried that flag.

Mr. CLARK of Missouri. Mr. President, will the Senator yield at that point?

Mr. McCARRAN. I yield.

Mr. CLARK of Missouri. The Senator also recalls that when representations were made to certain belligerents, they denied the right of the United States to prevent them from using the American flag whenever their operations happened to make it desirable for them to do so.

Mr. McCARRAN. The Senator's statement is entirely correct. Speaking individually, there is only one thing in which I am interested, and that is to keep America out of this war. I would sacrifice anything on earth to save the sons of American mothers from being slaughtered in a war we had nothing to do with initiating. We have no business over there.

I know that Great Britain is in the throes of her greatest emergency. I sympathize with her; but I do not sympathize with her enough to forget that she declared the war, and that we had nothing to do with it. I do not sympathize with any nation that declared the war enough to say, now that they have lost, that American blood should go abroad. I know that what would be most likely to bring us into this war would be the sinking of a Red Cross ship with an American flag flying at its masthead. Let one ship with the American flag at its masthead and the Red Cross on the side be sunk and every red-blooded American would rush into this holocaust of hell. We have no place there. That was done in 1917. Let it not be done today under the guise of an emergency.

For nearly a month we debated the question whether we would relinquish or relax our neutrality law. We did relax it, but provided that even Red Cross vessels should not enter combat zones. No exception was made for a Red Cross vessel. Today we know that the zone proposed to be entered by ship referred to is, by Presidential order, made a combat zone; and yet, in the face of our own law, created by a special session of Congress, we now propose to permit that ship to go in when two belligerent countries say they will not afford it safe conduct.

Mr. President, there is not a thing in the make-up of any Senator, certainly not in my make-up, that would deny human succor or relief to those who suffer; and I care not on what field they may fall. Fields matter nothing to me now. There is only one field for me, and that is the field which is covered by the Stars and Stripes. That is the field of the Western Hemisphere. I would as soon send succor and relief to the dying and the wounded Germans as I would send succor and relief to the dying and the wounded Britishers. They are all in an unhappy situation.

That, however, is not the question here involved. The question involved is, Shall we bring about, by this joint resolution, a violation of our own law passed by a special session of Congress? If we do, and by any chance the vessel goes down, then will the Congress of the United States be responsible?

I think it will be responsible. For that reason I do not propose to support the joint resolution, and I hope the joint resolution will not be pressed at this time.

Mr. CLARK of Missouri. Mr. President, I do not intend to object to the consideration of the joint resolution at this time. I hope no objection may be made, and that the joint resolution may be considered upon its merits.

I entered upon the consideration of the joint resolution this morning in the Committee on Foreign Relations—and I had never seen the joint resolution in print until I arrived at the Committee on Foreign Relations—with very great misgiving and trepidation, which to some extent I still retain, although I think the joint resolution has been very much improved in the Foreign Relations Committee.

I regard with great trepidation any change in the neutrality status of the United States at this time of great international crisis. I particularly regarded with great misgiving these suggestions because one of the columnists closest to the administration, even the biographer of the President of the United States, no less a personage than he who was selected to be the hatchet man of the Postmaster General of the United States, last week in his column in the Washington Post of Wednesday, June 12, projected two methods by which the United States might be involved in the war. One was the convoy of vessels through the war zone by American warships. The other was—and I quote:

> A second alternative might be to send food, clothing, and other nonmilitary necessities in unconvoyed ships bearing the insignia of the Red Cross, with a warning that the torpedoing or bombing of any of them would bring us into the war as an acknowledged belligerent.

Therefore, Mr. President, as I say, it was with great misgiving that I entered upon the consideration of this joint resolution in the Foreign Relations Committee this morning.

The first of the alternatives suggested—that is, the idea of convoying ships through the danger zone by American war vessels—has been negatived by the adoption by the committee of the amendment I offered in the committee this morning. The other danger I discussed in the committee this morning, and the committee discussed it at length, and I desire to discuss it again in a moment. Let me say that another ground upon which this joint resolution may have been justly regarded with misgiving is the fact that it employs the device of general legislation to take care of a particular situation.

In other words, on the plea that the ship, the *City of McKeesport,* is already at sea, that safe conduct has been denied it in the port of Bordeaux, that to send it to the port of Bilbao, Spain, is inconvenient, may necessitate either a very difficult trucking operation into France, or a transfer of the cargo into smaller vessels at Bilbao for transport to Bordeaux, general legislation is to be enacted.

So far as I am concerned, I have no particular fear with regard to allowing the *City of McKeesport* to enter the port of Bordeaux. I do not believe that either the German nation or the Italian nation will interfere with that ship, that is, to the extent of sinking it or torpedoing it. But, under the plea that it is necessary to provide for a particular ship, we are asked to enact general legislation, which might come back to plague us.

Mr. President, I saw that done once in the not too distant past. I saw the State Department rush up proposed legislation designed to stop the sailing of a particular ship loaded with arms for the legitimate government, as it then was, of Spain, to keep one particular ship from sailing from the port of San Francisco, and under that presentation we passed general legislation with regard to the export of arms to the belligerents in Spain, which conceivably may have decided the result of the civil war in Spain, and also conceivably may have been a determinative factor in the world war which afterward ensued. Therefore, I regard it as bad practice to enact general legislation of very far reaching effect with regard to a particular situation.

Mr. President, that brings me to the probable effect of the joint resolution. Let me say that I finally voted to report it from the Committee on Foreign Relations, and I intend to vote for it in the Senate, in view of the assurances which were given to the committee, and which I am sure the chairman of the Committee on Foreign Relations will state and renew to the Senate at this time on behalf of the State Department and of the Red Cross.

The other suggestion which gave me very great misgiving was the fact that in line 12 of the joint resolution appears the word "food." Let me read the whole amended provision, which is very brief:

> Section 4. The provisions of section 2 (a)—
>
> Which refers to the Neutrality Act—
>
> shall not prohibit the transportation by vessels under charter or other direction and control—

And after the word "vessels" there was inserted an amendment on my motion in these words "by vessels unarmed and not under convoy"—

> The provisions of section 2 (a) shall not prohibit the transportation by vessels, unarmed and not under convoy, under charter or other direction and control of the American Red Cross of officers and American Red Cross personnel, medical personnel, and medical supplies, food, and clothing, for the relief of human suffering.

Mr. President, so far as the cargo of the *City of McKeesport* is concerned, it contains food, it contains a good deal of food, and, of course, food is contraband of war. But we are assured by the head of the American Red Cross, and the Assistant Secretary of State, representing the State Department, that the food which is contained in the present cargo of the *City of McKeesport* is in the nature of medical supplies. There is food, to be sure. It is largely in the form of condensed milk and food necessary for hospital supplies, although some of it may be used for feeding refugees. So far as that particular cargo is concerned, I do not believe the Germans, or the Italians, or any other belligerent, even as much as international public opinion has been defied hitherto, would dare to defy international public opinion by objecting to it.

It was testified this morning that during the World War hospital supplies in the nature of food of a similar character were passed through the British blockade by the permission of the British Government, and I believe that a similar thing might be done now. But the joint resolution as it stands seemed to me this morning to be susceptible of an interpretation calculated to carry out the first suggestion of the eminent columnist, the confidant of the administration. In other words, assuming a situation which we all regret and deplore, but which might readily exist—and I have the authority of no less a person than Sir Neville Henderson, and other eminent authorities on the subject—assuming such a situation that the British Isles might be beleaguered by a counterblockade, that Germany, taking advantage of its naval and air bases on the English Channel, and in Norway, might set up a counterblockade against the British Isles. We all know the great weapon of Great Britain and of the Allies in the last war, and of the United States after we got into the war, was to starve Germany into submission. We all know that that has been the strategy of the Allies in this war. It may be that, instead of attacking the British Isles, Germany may elect to establish a counterblockade of submarines and airplanes, and engage in a counterattempt to starve Great Britain and the British Isles.

I wished to be assured, in the consideration of this matter in the committee this morning, that the word "food" in the joint resolution would not be taken as an authority to the American Red Cross to load down ships with food supplies for a belligerent, and attempt to run a blockade,

with the certainty that the other belligerent, from a military standpoint, was bound to try to prevent the food from reaching their enemy, and with the certainty that the sinking of the American Red Cross ship would bring the United States into the war.

That matter was fully discussed in the Committee on Foreign Relations this morning. Mr. Breckenridge Long, Assistant Secretary of State, representing the State Department officially, and Mr. Norman Davis, the head of the American Red Cross, stated categorically and repeatedly that the authority contained in the joint resolution would not under any circumstances be taken as authority to run a blockade by Red Cross ships bearing food to any belligerent.

I should be glad to have the chairman of the Committee on Foreign Relations state on the floor of the Senate at this time whether or not my recollection of that is correct.

Mr. PITTMAN. Mr. President, I am sure the Senator's statement is correct, but our memories can always be refreshed by reference to the report of the hearings, which were taken down in shorthand and will be transcribed. My memory is perfectly clear upon those questions and answers, and I think that what the Senator says is absolutely accurate.

Mr. CLARK of Missouri. It was only with that very definite understanding and assurance that I voted to report the joint resolution from the Committee on Foreign Relations this morning, and I did so with full knowledge that the assurance of any representative of any department, or of any representative of such an organization as the Red Cross, no matter how highly placed, was a weak instrument upon which to depend in the face of a grant of power by law. But, in view of the utmost necessity of this matter, in view of the many-times-expressed desire of the American people to render whatever aid may be rendered for the alleviation of human suffering, I voted for the joint resolution in the Committee on Foreign Relations this morning, and I intend to vote for it in the Senate. But I think it should be voted on with the most explicit understanding that it is not to be taken as an authorization for using Red Cross ships to run blockades to supply food to belligerents. If I knew how to draw an amendment precisely to take care of that situation, I would not vote for the joint resolution without such an amendment in it.

Mr. BONE. Mr. President——

The PRESIDING OFFICER. Does the Senator from Nevada yield to the Senator from Washington?

Mr. PITTMAN. I yield.

Mr. BONE. Mr. President, I should like to inquire of the Senator from Nevada whether he can advise us of a number of items which Great Britain, Germany, and France have put on their contraband lists.

Mr. PITTMAN. I am sorry I cannot. I know the lists have been added to from time to time.

Mr. BONE. During the last war our vessels were repeatedly seized by Great Britain, because of her control of the seas, for attempting to send what she considered to be contraband into neutral ports, with the idea that the cargoes would be transshipped to German ports, and, on the theory of continuous voyage, they were seized.

I have listened with a great deal of interest to what the Senator from Missouri [Mr. CLARK] has had to say about an understanding the State Department might have had with the committee. But suppose one of these ships, Germany or Italy not agreeing to its passage, should be seized or sunk. Certainly we all know that any vague understanding an under officer of the State Department might have reached with the committee would not have any more influence than a scrap of paper. In fact, it would be utterly meaningless. We can discuss that here, but if one of these ships should be sunk on the theory that she was carrying contraband, that, I think all would agree, would be so highly provocative a thing that, in the present state of mind, it might be the match which would set off the fire.

It is very difficult to handle a measure such as this, because it is an appealing thing, but it is much more appealing to consider the effect it might have upon the lives of hundreds and thousands of our boys, and upon the life of the Republic, if the country, through an emotional outburst, should be catapulted into war by reason of the sinking of a Red Cross ship. I do not think there is anyone here who believes that our humanitarian impulses should not have full sway, but I agree with the Senator from Missouri that I should want to see no mishap in this venture become the basis for a declaration of war. It were better to preserve America than to try to help the hungry and injured over there, as high and as holy a purpose as that is.

Mr. President, I think we all ought to think about this now, because if anything happens we shall be called upon to do what the Senator from Nevada said a while ago—be red-blooded Americans and go out and fight someone. Right now is the time to decide whether or not we want to take that risk.

I have every sympathy with the purpose of the joint resolution, but I think that the Members of the United States Senate should make up their minds immeditely that if something shall happen to one vessel or two vessels, we will not send forth a great army of American boys to die on account of such an incident, but that we will have the courage to be Americans first, even though someone gets hurt in the doing of a worth-while thing. That would not, in my judgment, be any justification for a war. Those are things we must seriously consider, because later we could not undo what we might do now.

I am in thorough sympathy with the purpose of the joint resolution.

Mr. McCARRAN. Mr. President, I may call the attention of the able Senator from Washington to the incident that probably catapulted us into the World War, namely the sinking of the *Lusitania*. It was broadcast at the time that the *Lusitania* was carrying contraband of war. It was denied very emphatically, but it was true, and American citizens were warned to stay off that vessel, because it was carrying contraband of war. It was denied at the time by Great Britain and by British authorities; it was denied by American authorities as well; but American authorities and British authorities later were compelled to admit the fact that that vessel was not only carrying mounted guns, or places for mounted guns, but was carrying contraband of war.

It was also questioned as to how the *Lusitania* was sunk. Let us suppose that tomorrow the vessel in question, en route to Bordeaux or entering the port of Bordeaux, is sunk, and the blame is laid on Germany or Italy, against both of which countries we have uttered very vitriolic expressions, and against whom the American people have been aroused to a feeling of hatred. Suppose the blame is laid against an innocent country and sentiment in the United States is aroused to such a point that it will flame into war against that country, will our people not blame the Congress of the United States, because it did not indulge in dispassionate consideration of this matter, after having spent nearly a month in consideration of letting down the bars of our neutrality law and carefully guarding against the very thing we now approach? Should we now in this moment, in the midst of the consideration of another piece of legislation, bring ourselves to such a point that even the mothers of America, realizing the value and work of the Red Cross in humanity's affairs, may be aroused to say, "Yes; we will go to war"?

Mr. President, let us avoid that moment. Let us take a little time. We have here a tax bill pending. The raising of money by taxes is part of national defense. We are trying to consider it carefully. Why in the midst of that consideration should we lay it aside to take up something that will nullify answers to a vital question that was considered here for nearly a month in special session?

I am only fearful that something may arise, I am only fearful that an emergency may ensue, I am only fearful that a match may be thrown into this inflammable material to arouse the country even more than it is now aroused. I am only fearful that we may declare war. Let us not do it. Let us pause here.

A few days delay will not hinder mature consideration, and mature consideration of this important matter will do no harm to this country, in an hour when it is about to be inflamed. Our human sympathies are being worked on day by day. Now, let something happen, and see the flames that will burst forth from America.

Mr. President, this hour is a momentous one in the world's history, because the headlines of this afternoon say that England has declared that France is not going to capitulate. I wonder where the assurance is coming from by which they could make such a statement. I am wondering if Great Britain has received some whispers from some other sources that other nations and other powers are coming into the hell of war in the creation of which we had no hand. If she has given such assurances, if any belligerent powers have given such assurances, they are simply making a mistake, unless they can arouse the American blood and the American people to a state of war by the sinking of a Red Cross vessel flying an American flag at its masthead, and I think that would in all probability lead us into war.

Mr. BONE. Mr. President, let me ask the Senator from Nevada [Mr. PITTMAN] another question. I have not been privileged to hear all the debate. The existing law, which was passed in the special session last year, provides in general that the American Red Cross may send vessels into war zones provided they proceed under safe conduct by the nations named in the President's proclamation.

Mr. PITTMAN. Not in war zones; in belligerent ports.

Mr. BONE. That is what I mean. The vessel would probably have to go through a war zone to reach a belligerent port.

Mr. PITTMAN. They have to get additional permission from the President with respect to that.

Mr. BONE. Now, I want to ask, for my own satisfaction, whether or not this joint resolution was introduced because belligerent nations had refused to grant that safe permit.

Mr. PITTMAN. Yes; it was.

Mr. BONE. What are we to assume as the result of that? That the belligerent powers, having denied an agreement for safe conduct, will resent our action, and, if so, how will that resentment be exhibited?

I am sorry I am not a member of the Foreign Relations Committee on an occasion of this kind—aside from that I would not care to be a member of the committee—but I should like to have heard that particular thought explored by representatives of the State Department.

If we now face the assurance that safe conduct has been denied, then we must proceed with this legislation with the certainty in the mind of every Senator that these vessels will have to run some kind of a gantlet. I have listened day after day to statements of Senators that Hitler has declared war on us. Well, it may be only a figure of speech, but a few weeks from now as the result of this sort of thing we all may be sitting here, the Senator from Nevada and myself, to vote on the question of declaration of war.

Mr. PITTMAN. The reason I just took my seat was that although the Senator rose to ask me a question, he continued, and I got tired and sat down.

Mr. BONE. Perhaps I am prolix, but I want to get this thing thoroughly in my mind as well as in the minds of other Senators. I am not as able to untangle this matter as are some of my brethren who are members of the Foreign Relations Committee, but obviously this joint resolution could only be introduced when it became apparent that Red Cross vessels were to be denied safe passage through war zones. Is there any escape from that conclusion?

Mr. PITTMAN. There is no doubt that the Senator is correct.

Mr. BONE. That is the point I wish to understand.

Mr. PITTMAN. However, the Senator must remember that the wording of the joint resolution requires all the belligerent nations named in the proclamation to join in the grant. Today that is physically impossible, because three of them which were named in the proclamation as being at war cannot be found.

Mr. BONE. That requirement merely assumes the aspect of a technicality. I am concerned now with whether or not Italy and Germany would agree. If the others are liquidated and no longer exist, obviously, as a matter of simple, ordinary law, they could not grant consent when they no longer exist. But the point is, Will Italy and Germany object? Obviously, our State Department, despite its assurances, must tell the Senate committee that there is no agreement by Germany and Italy. They are the belligerent powers which would do the damage. I must confront the fact that we must force the vessel through over their objections.

Mr. PITTMAN. Mr. President, it has been stated several times on this floor that both Mr. Breckenridge Long and Mr. Norman Davis testified that, with regard to relief, there is a very friendly attitude on the part of Germany both to Poland and France. The attitude has been very friendly. It has been cooperative. Germany simply stated the actual fact: "You will have no danger in going across the ocean. We are not antagonistic. But when you get into the port of Bordeaux, our airplanes may be bombing that port, and therefore we cannot say that you will be safe there."

Is not that a different thing from forcing the ship into a port?

Mr. BONE. Perhaps I used the wrong expression. However, I know that the belligerent powers have adopted one technique. The technique of starvation through blockade was emphasized in the World War. Great Britain put more than 200 items on her contraband list, and well toward the top was food. Without food a nation must perish. If Germany is 1 percent as vicious and bad as has been suggested by some able Senators, if she felt that she could in her own conscience justify preventing food from reaching France or England, she probably would do it. I say that because we have not challenged the statement that Hitler is sadistic and bad. We have heard such statements on this floor time and time again. That sort of fellow would not stop at anything.

Mr. CLARK of Missouri. Mr. President, will the Senator yield?

Mr. BONE. I yield.

Mr. CLARK of Missouri. With regard to the argument of the Senator from Washington as to food in future emergencies, and the possibility of a blockade of the British Isles, I think his point is very well taken. But when he confuses that situation with the question of a particular ship which is now on its way to Europe, I think it is only fair to say that the undisputed testimony was that so far as Germany was concerned she raised no objection whatever to the make-up of the cargo of the *City of McKeesport*, even though it includes food. The whole point so far as the Germans were concerned is that they would not guarantee safe conduct in such a port as Bordeaux, which by the time the ship arrived there might conceivably present a scene similar to that at Dunkerque.

So far as the Italians were concerned, they did not object to the sailing of the ship, and they did not unconditionally refuse a safe conduct; but according to the testimony they did say that before they could grant safe conduct it would be necessary for the American Red Cross or the United States Government, whichever was responsible, to submit to them a detailed copy of the manifest. In that connection they have called attention to the fact that under the Italian law, soap, being a vegetable or animal fat, and also motor vehicles, were on the unconditional contraband list.

Mr. BONE. Mr. President, I content myself with one further statement, which is inspired by the statement of the Senator from Missouri. This is not special legislation, in the true sense. It is general legislation. Anything I have said respecting this particular matter is inspired by the fact that this is general legislation. If it is adopted, it will become a part of the neutrality legislation of the United States. The only fear I have had in my heart is not that something

would happen to the vessel just mentioned by the Senator from Missouri, but that in furtherance of our desire to help the hungry, the wretched, the wounded, and the dying in Britain, Germany, or France by some improvident act, some terrible act which could affect only the vessel itself and its crew—however terrible that might be, it would affect only a comparatively few men—we might be forced to see grow up in this country overnight, a flaming desire to thrust, not a few men, but a whole nation, into war. As a result we should be compelled immediately to adopt the program suggested last night by the able Senator from Florida [Mr. PEPPER]—that is, totalitarianism for the United States. We have to consider those things because they are implicit in the whole picture.

I listen almost every night to the short-wave radio broadcasts from European countries. They are no longer coming from France. Time and time again I have heard the French radio station Paris Mondial announce through commentators that the Germans had deliberately and willfully bombed Red Cross units. The English broadcasting station has repeated such statements. I think every Senator has read them in the press of America.

If Red Cross units have been bombed so frequently that Americans in Paris, talking over the Paris Mondial radio station, say to the people of America in a special broadcast for North America that the Red Cross sign was painted out so that it would not be a particularly luminous and shining target for German bombers, it is obvious that a Red Cross sign somewhere else will not protect a ship any more than it will protect an ambulance unit in or near the battlefield.

The PRESIDING OFFICER. The Senator from Nevada [Mr. PITTMAN] has requested unanimous consent to proceed to the consideration of Senate Joint Resolution 279. Is there objection?

Mr. HOLT. Yes; there is objection, Mr. President; but I desire to speak before I make the objection.

Mr. HARRISON. Mr. President, will the Senator yield?

Mr. HOLT. I yield.

Mr. HARRISON. If there is to be prolonged discussion, I think the regular order should be called for. I thought it would be possible to pass the joint resolution quickly. It is important that we get the tax bill out of the way this afternoon; and if there is to be prolonged discussion I shall have to call for the regular order.

Mr. HOLT. Mr. President, I desire to speak for perhaps 5 minutes, and then I shall yield the floor.

The PRESIDING OFFICER. The Senator from West Virginia reserves the right to object.

Mr. HOLT. Mr. President, I cannot sit silently in my seat on a matter like this. My heart goes out to the wounded and dying of Europe just as much as does the proponents of the joint resolution. But we know that certain officials of our country are ready for some incident to ignite the flame of war; and nothing would start that flame more quickly than the destruction of a Red Cross vessel.

I know, and we all know, what effect the sinking of vessels carrying contraband of war had in the last war. If this vessel is sunk, innocently or deliberately, sentiment on the part of some is ready to declare war—frankly, sentiment on the part of some high officials of this country who have charge of determining the destination of the vessels.

I am not willing to sit in my seat and allow that incident to be created. When the newspapers and radio commentators say that the President of the United States is discussing with persons at the White House the question of whether or not he can have a declaration of war, I will not vote to put into his hands without question the possibility of creating an incident which could drive my country into war and kill my people.

I realize that it may not be wise politically to say what I am saying, but I believe it. I say, Mr. President, that as long as I have a voice in this body I shall raise it against any chance of provoking an incident by which we can be drawn into the war. I want to provide Red Cross supplies to all those affected by the war, but I am not willing to do it at the expense of perhaps in the future providing Red Cross supplies for our own sons. The possibility exists. Let us help. We can do so without providing this danger.

During the neutrality debate it was stated that if we did not pass the measure in a hurry, and one ship of the United States were sunk going across the ocean, we might get into the war. That was before the propaganda had been in effect in this country to generate a war hysteria. Every Member of this body knows that war hysteria exists, ready for an explosion. The possibility is there, and nothing would bring about an explosion more quickly than the sinking of a Red Cross vessel.

As the Senator from Washington said, the newspapers have carried the statement that the Red Cross emblem was taken off certain ambulances in order that they might not be targets for the Germans. I do not know whether or not the press release is true; but let us not take the chance. We cannot afford to take the chance that our boys would have to be killed as the result. That is what we will be doing. In the name of charity and humanity we are deliberately taking a chance which may mean that we shall need charity and humanity at home for our own soldiers.

If this vessel is sunk, how should we know which country sank it? Do we know today who sank the *Athenia*? We have heard all kinds of stories as to who sank the *Athenia*. If this particular vessel carrying Red Cross supplies should be sunk, and if the proper kind of propaganda should lay the sinking at the door of Germany, immediately there would break out the flames of hatred which have been generated by men high in this administration and generated on the floor of the United States Senate by warmongering speeches.

Yes, there is the possibility. If some men want to go to war, in view of no incidents against us, how on earth would they react if a vessel of the United States with the Red Cross emblem on it were sunk? Some want to go to war today. We read in the newspapers statements of individuals asking that we declare war, yes, by some individuals who might profit by it, by some hysterical meddlers, but none who would serve in the armed forces. They would have us go to war, but if we sent this ship across the ocean and it was sunk there would not be only 30 men signing a petition for us to go to war, but there might be many, many times 30.

Why take the chance? It has been shown here this afternoon that there is a very definite chance that the vessel might encounter trouble. Belligerents have refused to guarantee safe passage. It is said it might go to the port of Bordeaux, where the fighting might be in progress at the time it was landing or after it was in port unloading. The necessity of bringing this resolution shows that those in control felt there was danger, yes, great danger, that the ship might run into trouble.

Why take the chance? Why create a possibility of the war hysteria getting any more persons to emotionally lose their good judgment and ask for war?

In our generosity—and we should have that as we have had—we provide these supplies, why would it be asking too much that the countries in this conflict transport them in the danger zones. I wish we could do so without danger, but we cannot.

Why should we not consider the interest of the boys of America who will need such supplies if we involve ourselves in war instead of the interest of the unfortunate boys of Europe? Today this little innocent resolution might be the spark that would send thousands of American boys to their death.

So long as I have breath in my body I shall raise my voice to object to creating incidents when some in this country are ready for somebody to set off the dynamite in order to cover up the failures of the past.

I wish to say to the Senate that I do not object, of course, to charity, but I object, in the name of the boys of America, to the consideration of the joint resolution.

The PRESIDING OFFICER. Objection is heard.

MESSAGE FROM THE PRESIDENT—APPROVAL OF BILLS AND JOINT RESOLUTION

A message in writing from the President of the United States was communicated to the Senate by Mr. Latta, one of his secretaries, who also announced that on June 17, 1940, the President had approved and signed the following bills and joint resolution:

S. 3578. An act for the relief of Edward Smith;

S. 3683. An act to extend the time limit for cooperation between the Bureau of Reclamation and the Farm Security Administration in the development of farm units on public lands under Federal reclamation projects; and

S. J. Res. 59. Joint resolution authorizing the Bureau of Labor Statistics to collect information as to amount and value of all goods produced in State and Federal prisons.

[NOTE: S. 3530. An act to prohibit the exportation of tobacco seed and plants, except for experimental purposes; presented to (and received by) the President on May 23, 1940.—The foregoing bill having been presented to the President of the United States for his approval, and not having been returned by him to the House of Congress in which it originated within 10 days (Sundays excepted), the time prescribed by the Constitution of the United States, has become a law without Presidential approval.]

REVENUE BILL OF 1940

The Senate resumed the consideration of the bill (H. R. 10039) to provide for the expenses of national preparedness by raising revenue and issuing bonds, to provide a method for paying for such bonds, and for other purposes.

Mr. LA FOLLETTE. Mr. President, may I ask the Senator from Virginia if he has concluded his discussion of his amendment?

Mr. BYRD. I have concluded for the time being.

Mr. OVERTON. Mr. President——

The PRESIDING OFFICER. Does the Senator from Virginia yield the floor?

Mr. BYRD. I do.

The PRESIDING OFFICER. The Senator from Louisiana.

Mr. OVERTON. Mr. President, during the presentation made by the Senator from Virginia [Mr. BYRD] of the pending amendment, I suggested that there ought to be a limitation on the amount of reduction which could be made in respect of any appropriation. I have prepared such an amendment, which I send to the desk, and ask to have stated.

The PRESIDING OFFICER. The amendment offered by the Senator from Louisiana to the committee amendment will be stated.

The CHIEF CLERK. In the committee amendment on page 33, line 7, after the word "affected", it is proposed to insert a colon and the following proviso:

Provided, That in no case shall any appropriation for the fiscal year ending June 30, 1941, be reduced more than 25 percent.

Mr. OVERTON. Mr. President, as the committee amendment now reads there is vested in the President of the United States, in effect, the power to veto any item of any appropriation bill not contained within the exception. I think the purpose of the Senator from Virginia can be served by not vesting so broad an authority and direction in the President of the United States.

Mr. HARRISON. Mr. President, may I ask the Senator from Virginia a question?

Mr. OVERTON. I yield.

Mr. HARRISON. Does the Senator from Virginia feel that he could accept this amendment?

Mr. BYRD. Mr. President, the amendment of the Senator from Louisiana simply prevents a reduction greater than 25 percent in the case of any single appropriation. It would not affect the total savings under the bill, and I am inclined to accept it.

Mr. OVERTON. I thank the Senator from Virginia for accepting the amendment.

The PRESIDING OFFICER (Mr. ELLENDER in the chair). The question is on the amendment of the Senator from Louisiana to the committee amendment.

Mr. McCARRAN. Mr. President, will the Senator yield?

Mr. OVERTON. I am glad to yield to the Senator from Nevada.

Mr. McCARRAN. Mr. President, I desire to ask a question, through the Senator from Louisiana, of the author of the amendment. I am very much concerned as to two propositions: One is the reduction of salaries of Federal employees. Does the amendment offered by the Senator from Louisiana, and accepted by the Senator from Virginia, at all propose to reduce by 25 precent or 10 percent, or any other percentage whatever, the salaries or income of Federal employees?

Mr. BYRD. I will say to the Senator from Nevada that the same restriction is provided, namely, that salaries which are set forth by law are regarded as fixed charges and this amendment will in no way affect them.

Mr. McCARRAN. Mr. President, if the Senator from Louisiana will kindly yield again——

The PRESIDING OFFICER. Does the Senator from Louisiana yield to the Senator from Nevada?

Mr. OVERTON. I will be glad to yield in a moment, but I should like first to state that the amendment I have offered does not change at all the general text of the amendment as submitted by the committee. The amendment which I propose is simply a limitation upon the authority vested in the President, and that limitation is——

Mr. BARKLEY. Mr. President, will the Senator permit me to ask a question there?

Mr. OVERTON. Let me finish the sentence. That limitation is that the President may not reduce any appropriation beyond 25 percent. It does not change the classifications at all; it does not change the exceptions; it does not relate to salaries, and it does not relate to fixed charges. It is simply a proviso added to the committee amendment.

Now I am glad to yield to the Senator from Kentucky.

Mr. BARKLEY. Conceding what the Senator has said, I am wondering whether the two provisions are not somewhat inconsistent? The 10-percent provision is mandatory; the President is not only authorized but is directed to make such curtailment in the appropriations which are subject to curtailment as to bring about a minimum 10-percent reduction. I am sympathetic with what the Senator from Louisiana is trying to do, but it is entirely conceivable that the President may not find it possible to reduce some departments at all, not even 10 percent or 1 percent. That would mean that in order to carry out the mandatory provisions of reducing to an aggregate of 10 percent he would have to reduce others more than 10 percent, more than 20 percent, and even as much as 50 percent. If we are going to compel the President to reduce in the aggregate 10 percent, are we entirely consistent when we say that he cannot reduce any department more than 25 percent; and if he cannot reduce any department more than 25 percent, can he carry out the mandatory provision that he has got to reduce all of them enough to make a minimum of 10 percent?

Mr. OVERTON. I think it is a question of policy.

Mr. BARKLEY. I grant it is a question of policy; but we are undertaking to compel him to do something in one breath and in the next we are making it probably impossible for him to do what we are compelling him to do.

Mr. OVERTON. The point I make is that we should not compel the President, in carrying out this amendment, to wipe out entirely certain appropriations. Take, for instance, the appropriations referred to by the Senator from Georgia—the appropriations in reference to payments to the farmers.

Mr. BARKLEY. I am wondering whether or not there ought not to be some relaxation in the mandatory provision of the amendment. I realize that the President can reduce, without any request or any authorization or without any command, but here we undertake to compel him to reduce a total of 10 percent. It is utterly impossible for him to reduce all the departments 10 percent. Some of them he cannot touch. It may be that there are so many of them he cannot touch that he cannot bring about the 10-percent reduction

in the aggregate without going above 25 percent in other departments or other appropriations.

Mr. OVERTON. I may say, in reply to the Senator from Kentucky, that I think—of course, my opinion may not be worth very much in that connection——

Mr. BARKLEY. The Senator's opinion is always worth a great deal to me and to the Senate.

Mr. OVERTON. I thank the Senator. I will throw out the suggestion to the Senator from Kentucky, and then if he approves it I shall know my view is worth a great deal. There is sufficient latitude. The President can make a reduction up to 25 percent in any appropriation. Some, I concede, he will not reduce at all, and it would be proper for him not to make any reduction as to them; but the average is to be 10 percent; and when we give the President the leeway, a margin of 15 percent over and above the 10 percent, it seems to me we give him sufficient margin to make it practicable.

Mr. BARKLEY. Suppose the President makes a survey of the various appropriations and decides that many of them cannot be touched, and, laying them aside, he begins to consider those he can cut and finds by cutting all of them 25 percent he cannot yet bring about a 10-percent reduction in the total—what would he do?

Mr. OVERTON. My answer to that is that the amendment itself ought to be rejected if that cannot be done. I think the idea of making some particular items of appropriation bear the whole burden of reduction is fundamentally wrong; and if we cannot get a workable amendment which will place some restriction on this drastic operation, involving vetoing items of appropriation, then we ought not to adopt the amendment at all. I am in sympathy with the amendment; I expect to vote for the amendment; but I think there ought to be some curtailment of the authority vested in the President in respect to reducing appropriations.

Mr. BARKLEY. Mr. President, I desire to say a word in conclusion, and then I shall not take any more of the Senator's time. I am in sympathy with the objective sought to be accomplished by the amendment. I am still somewhat disturbed about the mandatory requirement. We may be requiring the President to do something he cannot do; and if he cannot do it, where will he be under the mandatory provision of the amendment now under consideration?

Mr. OVERTON. I may say to the Senator from Kentucky that that objection could be easily overcome by offering another amendment which would not affect the one I am offering.

Mr. BARKLEY. Yes; it could be overcome, provided the Senate would adopt that sort of an amendment.

Mr. OVERTON. If this amendment is adopted, another one may be offered.

Mr. LA FOLLETTE. Mr. President——

Mr. OVERTON. I yield to the Senator from Wisconsin.

Mr. LA FOLLETTE. I think the Senator, in his response to the Senator from Kentucky, has given the answer to the question I wished to propound; but it seems to me we may be creating such a situation that the President would not be in a position to know which one of the mandatory provisions of this amendment he should violate. If we direct him to cut 10 percent, and then say he shall not cut more than 25 percent from any one appropriation, it seems to me we are creating a situation which may make it impossible for him to carry out the provisions of the amendment.

In saying that, I may say to the Senator that I am not unsympathetic with the purpose he has in mind, because I am pretty sure in my own mind that I know where this ax is going to fall hardest. It is going to fall hardest on the Government employees, the appropriations for agriculture, and the appropriations for relief, because that is where the big savings are going to have to be made if a reduction of 10 percent is made.

Mr. OVERTON. Senators may differ as to where the ax will fall. I entertain certain views which do not exactly correspond with those just expressed by the Senator from Wisconsin; but the objection he raises, and the objection the Senator from Kentucky [Mr. BARKLEY] raises, can be easily cured by an amendment which either one of them may offer, and that is to strike out, in lines 1 and 2, the words "and directed," which would leave the President authorized to take this action. but not directed to do so.

I am not offering that amendment. I am in favor of the mandatory provision. I am in favor of the amendment as it is, but I think it can be made to work with this ceiling of 25 percent.

Mr. BONE. Mr. President, will the Senator yield?

Mr. OVERTON. Yes.

Mr. BONE. The Constitution provides that when a bill passes both Houses of Congress it shall go to the President, and if he signs it, it becomes a law. By this rather indirect operation we permit the President subsequently to veto part of the law, a thing which the Constitution does not permit.

I am wondering if someone might not subsequently raise that question and precipitate this issue into the lap of the courts, because obviously what is sought here, I think in the first instance, ought to be done by Congress. We ought to do the pruning and the cutting of the Budget, instead of passing the Budget, having it become a law, and then dumping it on the lap of the President and having him do what the Constitution says he cannot do.

Mr. BYRD. Mr. President, I should like to say to the Senator from Washington that the appropriations bills are already passed. The only way to reduce them now is either to recall them and send them back to the Appropriations Committee, or to adopt a provision such as this. Of course, this provision is warranted only by the crisis which confronts the country and the necessity for making tremendous expenditures for armament.

Mr. BONE. I am making no point of it on the merits of the matter. I am simply pointing out that we are short-circuiting the constitutional provision about how a law is created, and how the President may veto it. He is vetoing it piecemeal in this way.

Mr. ADAMS. Mr. President, will the Senator yield?

Mr. OVERTON. I am very glad to yield to the Senator from Colorado.

Mr. ADAMS. I think the amendment of the Senator from Virginia is difficult to sustain where it attempts to give to the President power to reduce an appropriation. An appropriation is a legislative act. In other words, it is a law. I think what can be done is to leave the appropriation, and to put in a provision which restricts the President in spending it, or gives him power to spend less than the appropriation.

If we appropriate $100,000,000, we may put in a provision that of the $100,000,000 appropriated the President may spend only 90 percent. By so doing we put the restriction upon the official who is responsible to the Congress, and we do not give to him the power to amend the law.

In other words, the amendment as it is written seeks to give the President power actually to amend the law by changing the appropriation, rather than requiring him to make a reduction in the expenditure authorized under the law.

May I add a further word with reference to the suggestion of the Senator from Kentucky [Mr. BARKLEY]? I do not read the law as he does. I should like to be straightened out. I did not understand that it was the intent of this amendment that there should be a gross 10-percent reduction, and that the 10 percent should be worked out by distribution. I thought there was to be a compulsory reduction of at least 10 percent in every item of expenditure coming within the amendment, and that in some items, under the Senator's amendment, the President could go beyond the 10 percent and go up to 25 percent. In other words, it was my understanding that in the case of any item coming within the purview of this amendment there must be a 10-percent reduction, so that we would not meet the problem that there would not be a gross reduction even if that were required.

Mr. OVERTON. I think the Senator is in error in his interpretation of the amendment. Under the amendment as it now stands the President may not make any reduction at

all in one appropriation, and he may make a 100-percent reduction in another appropriation. He has full authority in that respect, and that is discretionary authority. All that is mandatory is that when he has completed the job there shall be a net result of 10-percent reduction in the total nondefense appropriations.

Mr. President, I yield the floor.

Mr. MEAD. Mr. President, much has been said about the devastating effect of this amendment upon the relief appropriations and its derogatory consequences resulting in the impairment of agricultural items.

To make a point for elasticity, and to recall the workings of a department with which I am familiar, to show the manner in which difficult, definite, restrictive, iron-clad limitations would work, I desire to make just a few observations, for the benefit of the Senator whose amendment is now being considered, as to how it would affect the Post Office Department.

This is a department which earns its way. Its revenues are based upon its services; and if we withdraw the services, we cut down the revenue.

For instance, we appropriate $816,000,000, of which $610,000,000 goes for salaries and $175,000,000 for fixed charges, contracts to the railroads, steamship companies, and other contractors which will not consider a reduction. Therefore, there remains only $31,000,000 with which to effect a saving of $81,000,000 unless we take it out of the employees. If we reduce the salaries of employees, we eliminate postal services. If we eliminate postal services, if we furlough postal workers, we reduce the postal revenues, and we are no better off at the end of the proceedings than we were in the beginning.

Mr. OVERTON. Mr. President, my amendment does not affect that situation, except that it places a limit of 25 percent on the reduction that may be made.

Mr. BYRD. Mr. President, I think the Senator from New York has confused the first amendment I offered with the amendment now pending. The first amendment did provide a horizontal cut of 10 percent in all appropriations. The pending amendment provides that there shall be an over-all cut of nondefense appropriations to the extent of 10 percent of such appropriations. It does not mean that each department is to be reduced. It is left discretionary with the President as to what appropriations he will reduce. I repeat—the Senator probably was not here earlier in the day when the statement was first made—that the Budget Bureau has given an opinion that all salaries fixed by law, which include the salaries of the postal employees, are not subject to reduction under this amendment.

Mr. McCARRAN. Mr. President, will the Senator yield at that point?

The PRESIDING OFFICER. Does the Senator from New York yield to the Senator from Nevada?

Mr. MEAD. I shall be glad to yield.

Mr. McCARRAN. I hope the Senator will correct me, but I have listened privately and publicly to the Senator, and I am not able to gather from his explanation that the Bureau of the Budget have made such a statement. In other words, they declare what are fixed charges, but in those fixed charges they do not include salaries; at least, I have not seen that statement.

Mr. BYRD. The Under Secretary of the Treasury, Mr. Bell, the Budget Director, Mr. Smith, and Mr. Lawton of the Budget Bureau, met with the chairman of the Finance Committee, the Senator from Mississippi [Mr. HARRISON], and myself, and said that any salaries fixed by law they would regard as fixed charges not subject to reduction under this amendment. That statement may be confirmed by a telephone conversation with any of these gentlemen.

Mr. McCARRAN. The able Senator from Virginia has in his hand a statement which he read earlier in the day in which he made special mention of the items that were regarded as fixed charges. Has he any other statement, in which salaries are treated as fixed charges, which might go into the RECORD?

Mr. BYRD. The statement I read was merely a memorandum, which is unsigned, and which was furnished by the Bureau of the Budget to the chairman of the Finance Committee and myself, giving these items. But in conference with these gentlemen it was stated that if a salary were fixed by law, the amendment would not give the power to change the salary. That has been confirmed by the legislative counsel, with whom I have consulted. If the Senator from Nevada has any doubt about the matter, I suggest that he call the head of the Bureau of the Budget, who can tell him exactly the ruling he made at the conference with the chairman of the Finance Committee and myself.

Mr. McCARRAN. Mr. President, if the Senator from New York will yield, the Senator from Virginia will admit that this amendment provides for or gives opportunity for complete furloughs in any department.

Mr. BYRD. I would not say complete furloughs, because that would prevent a department from operating. It can provide for some furloughs, and it is further intended not to have the vacancies which will occur filled, which would result in a very substantial saving. But I want it distinctly understood—and the chairman of the Committee on Finance will sustain me—that the Budget Director and the Under Secretary of the Treasury advised us that under the amendment salaries would be regarded as fixed charges, and would not be subject to reduction, because they are fixed by law.

Mr. LA FOLLETTE. Mr. President, will the Senator from New York yield in order that I may ask the Senator from Louisiana a question?

Mr. MEAD. I am glad to yield.

Mr. LA FOLLETTE. I do not have a copy of the Senator's amendment, but I should like to ask the Senator how he defines the word "appropriations" as it is contained in his amendment? Does it refer to the total appropriations contained in an appropriation bill; does it refer to the specific items in the bill, or does it refer to the particular headings in an appropriation act?

Mr. OVERTON. Mr. President, the language of the amendment offered by the Senator from Louisiana conforms with the language contained in the committee amendment. The committee amendment authorizes and directs the President to reduce appropriations. That is the language used. My proposed amendment to the amendment reads, "Provided, That in no case shall any appropriation for the fiscal year ending June 30, 1941, be reduced more than 25 percent." I understand that by "appropriation," any item of appropriation is meant.

Mr. LA FOLLETTE. If the Senator from New York will yield, I should like to point out to the able Senator from Louisiana that using the word "appropriations" in the all-inclusive sense, in which it has been used in the amendment offered by the Senator from Virginia and adopted by the committee, is very different from using it as it is employed in the amendment offered by the Senator from Louisiana, for the amendment of the Senator from Louisiana is intended, as I understand, to be a limitation upon the reduction which can be made in particular appropriations. But there is no definition of the term "appropriation" as used in the Senator's amendment.

Therefore I was seeking to obtain from him an interpretation of what he intended by the word "appropriation," whether he meant the particular items or not.

As the Senator knows so well, as he is a member of the Committee on Appropriations, there are items set out for appropriation in an appropriation act, then there is an over-all appropriation for the entire act, and then there are headings in each act, which have totals. What I am seeking to ascertain from the Senator is whether or not he intends his limitation to apply to the entire appropriation contained in the appropriation act, whether he intends it to apply to the specific items of appropriation, or whether he intends it to apply to the particular subtotals.

Mr. OVERTON. Mr. President, if I may interrupt the Senator, since I offered my amendment it has been submitted to the legislative council, and they have revised it, and I

shall offer it now in a modified form. It will read as follows, and I direct the attention of the Senator from Wisconsin to it, because I think in its present form it answers the objection he made to the amendment.

On page 33, line 7, after the word "affected," it is proposed to insert a colon and the following:

Provided, That in no case shall any appropriation item contained in any act appropriating money for the fiscal year ending June 30, 1941, be reduced by more than 25 percent.

I ask permission to modify the amendment offered by me so as to read as I have stated.

The PRESIDING OFFICER The amendment will be modified as suggested.

Mr. OVERTON. I understand the amendment I have offered is not objected to by the Senator from Virginia.

Mr. BANKHEAD. Mr. President, I think this discussion thoroughly demonstrates the danger of adopting an amendment as far-reaching as the one now offered merely by its inclusion in the action of the Finance Committee without hearings on it in the committee.

In the first place, this amendment is what is generally called a "rider." It is in a bill to raise revenue, but it deals with appropriations. That is not in line with orderly procedure; it is not in line with the accustomed practice in both Houses of the Congress.

If the amendment had been introduced as a bill, it would not have gone to the Committee on Finance. The Committee on Finance has no control over expenditures of the Government. The Committee on Finance is charged with the duty of recommending methods of raising money to meet the obligations created by the Committee on Appropriations, of course, with the approval of the Congress. We find in a tax bill what is commonly referred to as the Byrd economy amendment. It is perfectly apparent that Senators on the floor do not understand its provisions; at least, they are not in agreement, as manifested by many questions which have been presented, and the different explanations which have been made.

As I have just intimated—and I do not care to go into the details of the discussion, because I am quite anxious to cooperate with the leadership in expediting action on the bill—it is perfectly clear, to my mind, at least, that a subject so comprehensive as is this amendment, involving perhaps the financial welfare, either in the matter of income or in the matter of continued employment, of practically every employee in the service of the United States, should have more careful, more thorough investigation and consideration, so that we would know just what effect it would have on the various groups of employees and upon the individual employees of the Government.

We find here what is commonly accepted as a delegation of legislative power to the Executive. I have seen the time, as most other Senators have, when, if a suggestion such as this had been made from other sources, promptly the resistence of many Senators upon this floor would have been raised with vehemence and vigor and determination.

What does this amendment propose? It is far broader and more extensive than the bill delegating to the President the power of reorganization; it is far more comprehensive, because under this a delegation is sought to be made which would permit the President to decide where reductions in appropriations, deliberately made by Congress, should be applied, even to the extent of the suspension of bureaus, of activities, of entire agencies, as I conceive it, if the President decided that course were necessary in order to accomplish the desired reduction in expenditures.

Mr. President, I submit that the plan is not consistent with the previous record of the Senate upon the subject of the delegation of power. I supported the plan to enable the President to reorganize the departments and agencies, but Senators who are now supporting the pending amendment did not go along at that time and in that way. Here is a provision for power beyond that.

Under the reorganization plan the President was merely given power to decide in what department certain bureaus should work and certain agencies should perform their duties, with an express limitation that no functions of government should be changed or controlled by that reorganization program.

But I take it under this amendment the President could suspend or put on furlough the employees in any bureau, in any division. There may be some limitation contained in the Overton amendment as to the number, but certainly up to 25 percent of the employees could be furloughed, and unless Congress has been appropriating money recklessly, the furlough of 25 percent of the employees of any bureau or any agency or any department of the Government would certainly be ruinous to the public service which the Congress has delegated to such bureau or agency or department.

So, Mr. President, I submit that the matter ought not to be decided in the way here proposed.

We are now told that the amendment does not apply to salaries of employees under the Classification Act. Who is included under that act, and who is excluded? The Classification Act applies to the employees working in the District of Columbia. By some process of reasoning it has been given application, as I understand, in a general way to similarly employed Federal workers outside the District of Columbia, but literally and strictly speaking the application is to employees within the District of Columbia.

Are all the employees in the District under the Classification Act? I do not have the figures. I asked the Senator from Virginia if he had them, and he said he understood that about 10 percent of the Federal employees were not under the Classification Act. Is that correct, I ask the Senator from Virginia?

Mr. BYRD. I will say to the Senator from Alabama that there are three classifications of salaries. One is the salaries of the Post Office employees, customs officers, immigration officers, school teachers, and other groups that are fixed within limitations by special pay statutes. They would be exempted because they are fixed charges.

The next group is the salaries of a relatively few emergency agencies that are fixed within limitations by Executive order, and can be changed whenever the President chooses to change them. We are now giving the President no more authority with respect to that group than he already has.

And, third, virtually all other salaries are determined by the Salary Classification Act. I think that is practically inclusive, with the exception of the first two groups I have mentioned.

Mr. BANKHEAD. The able and distinguished Senator, whose motives I appreciate not only on this occasion but on all occasions when Government expenditures are involved, and who is always frank, as we all know, makes it clear that practically all the employees are under the Classified Act in the District of Columbia and elsewhere, generally speaking. So from what source are the savings in the matter of salaries coming? Where will a saving of 25 percent be obtained if at most only 10 percent of the employees are not under the Classification Act? Of course, the salaries of those employees could not be reduced in any substantial way.

If a saving should be sought by the reduction of salaries of 10 percent of the employees—and I suspect that most of them are in the lower-income groups—what saving would result? How can economy or saving be brought about in that way?

The only other way to do it is to eliminate the employees, to take them off the pay roll. How will that be accomplished? Most of them are under civil service. Who will select the ones to be discharged? Will the Republicans be let out? Will the Democrats be let out? Will some system of merit rating control eliminations, or will it be done blindfolded, or will the chiefs of some bureaus be allowed to decide who will go off the pay roll and who will stay on?

Mr. President, a sword of financial insecurity will hang over the head and disturb the work of every Federal employee who comes under the operation of this provision. In one way or another all Federal employees will come under it, because if salaries cannot be reduced, employees can be eliminated.

They can be put out entirely, thus taking away from them 100 percent of their salaries, instead of 10 percent, or 25 percent, or 50 percent.

It has been said here, I do not know on what authority, that the President has the right, after Congress has made an appropriation, to reduce the appropriation by holding back the expenditure of the money. I do not know of any such authority.

Mr. OVERTON. It is done.

Mr. BANKHEAD. My friend, the Senator from Louisiana, says it is done, but I do not know of any such authority. I am a member of the great Committee on Appropriations. I have taken an active interest in its deliberations. My friend, the Senator from Louisiana, is a diligent member of that committee. I have never heard any appropriation bill considered in that committee from the standpoint that the Congress will appropriate so much money to be spent for a special Government service, but that the President, after having approved the bill and made it a part of the law of the land, may still have the power to reduce it. If he has that power, how much can he reduce it? If he can reduce it by 1 percent he can reduce it by 100 percent, and thereby repeal and nullify the action of Congress upon that subject. I submit there is no such authority and no such power in the Executive.

Many legislators have advocated giving the Executive the power to veto particular items in appropriation bills. In fact, that principle has been established in a large number of the American States. There is merit in the proposal. There are two sides to the question, of course. But to suggest that the President can nullify an appropriation by withholding the money appropriated is to suggest a substitute for a power which confessedly the President does not possess under the Constitution, namely, to approve an appropriation bill and at the same time veto an item in it.

Mr. BYRD. Mr. President, will the Senator yield?

Mr. BANKHEAD. I yield.

Mr. BYRD. If the Senator will make inquiry of the Bureau of the Budget he will find that the President has reduced an appropriation. The Senator says the President does not have the authority to do it, but it has been done. Furthermore, he has the authority to require the heads of departments to dismiss employees. He has that power now.

Mr. BANKHEAD. Well, it is not exercised in any such broad, sweeping way as the Senator indicates, and if exercised, I do not approve it.

I think the President ought to be given some power if we deal with the subject at all. I think he needs it. I think he ought to be authorized to make reductions up to a certain point. I am clear in my own mind that he cannot reduce classified salaries or unclassified salaries unless given the authority. He cannot do it, of course, by elimination, by simply directing the removal, or suspension, or furloughing of an indefinite number of employees. I think no one in the Senate wants administration conducted upon the basis of wholesale furloughs without specific reasons, or on the basis of picking out here and there a place to release a large number of civil-service employees, forsooth, and certain employees under the classified-salary act.

Mr. President, where will the President make the reductions proposed under this program? Where will the ax fall, as the Senator from Wisconsin suggested? It is agreed that it cannot be done in the Department of State. The Senator from Virginia properly stated that he did not think these eliminations and reductions could be made there.

The War Department and the Navy Department are especially exempted, and properly so, in this emergency.

The Senator from New York [Mr. MEAD] was chairman of the House Committee on Post Offices and Post Roads, and no man has greater information about the Post Office Department and its fiscal affairs than has the distinguished junior Senator from New York. He and the senior Senator from Tennessee [Mr. MCKELLAR] have long dealt with that subject and are experts in it. The Senator from New York pointed out that the reductions and eliminations cannot be made in the Post Office Department.

They cannot be made, as was stated by the chairman of the Finance Committee, as I recall, in the Treasury Department.

So, where are they to be made? It is admitted they cannot be made in the Department of Justice. Seven out of the ten regular departments of the Government, by admissions made on the floor of the Senate, cannot be touched under this reduction program. At least no material and substantial reduction can be made in all those seven departments. So, we come down to the Department of Labor. There is not much opportunity for reduction there. It is not a big Department. In personnel, it is one of the smallest departments in the Government. We cannot reduce the salaries. The employees are all under the civil service and under the Salary Classification Act.

What have we left? There is the Department of the Interior. That Department reaches out into the rural areas of the country. There is also the Department of Agriculture. That is where the load falls. There is the same old fight which the Senate had this year and last year on the appropriation bills which have been brought before the Congress—the fight of the friends of the farmers to protect them in the matter of a proper share in the distribution of appropriations by the Congress.

Mr. President, I know that the motives of the Senator from Virginia [Mr. BYRD] are worthy; but it is apparent that he has not thought out to the last analysis the effect of his amendment and considered where the ax would fall.

It is admitted that the soil-conservation fund is exempt. We next come to the parity payments which we have had so much trouble in establishing as a proper policy of the Government. Parity payments represent a distribution which has been promised to the farmers since the first tariff law as a partial compensation to them for carrying the burden necessary to support the protected industries of the country. Finally the principle was established, and now it is proposed to take away a portion of those payments with a short resolution in the name of national defense.

How many sins are to be committed in the name of national defense, unfurling the flag where it has no place? We have before us a national-defense measure. The pending amendment seeks to give to the President power to make reductions. Let us not forget that the President has not been an enthusiastic supporter of parity payments. As was brought out earlier in the debate, parity payments were not included in the Budget estimate for this Congress or the previous Congress. There the ax must fall almost entirely, if a reduction of 10 percent, or anythink like it, is approached in this readjustment.

The field representatives are not under the Classification Act. The agents out in the field, the enforcement committees, and all the employees of the rural-rehabilitation program, are subject not only to reduction but to elimination. They are not under civil service. They are not under the Salary Classification Act. They have no protection unless their friends in Congress protect them. As a member of the Appropriations Committee, I am willing at any time, as I have announced many times, to begin with the first appropriation bill coming before Congress and scale down all the way through; but I have found, and Senators have observed, that the disposition has been to disregard a program of that sort until the agricultural appropriation bill is reached. I can prove that by the senior Senator from South Carolina [Mr. SMITH].

Mr. President, I shall not take any further time. I hope the matter will not be dealt with in this brief and summary way, without hearings by an amendment reported by a committee which does not properly have jurisdiction of the subject.

Mr. OVERTON. Mr. President, will the Senator yield?

Mr. BANKHEAD. I yield.

Mr. OVERTON. The Senator has no objection to my amendment, has he? As I understand, his whole argument is addressed to the committee amendment.

Mr. BANKHEAD. The only objection I have to the Senator's amendment is that if we are to put a limit on the

reduction, it ought to be 10 percent and not 25 percent. I do not think the President ought to have power to go as high as 25 percent in reducing the salaries of any employees, or in reducing the number of employees engaged in any operation.

Let me add one further observation. The bill provides for a reduction of 10 percent of the total amount of "the appropriations affected." What appropriations are affected? Take the case of the appropriations in the Treasury Department: Is the entire Treasury Department appropriation bill affected? What does "appropriations affected" mean? The language is "10 percent of the total amount of the appropriations affected." Does that mean for the individual? The provision is that the reduction shall not be less than 10 percent of the total amount of the appropriations affected.

Mr. BYRD. The appropriations affected are the nondefense appropriations, excluding national defense, fixed charges, and trust funds. That is very clear.

Mr. BANKHEAD. Does that include all Departments? It is admitted by Senators who are supporting the measure that a number of appropriations may not be reduced 10 percent. If we have to reduce all of them except appropriations for the War Department, the Navy Department, and a few specified independent agencies such as the Senator has mentioned, we shall certainly destroy the efficiency of some of the most necessary departments of the Government.

Mr. BYRD. The Senator must be aware that the proposal is not for a horizontal cut in all departments.

Mr. BANKHEAD. No; but it is 10 percent in every department affected.

Mr. BYRD. No; that is the amount of it—

In such manner that the total amount of such reductions shall not be less than 10 percent of the total amount of the appropriations affected.

Mr. BANKHEAD. The total amount of what?

Mr. BYRD. The total amount of the appropriations affected, which are nondefense appropriations. The Senator is an able lawyer, and I am not; but it is very clear to me that that is simply the standard by which the total amount of the reduction is to be determined.

Mr. BANKHEAD. That is the kind of risk which the Senate is taking when it approves the amendment.

Mr. President, that is all I have to say.

Mr. McCARRAN. Mr. President, I take the amendment of the able Senator from Virginia as it is expressed. I do not think there is anything more essential to national defense than the production of that which sustains life; and that which sustains life comes from the earth. The farmers of America, those who produce the sustenance of life, are the defenders of our national existence.

Mr. BANKHEAD. Mr. President, will the Senator yield?

Mr. McCARRAN. I yield.

Mr. BANKHEAD. I intended, of course, to include in my discussion the effect upon the relief program, in addition to the effect upon agricultural appropriations. It is said that those are the two agencies which must of necessity bear the brunt of the burden.

Mr. McCARRAN. To continue, as a member of the Appropriations Committee I recall that we were confronted with the parity payments without a Budget estimate, and, indeed, without the accord of the Chief Executive. We put that enormous appropriation over in the Senate Appropriations Committee because we believed the farmers should be encouraged to produce that which sustains life.

To my mind, parity payments may not be essential in the immediate future. To my mind, the agricultural program which has gone forward in the past few years may not be necessary to our national existence. However, I think that when the war is over—and I hope it may be over soon—the conditions in far-flung countries will be such that they will absorb everything the farmers of America can produce. That is my hope. However, my hope may not be realized. My wish and my hope in that respect have not been in accord with the program of the Department of Agriculture.

With that thought in mind, we created a great appropriation to assure the farmers of America a parity payment. I was one of those in the Appropriations Committee of the Senate who voted for the parity payment. To my mind, the parity payment is now about to be scuttled, if I may use a homely expression. While I am making the battle here, and others are joining with me, to the end that wages in America shall not be cut, at the same time I hope to make the battle that farmers may be induced to go forward and produce that which is necessary to sustain life in this Nation and in heartbroken nations abroad. Our surplus may be necessary to succor those who are in despair or who will be in despair in the future.

If the parity payments to the farmers of America can be reduced by either 10 percent or 25 percent, the psychological effect will be to destroy the encouragement which should be held out to them.

I think this would be a grave mistake; I think it would be as grave a mistake as to reduce the appropriations for the building up of the Navy and the Army, because, in the language of Napoleon, "an army fights on its belly," and an army and a navy cannot be maintained secure and content unless they have the sustenance of life.

I have great respect for the junior Senator from Virginia; but if it be the intendment of this amendment to curtail parity payments or to curtail other payments which now afford some encouragement to American farmers, then, with the wage workers of this country, I must join to the end that labor and the farmers shall stand together against this amendment.

The PRESIDING OFFICER. The question is on the amendment offered by the Senator from Louisiana [Mr. OVERTON] to the amendment reported by the committee on page 33. (Putting the question.) By the sound, the Chair is unable to decide.

Mr. OVERTON. I ask for the yeas and nays.

Mr. McCARRAN. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Adams	Davis	Lodge	Schwellenbach
Andrews	Donahey	Lucas	Sheppard
Ashurst	Downey	Lundeen	Shipstead
Austin	Ellender	McCarran	Slattery
Bailey	George	McKellar	Smathers
Bankhead	Gerry	McNary	Smith
Barkley	Gillette	Maloney	Taft
Bilbo	Green	Mead	Thomas, Idaho
Bone	Guffey	Miller	Thomas, Okla.
Bridges	Gurney	Minton	Thomas, Utah
Brown	Hale	Murray	Tobey
Bulow	Harrison	Neely	Townsend
Burke	Hatch	Norris	Truman
Byrd	Hayden	Nye	Tydings
Byrnes	Herring	O'Mahoney	Vandenberg
Capper	Hill	Overton	Van Nuys
Caraway	Holman	Pepper	Wagner
Chandler	Holt	Pittman	Walsh
Chavez	Hughes	Radcliffe	White
Clark, Idaho	Johnson, Colo.	Reed	Wiley
Clark, Mo.	King	Reynolds	
Connally	La Follette	Russell	
Danaher	Lee	Schwartz	

The PRESIDING OFFICER. Eighty-nine Senators have answered to their names. A quorum is present.

Mr. BANKHEAD. Mr. President, I am opposed to the whole program; I am opposed to the Byrd amendment; and I offer an amendment to the amendment, to strike out "25 percent" and substitute in lieu thereof "10 percent," so that, if the worst should happen, there would not be more than a 10-percent reduction. I think it is fair to state, however, that, even if my amendment shall be adopted, I shall vote against the section as reported by the committee, which is known as the Byrd amendment.

Mr. OVERTON obtained the floor.

Mr. HARRISON. Mr. President, will the Senator yield?

Mr. OVERTON. I yield.

Mr. HARRISON. I understood the Senator from Virginia to have no objection to the amendment offered by the Senator from Louisiana [Mr. OVERTON].

Mr. OVERTON. That is correct; he has no objection.

Mr. HARRISON. Can we not settle the matter then without a record vote on that basis?

Mr. OVERTON. I should think so. The amendment merely provides a limitation of the authority of the President.

The PRESIDING OFFICER. The question before the Senate is the amendment of the Senator from Louisiana to the committee amendment, on which the yeas and nays have been requested.

Mr. HATCH. Mr. President, a parliamentary inquiry.

Mr. BANKHEAD. Just a moment, Mr. President; I offered an amendment to that amendment. The question, I think, is on my amendment to the amendment.

Mr. ADAMS. I do not exactly understand how there can be an amendment to an amendment to an amendment.

The PRESIDING OFFICER. That would not be in order. The amendment of the Senator from Louisiana providing a limitation of 25 percent, is the question before the Senate.

Mr. HATCH. Did I understand the Chair to say that the amendment of the Senator from Louisiana was not before the Senate.

The PRESIDING OFFICER. It is before the Senate now.

Mr. HATCH. Has not the Senator from Alabama offered a perfecting amendment to that amendment?

The PRESIDING OFFICER. The Chair is advised that the amendment of the Senator from Alabama is out of order, as it would be in the third degree.

Mr. HATCH. The amendment offered by the Senator from Alabama is out of order?

The PRESIDING OFFICER. Yes.

Mr. O'MAHONEY. Mr. President, it seems to me attention should be called to the fact that the amendment which is now offered by the Senator from Louisiana, attempting to fix a ceiling, as it were, to the amount of reduction that may be placed upon any particular item, would unquestionably have the effect of spreading the reductions over a very much larger field than if the perfecting amendment were not adopted. As it has been presented by the Senator from Virginia, the amendment directs the President to make a total reduction in the appropriations, not including national defense fixed charges and trust funds, of not less than 10 percent. Accordingly, it delegates to the President the discretion to make as great a reduction as may occur to him, and he may make it all out of particular items, as the Senator from Louisiana has very well pointed out. He may take it out of the items that Congress has written into the appropriation bills without the approval of the Budget Bureau.

We all know that the President is bearing a tremendous burden at this time; we all know that it will be physically impossible for him, as an individual, to undertake to make the reductions which the original amendment directs shall be made. As a mater of practical effect, if this basic amendment should become law, the work would be done by the Bureau of the Budget. I think, in that event, we could all very reasonably anticipate that every appropriation which has been written by Congress without an estimate from the Budget Bureau would be cut off in its entirety. Therefore, I have been opposed to this amendment.

Mr. OVERTON. Mr. President, will the Senator yield?

Mr. O'MAHONEY. If the Senator will pardon me, I will yield in a moment. I have been opposed to this amendment because I believe that the legislative function is ours, and if we are going to cut appropriations, let us have the good sense and the courage to cut them ourselves. Having written into various appropriation measures, appropriations which we, as the Senate and the House combined, believe should be made, why should we now delegate to the Bureau of the Budget the power to make any cut it sees fit? By so doing we completely sacrifice our control over the appropriations.

Mr. BYRD. Mr. President, will the Senator yield?

Mr. O'MAHONEY. If the Senator from Virginia will pardon me just a moment, the Senator from Louisiana [Mr. OVERTON] was asking me to yield, and I really ought to yield to him first; but if the Senators will let me finish this statement I shall then be glad to yield to both of them.

I was merely pointing out that I am opposed to the basic amendment offered by the Senator from Virginia, and reported by the committee, because of this invasion of the power of Congress to make its own appropriations, and because it constitutes a delegation to the Bureau of the Budget of the appropriating power.

Mr. BYRD. Mr. President, will the Senator yield?

Mr. O'MAHONEY. With respect to the amendment of the Senator from Louisiana——

Mr. BYRD. Will the Senator yield at that point?

Mr. O'MAHONEY. I should prefer to finish this statement, if I may.

Mr. BYRD. I merely want to make a reference to that particular matter.

Mr. O'MAHONEY. I shall be very glad to yield.

Mr. BYRD. The Senator said we are delegating authority to the President.

Mr. O'MAHONEY. I said "to the Bureau of the Budget."

Mr. BYRD. Well, the President finally exercises it, just as we have delegated to him any amount of other authority. We delegate to him authority to spend billions in lump-sum appropriations.

The Senator knows that all the appropriation bills for the next fiscal year have been passed. The Senator knows that there is no way for us to effect specific reductions in the appropriations themselves except to recall the appropriation bills and rerefer them to the Appropriations Committee, which would take a long time to accomplish. If that were done, probably they would not be effective by July 1, when the new appropriations must become effective; so this is the only way to deal with the subject in the emergency which confronts the country.

Why have we a tax bill here? We would not have a tax bill before us except for the national emergency which confronts America today. For the same reason, this provision is justifiable under these conditions—because of the emergency—and it is the only way in which a reduction can be effected in the appropriations which have already been passed.

Mr. O'MAHONEY. I do not agree with the Senator's conclusion. If the Congress desired to assume the responsibility, and desired to make effective the objective which the Senator from Virginia has announced, I think it would be a perfectly simple matter for us to stay here—as we probably shall stay here—without adjournment this summer and go to work on the appropriation bills. I was referring, however, to the amendment of the Senator from Louisiana.

Mr. BYRD. Mr. President, will the Senator further yield?

Mr. O'MAHONEY. I yield.

Mr. BYRD. Would the Senator favor a resolution to recall all the appropriation bills we have passed, and rerefer them to the Appropriations Committee?

Mr. O'MAHONEY. I am not ready to say that I would favor that course now; no.

Mr. BYRD. That is the only way in which it can be done.

Mr. O'MAHONEY. The Senator is merely saying that Congress has abdicated the power of legislation.

Mr. ADAMS. Mr. President, will the Senator yield?

Mr. O'MAHONEY. I yield to the Senator from Colorado.

Mr. ADAMS. On the question of procedure, I simply wish to say that I do not believe that is the only way of dealing with the matter, because amendments to the appropriation bills could be made without recalling the appropriation bills themselves.

Mr. O'MAHONEY. Certainly.

Mr. BYRD. Mr. President, if I may add another word, the great majority of the appropriation bills have already been passed and have become law by the signature of the President.

Mr. O'MAHONEY. That would not make it at all impossible or difficult for any Member of this body to introduce a measure providing for paring appropriations for the fiscal year 1941. There would be no difficulty whatever about the Appropriations Committee meeting, distributing this task among the various subcommittees, going over each appropriation measure item by item, and determining what appropriations should be sacrificed.

I desire now, however, to refer to the amendment offered by the Senator from Louisiana [Mr. OVERTON] placing an upper limit of 25 percent upon the reduction that may be made upon any particular item. That necessarily would require the reduction of many more items than the original amendment, in its unamended form, would require.

From the discussion which has taken place here this afternoon, it seems to me to be quite clear that the majority of the Members of this body do not want to undertake now to reduce salaries. The sponsor of the amendment has gone to great trouble to explain that salaries are not intended to be included; but if we impose this upper limit of 25 percent, it seems to me it will be practically impossible to make any effective reduction at all unless we go into the item of the compensation of employees. I feel that there are many employees of the Government, particularly those who receive $5,000 a year or more, who might very well sustain a cut; but there are many other employees of the Government, in the lower brackets, who could not sustain such a cut.

Mr. BARKLEY. Mr. President, will the Senator yield?

The PRESIDING OFFICER. Does the Senator from Wyoming yield to the Senator from Kentucky?

Mr. O'MAHONEY. I do.

Mr. BARKLEY. The same employees who might stand a cut in their salaries are taxed in this bill by lowering the brackets and increasing the income taxes just as everybody else is being affected; so to do that would be, in effect, levying a double tax on them—a tax by reason of the reduction of their compensation, as well as the income taxes they will pay under the new schedules.

Mr. O'MAHONEY. The Senator is quite right. It would undoubtedly have that effect.

Mr. BYRD. Mr. President——

Mr. O'MAHONEY. I yield to the Senator from Virginia.

Mr. BYRD. I should like to reiterate what has been repeatedly said today—that the Budget Director and the Treasury Department have given a ruling that under this joint resolution it is not legally possible to reduce the classification standard of salaries.

Mr. O'MAHONEY. Then the amendment offered by the Senator from Louisiana has the effect of contradicting the direction which is contained in the original amendment.

Mr. BANKHEAD. Mr. President——

Mr. O'MAHONEY. I yield to the Senator from Alabama.

Mr. BANKHEAD. I should like to ask the Senator if it would not be possible to reduce the salary by changing the grade—in other words, by demoting the employee.

Mr. O'MAHONEY. Of course. The Senator from Alabama is quite right. The statement is based wholly upon an interpretation of "fixed charges," as I understand, and is an expression of an intention; but when the joint resolution directs, or attempts to direct, a total cut of not less than 10 percent in a total of certain appropriations, and then in the next amendment says, "but not more than 25 percent upon any particular item," it seems to me we are in danger of having two contradictory proposals in the amendment.

That suggests to my mind another thought: The amendment itself is not clear, as the Senator from Alabama has very well pointed out. There is no definition here of the appropriations affected. An appropriation which would be reduced 10 percent would be an appropriation affected. An appropriation which would be reduced 25 percent under the amendment offered by the Senator from Louisiana would also be an appropriation affected; but the general language of the original amendment says:

> In such manner that the total amount of such reductions shall not be less than 10 percent of the total amount of the appropriations affected.

Obviously that is a contradiction in terms. The language of the amendment is not clear. There is in this amendment an attempt to exclude appropriations for national defense. What is an appropriation for national defense? We passed the relief joint resolution here the other day; but, as I recall, that relief measure contained a provision to the effect that there should be certain noncombatant training for the C. C. C. enrollees. Is that an expenditure for national defense? And how many others are for national defense? If the war abroad has taught us anything, it has taught us that we are living in an era of total war. The building of roads, the improvement of rivers and harbors, the provision of C. C. C. camps, the raising of crops, parity payments to farmers—all these are items which may easily be regarded as items of national defense, and an argument will be raised every time any attempt may be made under this appropriation to effect a reduction. It seems to me the sensible, sane thing to do about this matter is for Congress to assume its legislative duty.

My attention was called by another Senator a moment ago to the fact that upon this floor a few days ago the committee brought in an amendment to a bill providing that there should be a reduction of expenditures by the Treasury Department. The Treasury Department was to be permitted, in the Procurement Division, to save a million or a million and a half dollars. The matter was debated upon this floor, and the Senate was almost a unit in declaring, "We shall not permit the executive department to make this reduction of a million and a half dollars." Now, we are asked to reverse that position and extend to the executive department a blanket invitation to make any cut it sees fit, not less than 10 percent in any item that the executive department may choose, without any review on the part of Congress.

Mr. President, it seems to me to be an utterly objectionable surrender of legislative authority.

Mr. BARKLEY. Mr. President, what is the vote to be taken on?

The PRESIDING OFFICER. The question is on the amendment offered by the Senator from Louisiana [Mr. OVERTON] to the amendment of the committee on page 33.

Mr. ADAMS. A parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. ADAMS. As I understand, the ruling of the Chair is that the amendment of the Senator is not open to amendment so as to change the percentage fixed in the amendment.

The PRESIDING OFFICER. That is correct.

Mr. ADAMS. In other words, if a Member of the Senate preferred to have the 25 percent either increased or decreased, the only way that could be accomplished would be by defeating the amendment offered by the Senator from Louisiana and then offering an amendment with a different figure in it?

The PRESIDING OFFICER. The Senator is correct. Is there a second to the request of the Senator from Louisiana for the yeas and nays?

The yeas and nays were not ordered.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Louisiana to the amendment of the committee.

The amendment to the amendment was rejected.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Calloway, one of its reading clerks, announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 8668) making appropriations for the fiscal year ending June 30, 1941, for civil functions administered by the War Department, and for other purposes.

ENROLLED BILLS AND JOINT RESOLUTION SIGNED

The message also announced that the Speaker had affixed his signature to the following enrolled bills and joint resolution, and they were signed by the Vice President:

S. 2611. An act authorizing the purchase of a site and the erection of a building in the State of Massachusetts for use as a radio-monitoring station, and for other purposes;

S. 2983. An act to authorize the sale of lumber and other forest products obtained from the forests on Indian reservations by Indian enterprises;

S. 2984. An act authorizing the transfer of title of the Hayward Indian School to the State of Wisconsin;

S. 3018. An act to amend section 210 of the Communications Act of 1934, approved June 19, 1934 (48 Stat. 1073; 47 U. S. C. 210), so as to permit communication utilities to contribute free services to the national defense;

S. 3237. An act to amend section 301 (a) of the Sugar Act of 1937;

S. 3352. An act to amend the act of August 27, 1935 (49 Stat. 2194), and for other purposes;

S. 3667. An act to provide for the local delivery rate on certain first-class mail matter;

S. 3958. An act to authorize the Secretary of the Treasury to grant to the Road Department of the State of Florida an easement for a road right-of-way over the Coast Guard Reservation at Flagler Beach, Fla.; and

S. J. Res. 214. Joint resolution authorizing the recognition of the two hundredth anniversary of the founding of the University of Pennsylvania by Benjamin Franklin and the beginning of university education in the United States, and providing for the representation of the Government and people of the United States in the observance of the anniversary.

REVENUE BILL OF 1940

The Senate resumed the consideration of the bill (H. R. 10039) to provide for the expenses of national preparedness by raising revenue and issuing bonds, to provide a method for paying for such bonds, and for other purposes.

Mr. BARKLEY. Mr. President, I desire to offer an amendment to the pending amendment, on page 33, lines 1 and 2, to strike out the words "and directed."

I shall say only a word about the amendment. I offer it because I do not believe that in its present form the committee amendment is workable. In addition to what the Senator from Wyoming has said about authority over appropriations, I do not believe it is wise legislation, under the circumstances of the present, or, indeed, under any circumstances, for Congress by piecemeal to appropriate money which it thinks is needed for the various departments of the Government, and then later say that the President is directed, is commanded, to reduce the appropriations by 10 percent.

I realize that the Senator from Virginia is sincere about this matter. It is one of the things about which he has thought much and to which he has given great study, and I hesitate to interfere with an amendment which has been voted by the Committee on Finance, of which I am a member. I happened not to be in the meeting of the committee at the time the amendment was offered, because I had to be on the floor of the Senate. It was taken up after the hour of 12 o'clock.

If I had been in attendance at the time the Senator offered the amendment in the committee I would then have moved to strike out the words "and directed."

In order that the President may carry out this mandate as to all the appropriations which have been enacted by the Congress for the national defense, all salaries are to be exempted. I am not in favor of cutting salaries, because most of those whose salaries would be cut, as I indicated a moment ago, would be taxed under the schedules of the pending bill anyway, because their exemptions would be lowered, and to some extent the rates would be effective in their cases. Every man and woman who is an employee of the United States Government, who comes within the brackets provided, will be taxed just as everyone else will be taxed, and I am not willing at this stage, at least, in this emergency, to place a double burden or a double penalty on them because they happen to be working for the Government.

Mr. HARRISON. Mr. President, will the Senator yield?

Mr. BARKLEY. I yield.

Mr. HARRISON. Would the Senator be willing to give the value of his support to the suggestion of the committee, as embodied in the Byrd amendment, with the change that the President would be "authorized and respectfully requested"?

Mr. BARKLEY. I do not know that the word "respectfully" is necessary.

Mr. HARRISON. Nor do I.

Mr. BARKLEY. It would be presumed that it was done in a respectful manner. I would certainly prefer the words "authorized and requested" to the words "authorized and directed," because I think the proposal as it is now worded is inconsistent. Congress has passed a number of bills in the last few days, and the emergency was just as great then as it is now. Less than a week ago we passed a relief bill, which will be affected by the amendment of the Senator from Virginia, because if we are to eliminate these other items, the main place where the cuts will be required, where they will be mandatory, and will be more than any 10 percent, if the President is to reach an average of 10, will be in agriculture and in relief. There is no escape from that conclusion, in my judgment.

Mr. HARRISON. In the interest of attempting to get together, will the Senator agree if we strike out the word "respectfully" and just say "authorized and requested"?

Mr. BARKLEY. I should be willing to support that.

Mr. BANKHEAD. Mr. President, I would object to that.

Mr. BARKLEY. I think I should be willing to go along with the committee if the language were changed so that it would be in the discretion of the President to determine whether he should cut the appropriations 10 percent or any other amount; but I do not feel justified in voting to command the President to bring about such a readjustment of appropriations we have made within the last 3 weeks or the last 10 days, if he has to bring about an average cut of 10 percent. I do not believe he can bring about an average cut of 10 percent in the field to which he is restricted without making a much greater cut than 10 percent, or even the 25 percent suggested by the Senator from Louisiana.

Mr. McCARRAN. Mr. President, I address myself now to the remarks of the able chairman of the Committee on Finance, the Senator from Mississippi [Mr. HARRISON]. When did the people of this country lose their authority over this Government to such an extent that they would "respectfully request" anyone to do anything?

Mr. HARRISON. Let me say to the Senator that I withdraw the suggestion I made if it will end this debate, and we can get along. [Laughter.]

Mr. McCARRAN. Then the Senator suggested the word "request." The people of this country are sovereign, and they do not request any one to do anything.

Mr. BYRD. Mr. President, we may as well face the situation frankly. If the amendment of the Senator from Kentucky is agreed to it will cut the heart out of the amendment. The President already has the authority to reduce these expenditures. He has been claiming that he has been reducing them. To eliminate the words "and directed," and say that he is authorized to reduce the expenditures, merely means nothing. I for one am not willing to mislead the people of this country into the thought that the adoption of this amendment, as modified by the amendment of the Senator from Kentucky, would result in a reduction of nondefense spending, the money to be devoted to the essential purposes of the defense program.

I have listened to the argument this afternoon with great interest. We are told that we are in a great crisis, and we all realize that we are. We all know we are faced with colossal expenditures for national defense. Why have we a tax bill before us today? Thirty days ago there was no intimation that we would be asked to provide $1,000,000,000 more in taxes for the purpose of national defense. We are doing this because of the emergency with which this country is confronted because of the conditions which have come about in Europe during the last 30 days.

If this amendment is eliminated, we will be striking from the bill $500,000,000 which could be used for national defense. This tax bill is a meager preparation for what is to come before us. It is totally inadequate to meet the emergency. Under the pending bill we will raise only $700,000,000 for national defense. Now it is proposed to strike from the bill a provision under which $500,000,000 of savings could be effected, and every Senator on this floor

knows they could be effected in the nondefense expenditures of our Government and the money diverted to the needs of national defense.

I know there is nothing I can say at this late hour to change the minds of Senators, but I want to say to the patrons of the amendment that if the amendment of the Senator from Kentucky shall prevail, it will cut the heart out of the amendment, and, so far as I am concerned, I shall then ask that the amendment be stricken from the bill.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Kentucky [Mr. BARKLEY] to the amendment of the committee.

Mr. McNARY. Mr. President, may we have the amendment stated?

The PRESIDING OFFICER. The clerk will state the amendment.

The CHIEF CLERK. It is proposed, on page 33, line 1, in the amendment of the committee, to strike out the words "and directed", so that it will read:

> The President is hereby authorized to reduce appropriations for the executive branch of the Government for the fiscal year ending June 30, 1941 (except appropriations for national defense, fixed charges, and trust funds), in such manner that the total amount of such reductions shall not be less than 10 percent of the total amount of the appropriations affected. Such reductions in appropriations shall be impounded and returned to the Treasury.

Mr. VANDENBERG. I ask for the yeas and nays.

The yeas and nays were ordered, and the legislative clerk proceeded to call the roll.

Mr. CHANDLER (when his name was called). I have a pair with the Senator from Pennsylvania [Mr. DAVIS], who is detained on important public business. Not knowing how he would vote, I am compelled to withhold my vote.

Mr. HOLMAN (when his name was called). I have a general pair with the junior Senator from Tennessee [Mr. STEWART]. I am advised that if present he would vote "yea." If at liberty to vote I should vote "nay."

Mr. SHIPSTEAD (when his name was called). I have a general pair with the senior Senator from Virginia [Mr. GLASS]. I am informed that if present he would vote "nay." If at liberty to vote I should vote "yea."

Mr. THOMAS of Utah (when his name was called). I have a general pair with the Senator from New Hampshire [Mr. BRIDGES]. I transfer that pair to the Senator from Iowa [Mr. GILLETTE]. I am not advised how either Senator would vote if present. I vote "yea."

The roll call was concluded.

Mr. MINTON. I announce that the Senator from Iowa [Mr. GILLETTE], the Senator from Virginia [Mr. GLASS], the Senator from Minnesota [Mr. LUNDEEN], the Senator from Tennessee [Mr. STEWART], and the Senator from Montana [Mr. WHEELER] are necessarily absent from the Senate.

Mr. AUSTIN. I announce that the Senator from Vermont [Mr. GIBSON] has a pair with the Senator from Montana [Mr. WHEELER]. If present, the Senator from Vermont would vote "nay" on this question, and the Senator from Montana would vote "yea."

I announce that the Senators from North Dakota [Mr. FRAZIER and Mr. NYE], the Senator from California [Mr. JOHNSON], and the Senator from Vermont [Mr. GIBSON] are necessarily absent.

The Senator from New Jersey [Mr. BARBOUR] is absent on official duties.

The Senator from Pennsylvania [Mr. DAVIS] has been called away on official business.

The result was announced—yeas 41, nays 36, as follows:

YEAS—41

Andrews	Ellender	Maloney	Schwellenbach
Bankhead	Green	Mead	Sheppard
Barkley	Guffey	Miller	Slattery
Bilbo	Hayden	Minton	Smathers
Bone	Hill	Neely	Thomas, Okla.
Byrnes	Hughes	Norris	Thomas, Utah
Caraway	King	O'Mahoney	Truman
Chavez	La Follette	Pepper	Wagner
Clark, Idaho	Lee	Reynolds	
Connally	McKellar	Russell	
Downey	McNary	Schwartz	

NAYS—36

Adams	Donahey	Johnson, Colo.	Taft
Austin	George	Lodge	Tobey
Bailey	Gerry	Lucas	Townsend
Brown	Gurney	McCarran	Tydings
Burke	Hale	Overton	Vandenberg
Byrd	Harrison	Pittman	Van Nuys
Capper	Hatch	Radcliffe	Walsh
Clark, Mo.	Herring	Reed	White
Danaher	Holt	Smith	Wiley

NOT VOTING—19

Ashurst	Davis	Holman	Shipstead
Barbour	Frazier	Johnson, Calif.	Stewart
Bridges	Gibson	Lundeen	Thomas, Idaho
Bulow	Gillette	Murray	Wheeler
Chandler	Glass	Nye	

So Mr. BARKLEY's amendment to the committee amendment was agreed to.

Mr. BROWN. Mr. President, referring to the committee amendment which has just been amended, I call attention to the fact that as the amendment is now drawn, because of the language in lines 5 to 7, the following situation could arise: If the President, in the calculation of the savings he is directed to effect, or authorized to effect, should find that he could make a saving of 8 percent or 9 percent or 9½ percent, he would be prohibited from doing so, because he is directed to reduce appropriations in such manner that the total amount of such reductions shall be not less than 10 percent of the total amount of the appropriations affected. I do not think we want to leave the provision in that way, so that if the President can make a reduction of 9½ percent he may not do so. If he can make such a reduction it ought to be made. If he can make a reduction of 9 percent it ought to be made. Therefore I ask the Senator from Kentucky if his amendment should not be changed so as to read substantially as follows:

> The President is hereby authorized to reduce appropriations for the executive branch of the Government for the fiscal year ending June 30, 1941—
>
> And so on—
>
> to an amount not greater than 15 percent—

Or 25 percent or 20 percent or 10 percent, any figure that the Senator wants to put in, of the total of the appropriations affected by such reductions? Unless we do that we simply authorize the President to make a reduction, and tell him that unless the reduction can amount to at least 10 percent, no reduction whatsoever shall be made.

The Senator from Virginia a few moments ago mentioned the fact that reductions in appropriations have been made by the President. If we adopt this amendment, we will be telling him in no uncertain langauge that unless he can make a total reduction of at least 10 percent he cannot make any reduction at all.

I ask the Senator from Kentucky if I am not correct in my conclusion?

Mr. BARKLEY. I appreciate the force of what the Senator from Michigan states. Of course, I would not want the Senate to put itself in the situation of authorizing the President to do something, and fixing the amount at 10 percent and thereby preventing him from making any saving. The Senator from Virginia indicated a while ago that if the amendment I offered was adopted, he would lose interest in the matter because he did not think it would result in any saving.

Mr. BYRD. Mr. President, I say that I intend to vote against the committee amendment because as now amended it means nothing. The Senator from Kentucky has cut the heart out of any saving.

Mr. BARKLEY. In view of that statement, we might simplify the matter by all of us agreeing to vote to strike out the amendment, or not to agree to the amendment as amended.

Mr. BYRD. I make that motion.

The PRESIDING OFFICER (Mr. ELLENDER in the chair). The Senator from Michigan [Mr. BROWN] has the floor.

Mr. BARKLEY. Mr. President, will the Senator yield?

Mr. BROWN. I yield.

Mr. BARKLEY. If the amendment is to remain in the bill undoubtedly the language ought to be framed so as to authorize the President to make such reductions as he finds possible, without any limitation. I do not see any need for putting a maximum in it, but I think that it might be advisable to eliminate the minimum, because the President may not be able to make reductions.

Mr. BROWN. Mr. President, for the reasons stated by the Senator from Louisiana, there ought to be some proper limit beyond which he cannot go, such as the 25 percent he suggested, or 20 percent.

Mr. BARKLEY. My objection to the suggestion of the Senator from Louisiana, as he will recall, was that it would make the President appear to be going in two directions; by going in one direction he would save 10 percent as a whole, and by going in another direction he could not save more than 25 percent on any item, and he might find it inconsistent to carry out the two mandates of the Congress.

Mr. BROWN. The amendment, which was suggested originally by the Senator from Virginia, was adopted by the Finance Committee, and, of course, the Senator from Virginia has no right to withdraw the amendment.

Mr. BARKLEY. I appreciate that.

Mr. HARRISON. Has the Senator an amendment which he suggests?

Mr. BROWN. Yes. The language of my amendment would be the same as the language of the committee amendment, as amended, down to line 5, and after the word "funds" to insert:

To an amount not greater than 20 percent of the total of the appropiations affected by such reductions.

I think that would clear up the situation.

Mr. SHIPSTEAD. Mr. President, will the Senator yield?

Mr. BROWN. I yield.

Mr. SHIPSTEAD. It occurs to me that unless there is some limit placed upon reductions under this system, entire appropriations may be eliminated. In that case full power would be given to the Budget Bureau to rewrite appropriation bills entirely.

If such a policy is to be followed, then all our efforts and time spent on appropriation bills will have been wasted. If that is to be the situation, the whole thing seems to me to be ridiculous. I can understand that reductions could possibly be made without affecting the general-welfare program; but it seems to me that the present proposal would make it possible, in some instances, to wipe out an entire act of Congress. I do not know what power there would be to increase other appropriations by transferring money from one fund to another. That question arises in my mind.

Mr. BROWN. Mr. President, the amendment which I have proposed places an upper limit of 20 percent on the amount of the reduction which may be made by the President in any appropriation. That is certainly far superior to the language as it stands, which would mean that he might not make any reduction unless he reduced all appropriations 10 percent.

Mr. TYDINGS. Mr. President, will the Senator yield?

Mr. BROWN. I yield.

Mr. TYDINGS. I should like to ask the Chair what the situation is. Did the Senator from Virginia move to strike out the committee amendment? Is that the pending question?

The PRESIDING OFFICER. The Senator from Michigan proposed an amendment to the pending amendment.

Mr. TYDINGS. Then the Senator from Virginia did not move to strike out the committee amendment?

Mr. BARKLEY. Mr. President, it is not necessary to move to strike out a committee amendment. The question is on agreeing to the committee amendment.

Mr. SHIPSTEAD. Mr. President, will the Senator yield?

Mr. BROWN. I yield.

Mr. SHIPSTEAD. Would it be possible so to limit or amend the amendment as to provide for a horizontal reduction of not more than 10 percent in an appropriation whenever possible?

Mr. BROWN. I think that is possible, but in my judgment it is not desirable, for the many reasons which have been stated by various Senators.

Mr. McCARRAN. Mr. President, will the Senator yield?

Mr. BROWN. I yield.

Mr. McCARRAN. I wonder if we may have the Senator's amendment read again.

Mr. BROWN. As the section would read if amended in accordance with my amendment?

Mr. McCARRAN. Yes.

Mr. BROWN. The section would then read:

The President is hereby authorized to reduce appropriations for the executive branch of the Government for the fiscal year ending June 30, 1941 (except appropriations for national defense, fixed charges, and trust funds), to an amount not greater than 20 percent of the total of each of the appropriations affected by such reductions. Such reductions in appropriations shall be impounded and returned to the Treasury.

Mr. McCARRAN. Will the Senator kindly explain to the Senate how his amendment differs from the amendment offered by the Senator from Louisiana [Mr. OVERTON]?

Mr. BROWN. The change made by the amendment offered by the Senator from Kentucky and agreed to by the Senate brings about a result whereby the President is merely authorized to reduce appropriations, whereas the language of the committee amendment directs him to make reductions. My amendment does not differ from the ideas expressed by the Senator from Louisiana, except that I have made the figure 20 percent instead of 25.

Mr. OVERTON. Mr. President, will the Senator yield?

Mr. BROWN. I yield.

Mr. OVERTON. Let me say to the Senator that he has wholly misconstrued my amendment. The pending amendment authorizes the President to reduce the total nondefense appropriations to the extent of 20 percent; and if this amendment were adopted the President might entirely obliterate the appropriations covering parity payments, and not simply reduce them by 20 percent.

Mr. BROWN. The Senator did not correctly hear me when I read my amendment.

Mr. OVERTON. I beg the Senator's pardon.

Mr. BROWN. Let me read it to the Senator again. Possibly I left out the words which I added some time ago. The language of my amendment is—

To an amount not greater than 20 percent of the total of each of the appropriations affected by such reductions.

Mr. OVERTON. Would the language "of each of the appropriation items" be acceptable to the Senator?

Mr. BROWN. I shall be glad to accept it.

Mr. OVERTON. It would then read, "of each of the appropriation items affected by such reduction."

Mr. BROWN. Yes.

Mr. TYDINGS. Mr. President, will the Senator yield?

Mr. BROWN. I yield.

Mr. TYDINGS. I appreciate the viewpoint of many Senators who fear that a 10-percent reduction might work a hardship on some particular department which they feel should not suffer a reduction. I am wondering whether or not there is sufficient sentiment on the floor to substitute the amendment designed by the Senator from Virginia [Mr. BYRD], and provide for a 4- or 5-percent saving, rather than to leave the section in its present indefinite form.

I do not know that a reduction of 5 percent would save very much money. It would save probably $200,000,000 or $250,000,000. Perhaps that percentage is too high. However, I respectfully submit that if we can save money it is better to do so affirmatively, as we ought to do as a legislative body, and count it as saved, than to put $250,000,000 of unnecessary taxation on the people to raise the money which we might have saved.

I should appreciate a suggestion as to whether or not we could reinstate the amendment directing the President to

make a 5-percent reduction, making it mandatory, and allowing him discretion as to where the reduction is to be made. If we do not do that, we are certainly confronted with the necessity of $250,000,000 of additional taxation.

Mr. BROWN. Mr. President, I call the Senator's attention to the present situation. The Senate has just decided that the words "and directed" shall be stricken from the amendment, leaving the word "authorized." I was against that proposal. I voted with the Senator from Virginia.

Mr. TYDINGS. I noticed that.

Mr. BROWN. I was in favor and am in favor of the original proposal of the Senator from Virginia, but when the situation reached the point where it now is, I concluded that it was necessary to change the amendment so as to give the President power to reduce expenditures by 1 percent, 5 percent, or 9 percent. It seems to me the logical thing to do is to perfect the Barkley amendment in the manner I have outlined, to which I think there is now no opposition after adopting the suggestion made by the Senator from Louisiana. If the perfected amendment is not desired by the Senate, the Senate may vote it down. Then the Senator from Maryland may offer the amendment he suggests.

Mr. TYDINGS. Mr. President, will the Senator yield?

Mr. BROWN. I yield.

Mr. TYDINGS. The Senator is absolutely correct in what he has said—that as the amendment is now designed it would prohibit the President from making a cut of less than 10 percent. I appreciate the fact that the amendment ought to be perfected in line with the Senator's suggestion.

The Senator from Virginia [Mr. BYRD] has worked on the amendment, and has given it much thought. I wonder if he would feel inclined, after the amendment is perfected, to offer the 5-percent mandatory amendment as a substitute for the perfected amendment. If he does not wish to do so, I shall be delighted to offer it, to see whether or not the Senate is in favor of a 5-percent amendment. If such an amendment does not carry we can try 4 percent, then 3, then 2, then 1, then one-half of 1 percent, and then a quarter of 1 percent, and perhaps we can save a cent somewhere before we go home.

Mr. BARKLEY. Mr. President, will the Senator yield?

Mr. BROWN. I yield.

Mr. BARKLEY. I wish to say to the Senator from Maryland that my objection to the language of the amendment related to the part of it which directed and commanded the President to bring about a reduction of not less than a certain percentage. My objection to that language would apply to 5 percent or any other percentage just as much as to 10 percent.

The Senate, by the vote it cast a while ago, evidently indicated that it wishes to authorize the President to make reductions, but does not wish to command him to do so. I think the amendment of the Senator from Michigan corrects the situation growing out of the adoption of my amendment a while ago, and I am prepared to support his amendment; but I cannot agree to any language which is mandatory, and which commands the President, after we have made appropriations, to go about reducing them. However, I am willing to authorize him to reduce them. I am willing to call his attention to the desirability of a reduction if a reduction is possible, but I am not willing to order him to make a reduction.

Mr. BYRD. Mr. President, will the Senator yield?

Mr. BROWN. I yield.

Mr. BYRD. The Senator from Kentucky knows that the President already has power to withhold appropriations; so the suggested language would be useless verbiage.

Mr. BARKLEY. I realize that the President has power to withhold the expenditure of money appropriated by Congress, and that all Presidents have exercised the authority. Undoubtedly, he may withhold appropriations in practically all departments in some way. There is no direct statute which authorizes him to do it, but for years all Presidents have exercised that authority.

Mr. BYRD. The suggested amendment would add nothing to his authority?

Mr. BARKLEY. It would add nothing to his authority, but it would call attention to the desirability of a reduction if it is found possible to make a reduction.

Mr. HATCH. Mr. President, I voted against the amendment offered by the Senator from Kentucky [Mr. BARKLEY] for two reasons.

First, I did not believe the Senate or Congress should—if I may use the expression—"pass the buck" to the President of the United States. If any reduction is to be made, and if it is the sincere wish and desire of the Senate to reduce expenditures, I think it is the duty of this body to write into the bill the mandatory provision which the Senate believes should be written into it, and not confer upon the President of the United States a blanket, naked authority which we ourselves in all likelihood would make it almost impossible for him to exercise. I say that because without any great stretch of the imagination I can visualize that if the President of the United States should seek to exercise this authority in my State in the relief rolls among the persons who are hungering and suffering in New Mexico, I would be the first one to go to the White House and ask the President to repudiate the authority which we had passed to him. I know full well, too, that when the question arises of parity payments to the farmers of this country—and even the amendment offered by the Senator from Michigan providing for a 20-percent cut takes $40,000,000 from the pockets of the farmers of the country—and they come to the Senate or to the House of Representatives, we shall be the first ones on the White House doorsteps asking the President not to exercise the authority which we are today writing into the bill.

Secondly, I also thought the Senator from Virginia [Mr. BYRD] had brought before this body a clean-cut proposition on which he was entitled to a vote. Frankly, I intended to vote against it, because I do not believe in this method of making reductions. If we do not believe in parity payments, I think we ought to say so and cut out parity payments in their entirety. I do not believe in this blanket, widespread method of making reductions. But the way this matter has developed, if the Senator from Maryland offers his amendment for a straight 5-percent reduction, I shall vote for it and write it firmly and straight into the bill just as it may be.

Mr. BYRNES. Mr. President——

The PRESIDING OFFICER. Does the Senator from New Mexico yield to the Senator from South Carolina?

Mr. HATCH. I yield.

Mr. BYRNES. A few days ago, when the relief joint resotion was pending, we had submitted to the Senate a proposal to reduce expenditures by a million and a half dollars, so that the Treasury by reorganization could reduce the cost of accounting and procurement proposed by the Budget Director. The Senate, by a vote of 69 to 7, voted against that economy in expenditures. The Senator from Tennessee [Mr. MCKELLAR] called the roll before the clerk did. By the time the clerk called the roll, the Senate had expressed itself. Under either the request of the Senator from Kentucky or that of the Senator from Virginia, the President could effect that economy of a million and a half dollars, could he not?

Mr. HATCH. The Senator may be refreshing my memory on that item, because I voted with the Senator from Tennessee.

Mr. BYRNES. No; I was merely calling attention to the principle.

Mr. HATCH. I understand. The Senator would have heard me say that day that I doubted that any such economy would work out, and I did doubt it.

Mr. BYRNES. I was merely calling the Senator's attention to the fact that if my thinking is right, only last week, when the Budget Director presented to us a plan by which he said he could save a million and a half dollars without hurting the service of the Government, we did not agree with him. By a vote of 67 to 7 we said, "It cannot be done," and we put back a million and a half dollars into the bill.

The Senate conferees will now go into a conference on that matter. If the Senate really has changed its mind and wants to save money, I wish it would instruct the conferees that they may recede from that million-and-a-half-dollar

amendment when the Senate conferees meet tonight with the House conferees on that bill. I should like to be instructed to recede.

Mr. McKELLAR. Mr. President, will the Senator yield to me for just one moment?

Mr. HATCH. I yield.

Mr. McKELLAR. I merely wish to call attention to one mistake made by the Senator from South Carolina. He speaks about saving $1,200,000, as provided by the figures. Those savings are not shown by the record. The cut in these particular items was the very cut that we made in the entire measure. Last year it was about a billion and a half. This year it was less than a billion; so the saving goes into thin air.

Mr. BARKLEY. Mr. President, will the Senator yield to me at that point for a moment?

Mr. HATCH. I yield.

Mr. BARKLEY. The Senator from New Mexico a moment ago suggested that the amendment as it now is written "passes the buck" to the President.

Mr. HATCH. I apologize for those words, but that is what I said.

Mr. BARKLEY. I am not asking the Senator to apologize. I am not criticizing the words; but my contention and my belief is that the amendment in its original form passed a worse "buck" to the President than the one we are now considering, because it commanded the President to reduce expenditures in the aggregate a certain amount, but passed on to him the "buck" to determine where those reductions should be brought about, so as to make an average of 10 percent; and from my point of view the same objection would apply to a command to reduce expenditures by any other percentage. Under this amendment as it is before us, the President may reduce expenditures wherever he finds it possible to do so, but he may not reduce them more than 20 percent anywhere under the amendment of the Senator from Michigan; but both propositions "pass the buck" to the President. That is one of the evils of them.

Mr. HATCH. If the Senator remembers what I said in the remarks I made, I pointed out exactly that situation, and I said I did not want to "pass the buck" in either case.

Mr. BARKLEY. I realize that; but the Senator also supplemented his remarks by saying he would vote now for another amendment fixing another percentage, and, I presume, including the word "directing"—directing the President also to do that. I think the same evil applies to both. Both propositions "pass the buck"; and the ink has hardly grown dry on some of the bills the President has signed, appropriating this money, when we now come along and direct him to make certain reductions in them, or would have done so under the original language of this amendment.

Mr. HARRISON. Mr. President, will the Senator yield?

Mr. HATCH. I am about to yield the floor.

Mr. HARRISON. I merely wish to submit a parliamentary inquiry.

Mr. HATCH. Very well.

Mr. HARRISON. I ask that the amendment which has been offered be stated to the Senate.

The PRESIDING OFFICER. The amendment will be stated.

Mr. BROWN. I have written it out.

Mr. TYDINGS. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. TYDINGS. As soon as the amendment of the Senator from Michigan [Mr. BROWN] is acted upon, will it not be in order to offer an amendment in line with the wording used by the committee, changing "10 percent" to "5 percent," as a substitute for the perfected amendment?

The PRESIDING OFFICER. That will be in order as a separate amendment.

Mr. BARKLEY. Mr. President, may I make a further parliamentary inquiry? Does the Chair hold that if an amendment is offered in line 6 reducing the 10-percent requirement to 5 percent, or any other percentage, it is therefore, or otherwise, in order to move to reinsert the words stricken out by the Senate, "and directed," which were the subject of my amendment?

The PRESIDING OFFICER. Not if the amendment of the Senator from Michigan is adopted.

Mr. CLARK of Missouri. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator from Missouri will state it.

Mr. CLARK of Missouri. If the amendment of the Senator from Michigan is adopted, will it not then be in order for the Senator from Maryland, or any other Senator, to offer a substitute for the whole perfected amendment, as follows:

The President is hereby authorized and directed to reduce appropriations for the executive branch of the Government—

And anything else he may desire to include? In other words, a substitute for the perfected amendment will be in order, even though the effect of it were to restore the words "and directed"?

The PRESIDING OFFICER. That is correct, if there is a substantial change in the substitute.

The amendment offered by the Senator from Michigan [Mr. BROWN] will be stated.

The CHIEF CLERK. It is proposed to strike out after the parenthesis in line 5, page 33, down to the word "affected", and in lieu thereof to insert the following:

In an amount not greater than 20 percent of any appropriation item contained in any act making appropriations for said fiscal year.

Mr. McCARRAN. Mr. President, in every appropriation bill the amount allowed for salaries in any department, and for wages and compensation in that department, is an item. Any member of the Appropriations Committee who now listens to me knows what I am saying to be true. In other words, salaries are items. So we are now directly confronted with a reduction of the items for compensation for the workers under the Federal Government. We cannot avoid this if we vote to sustain the amendment.

Mr. BROWN. Mr. President, will the Senator yield?

Mr. McCARRAN. I will yield in a moment. Every member of the Committee on Appropriations knows that the overhead is always fixed in one lump item. It is broken down, of course, so that the committee may understand it, but it is a lump item for overhead. It is an item, and it is an item to sustain that particular department by way of paying the wages or the compensation of those who work in the department. The Senator, by his amendment, proposes now to reduce that item, the item of compensation for the workers under the Federal Government. That is a thing which we have been watching here very closely for the past several days.

I do not charge the able Senator from Michigan with understanding that that is the fact, but there should be a pronouncement by the Congress that at this time wages of Federal workers, earnings of Federal workers, are not to be reduced, because the tax bill proposes to broaden the base, thus taking an increase of taxes from every Federal worker, right down to those who earn the smallest wages, and up to those who earn the highest wages.

The amendment now offered by the Senator from Michigan, in my judgment, should not be agreed to. If it shall be, it will be up to the President, if he sees fit, to reduce the wages of the Federal workers.

We have had this question before us previously. In 1933 we reduced by 15 percent the earnings of the Federal workers. We threatened the workers of the United States with a reduction, blanketlike.

In other words, private industry, following the example laid down by the greatest employer of labor, the Federal Government, threatened to reduce wages, and we were on the verge of a great reduction in wages when some of us carried forward the battle to restore to the Federal employees the 15 percent which had been taken from them. We went through that battle for 3 years. The able junior Senator

from South Carolina [Mr. BYRNES] knows how we carried on, how, little by little, we restored to the toilers under the Federal Government the 15 percent which had been taken from them. But no one knows and no one can estimate what was taken from the Federal employees and was never restored to them.

The Federal employee today is the most underpaid wage worker in this country. Private industry pays by far more than is paid to the men who carry the mail to our doors every day. Private industry pays by far more than is paid to those who work in the navy yard. Private industry pays by far more than does the Federal Government in every line. The Federal employee is compensated with a consideration of his assurance of employment, whereas the private employee is paid with his nonassurance in mind.

Mr. President, if this amendment shall be agreed to, then we will create in the hearts and the minds of the Federal workers an uncertainty which will destroy the principal thing and the principal compensation that is worth while.

In addition to that, in my judgment, the amendment offered by the Senator from Michigan will strike again at the very thing that was so ably discussed here this afternoon by the Senator from Alabama, namely, the amendment which has to do with parity payments. If we are to destroy encouragement in industry and agriculture and labor together, then, indeed, we will have weakened our Federal Government from within, whereas we are trying to strengthen it from within so that it may meet opposition from without.

Mr. BROWN. Mr. President, will the Senator yield?

Mr. McCARRAN. I yield.

Mr. BROWN. If the Senator will take page 33 of the bill and read it, he will find that my amendment does not change the Barkley amendment or the Byrd amendment in any particular whatsoever with respect to Federal employees, because I leave in the bill the phrase "except appropriations for national defense, fixed charges, and trust funds." I have been informed by the Senator from Virginia that the fixed charges cover the salaries of Federal employees, and my amendment does not change that in the slightest.

If the Senator will permit me for a moment, the course he should take, in my judgment, would be to permit the perfecting amendment to be agreed to, and then vote against the entire amendment as modified by the suggestion of the Senator from Kentucky.

My amendment merely perfects the amendment so that the President will be permitted to make a reduction of less than 10 percent if he desires to do so. The way the Senator from Kentucky amended the provision—and I know he did not intend it that way, it was merely that he had not read down through the latter part of the paragraph—it would have prevented the President from making a reduction unless it was at least of 10 percent in amount. But the fixed charges, which the Senator from Virginia and the Senator from Louisiana assure me cover the matter of public salaries, is not changed in any way by my amendment.

Mr. McCARRAN. Let me ask the Senator from Michigan a question. The Senator has very kindly advised me to vote for his proposal, and then vote against the whole amendment. Is the Senator intending to vote against the whole amendment?

Mr. BROWN. I will vote for the amendment, because I do not think we can adopt the Byrd amendment. I tried to have it adopted a few moments ago, but I was unable to do so.

Mr. McCARRAN. That is what I thought, and I was wondering why the Senator was giving me the advice to vote against the Byrd amendment, but to vote for this amendment.

Mr. BROWN. Because I think the Senator wants to vote for the amendment, and I think we do not want to adopt an amendment that will result in preventing the President from making a reduction unless it is at least 10 percent.

Mr. McCARRAN. My judgment—and it is based on my experience of 7 years on the Committee on Appropriations—is that Congress should make the reductions by its own act, and not pass the matter up to the President, because Congress holds the purse strings of the people; Congress exacts taxes, and Congress expends the money. If we wish to reduce salaries, let us be courageous enough to reduce them, and not pass it on to the President, and then say to our constituents, "I am sorry, but the President did this."

Mr. BROWN. I seek merely to perfect the amendment.

Mr. O'MAHONEY. Mr. President, will the Senator from Nevada yield?

Mr. McCARRAN. I yield.

Mr. O'MAHONEY. I wanted to add just a word to what the Senator from Nevada has said about the effect of the amendment upon the reduction of salaries. I think the Senator from Michigan has overlooked the effect of the holding by the Treasury Department to which the Senator from Virginia referred.

It is true that salaries fixed by law are fixed charges, and it is probably true that the adoption of this amendment would not permit the reduction of a $2,400 salary by any sum whatsoever upon the annual basis, but the amendment would permit the effective reduction of salaries by furlough. All that would be necessary would be to furlough an employee for 2 weeks, 3 weeks, or a month. His rate of salary would not be reduced, but his effective compensation would be reduced, because his work would be cut down.

Mr. BROWN. Granting all the Senator says to be true, and I take it to be true, my amendment would not in any way change that situation.

Mr. O'MAHONEY. It would not change the situation, but it would not save the situation about which the Senator from Nevada is arguing.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Michigan. [Putting the question to the committee amendment, as amended.]

The Chair is in doubt.

Mr. HARRISON. I ask for a division.

On a division, the amendment to the committee amendment was rejected.

Mr. TYDINGS. Mr. President, I offer as a substitute for the pending amendment the following:

SECTION 403. The President is hereby authorized and directed to reduce appropriations for the Executive Branch of the Government for the fiscal year ending June 30, 1941 (except appropriations for national defense, fixed charges, and trust funds), in such manner that the total amount of such reductions shall not be less than 5 percent of the total amount of the appropriations affected. Such reductions in appropriations shall be impounded and returned to the Treasury.

I ask for the yeas and nays.

The yeas and nays were ordered, and the Chief Clerk proceeded to call the roll.

Mr. CHANDLER (when his name was called). I have a general pair with the Senator from Pennsylvania [Mr. DAVIS], who is unavoidably detained on important business. Not knowing how he would vote, I withhold my vote. If at liberty to vote, I should vote "yea."

Mr. HOLMAN (when his name was called). I have a general pair with the junior Senator from Tennessee [Mr. STEWART]. I am advised that if present he would vote "nay." If at liberty to vote I should vote "yea."

Mr. SHIPSTEAD (when his name was called). Making the same announcement as to my pair as before, I am informed that the senior Senator from Virginia [Mr. GLASS] if present would vote "yea." If permitted to vote, I should vote "nay."

The roll call was concluded.

Mr. MINTON. I announce that the Senator from North Carolina [Mr. BAILEY], the Senator from Washington [Mr. BONE], the Senator from Virginia [Mr. GLASS], the Senator from Georgia [Mr. RUSSELL], the Senator from New Jersey [Mr. SMATHERS], the Senator from Tennessee [Mr. STEWART], and the Senator from Montana [Mr. WHEELER] are necessarily detained from the Senate.

The Senator from New Jersey [Mr. SMATHERS] has a general pair with the Senator from Michigan [Mr. VANDENBERG].

Mr. AUSTIN. I announce the pair of the Senator from Vermont [Mr. GIBSON] with the Senator from Montana [Mr. WHEELER]. If present the Senator from Vermont would

vote "yea" and the Senator from Montana [Mr. WHEELER] would vote "nay."

The Senator from North Dakota [Mr. FRAZIER] and the Senator from Vermont [Mr. GIBSON] are necessarily absent.

The Senator from New Jersey [Mr. BARBOUR] is absent on official duties.

The result was announced—yeas 33, nays 47, as follows:

YEAS—33

Ashurst	Donahey	Lodge	Tobey
Austin	George	Lucas	Townsend
Bridges	Gerry	McNary	Tydings
Brown	Gillette	Overton	Van Nuys
Burke	Gurney	Radcliffe	Walsh
Byrd	Hale	Reed	White
Capper	Harrison	Smith	
Clark, Mo.	Hatch	Taft	
Danaher	Holt	Thomas, Idaho	

NAYS—47

Adams	Ellender	McCarran	Pittman
Andrews	Green	McKellar	Reynolds
Bankhead	Guffey	Maloney	Schwartz
Barkley	Hayden	Mead	Schwellenbach
Bilbo	Herring	Miller	Sheppard
Bulow	Hill	Minton	Slattery
Byrnes	Hughes	Murray	Thomas, Okla.
Caraway	Johnson, Colo.	Neely	Thomas, Utah
Chavez	King	Norris	Truman
Clark, Idaho	La Follette	Nye	Wagner
Connally	Lee	O'Mahoney	Wiley
Downey	Lundeen	Pepper	

NOT VOTING—16

Bailey	Davis	Holman	Smathers
Barbour	Frazier	Johnson, Calif.	Stewart
Bone	Gibson	Russell	Vandenberg
Chandler	Glass	Shipstead	Wheeler

So the amendment of Mr. TYDINGS in the nature of a substitute for the committee amendment, as amended, was rejected.

GRANT OF EASEMENT TO CITY OF FARGO, N. DAK.

The PRESIDING OFFICER (Mr. Ellender in the chair) laid before the Senate the amendments of the House of Representatives to the bill (S. 2059) authorizing a grant to the city of Fargo, N. Dak., of an easement in connection with the construction of water and sewer systems, which were, on page 2, line 4, to strike out all after "meridian;" down to and including "acres" in line 9 and insert "thence north along the north and south quarter line 75 feet to a point; thence east parallel to the east and west quarter line 880 feet to a point; thence south 720 feet to a point; thence west parallel to the east and west quarter line 880 feet to a point on the north and south quarter line; thence north along the north and south quarter line 645 feet to the point of beginning, containing 14.55 acres, more or less"; and on page 2, line 15, to strike out all after "Mitchell." down to and including "land." in line 20.

Mr. NYE. Mr. President, I move that the Senate concur in the amendments of the House.

The motion was agreed to.

HARRIETT BOSWELL, GUARDIAN OF BETTY FISHER—VETO MESSAGE (S. DOC. NO. 221)

The PRESIDING OFFICER laid before the Senate the following message from the President of the United States which was read, and, with the accompanying bill, referred to the Committee on Claims and ordered to be printed:

To the United States Senate:

I return herewith, without my approval, the bill S. 1024, "for the relief of Harriett Boswell, guardian of Betty Fisher."

The bill provides payment to Harriett Boswell, guardian of Betty Fisher, of the sum of $2,500 in settlement of any claim of the guardian against the United States for personal injuries to Betty Fisher on January 21, 1937, as the result of an accident in connection with the operation by the Soil Conservation Service of a United States Government truck.

The records available indicate that as a result of the accident Miss Fisher was cut on the right hand and forearm and that her nose was injured; that the cuts on her forearm and hand have healed, and that while there is some slight deformity of her nose, due to the injuries sustained, her physician indicates that this condition can be removed. Moreover, that the medical expenses incurred in connection with this injury were only $16.50.

It appears, therefore, that the proposed payment of $2,500 is excessive in view of the injuries sustained, for which reason I do not feel justified in approving the bill. I would not withhold my approval from a bill which would provide payment of an amount more commensurate with the injuries sustained in this case.

FRANKLIN D. ROOSEVELT.

THE WHITE HOUSE, *June 18, 1940.*

APPROPRIATIONS FOR CIVIL FUNCTIONS OF WAR DEPARTMENT—CONFERENCE REPORT

Mr. THOMAS of Oklahoma submitted the following report:

The Committee of Conference on the disagreeing votes of the two Houses on certain amendments of the Senate and amendments of the House to certain amendments of the Senate to the bill (H. R. 8668) making appropriations for the fiscal year ending June 30, 1941, for civil functions administered by the War Department, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendments numbered 3, 4, 5, 6, 8, and 11.

Amendment numbered 21: That the Senate recede from its disagreement to the amendment of the House to the amendment of the Senate numbered 21, and agree to the same.

Amendment numbered 22: That the Senate recede from its disagreement to the amendment of the House to the amendment of the Senate numbered 22, and agree to the same.

ELMER THOMAS,
CARL HAYDEN,
JNO. H. OVERTON,
RICHARD B. RUSSELL,
MORRIS SHEPPARD,
JOHN G. TOWNSEND, Jr.,
STYLES BRIDGES,
Managers on the part of the Senate.

J. BUELL SNYDER,
DAVID D. TERRY,
JOE STARNES,
ROSS A. COLLINS,
JOHN H. KERR,
D. LANE POWERS,
ALBERT J. ENGEL,
FRANCIS CASE,
Managers on the part of the House.

Mr. LA FOLLETTE. Mr. President, will the Senator explain the report?

Mr. THOMAS of Oklahoma. This is the second report which has been presented by the conference committee. On a former occasion a partial report was accepted.

The items in controversy related to authorizations. The authorizations were presented to the House and rejected; so the Senate conferees could do nothing but accept the verdict of the House.

There were six amendments. Each one authorized the construction of certain flood-control works. One related to the Arkansas and White River Basins in Oklahoma and Arkansas. It was rejected, and the Senate conferees receded. Another related to work at East Hartford, Conn. The Senate conferees receded and accepted the House verdict. Another related to flood-control work at Prattville, Ala. The Senate conferees had to recede. Another related to flood-control work on the Sacramento River in California. The Senate conferees receded. Likewise, with respect to the Savannah River and Clark Hill Reservoir projects in Alabama and Georgia, respectively, the Senate conferees had to recede, because the House had put the items to a vote, and they were rejected by a vote of 5 or 6 to 1, and the House conferees were adamant. There was nothing left for the Senate conferees to do but to recede.

The PRESIDING OFFICER. Is there objection to the consideration of the conference report? The Chair hears none. The question is on agreeing to the report.

The report was agreed to.

REVENUE BILL OF 1940

The Senate resumed the consideration of the bill (H. R. 10039) to provide for the expenses of national preparedness

by raising revenue and issuing bonds, to provide a method for paying for such bonds, and for other purposes.

Mr. TYDINGS. Mr. President, I shall offer another substitute, calling for a 3-percent saving. It would save only about $150,000,000. That represents about $5 a family, but it would save $150,000,000 of unnecessary new taxation.

I should like to speak for 4 or 5 minutes.

What have we heard in the Senate for the past 4 or 5 weeks? "Stop Hitler! This country is faced with a great emergency. We must sell planes!" We have heard many similar statements during the past 4 or 5 weeks. They have not come from one or two sources. They have come from many sources and have been reflected in a score of bills. Yet today, after the defeat of the amendment of the Senator from Virginia [Mr. BYRD], we are $600,000,000 short of paying for our peacetime routine expenditures, before we appropriate or spend a cent for the Army or the Navy for the past 10 years, the present or the future.

Are we faced with an emergency, or are we not? When Members of Congress go before their constituents as candidates this fall, who supposes that the voters will applaud the kind of false economy represented by the vote not to reduce peacetime expenditures in the light of the emergency which has been pictured on this floor?

The average deficit for the past 10 years has been $2,700,000,000 a year. The average expense for the Army and Navy has been $1,100,000,000 a year. That leaves a deficit of $1,600,000,000 for civil expenditures alone, without considering a cent during the past 10 years for the Army or the Navy.

The bill now before us will raise only $1,000,000,000 of revenue. Therefore, we are $600,000,000 short of sufficient money to pay for our annual peacetime expenditures, even with the bill; and yet the Senate will not vote for a cent of economy, and is going home. The Democratic Party is going before the country in that situation, expecting to be returned to power as these unfolding events—and they will unfold rapidly—overtake the consciousness of the country.

Either there is an emergency or there is not an emergency. If we must have clouds of planes, universal military training, an Army of four or five hundred thousand men, with new equipment for everybody, 83 more new battleships, for which we shall be requested to appropriate in a few days, destroyers, submarines, and new defensive weapons; if the French fleet is important; if the British fleet is important; if the Monroe Doctrine is important; if Red Cross ships are important—if all these emergencies are important, is it not possible that with all the dire events facing this body we can, by economy or new taxation at least, pay the ordinary peacetime expenditures of the Government? Even if we adopt this amendment it will save only $150,000,000, and then we shall be $450,000,000 short of paying the peacetime costs of operating the Government, without a dollar going for the Army or Navy.

That is the picture.

Let me repeat it. The average deficit per year for the past 10 years has been $2,700,000,000. During the past 10 years we have spent an average of $1,100,000,000 a year on the Army and Navy. So if we subtract all the Army and Navy costs from the annual deficit we have a figure of $1,600,000,000 a year by which revenues fail to meet expenditures for the ordinary civil, routine, everyday expenses of the Government from 1930 down to date; and we are going into this terrible emergency, with Hitler shooting in both windows and Mussolini shooting in both doors, without even paying for our routine governmental costs. And this is democracy. Just as England and France failed to prepare for the great attack made upon them, and are now paying in blood, so we are going to be too late, and it will be said that we provided too little.

Either this is an emergency or it is not. We have just appropriated four or five billion dollars for national defense, and there is no need to worry about anything.

Mr. WILEY. Mr. President, will the Senator yield for a moment?

Mr. TYDINGS. Yes; I now yield to the Senator from Wisconsin.

Mr. WILEY. When the amendment known as the Byrd amendment first was suggested, I thought it was an amendment along the line the Senator had heretofore suggested; namely, that every agency in the Government was going to come forward and say, "We are ready to do our part." But this amendment, and the one on which the Senator is speaking, merely propose a cut in the executive branch. How would it look in the country for us in the legislative branch to say to the country, "We want our $10,000 a year unimpaired."

Mr. TYDINGS. Let me say to the Senator that we will pay. I am ready to take a cut, but the philosophy of this bill is to increase taxes; and the Senator will find that his taxes will be considerably higher under this bill than they were last year.

Mr. WILEY. I appreciate that.

Mr. TYDINGS. But I am willing to take still more of a tax. That, however, is not the question now before us.

Mr. WILEY. No; but let me finish my statement.

Mr. TYDINGS. Certainly.

Mr. WILEY. Mr. President, I desire to say that the people of the country are not looking for us to do a piece of penny-ante business here. They want us to do something worth while. The $150,000,000 we talk about is not a drop in the bucket, as the Senator has suggested. He has been doing a great job here in the past few weeks in calling the attention of the country to the need for retrenchment.

I understood——

Mr. TYDINGS. Mr. President, I yield for a question, but I do not want to take much time now.

Mr. WILEY. I understood that we were not going to adjourn, and that a real bill was going to be worked out which would include retrenchment along the whole line as well as additional taxes.

Mr. TYDINGS. Let me say that I myself have sensed every emotion that I have heard uttered on this floor. I have kept quiet about some of them, but I have sensed the pity and the sadness and the regret over recent tragic occurrences which I know are felt all over parts of Europe tonight. I have been absolutely astounded, however, by what it is proposed that we shall do to guard against similar tragedies in this country: "We need clouds of planes. We must have a navy second to none. We must have a navy in each ocean. Japan and Russia and Italy and Germany may combine against us. We need planes, diving Stukas. London will starve," and what not. What good are all those words without the money in the Treasury of the United States to back them up? That is the first line of defense; for without money, at least in a democracy, it is impossible to provide defense. We have not the money, and we are not even ready to tax the American people enough to pay for our everyday, routine, ordinary expenditures of government, without a cent going for the Army and the Navy for the past 10 years.

Mr. GUFFEY. Mr. President, will the Senator yield?

Mr. TYDINGS. I yield.

Mr. GUFFEY. If my memory correctly serves me, yesterday the Senator from Maryland voted against increasing the revenue from blended and rectified liquors. Is that correct?

Mr. TYDINGS. How much was involved?

Mr. GUFFEY. Four or five million dollars; and today the Senator wants to take it out of the officeholders.

Mr. TYDINGS. Let me say to the Senator that I do not have to vote for every tax that every damn fool brings in here. [Laughter.]

Mr. GUFFEY. No; but the Senator ought to vote for pure liquor.

Mr. TYDINGS. Yes; but let me say to the Senator that if his mentality is such that he feels that any tax suggested should be swallowed without any criticism, he ought not to be in this body. Let me furthermore say to the Senator that a great many people are likely to miss the boat on these reductions. The people of the country know that we have been making large expenditures. They know that we have borrowed against the future. They know that we are now faced with a great emergency, and they are expecting Congress to act, to do the things it can do.

We cannot make guns. We cannot provide trucks. We cannot make planes. We cannot build battleships. There are things we can do, however, and ought to do, before we criticize the "fifth column" or anybody else in this Nation; and one of them is that we ought to pay for the peacetime expenditures of the Government before we go home, or none of us ought to come back here any more.

Mr. LODGE. Mr. President, will the Senator yield?

Mr. TYDINGS. Yes; I yield.

Mr. LODGE. I should like to ask the Senator from Maryland whether his proposal is so drawn that the proceeds of this tax will be earmarked for the national defense.

Mr. TYDINGS. Mr. President, that is a sham and a delusion, for this reason: What is the use of having two deficits? If we earmark this tax for defense expenditures it will only pay a part of them, and we shall have a national-defense expenditure deficit in one set of books, and we shall have another deficit for the routine expenditures of the regular Government in another set of books. All we shall do will be to have two deficits instead of one.

This bill will not pay for national defense. It will not even pay for the ordinary peacetime routine expenses of the Government for a single year since June 30, 1930, down to this very second.

Mr. CLARK of Missouri. Mr. President, will the Senator yield?

Mr. TYDINGS. I yield to the Senator from Missouri.

Mr. CLARK of Missouri. I should like to call attention to the fact that it was in evidence from the Treasury Department officials that if we were entirely to transfer every item of expenditure—not only the extraordinary expenditures which have been authorized in the past 2 or 3 weeks, but every penny of the ordinary expenditures of the Government for military and naval support—to an entirely separate budget, and enact this bill, there would still be left a deficit of $1,090,000,000 in the ordinary civil expenditures of the Government.

Mr. TYDINGS. Mr. President, for four Mondays, with charts on the wall, with figures from the Treasury Department, with letters that high [indicating], this state of affairs has been shown.

The average annual expenditures for the past 10 years have been $7,300,000,000. The average annual receipts for the past 10 years have been $4,600,000,000. That is, for each and every one of the past 10 years we have spent $2,700,000,000 that we did not have. The average annual expenditures for the Army and the Navy together have been $1,100,000,000 for each of the past 10 years. So, if we subtract all of the average annual expenditures for the Army and Navy from the average annual deficit for each of the past 10 years, we have $1,600,000,000 of every-day, routine, ordinary expenses that we have not provided for a single year since 1930, without providing a single cent for the Army and Navy; and no one on this floor will dispute those figures. If there is anyone who wants to dispute them, let him rise.

Mr. HARRISON. Mr. President——

Mr. TYDINGS. I yield to the Senator.

Mr. HARRISON. I was wondering if we could not bring this debate to a close.

Mr. TYDINGS. No; I will not yield for that purpose now, I will say to my good friend the Senator from Mississippi, but I shall not be long. I want to finish what I have on my mind and get it out.

Mr. HARRISON. Let me say what I was about to say.

Mr. TYDINGS. I would rather the Senator would not, unless he wants me to talk longer than I had expected to talk.

Mr. HARRISON. No; I do not want the Senator to do that.

Mr. TYDINGS. What I want to know is, are we confronted with an emergency or are we not? Do we need a bigger Navy? Do we need a bigger Army? Is there danger that we may be invaded? Do we need 100,000 or 50,000 planes? Do we need to take our boys and send them up in the air at the risk of their lives? What are we doing here, Members of the great Senate and House of Representatives of the United States, in the midst of all this so-called emergency, in the midst of inducing young men to go aloft and risk their lives, preparing them for war, if we will not even provide for the ordinary, routine, peacetime expenditures of the Government? And we are going home to be elected on that platform. Wait until the people talk. I live a little closer to my constituents than many gentlemen in Congress do. You are not fooling anyone by this. The people of this country know that Congress is lying down on the job. They are not doing their part. They are talking a hell of a lot, but not performing very much.

Perhaps men will go out, if some of these dire predictions come true, to die, that is all, just to die, to drop from a height of 1, 2, or 3 miles, with blood streaming from their hearts, just conscious enough to know they have but a few seconds left to live and to utter a little prayer before the crash comes. Men are now going down in submarines; they are out on patrol in the storms, in old destroyers which have been reconditioned, far out at sea. Others are tense in other positions of national defense. We are debating how we can get enough men to bring our Army up to 400,000.

Mr. WALSH. I suggest to the Senator not to forget to include the fact that nearly all these men in submarines and airplanes are getting from $21 to $30 a month.

Mr. TYDINGS. Yes, from $21 to $30 a month, and the men we will draft when we get into an emergency will serve for a dollar a day, and they will march forward at the command of their officers, or the generals, or the G. H. Q. They will march forward perhaps with the shells exploding all around them, and perhaps with comrades to the right and left dying.

I do not say these things will happen, and no one hopes more than I do that they will not happen. But the world today is not the world of 6 months ago, or a year ago, or 2 years ago, and have we not enough examples of procrastination, of the evils of democratic government, of the lack of leadership in the drama, the bloody story that is now having its final chapter written on the fields of France, and is now about to be written all over again on the islands of Great Britain?

Too late! Too late! Wait! Let us get elected!

There would have been no German Army if the generals had had their way. The generals wanted to march into the Rhineland, but the Premier of France, who was a Senator and up for reelection, told his generals not to march. It was not a popular issue.

There is no emergency? I am very glad that we can inform the people of the United States that the Congress thinks the emergency is so minor that it is not necessary even to pay as we go for the routine expenses of the Government.

Mr. ASHURST. Mr. President, will the Senator yield?

Mr. TYDINGS. I yield.

Mr. ASHURST. Will the able Senator be kind enough to permit me in all humility to suggest to him that he withdraw the phrase "the evils of democracy," and say instead "The vice of those who champion a democratic form of government is that they frequently talk of their privileges but seldom of their duties?" Will the Senator accept that?

Mr. TYDINGS. I will, and I think it is a gem, because that is what men always do in a democracy, insist on their privileges and shrink from their duties; and they are not all out of Congress, if I may be permitted to judge by recent observations and results.

If there is no emergency, if there is nothing to worry about, if we do not have to economize, if there is no limit to the debt, if people want all of this national defense for nothing, then why bother our heads about it? But we cannot bring ourselves to realize that right here and now, day by day, we are leaving the financial "Maginot line" of the United States unfortified even while we yet have time to fortify it.

There is no use of my talking further. I am sorry my language was a little strong in one or two places, but I think the circumstances perhaps warranted it being a little out of the ordinary. Certainly we either have an emergency or we have not, and while I do not mean to convey this as a threat—it is not delivered for that purpose—I have a feeling that if we go away from this Capitol without providing

the revenue at least to pay for our peacetime expenditures, outside of anything for the Army and the Navy, there is going to be more trouble for a good many men than they can visualize at this long distance.

If I may have one moment more, I will yield the floor. As I suggest, the amendment will read as follows, and this is a substitute for the pending amendment:

SEC. 403. The President is hereby authorized and directed to reduce appropriations for the executive branch of the Government for the fiscal year ending June 30, 1941 (except appropriations for national defense, fixed charges, and trust funds), in such manner that the total amount of such reductions shall not be less than 3 percent of the total amount of the appropriation affected. Such reductions in appropriations shall be impounded and returned to the Treasury.

Mr. SHIPSTEAD. Mr. President, I stated earlier in the afternoon that this provision giving power to effect a total of 10 percent in reductions in all appropriations, total appropriations, would make it possible for the Bureau of the Budget to rewrite appropriation bills, and would make it possible to withhold public funds to the extent of 100 percent of the funds appropriated. I am not saying that the Budget would do that, but here is a theory of legislation which, to me, is repugnant. It is a delegation of power from the legislature to the executive and the Budget Bureau, which is a part of the executive department, that is worthy of the kind of governments which men are dying to destroy.

The Senator from Virginia is to be commended for his drive for economy, as is the Senator from Maryland. A reduction of 10 percent, if it can be accomplished by some other method, is to be commended, and I will vote for it, if in this emergency no other way can be found than to do it through this method of a delegation of power of this character. We may have to vote for it, although I think it is a repudiation of the things against which we are arming to defend our country.

Mr. BARKLEY. Mr. President, I hesitate to take any time of the Senate at this moment, but I feel that I would be negligent in my duty to the Senate if I did not at least take note, in disapproval, of some of the remarks made by my good friend the Senator from Maryland [Mr. TYDINGS].

I do not believe it is incumbent upon any Member of this body from any State to announce in advance that any Member of this body from any other State is unworthy of being returned here if he does not cast votes which happen to coincide with the views of Senators from other States.

The Senator from Maryland has announced that Congress has lain down on the job. I deny that. I deny that it is lying down on the job now. Congress has responded to every request made by the executive department for money and authority to prepare this Nation for its defense. So far as I know, and so far as any of us know, Congress has responded and is responding now to every demand of the American people for authority and money to prepare for our national defense.

Mr. LODGE. Mr. President, will the Senator yield?

Mr. BARKLEY. I yield for a question.

Mr. LODGE. Does the Senator think that Congress has responded to the obvious need for increasing the manpower of the Army?

Mr. BARKLEY. Oh, well, I do not intend to enter into a discussion of the size of the Army; but I think Congress has up to now responded, so far as we can see into the future, and so far as the War Department and the other departments, and those who are in charge of that matter, have requested. I do not care to get into a debate on the size of the Army, but I insist that Congress has responded and is now responding in a magnificent way, and in a way which I think has the approval of the American people in this great emergency.

Mr. LODGE. Does the Senator——

Mr. BARKLEY. I do not yield any further on that subject.

Mr. LODGE. The Senator made a statement.

Mr. BARKLEY. I know I did, and I will make a few more. I am willing to vote for increased taxes. Not only shall I vote for the billion dollars and more to be raised under this bill, but I shall vote for a $300,000,000 or $400,000,000 increase in revenue, and I may go as high as five hundred million. But no Senator, including the Senator from Maryland, has offered to raise the revenue to that figure.

Mr. TYDINGS. Mr. President, the Senator is wrong in that statement. I took the floor and offered an amendment providing for an increase of $400,000,000, but the Senator from Kentucky, who is a member of the Finance Committee, has not offered an amendment providing for an increase of a single cent, and he is the leader of the majority in the Senate.

Mr. BARKLEY. The Senator from Kentucky has not offered an amendment for an increase of a single cent and has not any in contemplation.

Mr. TYDINGS. The Senator should not say that I have not offered any amendment calling for an increase in taxes, because I have.

Mr. BARKLEY. The Senator has. I apologize to him.

Mr. TYDINGS. I accept the apology.

Mr. BARKLEY. I was not aware that he had offered an amendment on the Senate floor. If he has, we will pass on it when we come to it. But suppose we can save $150,000,000 by this direction and command to the President of the United States to reduce even 3 percent; from what source is it to come? Does anyone know? Not only must we build guns, and tanks, and airplanes, and provide munitions, but in our preparation for the defense of our country we cannot ignore the spiritual and the moral equations which enter into the preparation of a nation to defend its institutions.

The amount of money to be saved here, $150,000,000, will be covered back into the Treasury. Not a dime of it will go into airplanes or into tanks or into munitions, unless Congress hereafter appropriates that money and directs that it shall be expended for that purpose. The President of the United States has not asked us to do it. The War Department has not asked us to do it. The Navy Department has not asked us to do it. The Appropriations Committee has not asked us to do it, nor has the Naval Affairs Committee or the Military Affairs Committee asked us to do it.

I am unwilling to make a gesture here toward preparedness for the defense of our country by saying to the unfortunate men and women who today rely upon a generous Government for the means of making an honest living, "We will build more airplanes and more tanks and more rifles by taking food out of your mouths and clothes off your backs and shelters from over your bodies."

I am not willing to say to our Nation and to those who are working for it, "We are willing to build navies and armies and airplanes and munitions of war and tanks of all sorts by reducing your salary and taking out of the pittance you are now drawing some of that which is so necessary in order that you may keep body and soul alive."

I am willing to vote for every appropriation necessary to fill the skies with airplanes, to cover the ground with tanks, to fill the ocean with ships, if necessary, but I want to do it by taking the revenue from those who are able to pay it, from those who are able to bear the burden, and not press down more unjustly upon those who are the unfortunate part of our people.

We cannot save 10 percent, we cannot save 5 percent, we cannot even save 3 percent, as proposed by the Senator from Maryland, without taking the larger part of it from these to whom I have referred.

My objection to the amendment is the same as my objection to the other amendment the Senator from Maryland offered awhile ago. It is the same objection I have had to the 10-percent amendment which was suggested originally by the Senator from Virginia.

Mr. President, we have appropriated this money. If it should not have been appropriated when the measures were passed by the Senate, we should have reduced the amounts here on the floor of the Senate. We should have had the intelligence and the courage to reduce them when the bills

were before us. The agricultural appropriation bill, the legislative appropriation bill, the Interior Department bill—all these appropriations came before us separately in bills reported by the Committee on Appropriations. We did not reduce the amounts carried in those measures, but on the whole we increased them by some slight additions on the floor of the Senate.

Mr. BYRD. Mr. President, will the Senator yield?

Mr. BARKLEY. I yield.

Mr. BYRD. The Senator from Kentucky objects to giving the President the power to reduce these appropriations. Will the Senator accept an amendment directing the Appropriations Committee to reduce the appropriations made for non-defense purposes by 10 percent?

Mr. BARKLEY. I will meet that situation when it arises.

Mr. BYRD. The Senator will have a chance to meet it when I offer the amendment to the bill.

Mr. BARKLEY. I will meet it in the way that appeals to my judgment when the time comes to act upon it. I am not going to foreclose myself by saying that I shall vote to instruct the Appropriations Committee to make a horizontal reduction of 10 percent, which was what the Senator from Virginia wanted when he suggested the amendment to the bill.

Mr. BYRD. Will the Senator again yield?

Mr. BARKLEY. I yield.

Mr. BYRD. Will the Democratic leader of the Senate suggest how he will reduce the appropriations and divert them to the purposes of national defense?

Mr. BARKLEY. I will cross that bridge when I come to it. I have no blueprint by which I can say how much I would reduce the appropriations if I had authority to do so.

Mr. BYRD. The Senator passes on every suggestion that is made for reductions.

Mr. BARKLEY. I pass on the suggestions according to the way they appeal to my judgment, and the suggestion made by the Senator from Virginia, for whom I have the greatest respect and admiration, as he knows, does not appeal to my judgment.

I am not speaking simply because I am the majority leader; I would make the same speech if I did not occupy the position in which I am honored by my colleagues here. If we were not satisfied with the appropriations which have been made, if we thought they should not have been made—and they have been before us during the last 3 or 4 weeks one at a time, and we have considered them item by item in the Senate of the United States—when they were under consideration we should have had the courage to reduce them. We have passed the bills, and most of them have been sent to the President. It is now proposed that we shall say to the President, "We command you to do what we did not have sense or courage enough to do ourselves—reduce these appropriations by 3 percent. or 5 percent, or 10 percent."

Mr. President, not an airplane will be built, not a tank will be constructed, not a single rifle will be made or used, because of the adoption of the proposed amendment. Whenever Congress is asked to appropriate more money or raise more revenue, I shall be ready to perform my duty, but I do not believe that after we have done our duty as we have seen fit to do it, we should be asked to direct the President to undo what we have done and that if we fail to do so, we should be considered to be unworthy and lying down on the job.

Mr. President, I am opposed to the amendment for the same reasons which led me to oppose the previous amendments, and I hope that in the Senator's discussion of this important subject—I realize his sincerity in discussing it; I realize the intelligent grasp he has of it—he will not take it upon himself to condemn the Congress of the United States as unworthy, and hold before it a sort of mirage of an election or of a defeat at the polls in order that we may be induced to vote one way or the other. I am, to the fullest extent of which I am capable of doing so, trying to forget the election in November. This is not a partisan matter. It makes no difference whether anyone is returned to the United States Senate or not. I am unwilling that this body should be condemned by wholesale to oblivion or to obloquy in the eyes of the people of the United States simply because all of us do not happen to agree with some other Member of the Senate with respect to the performance of our duty.

Mr. President, I have faith in the Senate of the United States. I have faith in the House of Representatives. I have faith in the Congress as a whole. I have faith in the President of the United States—unbounded and unlimited faith. I have faith in our Government. No matter how much we may differ with respect to details, our Government will survive, our democracy will survive; it will march on, and it will hold aloft the light to the other nations of the world, as it has done for a century and a half, in spite of the dark clouds which appear on the horizon and now lower over us.

Let us do our duty as we see it, with the wisdom that Almighty God bestows upon us. Let us do our duty each day as we see it, and let us forget what may happen in November, or in some other election year which we may face in the future.

Mr. TYDINGS. Mr. President, I will try not to detain the Senate much longer, because I realize the hour is late.

I would be less than sincere, and I say this with no personal reflection upon anyone, if I did not reiterate my view, namely, that the Congress of the United States, at least as I see it, for whatever that is worth, does not seem to be measuring up to the grim responsibilities of this hour.

Let me for a moment, in the best of faith, show the hypocrisy of this tax bill. Normally, the Government takes in about $6,000,000,000 a year. Of that amount, all the corporations in the country and all the income-tax payers in the country contribute roughly about $2,500,000,000 together. Where does the other $3,500,000,000 come from? Does it come from the corporations? No. Does it come from the income-tax payers? No. It comes out of the sweat and toil of the poor people of whom the Senator spoke when he said he did not want to take the clothes off their backs, the roofs from over their heads, and the bread out of their mouths. There is no surer way to do that than by unnecessary taxation.

Only the other day I called attention to the report of the Secretary of the Treasury for the year 1937. In that year the cost of Government, local, State, and Federal, was $18,000,000,000. How much was the income? About $60,000,000,000. Nearly 30 percent, or, as the Senator from Massachusetts said, nearly $1 out of every three, goes into the treasuries of the various governments in order to meet the tax bill.

Who pays the major part of our Federal receipts? The rich, and the corporations? Oh, no. The major part of the money we collect in taxes comes out of the toil of every cotton farmer, every tobacco farmer, every coal miner, and every driver of a truck. The poor of this Nation pay the major part of the taxes.

What have we done in the present bill in the interest of the poor? We have put excise tax on top of excise tax. We have raised the gasoline tax from a cent to a cent and a half. We have raised the amusement taxes and various other taxes. I am not here criticizing those taxes. I see that they are necessary, because in our good years we would not face the inevitable thing which is now coming on us by leaps and bounds. Taxation is the cruelest way to take the roof from over the head of a poor man, or the clothes from his back, or the food from his mouth. It cuts down his consuming power. It takes from him money which he has earned.

Let me illustrate with a mere package of cigarettes, such as are smoked by nearly every workingman in the country. The little revenue stamp represents a tax of 6 cents collected by the Government of the United States. Let us assume that the average man smokes nearly a package a day, or 300 packages a year. Three hundred times 6 cents is $18. If the man is a carpenter making $4.50 a day he must go out and work 4 long days out of the year, not for bread for his

family, not for a roof over his family's head, not for clothing for his family, but to pay the Federal Government his cigarette tax for that year.

What are we doing? Are we making it less probable that he will have to pay more? No; we are not even attempting in this grim emergency to pay the cost of our routine expenditures of government, without a dollar going for the Army or Navy, past, present, or future. In the face of that situation, and without meaning to reflect on any one, as I see it, Congress is not meeting its responsibilities. I do not believe the country thinks it is meeting its responsibilities, and I reiterate that I do not think it is meeting its responsibilites. Whoever does not like that statement will have to put up with it.

Yes; let us take all the money from the well-to-do. Let us take every cent of income from every person who has an income of $100,000 a year or more. How much would we get? If we were to take it all we should get $960,000,000, which is not one-tenth of what we have spent in each of the past 2 years. All we are doing is reducing wages by accumulating debt which will have to be paid for not by the rich, because there are not enough of them, but by the toil of the poor people of the country. It cannot be said that we are taking care of the poor when we do not eliminate every possible cent of expense.

Who pays the salary of a Senator? Who pays the salary of the President, and the salaries of all the other officials of the Government? Every coal miner in Pennsylvania, every fisherman in Maine, every farmer in Kansas. Those are the types of people who are paying the major part of the taxes of the Government.

With Hitler on one doorstep and Mussolini on the other, with all sorts of possible combinations of nations, with billions of dollars of new expenditures, with the Army increased, with the Navy increased, with talk of universal military training, the Congress of the United States intended to adjourn next Saturday, and go home and stay there for the rest of the year! Is not that true? Was not the Congress going home next Saturday?

If this emergency is one-hundredth as great as it has been represented to be, what Senator will rise on this floor and say that the Congress ought to go home for 6 months? I reiterate that Congress is not meeting the issue of this dark hour.

I know that the same thing happened in France. The same thing happened in Great Britain. Men talked of democracy. They talked of the priceless heritage they had. They tried to keep democracy alive with words instead of deeds. Democracy cannot live on words, any more than a human being can live on them. Democracy lives on bread; and the kind of bread it must bake is sometimes the bread of hardship, to prevent starvation.

I therefore feel, Mr. President, that we have a tremendously grave responsibility, and a scroll of unfinished work which is very long indeed. The whole tax structure ought to be revised from top to bottom. We ought to put our financial affairs in the best possible shape. The Treasury of the United States is our first line of national defense. We should all do our part, bear our share of the load, and then, when the enemy comes, we shall be ready to receive him in the manner in which we want him to be received.

Mr. O'MAHONEY. Mr. President, some of us who voted against the amendment offered by the Senator from Virginia and the substitute offered by the Senator from Maryland were prompted to do so because the amendment brought in by the committee in the first place and the amendment now offered by the Senator from Maryland represent a surrender of the legislative power. They give us no assurance whatever as to where the proposed cut will fall. If we were to adopt this amendment we should be voting blindly, without being able to report to our constituents where the reduction is to be made, and who will have to bear it.

It seems to me clear that at a time when all of us must be aware of the deficiencies of democracy, we cannot urge the failure of democracy as supporting a proposal to transfer from the legislative branch of the Government its fundamental power of expenditure. If there is any element whatever that characterizes the democratic form of government, it is that the representatives of the people, elected by the people, are the ones who shall say where the expenditures shall be made, for what purposes they shall be made, and by whom and in what form the taxes shall be levied.

Mr. BYRD. Mr. President, will the Senator yield?

Mr. O'MAHONEY. I am sorry the Senator from Maryland [Mr. TYDINGS] has left the floor, because I was about to ask him to consent to a substitute for the amendment he has offered. I yield to the Senator from Virginia.

Mr. BYRD. Would the Senator support an amendment directing the Appropriations Committee——

Mr. O'MAHONEY. Let me say to the Senator from Virginia that I have in my hand an amendment which I should like to offer as a substitute for the amendment offered by the Senator from Maryland, and which of course would also be a substitute for the amendment of the Senator from Virginia. Let me read it. It is based upon my conception that it is the legislative duty to make appropriations; that the House and the Senate have committees which have been appointed for the purpose of making appropriations and levying taxes. I am a member of the Appropriations Committee, and as a member of that committee I desire to say that I have attended the meetings of the Appropriations Committee, and I am able to testify that the great majority of the members appointed on that committee have diligently attempted to render efficient service. As a member of that committee I can testify that bill after bill has been brought upon this floor by the committee, and then its items have been increased on the floor. Let no one intimate that the Committee on Appropriations has not been diligent about its work. Let no one spread abroad through the United States the charge that at least that committee of the Senate has not endeavored to do its duty.

The amendment which I should like to ask the Senator from Maryland to accept as a substitute for his amendment—and I make this request because it would be out of order as an amendment in the third degree at the moment—reads as follows:

The Committees on Appropriations of the Senate and the House of Representatives are hereby directed to review the appropriation bills for the fiscal year ending June 30, 1941, and to report such amendments thereto as will effect a total reduction of $500,000,000 in the civil expenses of the Government.

Let me say that such an amendment will not be an abdication of legislative authority and duty. It will not be a shedding of responsibility. If we are sincerely inclined to make an effort to reduce the civil expenditures of the Government, the proper way to do it is for the Congress of the United States to do it through its committees appointed for the purpose.

Mr. McCARRAN. Mr. President, will the Senator yield for a question?

Mr. O'MAHONEY. I yield to the Senator from Nevada.

Mr. McCARRAN. The Senator is a member of the Appropriations Committee. I do not recall whether or not the Senator is a member of the subcommittee having to do with agriculture. I know he is a member of the subcommittee having to do with Interior Department appropriations. Does the Senator believe that in the time between now and the first of July, the first of the fiscal year, it would be at all possible so to review those appropriations as to change them?

Mr. O'MAHONEY. No; I do not think it would be possible to do it between now and the first of July.

Mr. McCARRAN. My understanding is that the amendment is applicable to the next fiscal year.

Mr. O'MAHONEY. Certainly; but the appropriations are made for the full 12 months, and I know no reason why the Congress of the United States could not pass a bill next month, or 2 months hence, reducing the expenditures for the fiscal year.

Mr. McCARRAN. That is, to have the Appropriations Committee hold hearings for a year hence?

Mr. O'MAHONEY. Not at all; for this fiscal year. The Congress of the United States could pass in order a bill which would reduce the appropriations remaining to be expended by the Department of Agriculture, let us say, or the Department of the Interior, during the fiscal year 1941.

Mr. McCARRAN. What would the Senator do with the commitments which must be made at the opening of the fiscal year?

Mr. O'MAHONEY. The committee would pass upon them. The committee would find its opportunity to do it; and the committee could do this just as well as the Executive could do it under the provision offered by the Senator.

Mr. McCARRAN. I agree with the last statement.

Mr. BYRNES, Mr. TYDINGS, and Mr. CLARK of Missouri addressed the Chair.

The PRESIDING OFFICER (Mr. HILL in the chair). Does the Senator from Wyoming yield; and, if so, to whom?

Mr. O'MAHONEY. I yield to the Senator from South Carolina.

Mr. BYRNES. Mr. President, I asked the Senator to yield in order that I might inquire of the chairman of the Finance Committee whether he intends to have the Senate remain in session much longer, because if the Senator from Wyoming should insist upon his amendment I should feel called upon to make a statement on the subject, much as I dislike to do so. I suggest that as it is now 6:30 o'clock, if we should take a recess now until tomorrow, in the calm consideration of the morning we might possibly be able to reach some agreement. It is evident that there will be considerable debate upon this question.

Mr. HARRISON. Mr. President, this is the only remaining provision in the Senate committee recommendations. I was hoping we could finish the measure tonight; but I appreciate that the Senate has been in session since 11 o'clock this morning. If this subject is going to create a prolonged discussion, I have no objection to our taking a recess now until tomorrow. I hope we may meet at 11 o'clock tomorrow, however.

I should like to have Senators understand that we will try to conclude the consideration of the tax bill tomorrow. Generous as Senators are with their speeches, I hope they will be generous enough to remain tomorrow until we can complete the consideration of the bill.

JOINT RESOLUTION INTRODUCED

Mr. PEPPER introduced a joint resolution (S. J. Res. 280) to confer upon the President full wartime powers to prepare and defend America, which was read twice by its title and referred to the Committee on Military Affairs.

REVENUE BILL OF 1940—AMENDMENTS

Mr. MEAD, Mr. McKELLAR, and Mr. O'MAHONEY each submitted an amendment intended to be proposed by them, respectively, to the bill (H. R. 10039) to provide for the expenses of national preparedness by raising revenue and issuing bonds, to provide a method for paying for such bonds, and for other purposes, which were severally ordered to lie on the table and to be printed.

EXECUTIVE SESSION

Mr. HARRISON. Mr. President, I move that the Senate proceed to the consideration of executive business.

The motion was agreed to, and the Senate proceeded to the consideration of executive business.

EXECUTIVE REPORTS OF COMMITTEES

Mr. BAILEY, from the Committee on Commerce, reported favorably the nominations of several officers for promotion in the Coast and Geodetic Survey.

Mr. BAILEY also, from the Committee on Commerce, reported favorably the following nominations in the Coast Guard:

Commander James Pine to be a captain, to rank as such from May 25, 1940;

Arthur E. Larsen, to be a chief boatswain; and

Harry F. Bradley, to be a chief machinist.

Mr. McKELLAR, from the Committee on Post Offices and Post Roads, reported favorably the nominations of sundry postmasters.

Mr. WALSH, from the Committee on Naval Affairs, reported favorably the nominations of several meritorious noncommissioned officers to be second lieutenants in the Marine Corps from the 20th day of June, 1940; and also the nominations of sundry citizens to be second lieutenants in the Marine Corps from the 25th day of June, 1940.

The PRESIDING OFFICER (Mr. HILL in the chair). If there be no further reports of committees, the clerk will state the nominations on the Executive Calendar.

THE JUDICIARY

The Chief Clerk read the nomination of Webster J. Oliver to be judge of the United States Customs Court.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

The Chief Clerk read the nomination of John C. Lehr to be United States attorney for the eastern district of Michigan.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

The Chief Clerk read the nomination of Otto F. Heine to be United States marshal for the district of Hawaii.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

POSTMASTERS

The Chief Clerk proceeded to read sundry nominations of postmasters.

Mr. McKELLAR. I ask unanimous consent that the nominations of postmasters be confirmed en bloc.

The PRESIDING OFFICER. Without objection, the nominations are confirmed en bloc.

That concludes the calendar.

RECESS

The Senate resumed legislative session.

Mr. BARKLEY. Mr. President——

Mr. ADAMS. I wish to state to the Senator from Kentucky that the full Committee on Appropriations will meet tomorrow morning at 11:30 to take up the supplemental military and naval bill. There will be 23 or 24 Senators in attendance, and I hope the Senator will not ask that the Senate meet tomorrow at 11 o'clock.

Mr. BARKLEY. I was about to move that the Senate adjourn until 11 o'clock tomorrow, but in view of what the Senator from Colorado has stated, as well as for other reasons, I move that the Senate take a recess until 12 o'clock noon tomorrow.

The motion was agreed to; and (at 6 o'clock and 35 minutes p. m.) the Senate took a recess until tomorrow, Wednesday, June 19, 1940, at 12 o'clock meridian.

CONFIRMATIONS

Executive nominations confirmed by the Senate June 18 (legislative day of May 28), 1940

UNITED STATES CUSTOMS COURT

Webster J. Oliver to be judge of the United States Customs Court.

UNITED STATES ATTORNEY

John C. Lehr to be United States attorney for the eastern district of Michigan.

UNITED STATES MARSHAL

Otto F. Heine to be United States marshal for the district of Hawaii.

POSTMASTERS

ALABAMA

Jack Vaughan, Cuba.

William A. Coleman, Samson.

CALIFORNIA

Aubrey C. Bieber, Bieber.
Earle Heath Stanley, Cedarville.
Eunice Conners, Chester.
George P. Meek, Covina.
Dino L. Ceccarelli, Dos Palos.
Clyde Burgett, El Segundo.
James H. Gates, Gardena.
Lillie Evadell Chapman, Gerber.
James Clyde Strouss, Mill Valley.
Earl D. Cline, Northridge.
Hugh L. Appling, Oakdale.
Vera Wettlin, Orange.
Lois L. Berry, Shafter.
Abbie E. Schaeffer, Vernalis.
Jennie Root, Waterford.
John J. Blaney, Weaverville.

HAWAII

Antone Fernandez, Kekaha.
Antone F. Cravalho, Paia.
Virginia S. Mathias, Waiakoa.

IOWA

Hiram L. Mann, Adel.
Ernest E. Carlson, Battle Creek.
Vernon M. Hill, Davis City.
Allen Wise, Decorah.
A. George Ross, Doon.
Gerald Elias Faust, Earlville.
Elmer A. Billings, Fayette.
Hugo O. Micheel, Holstein.
Otis H. O. Nelson, Humboldt.
Roy E. Ferguson, Lake View.
Julia Loretta Hurley, Laurens.
John P. Delaney, Marcus.
Mary M. Hollingsworth, Marion.
Edgar V. Pohlman, Melvin.
Irvin W. Machamer, Merrill.
Hazel F. Patterson, Minden.
Denton N. Layman, Newell.
Ruth M. Pedersen, Pierson.
Charles E. Hudson, Pomeroy.
William H. Rehberg, Rowley.
Amber Bailey, Royal.
John Lewis Magirl, Ryan.
Isaac Hoeven, Sioux Center.
Leona B. Miller, Van Meter.
Edwin A. Howe, Webb.

KANSAS

William Merrifield, Agra.
Clarence H. Kessler, Altamont.
Frederick J. Donovan, Atchison.
Anna L. Miller, Bushton.
John R. Neifert, Glen Elder.
Mary Marceline Schafer, Jewell.
Hugh E. Meade, Palco.
Helena W. Anderson, Peru.
John T. Dowd, St. Paul.
Chester C. Chambers, Tescott.

LOUISIANA

Thomas Wallace McGinn, Jr., Crowley.
Veronica J. Lambert, Goodhope.
Frank Warren, Merryville.
Sam H. Campbell, Oak Grove.
Samuel A. Fairchild, Vinton.

MAINE

Wade P. Clifton, Greenville Junction.

MISSISSIPPI

John A. Gerard, Bude.
Viola E. Pentecost, Doddsville.
Mills T. Williams, Durant.
James T. Skelton, Goodman.
Ella C. Stephens, Lyon.

MISSOURI

Ordell Gross, Bevier.
Avery L. Dreier, Billings.
Georgia A. Brammer, Buckner.
Otto T. Pfefferkorn, Chaffee.
Lettie H. Turner, Chilhowee.
Kelley Elza Jackson, East Prairie.
John A. Byler, Ethel.
Earl L. Smithson, Exeter.
John Earle Lyons, Higginsville.
Charles V. Hollady, Illmo.
John G. May, Jasper.
P. Gilbert Utley, Knobnoster.
Mae Creach, Linn Creek.
William A. Bickel, Lockwood.
Joseph E. Soutee, Marionville.
John Y. Glasscock, Maysville.
Fay R. Webb, Miller.
Edward T. Rousselot, Noel.
Mae B. Whitfield, Oronogo.
Edgar E. Smith, Owensville.
Willie L. Hixson, Ozark.
Leonard V. Parker, Plattsburg.
Dora H. Weber, Tipton.
Walter J. Paschal, Verona.
Grailie B. Windes, Washburn.

NEBRASKA

Justin Clay Douthitt, Beatrice.
Mary L. Simmons, Bloomfield.
Magnus P. Hemmingsen, Marquette.
Charles Hugh Miner, Red Cloud.
Mary B. Farrell, Schuyler.
Sterling E. Tabor, Superior.

NEW YORK

Edward C. Laughlin, Akron.
William H. O'Brien, Jr., Baldwinsville.
Emma Reynolds, Brightwaters.
Ray C. Kilmer, Castleton on Hudson.
William L. Divver, Cedarhurst.
Madeline M. Woods, Diamond Point.
Matthias F. McDonald, East Williston.
Tuthill R. McDowell, Ellenville.
Arthur H. Walsh, Garrison.
Marguerite F. Grady, Goldenbridge.
Edward D. Connelly, Maybrook.
Gertrude F. Tracey, Middleport.
Mary R. Rattigan, North Creek.
Peter Harris Griffing, Northville.
Emma J. Claffey, Port Leyden.
Edward H. O'Connor, Sherburne.
Albert Prindle, Shushan.
Devillo Cobb, Sinclairville.
William Henry Nolan, Stillwater.
Mildred E. Perry, Wampsville.
William T. Burns, Whitehall.

NORTH DAKOTA

Lincoln A. Hanson, Aneta.
Christian Bertsch, Bismarck.
Theodore A. Marquardt, Cooperstown.
Volrath H. Carlson, Drayton.
Louisa A. Bird, Flaxton.
James L. Hatfield, Fullerton.
Florence R. Makee, Noonan.
Sarah Alice Lucy, Powers Lake.
Harry J. Campbell, Ryder.
Charles W. Gannon, Underwood.

PENNSYLVANIA

Francis J. Pension, Abington.
Clyde A. Plank, Aspers.
Alice S. Keating, Avondale.
Israel J. Rohrbaugh, Beech Creek.
Harvey F. Ecelbarger, Big Run.
Herschel C. Cowen, California.
Robert E. Giles, Coalport.

Frame Shontz, Conneaut Lake.
Foster W. Haverley, Covington.
Rosa V. Hawk, Cresco.
William K. Wrigley, Curwensville.
Faye M. Slavin, Eldred.
Walter M. Bauscher, Fleetwood.
Margaret M. Kavanagh, Fort Washington.
Carolyn T. Foulk, Gap.
P. Louise Brant, Garrett.
Adam L. Winters, Holtwood.
Margaret Clifford Schandel, Jefferson.
Claude McCarty, Leola.
Ramsey P. Williamson, Liverpool.
Joseph G. Weakland, Meyersdale.
Layton A. Wallace, Nicholson.
William R. Kimble, Nottingham.
S. Burton Flickner, Point Marion.
Paul H. Shaak, Sheridan.
Morris A. Shappell, Shoemakersville.
Michael F. Doran, Spangler.
James H. Stewart, Tarentum.
Percy W. Walker, Thompson.
LeRoy R. Herman, Topton.
Charles S. Shaw, Waterford.
Catherine W. Stevenson, Waverly.
Thomas M. Hiester, Wernersville.

TENNESSEE

Charles C. Gore, Livingston.

VERMONT

Edward J. Owens, Barre.
Cornelius Buckley, Barton.
Forrest E. Allen, Bradford.
James J. Ransehousen, Bridgewater.
Patrick Mahoney, Burlington.
Margaret H. Walsh, Concord.
Albert A. LaFrance, Derby Line.
Maria B. Depatie, Enosburg Falls.
Raymond P. Streeter, Franklin.
Robert F. Pierce, Lyndonville.
William H. Moriarty, Northfield.
Alice G. Sheehan, North Troy.
Helen F. McKenna, Norwich.
William Harbutt, Putney.
Harold J. Sheehan, Richmond.
Isabel Neary, Shelburne.
Lyman W. Sheldon, South Londonderry.
George M. Goodrich, South Royalton.
Healy J. Bashaw, Stowe.
James P. Gilfeather, West Rutland.

VIRGINIA

Mortimer E. Payne, Sharps.

WASHINGTON

Vern V. Edwards, Greenacres.

WEST VIRGINIA

Roscoe B. Holmes, Raleigh.

WYOMING

James B. Harston, Cowley.
Hazel E. Moore, Edgerton.
Francis R. Peck, Glenrock.
Mark N. Hanna, Lingle.
Nellie P. Hopkins, Rawlins.
Bertha I. Frolander, Sundance.

HOUSE OF REPRESENTATIVES

TUESDAY, JUNE 18, 1940

The House met at 12 o'clock noon.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

Hear Thou our prayer, O Lord, from Thy dwelling place, even from heaven; and when Thou hearest, forgive: Thine, O Lord, is the greatness and the power and the glory and the majesty. Now, therefore, we thank Thee and praise Thy glorious name. Heavenly Father, the hour is dark, the peril is great; may the dawn soon come; lead us into that quietness and hopefulness which are the strength of life. O King eternal, the wings of the brave, defending eagle have drooped and he can no longer battle with the storm; his heart is tired and fainting, but is undaunted still. A people that so long glowed with passions of right and justice is helpless and now contemplates its problems on the cruel anvil of defeat. O God of mercy, while the chivalrous soldier and the broken-hearted homeless, mocked by their melting hopes, die without realizing their tantalizing visions of home and rest, oh, grant that their enrichment may be fully realized in an everlasting inheritance. Through these perilous and arduous days, be Thou the constant guide and support of our President. By quiet thought, quiet duty, quiet energy, and by quiet prayer, steel upon us as a people and arm us to crusade for the redemption of man. In the name of the Prince of Peace. Amen.

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Frazier, its legislative clerk, announced that the Senate had passed without amendment a bill of the House of the following title:

H. R. 9117. An act to eliminate the tax on brandy and wine spirits used in the fortification of wine; to increase the tax on wine; to compensate for the loss of revenue occasioned by the elimination of the tax on brandy and wine spirits used in the fortification of wine; and for other purposes.

The message also announced that the Senate had passed a joint resolution of the following title, in which the concurrence of the House is requested:

S. J. Res. 271. Joint resolution approving nonrecognition of the transfer of any geographic region in the Western Hemisphere from one non-American power to another non-American power, and providing for consultation with other American republics in the event that such transfer should appear likely.

EXTENSION OF REMARKS

Mr. CROWE. Mr. Speaker, I ask unanimous consent to extend my remarks in the Appendix of the RECORD and to include therein a clipping from the Washington Evening Star.

The SPEAKER. Is there objection to the request of the gentleman from Indiana?

There was no objection.

ADDITIONAL CLERICAL SERVICES IN THE ENROLLING ROOM

Mr. WARREN. Mr. Speaker, I offer a privileged resolution from the Committee on Accounts and ask for its immediate consideration.

The Clerk read as follows:

House Resolution 532

Resolved, That there shall be paid out of the contingent fund of the House of Representatives during the remainder of the present session not exceeding $200 for additional clerical services in the enrolling room.

The resolution was agreed to.

A motion to reconsider was laid on the table.

ADDITIONAL COMPENSATION FOR CERTAIN EMPLOYEES OF THE HOUSE

Mr. WARREN. Mr. Speaker, I offer a further privileged resolution.

The Clerk read as follows:

House Resolution 533

Resolved, That commencing July 1, 1940, the Clerk of the House be, and he is hereby, authorized and directed to pay, out of the contingent fund of the House, until otherwise provided by law, additional compensation per annum, payable monthly, to certain employees of the House, as follows:

To the Assistant Parliamentarian the sum of $240; and $750 so long as the position is held by the present incumbent to be in addition to that now provided by law during the present incumbency;

To the messenger to Speaker's table, $660 so long as the position is held by the present incumbent;

To the stenographer and typewriter, in the office of the Sergeant at Arms, the sum of $700.

The resolution was agreed to.

A motion to reconsider was laid on the table.

ASSISTANT CLERK TO COMMITTEE ON CLAIMS

Mr. WARREN. Mr. Speaker, I offer a further privileged resolution.

The Clerk read as follows:

House Resolution 531

Resolved, That, effective July 1, 1940, there shall be paid out of the contingent fund of the House, until otherwise provided by law, compensation at the rate of $2,460 per annum for the services of an assistant clerk to the Committee on Claims. Such employment shall be in lieu of an assistant clerk to said committee at the rate of $1,740, as provided in the Legislative Branch Appropriation Act, 1941.

With the following committee amendment:

Strike out, in line 1, the words "July 1, 1940" and substitute the words "January 1, 1941."

The committee amendment was agreed to.

The resolution was agreed to.

A motion to reconsider was laid on the table.

EXTENSION OF REMARKS

Mr. MURDOCK of Utah. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include therein a column appearing in last night's Star.

The SPEAKER. Is there objection to the request of the gentleman from Utah?

There was no objection.

Mr. DICKSTEIN. Mr. Speaker, I have two unanimous-consent requests.

I ask unanimous consent to extend my remarks in the RECORD by inserting a speech I made at the world's fair on June 16, on Father's Day.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. DICKSTEIN. Mr. Speaker, I also ask unanimous consent to extend my remarks in the RECORD by including a speech I made at the Astor Hotel, before the Non-Sectarian Anti-Nazi League, to champion human rights, with certain excerpts.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

PERMISSION TO ADDRESS THE HOUSE

Mr. COX. Mr. Speaker, I ask unanimous consent to proceed for one-half minute.

The SPEAKER. Is there objection to the request of the gentleman from Georgia?

There was no objection.

Mr. COX. Mr. Speaker, the gentleman from California [Mr. GEYER] has for several months, through his extensions of remarks in the RECORD, been attacking certain States of the South because of the poll tax. He paid his respects to Mississippi on yesterday. The gentleman reminds me, Mr. Speaker, of what Mr. Disraeli once said of Mr. Kremlin, "He is distinguished for his ignorance, for he has but one idea and that is wrong." [Laughter.]

Mr. ALLEN of Illinois. Mr. Speaker, I ask unanimous consent to proceed for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. ALLEN of Illinois. Mr. Speaker, I am holding in my hand the Congressional Directory. On pages 496 and 497, under Foreign Service of the United States, you will find the names of the United States personnel assigned to Germany. It lists 72 major officeholders. Included in this list are the names of a lieutenant colonel and two majors of the United States Army as military attachés. Also are listed two commanders, two lieutenant commanders, and two lieutenants of the United States Navy, as naval attachés.

In the light of events it is pertinent to ask, and the American people are entitled to know, whether these official and technically trained representatives were either unaware of what Hitler has been doing for the past few years, or knowing, were derelict in reporting the facts to this Government. Knowing the efficiency and devotion of these representatives, I do not believe they were derelict in their duty. It must be that the President of the United States and his advisers were made cognizant of the threatening situation. This being true the administration cannot escape responsibility for the presently admitted woefully unprepared condition of this country. If the President did not know, then he retains advisers which events have convicted as incompetent. If he did know, then he has lulled the country into a false and dangerous content and failed through a false political expediency to exhibit that degree of courage the people of the United States have a right to demand of a President in these hours of world peril. [Applause.]

SITTING OF NAVAL AFFAIRS COMMITTEE DURING SESSIONS OF HOUSE

Mr. VINSON of Georgia. Mr. Speaker, I ask unanimous consent that the Committee on Naval Affairs may be permitted to sit during the sessions of the House today and tomorrow.

The SPEAKER. Is there objection?

There was no objection.

EXTENSION OF REMARKS

Mr. ALLEN of Pennsylvania. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and to include therein a radio address delivered by me.

The SPEAKER. Is there objection?

There was no objection.

Mr. EDWIN A. HALL. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and to include therein a recent editorial from the Oneonta News.

The SPEAKER. Is there objection?

There was no objection.

Mr. GEARHART. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and to include therein an editorial written by the American Legion commander, Mr. Raymond J. Kelly.

The SPEAKER. Is there objection?

There was no objection.

Mr. THORKELSON. Mr. Speaker, I ask unanimous consent to extend my remarks and to include an editorial from the New York Herald Tribune, and quotations from Washington newspapers.

The SPEAKER. Is there objection?

There was no objection.

Mr. ALEXANDER. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and to include several letters from constituents and residents of Minnesota.

The SPEAKER. Is there objection?

There was no objection.

AMERICAN SCHOOL ARMY

Mr. KELLER. Mr. Speaker, I ask unanimous consent to proceed for 1 minute.

The SPEAKER. Is there objection?

There was no objection.

Mr. KELLER. Mr. Speaker, I have just introduced a bill to establish and maintain an American school army, and to organize and equip an American reserve army. I am taking this opportunity particularly to call the attention of the Members of the House to the bill, because it will not only in no way interfere with our present program for immediate preparedness, but this is the idea that Woodrow Wilson referred to as the long look ahead for American preparedness. At a later date I shall discuss the matter before the House.

The SPEAKER. The time of the gentleman from Illinois has expired.

THE SESSION OF CONGRESS

Mr. SHORT. Mr. Speaker, I ask unanimous consent to proceed for 1 minute and to extend in the Appendix of the RECORD a recent editorial from the Joplin News Herald.

The SPEAKER. Is there objection?

There was no objection.

Mr. SHORT. Mr. Speaker, this morning I received the following telegram from Marshfield, Mo.:

Congressman DEWEY SHORT,
Washington, D. C.:

Webster County Post, No. 142, the American Legion, feels that Congress should remain in session during this emergency, which is greater now than when the Legion national convention made the request last fall.

BURLEY JUSTIS, *Commander.*

Mr. Speaker, this message merely voices the almost unanimous opinion of the American people. Naturally the Members of Congress want to adjourn and go home for a little vacation, to visit family and friends in the campaign for reelection, but public duty should come before personal pleasure in this crisis, and any Member of Congress who votes to adjourn to go home at this particular time should be allowed by the voters to remain home when they go to the polls this fall. [Applause.]

The SPEAKER. The time of the gentleman has expired.

CONDITION OF THE TREASURY

Mr. RICH. Mr. Speaker, I ask unanimous consent to proceed for 1 minute and to extend my remarks in the RECORD.

The SPEAKER. Is there objection?

There was no objection.

Mr. RICH. Mr. Speaker, where are you going to get the money? When I take the Treasury statement of June 11 I find that we are $3,511,500,000 in the red. You are spending and spending and spending more and more—over $7,000 a minute in the red—and it seems to me to be a song that ought to be sung here by many Members of Congress, to stop the waste and extravagance of this Government. You are appropriating and appropriating more and more money, and nothing has been said by the administration about cutting down the regular operating expenses of the Government. Why not have an economically operated Government and not an extravagantly operated Government? If you continue on with this preparation of war, how are you going to maintain your battleships, and how are you going to maintain the Army, and how are you going to maintain your air force, if you have no money to operate them with? They will amount to nothing in the hands of this administration because you will have nothing with which to maintain them.

The SPEAKER. The time of the gentleman from Pennsylvania has expired.

HARRY BRIDGES

Mr. ROUTZOHN. Mr. Speaker, I ask unanimous consent to proceed for 1 minute.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

[Mr. ROUTZOHN addressed the House. His remarks appear in the Appendix of the RECORD.]

EXTENSION OF REMARKS

By unanimous consent, Mr. BENDER and Mr. SCHULTE were granted permission to extend their own remarks in the RECORD.

Mr. CULKIN. Mr. Speaker, I ask unanimous consent to extend my remarks and that I may be permitted to include certain brief excerpts.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. JOHNSON of Illinois. Mr. Speaker, I ask unanimous consent to extend my remarks and include therein a radio address by Mr. Hibbin on the subject of the dairy-products industry.

The SPEAKER. Is there objection?

There was no objection.

Mr. SECREST. Mr. Speaker, on December 17, 1939, the Chesterfield monthly meeting of Friends was held at Chesterhill, Ohio. At that meeting these substantial and loyal Americans issued a statement which I ask unanimous consent to have inserted in the RECORD as an extension of my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. DISNEY. Mr. Speaker, I ask unanimous consent to extend my own remarks and include a short article.

The SPEAKER. Is there objection?

There was no objection.

TRADE AGREEMENTS WITH SOUTH AMERICA

Mr. FISH. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection?

There was no objection.

Mr. FISH. Mr. Speaker, the President's proposal for an economic cartel to control the sale of the products of the American Continent is just another of the crackpot and cockeyed New Deal experiments.

If Germany and Italy win the war they will control all of continental Europe, with a population of over 250,000,000. These nations will trade with South American countries or any nations they want to on the best possible terms.

President Roosevelt must have succumbed to the war hysteria that he has helped to spread by his warlike speeches. Germany uses the barter system, not through choice but because she has no more gold or foreign exchange. This is true now of most European nations. President Roosevelt is largely responsible because of his fantastic New Deal folly of purchasing foreign gold at $35 an ounce, or at twice the cost of production. We now own 75 percent of the gold in the world, which serves no useful purpose, but interferes seriously with world trade.

The proposed American trade cartel will be another fiasco, like the gold-purchasing experiment. [Applause.]

[Here the gavel fell.]

EXTENSION OF REMARKS

Mr. KRAMER. Mr. Speaker, I ask unanimous consent to extend my remarks and to include an address by Louis Johnson, Assistant Secretary of War, at Charlottesville, Va.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

SECOND DEFICIENCY APPROPRIATION BILL

Mr. WOODRUM of Virginia, from the Committee on Appropriations, reported the bill (H. R. 10104, Rept. No. 2597) making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1940, and prior fiscal years, to provide supplemental appropriations for the fiscal years ending June 30, 1940, and June 30, 1941, and for other purposes, which was read a first and second time and, with the accompanying report, referred to the Committee of the Whole House on the state of the Union and ordered to be printed.

Mr. TABER reserved all points of order on the bill.

Mr. WOODRUM of Virginia. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of the bill H. R. 10104; and pending that, I ask unanimous consent that general debate on the bill be limited to 45 minutes on each side, the time to be controlled one-half by the gentleman from New York [Mr. TABER] and one-half by myself.

Mr. TABER. Reserving the right to object, Mr. Speaker, I think we should have an hour on a side.

Mr. WOODRUM of Virginia. I modify the request, Mr. Speaker, to make it 1 hour on a side.

The SPEAKER. Is there objection to the request of the gentleman from Virginia?

There was no objection.

The SPEAKER. The question is on the motion of the gentleman from Virginia.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union for the consideration of the bill H. R. 10104, the second deficiency appropriation bill, with Mr. BLAND in the chair.

By unanimous consent the first reading of the bill was dispensed with.

Mr. WOODRUM of Virginia. Mr. Chairman, I yield myself 5 minutes.

Mr. Chairman, this is the second deficiency appropriation bill, the usual clean-up bill for emergency items that must be gotten in by July 1, the beginning of the next fiscal year.

The amount carried in the bill is $57,917,100.39, with authorizations aggregating $6,900,000, and the bill is $3,225,646.67 less than the Budget estimates.

The report and bill are available and contain a very full statement of the items in the bill, and unless there is some special item that some Member wishes to question me about,

I will let the debate proceed and wait until we come to the 5-minute rule.

I yield back the balance of my time.

Mr. TABER. Mr. Chairman, this bill calls for a total of about $57,900,000 and is brought in $2,225,000 below the Budget.

With the advent of this bill in the House and its prospective passage this afternoon the total appropriations made by this Congress, including permanent appropriations, aggregate approximately $15,369,000,000 made since this Congress convened the first of January. Some of these items are for things that we could get along without, and for projects that, in these times, we could do without.

There has been more of a spirit of striving to cut out useless and needless projects in connection with this bill than there has been in most of the others. I hope that spirit will continue and develop as we approach more serious problems in the days that are to come, because almost every dollar that we can rake and scrape together is going to be needed for national defense.

With reference to this bill there are only a few items that are of large size that have been given consideration that raise the appropriations above those carried in the regular bills. Amongst the most important of those are the ones for immigration and naturalization work. There we have carried an addition of $1,500,000 approximately for the immigration border patrol. With conditions such as they are almost no one would want to take the position that we should not carry this increased service at the present time. The border situation has developed to the point where our country is requiring passports from those coming in. This means a great deal more work and a great deal more accuracy, in that work.

There is a very considerable item for increased clerical and administrative help in the Naturalization Service. A tremendous number of people have decided that they wish to be naturalized now that world conditions are so upset. It is exceedingly important that none be admitted who are not fit to be admitted, and probably it is necessary that we dispose of these applications which have increased two- or three-fold in the last 6 months. I was talking last Friday with a New York City district judge who stated that he would have as high as 500 of these applicants coming before him in a single day.

Perhaps the most serious thing with which we have to contend is people within our own borders who need attention. I hope that when that bill which was reported to the House yesterday shall be passed by the House and the Senate that the F. B. I. will be able to take care and identify more of those who really should not be here, and keep track of them.

There will be but a few items of contest in the bill. I think those will be better left for consideration when they are reached in the reading of the bill. Almost all of the situation is deficiencies with the exception of the Immigration Service and a few items of that kind. There are one or two: There is the Alaska crab investigation, $100,000; there is the item for the transportation of gold. If we would stop the buying of gold, as we should, we would be rid of that difficulty and the need of transporting a lot of gold into the interior of the country. There are a few things of that kind where we could save money, if we set out to do so, and I hope that when there is an opportunity to do something of that kind we may be able to save a dollar.

In connection with what I say today I am going to place a statement in the RECORD, which I have prepared in the form of a table showing the appropriations for the different departments, the permanent appropriations so far this session, giving as far as I can an up-to-date picture and the latest figure with reference to each bill. It is rather difficult to keep up with them, and probably I might be a day behind on some of them and not be quite high enough, but I hope this table will be of help to the Members.

The following is the table:

Department and amount approved	
Agriculture and Farm Credit	$922,911,213.00
Independent Offices	1,120,240,523.00
State	20,125,500.00
Justice	41,323,000.00
Judiciary	11,792,000.00
Treasury	218,752,000.00
Post Office	814,049,062.00
Navy	1,302,014,038.00
Interior	137,256,834.00
Civil Functions	223,636,517.00
Military	1,500,424,988.00
Labor-Federal Security	1,023,282,690.00
Legislative	23,707,520.00
Emergency supplemental (spent)	252,340,776.00
Urgent deficiency	57,541,300.00
First deficiency	92,035,408.00
Relief and work relief	1,111,754,916.00
Supplement to national defense	1,381,917,147.00
Second deficiency	57,917,100.39
Total	11,346,931,032.39
Permanent appropriations (mostly interest)	2,195,524,640.00
Trust funds	1,826,603,150.00
Grand total	15,369,058,822.39

NOTE.—The above figures are the amount of annual general fund appropriations contained in all bills except the District of Columbia. The District of Columbia bill amounts to $49,697,890 in its latest stage. Of the foregoing totals, trust funds appropriations of $2,195,524,640 and permanent and special fund appropriations of $1,826,603,150 are estimated by the Budget for appropriation in the fiscal year 1941.

I believe with this short statement I shall conclude my reference to the bill. At this stage of the legislative situation we still have pending the agricultural appropriation bill, the War Department civil functions appropriation bill, the Labor and Federal Security appropriation bills, the appropriation for the national-defense measure passed last week, the relief bill, and this deficiency bill. This makes a total of six appropriation bills that must be disposed of by legislative action before this Congress is ready to cease its labors for the time being for this session.

Let me say also that this bill marks the fifth bill of a deficiency type that has come before this Congress in this session. This is probably one of the highest records we have had.

Mr. Chairman, I reserve the balance of my time.

Mr. WOODRUM of Virginia. Mr. Chairman, I yield to the gentleman from Texas [Mr. MAHON] such time as he may desire.

Mr. MAHON. Mr. Chairman, I think there will not be much controversy over the items in the appropriations bill which we are considering today, so I would like to take the liberty of speaking in a rather general way.

Our Nation today is facing one of the most difficult and critical eras in all its history. Our people realize, even as officials in Washington charged more directly with the responsibility of guiding the Nation through these perilous days realize, the graveness of our situation in relation to other nations of the world, so many of which are torn by the tragedy of war. Congress has been working almost day and night on the many problems of national defense, and I hope and trust that every Member of this House has placed the security of our Nation, and the preservation of those principles for which it has always stood, first in his consideration during these last weeks of great crisis. My own work as a member of the House Appropriations Committee and a member of the War Department subcommittee handling the problem of providing funds for the defense program and our heavy schedule here in the House itself have given me only meager time to reply to the hundreds of earnest letters and telegrams which I have received from friends throughout my district who are anxiously interested in some aspect of our defense program. The emergency demands that Members of Congress stay at their post of duty in Washington. I propose that we stay on the job and disregard all other considerations, political or personal. Our country comes first.

Although we have much cause for alarm, we have many reasons to rejoice. Indeed, there is something happening

in America that ought to thrill the heart of everyone who loves his country. I refer to the growing spirit of patriotism among our people. On every hand there is evidence of a revival of the true spirit of Americanism. Those who had forgotten the flag and what it meant, and what it means, are reawakening to a new realization of its meaning. Those who have been indifferent when the flags and "isms" of other countries have been praised and advocated in this Nation now are proclaiming the rediscovered majesty of Old Glory. They see a new vigor in the red, the white, and the blue. In their hearts they are saying with the poet—

There's no other land like my land,
Beneath the shining sun.
There's no other flag like my flag
In all the world—not one.
One land, one tongue, one people!
To one flag, loyal, true,
No red shall wave o'er my fair land
Without the white and blue.

The new spirit of loyalty to our own country goes hand in hand with the determination among all true Americans that the enemy aliens, the followers of false and foreign isms, the so-called "fifth columnists," shall be uprooted and banished from the land. This rising tide of indignation toward people who live in this country but who are disloyal to our institutions is of the greatest significance and importance to our future.

Unfortunately, in the past in seeking to be tolerant, we have permitted the enemy within the gates to grow into what is now a serious threat to our stability as a Nation. Had we failed to recognize this danger from within, I can visualize the destruction of the morale of our people and the perpetuity of our Nation. But since we have recognized the problem and since our people are aroused over the issue, I have every confidence in our capacity to deal promptly, decisively, and effectively with the problem. Mr. Speaker, nothing short of complete annihilation of these enemies within the gates will suffice. I rejoice that the American people are alert to the dangers from within and that the Members of Congress are going forward with a program of action. The American people have always responded in the hour of emergency, and it is gratifying to know that they still rise in their might in the hour of need. To put it bluntly, our citizens will not tolerate the existence of a "fifth column" in this country.

A couple of years ago we created in the House of Representatives the so-called Dies committee and instructed this committee to investigate un-American activities. That committee has caught the imagination of the American people. The facts which have been brought out have been given wide publicity through the press, and it would be impossible to exaggerate the wholesome influences which have been generated by the committee. Upon about three occasions we have voted by an overwhelming majority to appropriate money for the continuation of the committee, and I am proud to have had a part in supporting a movement in Congress which has focused the attention of all America on the dangers which confront our country from within.

Just last week we provided 500 additional agents for the Federal Bureau of Investigation who are charged with the duty of assisting the Department of Justice and other agencies of the State and national governments in stamping out un-American activities. This increases the number of F. B. I. agents to about 1,500. In this bill we increase the personnel of our Immigration Service, particularly because of the situation along the Mexican border.

I advocate the immediate passage of pending legislation to fingerprint and investigate the activities of all aliens. Every enemy alien ought to be deported at once, our immigration laws must be strengthened, and every effort made, and made promptly, to remedy a situation which we all recognize as serious.

I believe the overwhelming majority of the people of this Nation are ready to support every official in the fight against this so-called "fifth column." I have called upon the Department of Justice to furnish the people information in order that the people may know how to cooperate with the officials of the Government in this campaign against those guilty of un-American activities. Already results are being achieved, but the real task is just beginning.

Only when we have annihilated our enemies from within will it be possible for us to have an effective national-defense program. Real national defense contemplates a program of unity at home and the speedy expansion of our Army, Navy, and Air Corps, correlated in such a way with all the instruments of national defense that the greatest effectiveness may be secured. Last year we appropriated more than a billion and a half dollars for national defense. This year we have already appropriated about $5,000,000,000.

In my judgment, there will be additional appropriations for national defense before the adjournment of this Congress. Every true American has cause to rejoice over the unity of our people—over the determination of our people that the national-defense program must and shall go forward speedily without red tape and indecision. So, in a world of trouble and danger there is yet cause for Americans to rejoice. The task before us is great, but success is ours if we are willing to pay the price in sacrifice and effort. There is every evidence that our people are measuring up to the demands of the hour. The prayer which Irving Berlin wrote in 1938 and which Kate Smith has made famous can well be the prayer today of all those who owe their allegiance to the Stars and Stripes.

God bless America,
Land that I love,
Stand beside her and guide her
Through the night with a light from above;
From the mountains, to the prairies,
To the oceans white with foam,
God bless America,
My home sweet home.

[Applause.]

Mr. WIGGLESWORTH. Mr. Chairman, I yield 5 minutes to the gentleman from New York [Mr. FISH].

Mr. FISH. Mr. Chairman, I believe I can move to strike out the last word when the bill is being considered under the 5-minute rule and discuss what I have in mind. I wanted to take up and discuss the appropriation for transportation of gold out to Fort Knox. This bill carries an appropriation in excess of $1,000,000 to transport $8,000,000,000 of gold.

Mr. STEFAN. It carries an appropriation of over a million and a half dollars. To be exact, it is $1,608,000. It is to go by mail.

Mr. FISH. An appropriation of a million and a half dollars to transport $8,000,000,000 worth of gold to be buried out in Fort Knox. I consider the purchase of gold at $35 an ounce, which is twice the cost of production, and when we buy it from Soviet Russia at three times the cost of production, to be the greatest of all New Deal fiascos and a senseless proposition to impoverish America and enrich foreign countries. But I prefer to let that discussion go over until the proper time.

At this time I desire to make certain observations. There was some discussion in the committee, I believe, about an appropriation of $1,000,000 to be placed in the hands of the Secretary of Agriculture, Mr. Wallace, in order to make an extensive survey of South America to ascertain the most available land on which to grow rubber. I am informed by the Secretary of Agriculture that there are 23,000,000 acres available on which to grow rubber in South America. This should have been done 30 years ago, but as a matter of national defense it ought to be done now. Even some of our leading columnists, such as Walter Lippmann, have indicated that we ought to go into the European war because we may be shut off from our rubber and tin supply. I do not believe we could spend a million dollars to better advantage for national defense, for the interest of our country, and for the employment of American labor than to turn a million dollars over to the Secretary of Agriculture to make an extensive survey to find out the best located land, the situation with reference to rainfall, and so forth, for the cultivation of rubber in South America.

Mr. TABER. Will the gentleman yield?

Mr. FISH. I yield to the gentleman from New York.

Mr. TABER. I may say to the gentleman that the committee cut out that item.

Mr. FISH. That is what I heard this morning, and I am very sorry they did it. If it is in order to put it back in the bill, and if it is germane to the bill, I propose to offer it at the proper time. I would like to see an appropriation of a million dollars turned over to the Secretary of Agriculture who wants it and who believes that it would do more to solve our rubber problem than anything else. In addition to that, and to show that I am willing to cooperate with Democratic Cabinet members in the public interest, I would like to see an appropriation of another million dollars to be made available to the Secretary of the Interior, Mr. Ickes, to build a smelter for tin somewhere along the Atlantic coast.

We are informed by Mr. Lippmann that we must go to war for tin and rubber, that we cannot get tin or rubber anywhere else except in the Far East, and that we are defenseless without it. You can buy all the tin you want in Bolivia, but we have no smelter or no refinery in America to refine the tin ore. We must buy our tin from England or from Holland. They have a monopoly and we pay through the nose. We are the greatest consumer of tin in the world. We consume something like 60 percent of all the tin and 60 to 65 percent of all the rubber. So these appropriations of a million dollars a piece would be worth while. They would be constructive and save us money and they would be along the lines of national defense, and would result in putting our own people to work.

Mr. MURDOCK of Arizona. Will the gentleman yield?

Mr. FISH. I yield to the gentleman from Arizona.

Mr. MURDOCK of Arizona. I want to concur in the gentleman's statement with regard to the possibilities of producing rubber in this country—I mean in the continental United States. Plant life growing rubber can be grown in our four States bordering on Mexico. That proposition was explored 25 years ago. Thomas Edison found conclusively it could be done, and scientific men have also contended that rubber can be produced in this country. Why not give our surplus acres in a land of sunshine a chance to produce this necessity?

Mr. FISH. I think all the experts are agreed that rubber can be produced in South America. I am not an expert on rubber, but I am informed that rubber originally came from South America and was transported to the Far East.

[Here the gavel fell.]

Mr. TABER. Mr. Chairman, I yield the gentleman 3 additional minutes.

Mr. SHORT. Will the gentleman yield?

Mr. FISH. I yield to the gentleman from Missouri.

Mr. SHORT. I merely want to ask the gentleman why this plant or smelter should be built along the Atlantic seaboard? Does the gentleman not think it would be wise to build these airplane and munitions factories in the Middle West where they would not be so vulnerable to attack by an enemy as those that are located along the Atlantic and Pacific coasts?

Mr. FISH. I concur with the gentleman that airplane factories and munitions factories should be built back from the coast, but this has to do with refining a heavy ore that comes in from Bolivia by ship. It seems to me the practical and feasible way would be to have a smelter somewhere along the seacoast where the ships could come up to the factory and the tin refined there. Personally I would prefer to have it located in my district up the Hudson River and with the President's help I expect to get it there. [Laughter.]

Mr. SHORT. The gentleman will agree that factories which use lead and zinc should perhaps be located out where they produce the lead and zinc?

Mr. FISH. Yes; by the same token you should have those factories out there in the State of Missouri, that grand old State, where you produce the lead.

Mr. STEFAN. Will the gentleman yield?

Mr. FISH. I yield to the gentleman from Nebraska.

Mr. STEFAN. Mr. Chairman, something has been said about the production of rubber. The gentleman from New York is very much interested in the development of rubber in South America. I would like to inform him that our colleague the gentleman from California [Mr. CARTER] made a desperate fight in committee to amend the bill so that we could do some experimenting in connection with the development of domestic rubber. The amendment was defeated in committee in spite of the hard fight made by our colleague from California. May I inform the gentleman that the committee went into that very thoroughly and decided it was not feasible because of the fact that synthetic rubber is being developed rapidly in America today and it is being developed very successfully.

Mr. FISH. I thank the gentleman. The fact is that the Standard Oil Co. of New York or New Jersey has built a million-dollar plant in which to make synthetic rubber and they expect to increase it year by year. It is also a fact that that synthetic rubber is just as good for general purposes as the natural or raw rubber; however, it costs a great deal more and many people feel if we could grow rubber in South America we can keep the cost down. We are the greatest consumers of rubber in the world. It would employ American labor here where the crude rubber would be refined and, furthermore, we would have this supply no matter what happened way over in the Far East. It seems to me my proposal makes sense and good sense. I am in entire accord with the request of the Secretary of Agriculture and I think the Congress ought to give him $1,000,000 to make this survey immediately, and also encourage private companies to make synthetic rubber in the United States. [Applause.]

[Here the gavel fell.]

Mr. TABER. Mr. Chairman, I yield 5 minutes to the gentlewoman from Illinois [Miss SUMNER].

Miss SUMNER of Illinois. Mr. Chairman, I did not understand the gentleman was going to yield time to me, but I happen to know of my own personal knowledge that in either 1925 or 1926 leading private companies that were greatly interested in manufacturing tires cheaply did conduct a private survey and had all the finances necessary to conduct such a survey in South America, and they came to the reluctant conclusion that it would not be a success to make any such attempt to raise rubber there.

Mr. Chairman, I yield back the balance of my time.

Mr. TABER. Mr. Chairman, I yield 5 minutes to the gentleman from Pennsylvania [Mr. RICH].

Mr. RICH. Mr. Chairman, this is another appropriation bill. Most all bills passed since January 3 have been appropriation bills. It seems to me, as a member of the Appropriations Committee, that when the gentleman from Texas [Mr. MAHON], a few minutes ago, said that this is one of the hardest working committees in the House of Representatives, I wonder if he did not also mean that it is the hardest-worked committee. By that I mean that every Member of Congress and every department of the Government, and everybody in the United States wants the Appropriations Committee to give them everything they want. So where do we find ourselves? We find ourselves in a deplorable and terrible financial condition.

When we look at the statement made by Mr. Morgenthau, who has charge of the Treasury Department, we find that today we are over $3,500,000,000 in the red up to this time for the year that will close the 30th day of this month, and when we think of what is to come next year with respect to the appropriations that we have made and the fact that you have passed a tax bill that is going to yield $1,007,000,000 and with the estimated receipts, as given by the President of the United States in his message to Congress, of about $5,500,000,000, we will find next year that we will be in the red $5,500,000,000. That is terrible.

Now, with a tax bill of $1,007,000,000, you fellows have not hit beyond the surface, and you have not started to scratch. The American people do not know what you are doing and they will not know until you give them a tax bill of about $2,000,000,000 to $3,000,000,000 increase annually. They will then begin to realize what this Congress has done. They will begin to realize what this New Deal spending has been

all about. Whenever their backs begin to break, whenever they begin to bulge, and whenever they begin to bend, they will find out they are in a terrible condition.

Mr. GEYER of California. Mr. Chairman, will the gentleman yield?

Mr. RICH. I yield to the gentleman from California.

Mr. GEYER of California. What would the gentleman think about an excess-profits tax to be placed on some of these people who are making all this money out of this preparedness program? Will the gentleman discuss that?

Mr. RICH. I do not know that anybody has made anything out of this preparedness program as yet. You have just got started, and if it had not been for this war scare and war hysteria that is going on, this administration would be on the flat of your backs and you would be down and out. You have 11,000,000 unemployed now, and you would have about 10,000,000 or 12,000,000 unemployed at least, because instead of going ahead with all this spending you have gone back and back, and you have been drifting down the river until, so far as I know, you would soon be out on the great ocean, and then you would certainly sink. That is what you are going to do. You are going to sink this Nation of ours financially, and nothing under God's Heaven is going to stop you.

Mr. GEYER of California. Will the gentleman yield further?

Mr. RICH. Yes; if the gentleman has something constructive.

Mr. GEYER of California. I think this is constructive.

Mr. RICH. I will have to take that chance.

Mr. GEYER of California. The gentleman would not go so far as to say there are not great profits to be made out of all this preparedness program, would he?

Mr. RICH. If anybody makes a great excessive profit, I will be the first one to vote to take it away from him.

Mr. GEYER of California. That is fine.

Mr. RICH. Because you have not seen me stand up here and holler for economy and try to cut down the appropriations and not vote for taxes. I believe in a balanced Budget. I have voted for these tax bills, as much as I disliked to do it, because a month ago I said you would have to have a tax bill. The chairman of the Committee on Ways and Means, the gentleman from North Carolina [Mr. DOUGHTON], one of the finest men I ever knew in my life, came over to me and said, "Do you want a tax bill this year?" and I said, "Sure, you have got to get it now." They were not going to bring the tax bill in until they found that they could use the national emergency to bring in the tax bill in disguise. They would not venture to bring in a tax bill because of New Deal spending and squandering.

Then they brought in a bill, a tax bill, and tried to camouflage it by telling the people that this tax bill is for a national emergency. Good heavens! You have had 7 years now, and you are no better off today than 7 years ago, if you measure it by the unemployed.

Mr. GEYER of California. Mr. Chairman, I compliment the gentleman from Pennsylvania on his saying that he is willing to tax the profits out of this war. I think that is a fine statement and I think it is consistent.

Mr. RICH. Oh, I try to be consistent all the way down the line in spending and taxing.

The CHAIRMAN. The time of the gentleman from Pennsylvania has expired.

Mr. WIGGLESWORTH. Mr. Chairman, I yield 3 minutes more to the gentleman.

Mr. SCHAFER of Wisconsin. Mr. Chairman, will the gentleman yield?

Mr. RICH. Yes; I yield to the distinguished gentleman from Wisconsin.

Mr. SCHAFER of Wisconsin. The gentleman should not be unduly alarmed, because a multimillionaire New Deal leader, James Cromwell, who is just as liberal as President Roosevelt in spending other people's money, made one of his senatorial campaign speeches in Atlantic City the other day. I refer to the Newark Evening News of June 15, 1940, which contains a report of this speech in which he denounced Members of Congress as Trojan jackasses, and either fools or knaves. Now if and when he is elected to the United States Senate, he ought to be able to correct the economic situation and save our country. The gentleman from Pennsylvania ought not to be alarmed, because Mr. Cromwell no doubt will have the Senate pass his antialimony and birth-control programs, which are the principal planks in his plan to solve the political and economic ills of the United States.

Mr. RICH. When this administration came into power, you heard them talk about economic royalists, and they talked about nothing else. We want to know who they are. If there is anybody who has ever put in office a lot of economic royalists, I want to know who in the world it is except the man in the White House. He is the greatest economic royalist in this country, if I know what the term means. He has taken over Wall Street, and he has it down there in the White House, and he is spending more money than any man in the history of the world, and still he is not satisfied with that. He still wants more power, and he is going to get more power if this Congress does what he wants them to do, but I hope to goodness this Congress will not give him any more power. I think they have given enough, and what they ought to do is to take power away from him. Let him be President in accordance with the Constitution.

Mr. SCHAFER of Wisconsin. Mr. Chairman, will the gentleman yield?

Mr. RICH. Oh, I am not going to get a chance to talk on this bill at all if I yield all my time.

Mr. SCHAFER of Wisconsin. Why, take this Cromwell. He is a multimillionaire, who married Doris Duke, the richest woman in the United States. Mr. Cromwell is a great New Deal liberal leader—liberal with other people's money. If he sympathizes so much with foreign countries, as his June 15 speech indicates, let him take his own millions of dollars and hand them to those foreign countries, and let him go to Canada and enlist for active service in the British or French Foreign Legions or the Canadian expeditionary force.

Mr. RICH. Oh, by the time he gets through with the $40,000,000 that he married into, after we get through taxing him to pay for the New Deal, he will wonder whether he wants to be a Senator from New Jersey under the New Deal or not.

Now, let us get down to this bill. Here is what I want to bring out. We are appropriating $18,500,000 for the Post Office Department. That is the Department that Jim Farley has been running so inefficiently, and it is $40,000,000 in the red. We have given him 3-cent postage, $100,000,000 a year revenue, and still $40,000,000 more in the red.

The CHAIRMAN. The time of the gentleman from Pennsylvania has again expired.

Mr. RICH. Oh, I shall have to have 3 minutes more; and if the gentleman from Massachusetts has not any more time, I will ask the gentleman from Virginia to give me 3 minutes.

Mr. WOODRUM of Virginia. Mr. Chairman, in view of the highly constructive Republican utterances of the gentleman, I am glad to yield him 3 minutes.

Mr. RICH. Mr. Chairman, the chairman of the subcommittee, who has nobody to talk about the bill on his side, ought to give me 10 minutes, because I could talk an hour or 2 hours or 2 days on the inefficiency of the New Deal. When we gave Farley 3-cent postage, it raised $100,000,000 for the Post Office Department, and that was for the purpose of taking care of the expenses of the New Deal, but what has happened? Jim Farley has given that all to the Post Office Department and there is nothing left to pay expenses. Where are these $40,000,000 in the red? It seems to me that is a terrible situation in the Post Office Department. The people of this country will never get rid of the 3-cent postage unless they go $100,000,000 more in the red. Then we have departments of Government giving out millions of dollars of material free. I think Congress ought to pass a law prohibiting the franking of this great mass of publications, and when the Republicans get into power in January, I am going to advocate that they stop this free

distribution of literature by these departments. I know that when we get the Republicans in power in January, they will just simply put their foot down and they will not permit it. They will stop the departments from the mass of publications and the abuse of the franking privilege by the departments and the Members of Congress.

I want you Republican boys on this side to remember this promise I am making to these Democratic fellows over here. I want you to back me up in January, because we will have more fellows over here in January to help out on that proposition. Do not let anybody fool you on that, because the people of this country are sick and tired of squandering; they are sick and tired of spending; they are sick and tired of inefficiency; doing these things which are not sound and which are not good business.

Let me show you in this bill. They have appropriated $200,000 for that San Francisco Fair and $275,000 for the New York Fair. We appropriated millions of dollars to those fairs last year. Now they come along this year and want to continue them. Why should the public pay to continue those fairs for the year 1940 when they had the fairs in 1939 and we paid to help keep them going? It seems to me that is money that the Congress should not appropriate. I tried to strike that out in committee. I got pretty good support, but I could not get enough support to knock it out, because the Appropriations Committee, which is controlled by that side of the House, would not do it.

Then we have the Federal Crop Insurance increase of capital stock to meet losses. Now, just get this. You fellows on this side listen: "Federal Crop Insurance, increase of capital stock to meet losses." That is what you will have to do for years and years to meet the losses of this administration. [Applause.]

[Here the gavel fell.]

Mr. WIGGLESWORTH. Mr. Chairman, I yield 2 minutes to the gentleman from Connecticut [Mr. MILLER].

Mr. MILLER. Mr. Chairman, I hope the gentleman from Missouri [Mr. SHORT] is still on the floor. He asked the gentleman from New York [Mr. FISH] if he did not think we should move aircraft factories and munition factories to the interior of the country. I want to direct his attention to some figures inserted in the RECORD in the middle of February pointing out that if we pick out the most probable—nobody knows whether it is possible—but the most probable points of attack in the United States, the gentleman from Missouri will find that St. Louis, Mo., is nearer to five of those points of attack than is Hartford, Conn., for example. We have no assurance and no man knows, if we ever have to defend this territory, whether the attack is going to come from the east or the northeast. It is just as likely to come from the Gulf or the north or the Pacific, but we may find in the long run that Maine would be the safest spot in the United States.

While the geographical location may be important, the one thing we want now is speed and efficiency. It is going to take a long time to transplant and transport skilled mechanics who are settled in one section of the country to another section of the country. It is not that other parts of the country are not as competent to make fine tools and turn out skilled work.

It is simply because of the condition of the land and the climate of the country that one part gives all of the farm commodities that we need—cotton, wheat, and corn—while other parts, because they do not have the climatic conditions needed for the raising of large crops, have directed their attention and the training of their people to the skilled crafts. I would like to refer you to page 2193 of the RECORD of February 13, wherein I said:

> I have referred to the necessity of having skilled mechanics to manufacture and build our aircraft. Recently a manufacturer of national reputation employed a firm of industrial engineers to make a survey of several different parts of the United States, with the view to building a new factory, the factory to be equipped to build a very necessary part of an aviation engine. This group of industrial engineers surveyed several States of the United States and then made their recommendation to the manufacturer who engaged them.
>
> Among other things mentioned in the report was that the industrial engineers found that Connecticut has the largest supply, generally distributed, of skilled labor in the United States. The following shows for a number of States the number per square mile of workers in certain machine and technical-product industries requiring skilled labor:

California	0.17
Connecticut	13.69
Illinois	1.58
Maryland	.25
Massachusetts	6.27
New Jersey	5.29
New York	1.53
North Carolina	.01
Ohio	2.10
Pennsylvania	1.66
Virginia	.02

> This same firm of industrial engineers, having ascertained from experts on defensive tactics against aircraft the ideal type of territory to defend, stated in this report that of all the places studied in the plant survey, the central part of Connecticut appears to be closest to the ideal.

I hope that in our enthusiasm to develop this national defense we will not upset the economic side of the country any more than is necessary. It would seem pertinent, therefore, that we take advantage of the facilities already established for the creation of the needs of our defense system and put aside any plan to move the center of such facilities inland. Such a plan as that suggested by the gentleman from Missouri would be an extravagance in time and dollars which we can now ill afford.

[Here the gavel fell.]

Mr. WIGGLESWORTH. Mr. Chairman, I yield 15 minutes to the gentleman from Kansas [Mr. LAMBERTSON].

Mr. LAMBERTSON. Mr. Chairman, when we reach the item on the Weather Bureau in this bill, which provides $50,000 for a new station at Boston, I am going to move to strike it out. I have opposed it in the subcommittee and in the whole committee. It lost in the subcommittee by a narrow margin and in the whole committee by a narrow margin. While it is only a $50,000 item, there are some principles involved that are of tremendous importance.

I want to speak on the merits of those propositions right now. First of all, I am the ranking Republican member on the Subcommittee on Agricultural Appropriations, under which the Weather Bureau has been functioning for years. Under the reorganization plan it will be transferred next year to Commerce. It would not be our property any longer if we are still here and on the Agricultural Subcommittee. But this item of $50,000 for an independent weather station at Boston is not a deficiency. This is a deficiency bill. There is not any man who is a member of the Deficiency Appropriations Subcommittee who will stand here and say that this is a deficiency. I yield right now to any member of the Appropriations Committee if he wants to stand and say that this is a deficiency. There are prominent members of that committee on both sides present. Nobody disputes my argument.

Mr. WOODRUM of Virginia. Well, will the gentleman yield?

Mr. LAMBERTSON. I yield.

Mr. WOODRUM of Virginia. Of course, if the gentleman means to infer from that that there is nothing in this bill except deficiencies, he is entirely wrong, because this bill carries two classes of items—deficiency items, that is, items which are meant to build up the appropriation for this year, and class two, supplementary items for 1941. There are many supplementary items in this bill.

Mr. LAMBERTSON. There are supplementary items in here that deal more or less with national defense, which is the leading thing of the hour.

Mr. WIGGLESWORTH. Will the gentleman yield?

Mr. LAMBERTSON. I yield.

Mr. WIGGLESWORTH. Following out the thought of the gentleman from Virginia, I would call attention to the fact that the deficiency items in the bill amount to $22,000,000 as compared with supplementary items amounting to over $34,000,000.

Mr. LAMBERTSON. That is very true, but this in no sense of the word is supplemental to anything else. It is neither a deficiency nor supplemental. We should not con-

sider in this bill items that should properly have been brought before regular committees. There is no emergency about this. It is no deficiency, it is no emergency, so it ought not to be here; first, because it is not proper, and second, because in the regular order of things the regular committee should handle this proposition. The regular committees will be meeting in December. The Committee on Commerce can then hear this proposition on its merits.

My second point, after I have emphasized the fact that it is not a deficiency, is that it did not originate with the Weather Bureau. I want to enlarge on that a little, I want to read just a sentence or two from the hearings.

Commander Reichelderfer, one of the most efficient bureau heads we have, a very technical high-class man, who has been lent to the Weather Bureau from the Navy Department, a man who did not come up in the ordinary way, heads the Weather Bureau. He says they had nothing to do with originating this project, meaning the $50,000 item for Boston's independent weather station. He said:

> We had no plan to add new forecast districts this present year. In fact we have not enough forecasters and would have postponed this recommendation if there were not an urgent public demand and need for this New England service.

I want to comment a minute later on that public demand.

> The Weather Bureau has no promotion agents. It needs none. Demands for weather service always greatly exceed the capacity of our personnel and facilities.

The Weather Bureau has eight main stations in the United States today: Jacksonville, Washington, Chicago, New Orleans, Denver, and San Francisco, and substations at Albuquerque and Kansas City. The Weather Bureau would like to have six others ultimately.

Yesterday I solicited this distinguished Commander, the head of the Weather Bureau, to give me information as to whether Boston was the most needed. He refused to say so, he refused to go on record as saying that Boston was the most needed proposed new station of the future.

The main thing I am getting to is that this was conceived in the mind of somebody who wanted to get something for Boston. A distinguished Member of the House and a distinguished Senator promoted this thing. They even got the Budget to agree to it. It seems as though if you have enough power, regardless of the merit of the proposition, you can get a Budget estimate—if you are a big shot. And they did that; yet the Weather Bureau itself for 2 years before our subcommittee has not even asked for this item, and there is no emergency.

They used the argument that because of the hurricane that happened a few years ago if they had had this station it might have been different. That is answered completely in the extended hearings of 2 years ago before our subcommittee. This same man, this Commander Reichelderfer, said that if we had had the four-map system by which at every 6-hour interval in the 24 there is a map of the weather given over the wires to these different stations, they might have been forewarned and it might have helped them to prepare for it. But since that time, since the hurricane, the whole east coast has gotten the four-map system. It is now in use from the Atlantic to the Mississippi River, but not from the Mississippi River to the Pacific. If there is to be any extension in Weather Bureau facilities it is deserving that it should be west of the Mississippi River over the mountains to the west, over that great half of the United States where they have only two Weather Bureau stations now—Denver and San Francisco. Seattle or Portland could ask with lots more grace for a station than Boston. Boston is only 500 miles or less from Washington. Seattle and Portland are a great deal farther than that from San Francisco. Denver is more than a thousand miles from Chicago and New Orleans. Los Angeles has not any individual set-up. Los Angeles or Seattle could ask for it with more excuse than Boston, but they did not have the politicians to put it over, they did not go out and put on the fire and the heat.

Furthermore, nobody is going to answer me on the floor of this House for what I am saying. They are going to ignore the whole proposition. But they condone this thing. I do not think I would be violating any confidence here if I told you that we had this thing beaten by one vote in the subcommittee at one time. This took up hours of our time in the subcommittee and in the full committee, yet nobody is going to challenge my statement here today or deny what I say. They are going to ignore it. But I think it is well for the public and the country to know a little bit about this proposition and the way it has been handled. As I say, it was at one time beaten in the subcommittee by one vote. Then one Member remembered that he had promised somebody personally that he would vote for this thing. So he backed up and started the other way. Then the justifications came in and they began to justify it as far as they could. But it is in the bill because of the activities of a small group of men, one or two men who had made personal promises enough to put this whole thing over. I want to say to you that I do not regard friendship if it depends on the raiding of the Federal Treasury. For myself I hope I will never come before this House—and I have been on this committee 8 years—to ask for any appropriation for my congressional district.

I want to be different from a lot of men without bragging about it. I want my record in Congress to be that I never asked for anything for my particular congressional district that was not needed. I took an oath to support the Constitution as a United States Representative and I want to live up to doing just that. I am not a member of the committee to see how much I can get for my district, my State, or my section of the country. There is not a member of the Appropriations Committee who can point his finger to me and say that I have been inconsistent in my ideas of economy. At least I do not think they can.

It is a disgrace and a shame that we support propositions of this sort. It is not a deficiency item. It did not originate with the Bureau which gets credit for asking for it. That Bureau did not ask for it of its own volition. That Bureau was forced to include it because of pressure and it refused to say even that the Boston station is the most important of those places that have not been taken care of for the future. The same thing that has been said for Boston could be said for all these others that I mentioned here today. I do not pretend to have any influence on either side, but this side has the responsibility for the wild spending that has been going on. They have the responsibility for everything. To my Republican friends, to my Republican colleagues, who stand for economy, may I say that the National Treasury is our first line of defense and that is the thing we are going to emphasize next week at Philadelphia. We are going to ride the New Deal for its spending. We are going to defend another principle and that is the taking care of the Treasury and the national credit.

Mr. Chairman, when I offer an amendment this afternoon to strike out this $50,000 item which is not justified, it is not a deficiency item; it is not justified because it comes from a department or bureau that asks for it, I hope my Republican colleagues will support me if they think it is sound. Do not support me for myself, but if you think it is right in the light of the testimony offered I want you to support my amendment to strike it out.

There is a lot more I might say about this thing today. It is significant; I think it is important, since we spent hours in the subcommittee talking about it. We spent an hour this morning in the whole committee debating it. There will not be another Member on this floor who will say a word about it today but myself. My great distinguished chairman of the subcommittee, the gentleman from Missouri, spoke for a half-hour before the whole committee urging that it be taken out. I am afraid he will not say a word this afternoon. He has his own reasons for that, and, of course, I am not criticising him for that, but I cannot understand why he will not get up here and condemn it like he did in the whole committee. This matter belongs to our subcommittee. It is not a deficiency item. It did not originate with the department. It was put over by individuals who are seeking to get

a little glory for their section. I do not say that is true of everyone's attitude, but I am saying that is the attitude that put this thing over, a very narrow attitude. I want you to stand by me when I offer an amendment to strike this item when the bill is read for amendment. [Applause.]

[Here the gavel fell.]

Mr. WOODRUM of Virginia. Mr. Chairman, I yield 5 minutes to the gentleman from Massachusetts [Mr. McCORMACK].

Mr. McCORMACK. Mr. Chairman, my distinguished friend from Kansas is making a mountain out of a molehill. I admire and respect my friend for his frankness of expression. There was no need of him extending me the consideration of refraining from using my name when he talked about politicians. I am rather proud to be a politician. I do not think it is a disgrace to be a politician. I assume my friend used that term in the broad sense that would make the characterization applicable to himself, because I assume like myself that he, being a Member of the House, will admit he occupies the same position that I occupy or that anyone else here occupies. I never considered it to be a crime; as far as I am concerned I always treated with a great deal of pride, the fact that I have been elected to represent my district in various public offices I have held. I was rather interested in his Confessions of a Congressman. It seems to be a serious crime for one Member of this body or of any legislative body to speak to some of his colleagues about a matter that he is interested in that may come before a committee. I welcome and invite every one of my colleagues to speak to me on any matter that they are interested in, whether it comes before the committee of which I am a member or a matter which comes before the House. This is the first time I have ever heard the argument that Members of Congress should embargo themselves from talking to other Members of Congress in connection with matters in which they are interested.

Mr. LAMBERTSON. Will the gentleman yield?

Mr. McCORMACK. I yield to the gentleman.

Mr. LAMBERTSON. I did not say that, or at least I did not mean to say that.

Mr. McCORMACK. The gentleman's apology is accepted for the RECORD.

Mr. LAMBERTSON. May I add this: What I objected to was Members yielding to a personal appeal on something that was not needed.

Mr. McCORMACK. I never knew that to be a crime in a legislative body.

The gentleman first advanced the argument that this is not a deficiency item. Then the distinguished gentleman from Virginia and the gentleman from Massachusetts, my distinguished friend also, overwhelmed him when they showed that items other than deficiency items were contained in the bill. Then he talked about an emergency and about this not being an emergency. But this is an emergency. He then talked about my personal pride in having the appropriation made. I have a personal pride in being a Member of this body. I have no personal pride in anything I might do. I simply try to do the best I can.

But here is the story. This did not originate in my mind. This was started by the Boston Herald, one of the leading newspapers of the country and a great Republican organ. That is where this movement originated to have a Weather Bureau station for New England. This is for the great district of New England and not for Boston. Of course, the office will be located in Boston. All of the Members of this body from New England, both Republicans and Democrats, are united in favor of this. This is one thing that we all agree upon.

Mr. Chairman, this was not conceived in my mind. It was fathered by the Boston Herald. It was started because, under the forecasting system at the present time, a correct forecast of the hurricane of a few years ago was not made. A forecast of the great snowstorm of last winter was not made. The Weather Bureau Service in Washington is not to blame. Now, New England has a northeast wind which changes rapidly. In the course of a minute it might change very much. It is a variable wind. If there is one place in the country where a station of this kind is needed it is New England. My friend talks about other districts. I think they should be located in other districts, and certainly I would not take the floor, if my friend wanted one located in his district, and argue that because New England did not have it I would not support one being located in his district. To me that would be a selfish argument. To me that would be an argument that I would view in my own mind with shame of myself. I would have a feeling of disrespect for myself, and what I say is not directed toward my friend in comparison.

Now, this is needed; this is an emergency, and it was not started by me. It was started by a great organ that I admire. It is an organ that is Republican in its editorial policy, but it is a great organ and that is where this movement started, with the Boston Herald, and I assume every Member of the House, particularly the Republican Members, are acquainted with the editorial policy of the Boston Herald.

Now, this, briefly, is a statement of the facts. I hope my friend will view this from a broad, practical angle, realizing there are eight such district stations or districts now in the United States, and because there are four or five other districts that should have it, he will not offer a motion to strike out this item. If he does, I hope the membership of the House will not support the motion. [Applause.]

DEPARTMENT OF AGRICULTURE,
WEATHER BUREAU,
Washington, June 15, 1940.

Hon. JOHN W. McCORMACK,
House of Representatives.

DEAR MR. McCORMACK: In response to your telephone inquiry, it is stated that subsequent to the submission of the regular estimates for the Weather Bureau for the fiscal year 1941, urgent request has been made to correct basic deficiencies in the weather forecast and storm-warning service rendered by this Bureau to the New England area by establishing a forecast district center at Boston, Mass., to serve that area. The citizens residing in New England justly complain of the inadequacy of the weather forecast service now provided because the forecasts are now issued from the distant forecast center at Washington, D. C.

New England, because of its location, varied topography and geographical features, presents forecast problems of a regional nature that require the application of special techniques based on an intimate knowledge of local conditions and their effect on weather occurrences. The territory comprising this district is crossed by two active storm paths and is affected both winter and summer not only by disturbances crossing the country from the West but also by coastal storms approaching from the South. It is impracticable, because of the large size of the Washington forecast district as now constituted, for the forecasters to give as extensive a detailed study to the changing weather conditions as is necessary to render the highly accurate and localized service to which the people of New England are entitled, and which can only be rendered from a city situated within the area to be served.

The Weather Bureau is engaged in a program to organize its field service to provide better local weather forecasts in various parts of the country and has recognized that New England would profit materially from an improved and localized weather service. The general program contemplates an increase in the number of forecast districts with resultant reduction in size of districts, which would permit the forecasters to give greater attention to detailed local forecasts. Unfortunately, the Bureau does not at the present time have the funds to put this plan into effect.

A bill to authorize an appropriation for a Weather Bureau district forecast station at Boston, H. R. 9064, was passed by the House of Representatives on May 20, 1940. Should the Congress appropriate the amount of $50,000 authorized to be appropriated by the bill for the purpose of providing the additional personnel and facilities at Boston to establish a forecast district for New England, this would be of decided advantage in improving the forecast service of the Weather Bureau.

Your interest in this matter is greatly appreciated.

Very truly yours,

C. C. CLARK,
Acting Chief of Bureau.

[Here the gavel fell.]

Mr. WIGGLESWORTH. Mr. Chairman, I yield 5 minutes to the gentleman from California [Mr. ANDERSON].

Mr. ANDERSON of California. Mr. Chairman, I notice that the Committee on Appropriations has left out of this bill the million dollars which the President requested for developing a possible supply of rubber in the Western Hemisphere.

I would like to ask the members of the committee how they justify leaving this item out of the bill. May I ask the chairman of the subcommittee that question?

Mr. WOODRUM of Virginia. The committee felt that there had not been sufficient justification made for it and, particularly, on the ground that already the industry was developing synthetic rubber and that there had been no very good showing made to justify the expenditure of further funds for experimental purposes.

Mr. ANDERSON of California. It is true, is it not, that the funds requested by the President were to be used mostly in Central and South America and very little in continental United States?

Mr. WOODRUM of Virginia. That is correct.

Mr. FISH. Mr. Chairman, will the gentleman yield?

Mr. ANDERSON of California. I yield.

Mr. FISH. As I understood the matter, the million dollars I was talking about all went to South America to make a survey and none for synthetic rubber.

Mr. ANDERSON of California. As I understand it, from reading the communication addressed to the House by the President of the United States, the request was for $1,000,000 to be used in the development of rubber from the Hevea rubber tree in the Western Hemisphere, most of the funds to be spent in South and Central America, although there was some mention made of using a portion of the funds in the Gulf States and Florida.

Mr. FISH. No rubber has ever been produced in either Florida or the Gulf States.

Mr. ANDERSON of California. No; but there have been successful experiments in southern Florida. If I am wrong I wish to be corrected, but I think the hearings prove that rubber can be successfully grown in the southern tip of Florida from the Hevea rubber tree.

However, I am more interested in the possibility of producing rubber from the guayule rubber shrub or plant which is a native of Mexico. It originally produced rubber to about 8 percent of the volume of the plant. Selective cross breeding and experimentation have now developed guayule to the point where it will produce as much as 25-percent rubber. I happen to know something about it because there is a factory located in my district which can produce refined rubber at the rate of about 10,000 pounds per day.

According to the figures I have available this rubber can be produced at a cost of about 25 cents a pound. Rubber at the present time, that is the price in the United States for the rubber that we import, is approximately 22 cents per pound. It seems to me there is some justification for the expenditure of a certain amount of funds to find out if we can produce commercially one of our most vital and essential materials; a product that is extremely important to our national-defense program. If it is possible to produce rubber commercially, domestically, I do not see why we should hide our heads in the sand like ostriches and let the opportunity go by.

Now, if you will refer to the hearings, you will find that Dr. Auchter of the Department of Agriculture rather contradicts himself in a couple of statements he made. On page 172 in reply to a question by the gentleman from New York [Mr. TABER], we find the following:

> Mr. TABER. Why did you not go to California, where they are doing some of the work themselves, and do business there instead of going outside the country?
>
> Dr. AUCHTER. You are referring to guayule, that is grown out there. Guayule can be grown in the Southwest. The cost of producing cultivated guayule is so high that under normal conditions it probably cannot be produced profitably in competition with Hevea rubber from the Tropics.

Now, if you will turn to page 464, in a letter addressed to me by Dr. Auchter, you will find that he says in the last paragraph on that page:

> These experiments indicated that guayule can be raised commercially in the United States at a cost of from 25 to 30 cents a pound and contracts were prepared for having local farmers grow the guayule, the planting and harvesting being done by the American Rubber Producers, Inc.

If Dr. Auchter's statement regarding the cost of production is correct, then it appears to me that we are passing up a real chance to assist the American farmer in the production of a new crop. We appropriate a billion dollars a year to help agriculture, but we are still a long way from solving the farmer's problem.

I am not going to attempt to insert the necessary funds into this bill at this time, because the committee has already stricken out the entire item. However, in ignoring this item it seems to me that we are passing up a splendid opportunity to put some of the agricultural lands now growing surplus commodities into the production of one of our vital and essential materials. I trust that when this bill reaches the other body some of the Senators will be far-sighted enough to include funds for developing rubber production in the United States.

The CHAIRMAN. The time of the gentleman from California has expired.

Mr. TABER. Mr. Chairman, I yield 1 minute to the gentleman from Illinois [Mr. DIRKSEN].

Mr. WOODRUM of Virginia. Mr. Chairman, I yield the gentleman 2 minutes.

Mr. DIRKSEN. Mr. Chairman, in response to the query just made by the gentleman from California [Mr. ANDERSON] about exploration in the field of rubber and tropical plants, I might say it is not new. Mr. Thomas Alva Edison was a pioneer in that field, and the closest he ever came to rubber was to develop the goldenrod plant and get a very small production of rubber content. As I recall, he turned over those files to the Bureau of Plant Industry in the Department of Agriculture, and going back to 1933, we made an appropriation of $75,000 for that Bureau for that purpose. Since that time they have been experimenting with guayule, and with Hevea and one other plant grown in Florida and with goldenrod and with a great many others, and after an expenditure of approximately $438,000 over an 8-year period we still have nothing tangible to show for that research and that exploratory effort. My contention is that since the emphasis today is on synthetic rubber, like duprene, neoprene, and other types gotten out by the Goodrich and Du Pont people, and a great many others, that perhaps we will go infinitely further if we let the research come from that side. Only last week either Goodyear or Goodrich held an exposition in New York City and there announced to the country that they had made such progress that they propose now to fabricate the treads on rubber tires from so-called synthetic rubber. In view of those developments in the industrial field it occurs to me it would be unwarranted to spend any great amount of money at this time, because the Department simply has not shown any tangible results.

Mr. ANDERSON of California. Mr. Chairman, will the gentleman yield?

Mr. DIRKSEN. Yes.

Mr. ANDERSON of California. Private industry has experimented with the guayule plant and is now producing rubber commercially at a cost not far in excess of the price we have to pay for imported rubber. If we had some practical experiments made by the Department of Agriculture is it not possible that we might develop something of value?

Mr. DIRKSEN. I think it is a splendid idea to let private industry operate in this field for a time and see what results they can develop.

Mr. ANDERSON of California. May I call attention to the statement made by Mr. Wheeler at page 180 of the hearings? Questioned about producing rubber out of petroleum he states:

> We can if we are willing to pay 50 to 60 cents a pound for it.

It seems to me that if we could develop rubber from a homegrown plant at half that cost we would be much wiser to adopt that method of producing rubber than to take it from petroleum.

Mr. DIRKSEN. I would say that considering the climatic conditions of our country, probably the greatest development will be in our industrial field. In the light of eight successive annual appropriations, some of which I approved as a member

of the subcommittee on agriculture, I think perhaps we should withhold this appropriation for a while and let industry do the job.

[Here the gavel fell.]

Mr. TABER. Mr. Chairman, I yield 5 minutes to the gentleman from Ohio [Mr. JONES].

Mr. WOODRUM of Virginia. Mr. Chairman, I yield 5 minutes to the gentleman from New York [Mr. TABER], to be yielded as he sees fit.

Mr. TABER. I yield that additional 5 minutes also to the gentleman from Ohio [Mr. JONES].

The CHAIRMAN. The gentleman from Ohio is recognized for 10 minutes.

Mr. JONES of Ohio. Mr. Chairman, the President has again said that he wants to cut the expenses of government 10 percent. It is an old story, and familiarity produces the proverbial results still. He promised to reduce expenses before he was elected in 1932. Every once and so often when the demand for reasonable economies becomes too loud to be ignored we get another promise. The reorganization bill was to be the shears with which Federal expenses and personnel would be reduced. I did not believe that promise. I voted against that bill, and the mounting pay rolls since it was made law do not hurt my conscience any.

In answer to every suggestion for economies from this side of the House, frequently supported by Members on the Democratic side, whose colleagues forthwith dismiss them as reactionaries, the administration supporters retort that we cannot economize at the expense of human misery. No one has ever asked for economy at the cost of the unemployed, or to the hurt of the national defense, for the obvious effect would be political suicide if not national self-mutilation.

That is proof to me that the majority has no sensible defense against economies where they can be made and should be made not only to save the taxpayers money but to make government more efficient.

I accept the sneering challenge so often produced by the administration to put up or shut up, to show where economy can be made and efficiency thereby achieved. I produce the indefensible and grandiose propaganda machine as a prime example of waste in money, in time, and the people's patience. They are disguised in the departmental budgets as "information services," as ironical a joke as ever was perpetrated. Information services, indeed!

I found them to be anything but that when I sent out questionnaires to the dozens of propaganda bureaus which infest our governmental structure, exploiting human misery, arousing class hatreds, and gaudily dramatizing the New Deal. I asked for factual information as to the costs of their individual operations, and I was answered with subterfuges and evasions too often to be accidental.

However, I found out a lot. One of the first things I found out is that in most cases these Federal press agents, these New Deal publicity men, grinding out political propaganda at public expense, have no standing in law. The publicity bureaus are illegal. They are specifically prohibited. But there they are; and if the President is for once sincere in his avowed desire to cut expenses, he can save millions of dollars a year just by obeying the law and ridding the Government of this propaganda leech which has fastened itself upon us without authorization or sanction of Congress.

We cannot discover exactly what the propagandists cost us in dollars. Let me read you this confessional paragraph from the Bureau of the Budget, in a letter to me signed by Harold Smith. Its date is April 11, 1940:

> Generally speaking, there is no segregation in the accounting, budgetary, or appropriating procedures of the Federal Government of publications, publicity, or news material as specific objects or purposes of expenditure. As a consequence, it would be a practical impossibility to prepare a compilation of the actual costs under these heads over any period of years.

Now let me read you a sentence from a letter written to me by Secretary of the Interior Harold Ickes. Just 12 words:

> This Department, in accordance with the law, does not maintain publicity personnel.

The Bureau of the Budget says the costs of publicity—it uses the word "publicity"—are too well concealed to be produced. Mr. Ickes says there "ain't" no such animal. Well, I invite you to turn to the hearings on the Department of Interior appropriation with me. I quote from page 20 of the 1941 appropriation hearings:

> I remember that Mr. Straus, the Director of Information, came in sometime ago and said he would like to put on a dramatization of the annual report of the Secretary of the Interior. I told him that he was crazy, that it could not be done in any attractive form. However, in due course he brought in to me a script which I read with great care. It seemed to me to have possibilities and I gave a clearance for it.

Probably some of you have heard his dramatized annual report. Whether you did or not you must know that it took days and weeks of the time of experienced publicity writers of the Department of the Interior to build up a program that would tell the country that the Secretary of the Interior was a great guy; that he bears gifts for every State in the Union. The general idea is that if Secretary Ickes had not lived Joe Doaks, out in the sticks, could not get a Federal check.

Anyone reading this report and listening to the dramatization that I have described must be naive indeed if he does not believe the Department of the Interior maintains publicity personnel. They may not call them publicity experts when they list the duties of the employees for the Bureau of the Budget, but this report and every other news release is prepared by publicity experts, regardless of whether they are called clerks or assistants in the Department of the Interior, or "red herrings."

On April 12 I asked the Secretary of the Interior to furnish me with detailed information in regard to the publicity activities in his Department. On the 25th I received a general reply, which did not answer the specific questions I asked of him, and it ended with this paragraph:

> Therefore I shall seek to see if we cannot assemble for transmission to you more detailed data. Your requests for various categories and divisions of such assignments of time and money do not correspond with any of the numerous classifications required by various procedures. In themselves, your inquiries comprise an expensive and time-consuming task. Of course, break-downs for the past 5 years, etc., on this subject, which you requested by April 17, are impossible.

On the 26th I again wrote the Secretary of Interior the following letter:

> In answer to your letter of the 25th, wherein you state that considerable time is being taken to answer my questionnaire of the 12th, because my inquiry covers break-downs for the past 5 years on the subject of information activities in your Department.
>
> I assume you have the figures for a late fiscal year. I would appreciate it, if it will convenience you, to give me at the present time the answers to the questions for the latest fiscal years for which figures are available and give me the other data at a later date. My immediate purpose will be served by having such figures for the latest fiscal year.
>
> I did not think that it would entail the time that you report because I had in mind that you would have a cost accounting system to enable you to answer questions touching this phase of your operations in your request for funds before the Appropriations Committee.
>
> If you can give me the figures for the latest fiscal years for which complete figures are available by Monday, April the 29th, I will deeply appreciate it.
>
> I might add that if actors are paid for through the program division in connection with the broadcast of radio programs and the production of movies by your Department, I would appreciate your advising me so that I may pursue this source at an early date.

On April 27 I received photostatic copies of reports of the secretary of the Bureau of the Budget, which had been made January 22, 1940, and were available all of the time that I asked the Secretary of the Interior to furnish me information from April 12 until April 27.

I would appreciate any reasonable explanation why the Secretary of the Interior could not give me this information when I first asked for it. The reason may be that the Secretary of the Interior has so covered up the Division of Information by labeling publicity employees as "assistants," "clerks," and "stenographers," in order to keep Congress from knowing how much is really being spent for propaganda, that he has lost track of their identity himself.

I put in the RECORD for the consideration of the Members copy of the photostatic report on the Bonneville Power Administration. This report was given over the signature of the Chief of Division of Information for the Bonneville project. It shows an expenditure of $6,298 for personal services in this project for publicity work. However, on the 29th of March 1940 the same John L. Wheeler wrote to a Member of Congress, and I quote from his letter:

The present personnel of the Information Division numbers 14, with an annual pay-roll encumbrance of $28,600. The personnel includes clerical, filing, and messenger help and the staff of the project's technical library.

Members of Congress, which one of these statements is correct, the $6,298 figure given to the Bureau of the Budget or the $28,600 figure quoted in this letter?

While we are on the subject of power projects, let me call your attention to the Tennessee Valley Authority. I quote from their letter in answer to my inquiry as to their information service:

To answer your question directly, the staff includes seven information employees, whose combined salary is $31,450.

I quote further from his letter in regard to what the publicity department does:

For the most part they include notices of contract awards, major speeches by directors, and pertinent information of a policy nature.

Now, the odd part about the answer to the inquiry is that when you turn to the hearings on the T. V. A. before the House Appropriations Committee, Subcommittee on Independent Offices of the Appropriations Bill for 1941, page 1688, you will find this statement in regard to the number of employees and the amount spent in the publicity section of the T. V. A. Mr. Auger states in answer to the question of Mr. Wigglesworth:

The total budget for 1941 for information office is $165,000 as compared to $167,000 for 1940 and an actual of $178,000 in 1939. The total personnel, including all employees of the information office, which includes our technical library, is 40, which compares to 40.8 in 1940 and 43 in 1939.

If an information office is justified in the Bonneville project and the T. V. A., certainly Members of Congress are entitled to the true information when they write to ascertain the number of employees in the information section and the cost of maintaining this section. There is no justification or excuse to mislead Members of Congress as to the amount of money that is spent for these services.

Two months has elapsed since I asked the Secretary of Interior to give me detailed information on the cost of the various informational activities in his Department for the last 5 years. The Secretary of Interior gives lip service in giving the public an interesting report on all the activities of his Department, but in 2 months' time he cannot give a Member of Congress, who ought to know, and who is entitled to know, when he asks for the cost to the Government of maintaining information service in his Department. Why does he fail to give this information to Members of Congress? Can it be that the Secretary of the Interior is trying to cover up the real cost and expenditure of money in his Department to sell the public that he is a great guy? The Secretary does not dare tell the public of the enormous amount of money that is spent for propaganda in his Department because the whole Interior Department is interwoven with men and women who do not add one iota to the service of their country, but spend their full time or a great portion of it in campaigning for the New Deal.

I sent an inquiry to the Department of Justice in regard to information on publicity activity in that Department, and from Gordon Dean, Special Executive Assistant to the Attorney General, I received a reply from which I quote:

In the first place it should be pointed out that the Department of Justice, unlike some of the other departments of Government, has no "publicity" unit, as that term is ordinarily understood. We do, however, conduct an "information" which is more fully described below.

Now, if the Department of Justice, the Federal law enforcement agency knows that other departments maintain publicity bureaus, then it is countenancing a violation of the law. It is the duty of the Attorney General at least to warn his Federal Cabinet members to halt the illegal practice. Actually he should order them to stop violating the act of 1913 and prosecute them if they refuse. The Attorney General's office and the offices of the Secretary of the Interior and other Cabinet officers are on two horns of a dilemma. If what they are doing is legal, then information and publicity employees should be labeled as such and they should be budgeted in such a way that the Appropriations Committee and the Budget Commission could know immediately how much publicity and information services were costing the Government. There should not be any hiding of publicity experts behind false titles. If it is wrong, the Attorney General's office should be the first to uncover the subterfuge and stop it. Violators of the law in the Federal departments should be hounded with the same zeal that the Attorney General's office would run down any other violator of the law.

There is another mischief that should be looked into at this time when we are hunting the "fifth column" and the subversive groups in America and in our Federal branches of the Government. A few months ago the Dies committee published a list of the Federal employees who belong to subversive groups. Some of those published names are reported to hold harmless jobs as clerks and assistants. As long as the administration insists on covering up and hiding the information services in its departments, just that long will the American people not know how many harmless-sounding titles cover up a publicity "fifth columnist" who is spreading his poison of propaganda and hate of class against class to the American people and giving his false American doctrines the dignity of our great Government.

If these publicity experts are so hidden that the Departments themselves cannot recognize their extent and expense, we certainly have a weak spot in the structure of democratic government through which the Trojan horses can push their way at will.

We Americans, with our constitutional government, are morally strong enough, patriotic enough, to defend ourselves against all subversive attacks. But when constitutional government itself becomes impaired, when illegal authority within government dips its hand in the Treasury's coffers to finance a campaign of woe and disunion in our country, then in all patriotism, in all common sense, that rot must be amputated and the new dealers who planted the germ cut off from power with the same stroke. [Applause.]

Mr. WOODRUM of Virginia. Mr. Chairman, I yield 5 minutes to the gentleman from Texas [Mr. KLEBERG].

Mr. KLEBERG. Mr. Chairman, some time ago when the agricultural appropriation bill was before this House, I offered an amendment increasing the amount allowed in that bill for the work done in Texas, New Mexico, and parts of Arizona for the control of the pink bollworm. It so happens that at that time the subcommittee in charge of the Department of Agriculture appropriation bill did not have before it the Budget Director's supplementary recommendation. Due to the strange confusion which has accompanied this item throughout, I take this time to direct the attention not only of the members of the committee, but the attention of the Director of the Budget to the peculiar situation which confronts this most important item in the appropriation.

This deficiency bill does not make any mention of the pink bollworm. It so happens that the Budget Director sent a supplementary estimate to this committee in Document No. 802 on June 3, but at the time that was received the agriculture appropriation bill was in conference and the Senate had added to that bill the required amount recommended by the Budget Director. In the meantime this bill is voted out of committee and does not carry this item. I do not propose to offer an amendment increasing the amount, because the item was not discussed by the committee the second time, and some of the members of the committee apparently are facile in forgetting these things

that apparently they do not want to pay attention to. I want the members of the committee to at least remember long enough, until this deficiency appropriation bill comes back from the Senate, at which time the Senate will have received an additional recommendation from the Budget, increasing the amount by $380,000 recommended by me in the earlier appropriation. If this amount is not allowed in the Senate, we have every cause for more than reasonable alarm over the welfare of the entire Cotton Belt. If we do not take care of this pest and keep it from spreading, it is good-bye cotton.

[Here the gavel fell.]

Mr. TABER. Mr. Chairman, I yield 3 minutes to the gentleman from Minnesota [Mr. ALEXANDER].

Mr. ALEXANDER. Mr. Chairman, in the light of what was said this morning by the gentleman from New York [Mr. FISH] and the gentleman from Missouri [Mr. SHORT] and the gentleman from Connecticut [Mr. MILLER], I think I should say a word for the area from which I come with reference to its desirability as a location for the placement of airplane factories, or the training of our aviators and mechanics.

In Minnesota, especially around the Twin Cities, where we have one of the finest airports in the world, known as the Wold-Chamberlain Airport, named after two World War heroes, we have just about the finest weather conditions in the Nation for the year round manufacture and flying of airplanes and training of pilots.

We have an average of about 3 stormy days a month; in other words, practically all of our weather is bright, clear, and sunshiny. I noticed in a local eastern paper that 29 days of one month were cloudy or stormy for that particular locality.

We have the correct temperature for training flyers, a temperature which would make it possible for them to get training under all conditions. And on those rolling prairies we have a level terrain devoid of mountains and high hills which you find in so many districts. I well realize that the gentleman from Connecticut has a wonderful lay-out, as does the gentleman from Missouri at St. Louis. But they do not compare with our own lay-out up in the Twin City area.

In addition to the wonderful weather conditions there, we have a reservoir of native-born labor, high-class mechanics, many of them now unemployed who are available and waiting to be called to serve the Nation in its present emergency and need to hasten preparedness.

Let me call the attention of the powers that be, of the authorities in control of the proposed program, who will make the decisions that are to be made within the next few weeks with reference to this problem, to the thing which every school child knows stopped Napoleon and defeated him in his historic campaign against the Russians; to what is now being practiced in China; to what the French tried to do last week when they moved their Government from Paris into the center of the nation at Tours; and to what, in my mind, is just good common sense; that is, that we should get our defensive industry and strategic factories inland. Get them into the center of the Nation as far away from enemy bombing and attack as possible.

This is especially practical with reference to the airplane industry and the training of pilots, and I hope the Government authorities will consider it their patriotic duty to set up their contemplated airplane expansion program in the midcontinent area, starting right at the best spot of all, at Minneapolis and St. Paul, where weather and geographical conditions are most attractive. Start in Minnesota, farthest removed in the Nation from all primary danger spots on the coasts, and from the present overcrowded industrialized areas, and where the people are best qualified and capable from every standpoint of cooperating in such a program.

Last week a delegation of aldermen visited the officials here and thoroughly acquainted them with the advantages we have to offer at Minneapolis, and I know there can be no excuse for failure to give active response to their representations. Our people are now awaiting a statement from the administration, indicating that wise and constructive action has been decided upon, and that a preparedness program of inland and midcontinent development is about to be initiated. [Applause.]

[Here the gavel fell.]

Mr. WOODRUM of Virginia. Mr. Chairman, I yield 2 minutes to the gentleman from Maryland [Mr. COLE].

Mr. COLE of Maryland. Mr. Chairman, I want to comment briefly upon an item in this bill entitled "Veterans' Administration Hospital Facilities." For 10 years I have been doing everything possible to bring about the establishment of a veterans' hospital in Baltimore or vicinity. It has been a long fight with much effort from time to time, starting with a general survey of the needs of the State; appearance before the Federal Board of Hospitalization and finally the approval by this Board of a unit for Baltimore or vicinity based upon their determination of the actual need for a new hospital. My interest in such an improvement started before I entered Congress in 1926 at a time when I was fairly active in the veterans' organizations to which I belonged, then, as well as now. The members of the American Legion, Disabled American Veterans, Veterans of Foreign Wars, Spanish War Veterans, and Jewish War Veterans of the United States, and their respective auxiliaries, have, from the very inception of this matter, been most active and helpful. I want to acknowledge publicly the sincerity of their work and the splendid service they have rendered not only to their active membership but to many ex-service men not enlisted in their respective posts.

The bill before us is the second deficiency appropriation and carries an item of $1,000,000 to remain available until expended for additional hospital and domiciliary facilities. During consideration of this item by the Committee on Appropriations I appeared, at page 487 of the hearings, and presented a statement of the correspondence passing between President Roosevelt and me in reference to this much-needed improvement.

In the President's letter of April 17 I was assured that he, the President, had directed the Administrator of Veterans' Affairs, who is Chairman of the Federal Board of Hospitalization, to cause the Board to make a comprehensive review of the entire hospital construction needs and to submit to him on or before May 1 a complete program with recommendations covering the entire subject. This was done, just as President Roosevelt stated, and I am happy to find in the bill today the initial appropriation to carry out what President Roosevelt and the Veterans' Administration believe to be necessary to complete the hospitalization needs for all of our veterans. The veterans, and I believe their many friends in the State of Maryland, will be most appreciative of the cooperation shown by the President in this matter and also of the recommendation which General Hines made to the committee in his statement found at pages 118 to 123, inclusive, of the hearings.

Last year, when a statement was released by the Veterans' Bureau that proposed sites for the new hospital in Baltimore or vicinity, would be received I hoped that by this time the actual location would have been determined and all plans for the improvement released. But it was easy for me to appreciate, when we convened in January, the reasons for the delay in appropriating the necessary funds. I had hoped then that this deficiency bill would provide sufficient money to make the improvement available immediately, but in view of the fact that the national-defense program has required such heavy expenditures, and made necessary so much additional taxation, and has especially called for the increased use of the industries of the country, I am inclined to agree with the position taken by General Hines in his testimony before the committee that the acquisition of the site and the preparation of the plans is about all they could possibly do between now and the first of next year when Congress reconvenes. I quote from his testimony as follows:

Mr. LUDLOW. Without expressing any doubt as to the value of this program, I am wondering why it was brought in on a deficiency bill.

General HINES. The study, Congressman LUDLOW, was not completed in time for the President to really act on it, or else it would have been included earlier. We could have included such an item, but we would have been guessing. With a more definite proposition, we thought it would meet with approval all the way along.

Mr. LUDLOW. In other words, you are ready now to go ahead, whereas you were not ready before?

General HINES. That is right.

Mr. WIGGLESWORTH. How soon could you start the three new facilities if this appropriation is approved?

General HINES. If we had the money?

Mr. WIGGLESWORTH. Yes.

General HINES. It would require, I should say, from now until the time when you come back again, if you adjourn until the first of the year, before we could have the sites selected, the titles cleared, and the plans ready. In my judgment, we would not be able to go any faster if we had the full amount for all three projects.

Mr. WIGGLESWORTH. You will be ready to start on the first of the year if this is approved?

General HINES. Yes; we will, in my judgment. Also, in my judgment, knowing how long it takes to clear titles and select sites and draw plans for institutions the size of these, I think $1,000,000 is all we should have at this time.

The important thing is that the first dollar to make the new veterans' hospital for Baltimore or vicinity a reality becomes available as a result of the appropriation now before us. It is the beginning of the early end to a long but successful and worthwhile fight. I am happy to have been in a position, as a Member of Congress, to lend my time and support to this very worthwhile effort, resulting in services of an invaluable character not only to my comrades of Maryland but to all parts of the United States. I say this because it is easy for me to look ahead and prophesy that the new unit to be erected in Baltimore or vicinity will very likely be one of a special character wherein the facilities and medical knowledge available in Baltimore, possibly the greatest medical center of the world, will be utilized for such purposes. I thank the members of the committee for the favorable consideration they have given this item, and hope that in the reading of the bill under the 5-minute rule there will be no effort to disturb the appropriation as now provided.

[Here the gavel fell.]

Mr. TABER. Mr. Chairman, I yield 2 minutes to the gentleman from Kansas [Mr. REES].

Mr. REES of Kansas. Mr. Chairman, I realize that in a few minutes no one can discuss adequately a bill with so many different items and with so much involved, with any degree of satisfaction.

I rise, at this time, however, to call attention to the fact that I think it is high time for the members of the Appropriations Committee, as well as the Members of Congress, to scrutinize a little more carefully these expenditure bills. Mr. Chairman, in view of the fact that our country is already $45,000,000,000 in debt, and since we are adding four billions more for national defense, and since we are going to add more billions in the future for that purpose, we ought to begin, even at this late date, to cut expenses except where they are absolutely necessary.

I think the total amount in this bill is $57,000,000, most of it, very likely, is needed for the purposes for which it is I think, could well be stricken out. You have in this bill being appropriated, but there are a great many items that, an item of $50,000 for a new weather bureau at Boston. According to the record and according to the debate, this weather bureau was not advocated by the Department in Washington, but was promoted by the good people of Boston. I do not think that the record, so far, has justified the need for the expenditure of this item.

Just to show how you are spending money, this afternoon, in the face of the present crisis, there are two items amounting to $450,000, almost a half million, in this bill to help the World's Fair at San Francisco and the one at New York. Mr. Chairman, we have already spent $3,500,000 on these two institutions within the last year. I think that, in view of the condition of the Treasury, as well as the condition of the country, we had better save that one-half million.

Another thing, Mr. Chairman, there is an appropriation of eighteen and one-half million dollars in this bill for the Post Office Department. I am informed that the various executive departments of the Government cost the Post Office Department something over $40,000,000 a year just for publicity concerning their various governmental functions. This is millions more than was being spent for this purpose a few years ago. I realize that you cannot cut it all out, but I believe that if the Appropriations Committee would do a little cutting here and there, a good share of this eighteen and one-half million dollars could be saved for the taxpayers of this country.

Mr. Chairman, let me repeat, that with our Government carrying the biggest debt in all of its history and with the need of the spending of billions of dollars more to provide for a proper defense, and since it is necessary thereby to add to the tax load of our Government, we ought to spend money only for those things that are absolutely necessary, and we ought to have the courage to reduce the expenditures to the minimum in every case where the funds are not absolutely needed at the present time.

Mr. Chairman, for the safe of the national defense of our country, and for the sake of its taxpayers, let us hold all other expenditures to the very minimum possible.

Mr. Chairman, Congress should not adjourn. It should stay in session during the impending crisis. In the meantime, it should take time to examine and investigate the items that are being appropriated by this Government, with a view of making such adjustments as are fair and reasonable in order that we may have sufficient funds to take care of our defense program. [Applause.]

[Here the gavel fell.]

The CHAIRMAN. All time has expired. The Clerk will read.

The Clerk read as follows:

Be it enacted, etc., That the following sums are appropriated, out of any money in the Treasury not otherwise appropriated, to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1940, and for prior fiscal years, to provide supplemental appropriations for the fiscal years ending June 30, 1940, and June 30, 1941, and for other purposes, namely:

Mr. FISH. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I ask unanimous consent to proceed out of order for 5 minutes, primarily to make an announcement.

The CHAIRMAN. Is there objection?

Mr. WOODRUM of Virginia. Mr. Chairman——

Mr. FISH. This is about a colleague.

Mr. WOODRUM of Virginia. If the gentleman makes an announcement, he will start an argument.

Mr. FISH. No; this is not an argument.

Mr. WOODRUM of Virginia. The gentleman is not going to start an argument?

Mr. FISH. No; I promise that. It is rather unusual, I admit.

Mr. WOODRUM of Virginia. It would be unusual if the gentleman did not start an argument.

Mr. FISH. I agree with the gentleman, but this is the exception that proves the rule.

The CHAIRMAN. Is there objection to the request of the gentleman from New York [Mr. FISH]?

There was no objection.

Mr. FISH. Mr. Chairman, one of the outstanding and distinguished Members of this House who has given long, able, and faithful service in the House of Representatives was yesterday nominated on the Republican ticket for United States Senator in the State of Maine. [Applause.]

Mr. BREWSTER has served many years with us in the House. We know him as a Member of real ability. We also know that the State of Maine is a Republican stronghold, and that the nomination is almost equivalent to election, the same as nominations on the Democratic ticket in the South are equivalent to election.

We in the House will miss our colleague, who is popular with all of us. He has rendered a great service to his country here and to our deliberations. We know that he will continue to serve his country and his party and to use his legislative experience, training, and ability in the interest of the American people when he goes to the Senate of the United States. We say to him, "Hail and farewell;" but we hope that after he becomes a Member of that august body he will remember us, Democrats and Republicans alike, who

sit in this humble part of the legislative branch of the Government. [Applause.]

Mr. BREWSTER. Mr. Chairman, I move to strike out the last two words.

Mr. Chairman, I appreciate very much the kind words of the gentleman from New York. I derived only one lesson from my recent experience which may bear upon the problem with which we are immediately faced. Many of us here have been concerned with what might be going on back home and with whether or not we should adjourn.

I do not presume that my record or my constituency are in any way unique, but I carried on a campaign without missing scarcely a session or a roll call. It seems evident that nothing would be more satisfactory to our constituents than to remain steadfastly here upon the job to which they have assigned us. This is the lesson I derived from this recent experience. I hope it may mean that Congress will continue in rather constant session and carry on the very grave responsibilities of keeping America and American democracy secure. [Applause.]

The Clerk read as follows:

Salaries and expenses: For an additional amount for salaries and expenses, Bureau of the Budget, fiscal year 1941, including the objects specified under this head in the Independent Offices Appropriation Act, 1941, $50,000: *Provided*, That the limitation on the amount which may be expended under this head for temporary employment of persons or organizations by contract or otherwise without regard to section 3709 of the Revised Statutes or the civil-service or classification laws is hereby increased to $100,000.

Mr. KNUTSON. Mr. Chairman, I offer an amendment to strike out the paragraph.

The Clerk read as follows:

Mr. KNUTSON moves to strike out the paragraph beginning on page 5, line 17, and ending in line 25.

Mr. KNUTSON. Mr. Chairman, on yesterday in another body a distinguished gentleman rose and suggested a seven-point program for the rehabilitation of the United States. I would like to call these recommendations to the attention of the Members of the House because they are most extraordinary; in fact, were they adopted, it would, in effect, set up a dictatorship in this country as vicious as any they have across the sea.

The suggestions are as follows:

First. Confer upon the President full wartime power to prepare and defend America.

Second. Universal-defense service, so that every citizen may be best trained and placed for the country's defense.

Third. Confer upon the President power to suspend all rules, regulations, and statutes, including Army, Navy, and departmental seniority regulations, which, in his judgment, interfere with the maximum speed in the production, transportation, or manufacture of defense materials.

Fourth. Confer upon the President power to suspend the present debt limitation if, in his judgment, such limitation interferes with the maximum speed of the defense program.

Fifth. Grant the President the authority to aid in material or credit those countries and nations which, in his judgment, at this time constitute America's first line of defense.

Sixth. The President and the Congress to begin immediately the preparation and the adoption of a defense budget and a tax program adequate for the national defense.

Seventh. Confer on the President the power to take into custody for the duration of the defense effort all aliens whose freedom would, in his opinion, jeopardize the defense program.

I am wondering whether we are ready for a program of this kind in the United States.

Carried to its logical conclusion, it would suspend constitutional government. It would set up a military autocracy in this country, and I submit that we have already gone much too far in that direction already. It would make the President absolutely supreme in Budget making, in determining how much shall be spent, and also give him free rein insofar as the limit on the national debt is concerned. Then, too, he could place in confinement all who disagreed with his policies and actions.

I read the proposals of the distinguished gentleman with amazement and with deep concern, because he is looked upon and by many considered as a spokesman for the administration. I am wondering if the distinguished gentleman was sending up a trial balloon at the behest of the White House to give the President an indication of whether or not the Congress of the United States was continuing, as it has for the last 7 years, to be a servile, rubber stamp for the executive branch of the Government, and whether the time is propitious for the President to come out with a proposal to set up a dictatorship in this country. Judging by the past three Congresses and the past 7 years, it would not surprise me in the least if the Congress were to supinely surrender the few constitutional prerogatives it now retains and thus confer dictatorial powers upon the Executive. It would not surprise me in the least if the Executive were to ask for these extraordinary powers because he has a very exalted opinion of himself and his ability to rule without help from anyone. [Applause.]

[Here the gavel fell.]

The pro forma amendment was withdrawn.

The Clerk read as follows:

DEPARTMENT OF AGRICULTURE

FOREST SERVICE

Reconstruction and repair of roads and other improvements, national forests in California: For the reconstruction of roads, trails, bridges, and other improvements in the national forests in California, damaged or destroyed by floods in February and March 1940, fiscal year 1940, $200,000, to remain available until December 31, 1940.

Mr. FISH. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. FISH: On page 22, after line 4, insert a new paragraph as follows:

"Rubber investigation: An investigation for the production of rubber in the Western Hemisphere, $1,000,000."

Mr. FISH. Mr. Chairman, I hope the members of the committee will give their attention to this proposal. The Secretary of Agriculture and the experts under him have made an extensive study as to the possibility of producing rubber in South America. I have had several talks with the Secretary himself. This proposal does not emanate from me. I am not interested at all in rubber of any kind. The Secretary of Agriculture, however, is vitally interested in this amendment and wants favorable action on it. In view of the fact that it is not in the bill I have taken occasion to present it. Just why I should be the spokesman for the Democratic Secretary of Agriculture I do not know, but I do know that several of his experts were sent down to my office by Secretary Wallace in favor of the proposal and proved to me the need and urgency for it.

I am talking directly to the Democrats, because if you Democrats do not want this project it will not be written into law because you control legislation. I am presenting the amendment on its merits and I think I can make a very sound case for it on its merits.

Secretary Wallace tells me there are 23,000,000 acres in South America available to grow rubber. He said we ought to find out the best acreage, where they have the proper amount of rainfall and the proper kind of soil, and we can then grow rubber in South America just as well as it is grown in the Malay States.

This is no little matter I am discussing, and I do hope the Members of the House will pay some attention to the facts that I am presenting and act accordingly.

Mr. DONDERO. Mr. Chairman, will the gentleman yield for a question?

Mr. FISH. I yield.

Mr. DONDERO. Is it not a fact that Ford is already producing rubber with a great degree of success now in Brazil?

Mr. FISH. The gentleman is correct. We are the greatest consumers of rubber in the world and the British Empire and Holland have a monopoly on this rubber. We pay outrageous prices for it. We consume, I think, something like 60 or 70 percent of it. Mr. Ford went down to South America 10 years ago and invested millions of dollars and has a huge plantation there. It takes 7 or 8 years to grow

a rubber tree to the point where it will produce. Some people believe, in spite of what my distinguished friend from Michigan has said, that Mr. Ford did not make an adequate investigation of his location and that there is not proper rainfall there, although there is just across the mountain ranges.

The Secretary of Agriculture and his experts are absolutely convinced that there is ample and abundant acreage in South America to grow rubber, and they are supposed to be the best experts in the world.

I am informed that rubber originally came from South America and was transported to the East Indies where, under British control, it was intensely developed. So from every point of view, not alone of national defense, this is an important proposal. Some of our well-known international columnists have even suggested that we should go to war immediately in defense of ourselves because we do not have rubber and tin, and therefore we had better get into this war to safeguard a supply of these two essential commodities. If that is so, if there is a word of truth in it, my amendment should stand on its own merits. Congress should have acted 20 or 30 years ago under Republican administrations, because it is in the interest of the American people who are the consumers and we are being held up every year and highjacked on rubber prices because of a foreign monopoly, and right at our back door and on our own continent, we can grow rubber if we spend just a small sum of money to locate the most suitable land, soil, and rainfall in South America.

And, after all, if I am willing as a Republican to urge that $1,000,000 be placed in the hands of a Democratic Secretary of Agriculture, at least it shows my willingness to have this investigation held right away. Under ordinary conditions—not the emergency which confronts us—I would just as lief and would prefer to let it go until next year when we will have a new Secretary of Agriculture under a Republican administration to make this investigation. But putting aside partisanship, I feel it is in the interest of all the American people, and in the interest of national defense, and I would like to see the Members of Congress vote for this amendment on the merits of the proposal now, as time is of the essence. [Applause.]

The CHAIRMAN. The time of the gentleman from New York has expired.

Mr. DIRKSEN. Mr. Chairman, I rise in opposition to the amendment.

Mr. WOODRUM of Virginia. Mr. Chairman, I ask unanimous consent that all debate on this amendment close in 7 minutes.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. DIRKSEN. Mr. Chairman, I ask unanimous consent to proceed for 2 additional minutes.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. DIRKSEN. Mr. Chairman, this whole subject of rubber is extremely interesting. It first came to my attention when I was on the subcommittee for agricultural appropriations, when we carried an item for rubber exploration. That first item was in 1933, and carried $75,000. We carried in excess of $46,000 a year every year up to and including the present appropriation bill for agriculture for 1940. I think you can examine all of the hearings, all of the testimony adduced by Dr. Auchter and you will find that we have made no real tangible progress. That is to say that Dr. Auchter and his assistants in the Department, took up the work where Mr. Edison left off his experimentations with goldenrod in the hope that there was enough rubber content to make it commercially feasible. However, that is not the case, and after an expenditure of $438,000 in the last 8 years, we have nothing definite to show.

Now there comes the experiment of Mr. Henry Ford in South America, and I shall quote from Time Magazine of June 17, 1940, eliminating wherever necessary for the sake of brevity. Mr. Ford's company went to South America in 1927 and took over 2,000,000 acres. There he started his rubber experimentation on a large scale, investing millions of dollars. Everything has gone along all right, except that all the rubber which Mr. Ford has produced in South America in all that time can be loaded into a single rubber factory in the United States of America. The first thing he ran into was a leaf difficulty. The leaves of the plant down there were susceptible to plant disease. Next, he had difficulty with native labor, and so, after 13 years of experimentation in Brazil on 2,000,000 acres, there is still little to show except a very modest production of rubber which is infinitesimal in comparison with our needs.

In our own country we tried it with guayule, this Mexican plant. Mr. Baruch and John D. Rockefeller, Jr., have expended millions of dollars in Texas. There they planted over 40,000 acres of guayule, and just as soon as the price of natural rubber went down, the production of guayule rubber went down to 3,000 pounds a year, and that is where it is at the present time, without hope of rehabilitating it, because of inherent difficulties involved.

I contend that our biggest hope is in the industrial field, even though there are drawbacks here also. There are many types of industrial rubber today. For instance, there is neoprene, which was first discovered by a professor at Notre Dame University. Next, there is Butadiene, manufactured by the Germans, today, and being used by them today to take the place of natural rubber. Then there is Thiokol, and the Goodrich Co.'s Koroseal. It is only within the last 2 or 3 weeks that the Goodrich Co. held an exposition in New York, and there they brought to the attention of the country a new type of synthetic rubber which they propose to use on the treads of rubber tires. They are getting the price down and they are going forward in their chemical research in the field of petroleum and the possibility of developing rubber from that source. They have announced a rubber known as Ameripol. That, in my judgment, Mr. Chairman, offers the greatest horizon for research and the possibility of developing rubber in case our supply from Dutch East Indies or the British is cut off.

I can see no virtue in the amendment offered by the gentleman from New York [Mr. FISH]. In the years past we have given the Department all of the money that they wanted for research, and nothing has been produced as yet in the way of real, tangible, commercial, merchantable, visible results. So why indulge in the gesture of putting another million dollars into the bill when, after 8 years of continuous and consistent effort, with all the money that they have asked of the subcommittee, there is still nothing to show, and I suggest that it is nothing more than a futile gesture. The proposal to put a million dollars into this bill for the purpose of carrying on rubber investigations should be turned down. I would rather lock to private industry. They are doing a good job now, particularly so in the light of the difficulties of the guayule plants in Texas, and in California because of difficulty in meeting present price competition.

So let us let industry work on it for a while. In proportion as they have found things in other fields of chemical enterprise and finally brought it within the reach of the average American pocketbook, I am satisfied that with that kind of inventive genius and resourcefulness they will find the answer in the field of rubber again.

So I respectfully suggest to the committee that the amendment offered by my friend from New York [Mr. FISH] ought to be voted down.

The last sentence of the Time article—page 72, June 17, 1940—is interesting. It observes that if Henry Ford cannot clean up the Brazilian jungle, only a concerted Government effort can.

Let me observe that such an effort would prove costly, indeed. An equal amount of money devoted to experimentation on the industrial front would be more likely to yield far greater results.

The CHAIRMAN. The question is on the amendment offered by the gentleman from New York [Mr. FISH].

The amendment was rejected.

The Clerk read as follows:

Observations, warnings, and general weather service: For an additional amount for establishing and maintaining a forecast district for New England, fiscal year 1941, including the same objects specified under the head "General weather service and research" in the Department of Agriculture Appropriation Act, 1940, $50,000.

Mr. LAMBERTSON. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. LAMBERTSON: On page 26, strike out the paragraph beginning with line 6.

Mr. LAMBERTSON. Mr. Chairman, this is in line with the argument I made in general debate to strike out this $50,000 item for a separate weather bureau in Boston, on the ground that it is not a deficiency and it is not an emergency. The gentleman who followed me said he took pride in this. He said a Republican newspaper of Boston was one of the great advocates of this thing. It does not make any difference to me whether it is a Republican newspaper or what it is. It is a chamber of commerce idea, where Democrats and Republicans both join if they want some little gravy for their home city. That is very common. Republican newspapers and Democratic politicians will join many times to get something for their home community.

We ought to strike this out. No emergency; no deficiency. Of all people that should not be allowed to win a victory, it is a member of the Ways and Means Committee. The Ways and Means Committee has lagged a long time in this House to keep up with the already overburdened appropriations, and then for a member of the Ways and Means Committee to come over here and help sink us a little worse, we ought not to stand for it. [Laughter and applause.]

Mrs. ROGERS of Massachusetts. Mr. Chairman, will the gentleman yield?

Mr. LAMBERTSON. I yield.

Mrs. ROGERS of Massachusetts. Is it not true that a weather bureau at Boston near the coast is extremely important as a part of our national defense?

Mr. LAMBERTSON. Nobody has intimated it as a part of national defense.

Mrs. ROGERS of Massachusetts. I do. I very strongly urge it.

Mr. LAMBERTSON. We can justify anything and everything now in the name of national defense. Somebody can figure out a connection for it all.

Mr. MURRAY. Mr. Chairman, will the gentleman yield?

Mr. LAMBERTSON. I yield.

Mr. MURRAY. Does not the gentleman know that Boston is a great city and does he not know they were able to get 1,900,000 pounds of fluid milk for that city, the only city in the United States that had it?

Mr. LAMBERTSON. No; I did not know that.

Mr. GIFFORD. Will the gentleman yield?

Mr. LAMBERTSON. I yield.

Mr. GIFFORD. Did the gentleman ever hear anything about parity payments?

Mr. LAMBERTSON. Yes, sir; and I voted against them, too, just like you did. I dare you to vote against this with me. [Laughter.] I dare you to vote against this with me. Show me you are just as big as I have been and as unselfish on this item. You vote with me. I voted with you on parity payments. [Applause.]

Mr. GIFFORD. I will say to the gentleman that I have voted "no" so much that I do not know if I can break the habit. I am going to try.

Mr. LAMBERTSON. I challenge everybody here to vote on this thing as his own conscience dictates. There is nobody who claims it is a deficiency. Nobody has proven it is an emergency. Yet here it it.

I have three towns in my district. One has a railroad shop that is about to be abandoned, and they want the Government to take it over. Another one has a furniture factory that has gone out. They wanted me to get the Government to take it over, but it never occurred to me to come here and ask my colleagues personally to help me get it taken care of in a deficiency bill or any bill to let the Government take them over. That had not occurred to me. But this is an accomplishment for a person of feelings without argument. It is all right for anybody to propose anything to you. I never object to that.

But it is also wrong for anybody to yield to an individual to personally raid the Federal Treasury.

[Here the gavel fell.]

Mr. WIGGLESWORTH. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, my good friend the gentleman from Kansas [Mr. LAMBERTSON] and I are apt to see pretty much eye to eye on many problems that come before us. I am sorry in this instance that this is not the case. I believe that had it been possible for him to have heard in person the testimony of Commander Reichelderfer, Chief of the Weather Bureau, on this item, he would not take his present position in respect to it.

Mr. Chairman, I am supporting this item because I believe it to be justified in the light of our experience in recent years in New England and in the light of the testimony before our committee. I am supporting it also because I believe it will prove to be economy in the long run.

In this connection I call attention to the fact that the Chief of the Weather Bureau informed your committee that in a single instance this winter more than $5,000,000 was saved for the State of Florida as a result of Weather Bureau warning; an amount which he said would be sufficient to run the Florida frost-warning service for a hundred years to come on the basis of its present annual cost.

I have here, Mr. Chairman, a letter addressed to my colleague the gentleman from Massachusetts [Mr. MCCORMACK], under date of June 15, by Mr. C. C. Clark, the Acting Chief of the Weather Bureau. He says among other things, and I quote:

The citizens residing in New England justly complain of the inadequacy of the weather forecast service now provided because the forecasts are now issued from the distant forecast center at Washington, D. C.

New England, because of its location, varied topography, and geographical features, presents forecast problems of a regional nature that require the application of special techniques based on an intimate knowledge of local conditions and their effect on weather occurrences. The territory comprising this district is crossed by two active storm paths and is affected both winter and summer not only by disturbances crossing the country from the west but also by coastal storms approaching from the south. It is impracticable, because of the large size of the Washington forecast district as now constituted, for the forecasters to give as intensive a detailed study to the changing weather conditions as is necessary.

If you look at the hearings on this item commencing at page 192, you will find further statements to the same effect by the Chief of the Weather Bureau. For example, and I quote:

The Washington district is still one of the largest districts, * * * and because of the differences in weather in New England, the special and individual needs of business and industrial interests there, and the large number of people to be served, it is very desirable for them to have a forecast district and a forecast center which can pay attention to their individualized needs. * * * The Washington district is just too large for any forecaster or group of forecasters to give specific and specialized forecasting for industry, agriculture, and other fields throughout the East. * * * A single forecaster cannot handle a district that large. It is simply impossible for him to study the local variations in weather and forecast them with the preciseness that he could if he were forecasting for a smaller area.

Commander Reichelderfer also stated that—

A forecaster at Boston could have interpreted the effects of the hurricane in New England better than the man in Washington because he could have devoted entire attention to the smaller area.

Mr. Chairman, New England, as we all know, had a hurricane during the last year or two which brought with it incalculable loss. New England has also had one or two other serious storms since that time. In none of these instances have we had adequate warnings from the Weather Bureau.

I believe that if this item is included in the bill New England should have a far better chance to avoid serious losses; that the expenditure made should result in very substantial economy in the long run.

Mrs. ROGERS of Massachusetts. Mr. Chairman, will the gentleman yield?

Mr. WIGGLESWORTH. I yield.

Mrs. ROGERS of Massachusetts. We all know that a great deal of damage and loss of life would have been saved if Boston had had a weather bureau at the time of the hurricane and flood in 1938. And also, is it not true that a great many pilots are going to be trained in that area in the near future?

Mr. WIGGLESWORTH. Yes; that is true.

Mrs. ROGERS of Massachusetts. As a matter of safety and also as a matter of national defense, we must have more adequate information about weather conditions in this area. Of course, a great many ships go in and out of the rivers and harbors in New England.

Mr. WIGGLESWORTH. I think my colleague is right. Among other aviation projects which should be aided by the improved Weather Bureau service are the naval aviation base at Squantum, Mass., the new naval air base at Quonsett Point, R. I., and the new Army Northeast Air Base at Chickopee Falls, Mass. I hope the amendment of the gentleman from Kansas will be defeated.

[Here the gavel fell.]

Mr. WOODRUM of Virginia. Mr. Chairman, I move that all debate on this amendment close in 10 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Virginia?

There was no objection.

Mr. MILLER. Mr. Chairman, I rise in support of the amendment.

Mr. Chairman, we do not want to give this particular item an exclusively Boston color, or even a Massachusetts color. I can assure the Members of the House that all of New England is vitally interested in having this important Weather Bureau service located, as it will be, in Boston. Outside of the arguments we have already heard advanced, I want to add one or two. Among the industries that will be served by this new weather station is that of fishing. Large fleets of fishing boats operate off the New England coast and off the coast of Canada. They depend on weather reports for planning their trips.

The question of national defense has been raised and I was rather surprised that my friend the gentleman from Kansas did not realize the importance of that area to the aviation industry through the experiments that are being conducted up there. As recently as Memorial Day I left Hartford in a plane, depending on weather reports received from the Weather Bureau 20 minutes before we left. The report was that everything was clear from Hartford to Washington, with a ceiling of not less than 1,500 feet into Washington. When we got to Philadelphia we had an 800-foot ceiling, and when we got to Baltimore we were on the ground with a four or five hundred foot ceiling. I came the rest of the way by automobile. That did not matter, with plenty of air fields in that part of the country, but as you go north from Boston, as my colleague from Maine [Mr. BREWSTER] will bear me out, there are very few emergency landing fields and these weather reports are of vital importance. If one Army bomber, one of our flying fortresses, setting out from Washington, New York, or Boston to go north, and depending on the latest weather report, got information that did not stand up and met with a tragic crash, this $50,000 would be more than wiped out with that one accident.

I am not going to take the time of the Committee to refer to the effect on agriculture and all these other items, but I would like to say in the closing minutes that I do not believe there is any science connected with aviation that has improved so rapidly in the last few years as has the science of forecasting the weather.

I am going to ask to extend my own remarks and to include extracts from a report made by authorities at the Massachusetts Institute of Technology. It was at that school that they discovered a method of not only measuring the width of a storm but also the depth of a storm. That one development added a great deal to accuracy in the science of weather forecasting. If this were a $50,000,000 item, I still feel the committee may have been justified in considering it. I am surprised there should be any debate on this $50,000 item when the benefits and results must be so apparent to all Members of the House as they were to the members of the Appropriations Committee.

The CHAIRMAN. Without objection, the gentleman may extend his own remarks in the RECORD, but to include extraneous matters he will have to receive permission in the House.

There was no objection.

The CHAIRMAN. The Chair recognizes the gentleman from Massachusetts [Mr. GIFFORD] for 3 minutes.

Mr. GIFFORD. Mr. Chairman, it is a pleasure to vote "yes" on an appropriation. I am so often attempting to force reductions. The old Weather Bureau used to be called Old Probability—probably fair, probably something else. The old story is that out in Maryland an old farmer foretold the weather more accurately than the Weather Bureau here in Washington, and they sent an inspector to learn how he did it. He took the inspector out in the field and pointed to his donkey. He stated, "When the weather is good, he grazes contentedly. When bad weather is coming on he shows degrees of uneasiness and by that degree we determine the weather." They came back to Washington and they put a jackass at the head of every Weather Bureau in the country. That is a story that perhaps you have heard before. It was in our textbooks of long ago.

Today the forecasts are quite accurate. I live in the outermost section of the country and I would like to have the gentleman from Kansas City go with me on a small steamboat even to the islands not far away and if he did not get very seasick and disturbed about weather forecasts, then I should be very much mistaken.

We need this. We went through the hurricane in New England and realize the great need of this.

Mr. LAMBERTSON. Will the gentleman yield?

Mr. GIFFORD. I yield to the gentleman from Kansas.

Mr. LAMBERTSON. Would that Boston situation help me from being sick if I took that ride with the gentleman?

Mr. GIFFORD. The weather forecaster might warn you not to go. Many steamers would not attempt the trip if the Weather Bureau could more effectively function. Now, with flying added to these other methods of travel, we need this service more than ever before. I make no excuse for New England. New England contributes bountifully to this Nation and it is a little picayunish to be objecting to this minor appropriation. [Applause.]

The CHAIRMAN. The Chair recognizes the gentleman from Massachusetts [Mr. MCCORMACK] for 2 minutes.

Mr. McCORMACK. Mr. Chairman, I have already spoken on this matter, therefore my remarks will be brief at this time.

I call the attention of my colleagues to the fact that there is a district forecasting center at present in San Francisco, there is one at Denver, Colo.; Albuquerque, N. Mex.; Kansas City, Mo.; Chicago; New Orleans; Jacksonville, Fla.; and Washington, D. C. These stations serve wide areas. This is a district station, the same as these other eight.

Mr. LAMBERTSON. Will the gentleman yield?

Mr. McCORMACK. I yield to the gentleman from Kansas.

Mr. LAMBERTSON. Kansas City and Albuquerque are not $50,000 stations. They cost about half of that.

Mr. McCORMACK. Well, I have no argument with the gentleman on that. I am referring to the fact that they are district forecasting centers.

New England, as we all know, is the graveyard of maritime disasters. The gentleman from Connecticut referred to the fishing industry. New England is also a great maritime center. We have a northeast wind up there which changes very rapidly, which should be watched and followed closely.

Reference has been made to the fact that this item has not been thoroughly considered. It was considered by the Weather Bureau, it was recommended by the Department,

and it has been personally investigated by the President himself. A special survey was made to determine whether or not this station was necessary for New England.

Mr. Chairman, I wish I could claim the credit for starting this, as the gentleman started out by saying, but I have to give credit where credit is due in order to be intellectually honest with myself. I give credit to the Boston Herald for originating this idea. The businessmen up there are all interested. As a matter of fact, last year in New York City there were over 12,000,000 telephone calls to the telephone company in connection with the weather, which shows the interest in only one city. I have no objection, unlike my friend from Kansas, to other district offices being established where recommended. While I think the opposition of my friend from Kansas, as far as New England is concerned, is in absolute good faith, nevertheless it is without a recognition of the commanding facts which warrant the establishment of this station.

Mr. LEWIS of Ohio. Mr. Chairman, will the gentleman yield?

Mr. McCORMACK. I yield.

Mr. LEWIS of Ohio. Does the gentleman know that in the hearings on this matter Commander Reichelderfer, the head of the Weather Bureau, has this to say on page 195 of the hearings——

Mr. McCORMACK. The gentleman from Kansas [Mr. LAMBERTSON] read that this morning.

Mr. LEWIS of Ohio. That it had nothing to do with the origination of this project.

Mr. McCORMACK. Origination is one thing, and having nothing to do with passing on it is another thing. I took it up personally with the Director of the Weather Bureau myself, and I have a letter here from the Acting Director, dated only the other day, which the gentleman from Massachusetts [Mr. WIGGLESWORTH] referred to, showing that they are absolutely for this. I agree that originating is one thing, and having knowledge is another, and the letter of June 15 of the Acting Director clearly shows support of this station.

Mr. SHORT. Mr. Chairman, will the gentleman yield?

Mr. McCORMACK. I yield to the gentleman from Missouri.

Mr. SHORT. The gentleman from Kansas lives as near Kansas City as I do, and since we have a station in Missouri I welcome the opportunity to vote to give you one in Boston.

Mr. McCORMACK. That is a noble and a statesmanlike attitude to state. [Laughter and applause.]

[Here the gavel fell.]

The CHAIRMAN. The question is on the amendment offered by the gentleman from Kansas [Mr. LAMBERTSON].

The question was taken; and on a division (demanded by Mr. LAMBERTSON) there were—ayes 13, noes 80.

So the amendment was rejected.

Mr. DIRKSEN. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, some months ago there came before this House a bill to include cotton within the provisions of the Federal Crop Insurance Act. That bill also contained a provision to increase the administrative expenses of the Federal Crop Insurance Corporation from $6,000,000 to $12,000,000. Despite my feeble eloquence that bill passed by a vote of 200 to 113, but I contended at the time that the thing was entirely experimental and that the Federal Treasury was going to suffer as a consequence of that experiment on the basis of what was disclosed up to that moment. Now, it is rather singular that the largest supplemental item in this bill today is an item to provide for additional subscriptions to the capital stock of the Federal Crop Insurance Corporation in the sum of $20,000,000, and if you can read a balance sheet or if you can properly read the item in this bill you might know full well that they are restoring their capital structure to the extent of $20,000,000 to get ready for the losses in 1941.

Mr. TABER. Mr. Chairman, will the gentleman yield for a question?

Mr. DIRKSEN. Yes; I yield.

Mr. TABER. This $20,000,000 is just a drop in the bucket compared with what is coming.

Mr. DIRKSEN. I agree with the gentleman.

Now, read the testimony. For the 1939 crop-year the loss was $2,150,000 on wheat alone and the Chairman of the Crop Insurance Corporation comes before the deficiency committee and states that the minimum loss on wheat will be $14,000,000 for the year 1940.

The Treasury pays all the administrative expenses. Come other years and other losses and by that time we shall have been fully persuaded that this is only an experiment and a very tragic and costly experiment at that. I recur to the record, and I recall, refreshing my memory this morning on the observation made by our friend from Mississippi [Mr. WHITTINGTON], when in the course of the argument trying to include cotton within the provisions of the Crop Insurance Act, he said, "The hearings disclose that the operations in wheat have been satisfactory." Yes; they have—satisfactory to the extent of $2,000,000 in losses in 1939; $14,000,000 of losses in 1940; and fate knows what in 1941. Yes; the operations have been satisfactory. They have been costly, and there is no immediate prospect that it will be self-sustaining. The present actuarial basis for crop insurance should be reexamined, and if it appears that crop insurance at a more moderate premium is not workable, some other remedy should be considered.

The pro forma amendment was withdrawn.

Mr. FISH. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. FISH: On page 26, after line 12, insert "Tin smelter: For the erection of a tin smelter in the United States, $1,000,000."

Mr. WOODRUM of Virginia. Mr. Chairman, I make the point of order against the amendment that it is not authorized by law.

Mr. FISH. Mr. Chairman, will the gentleman let me continue for about 3 minutes?

Mr. WOODRUM of Virginia. I reserve the point of order, Mr. Chairman, for 3 minutes.

The CHAIRMAN. The gentleman from Virginia reserves the point of order against the amendment.

Mr. FISH. Mr. Chairman, I think the gentleman is correct. This is not germane, probably, to the bill, as it is legislation on an appropriation bill and not authorized by law. The Committee on Rules gave a rule for a tin investigation. I do not believe that is at all necessary, having served for a number of years on a subcommittee of the Foreign Affairs Committee investigating tin. We went very thoroughly into the subject, and we came to the very definite conclusion—in fact, unanimously—that what we really need is a tin smelter in the United States in order to refine tin ore from Bolivia.

I take this opportunity to present these facts to the Congress because we use something like 60 percent of all the tin in the world. We are held up on the price of tin because we have no smelter here. We have to buy the refined tin from England and Holland, which have a monopoly and charge monopoly prices.

We can break this monopoly with $1,000,000 by erecting a tin smelter in the United States, and probably save from ten to twenty million dollars a year.

Mr. DIMOND. Mr. Chairman, will the gentleman yield?

Mr. FISH. Yes.

Mr. DIMOND. Have we not a tin smelter at the present time in New Jersey? I have been told there is one there and that Bolivian tin has been smelted there.

Mr. FISH. We have not a workable tin smelter in New Jersey. Perhaps it should be there. There was one there some years ago, but if we had a modern tin smelter in the United States we would save from ten to twenty million dollars a year, and as everyone is now talking in terms of national defense, and as we need tin for our armaments, I think it would be money well spent. In addition, our industries consume a great amount of tin, particularly in the use of tin cans. This would be in the nature of an economy for our consumers.

Mr. BLOOM. Mr. Chairman, will the gentleman yield?

Mr. FISH. Yes.

Mr. BLOOM. The tin smelter in New Jersey is only an experimental smelter, experimenting with a new process of smelting tin, but that smelter could not supply anywhere near what we need.

Mr. FISH. Mr. Chairman, I admit that the point of order lies against the proposed amendment, but I hope that the Members of Congress will see the necessity of having a tin smelter in the United States for purposes of national defense.

The CHAIRMAN. The point of order is sustained.

The Clerk read as follows:

Menominee Indians in Wisconsin: The Secretary of the Interior is hereby authorized and directed to withdraw from the Treasury of the United States during the fiscal year ending June 30, 1941, the sum of $105,000 of any funds on deposit to the credit of the Menominee Indians in Wisconsin, and to expend such sum, or as much thereof as may be necessary, for making a per capita payment of $50 to each enrolled member of the Menominee Tribe, such per capita payments to be made in four equal monthly installments during July, August, September, and October, 1940: *Provided*, That such per capita payment shall be in lieu of the payments authorized by the act of June 15, 1934 (48 Stat. 964), for the fair market stumpage value of timber cut on the Menominee Reservation during the fiscal years 1940 and 1941: *Provided further*, That the amounts expended for making such per capita payment shall be reimbursed to the tribal funds utilized therefor from sums that would otherwise be paid such Indians pursuant to the act of June 15, 1934, supra.

Mr. MURRAY. Mr. Chairman, I offer the following amendment which I send to the desk.

The Clerk read as follows:

Amendment offered by Mr. MURRAY: Page 27, line 20, strike out the word "four" and insert the word "two", and on page 27, strike out the word "August" and insert "and October" and before the word "September", insert the word "and".

Mr. WOODRUM of Virginia. Mr. Chairman, I have no objection to the amendment.

The CHAIRMAN. The question is on agreeing to the amendment.

The amendment was agreed to.

The Clerk read as follows:

Emergencies arising in the Diplomatic and Consular Service: For an additional amount to enable the President to meet unforeseen emergencies arising in the Diplomatic and Consular Service, and to extend the commercial and other interests of the United States and to meet the necessary expenses attendant upon the execution of the Neutrality Act, to be expended pursuant to the requirement of section 291 of the Revised Statutes (31 U. S. C. 107), fiscal year 1941, $1,000,000; of which $50,000 shall, in the discretion of the President, be available for personal services in the District of Columbia.

Mr. STEFAN. Mr. Chairman, I move to strike out the last word. I rise to inquire of the chairman of the subcommittee whether or not in this particular item of $1,000,000 for Diplomatic Service there is anything to compensate any particular Foreign Service officer for damages done to their personal household goods in the recent war in Poland? My attention has been called to a bill introduced in the Senate to pay Anthony Biddle, former Ambassador to Poland, the sum of $243,361 out of our Treasury for some alleged damage to some of his household goods.

Mr. WOODRUM of Virginia. Mr. Chairman, will the gentleman yield?

Mr. STEFAN. I yield to the gentleman from Virginia [Mr. WOODRUM].

Mr. WOODRUM of Virginia. This is not available for the purpose the gentleman inquires about.

Mr. STEFAN. I am glad to be reassured by the chairman that none of the money in this appropriation for "emergencies arising in diplomatic and consular service" can be used for the purposes of any such indemnification. I am not so sure, however, that I share the thought of the gentleman from Virginia [Mr. WOODRUM] as to whether or not this appropriation could be used for this purpose as I am advised that this fund is available without restriction for any unforeseen emergencies that the President may decide to use the fund for.

I do feel confident, however, that the Secretary of State would not permit this appropriation which is not audited by the Comptroller General to be availed of for any such purpose.

Mr. Chairman, I have frequently spoken here on behalf of the Department of State and our Foreign Service because of my membership on the subcommittee which makes appropriations for the State Department. I believe we have a well-managed State Department and that we have many good Foreign Service officers. I say now and have said before that this service is our first line of defense and is just as important for the defense of America as is our Army and Navy.

I am not making an attack on Mr. Biddle personally. I do not know him. My friends on the Foreign Relations Committee tell me he is a fine gentleman and a good officer. So far as I personally know, he is not a career man and has been in the service a very short time. I do not know under what circumstances he left his post in Poland nor under what circumstances he bases his claim to $243,361 of funds in our Treasury. I am told that he is a very rich man and is not in need of funds. I am told that he is now employed as sort of an Assistant Ambassador in France. All I am interested in is the condition of our Treasury and our taxpayers in this very dark hour. I feel Mr. Biddle's demand for this money is unreasonable. I want the record to show that Congress knows of this bill and also that we do not want any of the funds we are now appropriating in this last deficiency bill to go toward the payment of this unreasonable claim.

While I have not had the opportunity, because this matter has just been called to my attention, to contact the Department of State, I am confident that they would never lend their endorsement to such a raid on our Treasury as is proposed in the bill introduced in the Senate by Senator GUFFEY. We are not niggardly in our appropriations to Mr. Biddle, and our other ambassadors. We pay for their transportation and the transportation of their entire families to and from their posts. We give them heat allowances, rent allowances; we give them allowances to make up the difference in the cost of living where they are as compared to the cost of living in the United States; we pay them in gold so there is no loss of exchange, and in addition to all their perquisites we give them allowances for entertainment and representation; and do not forget, we also pay for the transportation of all their household goods both ways. All of this, in addition to their salaries, which in the case of Mr. Biddle, is $17,500 per year.

If we are to embark upon a policy of compensating everyone for any personal loss that they might sustain as a result of their contact with hostilities we would have to be consistent and pay for the loss of every tooth brush and pocket comb that any of our citizens might sustain as the result of the conditions which exist in Europe at this time. [Applause.]

The Clerk read as follows:

INTERNATIONAL JOINT COMMISSION, UNITED STATES AND GREAT BRITAIN

Salaries and expenses: For an additional amount for salaries and expenses, International Joint Commission, United States and Great Britain, fiscal year 1941, including the objects specified under the appropriation for such purpose in the State Department Appropriation Act, 1941, and including also the salary of one commissioner on the part of the United States, notwithstanding the provision to the contrary contained in such act, who shall serve at the pleasure of the President, $7,500.

Mr. TABER. Mr. Chairman, I make a point of order against the paragraph on page 43, beginning in line 1 and ending in line 11.

Mr. WOODRUM of Virginia. Mr. Chairman, I concede the point of order.

The CHAIRMAN. The point of order is sustained.

The Clerk read as follows:

Transportation of bullion and coin: For an additional amount for transportation of bullion and coin, between mints, assay offices, and bullion depositories, including compensation of temporary employees, fiscal year 1940, $1,608,000, to remain available until June 30, 1941.

Mr. TABER. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. TABER: Page 50, line 20, strike out "$1,608,000" and insert "$1,450,000."

Mr. TABER. Mr. Chairman, this amendment is offered to reduce the amount available for the transportation of gold from New York to Fort Knox by $158,000. This is a very small reduction, but it serves to protest against the crazy program we have had for the last 7 years of buying gold at $35 an ounce and putting it under the ground where it is no good to the country. If we are ever going to stop this proposition, we have got to begin to refuse to appropriate money for that purpose.

I hope this amendment will be adopted.

In addition to that, it would seem as if they could save that amount of money out of the appropriation without the slightest difficulty. I hope this amendment will be adopted and we can save a little money.

Mr. FISH. Mr. Chairman, I rise in support of the amendment.

Mr. Chairman, I had proposed, until my colleague the gentleman from New York [Mr. TABER] offered this amendment, to offer a somewhat similar amendment, but going further, reducing the amount from $1,608,000 to $1,000,000, or a reduction of $608,000, whereas the amendment offered by the gentleman from New York [Mr. TABER] would reduce it $250,000.

It seems to me, Mr. Chairman, that that is a rather large sum of money—$1,608,000—to transfer gold from one section of the United States to the other, and that we might very well economize, justifiably, by asking the Army to use some of its trucks or mule trains and work out this transportation problem. If we ever enter into war, one of the greatest problems will be that of transportation.

We might very well say to the Army General Staff, "Why not work out this problem and save us some money? You might put to work your mule trains and trucks that have little to do in peacetimes." We might use that mule train from Death Valley that was here in Washington the other day and save some money in the transportation of this gold to be buried out in the State of Kentucky.

Mr. KNUTSON. Mr. Chairman, will the gentleman yield?

Mr. FISH. I yield to the gentleman from Minnesota.

Mr. KNUTSON. Why can we not use W. P. A. labor in the transportation of this gold?

Mr. FISH. I think that is an excellent idea. Why not give them something actually to do of benefit to our country and save us some money? I think we would find we could save the amount of money suggested by the gentleman from New York [Mr. TABER].

Mr. KNUTSON. Well, we might give it to Hopkins to play with. He would get rid of it in a hurry.

Mr. FISH. Certainly somebody is going to play with this money. We do not need this huge amount of money to bury gold in the ground. To my way of thinking, that is the greatest single fiasco of the New Deal. It is the height of all New Deal follies—the purchasing of gold at $35 an ounce where it costs $18 or $19 to produce it in South Africa and $10 an ounce in Soviet Russia, and we pay three times the cost of production to the Russians and twice the cost of production to South Africans for gold which they take out of the ground and we transport it over here and then we bury it back into the ground, where is serves no useful purpose, where it draws no interest, where it feeds nobody, where it clothes nobody, where it puts nobody to work, and does not in any way solve any of our problems, but rather hinders international trade and forces other nations into the barter system which the President denounced yesterday.

Miss SUMNER of Illinois. Mr. Chairman, will the gentleman yield?

Mr. FISH. I willingly yield to the gentlewoman from Illinois.

Miss SUMNER of Illinois. The gentleman is a distinguished expert on peace. Does he not think it endangers our peace having so much gold right in the center of the United States, where every potential enemy would know about it and be anxious to get it?

Mr. FISH. It encourages all of the nations of the world to gang up on the United States and to rob us if they can. It is our duty, therefore, to see that we have the greatest navy in the world to protect this gold. So we not only pay twice the cost of production for this useless metal, but we will have to have a navy twice as big to protect it and the United States. I think the gentlewoman from Illinois is quite correct in her logic, as she generally is.

Now, this amendment is seriously offered by my distinguished colleague from New York. I regret he did not go further and try to economize more than $250,000, but let us economize at least that amount and see if we cannot put some of these agencies to work transporting this useless gold and save $250,000 at least. It is worth while once in a while even to try to save such a relatively small amount as $250,000. [Applause.]

[Here the gavel fell.]

Mr. WOODRUM of Virginia. Mr. Chairman, I move that all debate on this amendment close in 2 minutes.

The CHAIRMAN. Without objection it is so ordered.

There was no objection.

Mr. WOODRUM of Virginia. Mr. Chairman, the amendment of the gentleman from New York was, as he frankly said, offered as a protest against the policy of the United States Government of buying gold.

The adoption of the amendment would not settle any such policy. It could not be settled by withholding funds that are asked for the purpose of moving the gold; nor would it settle any policy by holding up the funds. All they would do would be to move as much as they could and leave the rest in the vaults in New York where they say it is not prudent to leave it.

As appears from page 354 of the hearings the Post Office Department receives a fee of $180 per $1,000,000 for shipping gold from New York to Fort Knox. The estimated cost of moving this bullion from the New York Assay Office to the Fort Knox bullion depository totals $1,608,000, including the services of laborers and guards.

Mr. KNUTSON. Mr. Chairman, will the gentleman yield?

Mr. WOODRUM of Virginia. I yield.

Mr. KNUTSON. Why could not this gold be melted down into ingots so heavy that it would be impossible for anyone to carry it off?

Mr. WOODRUM of Virginia. It is in bars.

Mr. FISH. What the gentleman means is that it should be melted down into the form of a golden calf so it could be worshiped.

Mr. KNUTSON. I would rather have a golden bull. [Laughter.]

Mr. WOODRUM of Virginia. The gentleman from Minnesota is facetious. I am trying to talk on the record. This is an important matter to the Treasury. Withholding the funds will merely prevent them from shipping the gold. The Treasury Department does not feel that it is wise to leave it where it is. I do believe the Congress ought not to take the responsibility of leaving it in New York. The Fort Knox depository was established especially for this purpose.

I hope the amendment will be defeated.

The CHAIRMAN. The question is on the amendment offered by the gentleman from New York.

The question was taken; and on a division (demanded by Mr. TABER) there were—ayes 60, noes 82.

So the amendment was rejected.

The Clerk concluded the reading of the bill.

Mr. WOODRUM of Virginia. Mr. Chairman, I move that the Committee do now rise and report the bill back to the House with an amendment, with the recommendation that the amendment be agreed to and that the bill as amended do pass.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. BLAND, Chairman of the Committee of the Whole House on the state of the Union, reported that that Committee, having had under consideration the bill H. R. 104104, the second deficiency bill, directed him to report the

same back to the House with an amendment, with the recommendation that the amendment be agreed to and that the bill as amended do pass.

Mr. WOODRUM of Virginia. Mr. Speaker, I move the previous question on the bill and the amendment to final passage.

The previous question was ordered.

The SPEAKER. The question is on the amendment.

The amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

WAR DEPARTMENT CIVIL FUNCTIONS APPROPRIATION BILL, 1941—CONFERENCE REPORT

Mr. SNYDER submitted the following conference report and statement on the bill (H. R. 8668) making appropriations for the fiscal year ending June 30, 1941, for civil functions administered by the War Department, and for other purposes:

CONFERENCE REPORT

The committee of conference on the disagreeing votes of the two Houses on certain amendments of the Senate and amendments of the House to certain amendments of the Senate to the bill (H. R. 8668) making appropriations for the fiscal year ending June 30, 1941, for civil functions administered by the War Department, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendments numbered 3, 4, 5, 6, 8, and 11.

Amendment numbered 21: That the Senate recede from its disagreement to the amendment of the House to the amendment of the Senate numbered 21, and agree to the same.

Amendment numbered 22: That the Senate recede from its disagreement to the amendment of the House to the amendment of the Senate numbered 22, and agree to the same.

J. BUELL SNYDER,
DAVID D. TERRY,
JOE STARNES,
ROSS A. COLLINS,
JOHN H. KERR,
D. LANE POWERS,
ALBERT J. ENGEL,
FRANCIS H. CASE,
Managers on the part of the House.

ELMER THOMAS,
CARL HAYDEN,
JNO. H. OVERTON,
RICHARD B. RUSSELL,
MORRIS SHEPPARD,
JOHN G. TOWNSEND, JR.,
STYLES BRIDGES,
Managers on the part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on certain amendments of the Senate and certain amendments of the House to certain amendments of the Senate to the bill (H. R. 8668) making appropriations for the fiscal year ending June 30, 1941, for civil functions administered by the War Department, and for other purposes, submit the following statement in explanation of the effect of the action agreed upon and recommended as to each of such amendments, namely:

On amendment No. 3: Strikes out the proposals of the Senate (a) to increase by $28,000,000 the $21,000,000 previously authorized to be appropriated for the Arkansas River Basin flood-control project, and (b) to increase by $13,000,000 the $25,000,000 previously authorized to be appropriated for the White River Basin flood-control project.

On amendment No. 4: Strikes out the proposal of the Senate to modify previously authorized flood-control projects at Hartford and East Hartford, Conn., and Springfield, West Springfield, Chicopee, Holyoke, and Northampton, Mass.

On amendment No. 5: Strikes out the proposal of the Senate to make the appropriation in the bill for "flood control, general," available for flood-control work on Ontauga Creek at Prattville, Ala.

On amendment No. 6: Strikes out the appropriation of $249,000 proposed by the Senate for prosecuting work on the flood-control project at East Hartford, Conn., in accordance with revised plans and cost estimates.

On amendment No. 8: Strikes out the proposal of the Senate to increase by $1,844,000 the authorized cost of the Sacramento River flood-control works.

On amendment No. 11: Strikes out the legislation proposed by the Senate with respect to the Savannah River and Clark Hill Reservoir project.

On amendments Nos. 21 and 22, relating to the employment of aliens in the Panama Canal Zone: Adopts the amendments of the House to the amendments of the Senate, thus making the provision identical with provisions incorporated in the regular annual Army and Navy appropriation bills for 1941, already enacted.

J. BUELL SNYDER,
DAVID D. TERRY,
JOE STARNES,
ROSS A. COLLINS,
JOHN H. KERR,
D. LANE POWERS,
ALBERT J. ENGEL,
FRANCIS CASE,
Managers on the part of the House.

Mr. SNYDER. Mr. Speaker, I ask unanimous consent for the immediate consideration of the conference report on the bill H. R. 8668, the War Department civil functions appropriation bill, 1941.

Mr. TABER. Mr. Speaker, reserving the right to object, my understanding is that the Senate conferees yielded to the House position upon every amendment which was in disagreement, and that that is what the conference report results in.

Mr. SNYDER. That is correct, exactly.

Mr. TABER. For that reason I have agreed that I would not object to the gentleman's bringing it up at this time.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

The Clerk read the conference report.

The conference report was agreed to.

A motion to reconsider was laid on the table.

ELECTION CONTEST—JOHN R. NEAL *v.* ESTES KEFAUVER

Mr. BELL, from the Committee on Elections No. 1, submitted the following privileged resolution, House Resolution 534 (Rept. No. 2609), which was read, referred to the House Calendar, and ordered printed:

House Resolution 534 (Report No. 2609)

Resolved, That John R. Neal is not entitled to a seat in the House of Representatives of the Seventy-sixth Congress from the Third Congressional District of the State of Tennessee.

Resolved, That ESTES KEFAUVER is entitled to a seat in the House of Representatives of the Seventy-sixth Congress from the Third Congressional District of the State of Tennessee.

MAINTENANCE OF MONROE DOCTRINE

Mr. CLARK. Mr. Speaker, I call up House Resolution 525, and ask for its immediate consideration.

The Clerk read the resolution, as follows:

Resolved, That immediately upon adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the state of the Union for consideration of House Joint Resolution 556, a joint resolution approving nonrecognition of the transfer of any geographic region in the Western Hemisphere from one non-American power to another non-American power, and providing for consultation with other American republics in the event that such transfer should appear likely. That after general debate, which shall be confined to the joint resolution and shall continue not to exceed 2 hours to be equally divided and controlled by the chairman and ranking minority member of the Committee on Foreign Affairs, the joint resolution shall be read for amendment under the 5-minute rule. At the conclusion of the reading of the joint resolution for amendment, the Committee shall rise and report the same to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the joint resolution and amendments thereto to final passage without intervening motion except one motion to recommit.

Mr. CLARK. Mr. Speaker, I yield 30 minutes to the gentleman from New York [Mr. FISH].

Mr. Speaker, there is nothing unusual about the rule that we have called up. It makes in order a rather important bill reported by the Foreign Affairs Committee dealing with the Monroe Doctrine.

Mr. Speaker, I reserve the balance of my time.

Mr. FISH. Mr. Speaker, I yield myself 10 minutes.

Mr. Speaker, I have for many years served with the gentleman from New York [Mr. BLOOM], chairman of the Committee on Foreign Affairs. He is my distinguished chairman. He has devoted much of his time, ability, and almost his very life to reviving the memory of George Washington and his sayings, to such an extent that back in his own district it is a disputed question whether George Washington wrote the

Farewell Address or the gentleman from New York, SOL BLOOM. He has served his country well, and he wants to continue to serve it well. He wants to revive the Monroe Doctrine, so that the people not only of this country but of the whole world will know the wording of the Monroe Doctrine.

He has introduced—I assume at the request of the administration—this resolution which reaffirms the Monroe Doctrine. The only change I can see in the resolution is that it will have the effect merely of reiterating the Monroe Doctrine and changing the title from the Monroe Doctrine to the Monroe-Bloom Doctrine. I think some Members of the House, particularly those on my side, are unduly alarmed about this resolution. We are making a mountain out of a molehill. As I look at the resolution, its sole purpose is to reaffirm an ancient doctrine of our country in this world emergency so that European nations will know that the transfer of possessions by one non-American nation to another non-American nation is against the policy of the United States as written specifically into the Monroe Doctrine. All we are doing by act of Congress is to reassert this doctrine and to show the world that not only the President, representing the executive branch of the Government, but the Congress of the United States stand squarely behind that doctrine, particularly about the nontransfer of European possessions in America from one European nation to another.

No man in this country knows more about Latin American affairs than Sumner Welles, the distinguished Under Secretary of State. He told me over the telephone yesterday that the language of article II in this bill in no way modifies or limits the power of the United States to act under its traditional policy, but at the same time recognizes the inter-American agreements into which the United States has entered with its neighbors, and fully takes into account the complete solidarity of all the American republics in this regard. I point out again that he states that this in no way modifies or limits the power of the United States to act under its traditional policies.

Mr. Speaker, I want to quote directly from the Monroe Doctrine. It is not surprising that some people are not familiar with the Monroe Doctrine because it was written so many years ago. You cannot expect the American people to know exactly what is in it. You cannot expect Members of Congress or even members of the Foreign Affairs Committee to know the precise language of the Monroe Doctrine. I submit that is true, and I could easily prove it by making reference to something that happened in the committee. Now, how can we possibly expect foreign nations to know the specific language of the Monroe Doctrine?

I propose to take a little time here to read extracts from that famous traditional American document.

Mr. KNUTSON. Will the gentleman yield?

Mr. FISH. I yield to the gentleman from Minnesota.

Mr. KNUTSON. As the gentleman goes along, will he explain to the House wherein the Bloom doctrine disagrees with the Monroe Doctrine?

Mr. FISH. There is no disagreement at all, except that we are bringing it up to date so that it will have the additional privilege of having Mr. BLOOM's name on it.

Mr. BLOOM. Will the gentleman yield?

Mr. FISH. I yield to the gentleman from New York.

Mr. BLOOM. I think the gentleman has gone far enough. If the gentleman wants to be funny I think he ought to go on the stage and not resort to small tricks like this.

Mr. FISH. The gentleman has been unduly alarmed. I want to give him a little credit, and I mean exactly every word I say, and I mean it in the kindliest of spirit. The gentleman ought to be congratulated. I would be glad to take the gentleman's place, and he can put my name on the bill. I would love to have it there. That is the only difference, I may say to the gentleman from Minnesota. I think the gentleman from New York [Mr. BLOOM] ought to be proud to have his name on it. I assure him I am not trying to ridicule him at all.

Mr. BLOOM. I am proud of having my name on any bill presented to this House, but I am not proud of having anyone get up on the floor and try to make fun and ridicule over a matter that is most serious. The whole world is looking to the Congress today to see what it is going to do. It is very unbecoming of any Member of this House to do such a despicable thing, and I resent it.

Mr. FISH. I think the gentleman has a perfect right to resent it, if he wants to take it that way. Some of us are apt to be facetious once in a while. I was indirectly trying to give the gentleman credit and I hope he will take it in that way.

Mr. LUTHER A. JOHNSON. Will the gentleman yield?

Mr. FISH. I yield to the gentleman from Texas.

Mr. LUTHER A. JOHNSON. The gentleman is aware of the fact—I do not know whether the House is or not—that this resolution was introduced by the gentleman from New York [Mr. BLOOM], chairman of the Foreign Affairs Committee, contemporaneously with a similar bill in the Senate by the chairman of the Foreign Relations Committee [Mr. PITTMAN]. The Senate on yesterday passed this resolution by a unanimous vote of 76 to 0.

Mr. FISH. This is an administration measure; certainly; and one that is very important and ought to be very carefully considered.

The Monroe Doctrine, in part, reads this way:

> The political system of the Allied Powers is essentially different in this respect from that of America. This difference proceeds from that which exists in their respective governments. And to the defense of our own, which has been achieved by the loss of so much blood and treasure, and matured by the wisdom of their most enlightened citizens, and under which we have enjoyed unexampled felicity, this whole Nation is devoted.
>
> We owe it, therefore, to candor and to the amicable relations existing between the United States and those powers to declare that we should consider any attempt on their part to extend their system—

That is the point—

> to extend their system to any portion of this hemisphere as dangerous to our peace and safety. With the existing colonies or dependencies of any European power we have not interfered and shall not interfere. * * *
>
> Our policy in regard to Europe * * * remains the same, which is, not to interfere in the internal concerns of any of its powers; to consider the government de facto as the legitimate government for us; to cultivate friendly relations with it, and to preserve those relations by a frank, firm, and manly policy, meeting in all instances the just claims of every power, submitting to injuries from none.

This is the conclusion I want to emphasize particularly, in this great emergency with which we are confronted, with a world aflame with war, with many Americans who want to intervene and who want to ease or force the United States into war, let us turn back on this occasion to the words and the advice of Monroe and see what he and the statesmen of those days had to say:

> In the wars of European powers—

This is written in the Monroe Doctrine, and what is sauce for the goose is sauce for the gander—

> In the wars of the European powers in matters relating to themselves we have never taken any part, nor does it comport with our policy so to do. It is only when our rights are invaded or seriously menaced that we resent injuries or make preparations for our defense.

So the Monroe Doctrine today, as it was then written and has not been changed, advised us that we should continue to be opposed to meddling in the foreign affairs of European nations; in other words, that we want America for Americans and Europe for Europeans, and that is a good American doctrine.

For 120 years or more it has been the traditional American doctrine, and yet we find in the United States internationalists and interventionists who would plunge us headlong into war over matters that do not concern us and over forms of government in foreign lands. Today we are reasserting the Monroe Doctrine, saying that we will look with suspicion upon and oppose the transfer of possessions owned by foreign nations in America to other foreign nations; that we are

opposed to the invasion of the American Continent by any foreign foe or foreign nation or that armed forces, but at the same time we reiterate that we are opposed ourselves to mixing in or interfering or meddling with the foreign policies of other governments.

Mr. GIFFORD. Mr. Speaker, will the gentleman yield?

Mr. FISH. I yield.

Mr. GIFFORD. Will not the gentleman inform the House, if and when Germany should be ceded those foreign possessions and she lays claim to them, although we say we will not recognize that, what will we do?

Mr. FISH. I am in favor of this resolution, and I am going to answer the gentleman's question.

Mr. GIFFORD. Do not dodge it.

Mr. FISH. I will not dodge it. I have no idea of dodging it at all. I am in favor of this resolution because I believe not only in the Monroe Doctrine and in reiterating the Monroe Doctrine and letting the people know exactly what it it, but because I believe this is a step in the direction of peace.

The gentleman from Massachusetts [Mr. GIFFORD] has asked an important question and that question is what will we do if some foreign nation should ignore our protests that we are about to enact into law. My answer to him is simply this. The President is asking for this reaffirmation by Congress of the doctrine so there can be no misunderstanding, because we have had very unhappy experiences abroad since at one time the President of the United States speaks for one policy and the Senate or the House or the Congress repudiates that policy. Thus the Congress of the United States reasserts the Monroe Doctrine and makes known to the world exactly what it is.

And I submit to my friend from Massachusetts [Mr. GIFFORD] that if we go on record for this resolution we are serving notice on the world that the President and the Congress are united [applause] and that we are opposed to the transfer of any of these islands off our coast, and that applies to all foreign nations. Nobody knows who will win this war, but suppose Germany and Italy should win it, and they should take these islands now belonging to France or England. We are going on record today that we are opposed to it and I submit that this is a peace gesture, that this is a step toward peace, because I believe that if these foreign nations know in advance that the United States is united and determined to uphold the Monroe Doctrine and will oppose any foreign nation transferring or taking these islands, no nation in the world will attempt to do it or would come over here looking for trouble. That in itself, I think, will keep us out of war.

Mr. GIFFORD. But just what would we do?

Mr. FISH. Mr. Speaker, the gentleman from Massachusetts wants to know what the Congress of the United States would do if some foreign nation should seize an island off our coast. I have already said that I do not believe any nation would dare to do so in defiance of the act of Congress, and the reiteration of the Monroe Doctrine, but if any nation is so foolhardy as to come over here and seize an island off our coast in defiance of an act of Congress and the Monroe Doctrine, and should continue to keep it and would not arbitrate, then I believe we should enforce the Monroe Doctrine and go to war if necessary in defense of our own interests. Otherwise, if you do not intend to do that, do not let us pass this resolution. If you Members of Congress do not believe in the Monroe Doctrine and upholding it by force, then let us not pass this resolution. I believe in the Monroe Doctrine and I am sure Democrats and Republicans alike support it. But if you believe in it and vote for it you may have to fight for it and defend it, and if necessary, go to war to uphold it, and I am prepared for that eventuality.

Mr. DEMPSEY. Mr. Speaker, will the gentleman yield?

Mr. FISH. Yes.

Mr. DEMPSEY. In the event that a foreign power did take one of the islands, what is there to arbitrate?

Mr. FISH. If they should do it under a misunderstanding or misapprehension, there is always a possibility of resorting to arbitration. If you take this action today I venture to state, from what I know of foreign diplomacy, that no nation will dare to do it, because no nation or group of nations wants war with the United States. If we are merely going through a gesture, I would much rather not bring the resolution up. I am supporting it because I think to take this step now is just like making an offer in a business deal or a warning. We indicate that we mean what we say, and if we mean what we say we should be ready to defend it by force, if necessary.

Mr. PATRICK. Mr. Speaker, will the gentleman yield?

Mr. FISH. Yes.

Mr. PATRICK. I am delighted with the gentleman's statement in every respect, except the one thing in which he says if it is done and then we cannot arbitrate we will enforce it by war. It seems to me that that shows a little weakness there, and I am delighted to have it from the gentleman that it can be said strongly and stanchly by the United States, without any quibbling, that the minute the foot is set down and the doctrine is violated we will enforce it by war, if necessary.

Mr. GIFFORD. Mr. Speaker, will the gentleman yield?

Mr. SHANLEY. Mr. Speaker, will the gentleman yield?

Mr. FISH. I yield first to the gentleman from Connecticut, a member of the committee.

Mr. SHANLEY. Mr. Speaker, as a matter of fact, in a dozen or more instances involving nontransfer our vocal opposition has been enough. It has deterred not only Germany but England and France, and one of the essences of the Doctrine is that we keep the threat vague. I would not want to go on record saying what I would do, but the very vagueness of the Doctrine has been its strength throughout its age.

Mr. LUTHER A. JOHNSON. Mr. Speaker, will the gentleman yield?

Mr. FISH. Yes.

Mr. LUTHER A. JOHNSON. Is it not also true that the purpose of this resolution is to prevent war rather than to cause war? We have the precedent in 1811, when foreign powers were about to take countries down to the south of us, that the House and the Senate passed a similar resolution, giving notice that we would not recognize such action, and as a result of that resolution by the Congress, no action was taken by foreign powers. It will also give notice that we propose to follow the traditional policy of 150 years if we pass this resolution and also follow the warning given in President Madison's administration in 1811.

Mr. FISH. The gentleman is correct. I do not believe that America, representing the greatest and most powerful nation in the world, wants to adopt any craven or cowardly policy. If you Members of Congress do not mean what you say in reaffirming your faith in the Monroe Doctrine and are not willing to carry it out and enforce it, then it would be much better not to consider this resolution. However, as far as I am concerned, when I vote for this resolution I propose to back it up by force, and I want the world to know it, and if they know it the United States will never be attacked or Latin America will not be invaded.

[Here the gavel fell.]

Mr. FISH. Mr. Speaker, I yield myself 2 additional minutes.

Mr. LUTHER A. JOHNSON. Will the gentleman yield?

Mr. FISH. I yield.

Mr. LUTHER A. JOHNSON. I thoroughly agree with the gentleman that there are some things for which the American people will fight, and the Monroe Doctrine is one of them.

Mr. FISH. And they will not pussyfoot or compromise on it. Otherwise we are just making a gesture which is meaningless to the world and utterly futile and will make us ridiculous. If we are not ready to defend the Monroe Doctrine today and to back it up, let us drop it immediately. As a Republican Member that is my only purpose in supporting it, and none other.

Mr. SHANLEY. Mr. Speaker, will the gentleman yield?

Mr. FISH. I yield.

Mr. SHANLEY. It was your distinguished ancestor, Secretary Fish, who, with General Grant, wrote this nontransfer doctrine, and he said what to me is more significant than anything else that has ever been written, because the nontransfer doctrine is not in the Monroe Doctrine—it is an adaptation——

Mr. FISH. Interpreted from it.

Mr. SHANLEY. Yes. He said then that this hemisphere must be wholly American. To me that means that every one of these island dependencies must have an opportunity to be American. If I emphasize any words it is "wholly American." That is the basis of the nontransfer doctrine.

Mr. FISH. Now, I hope my good friend from New York [Mr. BLOOM] will realize that I was attempting to be a little facetious and perhaps too overhumorous in a kindly way to give him the credit which he deserves as chairman of the committee. I want the House to understand that. [Applause.]

Mr. BLOOM. Will the gentleman yield?

Mr. FISH. I yield.

Mr. BLOOM. I can assure the gentleman that I have no ill feeling against him at all, but when a Member speaks from his seat and tries to be facetious about such a matter, I think it is carrying things a little too far.

[Here the gavel fell.]

Mr. FISH. The gentleman naturally cannot blame me for that. I yield myself another minute, Mr. Speaker.

Mr. HARTER of New York. Mr. Speaker, will the gentleman yield?

Mr. FISH. I yield.

Mr. HARTER of New York. Will the gentleman explain to us this point: This contemplates objection to the transfer of any of these dependencies. What would happen, if this resolution is passed, if the mother country should absolutely go out of existence? What would we be forced to do under this resolution?

Mr. FISH. I am going to answer the gentleman in this way, and it is what I wanted to say in conclusion: I believe there is a corollary to this resolution, and I hope the Committee on Foreign Affairs in its meeting tomorrow may give it their approval. It seemed to me in these days when we are trying to provide adequate national defense, it is the duty of the President and the Congress to buy all of these islands from Greenland to South America, off our coast, and have them in our own possession. That would solve this problem. For purposes of national defense alone, for air bases, for submarine bases, and for naval bases, they are badly needed for national defense. They were not needed 50 years ago when we had no airplanes or submarines, but they are essential today for the defense of our shores. It will cost us money. We will lose money, but we will gain by adequate national defense. I submit now, with the world involved in war, the President of the United States ought to be requested by Congress to buy every single island off our shores from Greenland down to South America.

Mr. HARTER of New York. If the mother country goes out of existence what will happen with regard to these dependencies in the Western Hemisphere, if we pass this resolution?

Mr. FISH. France has 4 islands in the Western Hemisphere—Guadeloupe, Martinique, and 2 little islands near Canada, and French Guiana. That is why I am so anxious to have the President do it. France owes us billions of dollars. I would even pay them gold—a part of the utterly useless gold buried out in the State of Kentucky. I would give them that gold, give them 20 times what they are worth, to buy all of these French and British islands now before any peace treaty is written on the other side, but even then I think that Germany does not have any idea of coming here, and we could buy them from Germany if we passed this resolution and let them know that we mean to uphold and defend the Monroe Doctrine.

[Here the gavel fell.]

Mr. FISH. Mr. Speaker, I yield myself 1 additional minute.

Mr. DONDERO. Will the gentleman yield?

Mr. FISH. I yield.

Mr. DONDERO. The proposal has come this afternoon from my district that we also buy the French Navy and pay them for that, rather than have it go into other hands. Would you include that in the purchase of the islands?

Mr. FISH. Well, I do not think I would do that, because I think the purchase of any navy is contrary to international law. I am very much opposed to selling our destroyers, because that is also contrary to American traditions, international law, and our own law.

Mr. RANDOLPH. I know the gentleman is intensely interested in the acquisition of French and British islands——

Mr. FISH. And peace.

Mr. RANDOLPH. And peace; certainly. Does not the gentleman believe that the President's entering into negotiation with these countries as he has suggested would not be an act of pressing down our heel upon these two sister democracies, but would really be helping them and at the same time give us adequate national defense?

Mr. FISH. Of course, it would be helping them. I would like to see the favorable action on the resolution introduced by the gentleman from West Virginia [Mr. RANDOLPH] to buy these islands.

[Here the gavel fell.]

Mr. FISH. Mr. Speaker, I yield myself the balance of the time.

The SPEAKER. The gentleman from New York is recognized for 4 minutes.

Mr. FISH. Not only are these islands of no particular value or advantage to any of these foreign nations unless they want to attack us—and none of them do—but we do not want those political systems which the Monroe Doctrine talks about brought over near our coasts. There is possibly some justifiable criticism of the President. I do not know why the President has not already acted, but if it is necessary I believe the Congress should request him to act and assure him that we will make adequate appropriations to purchase those islands. It will solve peacefully a lot of future problems that may grow up out of this war.

Mr. CASE of South Dakota. Mr. Speaker, will the gentleman yield?

Mr. FISH. I yield.

Mr. CASE of South Dakota. The gentleman from New York remembers, of course, that in the naval authorization bill specific provision was given for the Secretary of the Navy to negotiate and purchase island bases in cooperation and consultation with the Department of State and the Department of War.

Mr. FISH. I am very sorry I had overlooked that. Does that exist in the law?

Mr. CASE of South Dakota. Yes; it does. The naval expansion bill authorized the Secretary of the Navy in cooperation with the Department of War and Department of State to acquire bases outside continental United States.

Mr. FISH. Those are bases. I meant to acquire political possession of the islands.

Mr. CASE of South Dakota. That applies also to possession of the islands. Ten thousand dollars was set apart for that purpose.

Mr. FISH. I cannot agree with the gentleman. There has been a lot of criticism of Col. Charles Lindbergh, but certainly Lindbergh has been right in many things. He was right about the weakness of the Soviet aviation and was right about the strength of the German aviation. He also said we should buy aviation bases in Latin America or we should negotiate for aviation bases in Latin America. I think that should be done. If the Secretary of the Navy has that power, I think he should exercise it immediately.

Mr. CASE of South Dakota. I agree with the gentleman.

Mr. SCHAFER of Wisconsin. Mr. Speaker, will the gentleman yield?

Mr. FISH. I yield.

Mr. SCHAFER of Wisconsin. Under this Bloom Monroe-Doctrine resolution, if the international warmongers take their gold and the British Fleet over to Canada, shall we have to send our American boys to slaughter to defend these international warmongers who no doubt will run away from England to Canada the same as they ran away from Norway, Belgium, France, and other countries when the fighting got hot?

Mr. FISH. No; this is a peace measure. On the other hand, if the gentleman wants to ask me the question, I would regard the invasion of Canada as a violation of the Monroe Doctrine and of this resolution; and I believe that the American people are prepared to defend Canada against invasion by any foreign power.

Mr. SCHAFER of Wisconsin. Would the gentleman hold that if the international warmongers who now have control of the British Government came over here to Canada and set up their government in Canada, that under the Monroe Doctrine we are bound to get into the war and slaughter several millions of Americans in order to fight their battles?

Mr. FISH. I am sure the American people are prepared to take the position that no foreign power shall take over the political possession of Canada.

Mr. SCHAFER of Wisconsin. Whether it is Winston Churchill and his international-banker supporters?

Mr. FISH. I do not believe Canada will let those outsiders rule Canada.

Mrs. ROGERS of Massachusetts. Mr. Speaker, will the gentleman yield?

Mr. FISH. I yield.

Mrs. ROGERS of Massachusetts. Is it not true that undoubtedly Holland and France will be extremely glad to have us assume a protectorate over their islands, over Greenland in the case of Denmark? And does not the gentleman feel that they would be glad to negotiate to sell those countries?

Mr. FISH. I think we ought to protect the Dutch islands instead of letting the French and British occupy them. Furthermore, I think we ought to buy all the islands off our coast immediately or acquire them by peaceful means before other complications develop.

[Here the gavel fell.]

Mr. CLARK. Mr. Speaker, I yield such time as he may desire to the gentleman from Mississippi [Mr. RANKIN].

Mr. RANKIN. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include a radio address which I made today.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. CLARK. Mr. Speaker, I yield 5 minutes to the gentleman from New York [Mr. BLOOM].

Mr. BLOOM. Mr. Speaker, I believe we should get back to the resolution to be considered and the rule making it in order.

This resolution is very simple. It states:

Resolved, etc., (1) That the United States would not recognize any transfer, and would not acquiesce in any attempt to transfer, any geographic region of the Western Hemisphere from one non-American power to another non-American power; and

(2) That if such transfer or attempt to transfer should appear likely, the United States shall, in addition to other measures, immediately consult with the other American republics to determine upon the steps which should be taken to safeguard their common interests.

Mr. Speaker, this is nothing new. It began, you might say, with the formation of our Government. George Washington referred to it many times. A resolution was approved by the Congress on January 15, 1811, and remember that was 12 years before the Monroe Doctrine was presented to the Congress in an address. The Monroe Doctrine occupied about one-half page of 13 pages sent to the Congress in 1823.

The resolution of 1811, referred to above reads as follows:

Taking into view the peculiar situation of Spain, and of her American provinces; and considering the influence which the destiny of the territory adjoining the southern border of the United States may have upon their security, tranquillity, and commerce: Therefore be it

Resolved, etc., That the United States, under the peculiar circumstances of the existing crisis, cannot without serious inquietude see any part of said territory pass into the hands of any foreign power; and that a due regard to their own safety compels them to provide, under certain contingencies, for the temporary occupation of the said territory; they at the same time declare that the said territory shall, in their hands, remain subject to future negotiation.

That was on January 15, 1811.

Mr. Speaker, in order to acquaint the Members with all the facts, may I read quotations from what has been said with reference to the Monroe Doctrine dating from Washington to the present time. These show what the Monroe Doctrine really is. You all know that there is such a thing as the Monroe Doctrine, but many people are unfamiliar with it. They have gone to the library and asked for a copy of the Monroe Doctrine. They have telephoned me or they have written to me and stated that they wanted a copy of the Monroe Doctrine. You cannot secure it, unless you get the book of the messages and papers of the Presidents, and in there you will find the message of President Monroe, and in it here and there you will find the sections which constitute the Monroe Doctrine.

[Here the gavel fell.]

Mr. CLARK. Mr. Speaker, I yield the gentleman 5 additional minutes.

Mr. BLOOM. Mr. Speaker, the Monroe Doctrine was announced by President Monroe in his annual message, on December 2, 1823.

One of the prime points in the doctrine was:

The United States would consider any attempt on the part of the Allied Powers to extend their system to any part of this hemisphere as dangerous to our peace and safety.

This, in terms, covered the allied powers at this time, Austria, France, Russia, and Prussia; it covered the whole Western Hemisphere, those parts occupied by the Spanish colonies and other parts; it was aimed at the allied system.

Secretary Knox, speaking before the American Society for the Judicial Settlement of International Disputes on November 8, 1911, said:

The doctrine has been respected, and is now respected, and it will continue to be respected so long as we seem reasonably able to uphold it.

Mr. Elihu Root, speaking before the American Society of International Law on April 22, 1914, on the subject The Real Monroe Doctrine, said:

* * * It is a declaration of the United States that certain acts would be injurious to the peace and safety of the United States, and that the United States would regard them as unfriendly.

* * * The doctrine is not international law, but it rests upon the right of self-protection, and that right is recognized by international law.

* * * We frequently see statements that the doctrine has been changed or enlarged; that there is a new or different doctrine since Monroe's time. They are mistaken. There has been no change.

* * * A false conception of what the Monroe Doctrine is, of what it demands, and what it justifies, of its scope, and of its limits, has invaded the public press, and affected public opinion within the last few years.

Secretary Hughes, in an article printed in the American Journal of International Law, made these statements:

The Monroe Doctrine is not a policy of aggression: it is a policy of self-defense. * * * It still remains an assertion of the principle of national security. As such, it is obviously not exclusive. * * * The decision of the question as to what action the United States should take in any exigency arising in this hemisphere is not controlled by the content of the Monroe Doctrine, but may always be determined on grounds of international right and national security as freely as if the Monroe Doctrine did not exist. * * * The Monroe Doctrine rests "upon the right of every sovereign State to protect itself by preventing a condition of affairs in which it will be too late to protect itself."

It should be observed, however, that on April 4, 1864, the House passed without dissent a resolution which contemplated that—

The Congress of the United States are unwilling by silence to leave the nations of the world under the impression that they are indifferent spectators of the deplorable events now transpiring in the Republic of Mexico, and that they therefore think fit to declare

that it does not accord with the policy of the United States to acknowledge any monarchical government erected on the ruins of any republican government in America under the auspices of any European power.

While this resolution does not in terms refer to the Monroe Doctrine, nevertheless, its provisions are such as to leave little doubt that the Monroe Doctrine was in the mind of the House when this resolution was passed.

Secretary Clay, in 1825, said:

For ourselves, we desire no change in the possession of Cuba, as has been heretofore stated. We cannot allow a transfer of the island to any European power.

Mr. Van Buren, then Secretary of State, on October 13, 1830, when instructing Mr. Van Ness, Minister to Spain, said:

They inform you that we are content that Cuba should remain as it now is, but could not consent to its transfer to any European power.

Secretary Fish, on July 14, 1870, speaking of the Monroe Doctrine, said:

It does not contemplate forcible intervention in any legitimate contest; but it protests against permitting such a contest to result in the increase of European power or influence; and it ever impels this Government, as in the late contest between the South American republics and Spain, to interpose its good offices to secure an honorable peace.

In his message of December 3, 1901, President Roosevelt declared:

This doctrine has nothing to do with the commercial relations of any American power, save that it in truth allows each of them to form such as it desires. * * * We do not guarantee any state against punishment if it misconducts itself, provided that punishment does not take the form of the acquisition of territory by any non-American power.

The quotations of Knox, Root, Hughes, Van Buren, Clay, Secretary Fish, and Theodore Roosevelt, give an interpretation and an understanding of the Monroe Doctrine in such a broad and comprehensive way that with such information before us at this time we have the best kind of evidence to guide the House so that this resolution should pass unanimously.

[Here the gavel fell.]

EXTENSION OF REMARKS

Mr. SCRUGHAM asked and was given permission to extend his own remarks in the RECORD.

AMENDMENT TO SECTION 12 (B) OF THE SOIL CONSERVATION AND DOMESTIC ALLOTMENT ACT

Mr. KLEBERG filed a conference report and statement on the bill H. R. 9594, to amend section 12 (b) of the Soil Conservation and Domestic Allotment Act, as amended, by authorizing the transfer of funds to cover advances for crop insurance.

MAINTENANCE OF MONROE DOCTRINE

Mr. CLARK. Mr. Speaker, I yield 5 minutes to the gentleman from Texas [Mr. DIES].

Mr. DIES. Mr. Speaker, every friend of liberty and of democracy is deeply moved by the tragic fate of France. While we are far removed from the scene of her bitter humiliation, we are deeply grieved that an old and valiant friend has been struck down. Today France lies prostrate, but tomorrow—and there always have been tomorrows and always will be—the genius of France will rise again. There is nothing we can do to avert her fate, but we can profit by her mistakes. We can profit from the lessons of disunity, the lessons of internal feuds and disputes. We can profit from the lesson taught us when Hitler, Stalin, and Mussolini flooded France with propaganda, when they built up organizations on French soil to create disunion and to divide the nation into hostile camps, when they flooded France with propaganda, "Peace at any price—there is no necessity to prepare." All the time, on French soil, when there was strife between capital and labor and an unwillingness to make concessions in the interest of national preservation, the German Reich was welding together its manpower and its national resources into a single, unprecedented striking force. The same Communist, Nazi, and Fascist organizations which existed in France and England for a decade and succeeded in undermining their national unity have been at work in this country during the same period on a larger and more active scale. We, too, have been inundated with the same foreign propaganda which disunited France and England. Only recently the C. I. O. announced the conditions and terms under which it was willing to cooperate in the national-defense program. A few days ago we read in the newspapers that certain industries engaged in assisting us to prepare have been charged by the Department of Justice with collusion for the purpose of making unreasonable profits. It seems to me that the administration and the Congress should make it clear that America expects everyone to do his duty. We will not permit anyone to sabotage our national-defense program by selfishness, disloyalty, or political expediency.

I heard the gentleman's speech with reference to this resolution. Let me say to the gentleman and to the Members of this Congress that, while we may adopt resolutions and it might be wise to do so, the dictators of Europe will not heed resolutions. There is only one language that any dictator, from the days of Caesar on down through the decades, has ever understood, and that is the language of a nation united, prepared, and determined to defend its liberty and its independence. Our hands are full with the task of preserving our own democracy, but there is much that we can do for the cause of freedom in this hour of darkness. We can make sure that on American shores the torch of liberty will be held aloft to encourage the despairing people in Europe. We can make sure that we will not repeat the folly that has produced the downfall of the French Republic and brought England to the verge of destruction.

Who is there in this country, employed or unemployed, rich or poor, who has not a vital stake in the preservation of democratic processes and machinery, without which there can be no progress or improvement? What man is there, ever so poor he may be, who has any hope of bettering his conditions if slavery is substituted for democratic government, and freedom is crushed beneath the iron heel of ruthless despotism?

So I say to the ladies and gentlemen of this Congress that we need firm, vigorous, and united action. We must first of all deal with the "fifth column" in this country, which operates through the same organizations which thrived on English soil and on French soil for 10 years; organizations linked to foreign powers such as we have in the United States today that are distributing thousands of pamphlets opposed to national defense, and are seeking to lull the people into a false sense of security; organizations that weakened the moral fiber of France and created hostile camps which destroyed all hope of unity. I hope the administration will adopt adequate measures and take vigorous steps. In my judgment the time has come when organizations that are linked to foreign governments and are the representatives of foreign dictators, serving the interests and carrying out the program of those dictators on American soil, should be declared illegal.

Transfer of sovereignty? Why, already we have a transfer of propaganda and foreign ideologies and activities from Europe to the Americas. This is the kind of invasion that is not contemplated by the Monroe Doctrine. It is the invasion that has occurred for the past 10 years by immigration and importation of foreign agents and organizations, so that when the opportune moment comes the enemies within can cooperate with invading troops. This is the kind of invasion that we must fear; and, more than that, we must fear disunity. We must fear the eternal squabbles and quarrels encouraged by selfish politicians, and at the same time welcome and safeguard honest differences of opinion and constructive criticism. Now is no time to mince words.

I do not mean to say that we are now in danger of any invasion of foreign armies. However, I cannot accept the assurance of Mr. Hitler, "Europe for Europeans" and "America for Americans," because I know that Mr. Hitler and Mr. Stalin and Mr. Mussolini have already invaded the Western Hemisphere with their agents and their propa-

gandists. I know they have already violated the promise "Europe for Europeans and America for Americans" by their action in sending their agents to the Americas. I hope, Mr. Speaker—and I address my remarks to the administration and to this Congress—that before adjournment we can deal firmly and vigorously with those traitorous organizations in our midst that are seeking to do in this country exactly what they were able to do in France and in all other countries overrun by the dictators.

Furthermore, I hope we can come to understand that preparedness does not wholly consist of building navies and armies. You can appropriate money and write laws and pass resolutions and talk until the cows come home, but you can never prepare a country until it is welded together by patriotism, until there is unity, cohesion, and harmony among people of all classes, all races, and all creeds; until labor and capital, until business and government, until all of us alike can understand that today, as ever, democracy is the most difficult of all forms of government to retain. Its preservation requires courage, self-restraint, intelligence, and patriotism.

Liberty is a priceless possession, something that many have ceased to appreciate and properly value. For years you and I have heard people talk about the rights of citizens, the economic rights of citizens—rights, rights, and while we were talking about rights, Hitler and Mussolini were talking about the duties and responsibilities of citizenship, while their sole emphasis upon duty has produced a nation of slaves to the state—nevertheless we were wrong in always talking about rights without at the same time stressing duty and responsibility. For every right there must be a corresponding duty, and the people must be told that their liberty and independence cannot be preserved if they are unworthy of it, and if they lack an appreciation of it. If anyone thinks we can preserve liberty under regimented economies and dictatorial governments he is in great error.

So, Mr. Speaker, if our committee can secure full-hearted cooperation, we are in a position to give to the administration concrete proposals under which we can break up the "fifth column" in the United States without violating the Bill of Rights, or resorting to any repressive or undemocratic methods. If it is right to say to Mr. Hitler and Mr. Stalin and Mr. Mussolini, "You shall stay in Europe; you cannot come to the Western Hemisphere," we have the equal right to say to them, "You cannot establish political organizations on our shores for the purpose of dividing our people and destroying our liberty"; and if we can secure that cooperation, without which it is difficult for any committee or for any Member of Congress to secure the passage of necessary legislation—if we can secure it, I think we can promise this House that before adjournment we can give it a program of legislation. We can tighten and strengthen existing immigration laws, which will prevent the entrance of Nazi, Fascist, or Communist agents, and compel the deportation of aliens in this class; we can stop the misuse of the temporary visas under which thousands of aliens have been admitted to the United States who, when their terms expired, could not be deported because we were told it was impossible to deport them since the country from which they came would not accept them.

Mr. BENDER. Mr. Speaker, will the gentleman yield?

Mr. DIES. No; I want to get these thoughts recorded. We will give you a program of laws that will make it mandatory to deal with aliens in our midst who are disloyal to the United States without in any respect harming the loyal and patriotic ones, laws that will enable us to outlaw by act of Congress organizations that are agents of foreign governments, laws that will deal effectually, promptly, and firmly with the "fifth column" in the United States. When we shall have done that, then we can prepare this country. We must put our own house in order. We must demand that the American Nation be placed in a state of defense—not that we anticipate invasion, but the safest way of discouraging it is for the American Nation to show the totalitarian governments that America, unlike France and England, stands united.

That is what our people want us to do. Our people, as never before, are clamoring for unity, the unity that will enable us to prepare this country adequately for any emergency that may arise. Our task is plain. As the democracies fall one by one, we must strengthen our resolution and ability to preserve freedom and liberty on our shores. We must make certain that every precaution is taken in order to vouchsafe the preservation of our free institutions, and in doing so we will have performed a great service not only for our own people but for mankind everywhere.

Mr. SHANLEY. Mr. Speaker, will the gentleman yield?

Mr. DIES. Yes.

Mr. SHANLEY. Under the Panamanian solidarity, with the rest of the South American republics, we have a duty to meet with the foreign ministers of those countries whenever we think foreign ideologists are invading our country, and we want to implement ourselves with this resolution today. But it is necessary that we decide and know what these foreign ideologies are.

Mr. DIES. I will give the gentleman a few facts. Mexico, by act of Congress, admitted 172,000 people from loyalist Spain. Ten thousand of them served in the Army of the loyalist government in Spain, and in South America it is estimated that there are approximately 600,000 Germans, and thousands of Italians.

Mr. SHANLEY. I am interested in the domestic situation. Will the gentleman's committee be able to give us the definition of subversive practices, so that by language we will be able to put on the statute books what subversive practices are, and to wipe them out?

Mr. DIES. With the help of this administration we will bring you in a bill, first, that will outlaw the German-American Bund, the Communist Party, and other organizations which the committee has found to be agents of foreign governments. [Applause.] That is the first thing we can do. [Applause.] The next thing we can do is to prevent the admission of foreign agents under the guise of refugees. We have information of foreign agents operating in the United States who came in under the guise of refugees. We can put a stop to the laxity that has characterized our enforcement of existing immigration and deportation laws. We can do this with no hardship to those who are loyal and deserving, but certainly it is a disgraceful spectacle that here is an organization such as the German-American Bund with 90 percent of its members naturalized since the World War, many of whom are veterans of the German Army.

Yet they come to the United States and receive their naturalization papers, and notwithstanding that fact, they salute the swastika and goose-step with all of the admiration for Hitler that they would have if they resided in Germany. I refer to organizations like the German-American Alliance, with 300,000 members, so they claim, and organizations like the Communist Party. According to the confidential reports of the Communist Party of California, more than half of the membership were born in a foreign country. When anyone comes to America and thereafter ceases to be loyal, or if he gives evidence of his disloyalty to this flag, or if he believes in a foreign dictator and in the kind of government that has been established in foreign lands more than he does in the Government of the United States, we can certainly accommodate him by putting him on a boat and sending him to the country of his affection. [Applause.]

I could outline to the gentleman a course of procedure that, under existing laws, would enable us to bring to the bar of justice men, for instance, like William Browder, who had on deposit $1,300,000 to his personal account, and who had never paid any income tax; organizations that take in millions of dollars every year in this country, which do not pay any corporation tax, and yet they use their proceeds and their funds to spread propaganda day in and day out, and seek to introduce the same destructive ideology that they succeeded in spreading in France, England, and other countries.

You who underestimate the power of propaganda fail to realize that propaganda has always been the strongest arm of despotism and of tyranny. When a country is subjected to

it day in and day out, as the people were in France and England, it often produces the result of a weakened and disunited country. [Applause.]

The SPEAKER. The time of the gentleman from Texas has expired.

Mr. CLARK. Mr. Speaker, I move the previous question on the resolution.

The previous question was ordered.

The SPEAKER. The question is on agreeing to the resolution.

The resolution was agreed to.

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent to extend the remarks I made this afternoon by including therein a letter.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. BLOOM. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of the joint resolution (H. J. Res. 556) approving nonrecognition of the transfer of any geographic region in the Western Hemisphere from one non-American power to another non-American power, and providing for consultation with other American republics in the event that such transfer should appear likely.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union for the consideration of House Joint Resolution 556, with Mr. DUNCAN in the chair.

The Clerk read the title of the joint resolution.

By unanimous consent, the first reading of the joint resolution was dispensed with.

Mr. FISH. Mr. Chairman, may I inquire of the chairman of the Committee on Foreign Affairs, or if the majority leader will answer it might be preferable, is it the intention to proceed with a vote on this bill today, or just conclude general debate?

Mr. RAYBURN. We must finish this joint resolution today.

Mr. FISH. That will take about 3 hours.

Mr. RAYBURN. We have not had a night session for any business. We want to transact a great deal of business. All the appropriation bills must be passed before July 1. You know the condition that may be in the House next week.

Mr. FISH. The gentleman would not be satisfied to conclude general debate of 2 hours tonight and then vote on the joint resolution tomorrow?

Mr. RAYBURN. Well, that would mean probably 2 hours of debate under the 5-minute rule. If we get into an arrangement like that the first thing we would have to adjourn because there would be nobody here. I must insist on finishing the joint resolution tonight.

Mr. FISH. I agree with the gentleman. I just wanted to know.

Mr. BLOOM. Mr. Chairman, is it the intention of the gentleman to use all the time he has been allowed under the rule? If he will cut down his time I will cut mine down.

Mr. FISH. I have requests for 1 hour.

Mr. BLOOM. If you are going to use all of your time, I will have to use all of mine, but if you will cut it down to 5 or 10 minutes I will cut mine down.

Mr. FISH. I am sorry I cannot do that. I have made definite promises to Members.

Mr. BLOOM. They can be heard just the same under the 5-minute rule.

Mr. FISH. I will try to cut them down, but I will not make any promises.

Mr. BLOOM. Mr. Chairman, I yield 10 minutes to the gentleman from Texas [Mr. LUTHER A. JOHNSON].

Mr. LUTHER A. JOHNSON. Mr. Chairman, I do not exaggerate when I say that at this particular time we are confronted by one of the gravest conditions that has existed throughout the world for a century. Our own country is deeply concerned and should be concerned with the preservation of our Republic.

This resolution is designed for the sole purpose of preserving our own national defense and of keeping the war from our hemisphere. I agree with what my colleague, the gentleman from Texas [Mr. DIES], has just said when he emphasized that one of the essentials in preserving peace and in preserving our country is unity. I think it is of vital importance that we should preserve in our own country and should give notice to the world that the United States is united on some things.

I think this resolution proclaims one traditional policy upon which we have never been divided. For 150 years our country, regardless of who was in the White House, regardless of which of the major parties controlled, has always proclaimed that the Monroe Doctrine and its essence was essential for the preservation of our rights and our safety. As was so well said by the chairman of our committee, the gentleman from New York [Mr. BLOOM] when he read the definition of the Monroe Doctrine, it was founded and enunciated for our own defense. If it was important in 1823 when President Monroe defined the Monroe Doctrine, if it was necessary for the preservation of our country then that no non-American power should acquire control of any region upon this hemisphere, how vastly more important is it now?

Airplanes and other inventions have reduced proportionately the size of the world and our peace is now jeopardized by incidents that occur much farther from the United States than when Monroe declared his great doctrine 117 years ago.

The Monroe Doctrine existed not only from the time of its enunciation by President Monroe in 1823, but it has been the doctrine of our country since its foundation, as enunciated by George Washington, the first President of our country; it is founded upon the law of nations; it is founded upon the law of defense; it is founded upon our rights and the preservation of our own country.

Someone has asked, if that doctrine is known, why do we now pass a resolution in declaration of it. We do so for the simple and only reason of giving notice to the world that the United States of America is united in its firm belief in that traditional policy, that we are united, and that not only the President is for it but that he and the Congress of the United States are united on this policy and intend to see that it is enforced. I was glad that on yesterday the Senate by a unanimous vote—76 ayes and no noes—gave notice to the world that we would stand upon this doctrine and that we would insist upon it.

This resolution declares that the United States would not recognize any transfer, and would not acquiesce in any attempt to transfer any geographic region of this hemisphere from one non-American power to another non-American power.

It is important that this resolution be passed now because conditions in Europe with the warfare there are coming to what seems to be a crisis. We know not what day there may be treaties, truces, or an armistice signed in which some of the belligerents having possessions in this country might be called upon to transfer some of their territory in this country to another non-American power.

We want to give notice now before any overt act is committed that America believes in and the United States will stand for the preservation of that doctrine which says that our safety is endangered if there is any transfer of possessions in this hemisphere to any non-American country, just as we have for 150 years.

Mr. CELLER. Mr. Chairman, will the gentleman yield?

Mr. LUTHER A. JOHNSON. Briefly.

Mr. CELLER. I will say to the gentleman from Texas that there is ample precedent, because in 1912 a resolution was adopted whereby we refused to permit the transfer of an island in Magdalena Bay from Mexico to Japan.

Mr. LUTHER A. JOHNSON. I am familiar with the incident to which the gentleman refers. I can give the gentleman a precedent 100 years older than that. In 1811, when James Madison was President of the United States, 11 years before Monroe was President, there was a threat upon the

part of a European power to acquire possession of Florida and some other countries not then a part of the United States. President Madison sent a secret message to the Congress warning of the danger. What did Congress do? They passed a resolution similar to this giving notice that the United States would not recognize the transfer of any title to or of any interest in any country; and nothing was done because they had notice of it, and knew that America would not tolerate any transfer. That is simply what we are trying to do now, to follow that precedent and the precedent to which the gentleman has referred.

Mr. POAGE. Mr. Chairman, will the gentleman yield?

Mr. LUTHER A. JOHNSON. I yield.

Mr. POAGE. Might it not be wise not only to follow the precedent, but to go still further and acquire these islands, as we later acquired Florida, for a proper consideration, of course? Might it not be well now, regardless of the outcome of the European war, to begin negotiations to acquire them as American territory?

Mr. LUTHER A. JOHNSON. I am in sympathy with the gentleman's suggestion. I do not know what the outcome in Europe may be, but it may hasten and accelerate the acquisition of islands in this country. For our defense we need islands now that we never needed before.

Mr. CELLER. Mr. Chairman, will the gentleman yield further?

Mr. LUTHER A. JOHNSON. Briefly.

Mr. CELLER. I would like to have the gentleman's views upon this proposition. Iceland, for example, has been transferred from Denmark to Great Britain. France may soon be prostrate and powerless. Suppose Great Britain, a country friendly to us, should undertake to acquire or protect some of the French possessions in this hemisphere. What would be the situation then? I am curious to know what the gentleman's view is.

Mr. LUTHER A. JOHNSON. The interpretation of those events will take place as they happen. This resolution is leveled not at one set of belligerents but at all belligerents whether they are friendly to us or not. We propose to treat all alike so that there shall be no transfer of sovereignty in this hemisphere by any non-American power.

Mr. GIFFORD. Will the gentleman yield?

Mr. LUTHER A. JOHNSON. I yield to the gentleman from Massachusetts.

Mr. GIFFORD. The gentleman, I recognize, can quote precedents, but precedents are not always surrounded by the same conditions, as hinted by the last speaker. Vastly different is the determination now under these momentous conditions from the time those precedents were created.

Mr. LUTHER A. JOHNSON. I agree that conditions are momentous, and for that reason it is all the more imperative, in my opinion, that we take a firm step now. If we cannot stand upon the traditional policy which we have built and which is recognized as one of the means of safety of this country, then I think we are sliding backward.

Mr. EATON. Will the gentleman yield?

Mr. LUTHER A. JOHNSON. I yield to the gentleman from New Jersey.

Mr. EATON. The gentleman, of course, will lay hold of the fact that when these precedents were established this was a small, weak nation?

Mr. LUTHER A. JOHNSON. True.

Mr. EATON. We were speaking at that time to great, powerful nations, while now we are supposed to be at least of considerable size and ability to take care of ourselves.

Mr. LUTHER A. JOHNSON. I thank the gentleman. We were not afraid when small to assert our rights, and we certainly should not be afraid now to do so when we are strong to assert our rights. [Applause.]

[Here the gavel fell.]

Mr. FISH. Mr. Chairman, I yield 10 minutes to the gentleman from Ohio [Mr. VORYS].

Mr. VORYS of Ohio. Mr. Chairman, this is a historic occasion. It is 129 years since the Congress took comparable action. This is the first time in history that the Monroe Doctrine has ever been enacted into a legislative resolution. The policy we are here reaffirming antedates the Monroe Doctrine but it forms part of it. This policy is more fundamental than a statute, a treaty, or any principle of international law. In the words of Elihu Root it rests "upon the right of self-protection and that right is recognized by international law." We are reaffirming it in a time of threatened changed conditions. This is exactly the time when such a policy is most needed. It was born out of such a time and has been restated and reenforced in such times, because, as Charles Evans Hughes said, "Despite changes in conditions it still remains, to be applied if necessary, as a principle of national security."

It is simply untrue to say that this is historically a British policy, set up in reliance upon the British Fleet. It was invoked against the British in 1803 and 1811. The British disapproved of two of the fundamental pronouncements by President Monroe in 1823. It was invoked against Britain by Cleveland in 1897 and against the British as well as Germany and Italy in the Venezuelan dispute in 1902.

This resolution has two parts because the modern Monroe Doctrine has two parts.

First, there is a unilateral statement as to what we will do alone. We will not recognize nor acquiesce in transfers within this hemisphere by non-American powers.

Second, there is a multilateral statement as to what we will do with others. We will consult with our neighboring republics to determine upon common action to safeguard our common interests.

Some will object to the first and some to the second provision. Aside from all theoretical and academic questions of logic and consistency, both are needed to state our policy realistically and practically. We have not a Yankee-controlled empire in this hemisphere. We have not a hemisphere league of nations. We are evolving toward a pan-American ideal, a practical working union of neighboring States. We will do certain things, alone and without collaboration, to protect our national security. We are willing to do certain other things in concert with our neighbors to protect our common security. There are two phases of our policy and neither can be ignored.

Mr. GIFFORD. Will the gentleman yield?

Mr. VORYS of Ohio. I yield to the gentleman from Massachusetts.

Mr. GIFFORD. The whereases recited in this resolution say that we will consult over the matter, then we declare our policy before we consult. Does the gentleman anticipate perfect agreement with all the other consultants?

Mr. VORYS of Ohio. As I just explained, we do two things in this resolution, which merely restates the modern Monroe Doctrine. First, as to matters that concern us alone, we reserve our right of action; second as to matters of common interest, and I quote the resolution, "We agree to consult to determine upon a course."

There are two phases to our policy and we cannot realistically ignore either of them.

This is no time for us to attempt precise limitations and descriptions of our interest in this hemisphere. We are not as immediately interested in some portions of the hemisphere as in others, but our southern neighbors, if they are to work with us, are interested in their southern neighbors, and their neighbors in their southern neighbors, and so on until this area of required united action covers two continents from pole to pole and ocean to ocean and then out into each ocean.

We will not define at this time the precise boundaries of our sphere of interest and we are not stating in advance exactly what we will do. We do not agree in advance to go to war or not to go to war. We are simply repainting our "no trespassing" sign so that would-be trespassers will be sure to see it.

Why is congressional action needed at this time? Why not merely let the President resay it?

There are two reasons:

First. We must show the world that we are united on this line of defense and show it solemnly, formally, and forcefully.

Second. Our President has made so many inconsistent, extravagant, and unreliable statements, openly and secretly, as to our present and future foreign policy that his words have lost their force abroad.

Mr. BENDER. Will the gentleman yield?

Mr. VORYS of Ohio. I yield to the gentleman from Ohio.

Mr. BENDER. I recall the gentleman from Texas [Mr. DIES] made the statement that we serve notice on Stalin, Hitler, and Mussolini that they keep out of America. Does not the gentleman feel at the same time we ought to serve notice on Roosevelt to keep out of Europe?

Mr. VORYS of Ohio. I think that is a good idea.

Whatever the reasons may be which prompted the administration to seek approval from the Congress for statements of our foreign policy, I rejoice that in this time of crisis and confusion we are establishing a precedent of united action by the Executive and the Congress in discharging our joint responsibility under our Constitution in formulating and stating our foreign policy.

Mr. CRAWFORD. Will the gentleman yield?

Mr. VORYS of Ohio. I yield to the gentleman from Michigan.

Mr. CRAWFORD. Going directly to the unilateral portion of this resolution, the United States having adopted the resolution, and thus having stated our position, what, in the opinion of the committee, would create a set of conditions that would appear likely to call into operation part 2 of the bill? In other words, will the gentleman tell us whether or not, in the opinion of the committee, this resolution having been adopted, current conditions would appear likely to such an extent that we would probably immediately consult the other 21 or 22 nations of the Western Hemisphere?

Mr. VORYS of Ohio. I think conditions are likely to obtain in the next few days which would require such consultation, and we have a resolution to that effect before our committee. Let me, in answering the gentleman's question, refer to a question which was raised as to what we would do in case the non-American motherland owning some of these American territories having changed hands through conquest.

We have first a precedent in the 1811 action when Florida having changed hands, in that Napoleon put in a new king in Spain, and we simply took over Florida for the duration. I would suggest, however, that what we should do is to offer to buy, let us say, Curaçao from the Dutch, and if the Dutch say, "Our country is now occupied by Germany," we should turn to Hitler and say, "Well, you have no objection, have you, to the Dutch selling us Curaçao?" If he says "Yes," then we proceed to buy Curaçao. If Hitler would say "No," then we will find out where he stands and he will have to go back on the statements he has made in the past few days—that he has no intention of interfering in this hemisphere. I think we should smoke out those powers as to exactly where they stand on our peaceful purchase of some of these islands. [Applause.]

Mr. CRAWFORD. May I ask the gentleman one other question?

Mr. VORYS of Ohio. I yield.

Mr. CRAWFORD. If the United States, following up this resolution and having in mind the conferences of 1936, 1938, and 1939, and then the other countries under part 2 refuse to go along, are we in any way obligated to lay down or can we proceed?

Mr. VORYS of Ohio. We have preserved our freedom of action under No. 1, and in No. 2 we say that we will consult "in addition to other measures."

[Here the gavel fell.]

Mr. FISH. Mr. Chairman, I yield the gentleman 1 additional minute to answer a question.

Mrs. ROGERS of Massachusetts. Mr. Chairman, will the gentleman yield?

Mr. VORYS of Ohio. I yield.

Mrs. ROGERS of Massachusetts. Of course, this resolution would be meaningless if we did not have a national defense to back it up. It is vital that we have an adequate national defense to back up this resolution, because it would be a mere scrap of paper without it.

Mr. VORYS of Ohio. I think that we have a national defense to back this up, and I remind my colleague that we first announced the principles of the Monroe Doctrine when we were a weak nation and we were announcing that doctrine against the strongest nations of Europe. We have always had the strength and the moral force to back up the Monroe Doctrine including this doctrine of nonrecognition of such transfers.

Mrs. ROGERS of Massachusetts. Today we need an increased national defense also. I have always advocated complete national defense. The United States is a great Nation, and we must maintain its greatness.

[Here the gavel fell.]

Mr. FISH. Mr. Chairman, I yield the gentleman another one-half minute.

Mr. O'CONNOR. Mr. Chairman, will the gentleman yield?

Mr. VORYS of Ohio. I yield.

Mr. O'CONNOR. I would like the gentleman's opinion upon whether or not the pending resolution is an enlargement of the Monroe Doctrine?

Mr. VORYS of Ohio. It is not an enlargement of the Monroe Doctrine, it is a reaffirmation of existing policies and the committee, by the committee amendment, has changed the preamble, as you will notice, to show that this is merely a restatement and affirmation of our traditional policy, and if you will read the report you will see that both sections 1 and 2 are merely reaffirmation of the existing policy.

[Here the gavel fell.]

Mr. FISH. Mr. Chairman, I yield the gentleman 1 additional minute.

Mrs. ROGERS of Massachusetts. Mr. Chairman, will the gentleman yield?

Mr. VORYS of Ohio. I yield.

Mrs. ROGERS of Massachusetts. Is it not true also that this is a very friendly gesture to the countries in the Western Hemisphere? We have always been the best of friends and we want to continue that friendship and I am sure that they will be just as glad of this resolution as we are ourselves.

Mr. VORYS of Ohio. I think this is not only a friendly but an encouraging gesture to our neighbors to the south, to let them know that we are affirming the position that we have worked out with them in recent years by conferences and are not backing down one bit on it.

Mrs. ROGERS of Massachusetts. We have a mutual respect, in other words and show it by passing this resolution.

Mr. VORYS of Ohio. A mutual respect and agreement to work together in our common interest.

[Here the gavel fell.]

Mr. FISH. Mr. Chairman, I yield 10 minutes to the gentleman from New York [Mr. BARTON].

Mr. BARTON of New York. Mr. Chairman, I will promise the Committee not to use 10 minutes, but only a fraction of that time. I think we ought to have clearly in mind that we are taking this action at a time when conditions are different than they have ever been at any period of our history. Always more or less implicit in the Monroe Doctrine has been the existence and the friendly cooperation of the British fleet. To be sure we have once or twice been compelled to apply the doctrine to Great Britain, but, generally speaking, through the years of our national existence Great Britain, not because of any love of us, but because she was interested in maintaining the balance of power in Europe and not having a European rival extending its territory or its jurisdiction in this hemisphere, Great Britain has generally been on the side of the Monroe Doctrine and we could count on the help of her fleet in upholding it.

Mr. SHANLEY. Mr. Chairman, will the gentleman yield?

Mr. BARTON of New York. I yield.

Mr. SHANLEY. And that was endorsed by both Madison and Jefferson.

Mr. BARTON of New York. Endorsed by Madison and Jefferson explicitly.

Now, we might as well be frank and recognize that we are facing the possibility that both the French Fleet and the English Fleet may not be on our side, may possibly not be in existence, may even be in the hands of unfriendly powers. So when we stand up here and wave our arms and say that we are going to protect the whole Western Hemisphere we want to realize that we are by law biting off something bigger than the country has ever bitten off before.

Mr. LUTHER A. JOHNSON. Nations may have changed, but principles do not change, do they?

Mr. BARTON of New York. That is true; and one of the principles is that Mickey Rooney should not fight Joe Louis.

Mr. LUTHER A. JOHNSON. Does not the gentleman think that the Monroe Doctrine was essential for our safety when the world was large and when conditions were not like they are now with reference to airplanes, and that it is more essential now, when we have to take territory further away to protect us? Does the gentleman not think there is a greater reason for the Monroe Doctrine now than when it was enunciated?

Mr. BARTON of New York. I think there is as great or a greater reason, but the point I make to this committee is this: Nobody has any doubt that it is a menace to our safety to have anything happen to the territory between us and the Panama Canal, or perhaps 1,500 miles below the Panama Canal, but in the resolution before us we are embracing territory to the very end of South America, the Argentine, 6,500 miles from our own country. We could easily conceive a situation where our fleet might be spread out occupying and protecting bits of islands and bits of country all over the Atlantic and the Pacific. This is the very big affirmation that we are making; this is what the resolution involves.

Mr. COFFEE of Nebraska. Does not the gentleman think that reaffirming the Monroe Doctrine is what we should do rather than make it more specific, such as the words "not acquiesce"? I am thinking about this: What if France should cede or transfer one of her islands in the Caribbean to Germany?

Mr. BARTON of New York. My feeling is, first, that I think it is a mistake to bring this up at all. We have had the Monroe Doctrine in force for 117 years. If there is one element of our foreign policy that is consistent and effective and understood in every chancelery in Europe and in the Orient, it is the Monroe Doctrine; and now, at this particular time, after 117 years, we suddenly feel that we have to enact it into law.

Mr. BENDER. Mr. Chairman, will the gentleman yield?

Mr. BARTON of New York. Yes.

Mr. BENDER. When gentlemen on the other side discuss the reaffirmation of the Monroe Doctrine, they reaffirm only a part of it, because this is also a part:

> In the wars of European powers, in matters relating to themselves, we have never taken any part, nor does it comport with our policy so to do.

That also is a part of the Monroe Doctrine.

Mr. BARTON of New York. Perhaps if the gentleman will offer that as an amendment the chairman of the committee will accept it.

Mr. CELLER. Mr. Chairman, will the gentleman yield?

Mr. BARTON of New York. Yes.

Mr. CELLER. I am sure that the gentleman, like most of us, is in accord with the principles of the Monroe Doctrine, but it might be well to know, for the purposes of history, of the many cases where the Monroe Doctrine has been violated. For instance, Britain was a frequent infringer of the doctrine. She took possession of the Falkland Islands, and we made no protest. Also, in 1842, Britain blockaded Nicaragua, and a few years later blockaded Buenos Aires, and there was no protest from the United States. We were too weak to do so. In 1851 Britain seized Salvador's port, and similarly the ports of Chile were bombarded by warships of Spain some years later, but we were a weak Nation then, too weak to protest. Now the situation is different, and we are strong enough to protest, and we should protest every inch of the way. And I am sure this resolution would be in furtherance of the idea of the Monroe Doctrine. I am sure the gentleman from New York will not want to vote against the bill.

Mr. BARTON of New York. Oh, I want to make it clear that I am going to support the resolution.

Mr. BLOOM. Mr. Chairman, will the gentleman yield?

Mr. BARTON of New York. Yes.

Mr. BLOOM. I believe the gentleman said that everyone knows what the Monroe Doctrine is. Would the gentleman kindly explain what he knows the Monroe Doctrine is?

Mr. BARTON of New York. If I know?

Mr. BLOOM. Will the gentleman kindly explain what the doctrine is?

Mr. BARTON of New York. Oh, the gentleman explained it and read many authorities, and I think the committee fully understood.

Mr. BLOOM. And that is what the Monroe Doctrine is?

Mr. BARTON of New York. Yes.

Mr. BLOOM. That is all that this resolution provides.

Mr. BARTON of New York. May I make the following point, if the gentleman will allow me to conclude what I have to say—I would like to have the attention of the gentleman from New York [Mr. BLOOM]—I do not object particularly to having this resolution enacted. The argument in the committee was that it would not do any harm and it might do some good. That was the principal argument that was advanced for it. But I think that from this time forward in this House we ought to recognize that passing resolutions and making speeches and using words is the most dangerous thing that can be done at a time like this. [Applause.]

I remember the night when word came over the radio that Chamberlain had said that England and France would come to the aid of Poland. I got down the atlas, and when I looked at Poland I discovered there was no possible way that England and France could come to the defense of Poland. That remark was leading Poland to depend on something and to risk her national life on something that could not possibly be backed up. From that point on I began to wonder whether the Allies were as smart as we were thinking they were going to be, and how they were going to come out in this war.

I remember in the debate on the embargo, which I think is going to have some very humorous passages when we read it in a few years, we were assured that if we would lift the embargo, if we would just change one of our laws, we would stop Hitler. How ridiculous all that sounds in the light of what has happened since. When the Polish Army could not stop him, when the British Navy could not stop him, when Belgium and Norway and France could not stop him, we have this fatuous idea in America that if we will just utter some words or pass a resolution that we can do something.

Mr. BLOOM. Will the gentleman yield?

Mr. BARTON of New York. I yield.

Mr. BLOOM. The lifting of the embargo was merely a domestic law. There was nothing in the Neutrality Act at that time about Europe. They were making a law to keep this country out of war. We were making a law so that none of our ships would be sunk. There was not one ship scratched during the whole time.

Mr. BARTON of New York. The gentleman will certainly not deny that we were assured and reassured that if we lifted the embargo we would stop Hitler and there would be no European war?

Mr. BLOOM. Not from this side of the House.

Mr. BARTON of New York. Oh, yes. [Applause.]

[Here the gavel fell.]

Mr. FISH. Mr. Chairman, I yield to the gentleman from South Dakota [Mr. CASE] 5 minutes.

Mr. CASE of South Dakota. Mr. Chairman, in connection with what the gentleman from New York [Mr. BARTON] just said with respect to the purposes of the repeal of the Neutrality Act and what it has and has not accomplished, I would like to refresh our memories by calling attention to a sentence from the President's speech at the opening of the special session of the Congress:

> The objective of restricting American ships from entering such zones may be obtained by prohibiting such entry by the Congress, or the result can be substantially achieved by Executive proclamation that all such voyages are solely at the risk of American owners themselves.

I bring that to your attention because I think we are overlooking the fact that the amending of the Neutrality Act was not necessary to keep American ships out of the war zone. As the President said, the result could have been achieved by an Executive proclamation.

Nor was it necessary to amend the Neutrality Act to keep Americans off of belligerent ships. The President said as to that objective:

> The second objective is to prevent American citizens from traveling on belligerent vessels, and this can also be accomplished by legislation through a continuance in force of existing law.

Hence we merely reaffirmed in that portion of the present Neutrality Act what was already on the statute books.

Also, in refreshing our memories on some of the circumstances attendant upon action of this character, I want to call attention to the fact that the Monroe Doctrine itself was promulgated in the face of a crisis in Europe. The enunciation of the Monroe Doctrine was made at a time when Europe was under the influence of the so-called Holy Alliance, and the then President acted in the face of a threatening situation. That is about what we are doing now. Somehow human nature acts that way.

James Madison, writing to Monroe at the time, said:

> There ought not be any backwardness about this—

That is, about making the proclamation—

> but we should keep in view, of course, the spirit and forms of the Constitution in every step taken in the road to war, which must be the last step if those short of war should be without avail.

It is interesting to note incidentally that the phrase "steps short of war" was used by Madison in 1823. And he used it understandingly. War itself is the last step. It is axiomatic that we cannot continue to take steps short of war without walking in that direction. Then there is that model statement of foreign policy which Thomas Jefferson made in his letter to Monroe after Monroe had sent to him the preliminary draft of his message. Made today by some people it might be regarded as treasonable or pro-Nazi, or something like that, but Jefferson made it long before Nazis were known. Since Jefferson made it when Monroe was about to propose his doctrine, it should be in order to recall it when we are about to reaffirm the doctrine.

Jefferson wrote:

> Our first and fundamental maxim should be never to entangle ouselves in the broils of Europe; our second, never to suffer Europe to intermeddle with cis-Atlantic affairs.

Thus, Jefferson, commenting upon the preliminary draft of what has come to be known as the Monroe Doctrine, placed first the maxim of not entangling ourselves in the broils of Europe; and, second, not permitting Europe to intermeddle here.

Mr. SHANLEY. Mr. Chairman, will the gentleman yield?

Mr. CASE of South Dakota. I yield.

Mr. SHANLEY. Is that the letter of October 24, 1823?

Mr. CASE of South Dakota. The gentleman is correct.

Mr. SHANLEY. In the last paragraph of that letter he also said:

> Great Britain is the nation which can do us the most harm of anyone or all on earth, and with her on our side we need not fear the whole world. With her, then, we should most sedulously cherish a cordial friendship; and nothing would tend more to knit our affections than to be fighting once more, side by side, in the same cause.

I think the gentleman from New York [Mr. BARTON] referred to this fact, too, that under the protecting aegis of Great Britain we were able to maintain the Monroe Doctrine.

Mr. CASE of South Dakota. I am glad the gentleman quoted that portion of Jefferson's letter. I think Jefferson was right on that point also, but to get Jefferson's full position we should also quote the concluding sentence that immediately follows the quotation the gentleman gave. In the concluding sentence Jefferson said:

> Not that I would purchase even her amity at the price of taking part in her wars.

Jefferson believed, and I believe, that the decision as to when America goes to war should be made in Washington and not in any other capital whatsoever. That is the basis of our sovereignty. It is the essence of our independence. The decision should be made on the basis of our primary interests, not on the basis of policies, intrigues, or stakes in which we have no share. The decision should be made by us when we are ready; certainly we lose our independence if we condemn our people blindly to pay for the blunders, the indecisions, the lack of preparedness, or the ambitions of any other nation. That would be conscription without representation. And that is what I think Jefferson had in mind in the sentence I have read.

Mr. SHANLEY. That is all right. That is the sentence that followed the part I quoted. The point is that he knew at that particular time that we could fight for that doctrine under the mantle of England's protection. That was the basis of the Monroe Doctrine.

Mr. CASE of South Dakota. The gentleman is correct in pointing out that in the development of the doctrine we took that protection, and, by implication that if that protection is weakened we must seek ways to strengthen or replace it. There is practically no difference of opinion on that point.

[Here the gavel fell.]

Mr. FISH. Mr. Chairman, I yield one additional minute to the gentleman from South Dakota.

Mr. CASE of South Dakota. I merely wish in conclusion to say that I see no particular objection, now that it has come before us, in adopting the resolution. It is our policy and has been, and certainly there can be no harm in a reaffirmation of what the Monroe Doctrine is, in again saying that it is a fundamental American policy. The value will depend upon the wisdom shown in its application. It should be noted that the resolution itself is not discriminatory, that it applies equally to the transfer of sovereignty between non-American powers, whether they happen to be belligerents with whom we sympathize or not. It applies equally to all. [Applause.]

[Here the gavel fell.]

Mr. FISH. Mr. Chairman, I yield 10 minutes to the gentleman from Wisconsin [Mr. BOLLES].

Mr. BOLLES. Mr. Chairman, for the 117 years of the existence of the Monroe Doctrine no legislation of the character produced here has ever been devised or presented to the Congress for adoption. In fact, the Monroe Doctrine has been accepted as something like the Declaration of Independence and Washington's Farewell Address.

This is a measure to legislate on the Monroe Doctrine.

It is not necessary nor will any attempt to interpret its meaning add one jot or tittle to its weight.

It has been said that the Monroe Doctrine has no binding authority: First, because it has not been admitted into the code of international law, and, second, because it has never been adopted or declared by Congress. In reply it may be said that the principle of self-defense, the preservation of the peace and safety of the Nation, is recognized as an elementary part of international law. The doctrine did not require congressional action to control the conduct of the Executive any more than the policy announced in Washington's address of noninterference in European affairs. It stands today as a cardinal policy of our Government. In the prophetic language of Mr. Jefferson, "it sets our compass and points the course which we are to steer through the ocean of time

opening on us." We may well close its consideration with the words of Daniel Webster in the United States Senate:

I look on the message of December 1823 as forming a bright page in our history. I will neither help to erase it or tear it out; nor shall it be by any act of mine blurred or blotted.

To pass an act interpreting the Monroe Doctrine would be as absurd as legislating the Declaration of Independence or the Farewell Address into public law. There are things that are law in and of themselves. The Monroe Doctrine is one of the most outstanding examples. It is as much a part of America as America is of itself.

Mr. CELLER. Mr. Chairman, will the gentleman yield?

Mr. BOLLES. I yield.

Mr. CELLER. It may be interesting for the sake of the RECORD to recall that a resolution was adopted by the Senate in 1912 which embodied the Monroe Doctrine with reference to Mexico and Japan, a resolution offered by the Senator from Massachusetts, Mr. Lodge. It was adopted by the Senate by a huge vote. The occasion for it was the attempt by a private company on behalf of a foreign country to get a foothold in Magdalena Bay in Mexico.

Mr. BOLLES. But it did not attempt to interpret the Monroe Doctrine.

Mr. CELLER. I will read it to the gentleman if he wishes.

Mr. BOLLES. I have not time.

Mr. CELLER. The principle of the Monroe Doctrine was embodied in a resolution adopted by the Senate.

Mr. BOLLES. There have been several occasions, I may say to my distinguished friend who is a member of the Judiciary Committee, when we have adopted resolutions concerning an incident in which the Monroe Doctrine figured.

Mr. TIBBOTT. Mr. Chairman, will the gentleman yield?

Mr. BOLLES. I yield.

Mr. TIBBOTT. That particular event had to do with the transfer of Mexican territory to Japan and was not the transfer of territory from one non-American country to another. It is not, therefore, a precedent.

Mr. BOLLES. I thank the gentleman.

Mr. Chairman, the Monroe Doctrine was never a statutory law. By the very nature of the doctrine itself it could not become a matter of direct congressional action. There are three state papers in the history of our country devoid of the character of public law, either national or international. Yet each has exercised the most potent influence on the conduct of many other nations of the earth. These three are the Declaration of Independence, Washington's Farewell Address, and finally the Monroe Doctrine. Each has an intimate relation to each other and has successfully been the outgrowth the one of the other.

The Monroe Doctrine was not conceived in any humanitarian interest; it had no sentimental kindness about it. Boiled down into its last analysis, it was a measure for the protection of the United States. It was a "no trespass" sign to all the nations of the world. It had a tremendous influence upon the destiny of many nations. Upon the rock of the Monroe Doctrine the Holy Alliance was shipwrecked. It made it possible for the Spanish colonies in Central and South America to keep their independence from Spain. It made it possible for Portuguese Brazil to erect itself into an American empire and afterward into a republic. It carried out the principles in the Farewell Address of George Washington, that—

Europe has a set of primary interests which to us have none or a very remote relation, hence she must be engaged in frequent controversies, the causes of which are essentially foreign to our concerns.

And again it emphasized in that address—

We may take such an attitude as will cause the neutrality we may at any time resolve upon to be scrupulously respected, when belligerent nations, under the impossibility of making acquisitions upon us, will not lightly hazard giving us provocation.

We were determined from the beginning to keep the Western Hemisphere free from new colonization or conquests. When the Spanish colonies in South and Central America revolted, we quickly acknowledged their independence. Immediately there was a convulsion in the Holy Alliance which had been effected by the Emperors of Russia and Austria and the King of Prussia in 1815, and for a time included France and England. That alliance was hostile to the rights of the people and the freedom of nations, and reiterated the principle of divine right and the power of princes as the first and most important element. It was against press freedom as the most dangerous enemy to absolutism. The fundamentals of the American Constitution were anathema to the alliance.

The Monroe Doctrine was not a sudden declaration for a specific purpose. It came from the very peculiar position the Western Hemisphere occupied in the march of submerged millions toward the light of a better and brighter day. And it also came as a clarion call of the United States to its own people in its own defense. It was a notice hung on the walls of ancient grasping nations that America was going to look to and after all America—her blood child.

The principle or policy of the Monroe Doctrine declares affirmatively—and this should be of interest to the chairman of the Committee on Foreign Affairs, for he asked the gentleman from New York what the Monroe Doctrine was.

The principle or policy of the Monroe Doctrine declares affirmatively:

First. That no European power, or combination of powers, can intervene in the affairs of this hemisphere for the purpose, or with the effect, of forcibly changing the form of government of the nations, or controlling the free will of their people.

Second. That no such power or powers can permanently acquire or hold any new territory or dominion on this hemisphere.

Third. That the colonies or territories now held by them cannot be enlarged by encroachment on neighboring territory, nor be transferred to any other European power, and while the United States does not propose to interfere with existing colonies, "it looks hopefully to the time when * * * America shall be wholly American."

Fourth. That any interoceanic canal across the isthmus of Central America must be free from the control of European powers.

While each of the foregoing declarations has been officially recognized as a proper application of the Monroe Doctrine, says Foster in his history of American diplomacy, the Government of the United States reserves to decide, as each case arises, the time and manner of its interposition and the extent and character of the same, whether moral or material, or both.

In his message of May 28, 1870, relating to San Domingo, Grant stated:

The doctrine promulgated by President Monroe has been adhered to by all political parties and I now deem it proper to assert the equally important principle that hereafter no territory on this continent shall be regarded as subject to transfer to a European power.

This is the statement in the message of President Grant, and practically the resolution which we have before us today follows this, but as a matter of legislation.

The Monroe Doctrine, as negatively declared, may be stated as follows:

First. That the United States does not contemplate a permanent alliance with any other American power to enforce the doctrine, as it determines its action solely by its view of its own peace and safety; but it welcomes the concurrence and cooperation of the other in its enforcement, in the way that to the latter may seem best.

Second. That the United States does not insist upon the exclusive sway of republican government, but while favoring that system, it recognizes the right of the people of every country of this hemisphere to determine for themselves their form of government.

Third. That the United States does not contemplate a protectorate over any other American nation, seek to control

the latter's conduct in relation to other nations, nor become responsible for its acts.

We have never gone to war over any violations of the Monroe Doctrine. It has been a great instrument of peace.

When President Monroe was contemplating the issuance in his message of this momentous statement hereafter to bear his name, he wrote to Jefferson about it. Monroe was troubled because he saw that England wanted to control South and Central America. On the other hand was the Holy Alliance, bent on restoring the revolted Spanish republics to Spain. We accepted neither horn of the dilemma.

Jefferson wrote to Monroe:

The question presented by the letters you have sent me is the most momentous which has ever been offered to my contemplation since that of independence. That made us a nation. This sets our compass and points the course which we are to steer through the ocean of time opening on us. And never could we embark on it under circumstances more auspicious. Our first and fundamental maxim should be never to entangle ourselves in the broils of Europe. Our second, never to suffer Europe to intermeddle with cis-Atlantic affairs. America, North and South, has a set of interests distinct from those of Europe, and peculiarly her own. She should, therefore, have a system of her own, separate and apart from that of Europe. While the last is laboring to become the domicile of despotism, our endeavor should surely be to make our hemisphere that of freedom.

So we got the Monroe Doctrine. We did not join in an alliance with England which Jefferson wanted. Adams reflected the action when he said:

It would be more candid as well as more dignified to avow our principles explicitly to Russia and France than to come in as a cockboat in the wake of a British man-of-war.

Russia and England wanted what is now our own Pacific coast. The Monroe Doctrine having disposed of England's claws, ended in Russia going back to Alaska and leaving the California coast to Mexico. This was the first definite result of the doctrine.

Now I am concerned here with congressional action in any form or in any circumstances with the doctrine and its application, rather than with the history of events.

We have passed some resolutions, taken some action in Congress on New World policies merely to add polemical judgment to an accomplished fact.

We said: "This is it. We have already said it; why worry over it?" In 1826 we said that we are free to declare our friendships toward the South American republics as "their," not our, "honor shall dictate."

Do not overlook the fact that in those days we were dealing with some of the worst dictators that ever rode a silver-mounted saddle. Rosas of Argentina, the Lopez family of Paraguay, who killed more people than all the gangsters in the United States since the New Deal made it possible, were riding high.

Now, remember that Great Britain was never so hotly friendly to the Monroe Doctrine when it stepped on British toes. There was no idea in the British mind of giving up anything it had in America. It took some time to show Britain that what she had was all she would get. It at one time wanted Cuba. So did France. We said "No" in diplomatic emphasis. That ended the episode.

The dizzy-powered Napoleon III, little in stature, smaller in brain, egotist and strutter, egged on by the British who wanted the Southern Confederacy to win the Civil War, sent his whiskered, dandified puppet, Maximilian, to take over Mexico. Later when we got around to the task, Sheridan, on the Rio Grande, without a shot, ended this interlude.

President Grover Cleveland is justly credited with the most convincing analysis of the doctrine in his message to Congress in 1895. Later this was followed by one of our great state papers by Secretary Olney on the question of the claims of Great Britain to territory at the mouth of the Orinoco in Venezuela. Of the Monroe Doctrine President Cleveland said:

It was intended to apply to every stage in our national life and cannot become obsolete while our Republic endures.

And again Mr. Cleveland said:

The Monroe Doctrine finds its recognition in those principles of international law which are based upon the theory that every nation will have its rights protected and its just claims enforced.

And his closing, which caused Great Britain to pause in her Venezuelan aggression and resulted in settling the Guiana boundary for all time:

In order that such examinations should be prosecuted in a thorough and satisfactory manner, I suggest that the Congress make an adequate appropriation for the expenses of a commission, to be appointed by the Executive, who shall make the necessary investigation and report upon the matter with the least possible delay. When such report is made and accepted it will, in my opinion, be the duty of the United States to resist by every means in its power, as a willful aggression upon its rights and interests, the appropriation by Great Britain of any lands or the exercise of governmental jurisdiction over any territory which after investigation we have determined of right belong to Venezuela.

In making these recommendations I am fully alive to the responsibility incurred and keenly realize all the consequences that may follow. I am, nevertheless, firm in my conviction that while it is a grievous thing to contemplate the two great English-speaking people of the world as being otherwise than friendly competitors in the onward march of civilization and strenuous and worthy rivals in all the arts of peace, there is no calamity which a great nation can invite which equals that which follows a supine submission to wrong and injustice and the consequent loss of national self-respect and honor beneath which are shielded and defended a people's safety and greatness.

Mr. Chairman, the Monroe Doctrine has been the great protective power against colonization and exploitation of two continents. The same nations as existed when Simon Bolivar and San Martin with ragged troops ended the power of the old conquistadors and set up republics, are still living. Some boundary changes of small consequence have come about by strife or arbitration.

The Monroe Doctrine has been the most powerful and potent instrument of peace in the history of the people of this world. I oppose any declaration of change or any attempt by nouns, verbs, or adjectives, to give it a new meaning.

Mr. FISH. Mr. Chairman, I yield such time as he may desire to the gentleman from West Virginia [Mr. SCHIFFLER].

Mr. SCHIFFLER. Mr. Chairman, I rise to speak with reference to House Joint Resolution 506, which is now under discussion by the Committee of the Whole House on the state of the Union.

As a member of the Committee on Foreign Affairs, this resolution was introduced on June 3, received a brief hearing on June 4, and supplemental hearing on June 5, and by a majority vote of such committee was favorably reported.

Such resolution passed the Senate on yesterday by a vote of 76 to 0. I am in complete sympathy with the object and purposes of such resolution, which primarily is to serve notice upon all nations throughout the world that the Monroe Doctrine is still considered as a fundamental policy of the United States; that non-American nations shall not be permitted to transfer any geographic region to another non-American nation.

The principle upon which the Monroe Doctrine was founded was announced by the Congress of the United States in 1811, when it was feared that Spain had designs upon Florida. As the result of the proclamation made at that time the acquisition of territory upon the American continents by non-American nations was forbidden by the United States Government.

Again, in 1823, the doctrine was proclaimed in emphatic language, as the result of which it has been recognized the world over that the acquisition by a non-American nation of territory on the American continents would be looked upon with disfavor by the United States.

At present several non-American countries own territory upon or adjacent to the American continents. The pronouncement at this time undoubtedly extends the provisions of the original Monroe Doctrine. The resolution under consideration announces that we will not recognize or acquiesce in any attempt to transfer any geographic region of this

hemisphere from one non-American nation to another non-American nation.

This in effect states that notwithstanding that we in the past have stood firmly in opposition to the acquisition of territory upon the American continents or in the hemisphere, that we now extend such doctrine to prevent a transfer of such territory now held by a non-American power to another non-American power.

I cannot conceive that it was originally intended that the Monroe Doctrine was intended to embrace transactions such as those that are now included within the resolution before the House. The powers that have territory upon the American Continent acquired prior to the announcement of the Monroe Doctrine are further restricted and are not permitted to make a transfer of such territory to another non-American power. The resolution uses the term hemisphere. I hope that this term is not used in a sense as applied in the ordinary geographic understanding of the word. If such is the case, and if it is so applied, it will involve parts of the Union of Soviet Socialist Republics, as well as even a part of Iceland.

Reports have been current that Iceland has been subjected to German control and that German forces are now landing in Iceland for the purpose of making an attack upon Great Britain. If such is the case and the ordinary geographic conception of hemisphere adopted, we are heading toward war, and this is the initial step toward active military participation.

It has been explained to me that this interpretation is not to be adopted, and that the part of Iceland embraced within the geographic conception of this hemisphere is not to be used for the guidance of the Executive Department in executing the provisions of this resolution, but that such is to be applied in a practical manner, and as was contemplated at the time of the pronouncement of the Monroe Doctrine.

I am vitally interested in the preservation of the peace of our country. I shall do nothing directly or indirectly that will involve this Nation in active military participation in foreign wars; on the contrary, I do want to do everything that will defend and preserve the sovereignty of our beloved land.

In these times of hysteria and excitement it is for the leaders, and especially legislators to be calm and to endeavor to think out the consequences of each act. It is a time when we should think clearly and use our best judgment. I hope that this resolution will in no instance be provocative of discord or war, but will be universally accepted only as a reiteration of our age-old policy, to preserve America for Americans. A proclamation to the world that our Republican form of constitutional government, notwithstanding innuendos to the contrary, is not weak, but that there are fundamental rights for which we resolutely stand, in no sense a challenge to any nation, but a clear and unequivocal statement made with a friendly attitude to all nations.

Mr. FISH. Mr. Chairman, I yield to the gentleman from Illinois [Mr. CHIPERFIELD] 5 minutes.

Mr. CHIPERFIELD. Mr. Chairman, the Monroe Doctrine has been our traditional policy for over 100 years. We have always vigorously maintained that any attempt on the part of non-American powers to extend their system to any portion of North or South America or islands adjacent thereto would not only be considered as dangerous to our peace and security but to the other American republics as well.

It was distinctively an American doctrine. It is ours alone. It is unilateral in character and safeguards our own interests. It might be likened to a superdeclaration of independence. I, for one, deeply resent Hitler or any other dictator in Europe attempting to interpret the Monroe Doctrine for us, and telling us what our obligations are under it.

I am in full accord with the views of Daniel Webster when he declared in 1826 that the doctrine involved the honor of the country.

I look upon it—

He said—

as part of its treasures of reputation, and for one I intend to guard it.

And he added:

I look on the message of December 1823 as forming a bright page in our history. * * * It did honor to the sagacity of the Government, and I will not diminish that honor.

But just because you believe in the Monroe Doctrine is no reason why every Member of this House should not realize exactly what we are doing here today, and the full import and consequences of enacting this doctrine into statutory law.

What do we mean when we use the term "this hemisphere" and what does it include? The words "this hemisphere" and "Western Hemisphere" have been used interchangeably, so let us examine what territory these terms include.

First, where shall we start? The geographer of the State Department who appeared before our committee pointed out that there are three popular conceptions of the dividing line between the Western and Eastern Hemispheres. They are Greenwich, Ferro (one of the Canary group), and Paris. But for our purpose let us take Ferro as the dividing line. This places the Western Hemisphere within the meridians of 20° west longitude and 160° east longitude, the division line most frequently chosen by United States map makers. Within these limitations we find included the continents of North and South America, most of Greenland, part of Iceland, the Azores, the Cape Verde Islands, the South Shetland Islands, the Antarctic, New Zealand, the Samoan group, Clipperton, the Fiji group, the Solomon Islands, part of Siberia, and hundreds of other remote and inconsequential islands.

The Washington Daily News of June 13, in an editorial, described the extent of this bill as—

A responsibility that stretches from pole to pole, from ocean to ocean, and from Hell to breakfast.

Historically speaking, when Monroe sent his famous message to Congress he had in mind protecting the American continents and adjacent islands from intervention by non-American powers. The specific reasons were that he was afraid that the Holy Alliance might attempt to extend its sphere of influence in South America, and Russia in North America. Surely he did not have in mind the protection of the Azores, the Cape Verde Islands, or New Zealand.

Even modern geographers think of these groups as belonging to the Eastern Hemisphere. Let me quote part of a letter from Lawrence Martin, Chief of the Division of Maps of the Congressional Library, which appeared in the Appendix of the CONGRESSIONAL RECORD, page 2188:

In the Atlantic Ocean, however, the meridian of 20° puts the western tip of Iceland, as well as the whole of the Azores and the Cape Verde Islands, in the Western Hemisphere, although these islands have been generally regarded by geographers as parts of the Eastern Hemisphere. In the Pacific it puts eastern Russia (Siberia), as well as New Zealand and adjacent islands, in the Western Hemisphere, although they are generally regarded as parts of the Eastern Hemisphere.

If the Congress wants to include these groups under this bill, let them do so with full knowledge of what they are attempting to do. In case a European government should attempt to colonize or cause to be transferred some remote island of the Pacific, are we prepared to assert the Monroe Doctrine and, if necessary, go to war with some European power in its vindication? Let us be realistic. What if Germany should demand from France as part of the peace terms one of the Loyalty Islands, which are approximately 170° east longitude, thousands of miles across the Pacific. Are we prepared to go to war because of such a transfer? Are we going to apply the Monroe Doctrine to that part of Iceland that lies within the Western Hemisphere and not to the remainder? Are we going to apply this doctrine to almost all of Greenland but not to the northeast tip which lies

within the Eastern Hemisphere? Such action, it seems to me, would be absurd, but these are just two of the results you will obtain by passage of the bill in its present form.

My attitude toward the Monroe Doctrine is most ably stated by my distinguished and learned colleague, JAMES A. SHANLEY, when he said in the Appendix of the CONGRESSIONAL RECORD, page 2187:

> As a matter of fact, I am thoroughly convinced that our entire Monroe Doctrine should be streamlined in the light of modern, up-to-date events. I would not surrender one vestige of our historic position, but simply revive and make corrections resultant from modern conditions.

I believe a great many of our difficulties could be eliminated if we would use the international date line, the one hundred and eightieth meridian, as one of the boundaries of the Western Hemisphere. This would eliminate New Zealand, the Loyalty Islands, the Solomon Islands, Siberia, and hundreds of other unimportant islands. And by not following strictly 20° west longitude we could by four departures exclude the Azores, the Cape Verde Islands, and, on the other hand, include the northeast tip of Greenland. And if we cared to do so we could include all of Iceland, as there are many good reasons for considering Iceland as part of the Western Hemisphere. Another possible solution would be instead of using the term "this hemisphere," why would it not be better to use "the continents of North America and South America and islands adjacent thereto"? Of course, the word "adjacent" is capable of a flexible definition, but why should not it be? Why should we determine the course of action that would govern us in the future until we know what the circumstances are at that time?

It is argued that we would not apply the Monroe Doctrine to remote regions of the Western Hemisphere; that traditionally the Monroe Doctrine is not so extensive in its scope, but really applies only to the North and South American Continents and islands adjacent thereto. But my chief objection to this bill is that the language does not so confine it. It states:

> That the United States would not recognize any transfer, and would not acquiesce in any attempt to transfer, any geographic region of this hemisphere from one non-American power to another non-American power.

If we mean less, why do not we say so and limit the application of this doctrine to the continents of North and South America and those islands adjacent whose transfer might endanger our security and peace? Why interpret the Monroe Doctrine as covering less than this hemisphere and at the same time include "any region in the Western Hemisphere" in the bill?

But no; we cannot do that. We must swallow this bill as it is—hook, line, and sinker—in our mad haste to warn some foreign nation of our approval of the Monroe Doctrine, a doctrine which all nations have known and understood for a period of over a hundred years.

While I personally do not believe that every portion of the Western Hemisphere, no matter how remote, should be included in this doctrine, yet if this Congress, in its wisdom, believes that it is for the best interests of our country to bring within the terms of the Monroe Doctrine every little dot in the Western Hemisphere, let it do so at least with eyes open and mindful of all the possible repercussions therefrom. But when we have finally decided upon a policy, let us be prepared to defend it against all comers with all the might and strength we possess.

Now let me turn to another phase of this bill. It provides that we can take any additional action which we see fit but that we shall consult with the other American republics. We should reserve the right to determine our own course of action as we see fit without being bound in any way by the actions of other countries. But the trouble with this policy is we do all the guaranteeing and the rest of the American republics merely do the consulting, and no one is even bound by such discussion. It is all right for us that we play the guardian role for our own security, but have not the other American republics grown up sufficiently so that they can and should help protect themselves? Is it not about time we find out how far these Latin nations are willing to go in the joint protection of the Western Hemisphere? Why should it be all one-sided? Why should not all the American republics be required to join in this common task which is for the common security of all?

Instead of treating the American republics as equals with equal responsibilities, this bill merely provides that after we determine our course of action we will tell them about it in a consultation, and they can sit back and do nothing. It is a mere gesture and nothing more.

I hope the action we take here today will be for the best interest of our country. The only sound reason that I can see for the enactment of this bill is that it may express to the world that the people's representatives, as well as the Executive and State Department approve of the Monroe Doctrine.

I only hope that if this bill is passed that such action will not be interpreted by our people, who are already deeply aroused by the world crisis, as another step toward war, and that it will not feed fuel to the existing hysteria. If that should be the result, it would be better that we did not pass this bill, for we are adding nothing to a doctrine that is already well known and has worked excellently for a period of over a hundred years. Sometimes it is the part of wisdom to leave well enough alone.

There is another part of the Monroe Doctrine that is not well known but is of the utmost importance. Monroe stated in his famous message:

> In the wars of the European powers, in matters relating to themselves, we have never taken any part, nor does it comport with our policy, so to do. It is only when our rights are invaded or seriously menaced, that we resent injuries, or make preparation for our defense.

These words are just as true today as they were in 1823, and this Congress could do well to adopt them as its creed.

It is my sincere hope that in this crisis that all acts of Congress, all its energy, and all its efforts will be directed toward keeping our Nation at peace with all the world, and adequately preparing to defend our shores.

I believe that this bill, in its present form, goes far beyond the scope of the Monroe Doctrine as it has been interpreted for over a hundred years. I therefore feel I cannot support this bill unless amended. However, since a vote against this bill would be interpreted as a vote against the Monroe Doctrine and since I am in full accord with the Monroe Doctrine when limited to its proper scope, I feel my only alternative is to vote "present."

Mr. FISH. Mr. Chairman, I yield 5 minutes to the gentleman from South Dakota [Mr. MUNDT].

Mr. MUNDT. Mr. Chairman, I expect to vote for the resolution now before this body because I am a firm believer in the Monroe Doctrine and I would not knowingly cast a vote which might be construed either at home or abroad as being opposed to the Monroe Doctrine. However, I agree with the gentleman from New York [Mr. BARTON] in his thought that resolutions are not the material from which formulae for national safety can be made at this particular time. What America needs today, in my opinion, is action rather than eloquent adjectives, either in congressional resolutions or in Presidental speeches.

In my opinion, this is a most inopportune time in which to bring in a resolution which would seek to write the Monroe Doctrine into legislative language after we have successfully upheld and interpreted it for 117 years. If, as its proponents contend, it goes no further than to reaffirm the present policy, it is unnecessary and superfluous. If it is to be construed as restricting the province of the Monroe Doctrine, it is an unfortunate manifestation of defeatism. If it extends the doctrine beyond its present interpretations, it is a dangerous and hastily considered change of American foreign policy. Looked at from any angle, it is in my opinion an exemplification of inept legislative practice and hastily devised legislation which does no credit to either the majority or minority members of the Senate Foreign Relations Com-

mittee. Coming to us at a time like this, a vote against it might be construed as a vote of retreat before the totalitarian tyrants, and so most of us must perhaps vote for it, because no Member of this body would yield up one tiny bit of our sovereign rights to today's aggressors. But this resolution might better have been unwritten at this particular time, because, neither adding anything, clarifying anything, nor restricting anything, it is a dangerous tampering with a century-old doctrine which may later rise up to plague us all for our hurried action in these unsettled times.

I regret that no Member of the Senate saw fit to question the wisdom of such action at this time and that less than two pages of debate were devoted to its consideration. I regret that while many Senators declined to vote or failed to do so, none rose up to vote against consideration of this measure at this particular time. I feel that Senates of a more glorious day in American history would not so hastily and casually have passed upon such important legislation; yes, I feel that our predecessors in this hallowed House would also have considered long and well before writing into the confining language of a resolution a doctrine which has so long stood us in good stead as an enunciated policy by President Monroe.

Mr. Chairman, a part of our success in adhering to the Monroe Doctrine so successfully so long is, in my opinion, the very fact that we have never restricted its significance by legislative definition. The Monroe Doctrine has been the traditional policy of the greatest power on earth; part of its strength has been the very fact that ours was the right and ours the privilege of defining it as necessity directed and apply it as occasion demanded it. Now, to write a legislative definition whether it be to define identical rights which the Monroe Doctrine has always been interpreted as upholding or to weaken or expand those rights is at least to lose the great value of elasticity which has always been inherent in the Monroe Doctrine.

Now, all the world will know as much as does the United States just what is implied and indicated by this doctrine; gone will be our power of interpretation of this doctrine to apply to the changing conditions of an ever-changing world. For one, I shall vote for this resolution with great reluctance. I shall vote for it simply to lift my voice to tell dictators overseas that America, once faced with the legislative decision of reaffirming the Monroe Doctrine, will not in any way disfavor it. But if this decision had never been brought to this Congress at this time by a too easily stampeded Committee on Foreign Affairs and a too hastily conceived impulse, we should have retained the full strength of this immortal doctrine without having to sacrifice its elasticity of interpretation by today writing it into legislative definition. Yes; I shall vote for this resolution as the lesser of two evils now, but I regret that we are forced to hazard so much to gain so little through reaffirming a doctrine legislatively which is likely to be weaker and less effective after the reaffirmation than before it.

Mr. Chairman, I realize full well that many Members are today voting for this resolution because they have little confidence in our present Executive and because they fear his impetuosity and his ill-considered acts may jeopardize our country. However, I fear we cannot compensate for the President's snap decisions and impetuous acts by supplementing them with hastily considered acts on the part of ourselves. For Congress at this crucial time to tie the hands of the President by writing into law the Monroe Doctrine which for more than a century has been applied by the President and the State Department may be an intended or accidental reflection upon the judgment of those now in the White House and the office of Secretary of State, but in our hastily conceived and illy considered rush to pass this legislation it may also come to be a reflection on the calm judgment of this deliberative body.

FROM NOW ON LET US HAVE MORE ACTION AND FEWER ADJECTIVES

Mr. Chairman, I repeat, I shall support this resolution because to do otherwise might be to imply to greedy dictators overseas that we were retreating from our established policy, and I for one am not, and I know that most of you are not, but it is unfortunate that when action is so badly needed we fumble around ineptly trying to give meaning to an American policy 117 years of age which we are far more likely to confuse by this action than we are likely to confirm the strength of its application. But when we have finished with this vote let us have no more of hastily devised resolutions and sparkling adjectives; let us settle down to the serious business of developing preparedness and policies which will defend this doctrine and spend less of our time defining it. Not adjectives but action will suffice to make America strong at this hour when we dare not permit America to be weak.

We need action in preparedness, action in curtailing "fifth column" activities, action in strengthening Pan American friendship and crystallizing and consolidating Pan American ideals.

In this connection, I would like to call attention to language used by President Monroe on December 2, 1823, in presenting this doctrine to the Congress. He stated at that time:

> The occasion has been judged proper for asserting as a principle in which the rights and interests of the United States are involved, that the American Continents, by the free and independent condition which they have assumed and maintain, are henceforth not to be considered as subjects for future colonization by any European powers.
>
> We owe it, therefore, to candor and to the amicable relations existing between the United States and those powers to declare that we should consider any attempt on their part to extend their system to any portion of this hemisphere as dangerous to our peace and safety. With the existing colonies or dependencies of any European power we have not interfered and shall not interfere. But with the governments who have declared their independence and maintained it, and whose independence we have on great consideration and on just principles, acknowledged, we could not view any interposition for the purpose of oppressing them, or controlling in any manner their destiny, by any European power in any other light than as the manifestation of an unfriendly disposition toward the United States.

WE WANT NO INVASIONS OF EITHER ARMIES OR "ISMS"

I call attention especially to the phrase "to extend their system," referring to the systems of European governments. I submit, Mr. Chairman, that the invasion of ideals and "isms" can be just as dangerous and just as permanently detrimental to America and democracy as the invasion of armies. I hope that Congress, therefore, will work out a preparedness program before adjournment that will extend itself far enough to include the defense of this hemisphere against invasion of un-American ideals in any place where that invasion may be found between Alaska and Cape Horn.

When we find that the invasion of the systems sponsored by the Nazi, the Communists, and the bunds are creeping into this country, we recognize that that is also contrary to the spirit if not the actual language of the Monroe Doctrine.

We should go further today, in my opinion, and rather than weakly reaffirming our position that we are going to protect the Western Hemisphere against aggressors from Europe and Asia who might try to invade this hemisphere, we should go so far as to rededicate ourselves to an effort to clean out and to keep out the invasion of European and Asiatic ideals and "isms" which are trying to eat into the foundations of our Government, and of the American republics, where they are found in the Western Hemisphere.

A JOB FOR THE PAN AMERICAN UNION

I would like to suggest that the gentleman from Texas, MARTIN DIES, for example, who has made some splendid suggestions from time to time about cleaning out un-Americanism in America, submit to the Pan American Union downtown, which brings together the republics of the Western Hemisphere, a proposal to study matters of primary interest to this hemisphere, and that the gentleman from Texas [Mr. DIES] suggest to them some ways and means, some specific devices, that will help to eliminate un-American activities which may be found any place in North or South America.

Perhaps, Mr. Chairman, pro-Americanism is too much of a fetish with me but in trying times like these I doubt that any of us can be too pro-American. I despise and detest the pagan doctrines of nazi-ism, fascism, and communism

with all the strength at my command. I abhor their devotion to the doctrine that the citizen is but a creature of the state. I deny their claims that nations can be strong only as they rally around an individual dictator and pay homage to his authority. I decry their method of turning back the clock of civilization by promoting wars abroad and projecting power politics at home. I hope that on the Western Hemisphere we shall never see the time when these doctrines "extend their system," as President Monroe so prophetically cautioned his confederates. It is not alone against the possibility of an extension by armed forces, great ships, and flying fortresses that this country must guard itself and that this hemisphere must prepare against. It is equally, and perhaps especially, against an attempt to "extend their system" by the Trojan-horse technique of communism and the "fifth column" devices of nazi-ism and fascism. Military men correctly advise us that with all our speed in voting new appropriations it will be many months and perhaps several years before we can make America sufficienty strong in military might, but there is nothing but our own lethargy which can prevent us from making America strong, before adjournment of this Congress, in the matter of loyalty among our people and devotion to the ideals of Americanism among those who would remain here and retain freedom to enjoy the protection of this Government.

THIS CONGRESS SHOULD ACT TO STAMP OUT UN-AMERICANISM NOW

This Congress should pass new legislation to stamp out Nazi bunds and communistic cells and fascistic fronts; it should take every constitutional means to rid America at once of aliens whose first patriotic devotion is to foreign governments or foreign systems. The gentleman from Texas, Congressman MARTIN DIES, and his splendid Committee for the Investigation of Un-American Activities have done much to awaken America to dangers of subversive agents in this country, despite the criticism of too many sophisticates, too many pseudo liberals, and too many Federal officials speaking from places of too high authority. Perhaps when the whole book is written, President Roosevelt will regret most of all his official acts and statements, his reference to the Dies committee in its exposé of subversive sympathizers when he referred to it as "a sordid procedure." At least I credit the President with that much power of honest self-analysis.

Let us wait no longer before passing legislation based upon the findings of the Dies committee. Why tolerate the traitorous activities of bundsters, Communists, and Fascists, now that the evidence of their existence is so clearly before us, the record of their destructive effect upon national unity so positively written in the tortuous news from European fronts, and the devices for curtailing their effectiveness in America so definitely presented to this body by concrete legislative suggestions from the men who know the most of how these foreign fakers operate? Let us listen to no urgent administrative requests that we adjourn. Let us act vigorously and thoroughly now to disband these alien groups and to deport those who have perpetrated them.

Both the least and the most that we can and should do to aliens in America who would teach the synthetic glamour of nazi-ism, communism, and fascism is to deport these deluded patriots back to the lands from whence they came so they can experience the practice of the nefarious arts of which they preach. They can be sure we are never going to adopt these foreign formulae of one-man indispensability in America, so the sooner they are deported the happier they should be. This much at least we know—the sooner they are deported the happier and safer we shall be. [Applause.]

NEEDED!—"PAN-AMERICAN PRO-AMERICANISM"

Mr. Chairman, I have fought Hitlerism, Stalinism, and Mussolini-ism in and out of Congress. I began the fight in my own State nearly 7 years ago in speeches before high-school commencement audiences, service clubs, community groups, and wherever I could find an audience. In 1936 I devoted the better part of a whole political campaign to fighting subversive influences in America and, although defeated and accused of setting up "straw men" at which to shoot, I have never stopped the fight, and I shall never stop it until America is rid of these "peddlers of piffle" who would import alien ideas of government into America to becloud our great ideal of a fair chance for a free people through self-government. I have probably given more speeches against these pagan philosophies of European isms by two times over than any other individual in my State, and among my proudest votes in Congress are those which I cast to continue the Dies committee so that sufficient evidence could be unearthed to forever expose and exclude nazi-ism, fascism, and communism from America. Therefore, I venture to insist today that we do more than pass a resolution. I hope we may rededicate ourselves fervently to a crusade against these foreign "isms," both in North and South America. Let us cooperate with our southern neighbors in advising them what the gentleman from Texas [Mr. DIES] has learned about how these groups have operated here. This will help them protect themselves against such an invasion of unholy ideals in South America.

I think the time has come when America needs a program of "Pan American pro-Americanism" which will manifest itself throughout the Western Hemisphere.

WE NEED ACTION TOWARD AN "ALL-AMERICAN AXIS"

I would also like to suggest to the War Department that they confer with these same Pan American officials from the standpoint of working out a mutually advantageous defense program. As we rededicate ourselves to the Monroe Doctrine, we can prevent this from becoming a mere gesture vitiated by dangerous and inexpedient possibilities if we rededicate ourselves to the principle of "one for all and all for one" in some practical program of mutual helpfulness. Let us work in harmony and in close contact with these South American republics, all of which are capable of giving us assistance and to all of whom we are pledging our protection and help in tightening, strengthening, and holding together a defense system for the Western Hemisphere. [Applause.]

This Pan American Union, it seems to me, offers a splendid opportunity for constructive and successful action by which we are going to be able to help drive out of the Western Hemisphere the pagan idealism which has attempted to invade this hemisphere of freedom, Christianity, and peace. [Applause.]

[Here the gavel fell.]

Mr. FISH. Mr. Chairman, I yield to the gentleman from Indiana [Mr. GILLIE] such time as he may desire to use.

Mr. GILLIE. Mr. Chairman, for a clearer understanding of the historical background of the Monroe Doctrine, and the resolution under discussion today, I recommend careful reading of the following letter which Thomas Jefferson wrote to President Monroe on October 26, 1823, more than a month before Monroe embodied his famous doctrine in a message to Congress.

Jefferson's letter bears out the fact that the so-called Monroe Doctrine was not Monroe's idea alone but the consensus of opinion of many of the great minds of Monroe's time.

JEFFERSON'S LETTER TO MONROE

The question presented by the letters you have sent me is the most momentous which has ever been offered to my contemplation since that of independence. That made us a nation, this sets our compass and points the course which we are to steer through the ocean of time opening on us. And never could we embark on it under circumstances more auspicious. Our first and fundamental maxim should be, never to entangle ourselves in the broils of Europe. Our second, never to suffer Europe to intermeddle with cis-Atlantic affairs. America, North and South, has a set of interests distinct from those of Europe, and peculiarly her own. She should therefore have a system of her own, separate and apart from that of Europe. While the last is laboring to become the domicile of despotism, our endeavor should surely be, to make our hemisphere that of freedom. One nation, most of all, could disturb us in this pursuit; she now offers to lead, aid, and accompany us in it. By acceding to her proposition, we detach her from the band of despots, bring her mighty weight into the scale of free government, and emancipate a continent at one strike which might otherwise linger long in doubt and difficulty. Great Britain is the nation which can do us the most harm of any one, or all, on earth; and with her on our side we need not fear the whole world. With her then we should the most sedulously cher-

ish a cordial friendship; and nothing would tend more to knit our affections than to be fighting once more, side by side, in the same cause. Not that I would purchase even her amity at the price of taking part in her wars. But the war in which the present proposition might engage us, should that be its consequence, is not her war, but ours. Its object is to introduce and to establish the American system, of keeping out of our land all foreign powers, of never permitting those of Europe to intermeddle with the affairs of our nations. It is to maintain our own principle, not to depart from it. And if, to facilitate this, we can effect a division in the body of the European powers, and draw over to our side its most powerful member, surely we should do it. But I am clearly of Mr. Canning's opinion that it will prevent, instead of provoking war. With Great Britain withdrawn from their scale and shifted into that of our two continents. All Europe combined would not undertake such a war, for how would they propose to get at either enemy without superior fleets? Nor is the occasion to be slighted which this proposition offers of declaring our protest against the atrocious violations of the rights of nations, by the interference of any one in the internal affairs of another so flagitiously begun by Bonaparte, and now continued by the equally lawless alliance, calling itself holy.

But we have first to ask ourselves a question. Do we wish to acquire to our own confederacy any one or more of the Spanish provinces? I candidly confess that I have ever looked on Cuba as the most interesting addition which could ever be made to our system of States. The control which, with Florida point, this island would give us over the Gulf of Mexico, and the countries, and the isthmus bordering on it, as well as all those whose waters flow into it, would fill up the measure of our political well-being. Yet, as I am sensible that this can never be obtained, even with her own consent, but by war; and its independence, which is our second interest (and especially its independence of England) can be secured without it, I have no hesitation in abandoning my first wish to future chances, and accepting its independence with peace, and the friendship of England, rather than its association at the expense of war and her enmity.

I could honestly therefore join in the declaration proposed that we aim not at the acquisition of any of those possessions, that we will not stand in the way of any amicable arrangement between them and the mother country, but that we will oppose with all our means, the forcible interposition of any other power, as auxiliary, stipendiary, or under any other form or pretext and most especially their transfer to any power by conquest, cession, or acquisition in any other way. I should think it therefore advisable that the Executive should encourage the British Government to a continuance in the dispositions expressed in these letters, by an assurance of his concurrence with them as far as his authority goes, and that as it may lead to war, the declaration of which requires an act of Congress, the case shall be laid before them for consideration at their first meeting, and under the reasonable aspect in which it is seen by himself.

I have been so long weaned from political subjects, and have so long ceased to take any interest in them, that I am sensible I am not qualified to offer opinions on them worthy of any attention. But the question now proposed involves consequences so lasting, and effects so decisive of our future destinies, as to rekindle all the interest I have heretofore felt on such occasions, and to induce me to the hazard of opinions, which will prove only my wish to contribute still my might toward anything which may be useful to our country, and praying you to accept it at only what it is worth, I add the assurance of my constant and affectionate friendship and respect.

THOMAS JEFFERSON.

Mr. FISH. Mr. Chairman, I yield 5 minutes to the gentleman from Massachusetts [Mr. GIFFORD].

Mr. GIFFORD. Mr. Chairman, for many weeks this possible action has troubled me. On June 3, I placed certain remarks in the RECORD and I will read three sentences from that statement:

Gradually the seriousness of the Monroe Doctrine casts its shadow upon us. Seemingly nearly all who venture to express opinions advise assuming so-called protectorate over all foreign possessions in this hemisphere. With our eyes open and only with full realization of its fateful results must this step be taken.

To me this is a fateful resolution. It may be reiteration, it may be reaffirmation; but if it is only reaffirmation it comes at a very distressing moment. It should have been made many months ago. The resolution refers to certain conferences with other South American nations and certain conferences with foreign ministers. It was understood that if the time came when such transfer was contemplated we would sit down and consult with those nations. But now we proceed to pass this resolution saying "that we will not recognize or acquiesce in any non-American nation taking title to territory now belonging to other non-American nations." We say this before we consult with these other South American nations. We may dread to think what our consultations may amount to when we seek agreement with those nations that have not always, and probably do not now, wholly subscribe to the many phases of what we have considered to be our Monroe Doctrine. But we pass this resolution and then we will consult with those neighbors after our declaration of policy, expecting and demanding that they acquiesce.

Shall I say I will not recognize or acquiesce in certain transferees taking title to the land next to mine? Does that mean that I will not speak to him if he takes possession or that I will have no business with him, but that I will do nothing about it? Of course, if he occupies it, having acquired title, either by duress or exchange, should I resist by force his taking possession? Is that what this resolution intends to say? We must read between the lines.

You have told your people and so have I that we would not send any boys to fight on foreign soil. Did you mean that you would make no aggressive act against a foreign nation? Does this mean that we will fight with a foreign nation if it attempts to take possession of that which it may have legal right to possess? Is this an empty policy as declared by us?

I say to you again this is a fateful resolution. Probably none of us will see fit to vote against it. We believe in the Monroe Doctrine. It is dreadfully inopportune at this particular moment from my viewpoint. Did the Committee on Foreign Affairs consult with our generals and our admirals to see if they were ready to enforce it? I heard nothing said about that.

The resolution states here that they will not only consult with them, but "in addition to other measures, consult with the other powers." Are you going to take some warlike measures immediately and before you consult with these other powers? Of such a resolution I may not be able to see very clearly. Perhaps my mind does not allow me to see it clearly but certainly I can read. As I have said once before, some people can write although they cannot read what they have written. You have written something here which I doubt that you can read fully the whole and complete danger involved. I am greatly disturbed. I would almost wish to vote "present" and avoid responsibility. I am just as patriotic, I think, as you, and I think I understand the policy of the Monroe Doctrine, but this, I claim, is more than reaffirmation. This is an expansion placed in actual law and placed there before you consult with these neighbors with whom you declared you would consult with before you would make such a decision. Will these other nations agree to this declaration of policy or do you intend to force them to do so? [Applause.]

Mr. FISH. Mr. Chairman, I yield 5 minutes to the gentleman from Michigan [Mr. DONDERO].

Mr. DONDERO. Mr. Chairman, like many other Members of this body, I am going to support this resolution, but section 1 raises in my mind a very grave question, and coming, as it does, at this critical time, this Nation may be confronted with a reality and not a theory. The resolution presents a great responsibility to every Member of this House. I believe it unwise to take this step now in the face of a war-mad world. The language in section 1 reads:

The United States would not recognize any transfer, and would not acquiesce in any attempt to transfer, any geographic region of this hemisphere from one non-American power to another non-American power.

The thought has been going through my mind, what will be the position of the United States if the islands that once belonged to Belgium, the Netherlands, to Holland, and to France in this hemisphere shall by force of arms become the possessions of the German Empire, or the German Reich.

If such should be the case, the United States would be compelled to acquiesce in such transfer and surrender its long-established policy of the Monroe Doctrine or be ready to wage war to maintain it. If the mother countries of the islands in or near this Western Hemisphere should cease to exist and the title to them could not be transferred as set out in section 1 of the resolution before us, to whom would they belong? They will become orphans and we may be the foster parent.

Are we attempting to freeze the sovereignty of those islands as they are now? If they do become the possessions of the German Reich by reason of conquest of arms, what are we going to do about it? This resolution says that we will not acquiesce in such transfer, and a letter from Mr. Cordell Hull, Secretary of State, says that we will then consult with our southern neighbors "in addition to other measures" to protect our interests. Suppose that our southern neighbors do not take the same attitude toward such transfer as we do and that we are left alone. Then what will be the position of the United States? We will have but one of two choices to make. We can either defend the Monroe Doctrine as we have always insisted we would, and be prepared to fight to maintain it or surrender it.

Mr. BLOOM. Mr. Chairman, will the gentleman yield?

Mr. DONDERO. Yes. I yield to my friend, the chairman of the Foreign Affairs Committee.

Mr. BLOOM. We have not recognized the conquest of Poland or Czechoslovakia, of Austria, Holland, Belgium, or Denmark or Norway, have we in any way?

Mr. DONDERO. The question that the gentleman raises does not fit the case.

Mr. BLOOM. The gentleman says that we will have to recognize them, or else.

Mr. DONDERO. I am referring to islands that those countries once owned or now own in the Western Hemisphere, if they are taken over by right of conquest, as seem probable at the present moment, what will we do about it in that case?

Mr. BLOOM. Has not Belgium been taken over by right of conquest?

Mr. DONDERO. But that is a country in Europe. It has no application to the islands in the western world.

Mr. VORYS of Ohio. Mr. Chairman, will the gentleman yield?

Mr. DONDERO. Yes.

Mr. VORYS of Ohio. Does the gentleman contend for 1 minute, whether we pass this resolution or not, we would acquiesce in Germany taking over the island of Curaçao, which now belongs to Holland? I think it is clear that we would not acquiesce, whether we pass this resolution or not, if they attempted to take over anything by right of conquest or in any other way.

Mr. DONDERO. Suppose it is taken over and we do not acquiesce, what, then, are you going to do about it? Are you going to insist upon purchasing the island or are you going to take it by conquest? If you do, then you are taking a step toward war and that is the question in my mind that comes at this time, when perhaps it should not be raised in this country.

Mr. VORYS of Ohio. Does the gentleman know what we did in 1811 when we were a small country? We just walked in and took Florida until they got through fighting over it.

Mr. DONDERO. We did, but the Monroe Doctrine was not in existence in 1811. It did not come into being until about 1823.

Mr. BLOOM. Mr. Chairman, will the gentleman yield for a moment?

Mr. DONDERO. Yes.

Mr. BLOOM. I just want to get into the RECORD at this point that I am very glad that my colleague from Ohio [Mr. VORYS] and myself, agree at least on one point.

Mr. FISH. Mr. Chairman, will the gentleman yield?

Mr. DONDERO. Yes.

Mr. FISH. I understand the gentleman's position, but it seems to me in this critical situation it is about time that we got a little hard boiled ourselves, and that we serve notice on the world of exactly what we meant, and if they want to come over here in defiance of an act of Congress and the Monroe Doctrine, then they come over at their own risk, but I think they will recognize our language, and not a few soft words, evading it and pussyfooting. If we mean what we say, let us say it, and let us say it in a hard-boiled way.

Mr. DONDERO. And my answer to that is that we are taking an aggressive step today. Ownership or possession by one or more non-American countries of islands in this hemisphere may or may not be as dangerous or as safe to our peace and national security as the ownership and possession of such islands by any other foreign power or powers. [Applause.]

Mr. FISH. Mr. Chairman, I yield 1½ minutes to the gentleman from New York [Mr. REED].

Mr. REED of New York. Mr. Chairman, I cannot say very much in a minute and a half, and yet for the life of me I cannot see where we have very much to gain by passing this resolution. It seems to me that the Monroe Doctrine is our doctrine, and that it should be interpreted by the American people as conditions arise. Now that the resolution is here I shall vote for it, but in my opinion it ought not be here at this time.

I cannot see one single advantage at this time in passing this resolution. I think as the various exigencies arise the American Government will interpret the Monroe Doctrine. Naturally it will do it for its own protection, but I question today very much the wisdom of the language in this particular resolution. I think we are doing just what we should not do; that is, assume a very belligerent attitude, before we know all the facts and before all the facts are developed. I think it would be far safer to let the Monroe Doctrine stand and then when the time comes to act upon that Monroe Doctrine, to act as the circumstances direct at that time. Adequate preparedness is a condition precedent to any effective defense of the Monroe Doctrine or of a defiant resolution such as the one now before the House. The country desires prompt action in providing for national defense, not so many resolutions and not quite so much bluster and talk. [Applause.]

[Here the gavel fell.]

Mr. BLOOM. Mr. Chairman, I yield to the gentleman from Texas [Mr. KILDAY].

Mr. KILDAY. Mr. Chairman, as the angry flames of war crash through Europe with fury, speed, and decisiveness never known in the history of the world, our American people are brought face to face with the stern realities of war. More important, they wonder where they may be in the present condition of things and what may be their position when the result is finally known. A great feeling of uncertainty and mental turmoil has seized our people. I wish that some word of mine could relieve the distress, still more that some act on my part might contribute to a removal of the cause of that distress. However, we must all realize now that the time for wishful thinking has passed, the time for believing in or hoping for miracles is gone. Stern reality is our future.

My greatest desire is to see my country remain at peace. The last thing I want to happen is to see our young manhood march off to war. My every effort will be devoted to the prevention of war and to the peace and security of my Nation. In these times a great load of responsibility has fallen upon the shoulders of those charged with the affairs of our Nation.

In a war-torn world we cannot be so foolish as to believe that we can sit by in perfect safety. No matter what may be the result of the war, the United States must enter upon a new era in her history. We are young insofar as the lives of nations go. On the other hand, the days of youth and freedom from responsibility have gone. We are the strongest nation upon the Western Hemisphere. Only in the Western Hemisphere is there now peace. Only here is there guaranteed and observed the great liberties of the people. Here alone is there freedom of conscience, of speech, and of the press. This Nation must take on the full responsibility of preserving those liberties to this hemisphere and to all of the people in this hemisphere. This need not be because of any sentimental thought that we should provide for such liberties for the peoples of this hemisphere, though that would be ample justification.

It is dictated, however, by a far more basic and fundamental reason. It is required because of the very first law of Nature—self-preservation. We must assume the burden of preventing the implanting of foreign ideologies upon these two continents. We must prevent the infiltration of these

ideologies. But, above all, we must be in a position to repulse, by force if needs be, any foreign power which might seek to invade any of the countries of North, Central, or South America. We must do so for our own protection. We must do so for our own security. We must do so to preserve our own lives.

Let no person be shocked by this position. It is not new in the life of the United States. It is a policy to which we have long been committed. As a matter of fact, it is a policy of which we have long boasted; it is one of the great basic things in the Nation of which we are proud. It has existed since the 2d day of December 1823, when President James Monroe delivered his seventh annual message to the Congress of the United States. It is the Monroe Doctrine. It will be well for us to pause long enough to contemplate what that wise President of these United States had to say. In so doing we are again challenged by the prophetic vision of the early fathers of our Nation. This language is from that message, and therefore from the declaration of the Monroe Doctrine; it is a good policy for today:

> In the wars of the European powers in matters relating to themselves we have never taken any part, nor does it comport with our policy so to do. It is only when our rights are invaded or seriously menaced that we resent injuries or make preparation for our defense. With the movements in this hemisphere we are of necessity more immediately connected, and by causes which must be obvious to all enlightened and impartial observers.

I subscribe to every word contained in that declaration. All good Americans approve and applaud that statement as a declaration of present policy as desirable now as it was in 1823. Then President Monroe proceeded with this language:

> We owe it, therefore, to candor and to the amicable relations existing between the United States and those powers to declare that we should consider any attempt on their part to extend their system to any portion of this hemisphere as dangerous to our peace and safety. With the existing colonies or dependencies of any European power we have not interfered and shall not interfere. But with the governments who have declared their independence and maintained it, and whose independence we have, on great consideration and on just principles, acknowledged, we could not view any interposition for the purpose of oppressing them, or controlling in any other manner their destiny, by any European power in any other light than as the manifestation of an unfriendly disposition toward the United States.

That, my fellow Americans, is the Monroe Doctrine of which you and I have long boasted. The pending resolution is but a present-day declaration of the doctrine. Enforcement of the doctrine is as vitally important to the personal welfare of each and every American today as it was in 1823. In my humble opinion it is of more importance today than ever. Since it was proclaimed we have grown from a nation which was young and weak, having just passed through a war in which our own country was invaded and our own Capital City and Capitol Building destroyed. Now we are the richest and most powerful Nation in the world. We possess everything that will cause longing and covetous eyes to be cast upon us. More than half of the mined gold in the world is within our borders and a large percentage of the mined silver. Every natural resource that would cause an invading nation to seek to possess our land is here.

Our pathway is clear. We have no choice. We must put this Nation in such condition that no nation, however strong, will seek to invade our shores. In addition, and perhaps more necessary than preparation for attempted invasion, we must be prepared to live up to every word, every sentence, every line, and every principle announced in the Monroe Doctrine. This will mean that no nation can take offense at our action, for we are but carrying out our announced policy—a policy respected and observed by the nations of the world for 117 years. When prepared to maintain and defend this position we can be far more content that no nation, I care not how flushed with victory over others, will attempt to attack us or dispute our claim to the freedom of these Americas from European ideologies. Remember, force fears only force.

Here in Washington feverish efforts are being made to accomplish just such a program. I am glad that hysteria has not seized Washington. The War and Navy Departments are going about their important tasks of providing for the defense of this Nation in a vigorous and energetic fashion, still with a calm and sober manner which characterizes the man trained in military affairs.

Congress, and especially the committees charged with the national defense, is awake to the condition. Without fanfare, devoid of sensationalism and showmanship, this Congress is discharging its duty to the United States. There is but one issue here, it is the defense of our own Nation and our own people. There is the determination that our American people shall not be found unprepared and unprotected as were some of the peoples of Europe. This burden weighs heavily upon each and every one of us. Time for expected adjournment draws near. The national conventions of the two political parties will soon be held.

However, we are working day and night on the business in hand. As individuals, we in the Congress are anxious to adjourn and return to our homes. We have been in Washington for a long time now. Many personal interests challenge us at home. Personally, there are reasons for me to want to be in my district. On the other hand, I feel that we should stay here so long as there is any reasonable necessity for our presence. Major nations are being conquered in but a few days. We should stay here until the program for the defense of our Nation is thoroughly formulated and well under way. I appreciate membership in the Congress of the United States. But let me say here and now that my personal welfare, my political welfare, my career, and my future are as nothing to me when the welfare of my Nation is involved. Therefore I shall stay at my post of duty no matter what may be my personal interests or desires until I know that the program for the defense of my Nation is secure. If this means the termination of my career here, well and good, my conscience will be the easier because of duty performed.

This is our own, our native land. As each day passes we must be impressed with the fact that this land of ours is thrice blessed with freedom and with liberty. During these trying times we must resolve that this Nation shall be protected, that her institutions must be preserved, that our children and our children's children may enjoy the blessings which our forefathers captured and passed on to us for our enjoyment.

Mr. BLOOM. Mr. Chairman, I ask unanimous consent to extend my remarks in the RECORD.

The CHAIRMAN. Without objection, it is so ordered.

There was no objection.

Mr. BLOOM. Mr. Chairman, the purpose of this resolution—House Joint Resolution 556—is to reaffirm at this critical time in world affairs the long-standing policy of this Government with reference to the extension to this hemisphere by non-American states of their systems and political institutions. This is done by the first paragraph of the resolution, which states that the United States would not recognize any transfer and would not acquiesce in any attempt to transfer any geographic region of this hemisphere from one non-American power to another non-American power. This paragraph would apply not only to an actual transfer or an attempt to transfer a region but would also apply to any exercise of control over such a region.

The second paragraph states that if such a transfer or attempt to transfer should appear likely, the United States—

> Shall, in addition to other measures, immediately consult with the other American republics to determine upon the steps which should be taken to safeguard their common interests.

This latter provision contemplates consultation in conformity with the Convention for the Maintenance of Peace, signed at Buenos Aires in 1936, the Declaration of Lima of 1938, and the Resolution of the American Republics, signed at Panama in 1939, all referred to in the preamble. It would not prevent the United States unilaterally from taking such measures as it may see fit to take under the circumstances obtaining at the moment. The United States, with or without the adoption of the proposed resolution, is, of course, a free agent and may, whenever circumstances require, take such steps as may be necessary or desirable to prevent foreign inroads in this hemisphere.

In his farewell address in 1796, President Washington admonished us "against the insidious wiles of foreign influence," stating that against such wiles "the jealousy of a free people ought to be constantly awake, since history and experience prove that foreign influence is one of the most baneful foes of republican government."

On a number of occasions during our early history this Government announced that it would be unwilling to see territory in this hemisphere in the hands of European states transferred by them to other European states.

In 1801 the American Minister to England, Rufus King, reported to the Secretary of State that he had had a conversation with Lord Hawkesbury with reference to the reported cession of the Floridas by Spain to France, and that—

The purport of what I said was that we are contented that the Floridas remain in the hands of Spain but should not be willing to see them transferred, except to ourselves.

On February 29, 1808, President Jefferson made a similar statement with respect to Spanish possessions in this hemisphere. He stated that we would be "very unwilling to see them in that (the possession) of either France or England, politically or commercially. We consider their interests and ours as the same, and that the object of both must be to exclude all European influence from this hemisphere."

In keeping with this previously declared policy, President Monroe in his annual message to Congress, December 2, 1823, announced a doctrine, since referred to as the Monroe Doctrine, stating among other things that:

* * * the occasion has been judged proper for asserting as a principle in which the rights and interests of the United States are involved, that the American continents, by the free and independent condition which they have assumed and maintain, are henceforth not to be considered as subjects for future colonization by any European powers.

He also stated:

We owe it, therefore, to candor, and to amicable relations existing between the United States and those powers, to declare that we should consider any attempt on their part to extend their system to any portion of this hemisphere as dangerous to our peace and safety. With the existing colonies or dependencies of any European power we have not interfered and shall not interfere. * * *

It is impossible that the Allied Powers should extend their political system to any portion of either continent without endangering our peace and happiness; nor can anyone believe that our southern brethren, if left to themselves, would adopt it of their own accord. It is equally impossible, therefore, that we should behold such interposition, in any form, with indifference. * * *

In 1912, when rumors were abroad that a corporation was about to obtain a concession in Magdalena Bay on the coast of Lower California and that such concession would probably be used as a naval base by a foreign government, Senator Lodge introduced a resolution, which the Senate adopted by the overwhelming vote of 51 to 4, on August 2, 1912, reading as follows:

Resolved, That when any harbor or other place in the American continents is so situated that the occupation thereof for naval or military purposes might threaten the communications or the safety of the United States, the Government of the United States could not see without grave concern the possession of such harbor or other place by any corporation or association which has such a relation to another government, not American, as to give that government practical power or control for national purposes.

In commenting upon the resolution Senator Lodge stated:

This resolution rests on a generally accepted principle of the law of nations older than the Monroe Doctrine. It rests on the principle that every nation has a right to protect its own safety, and that if it feels that the possession by a foreign power, for military or naval purposes, of any given harbor or place is prejudicial to its safety, it is its duty as well as its right to interfere.

* * * * * * *

The Monroe Doctrine was, of course, an extension in our own interests of this underlying principle—the right of every nation to provide for its own safety. The Monroe Doctrine, as we all know, was applied, so far as the taking possession of territory was concerned, to its being open to further colonization, and naturally did not touch upon the precise point involved here. But, without any Monroe Doctrine the possession of a harbor such as that of Magdalena Bay, which has led to this resolution, would render it necessary, I think, to make some declaration covering a case where a corporation or association was involved.

In this particular case it became apparent from the inquiries made by the committee and by the administration that no government was concerned in taking possession of Magdalena Bay; but, it also became apparent that those persons who held control of the Mexican concession, which included the land about Magdalena Bay, were engaged in negotiations, which have not yet been completed, certainly, but which have only been tentative, looking to the sale of that bay, and the land about it, to a corporation either created or authorized by a foreign government, or in which the stock was largely held or controlled by foreigners.

* * * * * * *

The resolution is merely a statement of policy, allied to the Monroe Doctrine, of course, but not necessarily dependent upon it or growing out of it. * * * It seemed to the committee that it was very wise to make this statement of policy at this time, when it can give offense to no one and makes the position of the United States clear.

At the present moment the situation in Europe is chaotic to say the least. We do not know what the final outcome may be nor do we know what plans may be in mind with respect to the shifting of territory, but we do know what our long-established policy has been concerning the acquisition of territory in this hemisphere by non-American powers, and the establishment of their systems herein. With the admonition of President Washington against the insidious wiles of foreign influence we are in hearty accord. We have all these things clearly in mind, and the purpose of this resolution is to remind those foreign powers that our position has not been altered. It is preferable that this reminder should be given in advance of any overt act than that we should be confronted with an accomplished situation which might be more difficult to deal with later than now. The resolution is not directed at any one power but at any and all non-American powers which may be casting eyes in the direction of this hemisphere. It is not a challenge or a move in the direction of war, but, quite the contrary, it is a step taken in advance for the purpose of avoiding possible difficulties which might arise if foreign powers were allowed to believe that there has been any change in our policy in these respects. The resolution is but a reiteration of our time-honored policy. Its adoption is timely, and is for the benefit of those who may think that there has been some deviation on our part from this policy. [Applause.]

[Here the gavel fell.]

Mr. BLOOM. Mr. Chairman, I want the RECORD to show that we have yielded back 49½ minutes.

The CHAIRMAN. All time has expired. The Clerk will read.

The Clerk read as follows:

Resolved, etc., (1) That the United States would not recognize any transfer, and would not acquiesce in any attempt to transfer, any geographic region of the Western Hemisphere from one non-American power to another non-American power; and

(2) That if such transfer or attempt to transfer should appear likely, the United States shall, in addition to other measures, immediately consult with the other American republics to determine upon the steps which should be taken to safeguard their common interests.

With the following committee amendment:

Page 1, line 5, after the word "of", strike out "the Western Hemisphere" and insert "this hemisphere."

The committee amendment was agreed to.

Mr. FISH. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, my very dear and close friend the gentleman from New York [Mr. REED] seems to differ vitally with me on this proposal. This is an administration measure. I do not say that I would have advised bringing it up, but it passed the Senate unanimously and the administration wants it. It is before the House and that is why I am supporting it. I do not know whether it was wise to bring it up in the first instance or not, but being here I think the House should realize that tremendous changes have occurred in the world in the last few years.

When the Monroe Doctrine was written there were no submarines and there were no airplanes. We had nothing to fear, this great country of ours, from any foreign nation whatsoever. But since airplanes have been invented and since sub-

marines have been discovered, any unfriendly nation, any nation with a different political system that might be opposed to ours, or any nation that had any kind of a design on us, which owned any one of those islands could use them against us for airplane bases, for submarine bases, and against the Panama Canal. The whole situation has changed. Therefore, it may be advisable to reaffirm the Monroe Doctrine and to show exactly what we mean to all of the other nations of the world, that we are deliberately opposed to the transfer of any of those non-American possessions to any other non-American country.

That is simply the issue before us. Conditons have changed. When the gentleman from New York talks about the Monroe Doctrine alone he fails to realize that this situation with which we are confronted is critical, and that our very existence is at stake. I do not think anybody who knows the facts would even compromise in any way in having any possibly unfriendly nation owning any single one of these islands that might be directed against us and against the Panama Canal and used by modern weapons of warfare.

That is the reason I rose at this time, to point out that conditions have changed.

Mr. LUTHER A. JOHNSON. Will the gentleman yield?

Mr. FISH. I yield.

Mr. LUTHER A. JOHNSON. The gentleman said "deal with them as conditions arise." The condition is now arising, is it not, at this time?

Mr. FISH. It has arisen and nobody knows what will happen within the next week or next month.

Mr. BENDER. Will the gentleman yield?

Mr. FISH. I yield.

Mr. BENDER. Are we in a position now to deal with them? Are we prepared? Are we ready to deal?

Mr. FISH. I am glad the gentleman asked that. I wish everybody else would ask it everyday, because the people back home are under the impression that we, the greatest Nation in the world, are utterly defenseless; that we are like Abyssinia or China. All you have to do is to ask the chairman of our House Committee on Naval Affairs, who is perhaps the greatest exponent of a big Navy in this country and who has done a splendid job in building up the Navy. He said the other day that the United States has the greatest, the largest, the most efficient, and the best Navy in the world today. [Applause.] What is the use of all this craven talk? We fear no country with a navy of that kind and we propose to continue to have the greatest Navy in the world. [Applause.]

The CHAIRMAN. The time of the gentleman from New York has expired.

Mr. FERGUSON. Mr. Chairman, I rise in opposition to the pro forma amendment.

Mr. Chairman, we have heard a great number of words explaining the Monroe Doctrine. I want to quote one sentence from Elihu Root, which sums up the Monroe Doctrine:

> The Doctrine is not international law, but it rests upon the right of self-protection.

In other words, this resolution and the Monroe Doctrine that came into being at the time when diplomacy meant something, when doctrines meant something, actually means that we have to use force to keep out of this continent any country that threatens our sovereignty, that we have to use force to dislodge any country that gets a foothold in this hemisphere.

The gentleman from New York [Mr. FISH], who just relinquished the floor, tried to reassure us that we had adequate protection. Thanks to our President we have an adequate Navy or will have as soon as we can build it. Every day new ships are launched or near completion. This is the backbone of our defense to preserve the Monroe Doctrine. I hope the Members who today have urged us to vote for this measure will be as ready to vote for conscription when we are presented with that inevitable vote in the near future. By that I mean conscription of industry and resources as well as men. At the present time with the very limited increases we have made the result is what? We have raised the Marines now to the total of 34,000 men. That is our answer to these dictator nations that threaten our sovereignty. Thirty-four thousand Marines. Enough perhaps to dislodge an enemy in one island in the Caribbean. We have talked about raising our Army to 400,000 men—less than the army of any one of the little countries that went under overnight.

I wish I could satisfy my conscience that this Congress by voting the appropriations we have recently voted have provided all that we can provide to protect this Nation. We cannot be lazy and fat and selfish and say we will buy this protection, we will hire a professional force to do it, we will not have our lives or our businesses interrupted, we will carry on our business as usual, we will not take part in a national-defense program. I am not one who wants this Congress to stay here to harass the President. The President is going to have to be given more power to mobilize industry, to mobilize our men, to use these great natural resources and abilities this Nation has, or we are not going to be able to exist in a world that is driven by one-man governments that can utilize every resource within a country. This Congress should realize that on it rests the responsibility of whether democracy can live, whether we are going to play politics with a situation that calls for the best resources and the use of the best minds of this Nation. If you distrust our great leader—and I do not—then give that power to a joint board, but give it to somebody that this country may utilize its resources to meet any eventuality. England and France reached this conclusion too late. A democracy can always take back powers granted. But if a democracy does not grant powers in time there is no power left to take back.

This country has a big job to do. A great majority of our citizens are patriotic and want to help do it. Congress is charged with the responsibility of representing the public. The President has appointed the best minds in the Nation as his advisory council. Congress has backed the President in every request. My only fear is, have we done enough. Can we keep this war away from the Americas? We can if we have the courage to submerge our selfish interest, look realities in the face, and mobilize all our resources to keep war from the Americas. The Naval Affairs Committee tomorrow will recommend the greatest Navy in world history—good for them. Let us make every branch keep step and preserve peace "over here." [Applause.]

[Here the gavel fell.]

Mr. CELLER. Mr. Chairman, I move to strike out the last three words.

Mr. Chairman, for the purpose of the RECORD, I think it ought to show a list of foreign possessions on the American Continents. I received this list just recently from the Library of Congress. Denmark has Greenland. Holland has Curacao in the West Indies near Venezuela, and Surinam, commonly known as Dutch Guiana.

France has St. Pierre and Miquelon, south of Newfoundland; Guadeloupe and Martinique, islands between Puerto Rico and South America; and French Guiana in South America.

Great Britain has Canada, a dominion; Newfoundland; Labrador, a dependency of Newfoundland; Bermuda. In the West Indies she has the following eight colonies: the Bahamas, Jamaica, British Leeward Islands, and the British Windward Islands. The British Windward Islands consist of three colonies. There is also British Guiana and British Honduras.

This, indeed, is a rather important array of territory. It is well indeed to have the protection of all the American republics thrown around these possessions so as to prevent transfer to hostile rulers.

We have much to gain through this resolution. It is an extension, a necessary extension as I view it, of the Monroe Doctrine. It will give a warning to grasping dictatorial powers. The resolution, be it remembered, refers primarily to the transfer of title to land already owned by a foreign

power. The Monroe Doctrine refers to the acquisition by a foreign power in the first instance. There is, therefore, an essential difference, and it is necessary to have this resolution adopted to round out the purpose underlying the Monroe Doctrine.

I am sure those on the Republican side particularly who voiced any objection would be the first to complain if anything should go amiss in the event we did not adopt this resolution.

Frankly, the Monroe Doctrine did not originate with Monroe—message of December 2, 1823. He simply made it articulate and gave expression to that which had been smoldering in the minds of Washington and others a long time. Jefferson had suggested the Gulf Stream as a dividing line, Europe to remain on one side and the Americas on the other. It is interesting to note that Simon Bolivar, the great South American patriot, had proclaimed a sort of federation of American republics for self-defense against Europe. He, figuratively speaking, desired to put up a sign in the Americas to warn Europe. It was to read: "No trespassing."

The Monroe Doctrine was embraced by all American republics, in the Declaration at Buenos Aires in 1936, and in the Declaration of Lima in 1938.

Then there was the Declaration of Panama. This goes even further than either the Declaration of Buenos Aires or the Declaration of Lima. For at Panama, the American republics made a stronger joint declaration of continental solidarity with all the appropriate spiritual and material means at their disposal. They stated that as neutrals in the current war, they "shall prevent their respective terrestrial, maritime, and aerial territories from being utilized as bases of belligerent operations. They—

> May exclude belligerent submarines from the waters adjacent to their territories or admit them under the condition that they conform to the regulations which each country may prescribe.

But above all, the Declaration of Panama, which is stated to be a direct complement of the Monroe Doctrine, sets up a so-called zone of safety, which includes all the normal maritime routes of communication and trade between the countries of America. As a measure of self-protection the American republics insist that the waters, to a distance of approximately 300 miles from their coasts—

> Shall remain free from the commission of hostile acts or from the undertaking of belligerent activities by the nations engaged in the present war in which the said govenments are not involved.

Significantly, the declaration also contains the following:

> We expect the belligerent nations, and those which in the future may take part in the present war, to observe and respect this declaration which will be made in Panama as a complement of the Monroe Doctrine and of the Declarations of Buenos Aires and Lima.

Thus, the Declaration of Panama extends the Monroe Doctrine a great distance. Thus, the sovereignty of all American nations now is projected about 300 miles east of their Atlantic shores.

It has been stated that the Monroe Doctrine has not been commuted into a statute or resolution. I refer to the resolution adopted by the Senate in 1912, which recited that the United States would not look with unconcern upon the attempt Japan was then making to colonize Lower California at Magdalena Bay. Japan had sought through a private company to acquire a naval base in Magdalena Bay. Without hesitation our Government asserted its position. The resolution is as follows:

> *Resolved,* That when any harbor or other place in the American Continents is so situated that the occupation thereof for naval or military purposes might threaten the communications or the safety of the United States, the Government of the United States could not see without grave concern the possession of such harbor or other place by any corporation or association which has such a relation to another government, not American, as to give that government practical power of control for naval or military purposes.

On the basis of this precedent, and on the basis of the Declaration of Buenos Aires in 1936, the Declaration of Lima in 1938, and the Declaration of Panama in 1939, we ought, without the slightest hesitation, to adopt this resolution. [Applause.]

[Here the gavel fell.]

Mr. BLOOM. Mr. Chairman, I am going to make a motion that all debate be closed.

Mr. TINKHAM. Mr. Chairman, I wish to offer an amendment. It is now in the hands of the Clerk. I wish to be heard on my amendment.

Mr. BLOOM. Mr. Chairman, I move that all debate close in 10 minutes.

The question was taken; and on a division (demanded by Mr. SCHAFER of Wisconsin) there were—ayes 90, noes 30.

So the motion was agreed to.

Mr. TINKHAM. Mr. Chairman, I offer an amendment, which I send to the Clerk's desk.

The Clerk read as follows:

> Amendment offered by Mr. TINKHAM: On page 3, line 4, after the word "interests", insert the following paragraph:
> "(3) That in the wars of the European powers in matters relating to themselves we have never taken any part, nor does it comport with our policy so to do."

Mr. TINKHAM. Mr. Chairman, if we are to have a proclamation of the Monroe Doctrine, we should have a complete proclamation of it. The Monroe Doctrine consisted of two parts, one as vital as the other. The first part was that European powers were not to interfere with the Western Hemisphere and the other part was that the Western Hemisphere was not to interfere with European powers or the Eastern Hemisphere.

Let me read to you exactly what President Monroe said. It is exactly what is contained in my amendment.

Mr. BLOOM. Mr. Chairman, is it too late to reserve a point of order against the amendment?

The CHAIRMAN. Yes. Debate has started.

Mr. TINKHAM. Mr. Chairman, here are President Monroe's words:

> The citizens of the United States cherish sentiments the most friendly in favor of the liberty and happiness of their fellowmen on that side of the Atlantic. In the wars of the European powers in matters relating to themselves we have never taken any part, nor does it comport with our policy so to do.
>
> It is only when our rights are invaded or seriously menaced that we resent injuries or make preparations for our defense. * * * Our policy in regard to Europe, which was adopted at an early stage of the wars which have so long agitated that quarter of the globe, nevertheless remains the same, which is not to interfere in the internal concerns of any of its powers; to consider the government de facto as the legitimate government for us; to cultivate friendly relations with it and to preserve those relations by a frank, firm, and manly policy, meeting in all instances the just claims of every power, submitting to injuries from none.

It is true that in 1917 we did intervene in a war of the European powers. That intervention was the greatest disaster that ever occurred to our Republic. It should never be allowed to occur again. It was our immunity from devastating wars in Europe until 1917 that gave us our strength and our prosperity.

Mr. Chairman, the words used by President Monroe are the very words used in my amendment. If the Committee passes the resolution without my amendment, only a part of the Monroe Doctrine will be proclaimed.

My amendment is supported also by the following statement of Thomas Jefferson, contained in a letter which he wrote on October 24, 1823:

> Our first and fundamental maxim should be never to entangle ourselves in the broils of Europe; our second, never to suffer Europe to intermeddle with cis-Atlantic affairs.

And by the following statement made by Henry Clay when he was Secretary of State:

> Whilst we do not desire to interfere in Europe, with the political system of the Allied Powers, we should regard as dangerous to our peace and safety any attempt on their part to extend their system to any portion of our hemisphere.

Also by John Quincy Adams, who, when Secretary of State in 1820, stated:

> The political system of the United States is also essentially extra-European. To stand in firm and cautious independence of all entanglements in the European system has been a cardinal point of their policy under every administration of their Government from the peace of 1783 to this day. If at the original adoption of their system there could have been any doubt of its justice or its wisdom, there can be none at this time. Every year's experience rivets it more deeply in the principles and opinions of the Nation.

Mr. Chairman, if this resolution is passed without my amendment we will not be enunciating the real, fundamental Monroe Doctrine. Certainly, if we assert that European and other powers have no right to intrude or intervene in our affairs, we should accompany that assertion with a declaration that we shall not intrude or intervene in their affairs. I certainly hope the House will do what is sound and in accordance with tradition and adopt my amendment.

Mr. SCHAFER of Wisconsin. Will the gentleman yield?

Mr. TINKHAM. I yield to the honorable Representative from Wisconsin.

Mr. SCHAFER of Wisconsin. Is it not true that under the Monroe Doctrine it is just as essential for the United States to stop meddling in the internal affairs and wars of European and other non-American countries as it is for them to stop meddling in the internal affairs, wars, and other problems of the Americas?

Mr. TINKHAM. President Monroe asserted that very policy in the original doctrine.

Mr. SCHAFER of Wisconsin. If we adopt this resolution, we will only be adopting one side of the Monroe Doctrine, which applies to the Americas, and in doing so we may get into a critical situation because we ignore that side of the Monroe Doctrine which provides that we do not meddle in the internal affairs and wars of non-American foreign nations.

[Here the gavel fell.]

Mr. BLOOM. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, a similar amendment, as well as other amendments, were offered in the Committee on Foreign Affairs, and we had them all under consideration and gave them careful study. We submitted these amendments to the State Department, and we had officials of the State Department appear before the committee. The State Department recommended that we do not in any way accept these amendments that were submitted. The Committee on Foreign Affairs voted them down as far as our side was concerned.

Yesterday the Senate passed this bill unanimously, by a vote of 76 to 0. There was no opposition. Senator NYE voted for it, Senator CLARK voted for it, and all the Senators present voted for the resolution. I think it would be a mistake at this time to add anything to the resolution that speaks so clearly as to what is intended. I therefore hope the amendment will not prevail.

[Here the gavel fell.]

The CHAIRMAN. All time has expired. The question is on agreeing to the amendment offered by the gentleman from Massachusetts [Mr. TINKHAM].

Mr. FISH. Mr. Chairman, may we have the amendment reported again?

The CHAIRMAN. Without objection, the Clerk will reread the Tinkham amendment.

There was no objection.

The Clerk reread the Tinkham amendment.

The question was taken; and on a division, demanded by Mr. SCHAFER of Wisconsin, there were—ayes 66, noes 104.

So the amendment was rejected.

The CHAIRMAN. The Clerk will report the amendment to the preamble.

The Clerk read as follows:

On page 1 strike out the first three whereas clauses in the preamble and insert:

"Whereas our traditional policy has been to consider any attempt on the part of non-American powers to extend their system to any portion of this hemisphere as dangerous to the peace and safety not only of this country but of the other American republics; and."

The amendment was agreed to.

The CHAIRMAN. Under the rule the Committee rises.

Accordingly the Committee rose and, the Speaker having resumed the chair, Mr. DUNCAN, Chairman of the Committee of the Whole House on the state of the Union, reported that the Committee, having had under consideration the resolution (H. J. Res. 556) approving nonrecognition of the transfer of any geographic region in the Western Hemisphere from one non-American power to another non-American power, and providing for consultation with other American republics in the event that such transfer should appear likely, pursuant to House Resolution 525, he reported the same back to the House with sundry amendments adopted in Committee of the Whole.

The SPEAKER. Under the rule the previous question is ordered.

The question is on agreeing to the amendments.

The amendments were agreed to.

The joint resolution was ordered to be engrossed and read a third time and was read the third time.

Mr. SCHAFER of Wisconsin. Mr. Speaker, I have a motion to recommit.

The SPEAKER. Is the gentleman opposed to the joint resolution?

Mr. SCHAFER of Wisconsin. I am opposed to the one-sided joint resolution as it is now.

The SPEAKER. Does any gentleman desire to offer a motion to recommit who is unconditionally opposed to the joint resolution?

Mr. SCHAFER of Wisconsin. I am opposed to the joint resolution, Mr. Speaker.

The SPEAKER. The Clerk will report the motion to recommit.

The Clerk read as follows:

Mr. SCHAFER of Wisconsin moves to recommit to the Committee on Foreign Affairs with instructions to report the joint resolution (H. J. Res. 556) back to the House with the following amendment: Page 3, line 4, after the word "interests", add the following paragraph:

"(3) That in the wars of the European powers in matters relating to themselves we have never taken any part, nor does it comport with our policy so to do."

Mr. BLOOM. Mr. Speaker, I move the previous question on the motion to recommit.

The previous question was ordered.

The SPEAKER. The question is on agreeing to the motion to recommit.

The question was taken; and on a division (demanded by Mr. SCHAFER of Wisconsin) there were—ayes 37, noes 173.

Mr. SCHAFER of Wisconsin. I object to the vote on the ground a quorum is not present.

The SPEAKER. The Chair will count. (After counting.) Two hundred and fifty-three Members are present, a quorum.

Mr. SCHAFER of Wisconsin. Mr. Speaker, I demand the yeas and nays.

The yeas and nays were refused.

The SPEAKER. The question is on the passage of the joint resolution.

Mr. BLOOM. Mr. Speaker, I demand the yeas and nays on the passage of the joint resolution.

The yeas and nays were ordered.

The question was taken; and there were—yeas, 381, nays 8, answered "present" 6, not voting 36, as follows:

[Roll No. 155]

YEAS—381

Alexander	Blackney	Caldwell	Cooper
Allen, Ill.	Bland	Cannon, Fla.	Corbett
Allen, La.	Bloom	Cannon, Mo.	Costello
Allen, Pa.	Boehne	Carlson	Courtney
Andersen, H. Carl	Boland	Cartwright	Cox
Anderson, Calif.	Bolles	Case, S. Dak.	Cravens
Anderson, Mo.	Bolton	Casey, Mass.	Crawford
Andresen, A. H.	Boren	Celler	Crosser
Andrews	Boykin	Chapman	Crowe
Angell	Bradley, Pa.	Church	Crowther
Arends	Brewster	Clark	Culkin
Arnold	Brooks	Clason	Cullen
Austin	Brown, Ga.	Claypool	Cummings
Ball	Brown, Ohio	Clevenger	Curtis
Barden, N. C.	Bryson	Cluett	D'Alesandro
Barnes	Buck	Cochran	Darden, Va.
Barry	Buckler, Minn.	Coffee, Nebr.	Davis
Barton, N. Y.	Buckley, N. Y.	Coffee, Wash.	Delaney
Bates, Ky.	Bulwinkle	Cole, Md.	Dempsey
Bates, Mass.	Burch	Cole, N. Y.	DeRouen
Beam	Burdick	Collins	Dickstein
Beckworth	Burgin	Colmer	Dies
Bell	Byrne, N. Y.	Connery	Dingell
Bender	Byrns, Tenn.	Cooley	Dirksen

Ditter	Holmes	Marshall	Scrugham
Dondero	Hook	Martin, Ill.	Seccombe
Doughton	Hope	Martin, Iowa	Secrest
Douglas	Horton	Martin, Mass.	Seger
Doxey	Hull	Massingale	Shanley
Duncan	Hunter	May	Sheppard
Dunn	Izac	Michener	Sheridan
Durham	Jacobsen	Miller	Short
Eaton	Jarman	Mills, Ark.	Simpson
Eberharter	Jeffries	Mills, La.	Smith, Conn.
Edelstein	Jenkins, Ohio	Monkiewicz	Smith, Ill.
Elliott	Jennings	Monroney	Smith, Maine
Ellis	Jensen	Moser	Smith, Ohio
Elston	Johns	Mott	Smith, Va.
Engel	Johnson, Ill.	Mouton	Smith, Wash.
Englebright	Johnson, Ind.	Mundt	Smith, W. Va.
Evans	Johnson, Luther A.	Murdock, Ariz.	Snyder
Faddis	Johnson, Lyndon	Murdock, Utah	Somers, N. Y.
Fay	Johnson, Okla.	Murray	South
Fenton	Johnson, W. Va.	Myers	Sparkman
Ferguson	Jones, Ohio	Nelson	Springer
Fernandez	Jones, Tex.	Nichols	Starnes, Ala.
Fish	Jonkman	Norrell	Steagall
Fitzpatrick	Kean	Norton	Stearns, N. H.
Flaherty	Kee	O'Brien	Stefan
Flannagan	Kefauver	O'Connor	Sullivan
Flannery	Kelly	O'Day	Sumner, Ill.
Folger	Kennedy, Martin	O'Leary	Sumners, Tex.
Ford, Leland M.	Kennedy, Md.	Oliver	Sutphin
Ford, Miss.	Kennedy, Michael	O'Neal	Sweeney
Ford, Thomas F.	Keogh	Osmers	Sweet
Fries	Kerr	O'Toole	Taber
Fulmer	Kilburn	Parsons	Talle
Gamble	Kilday	Patman	Tarver
Garrett	Kinzer	Patrick	Tenerowicz
Gartner	Kirwan	Patton	Terry
Gathings	Kitchens	Pearson	Thomas, Tex.
Gavagan	Kleberg	Peterson, Fla.	Thomason
Gearhart	Kocialkowski	Peterson, Ga.	Tibbott
Gehrmann	Kramer	Pfeifer	Tolan
Gerlach	Landis	Pierce	Treadway
Geyer, Calif.	Lanham	Pittenger	Van Zandt
Gibbs	Larrabee	Plumley	Vincent, Ky.
Gifford	Lea	Poage	Vinson, Ga.
Gilchrist	Leavy	Polk	Voorhis, Calif.
Gillie	LeCompte	Powers	Vorys, Ohio
Goodwin	Lesinski	Rabaut	Vreeland
Gore	Lewis, Colo.	Ramspeck	Wadsworth
Gossett	Lewis, Ohio	Randolph	Wallgren
Graham	Luce	Rayburn	Walter
Grant, Ala.	Ludlow	Reed, Ill.	Ward
Grant, Ind.	Lynch	Reed, N. Y.	Warren
Gregory	McAndrews	Rees, Kans.	Weaver
Griffith	McArdle	Richards	Welch
Gross	McCormack	Robertson	West
Guyer, Kans.	McDowell	Robinson, Utah	Wheat
Gwynne	McGehee	Robsion, Ky.	Whelchel
Hall, Edwin A.	McGranery	Rockefeller	White, Idaho
Hall, Leonard W.	McGregor	Rodgers, Pa.	White, Ohio
Hancock	McKeough	Rogers, Mass.	Whittington
Hare	McLaughlin	Rogers, Okla.	Wigglesworth
Harness	McLean	Routzohn	Williams, Del.
Harrington	McLeod	Rutherford	Williams, Mo.
Hart	McMillan, Clara	Ryan	Winter
Harter, Ohio	McMillan, John L.	Sacks	Wolfenden, Pa.
Hartley	Maas	Sandager	Wolverton, N. J.
Havenner	Maciejewski	Sasscer	Woodrum, Va.
Healey	Magnuson	Satterfield	Youngdahl
Hennings	Mahon	Schaefer, Ill.	Zimmerman
Hess	Maloney	Schiffler	
Hill	Mansfield	Schulte	
Hobbs	Marcantonio	Schwert	

NAYS—8

Bradley, Mich.	Harter, N. Y.	Hoffman	Schafer, Wis.
Edmiston	Hawks	Kunkel	Thill

ANSWERED "PRESENT"—6

Chiperfield	Hinshaw	Thorkelson	Tinkham
Dworshak	Jarrett		

NOT VOTING—36

Byron	Houston	Pace	Spence
Camp	Jenks, N. H.	Rankin	Taylor
Carter	Keefe	Reece, Tenn.	Thomas, N. J.
Creal	Keller	Rich	Wolcott
Darrow	Knutson	Risk	Wood
Disney	Lambertson	Romjue	Woodruff, Mich.
Drewry	Lemke	Sabath	
Green	Mason	Schuetz	
Halleck	Merritt	Shafer, Mich.	
Hendricks	Mitchell	Shannon	

So the resolution was agreed to.

The Clerk announced the following pairs:

General pairs:

Mr. Rankin with Mr. Wolcott.
Mr. Creal with Mr. Reece of Tennessee.
Mr. Drewry with Mr. Keefe.
Mr. Spence with Mr. Carter.
Mr. Camp with Mr. Halleck.
Mr. Hendricks with Mr. Knutson.
Mr. Green with Mr. Mason.
Mr. Schuetz with Mr. Thomas of New Jersey
Mr. Wood with Mr. Darrow.
Mr. Pace with Mr. Woodruff of Michigan.
Mr. Romjue with Mr. Rich.
Mr. Disney with Mr. Risk.
Mr. Byron with Mr. Shafer of Michigan.
Mr. Houston with Mr. Jenks of New Hampshire.
Mr. Mitchell with Mr. Lemke.
Mr. Merritt with Mr. Shannon.
Mr. Sabath with Mr Taylor.

Mr. HAWKS changed his vote from "present" to "no."

Mr. DWORSHAK changed his vote from "aye" to "present."

Mr. HINSHAW. Mr. Speaker, I withdraw my vote of "aye" and answer "present."

Mr. HARRINGTON changed his vote from "no" to "aye."

The result of the vote was announced as above recorded.

A motion to reconsider the vote by which the resolution was agreed to was laid on the table.

CALENDAR WEDNESDAY BUSINESS

Mr. RAYBURN. Mr. Speaker, I ask unanimous consent that the business in order tomorrow, Wednesday, be dispensed with.

The SPEAKER. Is there objection?

There was no objection.

PURCHASE OF STOCK, FEDERAL HOME LOAN BANK BY RECONSTRUCTION FINANCE CORPORATION

Mr. STEAGALL. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 9958) to authorize the purchase by the Reconstruction Finance Corporation of stock of Federal home-loan banks; to amend the Reconstruction Finance Corporation Act, as amended, and for other purposes, with a Senate amendment thereto, and concur in the Senate amendment.

The SPEAKER. The Clerk will report the Senate amendment.

The Clerk read as follows:

Strike out all after the enacting clause and insert:

"That section 304 of the act entitled 'An act to provide relief in the existing national emergency in banking, and for other purposes", approved March 9, 1933, as amended (U. S. C., 1934 ed., title 12, sec. 51d; Supp. V, title 12, sec. 51d), is hereby amended by adding at the end thereof the following new paragraph:

" 'The Reconstruction Finance Corporation is authorized to purchase at par any part of the stock of any Federal home-loan bank owned by the United States, as evidenced by certificates, receipts, or otherwise, in amounts to be determined by the Corporation, with the approval of the Federal Loan Administrator; and the Secretary of the Treasury is authorized on behalf of the United States to sell such stock to the Corporation. Any such stock so purchased by the Corporation shall be held subject to the same conditions, requirements, rights, and privileges (including all dividend and retirement provisions) as are provided by law for or in connection with the ownership of such stock by the United States.'

"SEC. 2. Section 2 of the Reconstruction Finance Corporation Act, as amended (U. S. C., 1934 ed., title 15, sec. 602), is hereby amended by adding at the end thereof the following new paragraphs:

" 'The Corporation is authorized to make payments from time to time to the Secretary of the Treasury in amounts to be determined by the Corporation, with the approval of the Federal Loan Administrator, for the partial retirement of its capital stock at par and in payment of dividends from earnings. The aggregate amount of notes, debentures, bonds, or other such obligations which the Corporation is authorized to issue and have outstanding at any one time under the provisions of law in force on the date this paragraph takes effect shall not be decreased by reason of any retirement of capital stock under this paragraph, and such aggregate amount is hereby increased by an amount sufficient to carry out the provisions of this paragraph and of the second paragraph of section 304 of the act of March 9, 1933, as amended.

" 'The Corporation on or before June 30, 1941, may retire its capital stock and pay dividends under the preceding paragraph of this section, and may purchase stock of the Federal home-loan banks under section 304 of the act of March 9, 1933, as amended, in an aggregate amount of not to exceed $300,000,000 to be determined by the Secretary of the Treasury; but the Corporation, with the approval of the Federal Loan Administrator, shall determine that portion of such aggregate amount which may be used for the retirement of the capital stock of the Corporation, the payment of dividends, and the purchase of such stock of the Federal home-loan banks.'

"SEC. 3. (a) The third paragraph of section 5 of the Reconstruction Finance Corporation Act, as amended (U. S. C., 1934 ed., title 15, sec. 605; Supp. V, title 15, sec. 605), is hereby amended by striking out '$350,000,000' and inserting in lieu thereof '$500,000,000.'

"(b) The first sentence of section 3 of the act entitled 'An act to extend the functions of the Reconstruction Finance Corporation for 2 years, and for other purposes,' approved January 31, 1935, as

amended (U. S. C., 1934 ed., Supp. V, title 15, sec. 605m), is hereby amended by striking out 'January 31, 1945' and inserting in lieu thereof 'January 31, 1955.'

"SEC. 4. Section 3 of the Federal Farm Mortgage Corporation Act (U. S. C., 1934 ed., title 12, sec. 1020b) is hereby amended by adding at the end thereof the following new sentences: 'The Federal Farm Mortgage Corporation is authorized to repay on or before June 30, 1941, to the Secretary of the Treasury on behalf of the United States, all amounts in excess of $100,000,000 theretofore subscribed to the capital stock of the corporation. The proceeds of such repayment shall be held in the Treasury of the United States as a fund available for subscription, by the Governor on behalf of the United States with the approval of the Secretary of the Treasury, to the capital of the corporation when, in the judgment of the directors of the Corporation, additional subscriptions to its capital are necessary.'

"SEC. 5. Section 5d of the Reconstruction Finance Corporation Act, as amended (U. S. C., 1934 ed., Supp. V, title 15, sec. 606b), is hereby amended by adding at the end thereof the following new paragraphs:

"'In order to aid the Government of the United States in its national-defense program, the Corporation is authorized—

"'(1) To make loans to, or, when requested by the Federal Loan Administrator with the approval of the President, purchase the capital stock of, any corporation (a) for the purpose of producing, acquiring, and carrying stategic and critical materials as defined by the President, and (b) for plant construction, expansion and equipment, and working capital, to be used by the corporation in the manufacture of equipment and supplies necessary to the national defense, on such terms and conditions and with such maturities as the Corporation may determine; and

"'(2) When requested by the Federal Loan Administrator, with the approval of the President, to create or to organize a corporation or corporations, with power (a) to produce, acquire, and carry strategic and critical materials as defined by the President, (b) to purchase and lease land, to purchase, lease, build, and expand plants, and to purchase and produce equipment, supplies, and machinery, for the manufacture of arms, ammunition, and implements of war, (c) to lease such plants to private corporations to engage in such manufacture, and (d) if the President finds that it is necessary for a Government agency to engage in such manufacture, to engage in such manufacture itself. The Corporation may make loans to, or purchase the capital stock of, any such corporation for any purpose within the powers of the Corporation as above set forth related to the national-defense program, on such terms and conditions as the Corporation may determine.

"'Any corporation created or organized by the Corporation under the preceding paragraph is also authorized, with the approval of the President, to make payments against the purchase price to be paid for strategic and critical materials in advance of the delivery of such materials. Whenever practicable, the Corporation may require the payments so made to be used for purchases of raw or manufactured agricultural commodities to be exported from the United States.'

"SEC. 6. That (a) section 1 of the act approved January 26, 1937 (U. S. C., 1934 ed., Supp. IV, title 15 sec. 613c), as amended, is hereby amended by striking out 'June 30, 1941' and inserting in lieu thereof 'January 22, 1947'; (b) the first sentence of section 4 of the Reconstruction Finance Corporation Act (U. S. C., 1934 ed., title 15, sec. 604), as amended, and the first sentence of section 14 of the Reconstruction Finance Corporation Act (U. S. C., 1934 ed., title 15, sec. 614), as amended, are hereby amended by striking out the word 'ten' and inserting in lieu thereof the word 'fifteen'; (c) the second paragraph of section 5 (d) of the Reconstruction Finance Corporation Act (U. S. C., 1934 ed., Supp. IV, title 15, sec. 606b), as amended, is hereby amended by striking out 'June 30, 1939' wherever it appears therein and inserting in lieu thereof 'January 22, 1947'."

The SPEAKER. Is there objection?

Mr. MARTIN of Massachusetts. Mr. Speaker, I reserve the right to object. Will the gentleman tell us what this amendment does?

Mr. STEAGALL. The Senate amendment does not make any substantial change in the legislation except that it authorizes the lease of land in connection with the defense program as well as holding and acquiring material and equipment for war purposes, and also the use of the word "produce." In other words, it authorizes the production along with the acquiring and holding of materials of defense.

Mr. MARTIN of Massachusetts. What was the fate of the so-called Miller amendment?

Mr. STEAGALL. The Miller amendment is intact in the amendment that I have just indicated.

Mr. MARTIN of Massachusetts. Permitting to lease land as well as buy it?

Mr. STEAGALL. Yes; and permitting production as well as acquiring and holding.

Mr. MARTIN of Massachusetts. This is a unanimous vote of the committee to accept this amendment?

Mr. STEAGALL. There is no objection on the part of the minority.

The SPEAKER. Is there objection?

There was no objection.

The SPEAKER. The question is on agreeing to the Senate amendment.

The Senate amendment was agreed to.

EXTENSION OF REMARKS

Mr. TABER. Mr. Speaker, I ask unanimous consent in connection with the remarks I made in Committee of the Whole this afternoon to extend those remarks and to insert a table that I have prepared.

The SPEAKER. Is there objection?

There was no objection.

Mr. PATMAN. Mr. Speaker, I ask unanimous consent to extend my remarks and to include an editorial.

The SPEAKER. Is there objection?

There was no objection.

Mr. SUMNERS of Texas. Mr. Speaker, I ask unanimous consent to extend my own remarks and to include an address by Hon. William Douglas, delivered last Sunday at Wesleyan University.

The SPEAKER. Is there objection?

There was no objection.

Mr. HARRINGTON. Mr. Speaker, I ask uanimous consent to extend my remarks in the RECORD.

The SPEAKER. Is there objection?

There was no objection.

Mr. ALLEN of Louisiana. Mr. Speaker, I ask unanimous consent to extend my remarks and to include an editorial.

The SPEAKER. Is there objection?

There was no objection.

TARIFF ACT OF 1930

Mr. McCORMACK, from the Committee on Ways and Means, reported the bill (H. R. 9765) to provide for exercising the right with respect to red-cedar shingles reserved in the trade agreement concluded November 17, 1938, between the United States of America and Canada, and for other purposes, which was referred to the Union Calendar and ordered printed.

CUSTOMS ADMINISTRATIVE ACT

Mr. McCORMACK, from the Committee on Ways and Means, also reported the bill (H. R. 6328) to amend the Tariff Act of 1930, as amended by section 34 (c) of the Customs Administrative Act of 1938 (U. S. C., 1934 ed., Supp. IV, title 19, sec. 1001, par. 1529 (a)), which was referred to the Union Calendar and ordered printed.

PERMISSION TO ADDRESS THE HOUSE

Mr. DINGELL. Mr. Speaker, I ask unanimous consent that on tomorrow, after the disposition of the legislative business of the day, I may be permitted to address the House for 10 minutes.

The SPEAKER. Is there objection?

There was no objection.

PERMISSION TO FILE REPORT ON THE BILL H. R. 10605

Mr. BOREN. Mr. Speaker, I ask unanimous consent that the Committee on Interstate and Foreign Commerce may have until midnight tonight to file a report on the bill H. R. 10605.

The SPEAKER. Is there objection?

Mr. MARTIN of Massachusetts. Reserving the right to object, Mr. Speaker, is this a unanimous report from the committee?

Mr. BOREN. Yes; it was.

Mr. MARTIN of Massachusetts. I wanted to have permission to incorporate minority views, if there were any.

Mr. BOREN. It is a unanimous report.

The SPEAKER. Is there objection?

There was no objection.

EXTENSION OF REMARKS

Mr. RANDOLPH. Mr. Speaker, I ask unanimous consent to extend my own remarks and to include therewith a short article.

The SPEAKER. Is there objection?

There was no objection.

Mr. FERNANDEZ. Mr. Speaker, I ask unanimous consent to extend my own remarks and include two editorials.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. MILLS of Louisiana, by unanimous consent, was granted permission to extend his own remarks in the RECORD.

Mr. BATES of Massachusetts. Mr. Speaker, I ask unanimous consent to extend my remarks and include therein an article in the Haverhill Sunday Record.

The SPEAKER. Is there objection?

There was no objection.

Mr. LUDLOW. Mr. Speaker, I ask unanimous consent for two brief extensions of my own remarks.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. SHORT. Mr. Speaker, I ask unanimous consent to extend my remarks by including a brief editorial.

The SPEAKER. Is there objection?

There was no objection.

Mr. JOHNSON of Indiana. Mr. Speaker, I ask unanimous consent to extend my remarks and include an editorial from the Indianapolis Times and a telegram from the Service Club of Indianapolis.

The SPEAKER. Is there objection?

There was no objection.

Mr. ROBSION of Kentucky. Mr. Speaker, I ask unanimous consent to extend my remarks on the resolution passed today and include a part of the resolution and the Tinkham amendment.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. GILLIE. Mr. Speaker, I ask unanimous consent to insert in the RECORD immediately following my remarks made this afternoon a letter from Thomas Jefferson to President Monroe.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. THORKELSON. Mr. Speaker, I ask unanimous consent to extend my remarks and include two short editorials from the Carbon County News, a Montana paper.

The SPEAKER. Is there objection?

There was no objection.

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent to extend my remarks by including a resolution I have received.

The SPEAKER. Is there objection?

There was no objection.

Mr. THILL. Mr. Speaker, I ask unanimous consent to extend my remarks and include an article therein on the Monroe Doctrine.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. MUNDT. Mr. Speaker, I ask unanimous consent to revise and extend the remarks I made today in the Committee of the Whole and to include therein certain quotations.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. MUNDT. Mr. Speaker, I ask unanimous consent to extend my remarks in the Appendix of the RECORD and to include therein a letter received by me from H. V. Kaltenborn and a copy of the letter I sent to him.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. DWORSHAK. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include therein a brief article by John T. Flynn.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to Mr. ROMJUE, indefinitely, on account of illness.

SENATE ENROLLED BILLS AND JOINT RESOLUTION SIGNED

The Speaker announced his signature to enrolled bills and a joint resolution of the Senate of the following titles:

S. 2611. An act authorizing the purchase of a site and the erection of a building in the State of Massachusetts for use as a radio-monitoring station, and for other purposes;

S. 2983. An act to authorize the sale of lumber and other forest products obtained from the forests on Indian reservations by Indian enterprises;

S. 2984. An act authorizing the transfer of title of the Hayward Indian School to the State of Wisconsin;

S. 3018. An act to amend section 210 of the Communications Act of 1934, approved June 19, 1934 (48 Stat. 1073; 47 U. S. C. 210), so as to permit communication utilities to contribute free services to the national defense;

S. 3237. An act to amend section 301 (a) of the Sugar Act of 1937;

S. 3352. An act to amend the act of August 27, 1935 (49 Stat. 2194), and for other purposes;

S. 3667. An act to provide for the local delivery rate on certain first-class mail matter;

S. 3958. An act to authorize the Secretary of the Treasury to grant to the Road Department of the State of Florida an easement for a road right-of-way over the Coast Guard Reservation at Flagler Beach, Fla.; and

S. J. Res. 214. Joint resolution authorizing the recognition of the two hundredth anniversary of the founding of the University of Pennsylvania by Benjamin Franklin and the beginning of university education in the United States, and providing for the representation of the Government and people of the United States in the observance of the anniversary.

BILLS PRESENTED TO THE PRESIDENT

Mr. PARSONS, from the Committee on Enrolled Bills, reported that that committee did on this day present to the President, for his approval, bills of the House of the following titles:

H. R. 3840. An act to amend the act entitled "An act for making further and more effectual provision for the national defense, and for other purposes," approved June 3, 1916, as amended, and for other purposes;

H. R. 7074. An act to amend an act to authorize the Secretary of War and the Secretary of the Navy to make certain disposition of condemned ordnance, guns, projectiles, and other condemned material in their respective Departments;

H. R. 8745. An act making appropriations for the Department of the Interior for the fiscal year ending June 30, 1941, and for other purposes; and

H. R. 8913. An act making appropriations for the legislative branch of the Government for the fiscal year ending June 30, 1941, and for other purposes.

ADJOURNMENT

Mr. RAYBURN. Mr. Speaker, I move the House do now adjourn.

The motion was agreed to; accordingly (at 6 o'clock and 55 minutes p. m.) the House adjourned until tomorrow, Wednesday, June 19, 1940, at 12 o'clock noon.

COMMITTEE HEARINGS

COMMITTEE ON IMMIGRATION AND NATURALIZATION

There will be a meeting of the Committee on Immigration and Naturalization, Wednesday, June 19, 1940, at 10:30 a. m., for the consideration of private bills and unfinished business.

EXECUTIVE COMMUNICATIONS, ETC.

1766. Under clause 2 of rule XXIV a letter from the Secretary of the Navy, transmitting the draft of a proposed bill to provide for the disposition of certain moneys received by the United States in connection with proceedings against the Standard Oil Co. of California and others, pursuant to

the joint resolution of February 21, 1924 (43 Stat. 15), was taken from the Speaker's table and referred to the Committee on Naval Affairs.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII,

Mr. WARREN: Committee on Accounts. House Resolution 532. Resolution authorizing additional clerical services to the enrolling room (Rept. No. 2594). Referred to the Committee of the Whole House on the state of the Union.

Mr. WARREN: Committee on Accounts. House Resolution 533. Resolution granting an increase in compensation to the Assistant Parliamentarian (Rept. No. 2595). Referred to the Committee of the Whole House on the state of the Union.

Mr. WARREN: Committee on Accounts. House Resolution 531. Resolution granting an increase in compensation to the assistant clerk to the Committee on Claims (Rept. No. 2596). Referred to the Committee of the Whole House on the state of the Union.

Mr. TAYLOR: Committee on Appropriations. H. R. 10104. A bill making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1940, and prior fiscal years, to provide supplemental appropriations for the fiscal years ending June 30, 1940, and June 30, 1941, and for other purposes; without amendment (Rept. No. 2597). Referred to the Committee of the Whole House on the state of the Union.

Mr. SNYDER: Committee of conference on the disagreeing votes of the two Houses. H. R. 8668. A bill making appropriations for the fiscal year ending June 30, 1941, for civil functions administered by the War Department, and for other purposes (Rept. No. 2608). Referred to the Committee of the Whole House on the state of the Union.

Mr. BELL: Committee on Elections No. 1. House Resolution 534. Resolution in re contested-election case of *John R. Neal* v. *Estes Kefauver;* without amendment (Rept. No. 2609). Referred to the House Calendar.

Mr. JONES of Texas: Committee of conference on the disagreeing votes of the two Houses. H. R. 9594. A bill to amend section 12 (b) of the Soil Conservation and Domestic Allotment Act to cover advances for crop insurance (Rept. No. 2610). Referred to the Committee of the Whole House on the state of the Union.

Mr. ELLIOTT: Joint Committee on the Disposition of Executive Papers. House Report No. 2611. Report on the disposition of records in the General Accounting Office. Ordered to be printed.

Mr. ELLIOTT: Joint Committee on the Disposition of Executive Papers. House Report No. 2612. Report on the disposition of records in the Interstate Commerce Commission. Ordered to be printed.

Mr. ELLIOTT: Joint Committee on the Disposition of Executive Papers. House Report No. 2613. Report on the disposition of records by The Panama Canal. Ordered to be printed.

Mr. ELLIOTT: Joint Committee on the Disposition of Executive Papers. House Report No. 2614. Report on the disposition of records in the Civil Aeronautics Authority. Ordered to be printed.

Mr. ELLIOTT: Joint Committee on the Disposition of Executive Papers: House Report No. 2615. Report on the disposition of records in the United States Maritime Commission in the custody of The National Archives. Ordered to be printed.

Mr. ELLIOTT: Joint Committee on the Disposition of Executive Papers. House Report No. 2616. Report on the disposition of records by the United States attorney for the northern district of Illinois, with the approval of the Department of Justice. Ordered to be printed.

Mr. ELLIOTT: Joint Committee on the Disposition of Executive Papers. House Report No. 2617. Report on the disposition of records by the clerk, United States District Court of South Dakota, with the approval of the Administrative Office of the United States Courts. Ordered to be printed.

Mr. ELLIOTT: Joint Committee on the Disposition of Executive Papers. House Report No. 2618. Report on the disposition of records in the United States Food Administration in the custody of The National Archives. Ordered to be printed.

Mr. ELLIOTT: Joint Committee on the Disposition of Executive Papers. House Report No. 2619. Report on the disposition of records in the Department of the Interior. Ordered to be printed.

Mr. ELLIOTT: Joint Committee on the Disposition of Executive Papers. House Report No. 2620. Report on the disposition of records in the Department of Agriculture. Ordered to be printed.

Mr. ELLIOTT: Joint Committee on the Disposition of Executive Papers. House Report No. 2621. Report on the disposition of records in the Department of Commerce. Ordered to be printed.

Mr. ELLIOTT: Joint Committee on the Disposition of Executive Papers. House Report No. 2622. Report on the disposition of records in the Federal Loan Agency. Ordered to be printed.

Mr. ELLIOTT: Joint Committee on the Disposition of Executive Papers. House Report No. 2623. Report on the disposition of records in the Department of Justice. Ordered to be printed.

Mr. ELLIOTT: Joint Committee on the Disposition of Executive Papers. House Report No. 2624. Report on the disposition of records in the Department of Agriculture. Ordered to be printed.

Mr. ELLIOTT: Joint Committee on the Disposition of Executive Papers. House Report No. 2625. Report on the disposition of records by the United States attorney for the southern district of California, with the approval of the Department of Justice. Ordered to be printed.

Mr. ELLIOTT: Joint Committee on the Disposition of Executive Papers. House Report No. 2626. Report on the disposition of records in the Department of Labor. Ordered to be printed.

Mr. ELLIOTT: Joint Committee on the Disposition of Executive Papers. House Report No. 2627. Report on the disposition of records in the Federal Works Agency, Work Projects Administration. Ordered to be printed.

Mr. ELLIOTT: Joint Committee on the Disposition of Executive Papers. House Report No. 2628. Report on the disposition of records in the Federal Works Agency, Work Projects Administration. Ordered to be printed.

Mr. ELLIOTT: Joint Committee on the Disposition of Executive Papers. House Report No, 2629. Report on the disposition of records in the Federal Works Agency, Work Projects Administration. Ordered to be printed.

Mr. ELLIOTT: Joint Committee on the Disposition of Executive Papers. House Report No. 2630. Report on the disposition of records in the Department of the Treasury. Ordered to be printed.

Mr. ELLIOTT: Joint Committee on the Disposition of Executive Papers. House Report No. 2631. Report on the disposition of records in the Department of the Treasury. Ordered to be printed.

Mr. ELLIOTT: Joint Committee on the Disposition of Executive Papers. House Report No. 2632. Report on the disposition of records in the Department of the Treasury. Ordered to be printed.

Mr. ELLIOTT. Joint Committee on the Disposition of Executive Papers. House Report No. 2633. Report on the disposition of records in the Department of the Navy, United States Marine Corps. Ordered to be printed.

Mr. JONES of Texas: Committee on Agriculture. House Joint Resolution 376. Joint resolution authorizing the Secretary of Agriculture to accept from the National Grange a lease of the Kelley homestead near Elk River, Minn., and providing for its development and maintenance; without amendment (Rept. No. 2634). Referred to the Committee of the Whole House on the state of the Union.

Mr. HARTER of Ohio: Committee on Military Affairs. S. 458. An act extending the benefits of the Emergency Officers' Retirement Act of May 24, 1928, to provisional, probationary, or temporary officers of the Army, Navy, Marine Corps, and Coast Guard who served during the World War; without amendment (Rept. No. 2635). Referred to the Committee of the Whole House on the state of the Union.

Mr. FLANNAGAN: Committee on Agriculture. H. R. 10080. A bill to amend section 3493 of the Internal Revenue Code, formerly section 404 of the Sugar Act of 1937; without amendment (Rept. No. 2636). Referred to the Committee of the Whole House on the state of the Union.

Mr. McCORMACK: Committee on Ways and Means. H. R. 6328. A bill to amend the Tariff Act of 1930, as amended by section 34 (c) of the Customs Administrative Act of 1938 (U. S. C., 1934 edition, supp. IV, title 19, sec. 1001, par. 1529 (a)); without amendment (Rept. No. 2637). Referred to the Committee of the Whole House on the state of the Union.

Mr. McCORMACK: Committee on Ways and Means. H. R. 9765. A bill to provide for exercising the right with respect to red-cedar shingles reserved in the trade agreement concluded November 17, 1938, between the United States of America and Canada, and for other purposes; without amendment (Rept. No. 2638). Referred to the Committee of the Whole House on the state of the Union.

Mr. COLE of Maryland: Committee on Interstate and Foreign Commerce. H. R. 10065. A bill to provide for the registration and regulation of investment companies and investment advisers, and for other purposes; with amendment (Rept. No. 2639). Referred to the Committee of the Whole House on the state of the Union.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of rule XIII,

Mrs. O'DAY: Committee on Immigration and Naturalization. S. 2964. An act for the relief of Joseph L. Lipsher and Esther Mila Lipsher; without amendment (Rept. No. 2598). Referred to the Committee of the Whole House.

Mrs. O'DAY: Committee on Immigration and Naturalization. S. 2995. An act for the relief of John Horvath; without amendment (Rept. No. 2599). Referred to the Committee of the Whole House.

Mrs. O'DAY: Committee on Immigration and Naturalization. S. 3256. An act to enable Sadao Tanaka to remain permanently in the United States, without amendment (Rept. No. 2600). Referred to the Committee of the Whole House.

Mr. GATHINGS: Committee on Claims. H. R. 2490. A bill for the relief of Fulton Combs; with amendment (Rept. No. 2601). Referred to the Committee of the Whole House.

Mr. WINTER: Committee on Claims. H. R. 3009. A bill for the relief of Theo. J. Thompson; with amendment (Rept. No. 2602). Referred to the Committee of the Whole House.

Mr. GATHINGS: Committee on Claims. H. R. 7747. A bill for the relief of Estelle M. Corbett; with amendment (Rept. No. 2603). Referred to the Committee of the Whole House.

Mr. WINTER: Committee on Claims. H. R. 8091. A bill for the relief of May C. Taylor; with amendment (Rept. No. 2604). Referred to the Committee of the Whole House.

Mr. SASSCER: Committee on Claims. H. R. 8459. A bill for the relief of Edna S. Gardiner; with amendment (Rept. No. 2605). Referred to the Committee of the Whole House.

Mr. FENTON: Committee on Claims. S. 3707. An act for the relief of certain disbursing agents and certifying officers of the Indian Service, the United States Veterans' Administration, and the Treasury Department; without amendment (Rept. No. 2606). Referred to the Committee of the Whole House.

Mr. FENTON: Committee on Claims. S. 3742. An act for the relief of M. E. McGivern; without amendment (Rept. No. 2607). Referred to the Committee of the Whole House.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. KELLER:

H. R. 10105. A bill to establish and maintain the American school army and to organize and equip the American reserve army; to the Committee on Military Affairs.

By Mr. RANDOLPH:

H. R. 10106. A bill to amend the District of Columbia Revenue Act of 1939; to the Committee on the District of Columbia.

By Mr. VOORHIS of California:

H. R. 10107. A bill to provide financial credit for national defense without incurring public debt; to regulate the volume of credit; to restore full employment of men and productive equipment; to improve the banking system; to reduce the public debt; to the Committee on Banking and Currency.

By Mr. GROSS:

H. J. Res. 574. Joint resolution granting World War veterans preference in the employment of guards at certain shipyards and industrial establishments; to the Committee on the Civil Service.

By Mr. RABAUT:

H. Con. Res. 78. Concurrent resolution creating a special joint committee to investigate and report on advisable adjustments, if any, which should be made in numbers and compensation of the officers and employees of the Senate and House of Representatives, and for other purposes; to the Committee on Rules.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. CHURCH:

H. R. 10108. A bill for the relief of Michel Savino, Sipontina Savino, Concetta Mary Savino, Joseph Savino, Matthew Thomas Savino, Nicholas John Savino, Frank Anthony Savino, and Rena Mary Savino; to the Committee on Immigration and Naturalization.

By Mr. COLLINS:

H. R. 10109. A bill for the relief of the estate of Edna B. Crook; to the Committee on Claims.

By Mr. FENTON:

H. R. 10110. A bill for the relief of Mary Madeline Zwalinski; to the Committee on Claims.

By Mr. RYAN:

H. R. 10111. A bill for the relief of Katherine F. McCue; to the Committee on Claims.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

8809. By Mr. GAMBLE: Petition signed by members of the Rockland County (N. Y.) Peace Association, urging the President and the Congress of the United States to keep this country out of war; to the Committee on Foreign Affairs.

8810. By Mr. LUTHER A. JOHNSON: Petition of W. L. Lemmon, Del Witherspoon, Leo H. Jeffers, M. M. Brannon, Fred Wester, H. L. King, Roy Behymer, John Langer, C. M. Gamble, F. E. Cassidy, and Mrs. F. E. Cassidy, president of the Legion Auxiliary, of the American Legion Post and the Ladies' Auxiliary, Jones-Carpenter Post, No. 446, of Ferris, Tex., requesting that Congress stay in session during the emergency; to the Committee on Ways and Means.

8811. By Mr. MICHAEL J. KENNEDY: Petition of the General Society, Sons of the Revolution, relative to the national-defense program; to the Committee on Appropriations.

8812. Also, petition of Longines-Wittnauer Watch Co., Inc., of New York City, urging immediate and material aid to the Allies; to the Committee on Appropriations.

8813. Also, petition of Belding Heminway Corticelli, of New York City, opposing the Wagner Labor Relations Act; to the Committee on Labor.

8814. Also, petition of the Brotherhood of Locomotive Engineers, Brotherhood of Locomotive Firemen and Enginemen, Order of Railway Conductors, Brotherhood of Railroad Trainmen, Switchmen's Union of North America, and the Order of Railroad Telegraphers, urging that the joint conference committee convene as soon as possible to take affirmative action on Senate bill 2009; to the Committee on Interstate and Foreign Commerce.

8815. Also, petition of the Educators Association of New York City, urging all possible aid to the Allies, particularly with reference to aircraft; to the Committee on Ways and Means.

8816. Also, petition of the Rockcliffe Realty Corporation of New York City, opposing increased taxation to provide for the national-defense program; to the Committee on Ways and Means.

8817. Also, petition of the National Association of Letter Carriers, opposing a 10-percent reduction in departmental appropriations proposed by Senator BYRD in an amendment to House Joint Resolution 544, particularly as it would adversely affect postal employees; to the Committee on Appropriations.

8818. Also, petition of Robert Gair Co., Inc., urging adoption of the amendment to the sugar bill which would restore the previous quotas on Puerto Rican and Hawaiian refined sugars; to the Committee on Agriculture.

8819. Also, petition of the New York Committee To Keep America Out of War, relative to the national-defense program; to the Committee on Ways and Means.

8820. Also, petition of the Morrisdale Coal Mining Co., of New York City, urging adoption of the amendment to the sugar bill which would restore the previous quotas on Puerto Rican and Hawaiian refined sugars; to the Committee on Agriculture.

8821. Also, petition of the Employees Committee to Maintain Brooklyn's Cane Sugar Refining Industry of Brooklyn, N. Y., urging adoption of the amendment to House bill 9654, the sugar bill, which would restore the previous quotas on Puerto Rican and Hawaiian refined sugars; to the Committee on Agriculture.

8822. Also, petition of the Mothers of the United States of America, opposing enactment of legislation relative to an industrial mobilization plan or compulsory military training; to the Committee on Military Affairs.

8823. Also, petition of the Merchants' Association of New York, urging adoption of the amendment to House bill 9654, the sugar bill, which would restore the previous quotas on Puerto Rican and Hawaiian refined sugars; to the Committee on Agriculture.

8824. Also, petition of Seeck & Kade, Inc., of New York City, urging adoption of the amendment to House bill 9654, the sugar bill, which would restore the previous quotas on Puerto Rican and Hawaiian refined sugars; to the Committee on Agriculture.

8825. Also, petition of the American Retail Federation, urging the enactment of legislation for continuing freight-forwarder services; to the Committee on Interstate and Foreign Commerce.

8826. Also, petition of the Food and Grocery Conference Committee, representing all factors in food manufacturing and distribution, supporting the food-stamp plan which has recently celebrated its first anniversary and has moved efficiently large surpluses of food to the needy; to the Committee on Labor.

8827. Also, petition of the Union Bag & Paper Corporation, urging adoption of legislation that will protect continental American sugar industry; to the Committee on Agriculture.

8828. By Mr. KRAMER: Petition of the Park Commission of the City of Los Angeles, relative to the 5-year lease of the Rancho golf course; to the Committee on the Public Lands.

8829. By Mr. OSMERS: Petition of employees of the National Sugar Refining Co., of New York, N. Y., and Edgewater, N. J., protesting against passage of House bill 9654; to the Committee on Agriculture.

8830. By Mr. SCHIFFLER: Petition of Inez V. Yeager and other citizens of Wheeling, W. Va., urging 100-percent cooperation with the Allies; to the Committee on Foreign Affairs.

8831. Also, petition of Hundred Post, American Legion, No. 120; Paden City Post, the American Legion; and Marne Post, No. 28, the American Legion of New Martinsville, W. Va., protesting against the passage of Senate bill 1650; to the Committee on Military Affairs.

8832. Also, petition of Post No. 120, the American Legion of Hundred; the American Legion Post of Paden City; and Marne Post, No. 28, the American Legion, New Martinsville, W. Va., urging that legislation be enacted providing for the deportation from America and its possessions all subversive groups having as their basic principles the final and complete overthrow of our present form of government; to the Committee on Immigration and Naturalization.

8833. Also, petition of Hundred (W. Va.) Post, the American Legion, No. 120; Paden City (W. Va.) Post, the American Legion; and Marne Post, No. 28, the American Legion, of New Martinsville, W. Va., urging early passage of the bill providing for the fingerprinting of all aliens now residing in the United States and its possessions; to the Committee on Immigration and Naturalization.

8834. By the SPEAKER: Petition of the West Side Council of the Jewish Peoples, New York, N. Y., petitioning consideration of their resolution with reference to House bill 9858, immigration legislation; to the Committee on Immigration and Naturalization.

8835. Also, petition of Cumberland Presbyterian Church, Nashville, Tenn., petitioning consideration of their resolution with reference to the defense program; to the Committee on Military Affairs.

8836. Also, petition of R. Skeel, of Cleveland, Ohio, petitioning consideration of his resolution with reference to the defense program; to the Committee on Military Affairs.

8837. Also, petition of E. Harri and others, of San Francisco, Calif., petitioning consideration of their resolution with reference to the defense program; to the Committee on Military Affairs.

SENATE

WEDNESDAY, JUNE 19, 1940

(Legislative day of Tuesday, May 28, 1940)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

The Chaplain, Rev. Barney T. Phillips, D. D., offered the following prayer:

O Spirit of the living God, breathe upon us with Thy quickening power that we may feel a renewed sense of privilege as we enter upon the duties of another day. Make us conscious of our ability to meet its great demands because of Thine indwelling in hearts now humbly waiting to enshrine the Infinite God.

Help us to realize as ne'er before the high demands of public service amid the tragedies that have befallen men and nations. May we abhor all lesser standards of the right, and, with a robust courage, with poise and self-possession, may we choose the higher ways of life, where mercy and truth, righteousness, and peace shall one day meet and dwell together to the establishment of God's glory among men. We ask it in the name of Jesus Christ, our Lord and Saviour. Amen.

THE JOURNAL

On request of Mr. BARKLEY, and by unanimous consent, the reading of the Journal of the proceedings of the calendar day of Tuesday, June 18, 1940, was dispensed with, and the Journal was approved.

NOTIFICATION TO PRESIDENT OF CONFIRMATION OF JUDICIAL NOMINATIONS IN FLORIDA

Mr. BARKLEY. Mr. President, on last Saturday the nomination of Mr. Curtis L. Waller to be Federal judge in the State of Florida was confirmed, and the nomination of Mr. Jordan B. Royall to be United States marshal for the northern district of Florida was confirmed. As in executive session, I ask unanimous consent that the President be notified of the confirmation of those nominations.

The VICE PRESIDENT. Is there objection?

Mr. McNARY. The nominations, as I understand, have been confirmed?

Mr. BARKLEY. They were confirmed on Saturday last.

Mr. McNARY. And the request is now that the President be notified?

Mr. BARKLEY. Yes.

Mr. McNARY. I have no objection.

The VICE PRESIDENT. Without objection, the President will be notified of the confirmation of the nominations referred to.

CALL OF THE ROLL

Mr. MINTON. I suggest the absence of a quorum.

The VICE PRESIDENT. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Adams	Davis	Lee	Schwartz
Andrews	Donahey	Lodge	Schwellenbach
Ashurst	Downey	Lucas	Sheppard
Austin	Ellender	Lundeen	Shipstead
Bailey	George	McCarran	Slattery
Bankhead	Gerry	McKellar	Smathers
Barkley	Gillette	McNary	Smith
Bilbo	Green	Maloney	Taft
Bone	Guffey	Mead	Thomas, Idaho
Bridges	Gurney	Miller	Thomas, Okla.
Brown	Hale	Minton	Thomas, Utah
Bulow	Harrison	Murray	Tobey
Burke	Hatch	Neely	Townsend
Byrd	Hayden	Norris	Truman
Byrnes	Herring	Nye	Tydings
Capper	Hill	O'Mahoney	Vandenberg
Caraway	Holman	Overton	Van Nuys
Chandler	Holt	Pepper	Wagner
Chavez	Hughes	Pittman	Walsh
Clark, Idaho	Johnson, Calif.	Radcliffe	Wheeler
Clark, Mo.	Johnson, Colo.	Reed	White
Connally	King	Reynolds	Wiley
Danaher	La Follette	Russell	

Mr. MINTON. I announce that the Senator from Virginia [Mr. GLASS] and the Senator from Tennessee [Mr. STEWART] are necessarily absent from the Senate.

Mr. AUSTIN. I announce that the Senator from North Dakota [Mr. FRAZIER] and the Senator from Vermont [Mr. GIBSON] are necessarily absent.

The Senator from New Jersey [Mr. BARBOUR] is absent on official duties.

The VICE PRESIDENT. Ninety-one Senators have answered to their names. A quorum is present.

CORRECTION

Mr. TYDINGS. Mr. President, during the course of the debate yesterday, on page 8506 of the RECORD, when the senior Senator from Maryland was speaking, the RECORD reads:

> What have we heard in the Senate for the past 4 or 5 weeks? "Stop Hitler! This country is faced with a great emergency. We must sell planes."

In other words, I was not saying "Stop Hitler" or "We must sell planes," or "We are faced with a great emergency." I was quoting some of the debate which has taken place here during the past 4 or 5 weeks.

As reported in this morning's Baltimore Sun, however, I am put in this position:

> When his 5-percent amendment went down to defeat, Senator TYDINGS literally screamed. With a high-pitched blast he shouted, in news-vendor fashion, "Stop Hitler now," "Fill the skies with clouds of planes," "A navy second to none."

[Laughter.]

Mr. President, I did use very much vehemence in imitating some of the impassioned speeches made on the floor, as the RECORD shows, in order to show the emergency which certain Senators thought they faced, and which I agree we do face; but at no time did I indulge in the remarks attributed to me in the manner set forth in the Sun. I take this opportunity to correct the record, so that the future historian will get the truth about this particular happening.

JUDGMENT RENDERED AGAINST THE GOVERNMENT BY A DISTRICT COURT (S. DOC. NO. 222)

The VICE PRESIDENT laid before the Senate a communication from the President of the United States, transmitting, pursuant to law, a record of judgment rendered against the Government by a district court, amounting to $3,171.74, which, with the accompanying papers, was referred to the Committee on Appropriations and ordered to be printed.

CLAIMS ALLOWED BY GENERAL ACCOUNTING OFFICE (S. DOC. NO. 223)

The VICE PRESIDENT laid before the Senate a communition from the President of the United States, transmitting, pursuant to law, a schedule of claims allowed by the General Accounting Office, amounting to $129,194.66, under appropriations, the balances of which have been carried to the surplus fund under the provisions of law, which, with the accompanying papers, was referred to the Committee on Appropriations and ordered to be printed.

CLAIMS ALLOWED BY GENERAL ACCOUNTING OFFICE (S. DOC. NO. 224)

The VICE PRESIDENT laid before the Senate a communition from the President of the United States, transmitting, pursuant to law, a schedule of claims allowed by the General Accounting Office, amounting to $232,712.44, under appropriations, the balances of which have been carried to the surplus fund under the provisions of law, which, with the accompanying papers, was referred to the Committee on Appropriations and ordered to be printed.

CLAIMS FOR DAMAGES TO PRIVATELY OWNED PROPERTY (S. DOC. NO. 225)

The VICE PRESIDENT laid before the Senate a communition from the President of the United States, transmitting estimates of appropriations submitted by the several executive departments and independent offices, to pay claims for damages to privately owned property, amounting to $7,232.13, which, with the accompanying papers, was referred to the Committee on Appropriations and ordered to be printed.

JUDGMENT RENDERED BY COURT OF CLAIMS (S. DOC. NO. 226)

The VICE PRESIDENT laid before the Senate a communition from the President of the United States, transmitting, pursuant to law, statement of a judgment rendered by the Court of Claims, under the War Department, amounting to $4,000, which, with the accompanying papers, was referred to the Committee on Appropriations and ordered to be printed.

CLAIMS FOR DAMAGES UNDER RIVER AND HARBOR WORK (S. DOC. NO. 227)

The VICE PRESIDENT laid before the Senate a communication from the President of the United States, transmitting estimates of appropriations submitted by the War Department to pay claims for damages under river and harbor work, in the sum of $5,941.80, that have been considered and adjusted under the provisions of law, which, with the accompanying papers, was referred to the Committee on Appropriations and ordered to be printed.

CLAIMS ALLOWED BY GENERAL ACCOUNTING OFFICE (S. DOC. NO. 228)

The VICE PRESIDENT laid before the Senate a communication from the President of the United States, transmitting, pursuant to law, an estimate of appropriation for payment of certain claims allowed by the General Accounting Office, amounting to $6,219.22, as covered by certificates of settlement, and so forth, which, with the accompanying papers, was referred to the Committee on Appropriations and ordered to be printed.

CLAIM OF CAPT. ROBERT E. COUGHLIN (S. DOC. NO. 229)

The VICE PRESIDENT laid before the Senate a communication from the President of the United States, transmitting, pursuant to law, an estimate of appropriation for payment of a certain claim allowed by the General Accounting Office

(War Department: Payment to Capt. Robert E. Coughlin), amounting to $165, which, with the accompanying papers, was referred to the Committee on Appropriations and ordered to be printed.

SUPPLEMENTAL ESTIMATES, TREASURY DEPARTMENT (S. DOC. NO. 231)

The VICE PRESIDENT laid before the Senate a communication from the President of the United States, transmitting supplemental estimates of appropriations for the Treasury Department, fiscal year 1941, amounting to $5,889,000, which, with the accompanying paper, was referred to the Committee on Appropriations and ordered to be printed.

SUPPLEMENTAL ESTIMATES, DISTRICT OF COLUMBIA (S. DOC. NO. 232)

The VICE PRESIDENT laid before the Senate a communication from the President of the United States, transmitting supplemental estimates of appropriations for the District of Columbia, fiscal year 1940, amounting to $2,935.85, which, with the accompanying paper, was referred to the Committee on Appropriations and ordered to be printed.

ESTIMATE FOR UNITED STATES-UNIVERSITY OF PENNSYLVANIA BICENTENNIAL COMMISSION (S. DOC. NO. 230)

The VICE PRESIDENT laid before the Senate a communication from the President of the United States, transmitting an estimate of appropriation for the expenses of the United States-University of Pennsylvania Bicentennial Commission, fiscal year 1941, to be immediately available, amounting to $1,500, which, with the accompanying paper, was referred to the Committee on Appropriations and ordered to be printed.

SUPPLEMENTAL AND DEFICIENCY ESTIMATES, DEPARTMENT OF THE INTERIOR (S. DOC. NO. 233)

The VICE PRESIDENT laid before the Senate a communication from the President of the United States, transmitting supplemental and deficiency estimates of appropriations for the Department of the Interior, fiscal year 1941 and prior fiscal years, in the amount of $96,110, which, with the accompanying paper, was referred to the Committee on Appropriations and ordered to be printed.

PETITIONS AND MEMORIALS

The VICE PRESIDENT laid before the Senate the following concurrent resolution of the Legislature of the State of Louisiana, which was referred to the Committee on Military Affairs:

Memorializing the Congress of the United States to place the United States in an immediate state of preparedness by establishing universal military training of the young men of the Nation

Be it resolved, That this Legislature of the State of Louisiana urge the Congress of the United States—

To place upon the statute books of the United States of America a law to make immediately effective universal military training of the young men of the Nation in order that our liberty and our freedom from foreign domination may be secured;

To cause this provision of law to take effect this summer in order that the first class to be called gain instruction at the earliest possible moment;

To limit the period of instruction for each class to 6 months in order that the largest number of classes possible may receive training prior to their probable need, and to place the greatest number in a state of readiness at the smallest cost to the taxpayers of this country; and be it further

Resolved, That copies of this concurrent resolution be forwarded immediately to the President of the United States, the President of the United States Senate, the Speaker of the House of Representatives of the United States, to the Louisiana senatorial and congressional representatives in Washington, and to the press.

The VICE PRESIDENT also laid before the Senate a telegram in the nature of a petition, signed by Mrs. Guy Hayler, president, National Legion Mothers of America (western headquarters), San Francisco, Calif., praying that the United States may keep out of the present European conflict and that no American boys be sent to fight on foreign soil, which was referred to the Committee on Foreign Relations.

He also laid before the Senate a resolution unanimously adopted by a meeting of citizens of Mathis, Tex., and vicinity, praying for the prompt enactment of legislation to stop all subversive activities in the United States, to outlaw the Communist Party, and to deport all undesirable aliens, which was referred to the Committee on the Judiciary.

He also laid before the Senate a telegram in the nature of a petition from the Laurel (Del.) Rotary Club, praying that Congress remain in session during the present international crisis, which was ordered to lie on the table.

Mr. TYDINGS presented petitions of sundry citizens of the State of Maryland, praying that Congress remain in session during the present international crisis, which were ordered to lie on the table.

Mr. LODGE presented a petition of sundry citizens of the State of Massachusetts, praying that the United States render all needed material aid to the allied nations, which was referred to the Committee on Foreign Relations.

Mr. VANDENBERG. Mr. President, I present the petition of Neuman-Wenzel Post, No. 73, American Legion, of Sturgis, Mich., which is signed by 841 citizens of that vicinity. I ask that the petition may be appropriately referred, and the body thereof printed in the RECORD without the signatures attached.

There being no objection, the petition was referred to the Committee on Foreign Relations and ordered to be printed in the RECORD (without the signatures attached), as follows:

AMERICAN LEGION,
NEUMAN-WENZEL POST, No. 73,
Sturgis, Mich., June 17, 1940.

The Honorable ARTHUR H. VANDENBERG,
United States Senate, Washington, D. C.

DEAR SIR: Neuman-Wenzel Post, No. 73, of the American Legion, and the 841 undersigned citizens, realizing the serious situations confronting our Nation, believe that:

1. The use of our warships to convey help and supplies to the Allies is nothing short of an act of war. This and all activities by citizens or Government that would lead us into war, or nearer thereto, must be stopped.

2. That Congress should remain in session all during the present crisis to preserve our American system of government.

3. That all agencies, of whatever nature, either individuals or groups, tending to promote dissatisfaction with our American form of Government must be crushed.

We urge your untiring assistance in every way possible to the accomplishment of the above beliefs.

Courteously,

[Signed by the commander of the post, and 841 other citizens.]

THE NATIONAL DEFENSE—RESOLUTION OF BOARD OF COMMISSIONERS, NEWPORT, KY.

Mr. BARKLEY presented a resolution of the Board of Commissioners of the City of Newport, Ky., which was referred to the Committee on Foreign Relations and ordered to be printed in the RECORD, as follows:

Resolution proffering to the United States of America any and all municipal properties and facilities of and in the city of Newport, Ky., to further the defense and rearmament plan instituted and adopted by said Federal Government

Whereas it is the sense of the officers, officials, and employees of the city of Newport, Ky., and of the residents and inhabitants of said municipality, that full and complete cooperation and accord be tendered those responsible for our national defense and rearmament; and

Whereas it is deemed that an international and national emergency exists which threatens the homes and firesides of every American citizen, as well as the democratic American ideals brought into being, fostered, and maintained by our forefathers: Now, therefore, be it

Resolved by the Board of Commissioners of the City of Newport, Ky.:

SECTION 1. That any and all properties and facilities of and in the city of Newport, Ky., be, and they are hereby unreservedly proffered and tendered to the United States of America for such use or uses as may be consistent with the national defense and rearmament plan instituted and adopted by our said Federal Government.

SEC. 2. That copies of this resolution be forthwith mailed by the city clerk of the city of Newport, Ky., to the United States Senators from Kentucky, Hon. ALBEN W. BARKLEY and Hon. A. B. CHANDLER, and to the Congressman from the Fifth Congressional District, Hon. BRENT SPENCE, at Washington, D. C.

SEC. 3. That this resolution shall take effect and be in force from the earliest date provided by law and from and after the publication hereof.

EARL DIETZ, *Mayor pro tempore.*

COMPULSORY MILITARY TRAINING—TELEGRAM FROM NATIONAL GUARD OFFICERS ASSOCIATION, JACKSON, MISS.

Mr. BILBO presented a telegram from the National Guard Officers Association, Jackson, Miss., which was referred to the Committee on Military Affairs and ordered to be printed in the RECORD, as follows:

JACKSON, MISS., *June 16, 1940.*

Senator THEODORE G. BILBO,
Washington, D. C.:

The National Guard Association of Mississippi passed the following resolution unanimously: This date be it resolved by the National

Guard Association of the State of Mississippi in convention assembled that in order to keep up with modern developments in military science it is necessary that a form of adequate compulsory military training for all able-bodied male citizens of the United States should immediately be established and put into effect. Your cooperation is required.

THE NATIONAL GUARD OFFICERS ASSOCIATION,
MAJ. JOHN PATTON, *Secretary.*

RESOLUTION OF AGRICULTURAL POLICY AND PLANNING COMMITTEE OF MISSISSIPPI

Mr. BILBO presented a resolution of the Agricultural Policy and Planning Committee of the State of Mississippi, which was referred to the Committee on Military Affairs and ordered to be printed in the RECORD with the signatures attached thereto, as follows:

Whereas the Government of the United States of America has manifested not merely a willingness and desire to be of benefit to the farmers of the land, but has put forth more time and effort and has expended more funds in seeking to put the agricultural interests of this country on a higher and more permanent basis than has ever occurred in our history; and

Whereas our Government, due to world-wide conditions, is faced with problems and responsibilities, perhaps greater than at any other time in its history; and

Whereas, even as the farmers of the country appreciate the steps of the Government in their behalf, they also realize that if they do not continue to play their part in the economic life of the country, all efforts for its preservation must fail, and now, as at all other times, it is their intention to meet and discharge every duty cast upon them by national need or emergency: Now, therefore, be it

Resolved by the Agricultural Policy and Planning Committee of the State of Mississippi, in State-wide meeting assembled, at Jackson, Miss., on this June 11, 1940, as follows:

First. That we, representing the farmers of the State of Mississippi, for ourselves and for all those we represent, do hereby pledge to the President of the United States, his Cabinet, to the Members of the Senate and House of Representatives, and all others in official position throughout our land, our earnest and wholehearted cooperation in those policies, measures, and plans which may be enacted or put into effect in the present emergency.

Second. Not only loyally to undertake to carry out those things which may actually so be required of us, we further declare it to be our purpose, at all times, as good citizens, to be alert against those things which would directly or indirectly interfere with the safety and welfare of our Government, but without passion, prejudice, or hysteria.

The resolution was sponsored by Dr. Joe E. Frazer and was unanimously adopted.

The names of members of the committee present appear on the resolution and are listed below.

Frank D. Barlow, Dr. Joe E. Frazer, P. R. Williams, H. C. Carter, Aubrey Sigrest, S. W. Pierce, C. A. Oakley, J. A. Randle, Mrs. R. E. Wilkerson, Mrs. A. L. Love, Mrs. Mittie Lou Perkins, Mrs. Elma S. Wade.

RESOLUTION OF HARRY HARVEY POST, NO. 14, AMERICAN LEGION, M'COMB CITY, MISS.

Mr. BILBO presented a resolution of Harry Harvey Post, No. 14, American Legion, of McComb City, Miss., which was referred to the Committee on Foreign Relations and ordered to be printed in the RECORD, as follows:

Resolution reaffirming the loyalty of Harry Harvey Post, No. 14, of the American Legion, McComb City, Pike County, Miss., to the ideals of democratic government, and reaffirming our loyalty to our former Allies, pledging our loyalty to their cause, and urging immediate aid to them by our Government

Whereas one of the fundamental purposes of the American Legion is to perpetuate and foster the democratic ideals of government that have been maintained by the United States of America during the entire period of its existence, for the promotion of which many sacrifices have been made; and

Whereas in 1917 and 1918 our Government joined with England, France, and other allied governments in the World War for the purpose of attempting to perpetuate these democratic ideals of government; and

Whereas the same forces which menaced the people of the world in the years 1914 to 1918 are again threatening to destroy all decent principles of government; and

Whereas the Governments and citizens of England and France are now engaged in a life-and-death struggle to preserve civilization and democratic forms of government, and to preserve civil liberties; and

Whereas if our former Allies are successful, their efforts will greatly benefit the people of this Government, but if they fail it will be necessary ultimately for us to fight the same forces that now oppose them, and without their aid; and

Whereas it is the opinion of the members of this post that every possible aid should immediately be rendered the Governments of France and E...land by the Government of the United States and its people: Now, therefore be it

Resolved, By Harry Harvey Post, No. 14, of the American Legion, of McComb City, Pike County, Miss.:

SECTION 1. That this post of the American Legion does now definitely reaffirm its loyalty to the democratic ideals of our form of government, and does reaffirm its belief in and loyalty to the principles which our former Allies are now so courageously defending, and we do hereby condemn the efforts now being made by Germany and Italy to destroy civilization, civil liberties, and decency, and we do condemn not only the objectives of Germany and Italy but also the barbaric methods by which they are attempting to obtain victory.

SEC. 2. That the President and Congress of the United States are hereby urged to dedicate all available material resources to the immediate aid of England and France, and that food, metals, supplies, ammunition, airplanes, and other military mechanisms and materials be forthwith furnished them.

SEC. 3. That we pledge our cooperation to the Government of the United States in all efforts undertaken in this behalf, and we endorse the position of the President that we give France and England first call upon every material thing we can produce, and we further urge that every weapon, not indispensable for the preservation of law and order within our own boundaries, and not necessary for our immediate defense, be made available to them, and that other aid, such as extending credit, furnishing food, medical supplies, and money be forthwith given.

SEC. 4. We do especially condemn all un-American activities, forms of propaganda, nazi-ism, fascism, communism, and all other "isms" except Americanism, and we do hereby tender our services to crush and stamp out all un-American practices, including extermination of the so-called "fifth column."

SEC. 5. That this resolution be published as an expression of this post, and in order to sustain the spirit of all loyal Americans, and so that all disloyal citizens and aliens may be solemnly warned that their subversive activities shall not be tolerated.

RESOLUTION OF KIWANIS CLUB, GREENWOOD, MISS.

Mr. BILBO presented a resolution of the Kiwanis Club, of Greenwood, Miss., which was referred to the Committee on Foreign Relations and ordered to be printed in the RECORD, as follows:

Whereas this club, made up of representatives of the leading citizens in all walks of life within this community, feeling the great duty that rests upon us at this time to exemplify our love for the preservation of freedom and democracy in the world; and

Whereas the time has come for every true citizen of this Government to evidence by his action his desire to give 100-percent support with his personal and financial ability to every act and principle of our Government for the preservation of democracy and freedom in the world; and

Whereas we realize that the mongers of destruction abroad in the world are desirous of destroying the best in our civilization: Therefore, be it

Resolved, That this club hereby express condemnation for those countries and the leaders thereof who are now bringing consternation and suffering to the helpless countries of Europe, that we stamp as shameful and cowardly the totalitarian countries engaged in the conquest of hatred and destruction upon the weak and helpless; be it further

Resolved, That we express our full sympathy and approval of the action of Congress of the United States for the support now given to the democracies of Europe and hereby request that the swiftest and fullest support be given that this Government is capable of furnishing without regard for cost or sacrifice: Be it further

Resolved, That copies of this resolution be forwarded to Mississippi's Senators and the Congressman from this district.

REPORTS OF COMMITTEES

Mr. BARKLEY, from the Committee on Interstate Commerce, to which was referred the bill (H. R. 10009) to amend section 13 (d) of the Railroad Unemployment Insurance Act, reported it without amendment and submitted a report (No. 1878) thereon.

He also, from the Committee on the Library, to which was referred the joint resolution (S. J. Res. 258) to provide for the use and disposition of the bequest of the late Justice Oliver Wendell Holmes to the United States, and for other purposes, reported it without amendment.

Mr. BULOW, from the Committee on Civil Service, to which was referred the bill (H. R. 8046) to amend section 1 of the act entitled "An act for the retirement of employees of the Alaska Railroad, Territory of Alaska, who are citizens of the United States," approved June 29, 1936, reported it without amendment and submitted a report (No. 1879) thereon.

Mr. ADAMS, from the Committee on Appropriations, to which was referred the bill (H. R. 10055) making supplemental appropriations for the national defense for the fiscal year ending June 30, 1941, and for other purposes, reported it with amendments and submitted a report (No. 1880) thereon.

Mr. BANKHEAD, from the Committee on Agriculture and Forestry, to which was referred the bill (S. 4098) relating to claims for refund of processing and related taxes, reported it without amendment and submitted a report (No. 1881) thereon.

Mr. PITTMAN, from the Committee on Foreign Relations, to which was referred the bill (H. R. 7254) authorizing the temporary detail of John L. Savage, an employee of the United States, to service under the government of the State of New South Wales, Australia, and the Government of the Punjab, India, reported it without amendment and submitted a report (No. 1882) thereon.

Mr. ELLENDER, from the Committee on Claims, to which were referred the following bills, reported them severally without amendment and submitted reports thereon:

H. R. 6145. A bill for the relief of Elizabeth L. Riley (Rept. No. 1883);

H. R. 6737. A bill for the relief of Clarence D. Green (Rept. No. 1884); and

H. R. 7880. A bill for the relief of Edna Emery (Rept. No. 1885).

Mr. ELLENDER also, from the Committee on Claims, to which was referred the bill (H. R. 8605) for the relief of Mary Janiec and Ignatz Janiec, reported it with an amendment and submitted a report (No. 1886) thereon.

Mr. SCHWARTZ, from the Committee on Claims, to which were referred the following bills, reported them severally without amendment and submitted reports thereon:

H. R. 3925. A bill for the relief of Evelyn L. Ratcliffe (Rept. No. 1887);

H. R. 4148. A bill for the relief of Mary S. Arthur, as executrix of the estate of Richard M. Arthur, deceased (Rept. No. 1888);

H. R. 4412. A bill for the relief of Beatrice Lois Rucker (Rept. No. 1889);

H. R. 5388. A bill for the relief of Thomas Lewellyn and Drusilla Lewellyn (Rept. No. 1890);

H. R. 6889. A bill for the relief of Frances M. Hannah (Rept. No. 1891); and

H. R. 8252. A bill for the relief of John Owen (Rept. No. 1892).

Mr. SCHWARTZ also, from the Committee on Claims, to which was referred the bill (H. R. 7843) for the relief of Clifford J. Williams, reported it with amendments and submitted a report (No. 1893) thereon.

Mr. BROWN, from the Committee on Claims, to which were referred the following bills, reported them severally without amendment and submitted reports thereon:

H. R. 382. A bill for the relief of Gus Roth (Rept. No. 1894);

H. R. 2014. A bill for the relief of Margaret Redmond (Rept. No. 1895);

H. R. 4142. A bill for the relief of Mary Reid Hudson (Rept. No. 1896);

H. R. 5424. A bill for the relief of Mrs. E. J. McCardle (Rept. No. 1897); and

H. R. 7825. A bill for the relief of C. S. Hobson (Rept. No. 1898).

Mr. HUGHES, from the Committee on Claims, to which were referred the following bills, reported them severally without amendment and submitted reports thereon:

H. R. 2070. A bill for the relief of Edwin Forsman (Rept. No. 1899);

H. R. 2489. A bill for the relief of Angie Ward (Rept. No. 1900);

H. R. 3713. A bill for the relief of Joe Carter (Rept. No. 1901); and

H. R. 5569. A bill for the relief of Stuart Bastow (Rept. No. 1902).

Mr. PEPPER, from the Committee on Patents, to which was referred the bill (H. R. 8285) to limit the importation of articles, products, and minerals produced, processed, or mined under process covered by outstanding United States patents, to define unfair trade practices in certain instances, and for other purposes, reported it with amendments and submitted a report (No. 1903) thereon.

BILLS AND A JOINT RESOLUTION INTRODUCED

Bills and a joint resolution were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. SMITH:

S. 4152. A bill to authorize the Secretary of Agriculture to make analyses of fiber properties, spinning tests, and other tests of the quality of cotton samples submitted to him; to the Committee on Agriculture and Forestry.

By Mr. LEE:

S. 4153. A bill for the relief of Clarence Atkins; and

S. 4154. A bill for the relief of the Charles H. Amos Handle Co.; to the Committee on Claims.

By Mr. MEAD:

S. 4155. A bill to establish an Air Line Pilots' Reserve, and for other purposes; to the Committee on Commerce.

S. 4156. A bill for the relief of the Continental Aerosurveys Corporation; to the Committee on Agriculture and Forestry.

(Mr. HATCH introduced S. 4157, which was referred to the Committee on Privileges and Elections and appears under a separate heading.)

By Mr. NYE (for Mr. FRAZIER):

S. 4158. A bill for the relief of Maj. Harold Sorenson; to the Committee on Claims.

By Mr. CLARK of Missouri:

S. 4159. A bill for the relief of Robert B. Ayers; to the Committee on Claims.

By Mr. ANDREWS:

S. 4160. A bill authorizing the transfer of William Howard Christian to the retired list of the Navy; to the Committee on Naval Affairs.

By Mr. MEAD:

S. J. Res. 281. Joint resolution to determine the nature and effect of economic conditions, statutory provisions, or other restrictions tending to produce unfair or inequitable discrimination on the basis of age in obtaining and retaining employment in public service and private industry, and for other purposes; to the Committee on Education and Labor.

FEDERAL ELECTIONS BILL

Mr. HATCH. Mr. President, I am about to introduce a bill as a result of a study made for several months by a committee of the American Bar Association. It relates to Federal elections. This work should not be construed as having met with the approval of the American Bar Association, for the committee has not as yet reported, but the chairman of the committee, Mr. Arthur J. Freund, of St. Louis, Mo., prepared a statement explaining the proposed bill, and also the Federal elections law. I ask unanimous consent that I may introduce the bill for proper reference, and that the bill, with the accompanying statement, be printed in the RECORD.

There being no objection, the bill (S. 4157) to enforce the rights of citizens of the United States in the nomination and election of Senators, Representatives, Electors, the President, and Vice President of the United States, and in any election to amend the Constitution of the United States, was read twice by its title, referred to the Committee on Privileges and Elections, and ordered to be printed in the RECORD, as follows:

Be it enacted, etc., That this act may be cited as the Federal Elections Act.

SEC. 2. The term "election" as used in this act shall mean—

(a) any primary election, or nominating election, or general election whereby persons are selected, nominated, or elected by and under the authority of the Constitution and the laws of the United States, or by and under the authority of the Constitution or the laws of any State or Territory for the nomination or election of any United States Senator, Representative to the Congress of the United States, Elector of the President or the Vice President of the United States, or the President of the United States, or the Vice President of the United States;

(b) Any election held by and under the authority of the Constitution and laws of the United States, or by and under the authority of the Constitution or laws of any State to vote upon any amendment to the Constitution of the United States

The term "voter" as used in this act shall mean any person lawfully entitled by and under the Constitution of the United States and the laws of the United States or by and under the constitution or the laws of any State or Territory to participate in and vote at any election.

The term "officer of election" as used in this act shall mean any judge, clerk, canvasser, commissioner, or other person whose duty it is or shall be to receive, count, canvass, certify, register, supervise, or report, or give effect to the vote of any voter at any election, or the registration or qualification of any voter for any election.

SEC. 3. It shall be unlawful for any officer of election—

(a) Knowingly, willfully, or fraudulently to refuse or omit to receive, count, certify, register, report, or give effect to the lawful vote of any voter; or

(b) Knowingly, willfully, or fraudulently to give or attempt to give effect to any false or fraudulent vote, or to give or make, or attempt to give or make, any false count, certificate, document, report, or other false evidence in relation to any election.

SEC. 4. It shall be unlawful for any person—

(a) By force, bribery, reward, menace, threat, intimidation, trick, or knowingly, willfully, or fraudulently to hinder, delay, prevent, or obstruct any voter from doing any lawful act required to be done to qualify him to vote or from lawfully voting at any election; or

(b) By any such means or knowingly, willfully, or fraudulently advise, aid or abet, maintain, or procure, or attempt to maintain or to procure the placing, registration, or enrollment of any false, fraudulent, unlawful, or fictitious name or names upon the election rolls, poll books, books or documents of registration or election, or any other records of registration or election used or intended to be used at any election by any officer of election as a list or designation of lawfully qualified voters; or

(c) By any such means or knowingly, willfully, or fraudulently to compel or induce, or attempt to compel or induce any officer of election to receive the vote at any election of any person not lawfully entitled to vote at such election; or

(d) By any such means or knowingly, willfully, or fraudulently to counsel, advise, induce, or attempt to induce any officer of election to give or make any false count, certificate, document, report, or other false evidence in relation thereto, or to refuse or neglect to comply with his duties prescribed by law at any election, or to refuse the vote of any person lawfully entitled to vote in such election, or to violate any law regulating such election; or

(e) By any such means or knowingly, willfully, or fraudulently to obstruct, interfere with, delay, or hinder in any manner any officer of election in the lawful discharge of his duties at any election.

SEC. 5. It shall be unlawful for any person, at any election, falsely to impersonate a voter or other person, and vote, or attempt to vote, or offer to vote in or upon any name not his own, or to vote, or attempt to vote, or offer to vote, in or upon the name of any other person living or dead, or in or upon any assumed or fictitious name; or knowingly, willfully, or fraudulently to vote or attempt to vote or offer to vote more than once at the same election, except as authorized by law, or knowingly, willfully, or fraudulently to vote, or attempt to vote, or offer to vote in an election or at a place where he is not lawfully entitled to vote.

SEC. 6. If two or more persons enter into an agreement, confederation, or conspiracy to violate any of the foregoing provisions of this act, and do any overt act toward carrying out such unlawful agreement, confederation, or conspiracy, such person or persons shall be punished in the manner as hereinafter provided by this act.

SEC. 7. The sole purpose of this act is to secure to the citizens of the United States the honest and lawful conduct of elections which affect the selection of United States Senators, Representatives to the Congress of the United States, United States Presidential and Vice-Presidential electors, the President and Vice President of the United States, and the adoption or rejection of proposed amendments to the Constitution of the United States. None of the provisions of this act shall be deemed or construed to apply to elections other than such elections, or to any acts or conduct of election officials or other persons which do not affect the nomination, selection, or election of any United States Senator, Representative to the Congress of the United States, United States Presidential or Vice-Presidential electors, or the President or Vice President of the United States, or the adoption or rejection of any amendment to the Constitution of the United States.

SEC. 8. Any person committing any offense defined in this act shall be fined not more than $5,000 or imprisoned not more than 10 years, or both.

SEC. 9. If any provision of this act, or the application of any such provision to any person or circumstance, shall be held invalid, the remainder of this act, or the application of such provision to persons or circumstances other than those as to which it is held invalid, shall not be affected thereby.

The statement presented by Mr. HATCH in connection with the bill was ordered to be printed in the RECORD, as follows:

FEDERAL ELECTIONS LAW

In the early part of 1939 a committee on Federal election laws was appointed by the Criminal Law Council of the American Bar Association. The committee consisted of Henry W. Toll, of Denver, Colo.; George R. Jeffrey, of Indianapolis, Ind.; Hon. John B. Sanborn, of St. Paul, Minn., judge of the United States Circuit Court of Appeals for the Eighth Circuit; and Arthur J. Freund, of St. Louis, Mo., chairman. This committee was assisted by Hon. Albert L. Reeves and Hon. Merrill E. Otis, judges of the United States District Court for the Western District of Missouri.

It was noted that under the present state of the Federal law there could be a national conspiracy formed and carried out to fraudulently elect the President and Vice President of the United States without the violation of any Federal law. Furthermore, there is no Federal law to reach fraud and corruption in the nomination or selection of United States Senators and Representatives for Congress. The present Federal law pertaining to the election of these officers is wholly deficient for the reason that there is no direct legislation dealing with fraudulent practices at any election.

The committee was charged with the duty of preparing a proposed bill to insure to United States citizens, as far as possible, that elections in which national officers or national questions were to be voted upon should be honestly conducted.

The committee has prepared a proposed bill styled the "Federal Elections Act" to remedy existing defects in the law pertaining to the nomination and election of Federal officers, by denouncing as Federal offenses dishonest acts which affect the vote upon Federal officers, including the President and Vice President of the United States, and upon national questions upon which there may be a popular election.

This proposed Federal elections law is the result of much thought and careful study. It has received the approval of all of the members of the committee and of Judge Reeves and of Judge Otis, as well as many other members of the bench and bar.

It is not a matter of common knowledge, even among members of the bar, that the only Federal law on the subject of election frauds, except the narrow provisions of the Corrupt Practices Act (2 U. S. C. A., par. 241–254) and the Hatch Act (U. S. C., Current Service, 1939, No. 10, pp. 1242–1244), is section 19 of the Criminal Code (18 U. S. C. A., par. 51), a conspiracy section, which, among other things, makes it a Federal offense if two or more persons conspire to injure, oppress, threaten, or intimidate any citizen in the free exercise or enjoyment of any right or privilege secured to him by the Constitution or laws of the United States. It was under this section that the Kansas City prosecutions for fraudulent practices at the 1936 general election were based (*Walker* v. *United States*, 93 F. (2d) 383, and other opinions in the same volume). It was held in the Walker case that a conspiracy to fraudulently select presidential electors at an election does not come within the purview of the present Federal statutes. This was a direct holding to the effect that there is no Federal law which denounces as a crime fraudulent practices or criminal conspiracies in the election of a President or Vice President of the United States. Furthermore, there is no Federal law which makes it a Federal offense to commit vote frauds or to carry on fraudulent conspiracies at primary elections wherein nominees for the offices of United States Senators and Members of Congress are nominated at general primary elections.

The conspiracy section in the present Federal law is section 19 of the Criminal Code (sec. 5508, R. S., 18 U. S. C. A., par. 51), which reads as follows:

"If two or more persons conspire to injure, oppress, threaten, or intimidate any citizen in the free exercise or enjoyment of any right or privilege secured to him by the Constitution or laws of the United States, or because of his having so exercised the same, or if two or more persons go in disguise on the highway, or on the premises of another, with intent to prevent or hinder his free exercise or enjoyment of any right or privilege so secured, they shall be fined not more than $5,000 and imprisoned not more than 10 years, and shall, moreover, be thereafter ineligible to any office or place of honor, profit, or trust created by the Constitution or laws of the United States."

It will be seen from the above section that it does not specifically apply to election offenses; it does not denounce as a crime the impersonation of voters, multiple voting, bribery or intimidation of voters, or the numerous other devices and practices common to vote stealing. Further, and what is of utmost importance, it does not define as an offense a conspiracy to fraudulently affect the vote for the President or Vice President of the United States. It was held in the *Walker Case*, supra (93 F. (2d) at 388, locl cit.), that inasmuch as the Federal Constitution does not provide that the selection of electors shall be by popular vote, or that electors shall be voted for upon a general ticket, or that the majority of those who exercise the elective franchise can alone choose the electors, a conspiracy to fraudulently select Presidential electors at an election does not come within the purview of the present Federal statute. It was pointed out in that opinion that the Federal Constitution leaves it to the State legislature to define the methods of effecting the object, and that as an elector is a State officer the Federal act referred to does not pertain to the office of an elector for the President or Vice President of the United States. There seems to be no doubt that the Federal Government has this right, if it chooses to exercise it, but under the present state of the law there could be a national conspiracy formed and successfully carried out to fraudulently elect the President and Vice President of the United States without the violation of any Federal law.

HISTORY OF PRIOR LEGISLATION

On May 31, 1870, Congress passed a law containing a series of sections, the whole act being entitled "An act to enforce the right of citizens of the United States to vote in the several cities of this Union, and for other purposes" (16 Stat. L. 140–146). Section 6 of this act included what, with some alterations, is now section 19 of the Criminal Code. Among the substantive acts which were prohibited and made offenses were those of interfering with any election officer, or inducing any such officer, whose duty it was to ascertain, announce, or declare the result or to make any certificate, document, or evidence relative thereto, to violate his duty (sec. 19). It was made an offense for any such election officer to neglect or to refuse to perform any of his duties, or to do any unauthorized act with intent to "affect such election or the result thereof"; or to "fraudulently make any false certificate of the result of such election"; or to withhold, conceal, or destroy any required certificate

pertaining to such election; or to neglect or refuse to make a return the same as required by law; or to omit to do any required duty; or to counsel, procure, etc., the same to be done (sec. 22). It was also made an offense to impersonate and vote for any person living, dead, or fictitious, to vote more than once, to vote without lawful right, to bribe a voter, etc. (sec. 19).

There were numerous other provisions dealing with the elective franchise, fraudulent registration, obstructing execution of process, conspiracy to deprive persons of the equal protection of the laws, conspiracy to prevent the support of any candidate, provisions relative to supervisors of elections, etc.

July 14, 1870, and more extensively later, on June 10, 1872, Congress passed laws making provisions for the supervision of elections by supervisors appointed by the Federal courts (16 Stat. at L. 254–255; 17 Stat. at L. 347–349).

Section 6, the present section 19 of the Criminal Code, remained in its original form until the revision of 1874, when the laws of the United States were revised and codified. In the revision, it became section 5508, Revised Statutes.

However, on February 8, 1894, Congress repealed all of the portions of the May 31, 1870, act which made offenses the various substantive acts in connection with the election franchise, and also repealed the laws providing for Federal supervisors of elections (28 Stat. at L. 36).

The history of this legislation and kindred legislation is traced in the opinions in *United States* v. *Gradwell* (243 U. S. 476); *United States* v. *Bathgate* (246 U. S. 220); and *United States* v. *Mosley* (238 U. S. 383).

THE PROPOSED LEGISLATION DOES NOT CHANGE THE LAW OF ANY STATE

It is, of course, well recognized that a great deal of fraud in elections having to do with Federal officers is committed at primary elections, and the importance of primary elections in the selection of proper officials needs no emphasis. It is the opinion of the committee that Federal election laws should properly have to do not only with the general election of Federal officers, but with the primary election for such officers.

The proposed legislation changes no present State law; it adds no new duty or additional burden upon election officials. It merely provides that it shall be a Federal offense if such elections are dishonestly conducted where the vote upon a national officer or national question is affected.

SUBSTANCE OF THE PROPOSED LEGISLATION

The bill provides in substance that an election shall be defined to mean any primary or general election held under the laws of any State or Territory or under the laws of the United States for the nomination or election of any Representative or Senator, any elector of or direct vote for the President or Vice President. It is made an offense for any election official to fraudulently miscount or tabulate the result of any such election. It is further made an offense for any person by force, bribery, threat, or any such other means to prevent or obstruct a voter from voting or from qualifying him to vote; to fraudulently pad the election rolls to be used at a Federal election; or to fraudulently induce an election official to receive an illegal vote or to refuse a legal one.

It is also made an offense for any person to willfully or fraudulently impersonate a voter or to vote in any fictitious name or to vote more than once or to vote in an election or at a place where he is not entitled to vote. A conspiracy of two or more persons to violate the act is further denounced as an offense.

The act specifically provides that its sole purpose is to secure to the citizens of the United States the honest and lawful conduct of elections which affect the selection of United States Senators, Representatives to the Congress of the United States, United States Presidential and Vice Presidential electors, the President and Vice President of the United States, and the adoption or rejection of proposed amendments to the Constitution of the United States. It is provided that none of the provisions of the act shall be deemed or construed to apply to elections other than such elections, or to any acts or conduct of election officials or other persons which do not affect the nomination, selection, or election of any United States Senator, Representative to the Congress of the United States, United States Presidential or Vice Presidential elector, or the President or Vice President of the United States, or the adoption or rejection of any amendment to the Constitution of the United States.

The punishment provided is a fine of not more than $5,000 or imprisonment for not more than 10 years, or both.

IMPORTANCE OF THE PROPOSED LEGISLATION

It is of the highest importance to note that the Federal Government in no way changes the election laws of any State or any subdivision thereof. It is the opinion of all right-thinking persons that such laws, however, should be honestly administered. The bill proposes that this be done so far as it is within the powers of the Federal Government to make it so.

Upon the proposed draft of the Federal Elections Act, Judge Reeves writes:

"It is my opinion that your bill quite admirably covers all of the matters desired to be included in a good election law. This bill should be passed by the Congress."

Judge Otis likewise gives his opinion as follows:

"I have carefully considered the proposed bill prepared by your committee * * * to enforce the rights of citizens of the United States in the nomination and election of Senators, Representatives, and Presidential electors. I am decidedly in favor of the adoption of this bill as law. The Federal judges in Kansas City have had, perhaps, more intimate experience with attempts to defeat the rights of citizens in elections than have any other judges in the country. The present laws are certainly inadequate to protect the rights of citizens. Under the present laws great things have been accomplished here in Kansas City, but the difficulties have been apparent and the narrow field in which it is possible for the Department of Justice to operate has been especially apparent. It is difficult to conceive of any reason why there should not be jurisdiction in the Federal courts to protect the rights of all citizens in all elections in which Federal officials are nominated or chosen for public office."

Judge Reeves and Judge Otis are the judges who presided at the Kansas City election fraud conspiracy cases, and they are wholly and acutely aware of the present Federal law on the subject of election frauds and its deficiencies.

Judge John B. Sanborn, of the United States Court of Appeals for the Eighth Circuit, wrote the major opinions in the Kansas City cases. He is a member of the committee which drafted the proposed legislation, and he actively assisted in the preparation of the bill.

CONSTITUTIONALITY OF THE PROPOSED LEGISLATION

The committee which prepared this bill is of the opinion that the Congress has the constitutional right to enact legislation having to do with the primary election of Representatives for Congress and United States Senators. It may be thought by some that in view of the decision in *Newberry* v. *United States* (256 U. S. 232), there is no constitutional authority for Federal legislation having to do with primary elections. But, in the Newberry case the dissenting opinions written by Chief Justice White and Mr. Justice Pitney appear to be not only persuasive but conclusive arguments that the election process commences at the time a candidate first begins to seek nomination and continues until the votes in the general election have been cast and counted. The basis of the system of control provided in this proposed bill rests fundamentally upon its relation to elections at which United States Senators and Representatives are chosen. It has repeatedly been held that in order to preserve the integrity of such elections the Congress may assert almost any degree of control which it finds necessary to prevent election frauds and corruption.

It is the opinion of the committee that the United States Supreme Court would sustain the proposed act as constitutional as it affects primary and general elections, and elections affecting the President and Vice President and national questions.

INADEQUACY OF THE PRESENT LAW

A mere reading of the present conspiracy section (section 19) demonstrates its present inadequacy to fulfill the objects sought to be reached by the proposed bill. Indictments based upon the same section have been drawn where homesteaders were interfered with in their rights, *Buchanan* v. *United States* (233 Fed. 257), where there was a conspiracy to deprive a postmaster of his right to enjoy his office, *McDonald* v. *United States* (9 Fed. (2d) 506); where conspirators attacked a rancher on public land scattering and killing sheep, *Janes* v. *United States* (6 Fed. (2d) 545), and where there was an alleged conspiracy to injure, oppress, and threaten a citizen in the free exercise of his right to speak and publish his views in a newspaper, *Powe* v. *United States* (109 F (2d) 147). A statute so general in its terms is quite inadequate to cover our present situation regarding fraudulent elections.

It seems quite obvious that if vote stealing at Federal elections is to become widespread, or if such practices are to become national in scope, the last hope of a democracy has failed.

The proposed bill was approved by the Criminal Law Council of the American Bar Association at its meeting in Chicago in January of this year. The matter was then presented, in the general form of a resolution approving the principle for which the bill stands, to the house of delegates of the association. This resolution was debated upon the floor of the house of delegates of the association and, by a vote of 57 to 50, the resolution was sent back to the criminal law section of the association for further study. It cannot be said that the proposed bill has the sanction or approval of the American Bar Association, although it is likely that the matter will be again presented to the house of delegates of the association at its annual meeting in Philadelphia in September of this year.

No more important subject confronts the American people in the conduct of its internal affairs than the sanctity of its elections. It is believed that the proposed bill, when enacted into law, will be a progressive and effective forward step in assuring to the people of the United States that Federal elections will be honestly conducted.

AMENDMENT OF DISTRICT UNEMPLOYMENT COMPENSATION ACT—AMENDMENT

Mr. TYDINGS submitted an amendment intended to be proposed by him to the bill (H. R. 9791) to amend the District of Columbia Unemployment Compensation Act, which was ordered to lie on the table and to be printed.

REGULATION OF INVESTMENT COMPANIES AND ADVISERS—AMENDMENTS

Mr. WAGNER submitted sundry amendments intended to be proposed by him to the bill (S. 4108) to provide for the registration and regulation of investment companies and investment advisers, and for other purposes, which were ordered to lie on the table and to be printed.

THE AMERICAN ALIEN—ADDRESS BY SOLICITOR GENERAL FRANCIS BIDDLE

[Mr. SCHWARTZ asked and obtained leave to have printed in the RECORD a radio address on The American Alien, delivered by Hon. Francis Biddle, Solicitor General of the United States, which appears in the Appendix.]

ADDRESS BY GIFFORD PINCHOT AT EIGHTH AMERICAN SCIENTIFIC CONGRESS

[Mr. NORRIS asked and obtained leave to have printed in the RECORD an address on the subject of conservation as a foundation of permanent peace, delivered by Gifford Pinchot at the Eighth American Scientific Congress, May 11, 1940, which appears in the Appendix.]

HOW STRONG IS OUR FIGHTING SPIRIT?—ARTICLE BY FRANK C. WALDROP

[Mr. CLARK of Missouri asked and obtained leave to have printed in the RECORD an article by Frank C. Waldrop, published in the Washington Times-Herald of today, entitled "How Strong is Our Fighting Spirit?", which appears in the Appendix.]

ADDRESS BY DR. BRENDAN BROWN TO NEW YORK EDUCATIONAL GUILD

[Mr. MEAD asked and obtained leave to have printed in the RECORD the address delivered by Dr. Brendan Brown, professor of law, Catholic University, at the breakfast of the New York Educational Guild on June 9, 1940, at Capitol Park Hotel, Washington, D. C., which appears in the Appendix.]

LIST OF EDITORIALS FAVORING TERMINATION OF FOREIGN-SILVER PURCHASES

[Mr. TOWNSEND asked and obtained leave to have printed in the RECORD a list of editorials relating to the vote in the Senate approving Senate bill 785, to terminate the purchase of foreign silver, which appears in the Appendix.]

STATEMENT OF POLICY OF AMERICAN FARM BUREAU FEDERATION

[Mr. BANKHEAD asked and obtained leave to have printed in the RECORD a statement of policy formulated by the board of directors of the American Farm Bureau Federation to serve as the basis for planks to be recommended to the national party conventions, which appears in the Appendix.]

ARTICLE FROM WHEELING INTELLIGENCER ON SENATOR HOLT

[Mr. HOLT asked and obtained leave to have printed in the RECORD an article by Charles Brooks Smith published in the Wheeling Intelligencer of June 18, 1940, under the heading "Senator HOLT Vindicated," which appears in the Appendix.]

IS OUR POSITION CLEAR?—EDITORIAL FROM WASHINGTON POST

[Mr. NYE asked and obtained leave to have printed in the RECORD an editorial from the Washington Post of today entitled "Is Our Position Clear?", which appears in the Appendix.]

AND THEY WERE UNPREPARED—EDITORIAL FROM SATURDAY EVENING POST

[Mr. NYE asked and obtained leave to have printed in the RECORD an editorial from the Saturday Evening Post of June 22, 1940, entitled "And They Were Unprepared," which appears in the Appendix.]

ARTICLE ENTITLED "'LEARN BY OUR FOLLY,' BRITISH PAPER URGES UNITED STATES"

[Mr. LEE asked and obtained leave to have printed in the RECORD an article entitled "'Learn by Our Folly,' British Paper Urges United States," which appears in the Appendix.]

ONE WAY TO DEAL WITH FRENCH POSSESSIONS IN THE CARIBBEAN—EDITORIAL FROM CHICAGO DAILY NEWS

[Mr. GURNEY asked and obtained leave to have printed in the RECORD an editorial from the Chicago Daily News of June 18, 1940, entitled "One Way to Deal With French Possessions in the Caribbean," which appears in the Appendix.]

TAX LEGISLATION—ADDRESS BY SENATOR WILEY

[Mr. WILEY asked and obtained leave to have printed in the RECORD a radio address delivered by him on the American Forum of the Air on June 2, 1940, which appears in the Appendix.]

EXCERPTS FROM WRITINGS AND SPEECHES OF BRITISH AMBASSADOR

[Mr. LUNDEEN asked and obtained leave to have printed in the RECORD certain excerpts from the writings and speeches of the British Ambassador, which appear in the Appendix.]

BROADCASTS AS AID IN DEFENSE

[Mr. THOMAS of Utah asked and obtained leave to have printed in the RECORD an article from the New York Times of June 9, 1940, entitled "Urge Broadcasts as Aid in Defense," which appears in the Appendix.]

SCROLL OF MERIT AWARDED TO THEODORE GRANIK

[Mr. MEAD asked and obtained leave to have printed in the RECORD a press statement issued by the United States Junior Chamber of Commerce on June 17, 1940, the text of the scroll of merit awarded to Mr. Theodore Granik, director of the American Forum of the Air, and Mr. Granik's reply, which appear in the Appendix.]

A NEW DEAL GESTAPO?

Mr. TOBEY. Mr. President, I desire at this time to read a letter which I have mailed to Stephen Early, the Secretary to the President, which sets forth a reprehensible incident authorized by the President, which took place 4 years ago at the time of the last Republican National Convention in Cleveland, and one which I believe should see the light of day. Therefore I read this letter:

JUNE 19, 1940.

Hon. STEPHEN EARLY,
Secretary to the President, the White House.

DEAR MR. EARLY: There has recently been placed in my hands a signed statement by one who served in an official capacity as confidential agent in the Department of the Interior, which states that at the time of the last Republican National Convention, six official investigators of the Department of Interior, acting under orders of the White House, made a secret visit to the convention at Cleveland to do undercover work. I am advised that among these official investigators were Messrs. Nelson D. Zimmerman, George F. Hurley, Eric G. Peterson, and Richard J. McCormick.

It is unfortunate that in America the party in power should make use of the taxpayers' money for such a purpose and in view of the approaching convention and the possibility of a repetition of these tactics, I am writing to advise that, for the first time in history, the events of the Republican National Convention will be televised, the platform made public, and in addition to this, as a delegate to the convention, I will be glad, in order to save the White House from repeating this incident with public funds, to visit the White House after the convention is over and report to you or to the President what took place

I assure you that, after the convention is over, you will have learned that the Republican Party adopted a platform providing for real security for the rank and file of our citizens and nominated for the Presidency one who will be elected in November and who, as President, will turn us back from the road to war and on the road to the American way of life. Equally as important, he will turn back to the people's representatives in Congress, those powers which, under our American form of government, belong to the people and not to any one man.

Sincerely yours,

CHARLES W. TOBEY.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Chaffee, one of its reading clerks, announced that the House had agreed to the amendments of the Senate to the bill (H. R. 1827) to allow moving expenses to employees in the Railway Mail Service.

The message also announced that the House had agreed to the amendment of the Senate to the bill (H. R. 9958) to authorize the purchase by the Reconstruction Finance Corporation of stock of Federal home-loan banks; to amend the Reconstruction Finance Corporation Act, as amended, and for other purposes.

The message further announced that the House had passed the following bill and joint resolution, in which it requested the concurrence of the Senate:

H. R. 10104. An act making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1940, and prior fiscal years, to provide supplemental appropriations for the fiscal years ending June 30, 1940, and June 30, 1941, and for other purposes; and

H. J. Res. 556. Joint resolution approving nonrecognition of the transfer of any geographic region in the Western Hemi-

sphere from one non-American power to another non-American power, and providing for consultation with other American republics in the event that such transfer should appear likely.

ENROLLED BILLS SIGNED

The message also announced that the Speaker had affixed his signature to the following enrolled bills, and they were signed by the President pro tempore:

H. R. 9117. An act to eliminate the tax on brandy and wine spirits used in the fortification of wine, to increase the tax on wine, to compensate for the loss of revenue occasioned by the elimination of the tax on brandy and wine spirits used in the fortification of wine, and for other purposes; and

H. R. 9909. An act to amend sections 2803 (c) and 2903 of the Internal Revenue Code.

REVENUE BILL OF 1940

The Senate resumed the consideration of the bill (H. R. 10039) to provide for the expenses of national preparedness by raising revenue and issuing bonds, to provide a method for paying for such bonds, and for other purposes.

Mr. O'MAHONEY. Mr. President, as I understand the parliamentary situation, the pending question is the amendment of the Senator from Maryland [Mr. TYDINGS] as a substitute for the amendment reported by the Committee on Finance with respect to the reduction of Government expenditures.

When the session was closing last evening I had objected to the original amendment reported by the committee, and to the substitutes offered by the Senator from Maryland, on the ground that in each instance these amendments gave no assurance whatsoever as to where the proposed reductions would be made; that if adopted they would amount to a surrender of the authority of the legislative body, and Congress would have no supervisory power whatever over the curtailment. I therefore hastily drafted upon the desk a substitute which I asked the Senator from Maryland to accept in lieu of the amendment he had offered. I could not offer it, as I understood, from the parliamentary point of view, as an amendment to his amendment, because it would be an amendment in the third degree. I therefore ask the Senator from Maryland if he is willing to withdraw his amendment and allow this one to be substituted for it.

Mr. TYDINGS. Mr. President, what would happen in the event the amendment of the Senator from Wyoming should be voted down? Would my amendment still be in order?

Mr. O'MAHONEY. If the Senator were to withdraw his amendment I think it would be in order; but that is a question for the Chair to decide.

The VICE PRESIDENT. If the Senator should withdraw the amendment, it would be in order for him to reoffer it.

Mr. TYDINGS. Then I will withdraw it temporarily, and give the Senator from Wyoming a chance to offer his amendment.

Mr. O'MAHONEY. Mr. President, I think the matter has been sufficiently discussed. I offer the amendment which I now send to the desk.

Mr. TYDINGS. Mr. President, will the Senator from Wyoming yield?

Mr. O'MAHONEY. I yield.

Mr. TYDINGS. Before the amendment is read—and I think I am familiar with its contents—let me ask the Senator whether it is not his interpretation of the amendment that if the Senate should adopt it forthwith, the Committee on Appropriations must review the appropriation bills already passed and to be passed and take out of them under a mandatory direction 10 percent of the nondefense expenditures, fixed charges and so on eliminated? Is that correct?

Mr. O'MAHONEY. The Senator is not exactly correct. The amendment would have to go to conference and would have to be approved by the House of Representatives. Of course, the Senate could adopt a resolution instructing its own committee, but that would not be a particularly effective thing to do, since, if we are to have effective action, I feel it must be taken by both Houses of Congress.

Mr. TYDINGS. Of course, my question presupposed that the other House would concur, and that it would be signed and become a law. It was my interpretation of the amendment, and of the remarks of the Senator, that if the amendment ran the legislative gantlet successfully the Committees on Appropriations of both Houses, acting separately, would immediately revamp the appropriation bills passed and to be passed to effect the savings within the limitations set forth. Is that correct?

Mr. O'MAHONEY. There is nothing in the amendment, as I drafted it hastily yesterday, which fixes a time limit. If it were desired to fix a specific date by which time a report should be made to the Congress, that would have to be written into the amendment.

Mr. TYDINGS. Would the Senator object to inserting an amendment which would compel the work to be done prior to January 1, 1941?

Mr. BYRD rose.

Mr. O'MAHONEY. I should be very glad to accept such a suggestion, and I will now offer it, prior to the statement of the Senator from Virginia.

Mr. BYRD. Let me say to the Senator from Maryland that if we postpone any reduction of present appropriations to January 1 it will mean a delay of 6 months before the reduction would apply, and one-half of possible savings would be lost.

Mr. TYDINGS. That is true, but the committee would have to have some time to do the work.

Mr. BYRD. Let me suggest to the Senator from Maryland that we are to remain in session, we are not to adjourn, and the committee could report in 30 days.

Mr. TYDINGS. Mr. President, will the Senator from Wyoming yield to me?

Mr. O'MAHONEY. I yield to the Senator from Maryland.

Mr. TYDINGS. It was not my idea, I will say to the Senator from Virginia, that the committee would not report before January 1, 1941. It was my idea that they must make their report before that time, in a month or two months, if they could do it.

Mr. BYRD. If January 1, 1941, should be fixed as the limit, that would be the time when the report would be made.

Will the Senator from Wyoming yield to me a moment further?

Mr. O'MAHONEY. I yield.

Mr. BYRD. In the debate yesterday I stated that I expected to offer an amendment similar to the amendment offered by the Senator from Wyoming.

Mr. O'MAHONEY. Mr. President, I did not hear that statement of the Senator, and had I known that he had written or was about to write such an amendment, I would not have attempted to take precedence, as it were.

Mr. BYRD. I fully understand that. After the Senator from Kentucky has cut the enacting clause out of the mandatory economy provision, I am willing to accept any proposal which may lead to some economy in the nondefense appropriations, although I think that a mandatory reduction, such as was first proposed, would have been very much more effective, and would have been certain to obtain results.

After the clerk has read the amendment of the Senator from Wyoming, I should like to have him read the amendment which has been prepared at my suggestion by the legislative counsel, in the hope that the Senator from Wyoming, while I have no desire whatever to take away from him the authorship of the amendment, may accept at least two features of the amendment proposed by the Senator from Virginia, namely, that there be a joint congressional committee appointed, to consist of so many members from each of the Committees on Appropriations——

Mr. O'MAHONEY. Mr. President, if I may interrupt the Senator, I doubt the advisability of the appointment of such a joint committee, for the reason that the proposal is being

made in this body now. The House of Representatives has a Committee on Appropriations, and I doubt whether it would be good tactics, or the proper course of procedure, for this body to suggest a joint committee without first having received the approval of the Committee on Appropriations of the House. If it is desired that a joint committee be appointed, that can be done by the conferees.

Mr. BYRD. The difficulty I can see about the course proposed by the Senator from Wyoming is that he proposes two committees to make suggestions as to reductions, acting separately and independently. I think that it would be very difficult to operate in that way.

The next suggestion I wanted to make to the Senator was that the committee should report to the Senate and House of Representatives within 30 days after the enactment of the joint resolution.

Mr. O'MAHONEY. I was about to suggest, following the remarks of the Senator from Maryland, that the amendment might be amended so as to require that the report be made on or before September 1. Would that be satisfactory to the Senator from Virginia?

Mr. BYRD. That would be satisfactory.

Mr. O'MAHONEY. I modify the amendment, to insert after the word "report", in line 4, the words "on or before September 1, 1940."

Mr. TYDINGS. Mr. President, will the Senator from Wyoming yield?

Mr. O'MAHONEY. I am glad to yield.

Mr. TYDINGS. I think the Senator from Wyoming has been very constructive throughout the debate, and his amendment certainly is constructive and designed to accomplish the purpose, and to meet certain well-founded objections.

What I am about to say I do not want to be taken as a reflection on the purpose or the method proposed, but I make this observation to the Senator from Wyoming as to what will probably happen: When the committee brings in its report, we should not be too optimistic of savings being accomplished, because every group affected will immediately get in contact with some of us in an endeavor to show why the appropriation for their particular activity should not be reduced. I say now that I shall be agreeably surprised if the report of the Committee on Economy, so-called, accomplishes any result whatsoever. I really believe that a 3 percent mandatory reduction would probably save more money than we think may be saved by the well-intentioned and well-presented amendment now offered by the Senator from Wyoming, because in the House they will have one opinion, in the Senate we will have another opinion; there will be a divergence of opinion; the joint resolution will have to be signed by the President; Senators themselves will fall out over the manner and method of the economy; and in the end we will probably get no economy.

Mr. BYRD. Mr. President, with the permission of the Senator from Wyoming, I should like to ask that, for the information of the Senate, the clerk read the amendment prepared by the Senator from Virginia, not for the purpose of displacing the amendment offered by the Senator from Wyoming.

Mr. O'MAHONEY. I suggest that the amendment which I sent to the desk be stated first, and then that the amendment of the Senator from Virginia be stated.

The PRESIDENT pro tempore. The clerk will state the amendment offered by the Senator from Wyoming.

The LEGISLATIVE CLERK. It is proposed to insert in lieu of section 403, as amended, the following:

SEC. 403. The Committees on Appropriations of the Senate and House of Representatives are hereby directed to review the appropriation bills for the fiscal year ending June 30, 1941, and to report on or before September 1, 1940, such amendments thereto as will effect a total reduction of $500,000,000 in the civil expense of the Government without impairing efficiency.

The PRESIDENT pro tempore. The clerk will now state the amendment proposed by the Senator from Virginia [Mr. BYRD].

The LEGISLATIVE CLERK. It is proposed to insert in lieu of section 403, as amended, the following:

SEC. 403. There is hereby established a joint congressional committee to be composed of —— Members of the Senate who are members of the Senate Committee on Appropriations, to be appointed by the President of the Senate, and —— Members of the House of Representatives who are members of the House Committee on Appropriations, to be appointed by the Speaker of the House of Representatives. A vacancy in the joint committee shall not affect the powers of the remaining members to execute the functions of the joint committee and shall be filled in the same manner as the original selection.

(b) The joint committee shall review House Joint Resolution 544 and all general appropriation bills for the fiscal year ending June 30, 1941, and shall report to the Senate and the House of Representatives within 30 days after the date of the enactment of this act recommendations, with respect to the appropriations contained in such resolution and bills, for an aggregate reduction of $500,000,000 in such appropriations. Appropriations for national defense purposes shall not be included in such recommendations.

(c) The joint committee, or any subcommittee thereof, shall have power to hold hearings and to sit and act at such times as it deems advisable. The joint committee is authorized to utilize the services, information, facilities, and personnel of the departments and agencies in the Executive branch of the Government.

(d) The authority conferred by this section shall expire on the date of submission of the above-mentioned recommendations to the Congress.

Mr. O'MAHONEY. Mr. President, I think this matter has been sufficiently discussed so that it is clear to all Senators, and I have no desire to take further time.

Mr. OVERTON. Mr. President, will the Senator yield?

Mr. O'MAHONEY. I yield.

Mr. OVERTON. I should like to ascertain from the Senator, if I may, what his view is as to the practical operation of the amendment if it were enacted. I notice on the last page of the calendar of business a column giving the status of the appropriation bills. I observe that there have been considered by the two Houses at this session of Congress the following appropriation bills: Independent offices, 1941; urgent deficiency, 1940; Treasury and Post Office, 1941; Agricultural Appropriation Act, 1941; State, Commerce, and Justice, 1941; first deficiency, 1940; Interior Department, 1941; legislative, 1941; Labor, Federal Security, 1941.

There is being reported today by the Committee on Appropriations of the Senate another deficiency or emergency bill.

As I construe the amendment, the various appropriation bills which have already been considered by both Houses will be referred to the Appropriations Committees, and if the Appropriation Committees perform the duties prescribed by the amendment it will be necessary for the several bills to be referred to the usual subcommittees which have already made a study of them; they would be set down for hearings, and hearings would be had in order intelligently to revise the appropriation items contained in each bill in order to carry out the purposes of the amendment.

I am forced to the conclusion that the probability is that about as much time would be taken up in revamping and revising the bills which have already been so carefully considered by both Houses, and the Appropriations Committees of both Houses, as was consumed in the original consideration of the bills.

If the Senator from Wyoming has a shorter cut toward a revision of these bills so as to effect the 10 percent or other reduction in the total amount of appropriations for civil functions, I should like to be advised.

Mr. O'MAHONEY. Mr. President, I do not think it would be necessary for the committees to go through all the procedure outlined by the Senator from Louisiana. I rather conceive that, in the interest of expeditious action, if the conferees did not determine upon a joint committee, as they might very well do, each of the committees, by submitting the appropriation bills to the budget officers of the respective departments, could very speedily obtain recommendations or suggestions from the departments as to where cuts might most readily be made.

I have in mind very clearly an action on the part of one of the subcommittees of the Senate Committee on Appropriations a couple of years ago when the matter of reducing expenditures was under consideration. It called upon one of

the departments to make forthwith a suggestion to the committee as to where cuts could most effectively be made without impairing the efficiency of the department, and, as I recall, the report was received by the committee within 3 days.

Mr. OVERTON. Mr. President, if that statement be correct, and the matter would be handled as expeditiously as that; and the committee would accept the Budget estimates of reduction, then I think it would be infinitely preferable to adopt the amendment suggested by the Senator from Virginia and reported by the committee, requiring a 10-percent reduction, because as the Senator from Wyoming himself pointed out yesterday, the estimates of reduction would be made by the Bureau of the Budget and submitted to the President for his approval. That is the expeditious way.

Mr. O'MAHONEY. The whole point of the amendment is that the responsibility shall be upon Congress and the work shall be done by Congress, which knows what it wants when it makes the appropriations, and that we shall not be obliged to accept whatever may be handed to us by the Bureau of the Budget.

Mr. OVERTON. I should say in reply to the Senator from Wyoming that if we meet our responsibility we will not accept the estimates submitted by the Bureau of the Budget, but we will set down all the different items for hearings again, and we will go through the same processes under which we reported the original bills. There is no escape from that conclusion.

Certainly the Department of the Interior should be heard on a question of the reduction of its appropriations. The State Department and other departments of the Government should also be heard. They would be entitled to hearings. We ought to give the same number of days to hearings, and take the same amount of testimony as was presented in connection with the consideration of the original bills.

Mr. O'MAHONEY. Mr. President, I think the Senator from Louisiana is making it appear unnecessarily difficult. The hearings have just been held. We have the record of the hearings. The various subcommittees now know upon what they acted. I think it would be a comparatively simple matter for Congress to undertake to make the cut if it desired to do so. If Congress does not desire to give itself the trouble of making the cut, and wishes—to adopt the language which was suggested by a Member of this body yesterday—to "pass the buck" back to the Bureau of the Budget, that is another matter, but it is not the democratic way of proceeding.

Mr. OVERTON. I submit to the learned Senator from Wyoming that it is much more difficult to cut appropriations than it is to approve them or to increase them, and what we have been doing is approving or increasing Budget estimates, and when it comes to reducing the appropriation we shall find that it is much more difficult and probably involves a much longer process than in preparing and presenting the original bill.

Mr. McCARRAN. Mr. President, will the Senator yield?

Mr. O'MAHONEY. I yield.

Mr. McCARRAN. I should like to address a question to the Senator from Wyoming with respect to his proposed amendment. As I read the Senator's amendment it provides for no limitation. Therefore, the cut, if a cut should be accomplished by the committee, could be on the salary side. Fixed charges are not considered in any respect, or eliminated. So that the Senator's amendment may afford an avenue for a direct drive at cutting down salaries of Federal employees. Am I correct in that statement?

Mr. O'MAHONEY. I do not think that would follow.

Mr. McCARRAN. It is left wide open to the committee to cut in that direction just as much as in another; is that not true?

Mr. O'MAHONEY. Of course, whatever recommendation is made would have to be made to the Congress.

Mr. McCARRAN. Why cannot we make the recommendation in the amendment?

Mr. O'MAHONEY. I have no objection to a provision that it is not the intention to make any salary cut.

Mr. McCARRAN. That it is not the intention to cut fixed charges, including salaries?

Mr. O'MAHONEY. Yes.

Mr. McCARRAN. Would the Senator offer such a change to his own amendment?

Mr. BANKHEAD. Mr. President, I should like to ask the Senator from Wyoming a question. If he is not going to reduce salaries, how does he propose to reduce the appropriation? He is obliged to recognize that he must either reduce the salaries or the number of employees. The saving the Senator specifies as mandatory in his amendment would result in the discharge of approximately 25,000 Federal employees—probably more.

Mr. O'MAHONEY. I do not think that follows at all.

Mr. BANKHEAD. Assume the average salary is $2,000 a year—that is too high, but let us assume the average salary is $2,000 a year—then as I understand, it would be necessary to discharge about 25,000 employees in order to effect the saving suggested.

Mr. O'MAHONEY. Mr. President, I modify my amendment by adding at the end thereof the phrase:

Provided, That no reduction of salaries of Government employees or of fixed charges and trust funds shall be reported.

Mr. OVERTON. Mr. President, will the Senator yield to me for a question?

Mr. O'MAHONEY. I yield.

Mr. OVERTON. How can the Congress of today limit the action of the Congress of tomorrow? It makes no difference what provision is made as to limitation with respect to salaries. In any year when a bill comes up a drive can be made, and salaries can be reduced by the Congress.

Mr. O'MAHONEY. The Senator is only saying what I said in response to the question of the Senator from Alabama. In the last analysis, the Senate itself and the House itself will be the judges as to what reductions will be made.

Mr. OVERTON. So the limitation which the Senator undertakes to place upon the authority of the Congress in acting upon the bills is a mere brutum fulmen. It amounts to nothing; it is not a limitation in law or in fact.

Mr. O'MAHONEY. I made the point in order to satisfy the Senator from Nevada [Mr. McCARRAN] and to make it clear that it was not my intention to reduce salaries.

Mr. BYRD. Mr. President, will the Senator yield for a question?

Mr. O'MAHONEY. I yield.

Mr. BYRD. What is the Senator's interpretation of "civil expenses"? His amendment provides for $500,000,000 reduction "in the civil expenses of the Government." What does he consider to be civil expenses?

Mr. O'MAHONEY. I think the civil expenses are nonmilitary expenses, nondefense expenses.

Mr. BYRD. Are they not the ordinary and regular expenses of the Government? The ordinary interpretation of "civil expenses" would be what is termed the "regular, ordinary expenses," would it not?

Mr. O'MAHONEY. I should think so.

Mr. BYRD. Would the relief appropriation be considered as an ordinary expenditure?

Mr. O'MAHONEY. Certainly.

Mr. BYRD. That is carried in a separate joint resolution.

Mr. O'MAHONEY. That is not a defense expense.

Mr. BYRD. Would veterans' pensions be considered a civil expense?

Mr. O'MAHONEY. Yes; I think they would be.

Mr. BYRD. And they would be subject to reduction under this amendment. Would the social-security grants be considered as a civil expense?

Mr. O'MAHONEY. Mr. President, the Senator is raising questions which were not passed upon in connection with the amendment which the Senator sponsored and which was reported by the committee.

Mr. BYRD. The Senator is in error. These particular items were exempted in the amendment offered by the Senator from Virginia. Veterans' pensions were exempted. Social security grants were exempted. Agricultural Adjustment

Administration benefit payments to farmers, by reason of the fact that the contracts had already been made, were exempted.

Mr. O'MAHONEY. The purpose is to exempt them, and if my language is not appropriate to accomplish that purpose I am willing to change it.

Mr. BYRD. We are passing serious legislation. I want the Senator to make clear, either by actual language in his amendment, or in some other way, by explanation to the Senate, what he means by "civil expense." He says he means that veterans' pensions are a civil expenditure. My amendment exempted veterans' pensions. The social-security grants to the States are certainly a civil expense.

Mr. O'MAHONEY. The Senator from Virginia was the sponsor of the amendment reported by the committee which exempted appropriations for national defense, fixed charges, and trust funds. By the language of my amendment I take it that all three of those items are exempted.

Mr. BYRD. Why does the Senator so take it? The amendment does not exempt them. It says "civil expenses."

Mr. O'MAHONEY. Because I have interpreted "civil expenses" to mean expenses which are not for national defense.

Mr. BYRD. Can the Senator interpret legislation on the floor of the Senate? Legislation speaks for itself.

Mr. O'MAHONEY. Legislation is interpreted not only by the language in the bill, but also by the interpretations which are announced upon the floor of the Senate.

Mr. BYRD. If such interpretations are erroneous, however, the language of the bill will be the determining factor, and not what the Senator from Wyoming says it means.

Mr. O'MAHONEY. How does the Senator from Virginia suggest that the amendment be modified?

Mr. BYRD. I am not making a suggestion. I simply want to know what we are voting on when we vote for the Senator's amendment. I assume that he has given it consideration, and that he is in a position to tell us exactly what "civil expenses" mean. I had to answer similar questions in connection with my amendment.

Mr. O'MAHONEY. The Senator from Virginia and the Senator from Wyoming are apparently endeavoring to accomplish the same purpose. I announced at the outset that I did not offer the amendment in order to supplant any amendment which the Senator from Virginia was offering.

Mr. BYRD. I accept the statement of the Senator. I accepted it earlier.

Mr. O'MAHONEY. As I stated, my purpose in drafting the amendment was to provide that Congress, and not the executive department, should undertake to make the reductions. My purpose is to draw the language in such form that the reduction will be made upon the items which the Senator from Virginia believes should be reduced.

Mr. BYRD. I thank the Senator very much, and I assume that he will modify his amendment accordingly, because the present language does not accomplish that purpose.

Mr. O'MAHONEY. As I have suggested the amendment, I am under the impression that it does.

Mr. BYRNES. Mr. President, I wish to say only a few words with reference to this matter, from the standpoint of the Appropriations Committee. I do not speak for the committee. In fact, I have not spoken to any member of the committee about this amendment. The committee was in conference on the relief joint resolution last night until 12 o'clock, and has been busy all morning.

However, I wish to call the attention of the Senate to these facts:

During the course of the debate there has been a rather general agreement that to bring about any large reduction in appropriations we should have to resort to the agricultural bill, the relief bill, and the bill carrying appropriations for the Civilian Conservation Corps. Because of that fact, I wish to put into the RECORD the figures as to those appropriations.

As to the agricultural bill, the estimate submitted by the President asked for $720,924,619. As the bill was reported to the Senate, it carried appropriations of $922,864,688. As it passed the Senate it carried $922,911,213.

When the bill containing the appropriations for the Civilian Conservation Corps was submitted, the estimate submitted by the President was for $230,000,000. It was reported by the Appropriations Committee at $230,000,000. The Senate then proceeded to add $50,000,000 to that appropriation.

The relief measure was submitted, not several months ago, but only last week, and passed the Senate only last Saturday night. The estimate submitted by the President was for $1,126,055,000. It was reported to the Senate by the Appropriations Committee at $1,073,584,916. When it came to the Senate last week the Senate, which now wants to economize, added approximately $151,206,000.

Therefore, if the Senate had not exceeded the recommendations of the Appropriations Committee with respect to the relief measure and the Civilian Conservation Corps bill, we should have saved $201,000,000, which is now desired to be saved. Therefore, the fault is not with the Appropriations Committee. The bills, as reported, contained $201,000,000 less than they carried when passed by the Senate. In effect, the Senate said, "You have cut down these appropriations unwisely. In exercising our prerogative, we are going to restore them."

So far as the Budget estimates are concerned, the amount requested by the President for the three bills is $450,722,000 less than the total amount carried in the bills as passed by the Senate. In other words, to understand the situation, we added to the estimates submitted by the President $450,000,000, which is the amount we have been discussing as desirable to save at the present time.

With that statement, Mr. President, I ask permission to insert in the RECORD at this point a statement showing the exact figures with regard to the bills I have been discussing.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

AGRICULTURE BILL

Estimates	$720,924,619
Reported to Senate	922,864,688
Passed Senate	922,911,213

RELIEF MEASURE

Estimates	1,126,055,000
Reported to Senate	1,073,584,916
Passed Senate	1,224,791,357

C. C. C. IN LABOR BILL

Estimates	230,000,000
Reported to Senate	230,000,000
Passed Senate	280,000,000

Mr. BYRNES. If the Congress, through legislation, should ask the Appropriations Committee to review these bills and to consider reductions in all matters which are not essential for military and naval purposes, that can be done. The committee might be of the same opinion it was last week about the relief joint resolution when it reported a measure carrying $150,000,000 less than the amount fixed by the Senate last Saturday night.

The Senate Appropriations Committee has no objection to recommending reductions, but its members exercised the best judgment they had when they reported the bills to the Senate. The Senate added a substantial amount; and a week after it increased the amount it now says, "We want you to go back and review those bills and tell us how we can cut them." My only objection is that there is no way by which we can provide that the Senate shall not proceed to add more money to what the Appropriations Committee reports, if it should make another report and recommend certain reductions.

It is now proposed that the Senate shall say, "We have acted on these bills. We added $450,000,000 more than you recommended. We know we were wrong, and we want you to go back and cut it out." If the Appropriations Committee is given the power to make reductions which will stand, the committee can do so; but if we are merely to reiterate the recommendations previously made, I am afraid we shall not make much headway.

Mr. BARKLEY. Mr. President, will the Senator yield?

Mr. BYRNES. I shall be glad to yield in just a moment.

Mr. President, I do not mean to say that I would seriously advocate such a course. I do not intend to offer any amend-

ment. I am simply calling attention to the facts and saying that, if there is any way by which the Congress can empower the Appropriations Committee to legislate on the subject and cut out $450,000,000, it will be cut out. But if the Appropriations Committee is merely to report, we must be fair with ourselves and with the country and say that many difficulties are involved.

A moment ago I mentioned the matter to the Senator from Georgia [Mr. RUSSELL], who had charge of the agricultural appropriation bill, in an effort to determine what commitments had been made with reference to parity payments. If anything of this kind is to be done, it certainly ought to be done before commitments are made, because the Appropriations Committee cannot, on the 1st of September, after contracts are made, make a report as to how to effect a reduction of $450,000,000. Departments are authorized to make contracts for construction and for other purposes. After they have made such contracts it is very difficult to cancel them. We may not cut salaries and we may not violate contracts. That being true, I know that the Senate will be fair enough to realize the difficulties under which we would labor.

If it is desired to follow the course suggested, as one member of the Appropriations Committee, I shall do my best to cooperate. I hope the Senator from Wyoming [Mr. O'MAHONEY], who is always energetic, may be made chairman of such a committee, and that my friend from Maryland [Mr. TYDINGS] may be a member of the committee. I should cooperate with them in an effort to bring about a reduction of $450,000,000. If there were any way in which such a cut could be made to stick, the desired result might be accomplished. However, after the committee has brought back its report, the recommendation must come before the Senate and the House; and various Members of Congress will say, "You made the cut in the wrong place. If you had cut over here, we would be entirely satisfied with it." There would be strong objection to a cut in the parity payments, or in the appropriations of the Civilian Conservation Corps, a most popular organization——

Mr. BANKHEAD. Do not forget the Federal Surplus Commodities Corporation.

Mr. BYRNES. Only last Saturday afternoon three-fourths of the Senate voted in favor of adding $100,000,000 for the Surplus Commodities Corporation, and by a vote instructed its conferees to stand by the increase. Last night, when I hope some Senators were asleep, the ambassadors representing the Senate were fighting to demand that the House agree to add $100,000,000 for which there was no Budget estimate, $100,000,000 more than the Appropriations Committee wanted. The hour of midnight found us fighting to stand by the action of the Senate. It is now proposed that the Senate say, "We did not mean it. We want you to take back all those bills and cut $450,000,000 out of them."

Mr. RUSSELL. Mr. President, will the Senator yield?

Mr. BYRNES. I yield.

Mr. RUSSELL. If the Senator from South Carolina is seeking a stipulation that the action of the Appropriations Committee shall be binding and final, I hope he will also include a stipulation that the Appropriations Committee shall not be subjected to the ridicule and abuse sometimes heaped on our heads when we recommend reductions on the floor of the Senate.

Mr. BYRNES. Our spirits are all right, but our bodies are bruised and broken. [Laughter.] We have been run over so many times that that is our normal condition. We expect it, and we are seldom disappointed. As a Senator suggests, it is a "natural gait." We know, when we report reductions, what will happen to us. Therefore, we are not complaining. If we are to bring in a recommendation in September, or at the conclusion of any recess of Congress, and then the recommendation is to be disregarded, that is all right. I only should like to make sure that there is no way by which it could be added to.

Mr. McKELLAR and Mr. TYDINGS addressed the Chair.

The PRESIDENT pro tempore. Does the Senator from South Carolina yield; and if so, to whom?

Mr. BYRNES. I yield first to the Senator from Tennessee.

Mr. McKELLAR. Mr. President, I wish to suggest that if the amendment were adopted, and the matter were referred to a committee composed of three members of the Senate Appropriations Committee and three members of the House Appropriations Committee, as I believe the amendment provides, there would have to be hearings, and the executive department would be the only one to advise as to where appropriations could be cut, anyway. So it seems to me that to give the authority to the President to make the reductions would be better than submitting the matter to a committee, because the two subcommittees of the Appropriations Committees provided for by the amendment would undoubtedly have to go to the executive department and ascertain what they thought could be saved, and act upon that recommendation. Instead of going about it a roundabout way, the Committee on Appropriations having done its best in the matter already, why not adopt an amendment authorizing the President to make such reductions as he can?

Mr. BYRNES. The purpose stated by the Senator from Wyoming was to avoid the delegation of power to the President.

Mr. O'MAHONEY. Mr. President, will the Senator yield?

Mr. BYRNES. I will yield in a moment. I realize that there has been so much discussion on this question that I should not take much time on it, but, of course, the President has the power. Members of the Senate say the President will not exercise the power, but it must be said in behalf of the President that the figures show in three nonmilitary or nondefense bills we have added $450,000,000 to the amount asked for by the President.

What occurred was that the President last September, believing, as he did, that the Nation should spend more for national defense, added to the estimates in the case of all bills providing for national defense and reduced the estimates for bills providing for civil functions of the Government.

If we look back 4 months or 5 months or 6 months ago, we will remember that when the Budget was submitted there were two criticisms. One was that the President was unnecessarily alarmed about the Army and Navy appropriations and was proposing that they be increased to a figure higher than was justified. The other criticism was that the President, in adding to them because of his interest in increased appropriations for the national defense, had done it at the expense of the farmer and at the expense of those on relief, and it was intimated that the Congress would add to the agricultural bill and add to the relief bill, and deduct the amounts added from the estimates for national defense.

Mr. O'MAHONEY. Mr. President, will the Senator yield?

Mr. BYRNES. I will yield when I finish the statement. As chairman of the naval appropriations subcommittee, I knew that sentiment existed to such an extent in the Senate that I would not report and did not report the naval bill until there was considerable activity across the water and there was an invasion of Norway. Then, when the naval bill was reported, the Senate came to the same view the President had in December, and the naval bill was passed without a dissenting vote; but I then knew, as I know now, that so long as some of the best Members of the Senate with whom I have been associated talked about the war being a "phony" war and entertained the idea that the President had deliberately reduced the estimates for agriculture and relief, they were determined to cut appropriations for the Army and the Navy. We could not have passed the billion-dollar appropriation bill for the Navy 1 month before it was passed.

Mr. TYDINGS. Mr. President——

Mr. BYRNES. I yield.

Mr. TYDINGS. I am very much interested in the earlier observations of the Senator from South Carolina. He has stated more comprehensively and thoroughly and with more point what is likely to happen if the amendment proposed by the Senator from Wyoming shall be adopted. I do not feel that it would be worth the effort of the committee proposed to be set up unless the amendment offered by the Senator from Wyoming authorized the Appropriations Committee to

make the cut, and then there was a rule or a prohibition that the Senate must vote the recommendation either up or down. If it were allowed to be amended on the floor, it would be a futile and wasted effort. The only way this saving can be made, if the Senate wants it to be made, is to have the committees go over it and finally ascertain where the savings can be made, and then bring the report on the floor and either vote it up or vote it down. If we do not do that, the whole thing will go for naught.

Mr. O'MAHONEY and Mr. SHIPSTEAD addressed the chair.

Mr. BYRNES. I yield first to the Senator from Wyoming.

Mr. O'MAHONEY. I am very glad the Senator from South Carolina has made the observations which he has just concluded. I agree completely with what he has said with respect to the relation of the legislative branch to the executive branch with respect to these appropriations. The charge of waste has been made repeatedly against the President by persons who ought to know that the President from the beginning has been endeavoring to keep appropriations down. We have had numerous examples of exactly what the Senator has said, notably the passage of the W. P. A. bill by this body a few days ago. I suppose no appropriation measure acted on by the Congress is subjected to more criticism than that bill, including criticism by Members of Congress when they go out upon the political stump, but when the time comes to vote upon it the bill is passed without opposition. The relief bill was passed upon this floor within a week without a single vote having been cast against it; the appropriation bill for W. P. A. a year ago was passed in this body by unanimous vote, and there were only 23 votes cast against it in the House of Representatives.

So, Mr. President, to pass anything in this body which attempts to place the responsibility for cutting expenditures upon the Executive when the responsibility is ours seems to me to be utterly wrong. My position is that if we want to reduce expenditures, if we want to talk about the effectiveness of democracy, let us see that the legislative body in the democratic manner shall undertake the work.

Mr. SHIPSTEAD. Mr. President——

Mr. BYRNES. I yield to the Senator from Minnesota.

Mr. SHIPSTEAD. I should like to ask the Senator from South Carolina what he thinks of the practicability of making a straight cut of 10 percent in all items of appropriation except trust funds and those to cover fixed charges?

Mr. BYRNES. That is the proposal of the Senator from Virginia [Mr. BYRD] with one or two exceptions with relation to pensions, salaries, and other items. It can be done; there is no doubt about that. I think the language of the amendment of the Senator from Virginia would cover that, excepting, as it does, fixed charges and trust funds. Of course, I understand that after it was offered there was some agreement that it should not include salaries. The Senate and the House of Representatives can do it if they wish to reduce the salaries.

Mr. SHIPSTEAD. If it should be done it could be done by a committee.

Mr. HARRISON. Mr. President——

Mr. BYRNES. I wish to conclude my remarks by saying that I have no feeling about this matter at all. I simply wanted to make the statement I have about the action of the Appropriations Committee.

Mr. BARKLEY. Mr. President, will the Senator let me ask him a question?

Mr. BYRNES. Certainly.

Mr. BARKLEY. The approriation bills which have been enacted are now the law. Does the Senator believe that Congress by authorizing or attempting to authorize the Appropriations Committee of the two Houses to cut from the appropriations which are now the law can bring about a repeal of those appropriations to the extent that a committee might in the future decide to cut them without in any way having the two Houses pass upon the matter again? Suppose the Appropriations Committee decided to cut some item of appropriation from the Interior Department appropriation bill or the State Department appropriation bill or the appropriation bill for any other department, and the department said "Congress has appropriated this money; it is already the law and we will not recognize the act of the committee in telling us we cannot spend it."

Mr. BYRNES. I do not see any practical way by which it can be done except by the President exercising the power he has to withhold expenditures, which he can do and which he ought to do, and which I hope he will do as to many of the appropriations of this character.

Mr. CLARK of Missouri. Mr. President, as a Senator who in the Finance Committee was an ardent supporter of the amendment of the Senator from Virginia [Mr. BYRD], and who intended to support it on this floor, it seems to me, in view of the action of the Senate yesterday on the Barkley amendment and on the Tydings substitute, that the straightforward, efficient, and honest thing for the Senate to do is simply to vote down the amendment of the Senator from Virginia in any form, because, to my mind, the two votes yesterday on the Barkley amendment and the Tydings substitute were an affirmative declaration by the Senate of the United States that they did not intend to do anything efficient in the way of economy or in trying to piece out by economy the taxes which it is necessary to raise in this emergency.

Mr. President, I do not see how any other conclusion can be reached. To adopt the amendment in its present form, with the word "directed" stricken out, is simply to make a gesture, and a misleading and a dishonest gesture, to the American people, seeking to lead the American people into the view that Congress has done something in the direction of economy, when every Senator knows that is not true, because simply to authorize the President to effect economies is to authorize him to do something which he already has complete power to do. It does not confer any additional jurisdiction whatever upon the President of the United States. Therefore I say it can only have the effect of a misleading gesture to the country to the effect that Congress has taken some steps in the interest of economy, which as a matter of fact it has not taken.

Mr. McKELLAR. Mr. President——

Mr. CLARK of Missouri. I yield to the Senator from Tennessee.

Mr. McKELLAR. The Senator from Missouri is one of the ablest Senators we have.

Mr. CLARK of Missouri. I thank the Senator.

Mr. McKELLAR. And ordinarily I pay a great deal of attention to what he says; but the amendment as it is now written provides as follows:

> The President is hereby authorized—

The words "and directed" have been stricken out——

Mr. CLARK of Missouri. He already has the authority without the adoption of the amendment.

Mr. McKELLAR. I know; but—

> The President is hereby authorized to reduce appropriations for the executive branch of the Government for the fiscal year ending June 30, 1941 (except appropriations for national defense, fixed charges, and trust funds), in such manner that the total amount of such reductions shall not be less than 10 percent of the total amount of the appropriations affected. Such reductions in appropriations shall be impounded and returned to the Treasury.

This is not only a direct authorization but a direct request of the Congress to the President to make these reductions if it is possible. It is all before him.

These other appropriations are the law. The expenditure of many of the appropriations may have been already authorized, and, of course, they cannot be cut; but this amendment calls the President's attention to the matter, gives him the direct authority, and tells him what to do. I do not believe President Roosevelt or any other President of this Republic, when a law like that is passed, is going to fail to do his duty to the utmost. I believe the amendment—section 403, as amended—will bring about the highest possible reduction of expenditures that we shall get for the year 1941.

Mr. CLARK of Missouri. Mr. President, let me say that in the many years during which I have known and admired and loved the Senator from Tennessee I have never seen him give such an exhibition of credulity as the expression of the idea that this amendment, in its present form, is anything except a mere empty gesture, because the President already has authority to withhold appropriations if he wants to do so. To request him to do so, as the Senator from Tennessee terms it, is simply to "pass the buck" to the President.

If we pass a mandatory provision of law directing the President of the United States to effect this economy, and the President of the United States signs the law—and it cannot become law without his signature, because nobody has any idea of passing such a provision over his veto—if Congress passes such a mandatory provision and the President signs it, it then becomes the law of the land, and it becomes the President's duty to carry it out. It is not a question of the delegation of legislative authority. It is not a question of "buck passing." But for Congress simply to write a letter to the President and say, "Please, Mr. President, won't you look over the thing and exercise an authority that you already have?" is purely and simply an empty gesture in the interest of economy.

Now, let us come to the proposition of the Senator from Wyoming [Mr. O'MAHONEY].

Mr. SMITH. Mr. President——

Mr. CLARK of Missouri. I yield to the Senator from South Carolina.

Mr. SMITH. I have listened to this debate, and I should like to have someone who has the facts tell me what appropriations can be affected by the Byrd amendment.

Mr. CLARK of Missouri. The appropriations for the next fiscal year.

Mr. SMITH. I know; but what do they consist of? What is included in the effect of the Byrd amendment?

Mr. CLARK of Missouri. That question was discussed yesterday by the Senator from Virginia and other Senators at much greater length than I possibly could discuss it. I did desire to proceed very briefly to consider the proposition of the Senator from Wyoming. The Senator from Virginia, of course, will be very glad to explain precisely the effect of his amendment before it was emasculated by the amendment of the Senator from Kentucky.

Mr. SMITH. Very well. I want to get those facts, because they might persuade me to have something to say about this matter.

Mr. CONNALLY. Mr. President, will the Senator yield?

Mr. CLARK of Missouri. I yield to the Senator from Texas.

Mr. CONNALLY. The Senator referred to the amendment of the Senator from Kentucky as having emasculated some other amendment.

Mr. CLARK of Missouri. As having emasculated the amendment of the Senator from Virginia [Mr. BYRD], reported from the Finance Committee with only four dissenting votes.

Mr. CONNALLY. Is that the amendment which struck out the word "directed"?

Mr. CLARK of Missouri. Yes; that is the amendment.

Mr. CONNALLY. Let me ask the Senator a question. I voted for the Barkley amendment. The reason why I voted for it was because I regard it as beyond the proper power of Congress to direct the President to do anything.

Mr. CLARK of Missouri. Mr. President, if the Senator will permit me right at that point, of course it is a very common thing to find this expression even in drafts of legislation sent up from the executive departments and supported by the President himself. Nothing is more common than the expression, "The President is hereby authorized and directed"; and, as far as I know, the question of the authority of Congress to do that has never before been raised.

Mr. CONNALLY. I had always thought that each of the three branches of the Government had its own duties, defined under the Constitution; and in the exercise of the Executive function I do not regard it as within the province of the Congress to direct the President to do anything.

Mr. CLARK of Missouri. But, Mr. President, this is a legislative function. In addition to being the Executive, the President is also part of the legislative branch of the Government.

Mr. CONNALLY. We do not expect the President to come up here and perform the functions of the Congress.

Mr. CLARK of Missouri. He frequently has.

Mr. CONNALLY. Probably so; but if he should undertake to do so, according to my view, I would resist it. It is not the President's function to tell the courts how to decide cases, as I have heretofore indicated in certain instances. If we are to expect the Executive to respect our functions, it is our duty to respect his functions. What could we do about the matter if he did not do it? All we can do is to request him to do it. If the President did not do it, the Congress could do nothing about it.

Mr. CLARK of Missouri. If the Congress passes a law, and the President signs it, and it becomes a law of the United States, directing the President to do something, and he does not do it, it is like any other failure on the part of any individual officer to perform his sworn duty.

Mr. CONNALLY. If I were President of the United States, I would not sign any such bill.

Mr. CLARK of Missouri. That would be the privilege of the Senator if he were President of the United States, which the Senator might be and which I would be glad to see.

Mr. CONNALLY. I do not anticipate ever being President or Vice President. Fortunately, the little bug has not yet stung me that has deranged so many minds and so many ambitions.

Mr. CLARK of Missouri. I am sure no bug ever stung the Senator which could for a moment impair his majestic intellect or disturb his impressive dignity.

Mr. BYRD. Mr. President——

Mr. CLARK of Missouri. I yield to the Senator from Virginia.

Mr. BYRD. I call the attention of the Senator from Texas to the fact that frequently the word "shall" is used in connection with the President. We provide, in various acts of Congress, that the President shall do so and so.

Take the case of the Neutrality Act of 1939. It provides that whenever the President, or Congress by concurrent resolution, shall find a certain state of facts to exist, the President shall issue a proclamation naming the states involved. It provides that he shall from time to time, by proclamation, name other states as and when they become involved in war. The same language was used in the Reorganization Act.

"Shall" is just as effective as "direct." If there is any objection to the word "direct," as used in my amendment, I shall be very glad, indeed, to substitute the word "shall." It is frequently used.

Mr. CLARK of Missouri. Mr. President, I now desire briefly to advert to the substitute proposed by the Senator from Wyoming [Mr. O'MAHONEY]. That also seems to me to be an empty gesture.

It has been suggested here that the Appropriations Committee be instructed to report not later than the 1st of January 1941. Of course, we know that by the 1st of January 1941 half of the fiscal year will have passed; and also by the 1st of January 1941 appropriations for the next fiscal year will be coming over from the House for consideration, and to ask the Appropriations Committee to wait until the 1st of January 1941, and then come in here and report a system of economy, with the fiscal year already half passed, which in itself would be subject to amendment, is to ask the Appropriations Committee to do an absolutely futile thing.

Another suggestion was made that the Appropriations Committee be required to report not later than the 1st of September 1940. That suggestion might have some effect if we had any assurance that the leadership in the Congress will not be successful in its announced endeavor to adjourn the

Congress before the 1st of September 1940. In other words, the Appropriations Committee might go thrcugh the labor of preparing recommendations for economy, and be forced to report to Congress after the Congress had adjourned sine die.

It reminds me of an incident which took place in the Missouri Legislature when my father was the majority leader in the House of Representatives of Missouri. There used to be a Republican in the legislature in those days who rejoiced in the name of "Fire Alarm Fiannagan," who was always "viewing with alarm" some activity of the State government and always introducing resolutions to investigate those various activities. Finally, he introdueed a resolution to investigate the administration of the insane asylum over at Fulton. By that time my father was pretty tired of "Fire Alarm's" activities; so he took Flannagan's resolution and struck out all after the enacting clause, and appointed "Fire Alarm Flannagan" a committee of one to go over and investigate the insane asylum, pay his own expenses, and report back after the legislature adjourned sine die. [Laughter.] So I greatly fear that the substitute of the Senator from Wyoming would simply be another empty gesture to try to assure the country that Congress had done something in the interest of economy when, in fact, they had actually accomplished nothing.

Mr. O'MAHONEY. Mr. President——

Mr. CLARK of Missouri. I yield to the Senator from Wyoming.

Mr. O'MAHONEY. Mr. President, I am sure that the Congress of the United States does not act upon the Missouri precedent.

Mr. CLARK of Missouri. I am not so certain. I have seen some precedents here very closely equivalent to the action which took place in Missouri, and I greatly fear that that exact situation might exist if we adopted the substitute offered by the Senator from Wyoming, holding ourselves out to the country as having accomplished something for economy, and then the leadership succeeded in adjourning the Congress before the committee could report.

Mr. HARRISON. Mr. President, I hope we can get to a vote on the pending amendment, consideration of which has taken 2 days of the time of the Senate. If we can get this matter settled, perhaps we can conclude the consideration of the bill this afternoon. If not, I hope that we will remain in session tonight until we finish the consideration of the bill.

The PRESIDING OFFICER (Mr. MINTON in the chair). The question is on agreeing to the amendment offered by the Senator from Wyoming [Mr. O'MAHONEY] in the nature of a substitute for the committee amendment.

Mr. O'MAHONEY. Mr. President, I ask for the yeas and nays on the pending amendment.

Mr. BYRD. I ask that the amendment be stated.

The PRESIDING OFFICER. The amendment will be stated.

The LEGISLATIVE CLERK. In lieu of section 403, as amended, it is proposed to insert the following:

SEC. 403. The Committee on Appropriations of the Senate and House of Representatives are hereby directed to review the appropriation bills for the fiscal year ending June 30, 1941, and to report on or before September 1, 1940, such amendments thereto as will effect a total reduction of $500,000,000 in the civil expense of the Government without impairing efficiency: *Provided*, That no reduction of salaries of governmental employees or of fixed charges and trust funds shall be reported.

Mr. KING. Mr. President, may I ask the Senator a question?

Mr. O'MAHONEY. I yield.

Mr. KING. Upon the submission of the report, will it automatically be vitalized, and so effect a reduction of $500,000,000; or will it require affirmative action upon the part of the Executive or of the Congress?

Mr. O'MAHONEY. It would require action by the Congress.

Mr. KING. Obviously. Suppose Congress shall not be in session, then, and shall not be in session until the next fiscal or calendar year? When would any reduction recommended be effective if there should be a favorable report by the committee?

Mr. O'MAHONEY. I am assuming that Congress will be in session. Of course, if it were not in session, then Congress could not act upon the matter until the regular session in January or until a special session met.

Mr. KING. Mr. President, I have such a high regard for the Senator from Wyoming that any suggestion from him arrests my attention and usually commands my support. I am not certain as to the benefits which might be derived if his amendment were adopted. It is impossible to determine just what the effects will be if a number of suggested amendments are enacted into law. No one can foretell what amount of revenue will be derived from the bill if enacted into law, or what taxes should be imposed in order to meet the situation in which our country finds itself. Much as we may desire to be realistic and to frame revenue measures along prudent, just, and indeed scientific lines, we are beset with such uncertainty as to make it almost impossible to pursue that course. We cannot ignore the chaotic and dangerous conditions prevailing in the world today. We cannot determine, as I have indicated, the amount of revenue which must be collected, and the form of taxes which must be imposed, in order to meet the imperative demands of the Government. We are not an isolated unit; we may not frame our tax laws, based solely upon domestic needs, in a period when there is lacking a reasonable degree of sanity and peace in the world, and when our entire economy is profoundly disturbed.

When the world is on fire our legislation may not ignore the conflagration and be limited exclusively to domestic peacetime conditions. It is admitted by all that our revenues must be greatly increased, thus imposing an increasingly heavy burden upon the American people. Only a few years ago the expenditures of the Government did not exceed $1,000,000,000. For the fiscal year ending June 30 of this year our expenditures will, in my opinion, be in excess of $9,000,000,000. What they will be for the coming year it is impossible to determine. It is certain that with the demands for national preparedness there will be a very great increase in national expenditures.

It would be unrealistic to talk about balancing the Budget within the next 2 or 3 years; indeed, there are many students of our economy and our national trends, including world conditions, who foresee a long period of increasing expenditures which will result in greater deficits for an indefinite period. However, conditions such as those confronting our country today demand that reasonable efforts shall be made to preserve the financial strength and integrity of the Government. A peril to all governments is inflation. The national credit must be maintained, and to that end every possible step should be taken which would prevent inflation, or arouse apprehensions that the financial strength of the Government may be undermined. Senators are familiar with the dangers of inflation—the inevitable consequences that flow from a persistent and long-continued unbalanced Budget.

When world conditions interrupt or destroy international trade and commerce, the economic and industrial foundations of communities and nations are weakened and often destroyed. We may not, for the moment, experience the effect of commotions in other parts of the world, but sooner or later most serious repercussions will follow and the economic and business life of the people be materially affected. We must not permit emotionalism or hysteria or fears to affect our judgment or lead to the adoption of unsound measures of a domestic nature, or those which fall within the category of international relations. As I have stated, we are part of the world. We cannot live to ourselves alone as much as many might desire. We must not embark upon an uncharted sea in the matter of expenditures, nor in our international policies. We must have an objective and not be swerved by hysteria or fears from the path of safety and of honor. I recognize as all do that being a part of the world we owe something to the world and the world owes something to us.

Primarily our duty is to our families, to our communities, to our States, and to our Nation. In the midst of world convulsions there must be one nation which is unmoved by the tumultuous seas and the waves of international passion. This great Nation, many believe—and I am one who does so believe—was destined by a divine Providence to be a light and guide in days of international troubles; and when shadows, fears, and darkness develop we know that peoples in many lands have looked to this Republic as the symbol of liberty and justice and as a great lighthouse shedding its rays to guide distressed peoples over troubled and dangerous seas. The foundations of this great Republic must not be weakened.

In many parts of the world there are millions of people deprived of their homes, wandering, suffering, dying. Many governments lie in ruins and the heavy hand of despotic rulers and cruel systems is laid upon them. This Nation may have brought succor and help to millions of unhappy people; it may have extended the hand of mercy and ameliorated the sufferings of millions in many parts of the world. It may likewise, as I have indicated, inspire hope and give courage to the distressed in order that liberty and hope may not be forever destroyed.

Undoubtedly the enormous demands which are being made and which will be made upon the American people for national defense will, as I have stated, greatly increase the burden of taxation which they will be called upon to meet. During the World War the administration determined upon a policy which would, so far as possible, prevent inflation, and, accordingly, efforts were made as Dr. Benjamin M. Anderson, professor of economics of the University of California at Los Angeles, states in the Economic Bulletin of May 23, 1940—

To avoid recourse to commercial banks as a primary reliance for financing the Government.

As we know, taxes were heavily increased in order, so far as possible, to maintain a sound and stable fiscal policy and to maintain the Government's credit. It was recognized that dangers would result from enormous deficits without the application of a sound system of taxation. Revenues obtained from many sources which theretofore had not been tapped. It was believed that it was important to take as much of the current increase of the people, in taxes and loans, as were possible, and the result was "investors' money and taxpayers' money paid for most of the war. Commercial bank expansion paid a very minor part of it."

Congress was determined to guard the public credit, to prevent inflation, and at the same time to enact tax legislation which would give to the Government a large part of the expenses incurred in meeting its war obligations. At the beginning of the World War the national indebtedness was small, and every effort was made to enact those measures and adopt those policies that would keep Federal expenditures within reasonable bounds and prevent dangerous inflationary movements. In the interests of our Government and in the interest of our future development, it is imperative that we shall limit appropriations to the needs of the Government. In other words, that there shall be economy, even when we are faced with difficulties, not to say dangers, from external causes.

It is difficult to determine just where we should apply the pruning knife and limit appropriations. There might be a reduction in the salaries of Federal employees; a similar suggestion was made by President Roosevelt and adopted for a limited period. Obviously we could reduce many of the activities of the Government, but in so doing it might abridge needed and important enterprises, with resulting injury to thousands of persons engaged in public and private activities. When there is a reduction in salaries, it strikes most heavily upon individuals who are receiving compensation in what might be called the lower brackets. Disturbed economic conditions resulting from wars, and from other causes, usually disturb the price structure, causing increased prices of most, if not all, commodities. Certainly that is true if the fiscal and other policies result in inflation.

When limitations upon appropriations are sought, it must be remembered that those receiving small salaries and limited compensation are the ones who suffer most; so, when we speak about reducing salaries of the employees of the Government and employees in industry, it must not be forgotten that an increase in prices, together with inflation, results in still higher prices and mounting costs of commodities, subjecting to undue pressure those of small incomes. They are the ones who suffer most severely.

Mr. President, I wish it were possible to reduce Federal expenditures. I have often during the past few years criticized many appropriations and have insisted upon economy in all branches of the Government.

Mr. President, this situation, as I understand it, compels our Government to adopt a broad, sound, and realistic defense policy. Europe and Asia, and, indeed, nearly all parts of the world, present contests and confusion and dangerous forces which threaten the foundations of many governments. Ambitious men are seeking increased power, and democratic nations are being trodden underfoot. Communism and nazi-ism have cooperated in the destruction of governments. They have destroyed liberal and progressive nations. Communists seized the Russian Government and announced their purpose to impose their ideology upon all nations.

Within the past few days several small nations have been brought under the domination of Stalin, and in a number of European countries many of the people fear invasion at the hands of communistic Russia.

I might add there are Communists in the United States who are directed by Bolshevik Russia and their efforts will be made to weaken democratic institutions and to superimpose communistic philosophy upon the American people.

As I have indicated, there are Communists in the United States, and there are resistant elements and forces which seek to prevent the adoption of measures calculated to protect communities and the Government from the insidious efforts of destructive forces. Nazi-ism has demonstrated its strength, and, having destroyed a number of democratic nations in Europe, it has its emissaries in various parts of the Western Hemisphere. Only yesterday, because, in the opinion of many, efforts might be made by European totalitarian states to obtain footholds in Latin America, the Senate discussed the Monroe Doctrine and reaffirmed its determination to maintain that doctrine.

The danger signals in many parts of the world compel the American people to take cognizance of the disturbing forces regnant in many countries and to adopt measures for the protection of this Republic and the enforcement of the Monroe Doctrine. Perhaps we have been too indifferent to the ominous signs appearing on the world's horizon and have closed our eyes to the growing storm which in recent years has broken upon the world. Following the World War there was not only a hope but a belief that policies of peace would be adopted, that barriers among nations would be removed, and that there would be cooperation among the peoples of the world for the promotion not only of peace and fellowship but for the advancement of the material, moral, and spiritual interests of all.

It is apparent that too much was expected by the people, and as a result we find the world today divided, nations armed against nations, and fear and hatred directing and controlling the lives and conduct of hundreds of millions of people. Instead of peace, there is war. Instead of fellowship, there are feelings of hate and revenge. Indeed, it is thought by many that the condition of the world even in dark periods was not more pregnant with evil than the days in which we live.

These tragic conditions may not be ignored, and the obligation rests upon our Government to adopt those measures that will defend it from all enemies, foreign and domestic. That means that heavy burdens of taxation must be imposed upon the people and that larger revenues must be obtained; that many of the resources of our Government must be devoted to military preparations for the defense of our country; and that readjustments will be required—indeed, compelled—in many activities of our citizens.

Under these circumstances, and in view of the uncertainty of the effect of the amendment offered by the Senator from

Wyoming, I feel constrained, much as I should like to vote for legitimate reductions, to vote for the amendment. If reductions are to be made, Congress should make them and not devolve the responsibility upon the President. I am willing to vote for reductions if we can ascertain just where our dangers are and where reductions would be justified in the light of all conditions, including our industrial and economic situation.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Wyoming [Mr. O'MAHONEY], as modified, to the committee amendment.

Mr. O'MAHONEY. I ask for the yeas and nays, and I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Adams	Donahey	Lodge	Schwellenbach
Andrews	Downey	Lucas	Sheppard
Ashurst	Ellender	Lundeen	Shipstead
Austin	George	McCarran	Smathers
Bailey	Gerry	McKellar	Smith
Bankhead	Gillette	McNary	Taft
Barkley	Green	Maloney	Thomas, Idaho
Bilbo	Guffey	Mead	Thomas, Okla.
Bone	Gurney	Miller	Thomas, Utah
Bridges	Hale	Minton	Tobey
Brown	Harrison	Murray	Townsend
Bulow	Hatch	Neely	Truman
Burke	Hayden	Norris	Tydings
Byrd	Herring	Nye	Vandenberg
Byrnes	Hill	O'Mahoney	Van Nuys
Capper	Holman	Overton	Wagner
Caraway	Holt	Pepper	Walsh
Chandler	Hughes	Pittman	Wheeler
Chavez	Johnson, Calif.	Radcliffe	White
Clark, Idaho	Johnson, Colo.	Reed	Wiley
Clark, Mo.	King	Reynolds	
Connally	La Follette	Russell	
Danaher	Lee	Schwartz	

The PRESIDING OFFICER. Eighty-nine Senators have answered to their names. A quorum is present.

Mr. O'MAHONEY. Mr. President, I have asked for the yeas and nays.

Let me say that my amendment proposes that Congress shall undertake the responsibility of economy, and I trust that Senators will permit a yea-and-nay vote upon the amendment.

The PRESIDING OFFICER. The yeas and nays are demanded.

The yeas and nays were ordered, and the Chief Clerk proceeded to call the roll.

Mr. CHANDLER (when his name was called). I have a general pair with the Senator from Pennsylvania [Mr. DAVIS]. I am advised that he would vote as I intend to vote. I vote "yea."

Mr. SHIPSTEAD (when his name was called). I have a pair with the senior Senator from Virginia [Mr. GLASS]. I am informed that if he were present and voting he would vote as I shall vote. I vote "yea."

The roll call was concluded.

Mr. MINTON. The Senator from Virginia [Mr. GLASS] is unavoidably detained. I am advised that if present and voting he would vote "yea."

The Senator from Tennessee [Mr. STEWART] and the Senator from Illinois [Mr. SLATTERY] are necessarily absent. If present and voting, I am advised that they would vote "nay."

The Senator from Arizona [Mr. ASHURST] and the Senator from Wyoming [Mr. SCHWARTZ] are detained in committee meetings.

Mr. AUSTIN. The Senator from Pennsylvania [Mr. DAVIS] is detained on public business.

I announce the following pairs on this question:

The Senator from Oregon [Mr. HOLMAN], who would vote "yea," with the Senator from Tennessee [Mr. STEWART], who would vote "nay"; and

The Senator from Vermont [Mr. GIBSON], who would vote "yea," with the Senator from Illinois [Mr. SLATTERY], who would vote "nay."

The Senator from New Jersey [Mr. BARBOUR] is absent on official duties.

The Senator from North Dakota [Mr. FRAZIER] and the Senator from Vermont [Mr. GIBSON] are necessarily absent.

The Senator from Oregon [Mr. HOLMAN] is detained on official business.

The result was announced—yeas 39, nays 47, as follows:

YEAS—39

Adams	George	King	Tobey
Austin	Gerry	Lodge	Townsend
Bailey	Gillette	McNary	Tydings
Bone	Gurney	Nye	Vandenberg
Bridges	Hale	O'Mahoney	Van Nuys
Brown	Harrison	Radcliffe	Walsh
Byrd	Hatch	Shipstead	Wheeler
Capper	Holt	Smith	White
Chandler	Johnson, Calif.	Taft	Wiley
Donahey	Johnson, Colo.	Thomas, Idaho	

NAYS—47

Andrews	Danaher	Lundeen	Pittman
Bankhead	Downey	McCarran	Reed
Barkley	Ellender	McKellar	Reynolds
Bilbo	Green	Maloney	Russell
Bulow	Guffey	Mead	Schwellenbach
Burke	Hayden	Miller	Sheppard
Byrnes	Herring	Minton	Smathers
Caraway	Hill	Murray	Thomas, Okla.
Chavez	Hughes	Neely	Thomas, Utah
Clark, Idaho	La Follette	Norris	Truman
Clark, Mo.	Lee	Overton	Wagner
Connally	Lucas	Pepper	

NOT VOTING—10

Ashurst	Frazier	Holman	Slattery
Barbour	Gibson	Schwartz	Stewart
Davis	Glass		

So Mr. O'MAHONEY's amendment, as modified, in the nature of a substitute for the committee amendment, as amended, was rejected.

MAINTENANCE OF MONROE DOCTRINE—HOUSE JOINT RESOLUTION REFERRED

Mr. PITTMAN. Mr. President, I ask that the Chair lay before the Senate the joint resolution which has been messaged over from the House of Representatives.

The PRESIDING OFFICER laid before the Senate the joint resolution (H. J. Res. 556) approving nonrecognition of the transfer of any geographic region in the Western Hemisphere from one non-American power to another non-American power, and providing for consultation with other American republics in the event that such transfer should appear likely, which was read twice by its title.

Mr. PITTMAN. Mr. President, it appears that this joint resolution is quite similar to one passed by the Senate day before yesterday by unanimous vote and messaged to the House day before yesterday. Therefore, I move that the House joint resolution be referred to the Committee on Foreign Relations.

Mr. CONNALLY. Mr. President, does the Senator mean to tell the Senate that after the Senate had passed a joint resolution the House, instead of taking up the Senate joint resolution, passed its own joint resolution?

Mr. PITTMAN. That is what happened. Day before yesterday the Senate passed a similar joint resolution by unanimous vote, and it was sent immediately to the House the same afternoon. The House joint resolution was passed yesterday in the House and today messaged to the Senate. I am moving that it be referred to the Committee on Foreign Relations so that we may see what improvement is suggested in the House joint resolution.

Mr. McNARY. Mr. President, I should like to ask the able Senator from Nevada whether it is a similar or an exact resolution.

Mr. PITTMAN. It is not exactly like the other.

Mr. McNARY. If it were, action could be taken on the floor of the Senate without referring it to the committee.

Mr. PITTMAN. A practice has arisen in the other House which is not very agreeable to the Senate. It has occurred with reference to measures handled by all the committees of this body. Bills are passed here and sent to the House, and similar bills are passed in the House and sent to the Senate. It is a practice which is not proper.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Nevada that House Joint

Resolution 556 be referred to the Committee on Foreign Relations.

The motion was agreed to.

HOUSE BILL REFERRED

The bill (H. R. 10104) making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1940, and prior fiscal years, to provide supplemental appropriations for the fiscal years ending June 30, 1940, and June 30, 1941, and for other purposes, was read twice by its title and referred to the Committee on Appropriations.

REVENUE BILL OF 1940

The Senate resumed the consideration of the bill (H. R. 10039) to provide for the expenses of national preparedness by raising revenue and issuing bonds, to provide a method for paying for such bonds, and for other purposes.

Mr. TYDINGS. Mr. President, I offer an amendment in the nature of a substitute for section 403, to read as follows:

The President is hereby authorized and directed to reduce appropriations for the executive branch of the Government for the fiscal year beginning July 1, 1940 (except appropriations for national defense, fixed charges, and trust funds), in such manner that the total amount of such reductions shall not be less than 4 percent of the total amount of the appropriations affected. Such reductions in appropriations shall be impounded and returned to the Treasury.

Mr. President, although I have been over the subject two or three times, a good many Senators have been absent. For about 5 minutes I should like to have the attention of those who care to listen, to show why I believe this amendment is absolutely imperative.

For the past 10 years, from June 30, 1930, to date, the average yearly expenditures of the Government have been $7,300,000,000. The average yearly receipts of the Government have been $4,600,000,000. The average yearly deficit of the Government has been $2,700,000,000, for each year from June 30, 1930, to June 30, 1940. In order to show the deficits year by year, they are represented on this chart [indicating] and they average $2,700,000,000 a year.

Keeping in mind that the average annual deficit for the past 10 years has been $2,700,000,000, if Senators will look at these two charts they will see how much we have spent each year on the Army and Navy. This figure [indicating on chart] represents the total appropriations for the Army and Navy during the past 10 years. The expenditures for the Army and Navy combined average $1,100,000,000 a year. So, if we subtract what we have spent on the Army and Navy each year from our average yearly deficit, it will be seen that there is a $1,600,000,000 annual deficit for each year of the past 10 years without a penny going for national defense at all during that period.

The pending tax bill, if enacted, will raise, it is estimated, about a billion dollars a year. The amendment which has just been rejected would have saved $500,000,000 if it had been finally effective. But even in that event we would be $600,000,000 short of paying for our ordinary, routine, everyday expenses, including the revenues to be derived from the new tax bill, without a penny going for national defense. If we had had this new tax bill providing a billion dollars a year for each of the past 10 years, even with it, we would not have raised sufficient money to pay for the civil expenditures of the Government without a dollar going to the Army or the Navy.

As Senators will notice, in this column [indicating] are shown the revenues for the past 10 years. Senators will notice in this column [indicating] the expenditures for the civil and miscellaneous branches of the Government. The figures demonstrate that we have not raised sufficient money even to pay for these expenditures, including none for the Army, none for the Navy, no interest on the public debt and no expenditures for veterans, Indians, or postal deficiencies, but only the ordinary expenditures after taking out those for the Army, the Navy, the postal deficiencies, interest on the public debt, and for veterans and Indians.

Here [indicating] are the receipts and for 5 of the 10 years the revenues have not even been sufficient to pay for the expenditures merely for that little group of departments and bureaus that have nothing at all to do with the Army, the Navy, pensions, veterans, postal deficiencies, and interest on the public debt. Yet it was only the other day that we were talking about giving dictatorial powers to the President; it was only the other day that we amended the Monroe Doctrine; it was only the other day that we passed three or four billion dollars for national defense; it was only last night that the President of the United States said that some form of compulsory military training would be necessary; it was only the other day that Senators on this floor said we had to have fifty or a hundred thousand planes; it was only the other day that the Senator from Oklahoma asked for all aid possible to the Allies; and every day on this floor we are confronted with the fact that we are facing a serious emergency. What is the picture? It is suggested that we shall go home without even providing sufficient money to pay for the everyday routine expenses of the Government, let alone providing a cent for the Army or the Navy. Even with this tax bill enacted, we will be $600,000,000 a year short of providing enough money for the other departments to function, without a cent going to the Army and Navy. Yet we are in the middle of an emergency.

Mr. KING. Mr. President——

Mr. TYDINGS. I yield to the Senator from Utah.

Mr. KING. I apologize to the Senator for interrupting him.

Mr. TYDINGS. I am glad to have the interruption.

Mr. KING. I did not quite understand the statement of the Senator that we had amended the Monroe Doctrine. My understanding is that we did not amend it; we merely reaffirmed it.

Mr. TYDINGS. I think perhaps that is a more accurate presentation of the picture; but we reaffirmed it because we were in a national emergency.

Mr. ADAMS. Mr. President——

Mr. TYDINGS. I will yield to the Senator in a moment. What do you think, Mr. President, of a great democratic government, the largest in the world, the richest in the world, the one with the most abundant resources in the world, that in a great national emergency when war draws near, when aid is being extended within certain limits to some of the belligerent nations, when proposals to give the President dictatorial powers are promulgated, when it is said we must have fifty to a hundred thousand airplanes, when we are tripling the size of our fleet, or getting ready to triple it, cannot even raise enough money to pay for its ordinary routine expenses without a dollar going to the Army and Navy? Do you think that a party or an administration can go before the country if these facts are known and hope to be sustained? If it can be sustained in the face of these facts, in my judgment, all our efforts are futile, for democracy is gone. We are doing exactly what they did in England and France. They wait until an emergency strikes them flat in the face and then are unprepared to cope with it. That is what England and France did as to defense; that is what we did as to defense, only we had more time; and that is exactly what we are doing now as to financial defense. The people of this country are perfectly willing, in my judgment, to pay taxes sufficient, at least, to pay for the ordinary routine expenditures of the Government without a dollar going to the Army and Navy. I do not believe the people of this country expect that in this emergency there will not be some additional costs, and they are willing to assume those additional costs, if they are reasonable and equitable, and we cannot effect the savings here, as a measure securing for themselves additional safety and protection.

I now yield to the Senator from Colorado.

Mr. ADAMS. Comments which have been made and the discussion which has taken place during the debate would seem to indicate misapprehension concerning the attitude of a number of Senators on this question. I should like to vote for a positive, definite, legislative reduction in governmental expenditures. I am perfectly willing to vote for 4 percent, 5 percent, or 10 percent reduction. I am not happy, however, about the form of this amendment or those which

preceded it, which merely provided for a reduction up to a certain amount, leaving it not to Congress but to the Executive to bring about the reduction.

As I understand the Senator's amendment, there is no limit put as to the amount of reduction that might be imposed upon any particular appropriaton. What some of us are uneasy about is that the Executive, in all good faith, might not desire to economize in one place but would be quite willing to economize a hundred percent in some other place. Congress, having set aside these various appropriations, and having fixed the amounts, it is proposed to turn the duty over to the Executive and practically to give him a veto power on items in appropriation bills. I was wondering whether or not it would be possible to devise a practicable amendment which would absolutely indicate the items as to which Congress would require the cut to be made.

Mr. TYDINGS. The Senator's ground is well taken, and I share his reluctance with respect to economies, even in the way I have suggested, but I believe economies now are more important than mere forms, and, while I would prefer the form suggested by the Senator from Colorado, rather than have no economies at all, if this amendment is defeated I intend to take the amendment of the Senator from Wyoming and make it 5 percent and see if the Congress will authorize the Committee on Appropriations of both Houses to effect the saving of $250,000,000 in place of $500,000,000 which was just voted down.

Mr. ADAMS. It is somewhat more than a form; it is a matter of substance.

Mr. TYDINGS. Absolutely.

Mr. ADAMS. There might be a project in the State of South Carolina, or Wisconsin, or Louisiana, very much desired by the State and of great importance, but which, on the other hand, the President did not favor and for which he had not submitted a Budget estimate, and he might decide to take 100 percent off that project and make a saving there, and leave to the others the full amount appropriated.

Mr. OVERTON. Mr. President, will the Senator yield?

Mr. TYDINGS. I yield to the Senator from Louisiana.

Mr. OVERTON. In line with the suggestion made by the Senator from Colorado, the Senator from Maryland will recall that yesterday I proposed an amendment to what is known as the Byrd amendment, limiting the reduction on any particular appropriation item to 25 percent. The objection was made—and by reason of that objection, mainly, if not altogether, the amendment was defeated—that since the President was instructed to make a total reduction of 10 percent in the non-military items he might find it impossible to effectuate such a reduction if he were restricted to a reduction of not in excess of 25 percent on any one appropriation item. Now, however, the substitute amendment offered by the Senator from Maryland presents a different picture.

Mr. TYDINGS. I see what the Senator is driving at. I should be glad to have an alteration in my amendment along the lines the Senator suggests limiting the cut in any one department to not more than 25 percent; because now, with only a 5-percent reduction, that bottom would not be too stringent in order to fit it into the general scheme of economy; whereas before it might not have been possible to save $500,000,000, when the proposal was on a 10-percent-cut basis, if a 25-percent limitation of cut had been fixed in the original amendment of the Senator from Virginia. So if the Senator will go to the desk and put in those words, I shall be glad to accept them as a part of my original amendment.

Mr. OVERTON. Suppose I read them now into the RECORD. I have them before me.

Mr. TYDINGS. If the Senator will do that, I shall be glad to accept the modification.

Mr. OVERTON. In the amendment proposed by the Senator from Maryland, after the words "appropriations affected", at the conclusion of the first sentence, insert a colon and the following:

Provided, That in no case shall any appropriation item contained in any act appropriating money for the fiscal year ending June 30, 1941, be reduced by more than 25 percent.

Will the Senator from Maryland accept that modification?

Mr. TYDINGS. I accept it, because I think it would be perfectly possible to accomplish the desired result without going any further than 25 percent in any one department, and I know that that would be more in line with what I believe a great many Senators desire to bring about. I accept the modification.

Mr. President, there is no point in my talking here to a few Senators. There are only 19 who are in their seats. So we are in the midst of a great emergency. We are $600,000,000 short of providing for the ordinary, routine expenditures of the Government without a cent going for the Army or Navy, as the majority have said over and over again that they do not want any economy. When we have exhausted that road I have several amendments to raise additional taxes, and I imagine that the same ones who want no economy will likewise vote against increases in taxation which might have been avoided if we had effected economy in whole or in part.

So the truth is that here in a great emergency, with the world on fire, with war out on the horizon, we are told, with thousands of planes demanded, with the Navy to be built up bigger than ever, with universal military training in the offing, and suggested in modified form, our way of taking care of this great emergency, which many say may ultimately involve us in war, is not even to pay for the ordinary, everyday, routine civil expenditures of the Government, without a cent going for Army and Navy.

Mr. BROWN. Mr. President——

Mr. TYDINGS. How democracy can survive with that type of government I do not know. How it can hope to cope with the emergency I do not know. With the signposts of France and England on the roadway to tomorrow for all who wish to run to read, we are bound, even determined, to walk the same roadway that they have walked to avoid facing a little bit of hostile criticism, to avoid taking the hard but the safe road to security; and all of this in the name of democracy.

I now yield to the Senator from Michigan.

Mr. BROWN. Mr. President, I do not think the Senator ought to complain about the absence of several of the Senators, because in the preface of his remarks he stated that many of us had heard this speech several times.

Mr. TYDINGS. That is correct.

Mr. BROWN. So possibly those who are not here have left for that reason. I have been interested right along in what the Senator has had to say, however.

Mr. TYDINGS. The Senator has heard this speech several times, and I take off my hat to him for his patience and tolerance in remaining.

Mr. BROWN. I have sat here and voted with the Senator from Maryland; but, if he will permit it, I should like to call attention to this matter:

I assume that the Senator is going to support this tax bill and vote for it——

Mr. TYDINGS. That is my present intention.

Mr. BROWN. Because it is a step toward bringing the expenditures and the receipts of the Government closer together. I do not want the Senator to think this is the only tax bill we are going to have. I asked the Secretary of the Treasury during the hearings these questions, beginning on page 22:

Senator BROWN. You anticipated, when you submitted these recommendations to the committees of Congress, that there would be a further tax revision in January and February of the coming year, at the next session of Congress, did you not?

Secretary MORGENTHAU. I have every reason to believe so.

Senator BROWN. That there should be?

Secretary MORGENTHAU. Yes.

Senator BROWN. And any revision that we then make would, of course, be effective as to the income taxes that are payable March 15 and each quarter thereafter in 1941?

Secretary MORGENTHAU. Yes.

Senator BROWN. I take it, then, that the attitude of the administration is, as expressed by you, that you prefer the passage of this tax bill now, with plain notice to the country that in January and February we expect a further revision of the tax laws?

Secretary MORGENTHAU. Yes; and if somebody could give me that resolution that was passed in the House I would read it.

The CHAIRMAN. Here is the report of the committee, as I understand it.

"STUDIES OF EXCESS-PROFITS TAXES AND SPECIAL AMORTIZATION

"During the executive sessions, there have been discussed proposals to provide special amortization for national-defense industries and to provide for the imposition of excess-profits taxes. These two measures—each in itself requiring a complicated and exhaustive legislative project—must be considered together. It is the desire of this committee, which is favorably reporting a bill which will enable a larger proportion of our citizens to participate in the responsibility of providing an adequate national defense than has ever been the case before. Thus there shall not be an opportunity for the creation of new war millionaires nor further substantial enrichment of already wealthy persons because of the rearmament program. Accordingly we have instructed our technical assistants and the appropriate Treasury officials to accelerate their work in these two fields so that bills will be prepared for submission not later than the opening of the next session of Congress, which if passed by the Congress may become retroactive and apply to income earned during the calendar year of 1940, or may become effective upon any other date which Congress, in the light of information it then possesses, may deem advisable."

Senator BROWN. Is that the resolution you had in mind?

Secretary MORGENTHAU. That is the resolution I had in mind. That was the resolution that I was authorized by the President to say was not only acceptable, but pleasing to him, and he made the same statement, I understand, at his own press conference yesterday.

Senator BROWN. Well, I am in sympathy with the resolution and I think it is a good thing that it was said, but I don't think it should be interpreted to mean that either the Treasury Department or the House and Senate committees should confine themselves to those particular taxes, because there are many other avenues of revenue open that could be considered. For instance, as the members of the committee well know, I have long been interested in the question of taxing the income on State and municipal bonds and permitting the taxation of Federal bonds to the fullest extent, and cutting out all tax-exempt features. I think that should be considered.

Senator CLARK. In that connection, if the Senator will permit me, and it seems to me to be very applicable to this pronunciamento, to say that on the tax bill last year the Senator knows that I had prepared, and, as a matter of fact, was on the point of offering, an amendment to the tax bill on the very subject which the Senator from Michigan is now mentioning, and the representatives of the Ways and Means Committee came over and said, "Please don't do that this year; it will delay the consideration of this bill; it will delay adjournment; and the Ways and Means Committee is now preparing studies and will have a bill in before the end of this session."

That session ended and this session is about to end, and the bill has never come over, and it seems to me we cannot afford to postpone legislation on that promise of the Ways and Means Committee.

Senator BROWN. I joined in the effort to prevent the bond tax from being imposed in the last revenue bill, and I may say I will again join in that effort if I am reasonably well assured that that will be considered in a tax bill which will be submitted in January or February of next year, but I don't think we should confine ourselves to that tax but should consider other revenues also.

There are many other revenues. I have discussed a manufacturer's sales tax, and I understand that has been considered by the informal committee that presented this bill, and I think it should be included in any study. But my main point is this, I was much interested, as I said earlier, in the answer to the question asked by Senator CONNALLY, and I thought possibly, in view of what has been said, that your answer might be revised to some extent, and I submit that to you now.

Do you not think, Mr. Secretary, that the Treasury would be in a better position after having had the experience of the operation of this tax bill, particularly with respect to the excise part of it, to advise the Congress after 3 or 4 or 6 months as to the new taxes which should be considered in January and February?

Secretary MORGENTHAU. I don't think there is any question about that.

Senator BROWN. I take it, then, that the recommendation of the Treasury Department is that we pass this bill with an assurance to the country that the entire subject will be fully gone into by your experts between now and January, and that you will submit additional recommendations for taxes at that time?

To which the Secretary assented.

I fully agree with the Senator from Maryland that we shall have to tax much more than we propose to tax in this bill; but I think we ought to go about it carefully. I think we ought to give the Treasury an opportunity to make a full study between now and September or October, at which time we are assured by the Treasury Department that it will be in much better position than at present to submit recommendations for new taxes. The Secretary stated that he was speaking for the President and for the administration, but I want to leave with the Senator the thought that I do not think he ought to denounce this tax bill as he does, with the statement that we have brought in a tax bill that is inadequate. It is a step in the right direction. It is bringing the revenues and the expenditures of the Government a billion dollars closer together than they were before.

Mr. TYDINGS. I thank the Senator for what he says; and, of course, I never presupposed that this would be the last tax bill Congress would ever write. I am not dealing with the year 1941. I am dealing with the year 1940, and trying to call to the attention of Congress, the administration, and the country the fact that we have a big job to do, and we are not doing it. What the Senator has said applied in a military way, and I know he is in general accord with all the preparedness we can get; but let us transfer the financial preparedness for a minute to military preparedness, and while it is not a complete analysis the same thread of logic runs through it.

I remember that when the European war broke out between England and France on the one hand and Germany on the other, it was called a phony war. The winter went by, and when the springtime came I remember that General Ironsides for the British Government and General Gamelin for the French Government both said that the interim between September and spring had given them sufficient time to prepare, and that they were ready to meet the enemy. We know all about that now. That was only partial preparedness. It was not good preparedness. It was only a smattering. It was not thorough and efficient. When the Germans prepared, they thoroughly prepared their military and naval and air machine insofar as they could. The Allies thought that a little preparation would be sufficient, and today the contrast between those two types of preparation is written in the misery, and the blood, and the loss of territory, the loss of liberty, and the loss of treasure all over France and all over Great Britain.

I am one of those who do not want to say on this floor that I believe that either Mr. Hitler or Mr. Mussolini has any designs on the United States. They may have; I do not know. They may not have; I do not know. I certainly feel that our job here is to put this country in a state of complete and adequate defense, in case they have. If they have not, so much the better, but if they have, we should be ready to meet them.

One of the component parts of putting this country in an adequate state of defense is to build up our financial defenses. We have left them down for 10 long years. If this were a picture of something a year or two old, what the Senator from Michigan says would be more in point, but this has been the condition of the Treasury since June 30, 1930. Two billion seven hundred million dollars a year more has been spent than we took in, $1,100,000,000 a year as the cost of the Army and the Navy, leaving $1,600,000,000 a year needed in new revenue before any of the yearly cost of past, present, or future defense is paid for.

Now, let us see what that means in terms of human misery and suffering, welfare, if you please, humanitarianism. Only yesterday I attempted to point out that of the approximately $6,000,000,000 a year of present current revenue which the national Government receives it gets $2,500,000,000 from the corporations and the income-tax payers of the Nation. Two billion five hundred million dollars is all our Government gets from all the income-tax payers, rich and poor, and all the corporations, large and small.

Where do we get the other $3,500,000,000 a year? We get it from the great masses of the people, the poor people of the country. They are paying nearly 60 percent of all the money we obtain with which to run this Government, and

the wealthy, the powerful, and the big corporations, together, even when we take 80 percent of all they earn, produce only about $2,500,000,000 for the Government.

How much more can we get from the well-to-do and the corporate interests of the country to meet the deficit? I stated a few days ago that if we took every dollar from every person in the United States who had an income of $100,000 a year or more, we would have only $960,000,000, just about 10 percent of what we spent last year and are to spend the coming year. We are already taking the vast majority of all that $960,000,000 collected from the wealthy people, so that there is only a small residue left where we can extract more money from the people in that class without taking it all. We are getting the majority of the money in cigarette taxes, amusement taxes, gasoline taxes, tariff taxes, and hundreds of direct and indirect taxes from the poor people of the Nation.

What does a national debt do? A national debt makes it imperative to impose still more taxes at some time or other on those who can bear them least, the poorer people of the Nation, and when the ultimate day of that sort of taxation comes it reduces the salary of every moderate-salaried and poorly salaried person in the United States, because it takes more from what they earn and leaves them less with which to sustain themselves and their families.

Postponed taxation, deficits, and increasing debt are the surest road to reduced wages, diminished consuming power, and lowered standards of living.

What we are coming to is not the situation which I have described for the past 10 years, but we are coming to such a condition that that will look like a mild May morning compared with the prospect for the immediate future. We are not going to have deficits of $2,700,000,000 a year, as we have had for the past 10 years; we are going to have deficits of $4,000,000,000, $5,000,000,000, $8,000,000,000, $10,000,000,000, and perhaps $12,000,000,000 a year. We cannot have 50,000 or 100,000 airplanes, with all the pilots, with all the mechanics necessary, we cannot build up our Navy to twice or three times its present size, and even with new taxes, have deficits as small as those with which we have been confronted. We are approaching the time when such a condition will look almost like a balanced Budget, barring accidents.

The time to pay taxes and to get taxes is when the people are in the best condition to afford them. So far as I can see, the prospects are that there is not likely to be another year in which the people will be as well able to pay additional taxes as they are now, for after the war is over, regardless of who wins it, regardless of the fact that we may stay out of it, a terrific world-wide depression is certain to ensue. With famine and disease and pestilence sweeping Europe, perhaps Asia, and perhaps Africa, in my judgment we will appropriate hundreds of millions of dollars for food and medical supplies for persons out of our own country in the emergency. But our own people will be economically stricken as well, and we will not have the opportunity, in my judgment, to obtain new taxes as easily as we could get them today.

The trouble with democracy, wonderful as it is, is that it does not prepare in time for the inevitable. That is its curse. Liberty is its blessing. In order to keep its blessing, we must eliminate its curse, which is failure to appreciate coming events and set the machinery of government so as to cushion the impact of dire and unwelcome circumstances.

Mr. President, if the amendment should be defeated—and I trust it will not be—it is my purpose to offer later some amendments, which I have worked out with the joint committee on taxation of the Congress, providing new taxes. I certainly feel that, these amendments being well considered and projected by experts, Congress either should effect a saving on the one hand, or an increase in taxation on the other, or, as I see it, we will not have met an emergency which we should meet before Congress adjourns.

The PRESIDING OFFICER (Mr. HATCH in the chair). The question is on agreeing to the amendment offered by the Senator from Maryland, as modified, in the nature of a substitute for the amendment of the committee, as amended.

Mr. BARKLEY. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Adams	Donahey	Lucas	Schwellenbach
Andrews	Downey	McCarran	Sheppard
Austin	Ellender	McKellar	Shipstead
Bankhead	George	McNary	Smathers
Barkley	Gerry	Maloney	Smith
Bilbo	Gillette	Mead	Taft
Bridges	Green	Miller	Thomas, Okla.
Brown	Guffey	Minton	Thomas, Utah
Bulow	Gurney	Murray	Townsend
Burke	Hale	Neely	Truman
Byrd	Harrison	Norris	Tydings
Byrnes	Hatch	Nye	Vandenberg
Capper	Hayden	O'Mahoney	Van Nuys
Caraway	Herring	Overton	Wagner
Chandler	Holt	Pittman	Walsh
Chavez	Johnson, Colo.	Radcliffe	Wheeler
Clark, Idaho	King	Reed	White
Clark, Mo.	La Follette	Reynolds	Wiley
Connally	Lee	Russell	
Danaher	Lodge	Schwartz	

The PRESIDING OFFICER. Seventy-eight Senators have answered to their names. A quorum is present.

Mr. TYDINGS. I ask for the yeas and nays. I hope Senators will give me a vote on the amendment.

The yeas and nays were ordered, and the legislative clerk proceeded to call the roll.

Mr. CHANDLER (when his name was called). I have a general pair with the senior Senator from Pennsylvania [Mr. DAVIS]. I transfer that pair to the senior Senator from New York [Mr. WAGNER], who, I am advised, would vote "nay," and will vote. I vote "nay."

Mr. SHIPSTEAD (when his name was called). I have a general pair with the senior Senator from Virginia [Mr. GLASS]. I am informed that if present he would vote "yea." If at liberty to vote, I should vote "nay."

The roll call was concluded.

Mr. MCKELLAR. My colleague [Mr. STEWART] is unavoidably detained. He has a pair with the Senator from Oregon [Mr. HOLMAN]. I am advised that if present and voting he would vote "nay."

Mr. BANKHEAD. I announce that my colleague [Mr. HILL] is necessarily absent from the Senate on official business. If present, he would vote "nay."

Mr. MINTON. I announce that the Senator from Arizona [Mr. ASHURST], the Senator from North Carolina [Mr. BAILEY], the Senator from Washington [Mr. BONE], the Senator from Texas [Mr. CONNALLY], the Senator from Virginia [Mr. GLASS], the Senator from Minnesota [Mr. LUNDEEN], the Senator from Delaware [Mr. HUGHES], the Senator from West Virginia [Mr. NEELY], the Senator from Florida [Mr. PEPPER], the Senator from Nevada [Mr. PITTMAN], the Senator from Illinois [Mr. SLATTERY], and the Senator from New York [Mr. WAGNER] are necessarily detained.

Mr. AUSTIN. The Senator from Oregon [Mr. HOLMAN] is paired with the Senator from Tennessee [Mr. STEWART]. The Senator from Oregon would vote "yea" if present.

The Senator from Vermont [Mr. GIBSON] is paired with the Senator from Illinois [Mr. SLATTERY]. The Senator from Vermont would vote "yea" if present.

The Senator from Idaho [Mr. THOMAS] and the Senator from New Hampshire [Mr. TOBEY] are absent on official business. I am advised that if the Senator from New Hampshire were present he would vote "yea."

The Senator from Pennsylvania [Mr. DAVIS] is absent because of illness in his family.

The Senator from North Dakota [Mr. FRAZIER] is necessarily absent.

The Senator from New Jersey [Mr. BARBOUR] is absent on official duties.

The result was announced—yeas 32, nays 41, as follows:

YEAS—32

Adams	Danaher	Johnson, Colo.	Taft
Austin	George	Lodge	Townsend
Bridges	Gerry	McNary	Tydings
Brown	Gillette	Overton	Vandenberg
Burke	Gurney	Radcliffe	Van Nuys
Byrd	Hale	Reed	Walsh
Capper	Harrison	Smathers	White
Clark, Mo.	Holt	Smith	Wiley

NAYS—41

Andrews	Downey	McCarran	Russell
Bankhead	Ellender	McKellar	Schwartz
Barkley	Green	Maloney	Schwellenbach
Bilbo	Guffey	Mead	Sheppard
Bulow	Hatch	Miller	Thomas, Okla.
Byrnes	Hayden	Minton	Thomas, Utah
Caraway	Herring	Murray	Truman
Chandler	King	Norris	Wheeler
Chavez	La Follette	Nye	
Clark, Idaho	Lee	O'Mahoney	
Donahey	Lucas	Reynolds	

NOT VOTING—23

Ashurst	Frazier	Johnson, Calif.	Slattery
Bailey	Gibson	Lundeen	Stewart
Barbour	Glass	Neely	Thomas, Idaho
Bone	Hill	Pepper	Tobey
Connally	Holman	Pittman	Wagner
Davis	Hughes	Shipstead	

So, Mr. TYDINGS' amendment, as modified, in the nature of a substitute for the committee amendment, as amended, was rejected.

AMENDMENT OF SOIL CONSERVATION AND DOMESTIC ALLOTMENT ACT—CONFERENCE REPORT

Mr. BANKHEAD submitted the following report:

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 9594) to amend section 12 (b) of the Soil Conservation and Domestic Allotment Act, as amended, by authorizing the transfer of funds to cover advances for crop insurance, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendments of the Senate numbered 1, 2, 3, 4, 5, 6, and 8, and agree to the same.

That the House recede from its disagreement to the amendment of the Senate numbered 7 and agree to the same with an amendment as follows:

Strike out "to make grants of aid" in such amendment and insert in lieu thereof "to make advances"; and the Senate agree to the same.

That the House recede from its disagreement to the amendment of the Senate to the title of the bill.

J. H. BANKHEAD,
CARL A. HATCH,
ALEXANDER WILEY,
Managers on the part of the Senate.

MARVIN JONES,
H. P. FULMER,
WALL DOXEY,
CLIFFORD R. HOPE,
J. ROLAND KINZER,
Managers on the part of the House.

Mr. BANKHEAD. Mr. President, the Senate made certain amendments to the House bill. The House has agreed to the Senate amendments, with one verbal change. I move the adoption of the conference report.

The PRESIDING OFFICER. Is there objection to the present consideration of the conference report? The Chair hears none. The question is on agreeing to the report.

The report was agreed to.

REVENUE BILL OF 1940

The Senate resumed the consideration of the bill (H. R. 10039) to provide for the expenses of national preparedness by raising revenue and issuing bonds, to provide a method for paying for such bonds, and for other purposes.

Mr. DANAHER. Mr. President, I call up an amendment which has been lying on the table and ask that it be stated.

Mr. HARRISON. Mr. President, the committee amendment, as amended, is still pending. It ought to be disposed of before any other amendment is taken up.

The PRESIDING OFFICER. The question is on agreeing to the committee amendment on page 33, as amended.

Mr. BYRD. Mr. President, the amendment offered by the Senator from Kentucky [Mr. BARKLEY] yesterday completely nullified the purpose of the amendment proposed by the committee. The President now has all the authority the amendment would confer on him. He now has the authority to withhold appropriations, and therefore the amendment is a useless gesture. In the interest of sincerity and frankness I ask unanimous consent that section 403 be deleted from the bill.

Mr. HARRISON. Mr. President, I object. Let the Senate pass upon the committee amendment in the regular way.

The PRESIDING OFFICER. Objection is heard.

Mr. CLARK of Missouri. Mr. President, I ask for the yeas and nays.

Mr. BYRD. I ask that the committee amendment be voted down.

The yeas and nays were ordered.

Mr. CLARK of Missouri. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. CLARK of Missouri. As I understand, this vote is on the committee amendment known as the Byrd amendment as amended.

The PRESIDING OFFICER. The question is on agreeing to the committee amendment, as amended. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. CHANDLER (when his name was called). I have a pair with the senior Senator from Pennsylvania [Mr. DAVIS]. I do not know how he would vote. I therefore withhold my vote.

Mr. SHIPSTEAD (when his name was called). Making the same announcement as before, I am informed that the senior Senator from Virginia [Mr. GLASS], if he were present and voting, would vote as I shall vote. I vote "nay."

The roll call was concluded.

Mr. MINTON. I announce that the Senator from Arizona [Mr. ASHURST], the Senator from North Carolina [Mr. BAILEY], the Senator from Virginia [Mr. GLASS], the Senator from Delaware [Mr. HUGHES], the Senator from Utah [Mr. KING], the Senator from Minnesota [Mr. LUNDEEN], the Senator from Connecticut [Mr. MALONEY], the Senator from Florida [Mr. PEPPER], and the Senator from Illinois [Mr. SLATTERY] are necessarily detained.

Mr. McKELLAR. My colleague [Mr. STEWART] is unavoidably detained. He has a pair with the Senator from Oregon [Mr. HOLMAN].

Mr. AUSTIN. The Senator from New Jersey [Mr. BARBOUR] is absent on official duties.

The Senator from North Dakota [Mr. FRAZIER] is necessarily absent.

The Senator from Vermont [Mr. GIBSON] is paired with the Senator from Illinois [Mr. SLATTERY].

The Senator from Oregon [Mr. HOLMAN] is paired with the Senator from Tennessee [Mr. STEWART].

The Senator from Pennsylvania [Mr. DAVIS] is absent because of illness in his family, and the Senator from Idaho [Mr. THOMAS] and the Senator from New Hampshire [Mr. TOBEY] are absent on official business.

The result was announced—yeas 14, nays 63, as follows:

YEAS—14

Bridges	Gurney	Radcliffe	White
Brown	Hale	Reed	Wiley
Danaher	Harrison	Taft	
George	McKellar	Vandenberg	

NAYS—63

Adams	Connally	Lodge	Schwartz
Andrews	Donahey	Lucas	Schwellenbach
Austin	Downey	McCarran	Sheppard
Bankhead	Ellender	McNary	Shipstead
Barkley	Gerry	Mead	Smathers
Bilbo	Gillette	Miller	Smith
Bone	Green	Minton	Thomas, Okla.
Bulow	Guffey	Murray	Thomas, Utah
Burke	Hatch	Neely	Townsend
Byrd	Hayden	Norris	Truman
Byrnes	Herring	Nye	Tydings
Capper	Hill	O'Mahoney	Van Nuys
Caraway	Holt	Overton	Wagner
Chavez	Johnson, Colo.	Pittman	Walsh
Clark, Idaho	La Follette	Reynolds	Wheeler
Clark, Mo.	Lee	Russell	

NOT VOTING—19

Ashurst	Frazier	Johnson, Calif.	Slattery
Bailey	Gibson	King	Stewart
Barbour	Glass	Lundeen	Thomas, Idaho
Chandler	Holman	Maloney	Tobey
Davis	Hughes	Pepper	

So the committee amendment, as amended, was rejected.

Mr. DANAHER. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. DANAHER. Does that complete the committee amendments?

The PRESIDING OFFICER. That completes the committee amendments. The bill is still before the Senate and open to further amendment.

Mr. DANAHER. I thank the Chair.

Mr. President, I offer an amendment which has been lying on the table, and ask that it be stated.

The PRESIDING OFFICER. The amendment offered by the Senator from Connecticut will be stated.

The CHIEF CLERK. At the proper place in the bill it is proposed to insert the following:

Section 205 of an act entitled "An act relating to the taxation of the compensation of public officers and employees", approved April 12, 1939, is hereby amended by adding thereto a new paragraph to read as follows:

"(b) Compensation provided by the United States to be paid as income, whether directly or indirectly, to State employees engaged in the administration of the Social Security Act, approved August 14, 1935 (49 Stat. 620), shall not be subject to retroactive taxation for the years 1936, 1937, and 1938 and prior years."

Mr. DANAHER. Mr. President, when the Public Salary Taxing Act was passed in 1939, consequent upon a series of decisions enunciated by the Supreme Court in that year, steps were taken to relieve from retroactive taxation salaries paid to State employees which up to that time had been considered exempt from taxation. However, Mr. President, many employees of the States whose compensation is derived either in whole or in part from funds provided by the United States Government for the administration of the Social Security Act found, due to a ruling of the Commissioner of Internal Revenue, that they were not comprehended within the intent and purport of the statute which the Congress passed. The net result is that thousands of employees of the States throughout the country now engaged in the enforcement of the Unemployment Compensation Act, and others under the Social Security Act, are being asked to pay retroactively taxation on salaries earned by them in the years 1936, 1937, 1938, plus a penalty of 25 percent, plus interest at 6 percent.

Mr. President, those employees have no objection whatever to being included, as are any other employees from now on, in the liability for income-tax payments; but it certainly comes as a most undue hardship on those employees, whose salaries have been obligated throughout the years, to find at this late date that they are the victims of retroactive taxation.

Insofar as the language in our statute of last year failed to include that type of employee, I submit that we failed in so much of our intendment and so much of our purpose as to negate entirely the sense of fairness with which we should approach such a situation.

There is no reason in the world why one group of employees should be subjected to retroactive taxation and no other group be held liable for such an imposition. There is no reason, on the other hand, why for salaries earned in the year 1939 they should not be held, as are all other employees, for income tax in the year 1940. To that end they have filed their returns, are paying their taxes, and from now on will be held liable, as are all other employees, for such taxes.

Mr. O'MAHONEY. Mr. President, will the Senator yield for a question?

Mr. DANAHER. I yield.

Mr. O'MAHONEY. I ask the Senator what his construction is of the first phrase of the proposed addition to the act of April 12, 1939:

Compensation provided by the United States to be paid * * * to State employees.

Does the United States fix the amount of compensation paid to State employees and does the United States pay the compensation?

Mr. DANAHER. No; but let me say to the Senator that his question goes right to the very root of the problem, for, as the United States Treasury covers into the treasury of the State the appropriation allotted to the State for execution and administration of unemployment compensation and other similar phases of the Social Security Act within the State, there is no segregation of the amount, let me say to the Senator, for individual employees or for any number of them. Consequently such employees have always been considered to be State employees since, theoretically, they were being paid out of State funds which emanated from the State treasury and were paid to the specific employees as salary and compensation as such employees, but the reservoir, so to speak, upon which the State treasury drew was the United States Treasury, even though the funds were not earmarked for specific employees. Consequently in 1934 the Commissioner of Internal Revenue held that if the compensation of the State employee was paid wholly or in part, directly or indirectly, from Federal funds such part was taxable.

However, the General Counsel of the Treasury Department in 1937 issued a ruling to the effect, since those particular funds could not be earmarked, and could not be traced, that it could not be said that the individual employee actually got his money from the Federal Treasury.

Mr. O'MAHONEY. The point to which I should like to call the attention of the Senator is that under the language of his amendment it may be doubtful whether the State employees he desires to protect will receive any protection, because his amendment applies only to "compensation provided by the United States to be paid" to State employees. I think what the Senator's desire to provide for is the case of compensation paid as income to State employees from Federal appropriations.

Mr. DANAHER. I think that is a correct statement; but I also think that the language before us in lines 5 and 6 will cover it. If the Senator has any misapprehension on that point, I will most certainly and gladly welcome any assistance from his splendid legal mind to make certain that there shall be no liability by way of retroactive taxation against State employees.

Mr. O'MAHONEY. May I say that when the amendment before us refers specifically to "compensation provided by the United States to be paid," it means only such compensation as the United States, by some legislative or administrative act, requires to be paid, and I do not think that is the case with respect to the employees the Senator is trying to protect.

Mr. BARKLEY. Mr. President——

Mr. DANAHER. I will yield in a moment. Let me say to the Senator from Wyoming that because of the fact that the Commissioner had ruled that since the moneys hitherto were coming out of the State treasury, there was not any exemption now from retroactive taxation, I tried to make certain that the money that was provided by the United States to be paid as compensation, and hence as income, to the individual would be held tax-free, at least, so far as retroactive taxation is concerned, not otherwise. That is all I sought to do and hoped that I had done.

Mr. O'MAHONEY. It is very difficult, of course, upon the floor of the Senate to draft technical language; but, as I indicated a moment ago, I think the actual situation is that the Senator wants to reach salaries which are paid by the State out of funds appropriated by the Federal Government for the Social Security Act, and I am afraid his amendment does not say that.

Mr. DANAHER. I thank the Senator for his thought and his assistance, and I welcome his cooperation. I now yield to the Senator from Kentucky.

Mr. BARKLEY. Mr. President, I wish to inquire whether the Senator's amendment is sufficiently comprehensive? It only deals with employees of the States working under the Social Security Act. Are there not other State employees upon which the tax might be retroactive unless there is a more comprehensive provision?

Mr. DANAHER. Let me answer the Senator from Kentucky in this way by reading, first, section 205 of the act of April 12, 1939, an amendment to which I am now seeking. Section 205 reads:

Compensation shall not be considered as compensation within the meaning of sections 201, 202, and 203, to the extent that it is paid directly or indirectly by the United States or any agency or instrumentality thereof.

When we put that last year in what is known as the Public Salary Taxing Act, sections 201, 202, and 203, referred to the protection against retroactive taxation of State employees, and apparently at that time it was felt that that language was sufficiently broad to cover all other classes. In any case let me say to the Senator from Kentucky I know of no other class at the moment which is affected.

Mr. BROWN. Mr. President, will the Senator yield to me?

Mr. DANAHER. I gladly yield.

Mr. BROWN. I desire to say to the Senator from Kentucky that, as he may recall, I handled the Public Salary Tax Act in the Senate, and it was never our intention to exempt from retroactive taxation the class of employees to which the Senator from Connecticut is referring. It was not retroactive taxation then. Since 1934 the Treasury has ruled that this class of employees were taxable.

I am in opposition to the amendment proposed by the Senator from Connecticut; I do not think it should be adopted. Certainly, as the Senator from Kentucky intimated, if we are going to take this action with regard to social-security employees, we ought to do it as to all that class of employees; but I do not think we should exempt them at all. They should have paid the tax all these years.

Mr. BARKLEY. I was raising the question the Senator has raised, that if we are to do it for this class of employees, who are appointed by the State and paid in part by the State and in part by the Federal Government, and some of them altogether by money out of the Treasury of the United States, it should be done with respect to all other employees appointed by the State and paid either out of State or paid out of Federal money.

I am not advocating this amendment. I was simply inquiring whether it sets up a special class and exempts them, whereas others who are public officials in the States are not exempted.

Mr. BROWN. None of them should be exempted.

Mr. DANAHER. Let me point out to the Senator from Kentucky that the State employees in his own State and in my State were excepted from retroactive taxation after the decision in the case of Gregory against O'Keefe in 1939. They never were held answerable for income tax until the United States Government——

Mr. MILLER and Mr. GEORGE addressed the Chair.

Mr. DANAHER. I will yield in a moment when I complete this thought. The United States Government never attempted to levy a tax upon the income of such employees. Then, when by the act we passed we attempted to protect them against retroactive liability which had been asserted as the result of the Supreme Court's decision, we did give them that protection; we did not give protection to the class of employees engaged in administering the Social Security Act.

I now yield to the Senator from Arkansas, if the Senator from Georgia will pardon me.

Mr. MILLER. I agree with the Senator from Kentucky that this amendment is not sufficiently broad to reach all the classes which have been affected and which are required to pay this retroactive tax. If the Senator will pardon me, I will state the situation which exists in Arkansas.

The employees in the welfare department, in the social security and the other departments, although State employees, their salaries being paid in whole or in part by Federal funds, have paid a State income tax for those years on the theory that their salaries were paid from State funds. In fact, the attorney general of Arkansas answered an inquiry from one of the employees and advised him that, notwithstanding the funds were supplied by the Federal Government, when they went into the State treasury they lost their identity as Federal funds and became State funds, and therefore, under the State law, they were subject to a State income tax, but not subject to a Federal income tax. So, unless this amendment is adopted, those persons will be discriminated against to the extent of the Federal taxes that they are required to pay for 1936, 1937, and 1938, because they have paid a State income tax on the funds, thinking they were State funds.

Mr. DANAHER. Let me say to the Senator from Arkansas that under the present ruling they will also pay a Federal tax for the very same years.

Mr. MILLER. That is what I say. They will be discriminated against to that extent for those 3 years.

Mr. DANAHER. I thank the Senator from Arkansas.

Mr. MILLER. If the Senator will yield further——

Mr. DANAHER. Yes.

Mr. MILLER. I think the Senator's amendment does not go far enough, because it deals only with employees under the Social Security Act, whereas persons appointed in the same way are employed under the various other welfare acts. They are even employed under the W. P. A. and other agencies.

Mr. DANAHER. Let me say to the Senator from Arkansas that so long as we agree on the principle of this thing—that we should not tax retroactively the income of State employees—I am perfectly willing to include others, if there be other classes than those enumerated in the amendment I propose. My point was directed to this particular class for the reason that I knew that in Connecticut, my State, there are over 250 persons in the unemployment compensation division alone who are being seriously affected by the demands issued this month by the collector, requiring 3 years' back tax, 25-percent penalty, and 6-percent interest. I am perfectly willing that the amendment be broadened to include all those who properly should be included.

Mr. MILLER. Mr. President, will the Senator further yield?

Mr. DANAHER. I do.

Mr. MILLER. The Senator from Michigan was correct in his statement that the committee which handled that particular legislation—and I happened to be a member of the committee, of which the Senator was chairman—did not intend to relieve of taxes anybody who had not paid taxes; but the equity of the amendment offered by the Senator from Connecticut is that these employees have paid taxes under the State Income Tax Act that they would not have had to pay to the State, but would have had to pay to the Federal Government, if they were Federal funds, as has now been held.

Mr. DANAHER. That is the fact.

I now yield to the Senator from Georgia.

Mr. GEORGE. Mr. President, I desire to call attention to the fact that to the extent that the salary of the so-called State employee was paid out of Federal funds, the public salary act is wholly ineffective. The Federal Government has always had authority to tax and power to tax so much of the salary as was paid by the Federal Government, on the same theory that those in the legislative branch have paid income-taxes on their salaries. The Senator's amendment would relieve them of all taxes. It would relieve them of income-taxes assessed against that part of the salary paid by the State as well as that part of the salary paid by the Federal Government; and since 1935, at least, there should have been no doubt that the salary paid by the Federal Government was subject to the income tax.

Mr. DANAHER. Mr. President, let me say to the Senator from Georgia, because of his last reference, that I was seeking to reach that very point from the Senator from Wyoming, who had a question a few minutes since, as the Senator from Georgia may have noticed. I sought to reach it by saying, in line 5, that the compensation provided by the United States to be paid as income shall not be subject to retroactive taxation.

Mr. GEORGE. The Senator's amendment is limited, then, to that portion of the tax paid. I call the Senator's attention, however, to what has been suggested by other Senators—that there are many other so-called State employees who receive their compensation in whole or in part out of funds provided by the Federal Government. That is true even of the National Guard. It is true of the teachers of vocational education. It is true of many of the teachers in the land-grant colleges. It is true of the general welfare workers. It would hardly be fair to relieve one group—that

is, those who are administering the social security law—and leave the burden resting on the others.

Mr. DANAHER. Mr. President, as I said to the Senator from Arkansas, I certainly am not trying to limit this amendment to one narrow class. Quite the contrary; I am simply trying to achieve what seems to me to be the sheer equity of the situation, that nobody who properly should have received exemption, except for the Supreme Court decision of last January, should now be subjected to a retroactive tax.

Mr. TYDINGS. Mr. President——

Mr. DANAHER. I yield to the Senator from Maryland.

Mr. TYDINGS. I desire to say to the Senator from Connecticut that I have to go to a meeting of the Committee on Naval Affairs; and I should like to know if it would divert him if I should ask the chairman of the Finance Committee a question, which will take only about a minute?

Mr. DANAHER. Indeed not. I yield to the Senator.

Mr. TYDINGS. The Senator from Mississippi [Mr. HARRISON], the chairman of the Finance Committee, in charge of this bill, is anxious to get it through. I have pending several amendments which I should like to have voted on; but in view of what happened here this afternoon, I fear that it would probably only be a waste of effort. In the event those amendments are not offered on the floor this afternoon, I ask the Senator from Mississippi when he feels that the Committee on Finance or the Committee on Internal Revenue Taxation or the Committee on Ways and Means is likely to meet, so that the amendments could be considered in line with new taxes to be raised in addition to those included in the pending bill?

Mr. HARRISON. Mr. President, I do not know that I can give the Senator any definite information about the matter. It is presumed that if circumstances justify it or necessitate it, we may have to raise much more revenue by taxes. It has been a mooted question whether or not there would be an adjournment on Saturday night. At present it seems that there is likely to be a recess for several weeks. I do not know whether or not definite plans have been made in regard to the matter; but it seems to me that if the circumstances justify it—and events now tend in that direction—the Ways and Means Committee will begin the consideration of these questions, which are somewhat urgent.

Mr. TYDINGS. At this session?

Mr. HARRISON. Yes; at this session; because if we recess, the session will probably be a prolonged one. Anyway, I think at the first opportunity they will go into the subject. The Finance Committee, I am sure, will cooperate right along that line.

Mr. TYDINGS. Then I take it that it is the Senator's opinion that in the event the Congress does not adjourn next Saturday, but takes a recess instead, it is the present probability that the Committee on Ways and Means of the House will immediately start hearings and the consideration of additional taxes?

Mr. HARRISON. Yes; I think we are going to start right away. I hope so, because there are one or two questions that must be settled by Congress. No one wants to see any war millionaires made through the legislation we pass; and there may have to be an excess-profits tax, but it should be very carefully studied. All the experts should be at work on it; and I have been advised by the Treasury that it would be at least 2 months before a well-written excess-profits tax law could be framed, free of loopholes, and at the same time fair, and one that would bring in more revenue. So I think that is one of the propositions we shall have to start considering, because I want to bring it back to Congress and have it passed as quickly as possible.

Mr. TYDINGS. I thank the Senator for what he has said. Of course, when I first attempted to have adopted some amendments looking toward economy and additional taxation, they were predicated upon the thought that Congress would probably adjourn and go home, and that we would not have any new tax legislation until after January. Now it begins to appear that the probabilities are that the Ways and Means Committee of the House will immediately go into this tax question again without waiting for January, as soon as the pending tax bill is out of the way. While there is nothing definite about that situation, with the Senator's assurance of his position, and the probabilities as they are, I am inclined to let the matter stand as it is, believing that it would be futile anyway to try at this time to have amendments adopted to the bill, in view of the happenings of the last 4 or 5 days. I will take the amendments before the Ways and Means Committee and the Finance Committee, in the hope that if they meet immediately the amendments may be enacted and furnish some additional revenue.

Mr. HARRISON. I hope the Senator will take that course.

Mr. BYRD. Mr. President, will the Senator from Connecticut yield to me?

Mr. DANAHER. I yield.

Mr. BYRD. I am very much encouraged by what the Senator from Mississippi, the chairman of the Committee on Finance, has said—that some hearings will be begun on tax legislation—because I, for one, think the pending bill is totally inadequate to meet the emergency. Like the Senator from Maryland, I also have an amendment which I intend to offer to make the collection of taxes retroactive on incomes earned in 1939; but with the assurance from the Senator from Mississippi that early meetings of the Finance Committee will be held, I shall withhold the amendment.

I wish to impress upon the Senate and upon the Senator from Mississippi the urgency and the necessity of passing additional tax legislation at the earliest possible time.

Mr. HARRISON. A war-profits tax may be proposed. If we get into war, we must have a war-profits tax. Otherwise we must have an excess-profits tax applied to those who are dealing in things necessary for use in war. But such taxes must be studied very carefully, and I am very hopeful that the Ways and Means Committee, if they desire, will work with the Committee on Finance; otherwise we will work separately. The aides and experts of the Treasury Department are all working along that line now. I do not think there is any doubt that further taxes must be raised, as has been pointed out by different Senators, including the Senator from Virginia and the Senator from Maryland, and we are going to use a spyglass in order to try to find some additional sources of taxation——

Mr. BROWN. A microscope.

Mr. HARRISON. A microscope—with the least burden to the people. I hope the Senator will send to the committee his amendment to make the taxes retroactive. We had to turn it down after some study because we felt it would be better to tax incomes earned in the coming years rather than those earned in the years which have passed.

Mr. BYRD. Does the Senator think that within the next 30 days the consideration of a new tax measure will be begun?

Mr. HARRISON. Of course, that is up to the Ways and Means Committee, but I will say that if Congress is to remain here, if it is not to adjourn—and I do not thing there is any possibility of adjournment now—I shall use every influence I have, if I have any, to get the matter started immediately.

Mr. LA FOLLETTE. Mr. President, I should like to observe that I think the Senator used a very good expression when he said he would be looking through a spyglass. I think he will need one if he sights a tax bill before next spring.

Mr. HARRISON. I hope we may at least reach a very fair conclusion on the matter, and that we will have as little trouble as we have had during the consideration of the pending bill. I trust that Senators will continue their fine spirit of cooperation, and that before 6 o'clock this evening we may pass the bill.

Mr. O'MAHONEY. Mr. President——

The PRESIDING OFFICER (Mr. THOMAS of Oklahoma in the chair). Does the Senator from Connecticut yield to the Senator from Wyoming?

Mr. DANAHER. I yield.

TAXATION AND CAPITAL INVESTMENT

Mr. O'MAHONEY. I merely want to say another word apropos of the discussion which has just now taken place.

I could not help being impressed by the expression of the chairman of the Finance Committee and others that a microscope may be needed to discern profits and a spyglass to discover an effective tax bill. I am very much afraid that in the preparation of our tax bills we have given too little consideration to the fact that profits are the basis of all taxes and that there can be no revenue unless there first are earnings.

I hope that the Finance Committee here and the Ways and Means Committee in the House will give consideration to methods of taxation which will stimulate employment, because if we do not succeed in stimulating employment, we shall continue to be obliged to make deficit appropriation for made work under P. W. A., we shall have to continue to make deficit appropriations to provide parity payments for farmers and we shall find no release from accumulating national debt.

Mr. President, it must be clear to everyone that all taxation proceeds from the earnings of the people, and the earnings of the people are to be obtained only in productive enterprise. It seems to me the primary responsibility on those of us who are giving thought to taxation will be to stimulate productive enterprise and to stimulate employment, so that there will be some profits upon which taxes can be levied.

Therefore, Mr. President, it will be my purpose to appear before the committee at the proper time, if I can, and urge some form of incentive taxation, by which I mean rates and rewards that will encourage capital investment so that private industry may afford new opportunities for employment.

Mr. CLARK of Missouri. What kind of taxes do stimulate business? I have been interested in tax bills all my public life, and that is the kind of taxation about which I have never heard. I should like to be informed of a tax like that.

Mr. O'MAHONEY. The Senator was good enough, on the floor of the Senate only a few weeks ago, to indicate his approval of a suggestion which I made at that time in the form of a bill which was designed to reduce the burden of taxation on those whose expenditures had the effect of creating jobs. Of course, technically speaking, the Senator is quite right; taxes do not stimulate production or profits, but taxes do handicap production, and handicaps can be removed by a wise tax policy. Let me say to the Senator that what I mean is that we should so draft tax bills as to provide an incentive to those who have capital to invest, in order to induce them to do so. I believe that by extending rewards to those who employ workers we shall be able to use taxes for the purpose of stimulating profits and thereby increasing revenue.

Mr. CLARK of Missouri. Mr. President, if the Senator from Connecticut will yield further, if the Senator from Wyoming is referring to his bill taxing labor-saving machinery, I was inclined to be favorable to that, not on the ground that it would stimulate business but on the ground that it would supply means in an equitable way for handling the unemployment situation.

Mr. O'MAHONEY. The bill was not a tax on machinery. Let me make that clear. It contained a tax on earnings, to be sure, but its most important feature was a credit for the employment of people.

Mr. McNARY. I ask for the regular order.

The PRESIDING OFFICER. The regular order is demanded. The Senator from Connecticut has the floor.

Mr. DANAHER. Mr. President, let me remark to Senators that last winter, when this situation was first called to my attention, I took the matter up with the genial chairman of the Committee on Finance, the Senator from Mississippi [Mr. HARRISON], who cooperated with me to the fullest, and in turn took up the situation with the Commissioner of Internal Revenue. Our correspondence and memoranda on this subject were mutually made available, to the end that a study and canvass of the situation could be achieved.

It is true that I was interested particularly, as the language of my amendment indicates, in employees engaged in the administration of the Social Security Act. The discussion this afternoon has tended to indicate that there are other fields and other phases which should be covered by the language of the proposed amendment. During the interim while the colloquy between the Senator from Maryland and the Senator from Mississippi was proceeding, the Senator from Wisconsin [Mr. WILEY] advised me that he had submitted to various Senators language which he thinks adequate, and which they have agreed is designed to include all the elements and all employees who, in my opinion, should be included.

Mr. WILEY. Mr. President, will the Senator yield?

Mr. DANAHER. I yield.

Mr. WILEY. I wish to offer a substitute amendment at this time, which I send to the desk to be read. Commenting on it, I may state that at one time previously I offered this amendment, and the Senator from Mississippi [Mr. HARRISON] at that time stated that he would give sympathetic consideration to it. Now that the discussion has reached the point it has reached, when we all realize that much injustice would be done if the amendment were not agreed to, I ask that it be read and that the Senate give consideration to it.

The PRESIDING OFFICER. The clerk will state the amendment.

The LEGISLATIVE CLERK. It is proposed to insert at the proper place the following:

Section 205 of the Public Salary Tax Act of 1939 is amended to read as follows:

"SEC. 205. No amount of income tax (including interest, additions to tax, and additional amounts) shall be collected after April 12, 1939, for any taxable year beginning prior to January 1, 1939, to the extent attributable to compensation for personal services as an officer or employee of a State, or any political subdivision thereof, or any agency or instrumentality of any one or more of the foregoing. As used in this section the term 'compensation' means compensation paid directly or indirectly by the United States or any agency or instrumentality thereof."

Mr. WILEY. Mr. President, as has been stated, there are others outside the Social Security Administration who are interested. Every land-grant college is interested. There are also payments made by the Government to militia, or the National Guard, and there are a number of other payments which go to highway sections of the States. So it has been felt that the thing to do was to make it broad enough to cover all those cases, not simply the Social Security cases, as suggested by the Senator from Connecticut.

I submitted this amendment to the Senator from Georgia [Mr. GEORGE] a few moments ago, and the expert now sitting next to the Senator helped to draft it. As I understand, it meets the general situation 100 percent.

Mr. BROWN. Mr. President, the Senator from Mississippi [Mr. HARRISON] the chairman of the Finance Committee, has asked me to express my views in regard to this amendment. As I stated to the Senator from Kentucky a while ago the special committee, of which I was chairman, had charge of the Public Salary Tax Act. I think I may safely say that with the representatives of the Bureau of Internal Revenue, the Treasury Department, and the Attorney General's office and the Ways and Means Committee, we drafted the Public Salary Tax Act. At the time it was adopted it was understood that because of the cases to which the Senator from Connecticut [Mr. DANAHER] has referred—the O'Keefe and Gerhart cases particularly—there was a certain class of State employees who had legally always been subject to the Federal income tax. The Treasury as early as 1935 had issued a ruling that a certain class of State employees was subject to the income tax law. There is no question that the two cases brought about a situation in which legally a great many State employees—in fact all State employees—had for many years back been subject legally to the Federal income-tax law.

It was felt, therefore, by those of us who drafted the Public Salary Tax Act that all these State employees who had up to the time of these decisions assumed that they were not liable for a Federal income tax, should be relieved of that tax liability.

So we wrote into the statute a provision which exempted them from any retroactive taxation. It is somewhat of a misnomer to use the word "retroactive," because legally they had always been subject, under the Supreme Court decisions, to the income-tax law.

Mr. DANAHER. Mr. President, will the Senator yield?

Mr. BROWN. I yield.

Mr. DANAHER. Will the Senator state whether or not there was any levy under it?

Mr. BROWN. There was as to the particular class of employees to which the Senator's amendment refers. From 1935 on the Bureau of Internal Revenue had ruled that this very class of employees was subject to the Federal income-tax law.

Mr. DANAHER. Mr. President, was it not so that the ruling was limited solely to the amount of Federal funds that could be traced into the hands of any such employee?

Mr. BROWN. Yes; and that is all that we tax now. If the Senator will be patient, I will develop that thought.

Mr. DANAHER. I beg the Senator's pardon for making the interruption.

Mr. BROWN. So, Mr. President, that act exempted all State employees from any form of Federal taxation prior to January 1, 1939. But we also provided that the class of State employees who had heretofore paid a Federal income tax on that part of their income or salary which came from the Federal Government should continue to pay it. They did pay from 1935 on. I cannot say that there was no objection to it; but it was paid.

Now, as to the point the Senator from Connecticut raises. The only income tax that was levied prior to January 1, 1939, when the public-salary tax became effective, was as to that portion of the salary that was contributed by the Federal Government. The Senator from Connecticut has paid a tax on his Federal salary ever since he has been here. So has every other Senator, and so has every other Federal employee who received an income which was subject to taxation.

As I have said, the Bureau of Internal Revenue ruled in 1935 that all State employees who were receiving an income from the Federal Government should be required to pay an income tax on that portion of their income which was paid by the Federal Government. That is all we did under the Public Salary Tax Act.

The Senator from Connecticut now wants to go back and say to thousands of State employees who have paid that tax that they were in error in paying it. The Government told them in 1935 that they were liable for that tax. The great majority of them, I venture to say, have paid that tax. It would certainly be unfair to that large class of State employees now to say that they were in error in paying that tax, and exempt only those who have not paid it. Those who have paid cannot now get their money back because the statute of limitations has run against them, and the Senator's amendment does not relieve them.

So I leave the proposition here with the simple statement that all we ask these people to do is to pay their Federal income tax on their Federal salaries. We do not tax them a dollar upon their State salaries until the effective date of the Public Salary Tax Act, when they pay a tax similar to that paid by all other State employees.

Mr. President, we went into this matter carefully. We explained it fully to the Senate when the Public Salary Tax Act was considered, and I see no reason why we should change the rule.

I am authorized to say that I am expressing the views of the Bureau of Internal Revenue and of the Treasury Department in opposing this amendment. So I trust that we will make no change in the law.

Mr. DANAHER. Mr. President, in the case of Gregory against O'Keefe, decided last year, the Supreme Court held for the first time that all State employees were subject to income tax. The regulation to which the Senator refers not only was not conclusive; it was not acted upon.

These employees were never even levied against in any way. When they did not file returns they were not called upon to file returns. When the case of Gregory against O'Keefe was finally decided the levy was for the first time asserted, and on the face of that assertion we now have the demand issued by the Commissioner in November of last year that all these people shall pay taxes for the 3 years last preceding.

When section 205 of the Public Salary Tax Act was passed in 1939 it purported to make exceptions as to certain individual employees of the States of the classes referred to here. They have had no opportunity whatever to litigate whether they were or were not liable for the tax for the past 3 years. They are definitely foreclosed by virtue of the case of Gregory against O'Keefe, and consequently it is a rank injustice and a hardship on these people who after all these years are now being called upon to pay taxes and penalty and interest dating back to the tax year 1936.

Mr. President, the persons affected do not earn too much money anyhow, and at this late date to impose what in effect is a retroactive tax is a rank injustice and a hardship on them.

I am willing to accept the substitute offered by the Senator from Wisconsin.

The PRESIDING OFFICER. The question is on the amendment offered by the Senator from Wisconsin [Mr. WILEY] in the nature of a substitute for the amendment offered by the Senator from Connecticut [Mr. DANAHER].

Mr. WILEY. Mr. President, I wish to refer to a situation which will show Senators the equity of my amendment. Take for instance the payments which have been made to the land grant colleges by the Federal Government. The professors of those colleges paid the taxes mentioned by the Senator from Arkansas. They paid State income taxes on their income. After 1939 they are asked, because of the decision referred to—and that was not the idea of the statute we passed—they are asked to go back and do that which we did not do when we were mere citizens of the State and not employees of the Federal Government. They are asked to pay a tax for 3 years on that portion of their salaries coming from the Federal Government. It seems to me only equitable and fair that the legislation provided in the amendment be enacted.

Mr. LA FOLLETTE. Mr. President, I ask unanimous consent that I may have inserted in the RECORD at this point a letter which I received on the subject under discussion from the chairman of the Wisconsin Industrial Commission.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

INDUSTRIAL COMMISSION OF WISCONSIN,
Madison, Wis., March 16, 1940.

Hon. ROBERT M. LA FOLLETTE, Jr.,
United States Senator from Wisconsin,
Senate Office Building, Washington, D. C.

DEAR SENATOR LA FOLLETTE: May I thank you on behalf of several hundred State employees for the interest which you have manifested in the matter which I brought to your attention in my wire of March 13.

We at the time had considerable doubt as to whether the matter proposed was germane to the Hatch bill, but, at least, an opportunity presented itself for bringing the matter to the attention of the Senators.

Senator WILEY likewise advised us that the corrective legislation we had in mind was not germane to the Hatch bill, but he considered it possible, and in his wire he stated that he considered it possible to attach corrective legislation as a rider to House Joint Resolution 407, which seeks to extend the reciprocal trade agreement program. We, of course, are entirely unacquainted, and would in any event fail to suggest to our Senators the most appropriate procedure for effecting a legislative correction to the problem at hand. We have full confidence that complete cooperation will be manifested in working the matter out along the best lines.

It is the purpose of this letter to set out more fully for you the subject matter of our wire. These views, observations, and considerations may be of assistance. You may deem it advisable, however, to have a much more detailed study made and presented to you to assist in carrying through corrective legislation. We would, of course, be only too glad to go into the matter from any angle you might suggest, and draw up such data and briefs as you may indicate.

It is our thought that the following comments are pertinent, and may be helpful at this time:

1. Number of employees affected: Conservatively, there are several hundred State employees in Wisconsin whose interests are, in all probability, affected by the present Federal legislation allowing assessments for past years on their income earned in State service. We cannot at this time afford you an approximately exact number. However, an enumeration of the departments affected will show the wide application of the principle at stake. The Employment Service

and the Unemployment Compensation Department of the Industrial Commission have approximately 600 employees. While, of course, not all of these fall in salary brackets that would cause them to be affected by the present income-tax legislation, nevertheless there is a good proportion of this number who are affected.

The chairman of the highway commission estimates that there are approximately 200 individuals in the State highway department who may well have to pay back taxes through a considerable number of years. Many individuals on the instructional staff at the university in the schools of engineering and of agriculture are affected. The entire number of county agents and their staffs are concerned. The department of agriculture and markets have some cases involved. The department of public welfare, embodying the relief and assistance agencies, have a very considerable number of individuals affected. The employees of the department of vocational education have a stake in the matter. Employees in the department of public instruction and in the conservation department are affected.

2. Considerations relating to the equities of the situation: In all save a very few cases, such as university instructors and county agents, the State employees whose salaries are derived in whole or in part from Federal grants to the State have come from the classified civil-service lists. There is absolutely no difference in job-qualification standards and general nature of work done between employees whose salaries are traceable to Federal grants and employees whose salaries are not so traceable. State employees, regardless of whether or not their income is derived from Federal grants, not only are selected with reference to identical job-qualification standards and do the same type of work, the civil-service classification considered, but there is likewise no difference in the salary brackets; and promotions, pay increases, etc., are subject to identical considerations.

In a number of instances the State employees affected in the instant situation were already in State employment and performing the functons of their departments before the advent of Federal funds into the picture. As an example, the State of Wisconsin had an employment service and an unemployment-compensation department before the Wagner-Peyser funds and funds under title III of the Social Security Act were made available, respectively, to these two departments. The affected employees in these two departments had been selected with reference to personnel classifications set up before the coming of Federal funds. Their qualifications and salary classifications in no manner related to Federal specifications. At the time Federal funds were afforded the State there was no change in pay or salary classification of these individuals. It is quite obvious that if the Federal Government now goes back and taxes these employees, the fact that the Federal Government came in and furnished money to the State to pay the salaries of these employees means that these employees suffered what amounts to a salary waiver which is now to be made effective by one assessment for all these past years.

The employees in these departments have in very many instances been selected from classifications in the civil-service list from which many other State departments draw their personnel and hence are receiving the same rates of pay and are performing the same functions as are other State employees. Certainly, to go back now and tax this restricted group of individuals on a retroactive basis makes for discrimination and inequality between employees in this State doing the same type of work pursuant to State civil-service standards. The present attempt of the Federal Government to retroactively tax the salaries of the State employees here in question can only result in the greatest financial hardships to the individuals affected. As before stated, a highway commissioner asserted that there are approximately 200 resident engineers and inspectors whose salaries are traceable to Federal sources. He further stated that he is certain that a very large proportion of this group have a service period of 5 or 6 years or even longer, and that in some instances the affected employees have been with the department for as long as 15 years. The highway commissioner further stated that he is confident that none of the employees knew of the present situation and had never had the matter brought to their attention.

The comptroller of the university states that several individuals on the instructional staff in the colleges of engineering and agriculture are affected. He likewise states that there are approximately 70 county agents who are directly concerned in the outcome of this matter. Some of the agents have been in the service for 20 or 25 years, and it seems clear that even section 1211 of the 1926 Revenue Act would not serve to abate their liability, since the cited section did not abate liability with reference to certain classes of State employees whose salaries were derived from Federal sources. The comptroller states that this matter was never brought to the attention of the university until about 1936. Since that time names of many of the individuals affected have been furnished the Federal Government, pursuant to its request; but the comptroller is rather certain that the individuals concerned have done nothing to make up their arrears liability, which, in some instances, as pointed out, runs back a score of years.

At this time for the Federal Government to assert its taxing power in the manner proposed seems unfair and inequitable indeed. The whole transaction can be charged with grave financial consequences on the individuals affected.

3. Legal considerations: We have asked our counsel to prepare a short memorandum advising us very briefly of the status of State employees with reference to the Federal taxing power, as this status existed in the past, and, specifically, we asked to be informed as to whether State employees whose salaries have been derived from Federal grants have always been considered as subject to the Federal income-tax provisions.

It appears that your information, to the effect that State employees whose salaries have been derived from Federal grants, have always been considered subject to the Federal taxing power, is erroneous. As counsel's memorandum points out, prior to the Gearhardt and O'Keefe cases, 1938 and 1939, the basis for distinguishing between State employees who were liable to pay Federal income tax and those who were not liable, was the nature of the functions performed by the employees. If the services related to an essential function of government, the services and income derived therefrom were considered as exempt from the Federal taxing jurisdiction. If the services were associated with a nonessential governmental function, or government in its proprietary aspect, then the services and income derived therefrom were subject to the Federal taxing jurisdiction.

It is quite clear from the cases that it is this distinction between the "essential" and "nonessential" nature of services performed that controlled the matter of Federal jurisdiction prior to the above-cited cases. The source of the employees' salaries (that is, whether derived from Federal grant) had nothing to do with the matter. It is quite true that section 1211 of the 1926 Revenue Act abated the liability of certain employees, and failed to abate the liability of certain State employees whose salaries were derived from Federal grant. However, as the memorandum will show, this abating provision was concerned only with the liability of employees who were then thought to be within the taxing jurisdiction of the Federal Government; that is, employees performing nonessential governmental functions. The effect of section 1211 was to abate the liability of this group in all instances save those in which these employees performing nonessential governmental services had their salaries derived from Federal grants. The derivation of the salary from Federal sources had nothing to do in determining the liability of the group of employees affected by section 1211, and the application of the principle of derivation of salaries from Federal sources, as it is found in section 205 of the Public Salary Tax Act of 1939, has no relation whatsoever to the manner in which the principle is applied in the Revenue Act of 1926. This will be made clearer by the memorandum.

Allow us to again extend our sincere appreciation for the efforts which you are directing to correct a most inequitable situation. We offer our services, of course, for gathering any data and preparing any material which might be helpful, in your estimation.

Very truly yours,

INDUSTRIAL COMMISSION,
VOYTA WRABETZ, *Chairman*.

The PRESIDING OFFICER. The question is on the amendment of the Senator from Wisconsin [Mr. WILEY] in the nature of a substitute for the amendment of the Senator from Connecticut [Mr. DANAHER].

Mr. DANAHER. I ask for the yeas and nays.

The PRESIDING OFFICER. The yeas and nays have been requested. Is the request seconded?

The yeas and nays were not ordered.

Mr. McNARY. The rule requires that one-fifth of those present shall second the request in order that it may be granted. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Adams	Donahey	Lee	Schwartz
Ashurst	Downey	Lodge	Schwellenbach
Austin	Ellender	Lucas	Sheppard
Barkley	George	Lundeen	Smathers
Bilbo	Gerry	McCarran	Smith
Bone	Gillette	McKellar	Taft
Bridges	Green	McNary	Thomas, Idaho
Brown	Guffey	Maloney	Thomas, Okla.
Bulow	Gurney	Mead	Thomas, Utah
Burke	Hale	Miller	Townsend
Byrd	Harrison	Minton	Truman
Byrnes	Hayden	Murray	Tydings
Capper	Herring	Norris	Vandenberg
Caraway	Hill	Nye	Van Nuys
Chandler	Holt	O'Mahoney	Wagner
Chavez	Hughes	Pittman	Walsh
Clark, Idaho	Johnson, Calif.	Radcliffe	Wheeler
Clark, Mo.	Johnson, Colo.	Reed	White
Connally	King	Reynolds	Wiley
Danaher	La Follette	Russell	

The PRESIDING OFFICER. Seventy-nine Senators have answered to their names. A quorum is present.

The question is on agreement to the amendment offered by the Senator from Wisconsin [Mr. WILEY], in the nature of a substitute for the amendment offered by the Senator from Connecticut [Mr. DANAHER].

Mr. DANAHER. I ask for the yeas and nays.

The yeas and nays were ordered, and the legislative clerk proceeded to call the roll.

Mr. CHANDLER (when his name was called). I have a general pair with the Senator from Pennsylvania [Mr. DAVIS], who is unavoidably detained because of illness in his family. I am informed that if he were present he would vote as I shall vote. I vote "yea."

Mr. TYDINGS (when his name was called). Having been in the Committee on Naval Affairs during the discussion of this amendment, I ask unanimous consent to be excused from voting, because I do not sufficiently understand it.

The PRESIDING OFFICER. Without objection, the Senator is excused from voting.

The roll call was concluded.

Mr. MINTON. I announce that the Senator from Alabama [Mr. BANKHEAD], the Senator from West Virginia [Mr. NEELY], and the Senator from Florida [Mr. PEPPER] are detained in Government departments. I am advised that if present and voting, these Senators would vote "nay."

The Senator from Illinois [Mr. SLATTERY] is unavoidably detained. I am advised that if present and voting, he would vote "nay."

The Senator from North Carolina [Mr. BAILEY], the Senator from Virginia [Mr. GLASS], the Senator from Florida [Mr. ANDREWS], the Senator from New Mexico [Mr. HATCH], and the Senator from Louisiana [Mr. OVERTON] are necessarily absent.

Mr. McKELLAR. My colleague [Mr. STEWART] is necessarily absent. I am advised that if present and voting, he would vote "nay." He has a pair with the Senator from Oregon [Mr. HOLMAN].

Mr. AUSTIN. The Senator from Oregon [Mr. HOLMAN] is paired with the Senator from Tennessee [Mr. STEWART]. The Senator from Oregon would vote "yea" if present.

The Senator from Vermont [Mr. GIBSON] has a general pair with the Senator from Illinois [Mr. SLATTERY]. The Senator from Vermont would vote "yea" if present.

The Senator from Minnesota [Mr. SHIPSTEAD] has a general pair with the Senator from Virginia [Mr. GLASS].

The Senator from New Hampshire [Mr. TOBEY] is absent on official business.

The Senator from New Jersey [Mr. BARBOUR] is absent on official duties.

The Senator from North Dakota [Mr. FRAZIER] is necessarily absent.

The result was announced—yeas 34, nays 44, as follows:

YEAS—34

Austin	Gerry	McNary	Schwartz
Bridges	Gurney	Maloney	Taft
Burke	Hale	Miller	Thomas, Idaho
Capper	Hughes	Minton	Townsend
Caraway	Johnson, Calif.	Norris	Wagner
Chandler	La Follette	Nye	White
Clark, Idaho	Lodge	O'Mahoney	Wiley
Danaher	Lundeen	Radcliffe	
Downey	McCarran	Reed	

NAYS—44

Adams	Connally	Holt	Schwellenbach
Ashurst	Donahey	Johnson, Colo.	Sheppard
Barkley	Ellender	King	Smathers
Bilbo	George	Lee	Smith
Bone	Gillette	Lucas	Thomas, Okla.
Brown	Green	McKellar	Thomas, Utah
Bulow	Guffey	Mead	Truman
Byrd	Harrison	Murray	Vandenberg
Byrnes	Hayden	Pittman	Van Nuys
Chavez	Herring	Reynolds	Walsh
Clark, Mo.	Hill	Russell	Wheeler

NOT VOTING—18

Andrews	Frazier	Neely	Stewart
Bailey	Gibson	Overton	Tobey
Bankhead	Glass	Pepper	Tydings
Barbour	Hatch	Shipstead	
Davis	Holman	Slattery	

So Mr. WILEY'S amendment in the nature of a substitute for Mr. DANAHER'S amendment was rejected.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Megill, one of its clerks, announced that the House having proceeded to reconsider the bill (H. R. 9381) to provide for the alteration of certain bridges over navigable waters of the United States, for the apportionment of the cost of such alterations between the United States and the owners of such bridges, and for other purposes, returned by the President of the United States, with his objections, to the House of Representatives, in which it originated, it was—

Resolved, That the said bill pass, two-thirds of the House of Representatives agreeing to pass the same.

REVENUE BILL OF 1940

The Senate resumed the consideration of the bill (H. R. 10039) to provide for the expenses of national preparedness by raising revenue and issuing bonds, to provide a method for paying for such bonds, and for other purposes.

Mr. LA FOLLETTE. I offer the amendment which I send to the desk.

The PRESIDING OFFICER. The amendment will be stated.

The CHIEF CLERK. At the end of the bill it is proposed to insert the following new title:

TITLE IV

SECTION 401. Chapter 2 of the Internal Revenue Code is amended by adding at the end thereof the following new subchapter:

"SUBCHAPTER E—EXCESS-PROFITS TAX BASED ON INVESTED CAPITAL

"SEC. 750. Imposition of tax.

"In addition to all other taxes there shall be levied, collected, and paid for each taxable year beginning after December 31, 1939, upon the income of every corporation a tax equal to the following percentages of the net income:

"First Bracket

"Twenty percent of the amount of the net income for the taxable year in excess of the excess-profits credit (determined under section 751) and not in excess of 20 percent of the invested capital.

"Second Bracket

"Forty percent of the amount of the net income for the taxable year in excess of 20 percent of the invested capital.

"In any case where the full amount of the excess-profits credit is not allowed under the first bracket, by reason of the fact that such credit is in excess of 20 percent of the invested capital, the part not so allowed shall be deducted from the amount in the second bracket.

"SEC. 751. Excess-profits credit.

"(a) The excess-profits credit shall consist in the case of a domestic corporation of a specific exemption of $3,000 plus an amount equal to 8 percent of the invested capital for the taxable year. A foreign corporation or a corporation entitled to the benefit of section 251 or a corporation organized under the China Trade Act, 1922, shall be entitled to an excess-profits credit of 8 percent of the invested capital.

"(b) In the case of a return made for a fractional part of a year, the specific exemption of $3,000 shall be reduced to an amount which bears the same ratio to such specific exemption as the number of months in the period for which return is made bears to 12 months.

"(c) In any case where a tax is assessed upon the basis of a consolidated return only one specific exemption of $3,000 shall be allowed.

"SEC. 752. Exempt corporations.

"(a) Corporations enumerated in section 101 shall to the extent they are exempt from the income tax under chapter I be exempt from taxation under this subchapter;

"(b) Personal service corporations as defined in section 200 (5) of the Revenue Act of 1921;

"(c) Personal holding companies as defined in subchapter A of chapter II; and

"(d) Foreign personal holding companies as defined in supplement P of chapter I.

"SEC. 753. Net income.

"For the purpose of the tax imposed by section 750, the net income shall be the same as the net income for income-tax purposes in chapter I, with the following adjustments:

"(a) Additional deductions: (1) Dividends.—There shall be allowed as a deduction the amount received as dividends from a domestic corporation which is subject to taxation under chapter I. The deduction allowed by this subsection shall not be allowed in respect of dividends received from a corporation organized under the China Trade Act of 1922, or from a corporation which under section 251 is taxable only on its gross income from sources within the United States by reason of its receiving a large percentage of its gross income from sources within a possession of the United States.

"(2) Loss in inventory: (A) At the time of filing return for the first taxable year under this subchapter a taxpayer may, notwithstanding any other provision of law, file a claim in abatement based on the fact that he has sustained a substantial loss (whether or not

actually realized by sale or other disposition) resulting from any material reduction (not due to temporary fluctuation) of the value of the inventory for such taxable year, or from the actual payment after the close of such taxable year of rebates in pursuance of contracts entered into during such year upon sales made during such year. In such case payment of the amount of the tax covered by such claim shall not be required until the claim is decided, but the taxpayer shall accompany his claim with a bond in double the amount of the tax covered by the claim, with sureties satisfactory to the Commissioner, conditioned for the payment of any part of such tax found to be due, with interest. If any part of such claim is disallowed, then the remainder of the tax due shall on notice and demand by the collector be paid by the taxpayer with interest at the rate of 6 percent per annum from the time the tax would have been due had no such claim been filed. If it is shown to the satisfaction of the Commissioner that such substantial loss has been sustained, then in computing the tax imposed by this subchapter the amount of such loss shall be deducted from the net income.

"(B) If no such claim is filed, but it is shown to the satisfaction of the Commissioner that during the period of 1 year after the date upon which the first return under this subchapter is due the taxpayer has sustained a substantial loss of the character above described then the amount of such loss shall be deducted from the net income for the first taxable year under this subchapter and the tax imposed by this subchapter for such year shall be redetermined accordingly. Any amount found to be due to the taxpayer upon the basis of such redetermination shall be credited or refunded to the taxpayer in accordance with the provisions of section 322.

"(3) Amortization: (A) In the case of buildings, machinery, equipment, or other depreciable facilities, contracted for and constructed, erected, installed, or acquired on or after January 1, 1940, for the production of articles essential to the prosecution of a war, and in the case of vessels contracted for and constructed or acquired on or after such date for the transportation of articles or men essential to the prosecution of a war, there shall be allowed, for any taxable year ending after December 31, 1939, a reasonable deduction for the amortization of such part of the cost of such facilities or vessels as has been borne by the taxpayer (not in excess of the adjusted basis under section 113), but not again including any amount otherwise allowed under chapter I, or previous acts of Congress as a deduction in computing net income. The allowance under this subsection shall be inclusive of all depreciation during the amortization period on property subject to amortization: *Provided,* That amortization shall not be allowed under this paragraph unless the construction, erection, installation, or acquirement of the facility or vessel shall have been authorized by the President, through such agency as he shall designate, and determined by such agency to be for the production of articles essential to the prosecution of a war, or, in the case of vessels, for the transportation of articles or men essential to the prosecution of a war: *Provided further,* That in the case of vessels, buildings, machinery, equipment, or other facilities contracted for, or constructed, erected, or installed prior to January 1, 1940, but acquired by the taxpayer subsequent to such date, whether by purchase, exchange, gift, transfer, or in any other manner, no amortization shall be allowed under this paragraph: *Provided further,* That after the President shall proclaim that the need for such emergency production and transportation no longer exists this paragraph shall cease to be effective and the Commissioner may reexamine the returns made under this subchapter, and if he then finds that the deduction originally allowed was incorrect, the tax for the year or years affected shall be redetermined. The amount of the deduction under this subsection shall be allowed only with respect to such facilities or vessels which have become obsolete, or ceased to be required, or have been sold, prior to 1 year after the date of such proclamation. The amount of any deficiency in tax determined to be due may be assessed and collected at any time, subject to the provisions of chapter I, without regard to the provisions of section 275. The amount of tax overpaid, if any, shall be credited or refunded to the taxpayer in accordance with the provisions of section 322.

"(B) Tentative allowance: For the purpose of returns under this subchapter, the tentative estimate of the amount of such amortization for any year shall not exceed 12½ percent of the cost of such part of the facilities or vessels as has been borne by the taxpayer: *Provided,* That when the aggregate tentative allowances equal 50 percent of the cost of the facilities or vessels no further tentative allowances shall be made.

"(b) Consolidated net income: Subject to the foregoing provisions of this section and to the elimination of intercompany transactions (whether or not resulting in any profit or loss to the separate corporations), the consolidated net income shall be the combined net income of the several corporations consolidated.

"(c) Taxes: There shall be allowed as a deduction Federal income taxes paid or accrued during the taxable year.

"SEC. 754. Consolidated returns.

"(a) Requirement to file consolidated returns: Corporations which are affiliated within the meaning of this section shall, under regulations to be prescribed by the Commissioner with the approval of the Secretary, make a consolidated return of net income and invested capital for the purposes of this subchapter, and the taxes hereunder shall be computed and determined upon the basis of this return.

"(b) Regulations: The Commissioner, with the approval of the Secretary, shall prescribe such regulations as he may deem necessary in order that the tax liability of any affiliated group of corporations making a consolidated return and of each corporation in the group, both during and after the period of affiliation, may be determined, computed, assessed, collected, and adjusted in such manner as clearly to reflect the income and to prevent avoidance of tax liability.

"(c) Computation and payment of tax: In any case in which a consolidated return is made the tax shall be determined, computed, assessed, collected, and adjusted in accordance with the regulations under subsection (b) (or, in case such regulations are not prescribed prior to the making of the return, then the regulations prescribed under section 141 (b) of the Revenue Act of 1932 insofar as not inconsistent with this act) prescribed prior to the date on which such return is made.

"(d) Definition of 'affiliated group': As used in this section an 'affiliated group' means one or more chains of corporations connected through stock ownership with a common parent corporation if—

"(1) at least 95 percent of the stock of each of the corporations (except the common parent corporation) is owned directly by one or more of the other corporations; and

"(2) the common parent corporation owns directly at least 95 percent of the stock of at least one of the other corporations.

As used in this subsection the term 'stock' does not include nonvoting stock which is limited and preferred as to dividends.

"(e) Exception: A consolidated return shall be made only for the domestic corporations within the affiliated group. An insurance company subject to the tax imposed by section 201 or 204, or a personal holding company subject to the tax imposed by subchapter A of chapter II, shall not be included in the same consolidated return with a corporation subject to the tax imposed by section 13 or 14, and an insurance company subject to the tax imposed by section 201 shall not be included in the same consolidated return with an insurance company subject to the tax imposed by section 204.

"(f) China Trade Act corporations: A corporation organized under the China Trade Act, 1922, shall not be deemed to be affiliated with any other corporation within the meaning of this section.

"(g) Corporations deriving income from possessions of United States: For the purposes of this section a corporation entitled to the benefits of section 251, by reason of receiving a large percentage of its income from possessions of the United States, shall be treated as a foreign corporation.

"(h) Subsidiary formed to comply with foreign law: In the case of a domestic corporation owning or controlling, directly or indirectly, 100 percent of the capital stock (exclusive of directors' qualifying shares) of a corporation organized under the laws of a contiguous foreign country and maintained solely for the purpose of complying with the laws of such country as to title and operation of property, such foreign corporation may, at the option of the domestic corporation, be treated for the purpose of this title as a domestic corporation.

"(i) Suspension of running of statute of limitations: If a notice under section 272 (a) in respect of a deficiency for any taxable year is mailed to a corporation, the suspension of the running of the statute of limitations, provided in section 277, shall apply in the case of corporations with which such corporation made a consolidated return for such taxable year.

"SEC. 755. Invested capital.

"(a) As used in this subchapter—

"The term 'intangible property' means patents, copyrights, secret processes and formulae, goodwill, trade-marks, trade-brands, franchises, and other like property;

"The term 'tangible property' means stocks, bonds, notes, and other evidences of indebtedness, bills and accounts receivable, leaseholds, and other property other than intangible property;

"The term 'borrowed capital' means money or other property borrowed, whether represented by bonds, notes, open accounts, or otherwise;

"The term 'inadmissible assets' means stocks, bonds, and other obligations (other than obligations of the United States), the dividends or interest from which is not included in computing net income under chapter I, but where the income derived from such assets consists in part of gain or profit derived from the sale or other disposition thereof, or where all or part of the interest derived from such assets is in effect included in the net income because of the limitation on the deduction of interest under section 23 (b), a corresponding part of the capital invested in such assets shall not be deemed to be inadmissible assets;

"The term 'admissible assets' means all assets other than inadmissible assets, valued in accordance with the provisions of subdivision (a) of section 756 and section 757.

"(b) For the purposes of this subchapter the par value of stock or shares shall, in the case of stock or shares issued at a nominal value or having no par value, be deemed to be the fair market value as of the date or dates of issue of such stock or shares.

"SEC. 756. Invested capital construed.

"(a) As used in this subchapter the term 'invested capital' for any year means (except as provided in subdivisions (b) and (c) of this section)—

"(1) actual cash bona fide paid in for stock or shares;

"(2) actual cash value of tangible property, other than cash, bona fide paid in for stock or shares, at the time of such payment, but in no case to exceed the par value of the original stock or shares specifically issued therefor, unless the actual cash value of such tangible property at the time paid in is shown to the satisfaction of the Commissioner to have been clearly and substantially in excess of such par value, in which case such excess shall be treated as paid-in surplus: *Provided*, That the Commissioner shall keep a record of all cases in which tangible property is included in invested capital at a value in excess of the stock or shares issued therefor, containing the name and address of each taxpayer, the business in which engaged, the amount of invested capital and net income shown by the return, the value of the tangible property at the time paid in, the par value of the stock or shares specifically issued therefor, and the amount included under this paragraph as paid-in surplus. The Commissioner shall furnish a copy of such record and other detailed information with respect to such cases when required by resolution of either House of Congress, without regard to the restrictions contained in section 55;

"(3) paid-in or earned surplus and undivided profits; not including surplus and undivided profits earned during the year;

"(4) intangible property bona fide paid in for stock or shares prior to January 1, 1940, in an amount not exceeding (a) the actual cash value of such property at the time paid in, (b) the par value of the stock or shares issued therefor, or (c) in the aggregate 25 percent of the par value of the total stock or shares of the corporation outstanding on January 1, 1940, whichever is lowest;

"(5) intangible property bona fide paid in for stock or shares on or after January 1, 1940, in an amount not exceeding (a) the actual cash value of such property at the time paid in, (b) the par value of the stock or shares issued therefor, or (c) in the aggregate 25 percent of the par value of the total stock or shares of the corporation outstanding at the beginning of the taxable year, whichever is lowest: *Provided*, That in no case shall the total amount included under paragraphs (4) and (5) exceed in the aggregate 25 percent of the par value of the total stock or shares of the corporation outstanding at the beginning of the taxable year; but

"(b) As used in this subchapter the term 'invested capital' does not include borrowed capital.

"(c) There shall be deducted from invested capital as above defined a percentage thereof equal to the percentage which the amount of inadmissible assets is of the amount of admissible and inadmissible assets held during the taxable year.

"(d) The invested capital for any period shall be the average invested capital for such period, but in the case of a corporation making a return for a fractional part of a year, it shall be the same fractional part of such average invested capital.

"SEC. 757. Reorganizations.

"In the case of the reorganization, consolidation, or change of ownership of a trade or business, or change of ownership of property, after December 31, 1939, if an interest or control in such trade or business or property of 50 percent or more remains in the same persons, or any of them, then no asset transferred or received from the previous owner shall, for the purpose of determining invested capital, be allowed a greater value than would have been allowed under this subchapter in computing the invested capital of such previous owner if such asset had not been so transferred or received: *Provided*, That if such previous owner was not a corporation, then the value of any asset so transferred or received shall be taken at its cost of acquisition (at the date when acquired by such previous owner) with proper allowance for depreciation, impairment, betterment, or development, but no addition to the original cost shall be made for any charge or expenditure deducted as expense or otherwise on or after March 1, 1913, in computing the net income of such previous owner for purposes of taxation.

"SEC. 758. Returns and payment of tax.

"Every corporation, not exempt under section 752, shall make a return for the purposes of this subchapter. Such returns shall be made, and the taxes imposed by this subchapter shall be paid, at the same times and places, in the same manner, and subject to the same conditions, as is provided in the case of returns and payment of income tax by corporations for the purposes of chapter I, and all the provisions of that chapter not inapplicable, including penalties, are hereby made applicable to the taxes imposed by this subchapter."

Mr. LA FOLLETTE. Mr. President, in the light of the emergency about which the Senate has heard so much from different Senators during the past few months, it is my firm conviction that this tax bill will go down in history not only as a sham and a delusion but also as one of the most inequitable tax measures ever passed by Congress.

It is not necessary for me to repeat what has been said so well regarding the inadequacy of this measure in the light of expenditures already made and contemplated. In my opinion it will not stay on the statute books more than 7 or 8 months. The proposal to set up a 5-year amortization fund, as designed in this bill, to meet national defense expenditures, commits the Congress, if it were to follow that policy, to a course which cannot be carried on in the future.

So, Mr. President, in my judgment there is no possible excuse for the pressure which has been put upon the Finance Committee and the Senate in the consideration of this measure. This bill will not bring into the Treasury of the United States between now and the next regular session of Congress in January in excess of $225,000,000, and yet every Senator who proposes any amendments to seek increased revenue is told that we had better wait until we can have a revision of the tax laws at the next session of Congress.

If any more illogical proposition was ever presented to a supposedly intelligent Congress I have yet to read about it. We are to pass this bill under whip and spur. Neither the committee nor the Senate will give consideration to amendments proposed to it, and what is the net result? Two hundred and twenty-five million dollars paid into the Treasury of the United States between now and the time when the proponents of the measure insist that any amendments which are not now considered will have an opportunity to be considered.

In short, Mr. President, in one breath we are told that we must pass this bill, that it must be passed at once, that important amendments cannot receive adequate and careful consideration by the committee or by the Senate; and in the next breath the committee and the report contend that there will be a general revision of the tax laws at the next session of Congress.

Either one thing or the other is wrong, Mr. President. Either we are not going to have a general revision of the tax laws at the next session or else this 5-year plan will be torn apart, and we shall have to review the entire action that we are taking at this session.

Mr. CONNALLY. Mr. President, will the Senator yield?

The PRESIDING OFFICER. Does the Senator from Wisconsin yield to the Senator from Texas?

Mr. LA FOLLETTE. I am glad to yield.

Mr. CONNALLY. I am interested in what the Senator says about the necessity of revamping and overhauling the whole tax structure of this country. Everybody seems to be agreed that we must do that. Is not that true?

Mr. LA FOLLETTE. Mr. President——

Mr. CONNALLY. Answer that, if you please.

Mr. LA FOLLETTE. I am going to answer it.

Mr. CONNALLY. I was trying to help the Senator, and trying to agree with him. If he wants to rebuff me, of course, that is all right.

Mr. LA FOLLETTE. I do not want to rebuff the Senator, but I want to answer his question in my own way.

Mr. CONNALLY. If the Senator does not want me to ask the question in my own way, I withdraw it.

Mr. LA FOLLETTE. I thought the Senator had concluded the question.

Mr. CONNALLY. I had not concluded at all.

Mr. LA FOLLETTE. In any case, I will answer the portion of it which the Senator asked me.

Mr. CONNALLY. The Senator will do so on his own volition, then, and not at the request of the Senator from Texas.

Mr. LA FOLLETTE. Very well; I will do it on my own volition, and not at the request of the Senator from Texas.

Mr. President, it has been stated ever since I have been a Member of this body that we are to have a general revision of the tax laws; and in the consideration of nearly every piece of legislation bearing upon the question of taxes we have been urged not to propose amendments because we were to have a revision of the tax laws at the next session of Congress. So, Mr. President, I have little faith in the promises which are held forth in connection with this legislation that

we are to have an early revision of the tax laws at the next session of the Congress.

In making that statement I do not question the good faith of the Ways and Means Committee of the House, nor of the genial chairman of the Senate Finance Committee; but I have heard these promises coming from these gentlemen, I feel assured in all sincerity, ever since I have been a Member of this body, for now nearly 15 years, and the general revision of the tax laws never takes place. Frankly, I am apprehensive that if we pass this piece of legislation and put it upon the statute books, if there is any revision of the tax laws at the next session of Congress, it will come so late in the session that we shall once more be confronted with the same technique of "blitzkrieg" that is being applied to this bill and to amendments tendered to it.

The only excuse for passing this bill at all at this session is to afford the increases which it provides upon the excise taxes to go into effect on the first day of July, because, I repeat, it is only money from the excise taxes which will flow into the Treasury between now and the next regular session of Congress.

Mr. BYRD. Mr. President, will the Senator yield?

Mr. LA FOLLETTE. I yield.

Mr. BYRD. The Senator is exactly correct about that. I received a statement from the Treasury Department that in July only $15,000,000 will be collected under the pending bill, in August $57,000,000, in September $34,000,000, in October $38,000,000, in November $36,000,000, and in December $36,000,000. So that in this calendar year only $216,000,000 will be collected under this tax bill.

Mr. LA FOLLETTE. The Senator is correct, and that is the only reason for passing the tax bill at all.

Mr. GEORGE. Mr. President, I hope the Senator will pardon me, but that is not even the chief reason. I share the Senator's view, but that is not the chief reason for passing this bill. The chief reason is the raising of the debt limit. If we have any real regard for the possibilities of a situation which carries explosive power with it, we cannot delay the passage of the bill, in my judgment.

Mr. LA FOLLETTE. The Senator has anticipated me. I was referring to the reasons which could be predicated upon tax grounds, and I was just coming to the question of the increase in the debt limit.

Mr. President, the Senator from Georgia as I stated, has anticipated what I was about to say. There is a second reason not involved in the tax situation, namely, the necessity of increasing the debt limit, which can be advanced as a justification for the passage of the pending measure.

The tragedy about the whole thing is that the country is under the impression that Congress is passing a tax bill designed to meet the added responsibilities and burdens upon the Government and upon the people in relation to national defense and it does no such thing.

I have long been an advocate of, in fact, I think I initiated in the Senate the proposal to broaden the base of the individual income tax. I fought for it in season and out in this Chamber whenever I had an opportunity presented by action by the House of Representatives to which such amendment could be added in the Senate. So, I think no one will question that I have been a sincere advocate of that policy.

But I say that for Congress to broaden the tax base on individuals in the lower income-tax brackets, for the Congress to increase the inequities in our tax structure by tremendously increasing the burden which is levied without regard to ability to pay, through the excise taxes, and to fail to adopt an excess-profits tax to reach those who will profit out of the huge defense expenditures which Congress has voted will, in my opinion, go down in history as one of the most inequitable propositions Congress has ever passed.

Mr. WHEELER. Mr. President, will the Senator yield?

Mr. LA FOLLETTE. I yield.

Mr. WHEELER. Does not the Senator know that some of those who will profit by making war munitions are saying that if heavy taxes are imposed on them, that if the taxes on their profits are raised, the Government will not be able to get cooperation, or that they will not be able to get cooperation? So they do not want to have any taxes imposed on them or taxes on their profits raised, which would amount to the same thing as war profits, because they will not cooperate if that is done.

Mr. LA FOLLETTE. Mr. President, that was not our experience during 1917, 1918, 1919, 1920, and 1921, when we had an excess-profits tax. It was one of the greatest revenue producers ever employed by this Government.

Mr. President, I repeat, I cannot see how Congress can justify in this emergency reaching the long arm of the Federal Treasury into the pockets of the people in the lower-income groups of this country by broadening the tax base. I do not see how Congress can justify reaching the long arm of the Treasury into the pockets of people who pay the excise taxes and at the same time refuse to increase the taxes upon those corporations which, directly and indirectly, will profit by the very expenditures which are made possible in part by the taxes which these low-income-group families are required to pay.

Mr. President, how is that to be justified? How will it be possible to convince the people of this country that sacrifices for national preparedness are to be equitably adjusted? Is there to be an attempt to satisfy them by quoting from the report of the Ways and Means Committee of the House, or by rising and reading a statement of the Senator from Mississippi in the Senate that they hope or expect to pass an excess-profits tax at the next session?

Why were not the income-tax payers told, why were not the people in the lower income-tax groups told, why were not the children who go up to the ticket window with the pennies in their hands to see a movie told that the whole structure was to be revised at the next session of Congress, and that therefore we were not imposing the taxes now? Why impose a burden on one group of taxpayers with the enactment of a tax law and let the other group of taxpayers, the corporations which will make large profits out of the defense expenditures, get off with an expression in a report of the Ways and Means Committee and a statement by the chairman of the Finance Committee that they will be taxed when and if we ever get around to it? Some Senators may want to go out before their constituencies and defend such an inequity. I for one wish to be absolved of any such responsibility.

In the light of this emergency, each and every person in the United States, each and every corporation, should be asked to carry his fair share of the cost of national defense and the running expenses of the Government based on ability to pay.

Mr. VANDENBERG. Mr. President, will the Senator yield?

Mr. LA FOLLETTE. I yield.

Mr. VANDENBERG. I emphatically agree with the viewpoint which the Senator is expressing, but I have this further difficulty in my own mind. Even with the Senator's amendment, the tax bill is still utterly inadequate for the purpose to which it pretends to be addressed. It still is a sham and a snare and a delusion, so far as either paying for national defense is concerned, or so far as settling the accumulated deficits of the 7 last spendthrift years is concerned.

Mr. LA FOLLETTE. I agree with the Senator that the bill does not raise enough revenue even with this amendment in it to meet the deficit, and to meet the cost of national defense, but if we are to make any effort at all

at this time, we should make a fair and an equitable effort, we should have some justice in our hearts and in our minds when we impose these taxes.

As the chief advocate in this body for the last several years for broadening the tax base, I state that I consider that it is a gross inequity to the low-income taxpayers to ask them to increase their taxes and contributions to the Federal Government, and, at the same time fail to ask the corporations which are going to be enriched by the necessity of the Government for national rearmament in this crisis to carry their fair share of the load, according to their ability to pay.

Mr. McKELLAR. Mr. President, what estimate does the Senator make as to how much in revenue his amendment would bring in?

Mr. LA FOLLETTE. I have not any Treasury estimates on the subject. I attempted to get estimates, but the Treasury Department replied that it would take them a long, long time to get any estimates on it. I am convinced, after conferring with some experts on this subject, that the amendment, if enacted into law, would produce in the first year of its operation, 1940, between $400,000,000 and $550,000,000 of revenue.

I know what the answer of the gentlemen who represent and speak for the majority of the committee will be to arguments which I have made. They will say that they are as ardent advocates of excess-profits taxation as am I, but they will say that this is a very complicated subject, that it is one which will take a great deal of time and study to settle. If that advice had been taken or if a similar policy had been adopted in 1917 the Government of the United States would have failed to collect two and one-half billion dollars of corporate income from 1918.

If they had followed the idea that it was too complicated a matter and failed to retain it on the statute books, the Government would have failed to get $1,400,000,000 of excess profits on the 1919 income.

We had an excess-profits tax in 1917. We had one in 1918. In 1921 the law was changed in some respects. So we have had experience in this country with an excess-profits tax between the years of 1917, when it was first enacted, and in 1922, when it was repealed.

So it cannot be said that this proposal is novel, or that we have had no experience under the law.

In drawing this amendment I have endeavored to build upon that experience. I do not claim that it is perfect, but I claim that it obviates many of the difficulties experienced under the 1917 and 1918 and subsequent years of the excess-profits tax, and I say that in justice to the taxpayers of the United States who are going to be shouldered with this momentous burden of national defense, built on top of the running expenses of the Government—we should enact this amendment, and if any difficulties or hardships are experienced under it, then let it have the same treatment as will the other provisions of this bill when the general revision promised by the Ways and Means Committee and by the chairman of the Finance Committee takes place next year.

Mr. President, I have made some little effort to study the problems of taxation before I went on the Finance Committee and since I have been a member of that powerful committee of the Senate. Taxes are complicated matters, but a moot debate upon tax theories can go on from now until the end of time. Literature on the subject is voluminous, and the experts can debate from now until the end of time and they will not come to any conclusion.

The only way in which we are going to get an excess-profits tax and have it operative upon 1940 incomes of corporations is to pass it now.

Let me briefly describe the amendment. It imposes an excess-profits tax on corporations based on invested capital for 1940 and subsequent years. Before the tax applies to the corporation it must have a net income in excess of $3,000 plus 8 percent of its invested capital for the taxable year. In other words, an 8-percent return is permitted before this tax applies, plus $3,000.

Mr. President, in all probability this amendment could be attacked on the ground that 8 percent, in the light of return now obtainable upon invested capital, is overly generous, but in order that there should be no claim that the amendment proposed here on the floor of the Senate was unduly harsh, I have taken the rates of the 1921 act.

The rates of tax are the same as those imposed for the year 1920. These rates are: 20 percent of the net income in excess of the credit and not in excess of 20 percent of the invested capital, and 40 percent of the amount of the net income in excess of 20 percent of the invested capital. Corporations are, in addition, subject to the present corporate tax on their net income, which, under the pending bill, amounts to approximately 21 percent during the next 5-year period. This rate is considerably higher than the corporate rate which was in effect in 1920, the rate at that time being only 10 percent. It is therefore my opinion that the 20 and 40 percent excess-profits tax rates are sufficiently high to take care of the immediate situation without imposing higher rates.

In conformity with the old law, personal-service corporations would not be subject to this tax for the reason that capital is not a material income-producing factor in corporations of that type. This is also true with respect to personal-holding companies which are now subject to surtaxes on their undistributed profits as high as 75 percent, in addition to the existing corporate taxes. It is also true with respect to foreign personal-holding companies, which are taxed like partnerships as far as American shareholders are concerned, in that the American shareholder is required to take up his distributive share of the net income of the corporation, whether distributed or not, and such income is therefore subject to our present surtaxes.

Since the stock owned by one corporation in another corporation is excluded from the invested capital of the first corporation, dividends received from such subsidiary corporation by the parent are not included in income for the purpose of computing the excess-profits tax.

A taxpayer who has sustained a substantial loss in inventory during 1940 is given relief through the filing of a claim in abatement of the tax computed for such year. A similar provision was contained in the excess-profits tax in effect for 1920.

Allowances are made for amortization of such part of the cost of the facilities as has been borne by the taxpayer. However, in order to secure an amortization allowance, the facilities must have become obsolete or cease to exist or have been sold prior to 1 year after the date that the President proclaims the need for emergency production of articles essential to the prosecution of a war.

Consolidated returns are restored for the purpose of this tax in order to prevent evasion of the tax.

The definition of invested capital is the same as that contained in the Revenue Acts of 1918 and 1921. It is my firm conviction that this will simplify the procedure somewhat, since the invested capital of many corporations has already been determined under those acts, and with that as a base adjustments will only have to be made for the years during which the old excess-profits tax was not in effect.

The corporations are allowed net losses under the existing law for the purpose of the corporate income tax. This provision is made applicable with respect to the excess-profits tax by section 753 of my amendment.

I now wish to revert to a table which will show the effect of the excess-profits tax on the specimen net incomes of corporations with various amounts of invested capital.

Mr. President, let us take a corporation with $3,000 of invested capital. If it has $5,000 of net income it will pay a tax of $360. If it has income of $25,000 it would pay a tax of $4,860.

Let us take a corporation with $150,000 of invested capital, and let us assume that it had an income of $25,000. It would pay a tax of $1,800.

Let us take a corporation with $10,000,000 of invested capital and a net income of $1,000,000. It would pay a tax of $35,460 under this amendment.

Mr. President, I ask unanimous consent to have this table inserted in the RECORD at this point in my remarks.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

Effect of excess-profits tax rates on specimen net incomes of corporations with various amounts of invested capital

Invested capital	NET INCOME											
	$5,000	$10,000	$15,000	$25,000	$50,000	$100,000	$200,000	$300,000	$500,000	$750,000	$1,000,000	$2,000,000
$3,000	$360	$1,260	$2,160	$4,860	$13,860	$31,860	$67,860	$103,860	$175,860	$265,860	$345,860	$715,860
$5,000	360	1,260	2,160	4,860	13,860	31,860	67,860	103,860	175,860	265,860	345,860	715,860
$7,500	360	1,260	2,160	4,860	13,860	31,860	67,860	103,860	175,860	265,860	345,860	715,860
$10,000	360	1,260	2,160	4,860	13,860	31,860	67,860	103,860	175,860	265,860	345,860	715,860
$15,000	288	1,260	2,160	4,860	13,860	31,860	67,860	103,860	175,860	265,860	345,860	715,860
$25,000	0	1,260	2,160	4,860	13,860	31,860	67,860	103,860	175,860	265,860	345,860	715,860
$50,000	0	540	2,160	4,860	13,860	31,860	67,860	103,860	175,860	265,860	345,860	715,860
$70,000	0	252	1,332	4,860	13,860	31,860	67,860	103,860	175,860	265,860	345,860	715,860
$100,000	0	0	720	3,420	12,420	30,420	66,420	102,420	174,420	264,420	354,420	714,420
$150,000	0	0	0	1,800	9,900	27,900	63,900	99,900	171,900	261,900	351,900	711,900
$200,000	0	0	0	1,080	7,380	25,380	61,380	97,380	169,380	259,380	349,380	709,380
$300,000	0	0	0	0	4,140	20,340	56,340	92,340	164,340	254,340	344,340	704,340
$500,000	0	0	0	0	1,260	10,260	46,260	82,260	154,260	244,260	334,260	694,260
$750,000	0	0	0	0	0	6,660	33,660	69,660	141,660	231,660	321,660	681,660
$1,000,000	0	0	0	0	0	3,060	20,060	57,060	129,060	219,060	309,060	669,060
$2,000,000	0	0	0	0	0	0	0	24,660	78,660	168,660	258,660	618,660
$3,000,000	0	0	0	0	0	0	0	10,260	46,260	118,260	208,260	568,260
$5,000,000	0	0	0	0	0	0	0	0	0	62,460	107,460	467,460
$7,500,000	0	0	0	0	0	0	0	0	0	26,460	71,460	341,460
$10,000,000	0	0	0	0	0	0	0	0	0	0	35,460	215,260

Mr. LA FOLLETTE. Mr. President, what are the justifications for this tax insofar as what has been happening to corporate profits are concerned? Corporate profits were high during the fourth quarter of 1939. I have before me a comparison of the profits of the last quarters of 1937, 1938, and 1939, as taken from the earnings statistics of Standard Statistics, Inc. The combined index shows that in the last quarter of 1937 the index stood at 77.8; in 1938, at 72.5. In the last quarter of 1939, it was 114.5.

In 1937 the industrials had an index for the last quarter of 81.4; in 1938, 70.8; in 1939, 118.8. In the last quarter of 1937 the index for railroads stood at 2.7; in 1938, at 34.1; in 1939, at 74.2. The index for utilities in the last quarter of 1937 was 135.9; in 1938, 114.5; and in 1939, the index for the last quarter stood at 135.9.

Another way in which we can interpret this table is in the form of percentages. In short, the industrial profits were almost 46 percent higher in the last quarter of 1939 than in the last quarter of 1937, and 68 percent higher than in 1938.

If we refer to the statistics of income of the United States Department of Commerce, and look at the income payments by kind, the 7 months' war period from September 1939 to March 1, 1940, compared with identical months a year before shows that wages and salaries for the period from September 1938 to March 1939 were $25,410,000,000. For the period from September 1939 to March 1940 they were $26,405,000,000, or a percentage increase of 3.9.

Dividends and interest, in the period from September 1938 through March 1939, were at $4,894,000,000; but in the period from September 1939 to March 1940, they were $5,735,000,000, or an increase of 17.2 percent.

Entrepreneurial income and net rents and royalties for the period September 1938 through March 1939, amounted to $7,229,000,000; but in the period from September 1939 through March 1940, they had risen to $8,738,000,000, or an increase of 20.9 percent.

In short, Mr. President, dividends and interest rose, in the period from September 1939 to March 1940, 17.2 percent above the corresponding period for the previous year; entrepreneurial income and net rents and royalties rose 20.9 percent, but wages and salaries rose only 3.9 percent. This is a significant statistical comparison arguing for the enactment of this amendment if we are to make an effort to distribute the tax burden at all equitably.

Mr. President, I wish to read briefly from some clippings of the New York Times financial section, showing examples of increased corporation profits since the war in Europe began on September 3, 1939. I have selected these clippings at random. They are only a small portion of those which I could bring to the attention of the Senate if I wished to take more time this afternoon.

Here is one under date of January 31, 1940:

ONE HUNDRED CONCERNS SHOW 67 PERCENT RISE IN PROFITS—FIRST TO REPORT FOR 1939 HAD NET OF $514,363,000, AGAINST $308,171,000 YEAR BEFORE—WAR BOOM WAS A HELP—FIGURES COMPILED BY ASSOCIATED PRESS REVEAL SHARP GAINS BY 21 RAILROADS

Earnings of the first 100 companies to report for the full year 1939 were 67 percent larger than those in 1938, according to a compilation issued yesterday by the Associated Press.

Large profits which piled up in the brief war boom of the final quarter of the year helped increase the earnings of the group to $514,363,000, compared with $308,171,000 in 1938.

In other words, Mr. President, 100 companies increased their earnings in the first half-year of the war in Europe by more than $200,000,000, as compared with their earnings for the year 1938.

Mr. President, shall we pass a tax bill snatching the pennies out of the hands of children who want to go to the movies, increasing the Federal gas tax half a cent a gallon, and going down into the lower-income brackets, and fail to ask the corporations of the country, in proportion to their ability to pay, to carry their fair share of the load? That is what we shall be doing if we pass this bill without an excess-profits-tax amendment.

Here is another clipping:

Airplane concern trebles earnings—Glenn L. Martin Co. has $2,162,670 net in first quarter—$682,496 in 1939—Backlog of $92,016,023—Contracts on hand call for bombing craft for the United States to cost $16,000,000.

I read from a number of similar clippings:

MACHINERY FIELD SHOWS PROFIT RISE—PROFITS OF 109 COMPANIES IN 1939 PUT AT $66,702,118 AGAINST $36,492,998—83 PERCENT GAIN IN YEAR—BUT RESULT IS 30 PERCENT UNDER THE $95,163,910 ACHIEVED BY CONCERNS IN 1937

(By Kenneth L. Austin)

Manufacturers of machinery in the United States made a strong recovery in earnings in 1939, compared with the year before, and the results indicate that the outbreak of war in Europe has stimulated the demand from abroad for types of machinery used in production of munitions and construction of defenses.

The combined profits of 109 companies in the mechanical industry were $66,702,118 in 1939, compared with $36,492,998 in 1938, a gain of 83 percent. The result was 30 percent below the profits of $95,-163,910 for the same companies in 1937.

In 1937 much money was spent in the rehabilitation and construction of factories of every sort in the United States, although the over-all program was curtailed in the latter part of the year by the deep recession that began in midsummer. Hence the strong gain of 1939 indicates the effects of heavy foreign buying for many types of machinery rather than the restoration of domestic buying to former levels.

* * * * * * *

Quarterly results show that the boom in machinery production in the final quarter of 1939 was not fully reflected owing to the fact that numerous companies made charges for the year in the final quarter which properly should be allocated over previous quarters, the figures used representing the difference between reported annual results and cumulative figures for the first 9 months.

The quarterly reports compare as follows, the figures in brackets denoting the number of companies reporting:

	General factory machine (12)	Machine tools (6)	Outdoor machinery (13)
1939:			
Fourth quarter	$4,153,997	$1,028,534	$3,830,453
Third quarter	2,046,165	525,986	3,785,848
Second quarter	1,289,485	444,047	3,078,582
First quarter	339,973	437,220	1,938,732
1938:			
Fourth quarter	785,754	291,477	1,340,844
Third quarter	[1] 446,734	202,466	2,445,538
Second quarter	[1] 212,314	157,823	1,844,519
First quarter	375,358	563,685	1,927,165

[1] Loss.

In most instances the figures are for calendar quarters, but a few figures are for business periods of variable length which correspond roughly to quarters.

CHRYSLER REPORTS RECORD EARNINGS—RESULTS IN BEST FIRST QUARTER WERE $15,742,388, AGAINST $11,638,290 LAST YEAR—SALES ALSO THE HIGHEST—KELLER TELLS OF ORDERS FOR BOMB FUZES, SHELLS, AND OTHER WAR EQUIPMENT

* * * * * * *

"The corporation has received from the War Department diversified educational orders for ordnance such as bomb fuzes, shells, and cartridge cases, and a special department for handling this character of business has been organized. In addition to ordnance a very substantial military-truck business has been developed."

Three million seven hundred and nineteen thousand five hundred and forty-six dollars cleared by Allis-Chalmers—profit in 1939 compares with $2,553,946 earned in the preceding year.

AIRWAYS COMPANY CLEARS $1,984,438—PROFIT PEAK FOR PAN AMERICAN IN 1939 REPORTED BY JUAN T. TRIPPE, PRESIDENT

Juan T. Trippe, president of the Pan-American Airways Corporation, reported yesterday for 1939 a net profit of $1,984,438, equal to $1.46 each on 1,361,964 capital shares, compared with $46,672, or 3 cents a share, earned in 1938. Last year was the most successful in the history of the company, he said.

Ford Motor profit put at $16,402,746—net for 1939, based on balance-sheet items, against loss of $18,560,459 in 1938.

Income increased in first quarter—International Paper and Power earnings rise to 99 cents a share from 1 cent.

Sales and profits of Sears at peaks—total for year ended on January 31 largest in 54 years of business, officers say.

United States Steel reports $17,113,995 profit—first-quarter net is equal to $1.24 a share, against 18 cents on 7-percent stock year ago—shipments 25 percent better.

National Steel Corporation made $1.82 a share to March 31; $1.10 in 1939.

Speaking of this company, export orders, which usually account for about 5 percent of production, currently are taking about 15 percent of output, Mr. Weir said.

United States Steel cleared $41,226,039 in 1939.

Corporation had a net loss of $7,714,454 in 1938, and profit of $94,944,358 in 1937.

Inland doubles profits.

Steel company and subsidiaries netted $10,947,251 in 1939.

Mr. President, we not only have the situation produced by foreign orders, but as everyone knows, a substantial program got under way last year, so far as our own rearmament was concerned. This, however, will be merely a drop in the bucket compared with the increased expenditures for that purpose as a result of the program enacted or to be enacted by this Congress before it adjourns. Let me point out how rapidly the expenditures were rising in 1940 as compared with 1939.

In 1939 the Bureau of Foreign and Domestic Commerce reports that the monthly average of national defense expenditures by the Federal Government was $108,000,000; but in January 1940 it had risen to $134,000,000. In February it was $131,000,000. In March it was $145,000,000. In April it was $163,000,000.

Mr. President, we are appropriating upward of $4,000,-000,000 at this session of Congress for national-defense appropriations, and we have not yet adjourned. Is it not essential, if we are to have an equitable tax structure, that the Congress should enact an excess-profits tax in order that the corporations which are benefiting not only directly but indirectly from the huge expenditures which are being made shall be required to share the huge burden which the people of this country must undertake?

At this point I desire to quote examples of substantial returns on invested capital in so-called normal years. I read from a statement of percentage of net profit on invested capital of selected corporations, 1934 to 1938, from the Securities and Exchange Commission reports.

Here is a group of the aircraft companies:

In 1934 the Bellanca Corporation made 18.63 percent net profit on invested capital. By 1938 that profit had risen to 29.20 percent.

The Consolidated Aircraft Corporation had a net profit on invested capital of forty-four one-hundredths of 1 percent in 1934. In 1938 it was 39.54 percent.

The Wright Aeronautical Corporation had a net profit on invested capital of 15.01 percent in 1934, but by 1938 it was 40.36 percent.

Nonferrous metals:

The International Nickel Co. had a net profit on invested capital of 11.63 percent in 1934. It had risen to 18.30 percent in 1938.

Mr. LUNDEEN. Mr. President, will the Senator yield at that point?

Mr. LA FOLLETTE. I yield.

Mr. LUNDEEN. I am wondering if labor received a corresponding increase. The records show that wealth increases and poverty deepens.

There is an old oriental saying that when the rich grow richer and the poor grow poorer, something happens.

Mr. LA FOLLETTE. Mr. President, I have not the comparable figures, but I think there is no indication of a corresponding rise in wages. I quoted here figures from the Department of Commerce income reports showing that between September 1938 and March 1939, compared with September 1939 through March 1940, wages and salaries rose only 3.9 percent, whereas dividends and interest rose 17.2 percent and entrepreneural income and net rents and royalties rose 20.9 percent.

Mr. LUNDEEN. Mr. President, I should like to say that the able Senator from Wisconsin is rendering distinguished service to America when he calls attention to the disparity in these figures between the wages of labor and the rewards of capital invested. Certainly we can collect taxes from the top; and why not do just that? Why tax these millions on the bottom? Why tax the roofs from their heads, the clothes off their backs, and the bread from the mouths of their children? I am against lowering the tax base down upon the backs of the poor while we permit the rich to escape.

Mr. LA FOLLETTE. Mr. President, take the Sperry Corporation, for instance: In 1934 its net profit on invested capital was 28.47 percent. In 1938 it was 51.57 percent. I ask to have the data printed in full at this point in my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

The matter referred to is as follows:

Percentage net profit on invested capital[1] in selected corporations, 1934–38

	Years				
	1938	1937	1936	1935	1934
Aircraft:					
Bellanca Corporation	29.20	23.75	11.65	33.66	18.63
Breeze Corporations, Inc.	11.37	5.84	19.56	------	------
Consolidated Aircraft	39.54	16.03	8.96	15.83	.44
Douglas Aircraft	24.36	15.20	11.40	28.39	------
Irving Air Chute Co.	44.73	34.06	22.77	39.03	15.43
Lockheed Aircraft	13.00	8.47	6.11	37.85	------
Glenn L. Martin Co.	21.14	16.49	13.02	------	------
The Sperry Corporation	51.57	34.86	31.25	21.85	28.47
Wright Aeronautical Corporation	40.36	33.14	17.53	6.95	15.01
Nonferrous metals:					
American Smelting & Refining	10.81	18.94	17.74	14.26	6.48
Hudson Bay Mining & Smelting	14.31	23.39	12.64	11.44	6.38
International Nickel	18.30	27.58	21.55	15.89	11.63
Oil refining:					
Continental Oil Co.	4.68	15.67	11.94	11.20	7.12
Phillips Petroleum Co.	5.03	13.62	11.81	10.43	5.04
Skelly Oil Co.	6.20	15.17	13.24	8.91	4.14
Standard Oil (New Jersey)	8.22	13.30	10.32	7.34	5.97
Chain grocery stores:					
First National Stores, Inc.	13.87	13.73	18.26	15.87	17.73
Roberts Public Markets, Inc.	20.67	13.52	19.58	27.64	------
Union Premier Food Stores	36.98	43.19	54.96	------	------
H. L. Green Co., Inc.	20.84	23.26	27.30	25.05	26.37
Dairy Products: National Dairy Products	9.65	8.85	10.81	8.64	6.94
Mail-order companies:					
Sears, Roebuck	11.99	16.36	16.44	13.96	10.41
Montgomery Ward	12.34	13.70	14.34	11.28	8.02

[1] From Securities and Exchange Commission reports. The ratio was computed by taking the net operating result for the period before interest, prior claims, and income tax, and dividing this amount by the total of invested capital at the end of the period. Invested capital was computed as follows: Long-term debt plus net worth plus minority interest. Net worth was derived by subtracting deficit carried as an asset, treasury stock carried as an asset, preferred stock held in sinking fund, and discount on capital stock from the total of capital stock and surplus. Total debt was taken as the sum of long-term debt and current liabilities.

Mr. LA FOLLETTE. Mr. President, this amendment is an equitable amendment. It allows 8 percent profit, plus $3,000. It takes only 20 percent in the first bracket and 40 percent in the second. Is it not fair, is it not equitable, to ask corporations which are making such a large percentage of profits on their invested capital to pay, in accordance with their ability to pay, a portion of this enormous increase in expenditures due to national defense?

In 1937 the S. E. C. reports show that out of 499 corporations, 146 earned less than 5 percent on invested capital; 231 had profits between 5 and 15 percent on invested capital; and 122 had profits of over 15 percent.

Mr. President, I am not advocating this amendment solely as a means of reaching the windfall which will be enjoyed directly and indirectly by corporations in this country. I believe that the enactment of excess-profits-tax legislation will bring about a sound reform in our tax structure; that it will apply the principle of ability to pay in a measure to the corporations of this country as we now apply the principle of ability to pay in our graduated income taxes.

I think it is economically sound for corporate business to be required to be taxed according to the principle of ability to pay.

Mr. WILEY. Mr. President, will the Senator yield?

Mr. LA FOLLETTE. I yield to my colleague.

Mr. WILEY. I am very much interested in the argument my colleague has been making. I am informed that England practically has not taxed corporations, but has taxed the taxpayer himself, realizing that the corporations produce industry. I am wondering whether my colleague has looked into that feature, and the reason for that method of taxation in England.

I call the attention of my colleague to this significant thing, that if the corporations of this country had not created a reserve in 1929, the storm which we experienced then, which was a pretty good storm, would have been a hurricane. I think the facts show that the corporations of this country exhausted their reserves and paid out a great deal more than the Federal Government did. I am wondering whether, in the consideration of the excess profits, my colleague has considered the advisability of permitting a percentage of revenue to be set aside as a reserve for the purpose of taking care of labor in the years that are ahead. Everyone claims that after the war is over we will run into a depression. I think the distinguished Senator from California made several speeches to that effect, and I think the distinguished Senator from Maryland did likewise. I am wondering whether in this picture there should not be reserves built up, not with the idea that the stockholders should benefit, except as labor would benefit. If that were done, it seems to me that everyone would agree that anyone who profits now should pay the additional tax.

Mr. DOWNEY. Mr. President, will the Senator from Wisconsin yield?

Mr. LA FOLLETTE. I yield.

Mr. DOWNEY. Contrarywise to what the distinguished Senator from Wisconsin has asked his colleague, I should like to ask the senior Senator from Wisconsin whether he has considered that economists now are very much in agreement that it was the accumulation of the tremendous reserves, and the stagnation of those great sums of money, which tended to bring on the depression of 1929, and may tend to bring on another depression.

Mr. LA FOLLETTE. Mr. President, in response to the inquiry made by my colleague, I will say that a considerable amount of data and testimony was presented to the Finance Committee on that very subject, in connection with the consideration of the undistributed-profits tax, and of course, as in all these matters, there is a divergence of opinion as to whether or not the accumulation of the reserves by corporations contributed to their ability to continue employment during the period of the depression. The Senator can find a considerable amount of statistical material and economic argument on both sides of that question.

So far as I am personally concerned, I have no doubt that the accumulation of huge corporate reserves contributed greatly to the excesses of the boom period prior to 1929, and I think that the evidence shows that the excess reserves carried by corporations did not result in prolonged continuation of manufacturers building up their inventories, which could not be sold after 1931 and 1932. In other words, no matter how willing, no matter how humane, no matter how humanitarian the managers of a corporation may be, there comes a limit to their ability, in fairness to their stockholders, to continue to operate and manufacture and build up inventories when they cannot sell their goods.

It is my personal opinion that the experience of corporations in the period of 1930, 1931, and part of 1932, when President Hoover and others were encouraging them to believe that the depression would be of short duration, and they did build up inventory, and ultimately took a terrible licking on it, was one of the reasons why the decline in the fall of 1937 and 1938 was so precipitous, because the moment they found inventories piling up in the fall of 1937, they curtailed production in order to save themselves from the tragic experience which they had had at the onset of the depression.

Mr. DOWNEY. Mr. President, would the Senator yield further so I may suggest the absence of a quorum?

Mr. LA FOLLETTE. Oh, no.

Mr. ASHURST. Mr. President, will the Senator yield?

Mr. LA FOLLETTE. I am glad to yield.

Mr. ASHURST. Again we hear—and I do not know whether it is accurate or not—that a drive is being made looking toward an adjournment on next Saturday.

I wish to assist in the passage of the tax bill, but unless we can have some assurance that there will be no attempt to adjourn this body next Saturday, I shall feel justified, and so will other Senators, in using every proper means known to prolong the situation, and force Senators to abandon the idea of adjourning Saturday. When the collapse in Europe is upon the world, with its resultant crisis to the United States, serious men propose an abandonment of their duty.

Therefore, Mr. President, I call upon the responsible leadership to advise us that there will be no attempt, in any circumstances, to adjourn this body next Saturday. Unless we can have such assurances—and we ought to have them—it would be useless to attempt to try to pass this bill under whip and spur.

Mr. HARRISON. Mr. President, will the Senator yield?

Mr. LA FOLLETTE. I do not know whether or not the Senator from Arizona has concluded.

Mr. ASHURST. I call upon Senators frankly to declare and give us assurance that there will be no attempt to adjourn next Saturday. That is only 3 or 4 days away. The calendar is filled with bills of a very important nature. There is the transportation bill. If we fail to take action on the transportation bill, or at least furnish a stopgap of some sort, 20,000 men, not in Government employ, but in private employ, at good wages, will lose their positions within 20 days. Yet it is proposed by some serious men that the Congress adjourn.

Mr. LA FOLLETTE. Mr. President, I can only say that I made my position clear on the matter of adjournment many weeks ago, and I protested in the Finance Committee, as I have tried to protest here, against jamming this tax bill through on the theory that it had to be passed in order that we could get through next Saturday night.

I share the Senator's feeling that we should not adjourn. I am not in favor of taking a recess until next August, or any such proposition. Unfortunately, I cannot answer the Senator. I do not speak for the majority. I do not speak for the larger minority over here, with whom I sit because of the seating arrangement. I can speak only for myself, but I make no bones about speaking very frankly on the question of recess or adjournment. I am against it, and I think the country is against it. I think the people want to see their representatives remain here during this critical period. But if the Senator wants assurances which will be good for anything, he will have to get them from someone who represents more votes in the Senate, at the moment, than I do.

Mr. BARKLEY. Mr. President——

The PRESIDING OFFICER (Mr. SMATHERS in the chair). Does the Senator from Wisconsin yield to the Senator from Kentucky?

Mr. LA FOLLETTE. I yield.

Mr. BARKLEY. I do not know to what the Senator from Arizona referred when he mentioned the transportation bill, unless it was the bill which passed both Houses and remained in conference half of last year, and was taken up in the House of Representatives and defeated by recommitting it to the conference committee, following which the Senator from Montana [Mr. WHEELER] announced that that meant the transportation bill was dead so far as this session was concerned. I had assumed that he spoke by the card. So far as I know, the conferees have not met again since the House recommitted the bill to the conference committee, and it might be entirely possible to remain here without recess or adjournment until Christmas, and still have no transportation bill, so far as present prospects are concerned.

Let me say about the matter of adjournment that until very recently I think it was practically the unanimous feeling of the Members of Congress that, as soon as legislation was enacted which was deemed necessary, Congress would adjourn. Of course, the situation has changed in the last month or so. I think it extremely doubtful whether any effort will be made to adjourn Saturday. But this is the situation, and we might as well be practical. It may be that there even ought not to be a recess over the conventions, but we might as well consider that there will be little, if any, legislation enacted while the conventions are in session.

Next week there will be no legislation, practically speaking. That will take us up to the 1st of July. Then the Fourth of July season will be at hand, when, of course, many Senators will want to take advantage of the opportunity to make patriotic speeches. Of course, they do not have to do that, but they like to do it and their constituents like them to do it.

Then the other convention will meet in Chicago on the 15th day of July and there will be no business transacted probably during that week. That will take us up to the 21st of July.

It has been thought at least worth while to consider whether it might not be wise to recess from Saturday until some date around the 1st of August, to get by the conventions, and to give Members an opportunity to circulate a little among their constituents, to determine really what they feel about what is going on in this country and around the world. Personally I think it would be a wholesome thing if Members could go back to their constituents for a few days and talk with them and argue with them. It may be that they ought to take the leadership in their communities and their States with respect to certain matters which are subject of repeated debate here.

I recall in my own case—and I have not been in my own State since Christmas—that when I left Kentucky during the Christmas week everybody I saw, those in the churches, on the streets, in the Rotary Clubs, in the chambers of commerce, and on the farms, everywhere, were saying to me, "Keep us out of war. Keep us out of war. No matter what happens, keep us out of war." Now we get letters from our States. There has undoubtedly been some change in the attitude of the people toward the war in Europe.

I happen to represent a State of 3,000,000 people. I probably have received a thousand letters one way or the other on the subject. I do not know whether or not those thousand letters represent the 3,000,000 people I am trying to represent here.

I do not see how any harm could come, frankly speaking, and I really believe it would be wholesome—it would do Congress good, it would do the country good, it would certainly do the people good, if we were to go back among our people for a week or two and go out among them, out in the country, go to a church on Sunday morning, and listen to how they feel about all this, go to the lodges, stand on the street and listen to the people talk, talk to the farmers. Not many of them have written to me. Talk to the women out in the communities and in the schools. Find out what they are really thinking.

I believe that a little cessation from legislation, and certainly a cessation from heated oratory on both sides of this war situation, would be wholesome. It would do Congress good. It would do the country good. And even if we were to recess from next Saturday until the 1st of August, the President could call us back 3 days afterward, if any emergency arose that would justify him in doing so.

In those circumstances, I will say to my friend the Senator from Arizona [Mr. ASHURST] frankly that consideration is being given—I do not know whether or not it will be worked out—consideration is being given to the proposition that we might recess at the end of this week, assuming that we pass the necessary defense legislation which has been asked and urged, until some date around the first of August, without doing any harm to Congress or to the Government or to the cause of legislation.

I am not dogmatic about it. So far as I am concerned, I personally do not care whether we recess or adjourn. I will be here in the performance of my duties to the best of my ability.

But we are a representative government, and, after all, whatever we do here must be backed up by the opinion of our people. We cannot go any faster than they go. We ought not to go very much more slowly than they go, but certainly we ought to try to represent them.

I have believed, and I now believe, that it would be a wholesome and a beneficial thing if, assuming that we wind up the necessary and urgent legislation this week, Congress should recess for a month at least in order that the things I have mentioned might be brought about; but I wish to say to the Senator from Arizona very frankly that no effort is to be made to adjourn sine die Saturday, and I do not know when such an effort will be made.

Mr. ASHURST. Mr. President, will the Senator from Wisconsin yield to me?

Mr. LA FOLLETTE. I yield.

Mr. ASHURST. First, I wish to say that the speech made by the able Senator from Kentucky is just and fair. I am bound to admit there is force in what he has said, as there is force in nearly everything he says, and that there is usually much wisdom in his speeches.

The trouble with the statement of the able Senator from Kentucky is that he says "after we shall have passed such legislation as is deemed of importance and necessary for national defense." That is the very trouble, Mr. President. A number of Senators differ among themselves as to what is urgent and important legislation. I have the calendar before me, and I have marked a large number of bills thereon, some of them House bills and some of them Senate bills, which, in fairness to our constituents and in fairness to the American people generally, should be passed. The able Senator, by his intuition, correctly identified the bill when he referred to the transportation bill which came from the Committee on Interstate Commerce, and it was with much regret that I heard him say that the able Senator from Montana [Mr. WHEELER] had concluded to abandon any attempt to pass that bill.

Mr. President, I have known the able Senator from Montana since his young manhood. Long ago I predicted that he would rise even to a higher place than a seat in the Senate, and it is very uncomplimentary to say of him that he would run away, abandon, give up any attempt to have passed a transportation bill when the country needs it most seriously. I am not asking that the transportation bill as it was written by the Senate or by the House or by the conferees shall be adopted; but I say—I will not take the time to prove it—that if this body adjourns without taking some action on the transportation bill, 20,000 men now drawing good wages, not from the Government but from private industry, will lose their situations and will lose their wages. That is a serious matter, Mr. President. Twenty thousand able men, men of high-grade ability, will lose their positions unless some sort of transportation bill is passed by July 1.

Mr. President, I am not going to do as I had intended to do, read off the calendar of bills. In 1932 many persons saw the depression coming. The Republican National Convention was in session. The Senate manfully did its duty, notwithstanding the fact that the Republican National Convention was in session. Then the Democratic Convention was held, and the Senate stayed here manfully and did its duty to the country although the Democratic Convention was in session.

Mr. President, we are faced with a great crisis. We have heavier duties to perform now than were imposed upon us in 1932. The able Senator from Kentucky would be chargeable with remissness and neglect if he failed to attend the Democratic Convention. It is his duty to be there because he has upon him a great responsibility as a leader, justly earned, which he will continue to uphold. I should say he would not be living up to his responsibility as the party leader if he should fail to attend the Democratic National Convention. Others may not be in the same situation. But I say the sourest note we could sound, the most depressing thing we could do, would be to continue this talk of adjournment, and under the whip and spur of the necessity of adjourning next Saturday, drive through legislation. The able Senator from Texas [Mr. CONNALLY], who has an unusual power of expression, in speaking of the tax bill said, "Certainly the time to operate is when the patient is ready, willing, and anxious." That is the truth, not only in politics, but in business and medicine. The time to operate is when the patient is ready, willing, and anxious. The people say, "We expect you to pass a tax bill." This should be—and I think it is—a very good bill, but let us not shrink from the full discussion of this bill and all others which mean the strength and security of our country.

John Milton said that the way to succeed is to scorn delights and live laborious days. The Senator from Kentucky [Mr. BARKLEY] has said that we ought to go home and not "panhandle" the voters; of course he would not resort to such an expression, but he indicated at least that we ought to go home.

Mr. BARKLEY. I did not use that expression.

Mr. ASHURST. I know the Senator would not use it.

Mr. President, I know how the voters of this country stand. Does the Senator need to be told how the people of the country view the present posture of affairs? Does the Senator mean to say that he must go home and stand around on drug-store corners to find out what the people think? Does he have to go home to find out what the people think about the European war?

Mr. BARKLEY. Mr. President, will the Senator yield?

Mr. ASHURST. I yield.

Mr. BARKLEY. Let the Senator tell us, if he knows what the people think we ought to do about the war.

Mr. ASHURST. Indeed I shall. Will the Senator allow me to tell him?

Mr. BARKLEY. Yes.

Mr. ASHURST. First, demonstrate that democracy can act in a crisis, and not run away from its duties. Running away from its duties is what brought France, the nation of light and culture, to her prostrate position. Many members of her parliament, in a cowardly way, ran away from their duties and would not face them. The first thing we should do is to show the country that we are not abandoning our duties, but are here performing them.

Secondly, carry out the President's program of rearmament and preparedness. Announce that the American eagle says, "We will allow no aggression." Stop the aggressor at the door. Keep out of Europe's wars.

Does the Senator think I am misspeaking the sentiment of the people?

Mr. BARKLEY. I do not.

Mr. ASHURST. I do not believe 1 percent of the American people want an American soldier sent to Europe. Their deaths would be unavailing martyrdom. Men may be heroes, but their martyrdom is unavailing unless they are well trained.

Mr. President, I should be glad to go home. I have a political campaign in the offing. I gnaw at my chains here. I can stand defeat with perfect equanimity, but I do not intend to have attached to me the stigma that I ran away from my duty and helped to demonstrate that democracy could not operate in time of peril.

Mr. BARKLEY. Mr. President, will the Senator yield?

Mr. ASHURST. I am through.

Mr. BARKLEY. Mr. President, in the first place, I wish to correct what might be regarded as a misunderstanding of my reference to the Senator from Montana [Mr. WHEELER]. Certainly the Senator from Montana never runs away from the performance of his duty; and I will say that the Senator from Montana, the Senator from Missouri [Mr. TRUMAN], and other members of the Committee on Interstate Commerce, of which I happen to be a member—though I could not engage in the details of the legislation to a very great extent—spent more time on the transportation bill than on any piece of legislation I know of in the past few years in this or any other body. They worked hard in committee. They held long hearings. The bill passed the Senate. It went to the House, and the House committee held long hearings. All that was written in the Senate bill was stricken out and a new bill was written, which passed the House. It went to conference, and it was in conference for 2 months. The bill was finally brought to the floor of the House, and it was defeated.

There is nothing pending before either House on the subject of transportation, and it would be legislatively impossible to pass a bill on that subject by July 1. When the House took that action the Senator from Montana was quoted in the newspapers as stating that, in his judgment, that meant the death of transportation legislation for this session. In making that statement the Senator from Montana was somewhat realistic. He was stating facts when he said that he believed that the defeat of the conference

report in the House made it impossible to obtain legislation on the subject.

Mr. President, I certainly would be the last to create the impression, or to want the impression to be created, that the Senator from Montana, by recognizing the inevitable, as it seemed to him, was running away from the performance of his duty.

The Senator from Arizona has referred to what has happened in other countries. He has said that the defeat of the Allies was brought about because their parliaments ran away from the performance of their duties. I do not know whether that condition was brought about by their specifically leaving the seat of legislation, or whether they ran out on their duties or failed to perform them while they were in session. I do not know as to that. It is just as easy to fail to perform our duties while we are in session as it is when we are out of session.

It seems to me that this is a practical situation. We know that during next week we shall do nothing of very great importance. Our friends on the other side of the aisle are interested in a great occasion. Although we might regret it, our Constitution requires that we elect a President of the United States in this country next November; and in the ordinary processes of bringing about that election conventions are to be held. Men are to be nominated by the two parties for President of the United States. That is not a duty which can be neglected. That is not a casual circumstance. In my judgment, nothing more important can face the people of the United States this year than to determine who shall govern our country for the next 4 years. That being true, men are sensible if they desire to take part in the performance of that duty and the selection of those who are to be voted for in November.

If it be true that during next week we cannot do much, and shall be merely drifting along, many Senators may go home. They might not return to Washington during the intervening 2 weeks between the convention in Philadelphia and the convention in Chicago. I think I can assure the Senator from Arizona that, regardless of adjournment or 3-day recesses, we shall be in session during the coming fall, beginning early in August. Even if we were to adjourn—which I am not now advocating—or recess until the first of August, or take 3-day recesses and do nothing, I think it is entirely likely, and I can almost guarantee, that we shall be here from August on.

I think the very subject now under discussion in the amendment offered by the Senator from Wisconsin is one which is entitled to early consideration. It is entitled to be taken up and passed upon. If we are to pass a bill, an amendment, or a provision along the lines of his amendment, American industry ought to know it is soon as possible, so that it will know how to govern itself in the future.

Mr. ASHURST. Mr. President, will the Senator yield?

Mr. BARKLEY. I yield.

Mr. ASHURST. I have no way of divination. I believe that the American people expect us, as a Congress representing them, to render to the Allies all possible material aid—airplanes, machinery, supplies, and so forth. By "aid" they distinctly do not mean sending American soldiers to foreign countries. They expect us to remain in session to give aid so necessary to the Allies. If we adjourn, or even take recesses for 3 days at a time, we shall be in such a situation as to be powerless to pass bills looking toward rendering to the Allies the aid so necessary at this time.

So, Mr. President, I am not charging the Senator from Montana [Mr. WHEELER] with having abandoned his duties. I say that it is strange for the Senator from Kentucky to announce, as a responsible leader, that no attempt will be made to pass a transportation bill. The fact that it has been defeated means but little. It is within the literary and legal resources of the Interstate Commerce Committee at any time to bring forth a bill which will meet approval. If they are unable to agree on the large bill, which I think is Senate bill 2009, they might pass a stop-gap bill, or a temporary expedient which would at least serve until the regular session next January.

Mr. President, I do not want to be a party to stopping the progress of the pending bill; but I want to feel assured that no movement will be made looking toward any adjournment next Saturday.

One of the most wholesome things that have happened, one of the things that justify a republican form of government, is that here on the opposition side, on the Republican side, are two candidates for President who, whatever be their fate——

Mr. NEELY. Mr. President, will not the Senator put in the actual number?

Mr. ASHURST. No, Mr. President—whatever be their fate, they at least have demonstrated that they are worthy. We have never heard a word from either Republican Senator who is a candidate for President about adjournment, because he knew—he had prescience enough, judgment enough, to know—that if he talked a moment about adjourning, his political fortunes would collapse like a house of cards. We have not heard a word from either one of them about adjourning, because the votes they have, be they many or few, would disappear, they would show themselves to be unworthy of Presidential honors, if they talked of adjournment at this critical time.

Mr. BARKLEY. If the Senator will permit me at that point, it is unnecessary to talk about Congress adjourning when the candidate himself adjourns whenever it suits him. [Laughter.]

Mr. ASHURST. I did not catch that statement.

Mr. BARKLEY. I said that it is not only unnecessary but probably would be indelicate for a candidate for President to talk about Congress adjourning or not adjourning when he himself, as an individual candidate and Senator, may adjourn whenever it suits him, and go all over the country advocating himself as a candidate. So it is easy for a candidate not to say anything about it when he runs all around, from one end of the country to the other, adjourning himself. [Laughter.]

Mr. ASHURST. If any candidate for President has done that, he has weakened his candidacy just that much by the number of days he was absent.

Mr. BARKLEY. I am naming no names.

Mr. ASHURST. No; I did not think so. If any Republican candidate has abandoned his duties and has gone out barnstorming for delegates, he has degenerated and weakened his candidacy just so much.

Mr. BARKLEY. Just a word, and then I am not going to take any more of the time of the Senator from Wisconsin.

The Senator from Arizona has made light of our suggestion that we ought to keep in touch with our people. I have been here a long time, and so has the Senator from Arizona. We sit around here in this Chamber and these cloakrooms and we hear noises, because Washington is a sort of sounding board for all sorts of noises as well as nostrums. Sometimes we hear imaginary noises, and we think the world is about to come to an end; and we go back among our people and we find that they are calm and deliberate and going about their business, and have not even heard the noise that has scared us in Washington out of a year's growth.

So far as I am concerned, I am unconcerned about whether we recess, or adjourn, or meet every day from now until Christmas. I can assure the Senator, I think, that no motion will be made to adjourn sine die at the end of this week; and another thing: We have passed every piece of legislation of the defense program that has been asked except this tax bill and the supplemental appropriation bill, which has already been reported and will be taken up tomorrow.

Mr. ASHURST. Asked by whom?

Mr. BARKLEY. By the President, or by the Department of War, or the Department of the Navy, or those who are undertaking——

Mr. ASHURST. Is the able Senator from Kentucky going to put himself in the position that the only measures we ought to consider are those that have been asked by the executive department?

Mr. BARKLEY. Oh, no.

Mr. ASHURST. We are the legislative branch. There are bills on the calendar not asked by the Executive that should be submitted for his consideration and signature. We do not require the ipse dixit of the Executive to legislate.

Mr. BARKLEY. Oh, no. The Senator from Arizona cannot put words in my mouth. I am talking about the defense program. The calendar is full of bills that have not been considered, and probably the country would be better off if some of them never were considered; but they are here, and they are entitled to be considered if Congress wants to stay here to consider them. But what I am talking about is that if by Saturday night the tax bill, the appropriation bills, the naval-expansion bill, and the entire defense program have been completed, the country would not suffer very materially if for 2 or 3 weeks we suspended legislation of another character, not connected with our national defense.

Mr. ASHURST. Senators and Representatives would not suffer, because their salaries would run on; but 20,000 stalwart workers would suffer somewhat when their salaries were cut off.

Mr. BARKLEY. The Senator from Arizona has emphasized the railroad bill, and I have tried to explain the situation. I do not believe there is a Member of the Senate who thinks that by the first of July any legislation on that subject is possible. We talk about stopgap legislation on a great railroad or transportation subject. The Committee on Interstate Commerce of the Senate and the Committee on Interstate and Foreign Commerce of the House have been working for a year and a half on transportation legislation. There is no more important subject. After they have worked for a year and a half their work seems to have been nullified by the vote of another body. It is not an easy matter for that committee to get together overnight, or in a month, and work up a stopgap piece of legislation that can be passed in both Houses of Congress and meet the approval of the Executive. So I think we must look at that subject, as all other subjects, in a practical way.

I apologize to the Senator from Wisconsin [Mr. LA FOLLETTE] for taking up this time; but I did feel it my duty to unravel my mind to the Senator from Arizona. Whether or not it has unraveled his, I do not undertake to say.

Mr. LA FOLLETTE. Mr. President, in further response to the statement made by my colleague the Senator from Wisconsin [Mr. WILEY] some time ago, I will say that Great Britain imposes an excess-profits tax, allowing only 6 percent return, and takes 100 percent of the excess above that amount.

Canada likewise has an excess-profits tax and is taking a very substantial amount of the excess profits over the allowed return.

If we want to collect this tax, I think it is essential that we enact it now. It is true that if Congress should go to work on this subject next January, it could pass a bill and make it retroactive to apply to 1940 incomes; but, Mr. President, can you not hear the hue and cry which would be raised if any such effort were made? Corporations would say that they had made their plans without regard to the excess-profits tax, and that it would be unfair and unjust to make the tax retroactive.

I do not claim that this amendment is perfect; but I do claim that in the light of this emergency we can reenact the 1921 excess-profits tax, with certain changes made in the light of experience under that tax to make it more definite and more workable. If there develop changes which are necessary, there will be an opportunity in January to make such changes.

Mr. President, I fear that if this tax is not imposed now, when the Congress reconvenes in January, with all of the delays that are inherent in an effort to revise the entire tax structure, the measure will be a long time in passing through both Houses of Congress and becoming a law, and that there will be great resistance to making the excess-profits tax retroactive.

Therefore, Mr. President, I appeal to the Senate to attach to the pending bill this amendment, which is based largely upon the 1921 act, with certain changes and adjustments made in the light of the experience under that act, with certain simplifications eliminating alternatives which that act gave to the Commissioner of Internal Revenue. I appeal to the Senate thus to establish the principle, thus to show to the country that we propose, in accordance with ability to pay, to call for increased taxes from corporations making excess profits, upon the corporations with large profits, including profits from the huge armament expenditures which will mount month by month as the defense program gets under greater headway.

Mr. President, I wish to say, in conclusion, what I said at the beginning. I am for equitable taxation. I was brought up to believe in taxes levied in accordance with the principle of ability to pay. During my service in this body I have seized every occasion afforded by legislation passed through the House of Representatives dealing with revenue to move in the direction of imposing taxes and distributing burdens in accordance with ability to pay. But despite every effort I have been able to make, the increasing burdens of taxation have more and more been shifted over onto the direct taxes, which are levied not in accordance with the principle of ability to pay, but which fall heaviest upon those who have the least ability to pay.

In the pending tax bill such taxes are being jacked up; they are being further increased; we are reaching down into the lower individual income-tax group, as I have advocated here for many years. But when it comes to accepting a proposal to tax corporations upon their excess profits in accordance with ability to pay, in this critical emergency, we are told we have not time; we are told that it is a complex subject; we are told that we must wait until the Ways and Means Committee begins a general revision of the income-tax law.

Mr. President, I have been waiting for that general, scientific, comprehensive revision of the income-tax law, which has been promised every time a tax bill has been before the Senate during the 15 years I have been a Member of this body.

Mr. SHIPSTEAD. Mr. President, will the Senator yield?

Mr. LA FOLLETTE. I yield.

Mr. SHIPSTEAD. As I understand the Senator's idea of raising war taxes, it is that those who make the profits out of war should pay the taxes for the conduct of the war. There is nothing confusing about that—it is very simple—and it should not take very long for the Finance Committee to arrange for that kind of a tax.

Mr. LA FOLLETTE. Mr. President, I do not want to have my proposal confused with the proposal which will subsequently be made, I understand, by the Senator from Washington [Mr. BONE] to impose a tax predicated upon the theory that it is to go into effect when and if this country is involved in actual war. I am offering this excess-profits tax proposal as a permanent addition to our tax structure. I am offering it especially in the light of the increased profits which corporations are certain to make as a result of our huge armament program.

Mr. President, those representing the majority of the Finance Committee will no doubt claim that this amendment has not been sufficiently studied; that it has not been sufficiently considered in detail. It is predicated on the law which the Finance Committee of the Senate and the Ways and Means Committee of the House of Representatives considered and Congress passed in 1921. It had consideration at that time in the light of the experience between 1917 and 1921 with excess-profits legislation.

We may debate the high-spun theories of taxation and the problems inherent in excess profits until we are black in the face, but we will not get down to the proposition of collecting the tax if we continue to debate the question in the high realms of mere theory.

This amendment has been on the statute books, to all intents and purposes. Under it substantial amounts of revenue were collected. I appeal to the Senate to put it into the pending bill; let it go to conference; let it have consideration in conference; and let it be enacted into law as a part of the

pending measure. Let us assure the people that we are not only going to lower the individual income-tax brackets; that we are not only going to jack up the excise taxes, which are paid in the largest proportion by the people who have least ability to pay; but let us likewise assure the country that we are going to ask corporations, in accordance with their ability to pay, and in accordance with the profits they make out of the armament program, to carry their fair share of the huge burden.

Mr. President, I do not know anything which would be more shocking or more disappointing to the people than to have Congress enact a tax bill increasing the burden upon those who have the least ability to pay, and fail to ask the corporations which derive the largest percentages of profit out of the armament program, to carry their fair share of the burden.

Mr. MINTON. Mr. President, will the Senator yield?

Mr. LA FOLLETTE. I yield.

Mr. MINTON. Apparently we are getting ready also to demand the services of the young men in this country in the Army on a compulsory basis. I am not willing to force the young men of the United States to assume compulsory military training, which apparently they will have to assume, if we are not going to make the people who are engaged in the business of making money pay a substantial part of their profits in taxes.

Mr. LA FOLLETTE. I appreciate the suggestion of the Senator from Indiana. His entire record in the Senate shows that he would not take any but the equitable position which he has just announced.

In the name of equity, in the name of justice, I appeal to the Senate to adopt the amendment. It will be no answer to the people to wave in their faces a promise made by the Ways and Means Committee that there will be consideration of an excess-profits tax at the next session of Congress.

In conclusion, let me say that I do not think there could be any worse blow to the morale of the people of the United States than to pass the pending tax bill without providing for the taxation of the excess profits of corporations.

AMERICA'S POSITION TOWARD THE WAR IN EUROPE

Mr. LUNDEEN. Mr. President, America can be kept out of the European war. Every responsible statesman throughout our history has inveighed against our involvement in the quarrels and real-estate titles of Europe.

Today our veterans speak out in no uncertain voice against our meddling over there.

I ask unanimous consent at this point in my remarks to have printed in the RECORD a statement from the headquarters of the American Legion which begins with this sentence:

The hour has struck for the American Legion to take a vigorous stand and assume leadership to keep this country from involvement in war.

I should like to read the whole statement, but I realize that the hour is late, so I shall be content merely to ask that it be printed at this point in my remarks.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

AMERICAN LEGION AND THE WAR IN EUROPE

(Statement issued from American Legion headquarters, Washington. O. K. Armstrong, of Springfield, Mo., member of the foreign relations committee, declares that the hour has struck for the American Legion to take a stand against involvement of the United States in war. Mr. Armstrong, magazine writer, conferred last week with National Commander Raymond J. Kelly and with Foreign Relations Chairman Wilbur Alter)

The hour has struck for the American Legion to take a vigorous stand and assume leadership to keep this country from involvement in war.

The program of the American Legion, from resolutions of past national conventions and committee actions, stands squarely for keeping our country at peace through a strong national defense and noninterference in the quarrels of other nations. Legionnaires everywhere should make an effort to carry out the mandate of the last national convention in Chicago, which reads:

PREVENT INVOLVEMENT IN THIS CONFLICT

"We not only believe that this Nation need not become involved but insist and demand that the President of the United States and the Congress pursue a policy that, while preserving the sovereignty and dignity of this Nation, will prevent involvement in this conflict."

National Commander Kelly has repeatedly stressed that our security and that of our hemisphere are our primary concern. It is time for the Legion to rally behind him to a man in his recent declaration that it is idle to consider the feasibility of intervening in the great conflict across the Atlantic.

LEGION COMBATING ALL PROPAGANDA

The Legion program calls for combating all propaganda designed to break down our neutrality. If any who plead for our participation in war do so with the hope of profit of any kind—financial, industrial, political, or any other—they should be branded as enemies of our American homes, institutions, and ideals.

We need sane thinking and fast, calm, silent action. A strong man well armed needs no hostile and bitter words to assert his defense.

We must halt the cultivation of the feeling that war inevitably awaits us. It is the American tradition to create good will among men and nations, and the American Legion should take the lead now as never before in continuing that tradition. As a Nation intent upon preserving democracy, we shall need all the friendship of foreign governments and peoples we can find.

In recent conferences with National Commander Kelly and Chairman Alter I have pledged my time and energy to this task. I hope my fellow Legionnaires will do likewise.

The greatest contribution the veterans of the last World War can make to America and the world is to preserve our Nation on guard and at peace.

AMERICAN WARSHIPS FOR GREAT BRITAIN

Mr. LUNDEEN. Mr. President, I notice in the press of this morning a report that 30 warships were sold to Great Britain. I repeat it is a press report. However, the Washington Times-Herald states that the report of sale of these ships was confirmed by the Senate Naval Affairs Committee. Therefore, I judge it to be true. I have no definite information on the subject beyond that. If this be true, then in the interest of every true American we certainly ought to investigate who controls and governs this country.

LORD LOTHIAN DEMANDS OUR SHIPS

Some days ago I mentioned the first report on this matter, and I referred to Lord Lothian's address at Washington and Jefferson College on June 8 (United Press dispatch) and his demand on the United States for warships, guns, and war materials.

I want to say that I do not join with those who wish to aid the Allies, if there are any Allies now, that France is done.

Anything that we sent to France a short time ago is Hitler's today. And when you saw the picture in the Star the other night showing thousands of 75-millimeter guns on the decks of a 30,000-ton French liner going over to England with our artillery—I take it, practically all our 75's—I have no assurance that that artillery will not be Hitler's in a very short time.

ISLANDS AND AMERICAN DEFENSE

Mr. President, I think the best way to defend America is to acquire bases on both our coasts and fortify them—air bases and naval bases—fortify our country here on this side of the Atlantic. Build our defenses here, and, above all, build our air defenses, with a separate department for the air. Brigadier General Mitchell urged that some 20 years ago. Twenty-one years ago—on the 28th of February 1919—I introduced a bill on that subject. On June 29, 1935, and May 21, 1940, I again introduced bills to provide for a separate Department of Air.

Let us build our defenses on this side of the Atlantic and keep America strong, remembering that our own best defense is our own strong right arm, and that there is nothing else upon which we may lean in the hour of trial.

TAXING AMERICA FOR EUROPE

I am not interested in aid for Great Britain or tax bills or appropriation bills which merely appropriate money for war materials and ships to be turned over to foreign governments.

At this point in my remarks I ask to have printed in the RECORD an article published in the Washington Times-Herald of today under the heading:

Thirty United States warships sold to England. Senate committee investigating.

I ask that this article be printed in the RECORD at this point in my remarks.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Washington Times-Herald of June 19, 1940]

THIRTY UNITED STATES WARSHIPS SOLD TO ENGLAND—SENATE COMMITTEE INVESTIGATING DEAL

The Roosevelt administration has released to the British Government 20 of the Navy's fast torpedo boats and submarine chasers.

At a recent investigation of the incident, Senator DAVID I. WALSH (Democrat), of Massachusetts, chairman of the Naval Affairs Committee, told Lewis Compton, acting Secretary of the Navy, that he ought to resign.

REPORT CONFIRMED

This information was disclosed to the Chicago Tribune Press Service in official quarters yesterday and was confirmed by members of the Senate Naval Affairs Committee.

The released vessels include 10 torpedo boats and 10 submarine chasers in service and 10 harbor-defense or mosquito vessels that are not completed and were not scheduled for delivery to the Navy before August.

The harbor-defense boats are said to have tremendous speed. They mount a gun suitable for action against submarines, carry one torpedo tube, and have intricate sound-locating apparatus for detecting the presence of submarines.

COST NOT REVEALED

The cost of these vessels and the details by which the transfer is to be effected could not be learned immediately. The Senate Naval Affairs Committee obtained its information concerning the deal during a series of hearings in executive session on a bill to expedite the shipbuilding program.

Members of the Senate Naval Affairs Committee said they knew of no statutory authority for the release of naval vessels to a foreign government, or to turn them into shipbuilders for resale to foreign governments. The trade-in procedure was followed in the airplane and ordnance deals.

DESTROYERS WANTED

From a naval officer permanently attached to the committee and from other naval officers who appeared as witnesses, the committee learned the British were eager to buy American destroyers and that Secretary of the Treasury Henry Morgenthau was putting pressure on the Navy in behalf of the British.

The committee thereupon asked Chairman WALSH to call upon President Roosevelt and demand to know what, if anything, had been done about the British request for destroyers. Senator WALSH demurred on the ground that Mr. Roosevelt would pledge him to secrecy. He agreed to write a letter to the President requesting the information.

COMPTON CALLS WALSH

Meanwhile the naval attaché was instructed to say nothing about the committee's plans. When Senator WALSH was writing his letter to the President, Compton telephoned to him and said he understood the committee was requesting certain information from the President.

Compton told Senator WALSH that the Navy had not released any destroyers but that, in all fairness, it should be said that certain other craft had been released. Chairman WALSH thereupon summoned Compton to appear before the committee, which he did, last Friday.

According to members present it was a stormy session. Chairman WALSH wanted to know what authority of law the Navy had for its action. He demanded to know whether the Navy had consulted its Commander in Chief, President Roosevelt.

ROOSEVELT NOT CONSULTED

Compton replied that Mr. Roosevelt had not been consulted, but that Secretary Morgenthau had urged that the vessels be released.

At this point, members of the committee said, Chairman WALSH asked Compton: "Why don't you resign?"

Other members of the committee did not feel that there was any obligation upon Compton to resign or that he had any more to do with the transaction than the execution of orders.

Morgenthau's participation in the negotiations recalled the part he played early in 1939 in obtaining the release of secret military aircraft for French and British purchasing missions. The crash of a Douglas attack bomber, built for the Army, with a French Army officer aboard, resulted in a Senate investigation.

WAR STOCKS RELEASED

Acting under 1917 statute, the administration has released Army and Navy airplanes, including naval dive bombers delivered within the last 6 months, to the British and French. Under special authority rushed through the Congress, the administration has released huge stocks of the Army's World War rifles, 75-millimeter guns, mortars, machine guns, and ammunition to the British and French.

SCUTTLING OUR DEFENSES

Mr. LUNDEEN. Mr. President, when members of our Naval Affairs Committee say that they know of no statutory law or authority for giving these powerful war vessels to foreign nations, nations that may some day turn the guns of these very ships against us, what can we say? Is this loyalty to America and to our country's best interests? Shall we continue to permit this treason? Shall traitors to the flag that flies above us scuttle our defenses and give our last weapons—land, air, and sea—to the empires of the Old World?

MANEUVERING BEHIND THE SCENES

Our Senate Naval Affairs Committee state that they did not sanction the release of our ships. This treachery was apparently accomplished in secret. Other disloyal transactions may have been secretly carried through. How do we know? All this maneuvering behind the scenes certainly lays the foundation for a thorough investigation to the end that American taxpayers who paid for these war vessels may be protected from foreign-minded interventionists.

ALTERATION OF BRIDGES OVER NAVIGABLE WATERS—VETO MESSAGE

Mr. TRUMAN. Mr. President, I desire to make the announcement that the President's veto message on the bill (H. R. 9381) to provide for the alteration of certain bridges over navigable waters of the United States, for the apportionment of the cost of such alterations between the United States and the owners of such bridges, and for other purposes, was acted upon in the House of Representatives this afternoon and, upon reconsideration, the bill was passed and messaged to the Senate. At the most convenient opportunity I expect to call up the bill for action in the Senate.

REVENUE BILL OF 1940

The Senate resumed the consideration of the bill (H. R. 10039) to provide for the expenses of national preparedness by raising revenue and issuing bonds, to provide a method for paying for such bonds, and for other purposes.

Mr. GEORGE obtained the floor.

Mr. BARKLEY. Mr. President, will the Senator yield?

Mr. GEORGE. I yield.

Mr. BARKLEY. I wish to announce that it is the purpose to continue the session tonight in an effort to conclude action upon the tax bill. I make that announcement for the benefit of Senators who may wish to arrange their affairs accordingly.

Mr. GEORGE. Mr. President, I do not wish to delay the Senate at this late hour, and particularly upon this amendment, but inasmuch as an appeal has been made by the Senator from Wisconsin to adopt it now, without any real consideration of what the amendment is, except that it was one time in the law, I feel constrained to make a very brief statement about it.

Upon the question of an excess-profits tax, there will be little dispute in the Finance Committee, I apprehend, or in the Senate. There is, however, no reason to consider the excess-profits tax now because in any event we are coming back here in January, and the excess-profits-tax provision can be inserted in a tax bill which is necessary—not a matter of choice, but which is necessary and which can be made retroactive over identically the same period, and certainly the business of the country is on notice that an excess-profits tax will be adopted before the next taxable year begins to run.

Mr. President, I know very well that we have talked about passing a general or comprehensive tax bill in the future, but we face such a situation that an additional tax bill must be passed at the January session of the Congress. It is not a matter of choice. If it were a matter of choice, we might be disposed to agree and say that perhaps Congress could find some convenient reason for putting off to another time the consideration of the tax measure. But, as a matter of fact, we will be obliged to consider another tax measure, whether or not we remain in session, at least in early January; and identically this tax, if it be the viewpoint of the Congress that it should be imposed, may be made retroactive over the entire taxable year 1940, and identically the same sum of money collected, or some sum of money, if the Congress should be of the opinion that this particular tax is not wise.

As to the question whether we are to remain in session, of course I do not know what Congress may do, but personally I think the Congress should remain in session. I can only say to the Senator from Wisconsin [Mr. LA FOLLETTE] that, so far as my vote is concerned, I shall vote to stay here without recessing, except 3 days at a time, and

under a gentleman's agreement that during the convention periods we will not take up any important matters. I can see no reason why we should not stay here, and I think the country wants us to stay here. I believe it to be our duty to stay here, and, therefore, I am going to vote to stay here. If we do stay here, as soon as we can get the necessary data and consider some important questions involved in this type of tax, we should begin to write an additional tax bill and whip it into shape and pass it. If we do not do that, we must come back in January anyway, and we can make this tax retroactive over all of 1940 and certainly will be able to accomplish the same purpose.

Mr. President, it may be said that business would have some reason for saying in January that we should not make this tax retroactive, but that can hardly be so when the Ways and Means Committee, when it was considering this tax bill, agreed with the Treasury Department that the experts on the staff of the Joint Committee on Taxation and the staff in the Treasury Department would begin deliberation immediately on this particular question and would as soon as the necessary data could be gotten in hand make recommendations upon which could be based a sound tax measure.

Mr. BARKLEY. Mr. President, will the Senator yield?

Mr. GEORGE. I yield.

Mr. BARKLEY. The Joint Committee on Taxation, to which the Senator refers, is an agency of the Congress itself, charged with the duty of obtaining the necessary information upon which tax legislation can be enacted, and it seems to me we are bound to give full credence to their statement, as well as that of the Treasury, that they cannot under 30 days and probably even longer, obtain all the necessary information upon which Congress can enact a fair excess-profits tax.

Mr. LA FOLLETTE. Mr. President, will the Senator yield?

Mr. GEORGE. I yield.

Mr. LA FOLLETTE. I should like to remind the Senate that when the last tax bill was under consideration the senior Senator from Missouri [Mr. CLARK] prepared an amendment providing for taxation of income derived from tax-exempt securities. He intended to offer that to the bill. He was dissuaded from offering it to that bill on the assurance that there would be a general revision of taxes at the next session of Congress, and that full opportunity would be given for the consideration of that proposition. Furthermore, to my certain knowledge, it was announced—I think 2 years ago, if not last year—that the joint committee staff and the Treasury staff were instructed to go to work to prepare for a general revision of the tax structure; and yet we are now passing another makeshift tax bill, with amendments being pushed aside on the theory that the joint committee and the Treasury experts are once more to go to work.

Mr. GEORGE. Mr. President, the Senator from Wisconsin is assuming that the tax measure he offers is wholly free from difficulty, and that we have all the necessary information on which to act. I am trying to point out as best I can that, in my opinion, Congress will not adjourn at all, and I do not think it should; but if it should adjourn, we shall certainly have to return in January. The Treasury Department and the Ways and Means Committee of the House, in a rather formal way, have advised the country that the excess-profits tax would be considered, and that it would be within the power of the Congress, if it so willed, to make it retroactive over the present year, 1940.

I agree with the Senator from Wisconsin that on occasion we have not always found it convenient to do the thing we promised to do. I also agree with the Senator from Wisconsin upon the broad proposition that we must have an excess-profits tax. I have no doubt about it. I fear we may have some other kind of tax, even on top of the excess-profits tax. We may have a sales tax, though I have never voted for one. But I think it must be taken for the truth that we cannot rest upon the tax bill before us, in view of the fact that already we are increasing our national debt by $5,000,000,000. Whatever may become of the war in Europe, whatever turn it may take, we shall go forward with a defense program which will run our national debt even beyond the appropriations made at this session, so we must have additional taxes and we must of necessity consider this question along with the question of other sources of revenue when we proceed, either now or in January, to face that problem. It is not a theory.

Let me say to the Senator from Wisconsin that I have precisely the view he has; that is, that we ought not to have relied upon a tax program which would have produced a relatively small part of the revenue which the Government now so seriously needs, and we should have proceeded to a more general revision of the tax laws. I thoroughly agree with that position, especially in view of the Treasury recommendation that we simply take the additional excess taxes plus the 10-percent increase upon existing taxes, and raise some $660,000,000.

The real necessity for the passage of the bill at a reasonably early hour is to authorize an increase in the national debt.

We might as well be clear politically. It would perhaps be impossible to increase the national debt without also raising some revenue. Members of the Senate entertain varying judgments upon that important question. Some do not believe in increasing the national debt. A great many do not believe in increasing the national debt without also making some attempt to raise additional revenue. The bill does raise a sizable amount of additional revenue. It is estimated to raise a little more than $1,000,000,000, which, on top of our other taxes, is a very considerable increase in revenue.

We must consider the tax question again. We must live up to our agreements and pledges. We can consider the question of excess-profits taxes, at least in January, and, as I hope and think, before January, because I do not think we should adjourn.

We are not witnessing the accumulations of fortunes upon the scale of fortunes accumulated in the period from 1914 to 1919, and I do not think we shall do so. Already the war in Europe has narrowed to one belligerent upon one side and two active belligerents upon the other side. Already the vast population and the large Army of France are actually out of the fighting, or we must assume that they are practically out of the fighting. It undoubtedly is true that Great Britain had made all her plans for this war without drawing so strongly upon the resources of the United States. In other words, she had made her plans elsewhere to obtain wheat, tobacco, cotton, and all the raw materials for her manufacture and, in large part, to support her population. There may be, and undoubtedly there are, some industries in the country which will make increased profits; but by and large, American industry need not expect to enjoy the swollen fortunes which came about as a result of the last World War. Even before this Congress adjourns the war may have ended.

Of course no one can say as to that, and no one wishes to speculate about it; but I think it is reasonably certain—as certain as any man may feel justified in making the statement—that this country will not enter the war. Day by day the sentiment of the American people grows stronger against any possible involvement in the European war. So there will not be a tremendous war boom. Indeed, Mr. President, those in industry, and perhaps even in agriculture, who depend upon a war boom will be sadly disappointed. But assuming that they will not be, and assuming that we should levy an excess-profits tax even if there were no war, because we shall need additional revenue—assuming all that, and facing the facts as they are, there must be a revision of the tax laws, because we have too large a deficit in our ordinary expenditures, and we know that if we carry forward even the projected national-defense program, the expenditure on that account will be large.

Mr. President, let me call attention to the fact that the Senator from Wisconsin proposes the excess-profits tax which we had during the previous war period, as it was changed and modified through 1921. The measure imposed no taxes upon excess profits except profits earned by corporations. There may be excess profits earned in the war by individuals,

by copartnerships, or by associations. The basis of the tax in all prior acts, and in the amendment which the Senator has offered, is invested capital. A return of 8 percent is permitted upon invested capital, and there is an exemption of $3,000.

Great Britain has an excess-profits tax, but it is not based upon invested capital. France has an excess-profits tax, but it is not based upon invested capital. Canada has an excess-profits tax. It is not based upon invested capital. Even Germany has an excess-profits tax, a very high one, and it is not based upon invested capital. There are many of us who honestly think that is the proper basis for an excess-profits tax.

Under the excess-profits tax of the war period, all kinds of complications arose. It did produce revenue, but vast sums of revenue produced by it had to be returned to the taxpayers. There are today pending suits growing out of that excess-profits tax, built upon the basis that we built it, involving more than $13,000,000—suits for the recovery of that amount of money—and in all human probability many of those litigants will be successful. We might have litigation on any tax basis; but I am perfectly confident in my own mind that the Treasury is right when it says there are numerous questions that ought to be examined, and that it will require some 60 days, at least, to get all of the data and make all of the examination required to be able to submit to us an excess-profits tax that will cause us the least possible trouble.

Personally, I feel very strongly that the basis of the excess-profits tax should be simply this:

The tax should be levied upon profits which are above the average profits of the corporation, partnership, or individual in the same enterprise over 1, 2, or 3 years prior to the time the tax goes into effect. I think that is right, because I think we shall have to retain the excess-profits tax if the war ends immediately, because we shall need the revenue. I think there can be little doubt about it.

We cannot go on with a very large peacetime deficit, let us say, in order to distinguish it, and a constantly mounting cost of national defense which I think the country has resolved to have even though the war should end. If the war should end some of our ardor for national defense might cool off, but not all of it; and I feel sure the American people have reached the conclusion that it would be most unwise for us to neglect our national defense.

Sr, Mr. President, with the Treasury statement that it will be at least 60 days before there can be gathered the dependable data upon which they can proceed to write or suggest an excess-profits tax which will not lead to the complications of the wartime excess-profits tax, and with the certainty that in January, at least, we can impose the tax and make it retroactive over 1940, it would seem that we should acquiesce in and accept the judgment of the Treasury Department in this instance.

Let me call attention also to this fact:

Under the excess-profits tax offered by the Senator from Wisconsin and the excess-profits tax which we had during the war period it would be quite possible for a corporation to pay an excess-profits tax running as high during the war period as 80 percent when it was not making as much money as it made before the war. Take the case of any corporation with a relatively small invested capital which happens to earn a considerable sum of money, which happens to earn dividends for a few years, and after we levy the excess-profits tax upon the basis of invested capital allow a deduction only of 7 or 8 percent, or whatever percentage is agreed upon, on the invested capital as against the earnings, and it is quite possible to see that in many instances the corporation with a small invested capital is placed at a very great disadvantage.

It is perfectly fair, I think—although the committee might not agree with that view, and might accept the proposal offered by the Senator from Wisconsin—it seems to me to be perfectly fair to say that we shall impose an excess-profits tax on all profits in excess of the average earned by the corporation during, say, the last 3 years prior to the time the excess-profits tax goes into effect.

I do not think it is necessary to go into various questions which have arisen and will arise again if we enact an excess-profits tax on the basis of invested capital. I call attention, however, to the fact that on the basis of invested capital the corporation cannot even have considered—that was the rule under the old acts—its fixed indebtedness, money borrowed upon its bonds, money which really went into the operations of the corporation, borrowed for that purpose; but it was limited to a narrow consideration of the capital invested, plus some other minor things.

I take it that when Canada, Great Britain, France, and even Germany—all of which countries have adopted the excess-profits tax—have abandoned, if indeed they ever had, the capital-invested theory as a basis upon which to impose these higher taxes, and have adopted a tax on the excess profits over and above the normal earnings over a fixed period, there is a substantial reason for that conclusion.

Mr. BROWN. Mr. President, would the Senator mind an interruption at that point?

The PRESIDING OFFICER. Does the Senator from Georgia yield to the Senator from Michigan?

Mr. GEORGE. I do.

Mr. BROWN. I understand that one of the most difficult questions coming before those who are in charge of the purchase of implements of war for a national-defense program is how much money should be allowed on contracts the Government makes for amortization of the costs of the new tooling equipment that will be required; for instance, in the case of airplane engines, whether it should be over a 2-year period, a 4-year period, or an 8-year period. I am sure that in the period between now and the 1st of January those in charge of that program will have an opportunity to advise the Treasury and the committees of Congress as to that problem, which is one of the most difficult ones to solve in connection with our national defense.

Mr. GEORGE. The Senator from Michigan is quite right. Not only is it one of the most difficult problems but it is one of the most important ones, because if we are relying upon private industry in this country to do the job of building the machines and furnishing the things necessary in our national defense they must, of course, be permitted to take amortization of their investment in additional plant facilities over a reasonable period of time. The amendment offered by the Senator from Wisconsin undertakes to do that, but on the basis of the amortization plan fixed in the old wartime act.

Now let me call attention to another fact, and it is a very important consideration: Not only are we not going to have tremendous war profits; the chances are that on the whole we may have tremendous war losses.

In the next place, let me call attention to the fact that now we are limiting the profits on the purchases under contracts made by our own Government. Let me show that under existing law the contractor who builds a vessel, or who works upon a ship, or an airplane, has a limitation fixed on his profits. I express the hope that before we are through this session those profits may be somewhat reduced, because I think they are somewhat excessive.

Mr. WALSH. Mr. President, I am very glad to hear the Senator say that. The committee has been laboring on that very proposition.

Mr. GEORGE. I believe the limitation of profits is 10 or 12 percent now, is it not?

Mr. WALSH. Yes. The statistics show that in the year 1938, when there were not many contracts, the companies which were building our ships and our airplanes made profits reported of between 14 and 24 percent. That was in 1938, the year for which the last figures are available.

First, I want to compliment the Senator for raising his voice, which means so much in this country, because of the confidence and the respect the people of the country have for him, in protesting against the possibility of our going into this world war. It is refreshing and comforting to hear that, in view of the statement of a former Secretary of State

last night, in which he was practically advocating our entrance into the war.

Would the Senator differentiate between profits on munitions and profits on general business or general earnings? I ask him that question for the reason that the Government is about to spend billions of dollars—not millions, but billions. The Navy Department now has on its desk contracts for building ships amounting to a billion dollars. I ask the Senator whether he does not think that, with the Government spending vast sums for defense, in preparation for war, and since we may have universal military training, and at the same time may be calling out our State militias from their workshops and their homes at a compensation of from $12 to $30 a month, and at the same time we are attempting to cut down salaries, and, if not cut them down, then eliminate or reduce the number of employees, whether we should not put some restrictions upon the profits made in the expenditure of the enormous sums of money which are being spent for munitions?

Mr. GEORGE. I thoroughly agree with the Senator.

Mr. WALSH. I thought the Senator would.

Mr. GEORGE. I not only agree with the Senator, but I think we must have an excess-profits tax upon the earnings of corporations.

Mr. TOBEY. Mr. President, will the Senator from Georgia yield?

Mr. GEORGE. I yield.

Mr. TOBEY. For the benefit of the Senator, I will say, with reference to the Vinson-Trammell bill, that this year three million and a half dollars already have been repaid into the Treasury of the United States, and one shipbuilding company in New England has this year set up a reserve of two million and a half dollars against excess profits to be returned to the Treasury.

Mr. WALSH. The profits I referred to are not entirely upon Government contracts. They are to concerns which have Government contracts, but the profits I refer to, namely, 14 to 24 percent, are on their entire business, which includes Government and private contracts.

Mr. GEORGE. I was merely pointing out that the present situation is that we now have limitations on what may be earned on contracts, and I am pleased to hear the disguished chairman of the Committee on Naval Affairs say that he thinks those profits should be reduced.

Mr. WALSH. And we are seeking to reduce them, but meeting with vigorous opposition. I am sure we will find helping us the Senator from Georgia, when the bill is before the Senate, but we are having opposition from sources from which we did not expect it.

Mr. GEORGE. I appreciate that. Another thing to which I was about to call attention was that the excess-profits taxes during the World War were written on corporate income taxes, and the maximum tax was only 10 percent. Under the pending bill the rate upon corporate net income is actually 20.9 percent, more than double. So, with a tax of 20.9 percent upon corporate income, with limitations beyond the limitations which were imposed during the World War upon the profits made out of war industries, exclusively out of war contracts, and with the certainty that we must reconsider the tax question at the very latest by January 1, because no one can prevent consideration on and after that date, there would seem to be wisdom in allowing the committees of the Congress to consider thoroughly the proper basis of the excess-profits tax, not that anyone who looks at facts as they are can think for a moment that we could escape it, or try to escape it, or should have any desire to escape it, but that we must levy it, and must make it retroactive over the whole year 1940.

Let me say that there are many complications involved in the old tax which the distinguished Senator from Wisconsin has offered. If it were possible to do nothing else, I would gladly say yes, we must take it, but there are so many complications involved, so many difficulties involved, and in some instances so many injustices which may, upon a fair study and fair consideration, be ironed out, that I think at this time we should be willing to say to the Treasury Department, "If, as you say to us, you will be able, when you have collected the full data, which will take you about 60 days, to give us the basis upon which we can study this question, then we will proceed to a consideration of the levying of additional taxes, specifically the levying of excess-profits taxes."

Mr. President, I have not undertaken to point out the difficulties which were involved in the old excess-profits tax which the Senator has offered here, but to point out only one or two of them.

As I take my seat, I wish to say that between the Senator from Wisconsin and myself there is absolutely no difference. It would not be fair to leave this tax bill as it stands without widening it out in more respects than one, making the wider distribution of the tax burden upon all of our taxpayers, and especially upon all those who are most able to bear the burden of the taxes. I fully agree with him. I agree specifically that the excess-profits tax should be levied to apply to all the business done in this country in 1940.

Perhaps my views would not prevail, and perhaps the Senator's views would not prevail altogether. But, in the counsel we can have in a committee here and on the other side of the Capitol, I feel sure we can work out a good tax program, so far as the excess-profits taxes are concerned.

I wish to say again that it may not, I think, be fairly anticipated that any extraordinary war boom, save in the war industries themselves, is likely to come to this country as a result of the war. With one of the Allied Powers already out, with the other fighting a defensive war, and only a defensive war, from necessity, with arrangements already made for the purchase of cotton and wheat, food supplies, and even tobacco, from countries other than the countries in the Western Hemisphere, it need not be anticipated that any great war boom can come to the general industries in the United States, and whatever does come will be confined very largley, so far as its direct effect upon the war industries themselves is concerned, upon the people who build the planes, the engines for the planes, the parts for the planes, the ships, and who provide the guns and the ammunition to be used in the guns, in our own national defense.

I do not think one need to look further than to the enormous losses which have occurred upon the American stock market since that day in April, I believe it was, when the German armies marched into Denmark, through Denmark and into Norway, and give reasonable consideration to that situation without knowing that we are not in for any great boom. We are in for a period of hardship. We are not in for a great boom because the war will not extend to the Western Hemisphere. We are not going into that war. The war will end where it now exists. Woe be unto any political party which will make the election of next November a referendum on the question of peace or war. We need not worry ourselves greatly about that.

I am in full accord and in full agreement with the Senator from Wisconsin. I should like to appeal to him to let us have the opportunity to get the data and make the study because I know he wants a tax program, so far as excess-profits taxes are concerned, that will produce the greatest amount of revenue and at the same time be fair to the taxpayers themselves and to the general business of the country. I do not think there is any doubt now that Congress will remain in session.

The PRESIDING OFFICER (Mr. CHANDLER in the chair). The question is on the amendment offered by the Senator from Wisconsin [Mr. LA FOLLETTE].

Mr. LA FOLLETTE. Mr. President, I wish to say a few words in reply to the statement made by the able Senator from Georgia [Mr. GEORGE]. I never claimed perfection for the amendment. I made the statement repeatedly in the present discussion that I recognize that it is a complex question, and that undoubtedly any excess-profits tax enacted now or next fall or next winter or a year from this summer, will have to be revised after it has been on the statute books, and we have had some experience under it. But, Mr. President, if the Treasury takes the position and furnishes the ammunition against any proposed tax on excess profits

merely because it thinks it has not yet had a chance to draft a perfect amendment, I will say that we will never have an excess-profits tax, for neither the Treasury experts nor the experts of the joint committee will ever be able to draw an excess-profits tax or any other kind of a tax amendment that will be perfect in character.

I am not proposing this as a temporary windfall tax. I am proposing it as a permanent part of our tax structure, and, for that reason, I believe invested capital is the only sound basis upon which the tax can be predicated.

It is true that the taxes in Great Britain and in Canada are predicated upon a base of average earnings over a period of years, but, as I understand it, those are temporary excess war profits taxes, and I am not offering such a proposal here.

I think that one of the greatest sources of difficulty under the 1918 and 1919 and 1921 statutes has been eliminated in this amendment by taking away from the Commissioner of Internal Revenue the alternative methods of arriving at invested capital and forcing him to come to a determination. It was due to those alternative provisions that much of the complicated litigation arose under the taxes of those years.

So far as I am concerned, I hope the amortization provisions which are to be written into an excess-profits tax, if and when we ever get around to it, will not be drawn to suit the armament manufacturers. I believe that the amortization provision contained in this amendment is generous and equitable. It even goes so far as to provide for a readjustment of the amortization if, in the discretion of the Commissioner of Internal Revenue, an unfair amortization schedule has been arrived at.

Mr. President, I realize that with the opposition of the Treasury and the opposition of the majority members of the Finance Committee to this amendment, I am swimming upstream; but I wish to say as emphatically as I know how that there is no excuse for passing this tax bill at all if it is intended to commence a general revision of the tax law this summer or early this fall. The testimony of the Secretary of the Treasury and of Mr. Bell before the Finance Committee demonstrates clearly that there will be no urgent necessity for increase in the debt limit before next January.

If we are to pass retroactive tax legislation next winter or next spring or next summer, then why impose these increased taxes upon the individual taxpayers? Why impose them on the corporations? They are not going to pay any of their money into the Treasury until next year. If we are to adopt retroactive taxation on excess profits, we can adopt retroactive taxation on individuals and on corporations.

If this amendment is not to be attached to the pending bill, the bill should be stripped of everything except increase in the excise taxes, which should go into effect on the 1st day of July, and we should go right to work on a comprehensive revision of the tax statutes. But, if that is not to be done, if we are going to anticipate these increases upon the individual taxpayer, then I say that my amendment should be attached to the bill.

If we tax everybody to the bone and fail to tax the excess profits of corporations, those who wish to go home and explain by saying "We will tax corporate excess profits at some later time, or at some other time" are at liberty to do so. I say that now is the time to enact this amendment and let it go upon the statute books. If it develops in practice that it is imperfect, there will be opportunity for amendment. Even when the gentlemen in the Treasury get through working upon their perfect amendment, and the committee and the Senate swallow it and put it on the statute books, if it stays there any length of time, imperfections will be found in their efforts, and amendments will have to be made to it.

Mr. President, we have had experience under this principle of taxation. It was on the statute books after consideration by the Ways and Means Committee and the Finance Committee of the 1917 session, the 1918 session, the 1919 session, and the 1921 session. I say that it is no answer for Senators to rise here and say that this is a complicated question and that we will have to wait until the gentlemen from the Treasury Department have concluded their studies and rendered their Olympian opinions before we may act upon excess-profits legislation designed to spread more equitably the burden of this terrific tax that is being laid upon the people by making corporations pay in proportion to their ability to pay.

Mr. CLARK of Missouri. Mr. President, will the Senator yield?

Mr. LA FOLLETTE. I yield.

Mr. CLARK of Missouri. Is it not a fact that in the years preceding the last World War, and during that war, a number of excess-profits taxes were considered and enacted, but that in each case it was found that the tax was several months behind the profit? In other words, at the end of the last war excess profits and incomes had been stepped up to a very great degree. Nevertheless, the tax was always several months behind the taxpayer. Tremendous profits always accumulated before the tax could be considered and go into effect. Therefore it seems to me that the only way in which we can possibly make effective the pronouncement in the President's message the other night, and his pledge that in this war no war millionaires will be created, which, so far as I know, met with the commendation of every American, is by putting into effect at the earliest possible date an exces-profits tax. If the excess-profits tax proposed by the Senator from Wisconsin turns out to be not a perfect one—which I dare say it is not—the Congress, if it is in session, can change it at any time. Certainly the Congress which meets in January can change it. In the meantime we shall have a stopgap. We shall have an excess-profits tax which will run coincidental with the expenditure of the enormous appropriations we have been making. We have already made the appropriations. We did not say, "Wait until next January, when we come back here, and in the meantime we shall be enabled to work out more detailed plans for expenditure of the money."

We have appropriated the money. We have authorized its expenditure. We have already set in motion a train of circumstances likely to produce tremendous excess profits, but we are neglecting until a later time this session, or until the next session of the Congress, any legislation for catching the excess profits and keeping the whole burden from being borne by those least able to pay it.

Mr. LA FOLLETTE. Mr. President, I agree with the Senator from Missouri. It is a fact that the experience in wartime taxation clearly demonstrated that the Government was always behind in the enactment of legislation adequate to meet the tax situation.

I also wish to point out to the Senator that if this amendment is adopted and put on the statute books, corporations in this country will know something about what is to be required of them, whereas if the procedure recommended by the chairman of the committee, the Senator from Georgia, and the Treasury Department is followed the officers and stockholders of corporations will not know what to expect. I think all persons agree that uncertainty is undesirable.

Mr. GEORGE. Mr. President, will the Senator yield?

Mr. LA FOLLETTE. I yield.

Mr. GEORGE. How would the corporations know in January what is to be required of them? The Senator proposes to make the tax retroactive to December 31. We can do the same thing any time up to March 15.

Mr. LA FOLLETTE. Of course we can; but if the tax is enacted now, corporations will know, for the period from July 1 to the end of this year, what is to be required of them, whereas under the procedure recommended by the Treasury and by Senators who oppose this amendment they may not know until the entire corporate year has ended what is to be required of them, and then a retroactive tax may be imposed.

Mr. WALSH. Mr. President, will the Senator yield?

Mr. LA FOLLETTE. I yield.

Mr. WALSH. First, I wish to apologize for not being present to hear the preliminary statement of the Senator from Wisconsin. I was somewhat disturbed by the statement of the Senator from Georgia, to the effect that the present proposal is in excess of any proposal made for excess-profits taxes during the World War. I should like to have the Senator point out the basis upon which he drafted his amendment. I apologize for asking, because I presume he did so earlier.

Mr. LA FOLLETTE. My amendment allows corporations a return of 8 percent on invested capital plus $3,000, in the form of an exemption, before the tax is applied. Then a 20-percent tax is imposed on all net income (in excess of the exemption) up to 20 percent of the invested capital. A 40-percent rate is applied on all income in excess of 20 percent of invested capital. It is true that the corporate tax in 1921, when these rates were in effect, was only about 10 percent, instead of about 21 percent, as in the bill now pending before the Senate. But, Mr. President, I think these rates are equitable, because, as the Senator will note, we have started out by allowing an 8-percent return upon invested capital.

Mr. WALSH. Was that provision in the 1921 act?

Mr. LA FOLLETTE. Such a provision was in the 1921 act; but the Senator knows very well that 8 percent is now a very liberal allowance for a return upon invested capital, in the light of present interest rates.

Mr. WALSH. I have personal knowledge of that from my own small and limited investments.

Mr. LA FOLLETTE. In view of the emergency that now confronts us, I do not think anyone can contend that these rates are onerous or excessive.

Mr. TYDINGS. Mr. President, will the Senator yield?

Mr. LA FOLLETTE. I yield.

Mr. TYDINGS. I have tried to read the amendment. I am not very familiar with all the provisions of it. It is pretty hard to tell exactly what it does. Did I correctly understand the Senator to say that his amendment permits an 8-percent return before the excess tax which his amendment covers is levied?

Mr. LA FOLLETTE. Yes. It permits a return upon invested capital of 8 percent.

Mr. TYDINGS. Before the excess-profits tax he has now outlined—the 20 and 40 percent—is levied?

Mr. LA FOLLETTE. Plus $3,000, which is provided as a flat exemption to take care of the smaller corporations.

Mr. TYDINGS. Let me see if I correctly understand the Senator. First of all, $3,000 of the profits would be exempted; then 8-percent profit on invested capital, above the $3,000, would be exempted, and then progressively his tax bill would begin to apply. Is that a correct general statement?

Mr. LA FOLLETTE. Above that point, up to 20 percent of invested capital, a 20-percent tax rate would apply; and a 40-percent rate on all net income for the taxable year in excess of 20 percent of the invested capital.

Mr. TYDINGS. So it would not only be possible to earn 8 percent, but one might make 10, 11, or 12 percent. Is that correct?

Mr. LA FOLLETTE. That is correct. I have placed in the RECORD a table showing the imposition of the tax upon selected corporations.

Mr. President, in conclusion I admit that this amendment is not perfect. I admit that it might be worked over for many months and improved. It is not my fault that the Finance Committee would not give it any consideration. I was not the one "blitzkrieging" the tax bill through the Finance Committee, and disposing of the bill with 2 hours and 20 minutes of consideration. I was not in favor of the program of excessive speed. I felt that in view of the fact that the tax bill will produce only $225,000,000 of revenue by next January, and that none of the other taxes will go into effect before that time, we should strip the bill down to the increase in the excise taxes and go to work and do an adequate job upon this tax problem. But the majority of the committee, or perhaps the entire committee, so far as I know, with the exception of myself, chose the other course. They are imposing these taxes upon incomes and upon excises. They are jacking up taxes by this bill. I say there is no defense for not reenacting into law an amendment which previously produced a great deal of money and worked reasonably well.

If inequities develop, if the perfectionists in the Treasury Department come forward with their Olympian plan, the tax can be modified and amended before the taxable year is concluded, if the Senator from Georgia is correct in his prediction that we are to continue working on the tax question during the summer and fall. Wise as I think the Senator from Georgia is in many respects, however, I do not share his confidence that we shall have any such result. In my opinion, we shall have the tragic repetition of what we have had before in these tax matters, and perhaps the whole year will go by before we again have any tax legislation considered by the Senate.

Mr. President, I ask for the yeas and nays upon this amendment, because I should like to see how Senators will go on record on this vital question.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Wisconsin [Mr. LA FOLLETTE]. On that question the yeas and nays are demanded. Is the request seconded?

The yeas and nays were ordered.

Mr. HARRISON. Mr. President, I do not know that I would have anything to say were it not for the fact that I feel some responsibility for having brought about castigation from the Senator from Wisconsin for having put some speed behind this legislation. I have no apologies to offer for it. I am glad we did it.

I am sorry to keep Senators here tonight; but we all know that one of the most beloved Members of this body is at the point of death. God knows we all hope and pray he will recover; but if he should pass away, and we should not hold this night session, and the bill should go over, there would be an adjournment of the Senate in memory of that Senator. Then later we should have to go back into the consideration of the bill with a great deal of argument and talk. Then the bill would go into conference, say, for a day, and then the question would come up of recessing next week to allow Senators on the other side who desire to do so to attend the Republican Convention. They are entitled to attend the convention. They did us the courtesy some time ago of permitting us to go to our convention, and I am in favor of their going to their convention. In the meanwhile it would be necessary to recess for a week, and this matter might be agreed on in conference, but the Senate would not be in session, and some of the taxes imposed in this bill would begin to operate on the 1st of July.

We ought to pass this bill before Saturday night in order to get the little pittance of revenue which some Senators say the bill will produce. I do not think it is a little pittance. I think the bill is a great job. Of course it is not perfect work; but we had to prepare the legislation in order to assure the taking care of our national defense.

The bill is not a perfect one, but it provides for the largest peacetime increase in taxes in the history of the country—$1,007,000,000. People may laugh at it, they may scorn it, but it is a pretty good tax bill after all. So it ought to begin to operate as soon as possible, and that is why I have asked the leaders and other members to stay here tonight.

Mr. President, we should have been delighted if, in the short time accorded to us, we could have gotten together on an excess-profits tax; but, as has been stated by the Senator from Georgia [Mr. GEORGE], we were told that the experts of the Treasury did not under the circumstances have time to draft such a tax proposal. I believe in having work on proposed tax measures done by tax experts who know the job. I want to see such measures free from any loopholes. I want to see every possible improvement made on the old excess-profits tax. While I know that the Senator from Wisconsin thinks his handiwork should be adopted and is the best possi-

ble proposal, yet we may be able to improve on it. I do not think there is any doubt about it, for every Senator here knows that there ought to be an excess-profits tax at least on those who make unreasonable profits out of the manufacture of war materials; and I am ready to go beyond that. The Senator will sit in the conference; he will be a member of the conference committee; and everyone I know of wants to see a reasonable excess-profits bill. I think his amendment will be greatly improved on, and the tax proposal will be written by experts and passed on by them.

There is no reason why it should be January before this matter is taken up and acted upon. I thought for a while we were going to be able to adjourn by Saturday night. I can see now that there is no possibility of it. Probably we shall reach an agreement on a recess. As soon as the data are given to us by the experts, if some of us have any influence at all, we shall get together on this question and submit a proposal to the Congress and enact it into law.

I hope Congress will stay here. I do not have to go home. I am like my friend from Arizona [Mr. ASHURST]. I agree with him when he says he thinks his duty is here during this emergency. He and I feel alike about that question. Therefore, we are going to do this work just as quickly as we can. I feel sure almost everybody will be satisfied by the excess-profits tax which will be submitted and finally worked out. One of the first things the President suggested was to try to impose an excess-profits tax. We went to the Treasury officials, and the experts there said, "We cannot get it up and ready for consideration by the time the Republican Convention is to meet."

So that is the explanation. I see no reason why every Senator cannot vote against this amendment, because we are giving the assurance that we will bring an excess-profits tax proposal into Congress; we will have it before us, and will pass upon it, in my opinion, before January.

That is all I desire to say.

Mr. NORRIS. Mr. President, I feel embarrassed about trying to detain the Senate at this late hour, yet I cannot help giving expression to one or two thoughts which have come into my mind after listening to this debate.

It is admitted that this amendment is imperfect. It is also admitted by the chairman of the committee that the bill itself is imperfect. We all know that. We are not going to have a perfect bill. We ought to strive as nearly as possible to attain perfection. That may be the ideal. We shall never reach it, as every human being knows who has had any experience in life.

Mr. President, I realize, what I think is apparent to all of us, that many logical reasons can be given against a retroactive law of any kind. State constitutions, as a rule, provide that no such law shall be passed. I realize that that objection to some extent may be offered against this amendment; but the remedy which is offered is to wait until next year and then make the tax retroactive for the entire present year. That makes it worse than ever.

We know what we are going to encounter, and we know that honest men in business, owning corporations, are going to meet with hardships if they have to pay taxes over a back period. That is true. We cannot get away from it, and will have to meet that argument. It will be doubly important next January. At least for the remainder of this year corporations will be on notice, as they should be on notice, and it is fair that we give them all the notice possible, just as we do in the case of individuals.

Mr. President, we could do the same thing about income taxes in regard to making them retroactive. I submit to the Senate that if the argument for postponing the amendment, and adopting it next year, and making it retroactive, is good logic, we should strike out every income tax in the bill and say we will adopt it next year and make it retroactive:

Why are there any income taxes provided in the bill? Could we not just as well make them retroactive? We are not going to collect them this year, we are going to wait until next year to collect them; and if we are keeping out corporation taxes with the intention of making them retroactive when we pass the contemplated bill next year, we can do the same with income taxes.

Mr. President, I commend the Senator from Mississippi on his expedition. I am not finding fault with him. I think he has done a good job, but it is not quite good enough. There is no reason why, as I see it, we should put this increased burden of taxes upon the individuals and not upon the corporations.

We have had a great deal of experience in investigating and in talking about and in legislating on excess-profits taxes. When the great World War was on there was started in the Senate a fight by an organization for the purpose of providing for an excess war-profits tax. We were laughed out of the Senate. All the amendments offered by different members of the organization were defeated. In a year or two, however, the Congress imposed an excess-profits tax, but the excess profits had been made and were beyond the jurisdiction of any law of the United States, and we did not get very much of a return from it. We have had it agitated ever since. Members of Congress are in favor of it, but they say, "Let us wait until tomorrow before we put it on. Impose it on the other fellows, but let the corporations go free."

Mr. President, at the present time we are reminded that it is the duty of every American citizen to be patriotic. We are advised that the people are willing to be burdened with greater taxation in order to meet the problems of today. Cannot the corporations be patriotic also? Shall the burden fall mainly upon those whose incomes are at least moderate, and must we permit the corporation to escape entirely from paying an excess-profits tax?

The excess-profits-tax provision, properly drawn, gives exemptions, as the pending amendment gives an exemption of 8 percent, plus $3,000. That is an exemption which should satisfy any man, however greedy he may be to make money. Eight-percent profit, free from the excess-profits tax, should be enough to satisfy even the conscienceless corporation, as well as the individual.

Three thousand dollars to a small corporation, in addition to 8 percent, means a little exemption. So that they would always have 8-percent profit before the excess-profits tax would go into effect—8-percent profit on invested capital, plus $3,000.

Mr. President, we should not delay a moment putting this amendment on the statute books. It is a just tax; it is a fair tax; it permits the corporation to make more money than the average individual or businessman in the United States can make upon any investment in any legitimate business at the present time. How would we feel if we had money invested, for instance, in United States bonds, drawing 2 percent or 3 percent, if we could get 8 percent before we paid any taxes? It seems to me it is liberal, and it is patriotic. We should, we must, tax our people until it hurts.

It is always hard to pay taxes. Every person desires to avoid the payment of taxes if he can do so legitimately, but we are now faced with such a condition that every patriotic American citizen knows he has to pay taxes, that it is patriotic to do it; that the taxes must be increased, and when we impose an excess-profits tax on a corporation which shall not begin to operate until the corporation makes 8 percent on its invested capital, we are exceedingly liberal. The corporation should thank God that it is not necessary to go further and to impose this tax on it after it has made 1 or 2 percent; but 8 percent escapes the excess-profits tax entirely.

Mr. President, I submit that under present financial conditions existing in this country this is an exceedingly liberal exemption. I see no reason why in passing the bill we should not impose this tax. The chairman of the committee stated that the bill itself was imperfect, and that is true. If we find some imperfection in it after it is in operation, we can correct it. Is not that true of every law Congress ever passes? Has anyone yet found an instance of perfection being reached? If we pass the bill now, we will find out its imperfections, if it has any, sooner than if we should wait until next January to pass it.

Mr. President, it seems to me it is the patriotic duty of Congress to put the pending amendment into the law.

Much has been said about hurrying this matter along because of the desire for adjournment of Congress. Most Senators have expressed themselves as being opposed to adjournment. They want to stay here. The patriotism of those who feel that Congress ought to adjourn has even been impugned by Senators on this floor. I know Senators do not mean to impugn my patriotism merely because I want to adjourn. Other Senators who think we ought to adjourn are just as patriotic as those who want to stay here during June, July, and August and sweat it out here.

Mr. President, when we shall have passed the pending bill, the appropriation bills, and the other bills that are necessary to be passed in order that defense preparations may proceed, I think we ought to adjourn. I believe a paramount reason why we should adjourn is that, in my opinion, it would have a tendency to keep us out of the war. Of ccurse, no one wants to take a step which would lead us into the war. I do not believe there is a Senator who is in favor of our going to war. But if we stay here after we have done our work and keep on talking and talking, we may draw a picture which will only make the people of the United States hysterical and cause them for some reason or another to think that if Congress should adjourn we would go to war the next day. If we will stop talking, keep our feet on the ground, not get hysterical, and when we have finished our work, adjourn and go home, I think we will get along with less provocation toward involvement in the war.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Wisconsin [Mr. LA FOLLETTE].

Mr. BYRD. Mr. President, it is my purpose to vote for the amendment of the Senator from Wisconsin. I realize that the amendment may not be perfect, but I shall vote for it because of the total inadequacy of the pending bill to raise revenue. Earlier in the day I called the attention of the Senate to the fact that in the calendar year—in the next 6 months this revenue bill will provide only $216,000,000 of new revenue. Yet we know that we are faced with very colossal expenditures for national defense.

Another reason why I shall vote for the amendment is because all effort to economize has been stricken from the bill. It was stricken by the motion made by the Democratic leader of the United States Senate. I say here and now that the Democratic Party must answer to the people of America for the failure to reduce expenditures, nonessential expenditures, nondefense expenditures, and divert this money to the essential purpose of national defense. The defeat of the economy amendment lost $500,000,000 in savings and I feel compelled to vote for new taxes to this amount.

Mr. President, if we spend $5,000,000,000 for national defense, and we certainly should not spend less than that in the coming 12 months, we will have a total expenditure of $12,000,000,000. With this present bill the revenues will be only six and one-half billion dollars, and we shall have a deficit of five and one-half billion dollars, the largest peacetime deficit in the history of the American Nation.

I propose to vote for the amendment because I think that the revenue which will be produced by it is necessary to pay for the national defense, and secondly, I think it is necessary to make the people of America tax conscious, make them realize that these enormous expenditures and appropriations that are being authorized in Washington must some day be paid out of the pockets of the American people.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Wisconsin. The yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. HILL (when Mr. BANKHEAD's name was called). I announce that my colleague is absent on public business.

Mr. CHANDLER (when his name was called). I have a pair on this vote with the Senator from Pennsylvania [Mr. DAVIS]. I transfer that pair to the Senator from North Carolina [Mr. BAILEY]. I do not know how either of those Senators would vote if present. I vote "nay."

Mr. HOLMAN (when his name was called). I have a general pair with the junior Senator from Tennessee [Mr. STEWART]. I do not know how he would vote on this question. If at liberty to vote, I should vote "yea."

Mr. SHIPSTEAD (when his name was called). I have a general pair with the senior Senator from Virginia. I transfer that pair to the senior Senator from North Dakota [Mr. FRAZIER]. I am not informed how the senior Senator from Virginia would vote. However, I am informed that the senior Senator from North Dakota, if he were present and voting, would vote as I shall vote. I vote "yea."

Mr. THOMAS of Utah (when his name was called). I have a pair with the senior Senator from New Hampshire [Mr. BRIDGES]. I therefore withhold my vote.

The roll call was concluded.

Mr. MINTON. I announce that the Senator from North Carolina [Mr. BAILEY], the Senator from Mississippi [Mr. BILBO], the Senator from South Dakota [Mr. BULOW], the Senator from Arkansas [Mrs. CARAWAY], the Senator from New Mexico [Mr. CHAVEZ], the Senator from Idaho [Mr. CLARK], the Senator from Ohio [Mr. DONAHEY], the Senator from Virginia [Mr. GLASS], the Senator from West Virginia [Mr. HOLT], the Senator from Utah [Mr. KING], the Senator from Georgia [Mr. RUSSELL], the Senator from Illinois [Mr. SLATTERY], the Senator from Tennessee [Mr. STEWART], and the Senator from Indiana [Mr. VAN NUYS] are necessarily absent from the Senate.

Mr. AUSTIN. The Senator from Michigan [Mr. VANDENBERG], who would vote "yea," is paired on this question with the Senator from Illinois [Mr. SLATTERY], who, I am advised, would vote "nay."

The Senator from Pennsylvania [Mr. DAVIS] is absent because of illness in his family.

The Senator from New Jersey [Mr. BARBOUR] is absent on official duties.

The result was announced—yeas 41, nays 31, as follows:

YEAS—41

Ashurst	Hughes	Minton	Thomas, Idaho
Bone	Johnson, Colo.	Murray	Thomas, Okla.
Byrd	La Follette	Neely	Truman
Capper	Lee	Norris	Tydings
Clark, Mo.	Lodge	Nye	Wagner
Downey	Lundeen	O'Mahoney	Walsh
Ellender	McCarran	Pepper	Wheeler
Gillette	McNary	Reed	Wiley
Green	Maloney	Schwartz	
Hatch	Mead	Schwellenbach	
Hill	Miller	Shipstead	

NAYS—31

Adams	Connally	Hayden	Sheppard
Andrews	Danaher	Herring	Smathers
Austin	George	Lucas	Smith
Barkley	Gerry	McKellar	Taft
Brown	Guffey	Overton	Tobey
Burke	Gurney	Pittman	Townsend
Byrnes	Hale	Radcliffe	White
Chandler	Harrison	Reynolds	

NOT VOTING—24

Bailey	Caraway	Gibson	Russell
Bankhead	Chavez	Glass	Slattery
Barbour	Clark, Idaho	Holman	Stewart
Bilbo	Davis	Holt	Thomas, Utah
Bridges	Donahey	Johnson, Calif.	Vandenberg
Bulow	Frazier	King	Van Nuys

So Mr. LA FOLLETTE's amendment was agreed to.

Mr. HOLT subsequently said: Mr. President, I was necessarily absent during the vote on the La Follette amendment. I ask that the RECORD show that, had I been present, I would have voted "yea" on the adoption of the amendment.

Mr. McKELLAR. Mr. President, I offer an amendment, which I send to the desk and ask to have stated.

Mr. LEE. Mr. President, will the Senator yield?

Mr. LA FOLLETTE. Mr. President——

The PRESIDING OFFICER. The Senator from Tennessee has the floor. To whom does he yield?

Mr. McKELLAR. I yield to the Senator from Oklahoma.

Mr. LEE. The Senator may go ahead. I have been waiting all day for an opportunity to offer an amendment, and I understood that the Chair was about to recognize me.

The PRESIDING OFFICER. The Chair has no way of telling when Senators desire recognition unless they rise.

Mr. LA FOLLETTE. Mr. President, will the Senator from Tennessee yield to me to make a motion, which will take only a moment?

The PRESIDING OFFICER. The Senator from Tennessee has the floor. To whom does he yield?

Mr. McKELLAR. I yield to the Senator from Wisconsin.

Mr. LA FOLLETTE. Mr. President, I move to reconsider the vote by which my amendment was agreed to.

Mr. GEORGE. Mr. President, does the Senator from Tennessee yield for that purpose?

Mr. McKELLAR. I cannot yield for a motion. I shall be glad to yield for a question.

The PRESIDING OFFICER. The Senator from Tennessee has the floor and declines to yield.

Mr. McKELLAR. Mr. President, I offer an amendment, which I send to the desk and ask to have stated. I wish to assure the Senate that I shall take less than 5 minutes to discuss the amendment.

The PRESIDING OFFICER. The amendment offered by the Senator from Tennessee will be stated.

The LEGISLATIVE CLERK. On page 25, after the word "Rate", it is proposed to insert the following:

Provided, That alcohol used exclusively for manufacturing drugs shall bear the present tax of 2.25, and such medicinal manufacturers using such alcohol shall make bond conditioned that no alcohol bought by them shall be used for beverage purposes; such bonds shall be made under such regulations and in such amounts as the Secretary of the Treasury may determine.

Mr. McKELLAR. Mr. President, my reason for offering the amendment is that one of the principal ingredients in all patent medicines is alcohol. The rate on alcohol has been raised by the bill. I think there is a difference between beverage alcohol and medicinal alcohol. Alcohol is used in considerable quantities for patent medicines, and patent medicines are the poor man's doctor. Poor people use patent medicines. I myself use them. They are my principal doctor. I think everybody recognizes that there ought to be a difference between the tax on alcohol used for beverage purposes and the tax on alcohol used for medicinal purposes. I brought the matter before the committee, and the chairman of the committee advised me that the principal reason why my amendment was not adopted by the committee was that it is extremely difficult for the Department to keep track of medicinal alcohol. Under the terms of my amendment a bond is proposed to be given, which would guarantee that there would be no trouble about keeping track of the medicinal alcohol, no subterfuge concerning it.

I digress long enough to ask the Senator from Mississisippi if he will not let the amendment be passed and take it to conference.

Mr. HARRISON. Mr. President, I think the purposes of the amendment appeal to everyone; but we were told by the Treasury Department that the cost of administering the law would be quite heavy, and that it would be almost impossible to administer it.

Mr. McKELLAR. Mr. President, I am very sorry that the Senator cannot approve the amendment.

Mr. HARRISON. If no one else objects to it, I shall be glad to let it go to conference.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Tennessee. [Putting the question.] The Chair is in doubt.

On a division the amendment was rejected.

Mr. GEORGE. Mr. President, I give notice that tomorrow, or the next day we are in session, I shall move to reconsider the vote by which the Senate agreed to the amendment on the excess-profits tax offered by the Senator from Wisconsin.

The PRESIDING OFFICER. The motion will be entered.

Mr. LEE obtained the floor.

Mr. LA FOLLETTE. Mr. President——

Mr. McKELLAR. Mr. President, what was the result of the vote on my amendment?

The PRESIDING OFFICER. The amendment was rejected.

Mr. LA FOLLETTE. Mr. President, will the Senator from Oklahoma yield to me to make a motion?

Mr. GEORGE. Mr. President, if the Senator from Wisconsin wants to be that discourteous—a member of the committee who did not present his amendment to the committee and give it an opportunity to argue on it—very well; but I am saying that I give notice that I shall move to reconsider.

Mr. LEE. I cannot yield, Mr. President.

The PRESIDING OFFICER. The Senator from Oklahoma declines to yield.

Mr. GEORGE. The Senator from Wisconsin may take his choice.

The PRESIDING OFFICER. The Senator from Oklahoma declines to yield. The Senator from Oklahoma has the floor.

Mr. LEE. Mr. President, I should like to yield for that purpose; but under a strict parliamentary interpretation I might be taken off the floor, I suppose. Since this is a question which is controversial I am compelled to decline to yield, as much as I should like to do so.

Mr. President, I have two amendments which I wish to offer, and I shall make my discussion of them as brief as I can. I shall ask for a yea-and-nay vote on each of them.

I send to the desk the first amendment and ask to have it stated.

The PRESIDING OFFICER. The amendment offered by the Senator from Oklahoma will be stated.

The legislative clerk proceeded to state the amendment.

Mr. LEE. Mr. President, I ask unanimous consent to dispense with the remainder of the reading.

Mr. LODGE. Mr. President, reserving the right to object, I think the Senate ought to know what the proposal is.

Mr. LEE. The Senate will know; and if, after I have finished my explanation, the Senator does not know, I shall be glad to ask to have the amendment stated. I made the request merely in the interest of saving time.

I ask that the amendment be printed in the RECORD at this point.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. LEE'S amendment is, on page 8, between lines 15 and 16, to insert the following:

SEC. 3½. FEDERAL OBLIGATIONS—

(a) Section 22 (b) (4) of the Internal Revenue Code (relating to tax-free interest) is amended by striking out the last sentence and inserting in lieu thereof the following:

"In the case of obligations of the United States issued after September 1, 1917 (other than postal-savings certificates of deposit), and in the case of obligations of a corporation organized under Act of Congress, the interest shall be exempt—

"(1) Only if such obligations were issued or reissued prior to the date of enactment of the Revenue Act of 1940; and

"(2) Only if and to the extent provided in the respective Acts authorizing the issue thereof as amended and supplemented; and shall be excluded from gross income only if and to the extent it is wholly exempt from the taxes imposed by this chapter."

(b) Section 25 (a) (1) of the Internal Revenue Code (relating to interest on United States obligations) is amended by inserting after the words "United States" the words "issued or reissued prior to the enactment of the Revenue Act of 1940"

(c) Section 25 (a) (2) of the Internal Revenue Code (relating to interest on obligations of instrumentalities of the United States) is amended by inserting after the words "normal tax" a semicolon and the following: "and (D) such obligations were issued or reissued prior to date of enactment of the Revenue Act of 1940."

Mr. LEE. Mr. President, this amendment, which the late Senator Borah offered several times and which the Senate adopted at one time, proposes to make illegal the issuance hereafter of tax-exempt securities. The Senate adopted that amendment at one time and the President has asked us for legislation on the subject. On April 25, 1938, the President sent to Congress a message asking us to put an end to tax-exempt securities; and in the hearings on June 12, 13, and 14 of this year the Secretary of the Treasury, Mr. Morgenthau, said:

The Treasury is in favor of a repeal of those statutes granting exemption of interest on future public-securities issues, Federal, State, municipal, and local, including the obligations to be issued under this act.

Mr. President, I realize that this tax bill has been brought in under pressure, as has every other tax bill since I have been a Member of the Senate. We are given the "rush act" every time a tax bill is brought forward for consideration. To refresh our memories, let me say that the chairman of the committee a while ago made a speech which is essentially the same speech that the genial Senator from Mississippi has made for each tax bill, urging us to wait.

To refresh our memories, I wish to read the same request that was made on two preceding occasions.

On April 9, 1938, the following debate occurred:

Mr. HARRISON. Mr. President, would not the Senator from Idaho be satisfied if his amendment and the amendments suggested by the Senator from Missouri were all referred to the committee? We can give the Senators every assurance that the matter will be taken up by the committee. I am in sympathy with the proposal; but if this amendment should be incorporated in the law, we should have to change almost all the features of this bill. The provision relates to gross income and adjusted net income and the interest rates on Liberty bonds.

Mr. BORAH. The amendment which I have offered would not affect those things. It merely provides that all future issues of bonds or securities by the Federal Government shall be subject to taxation, after a certain date, in the future.

Mr. HARRISON. Would not the Senator be satisfied if this matter did not go into the bill at this time, and would he not be content to let the Finance Committee try to work out something on it?

Mr. BORAH. Would not the Senator from Mississippi be satisfied to take it to conference?

Mr. HARRISON. The experts tell me that it is going to be very troublesome.

Mr. BORAH. Mr. President, the amendment was drawn by one of the experts.

Mr. HARRISON. I understand that.

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Mr. HARRISON. What we want to do is to get the bill through today, so if the Senator insists, and does not accept the suggestion I have made, I suppose there is nothing else to do but vote on the amendment.

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Mr. HARRISON. Mr. President, I desired to point out to the Senator what we were up against. He will notice throughout the bill that in the provisions for taxes on corporations everything is based on the adjusted net income, which means the income less the interest paid on Liberty bonds, intercompany dividends, and so on. The bill was written in that way. If the amendment should be adopted, we would have to go back through the bill and make numberless changes. That is what the parliamentary experts tell me. So it seems to me it would present a very complicated situation if it should be adopted.

Mr. BORAH. Mr. President, it must be understood that this amendment does not deal with anything except future issues.

Mr. HARRISON. I understand that.

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Mr. HARRISON. Mr. President, I will say to the Senator from Idaho that this is a very important matter. The bill is now in good shape, I think, and if the Senator's proposal were involved in it, it would make it complicated. The Senator knows that in a conference, where we are trying to expedite consideration of a measure, the proposal might not receive the consideration which it deserves.

I will say to the Senator from Idaho that a subcommittee and I will consult with the Senator to the membership of the Finance Committee that he desires to be on the subcommittee—will begin work on this plan immediately, and will study the Senator's plan, and the plan with reference to the States and the municipalities, and, so far as the Finance Committee is concerned, we will not let up on it. I wish we could "excommunicate" the Senator's proposal from the bill.

* * * * * * *

Mr. HARRISON. Mr. President, if that is the desire of Senators I hope the Senators will stay here with us until we can vote on these proposals tonight.

And the amendment was agreed to by a vote of 34 to 33.

That was in 1938.

In 1939, last year, some Senators will recall that I offered the proposal; and after the colloquy, which I shall read, I was persuaded by the same persuasive argument to withdraw it.

Mr. HARRISON. Mr. President, before the Senator concludes, I wish to express the hope that the Senator will not insist on his amendment. I wish to state what the facts are. During the last session the Senate appointed a special committee to study the question referred to, because it is a very complicated one. The committee was appointed to study the question of taxing future issues of Federal, State, and local securities. There is no question, of course, that Congress has the right to tax the interest on Federal issues. However, many questions are involved. Therefore, the special committee, of which the Senator from Michigan [Mr. BROWN] is chairman, proceeded to make a study of the question. The committee did some very valuable work and is now ready to make its report.

Of course, the proposal for such reciprocal taxation must begin in the House. The Senate Committee on Finance is ready to consider the question now.

The Senator from Oklahoma will recall that previously, when the question of reciprocal taxation of State and Federal employees was considered, the Senator from Missouri offered an amendment dealing with the taxation of securities. Assurance was given the Senator that the House would take the matter up and consider it.

The chairman of the Committee on Ways and Means [Mr. DOUGHTON] has just informed me that the committee has been working on the social security measure, as the Senator knows, for some 2 months, and also on the tax bill which is now before us. Therefore, the committee has been unable to get to a study of the tax-exempt securities matter until now. The committee will begin work next Wednesday. I do not know how rapidly they will proceed. I cannot speak for the Ways and Means Committee. However, it will not be long before we shall have the question before us. In view of that I hope the Senator will not at this time insist on his amendment to the pending bill, because the House Ways and Means Committee has not yet given the question any consideration. As I said, they will begin considering it next Wednesday.

Mr. LEE. Mr. President, does the Senator think we may have it up this session?

Mr. HARRISON. I hope so, but I do not know. The Senate cannot start action on the measure because such action must originate in the House of Representatives. Of course, the Senator is in order in offering the amendment on the pending revenue bill.

Mr. LEE. Of course, the reason for offering it at this time is because such an amendment is limited to tax measures as they come up. Can the Senator give me any assurance of consideration in his committee if such a measure does come over from the House during the present session?

Mr. HARRISON. The committee of which I have the honor of being chairman tries to give expeditious consideration to all matters that come over to us, and I can assure him that if the bill comes over here, the Committee on Finance will begin the study of the question immediately.

Mr. LEE. I will say that if the Senator considers it with the speed that he did the pending tax measure, it will be entirely satisfactory.

Mr. HARRISON. We will give expeditious consideration to the matter.

Mr. MALONEY. Mr. President——

Mr. HARRISON. I may say to the Senator from Connecticut as well as the Senator from Oklahoma that here is a great and important committee of the House of Representatives as the Senator knows because he has been a Member of the House. The bill goes to that committee. The question will be referred, if need be, to the conference committee, on which there will probably be five members from the Ways and Means Committee. They would naturally want their full committee to study the question. That will hold up the bill. No question of constitutionality is involved. Many people agree that Congress has the right to tax future Federal securities. Yet they think it is unfair to the Federal Government for the States to continue to issue bonds which are tax free, while the Federal Government puts additional burdens of taxes on them. So there are many and varied ideas with respect to this question. I do not know who is correct about the matter, but we are bound to get this question before us for consideration in the not greatly distant future.

Mr. President, I believe I am logical in my contention that the amendment ought not to be placed on the pending bill.

Mr. CLARK of Missouri. Mr. President, will the Senator yield?

Mr. LEE. I yield.

Mr. CLARK of Missouri. The Senator will recall that when that colloquy took place on the floor of the Senate, comparatively early in the last session of the Congress, on the representations of the Ways and Means Committee, made by the chairman to some of the most prominent Members, I was induced to withhold offering my amendment, after I had given notice that I intended to offer it. So far as I know, that is the last that has been heard of that subject from that day to this.

Mr. LEE. Mr. President, I thank the Senator for corroborating my statement.

Later in the debate the following occurred:

Mr. BROWN. In the first place, I do not wish to take offense at the statement of the majority leader that our committee is a subcommittee of the Finance Committee. We are a special committee of the United States Senate.

* * * * * * *

Mr. BROWN. * * * I will say to the Senator from Oklahoma [Mr. LEE] that under ordinary conditions I should favor his amendment. I do not understand just what his amendment provides; but, generally, I understand that it prevents a further issue of tax-

exempt bonds by the Federal Government, and applies a tax upon future issues of State and municipal bonds.

Mr. LEE. No; it does not do that.

Mr. BROWN. I agree with the general purpose. I should be pleased if I thought we could now write such an amendment into the tax law of the United States. However, as I view the situation today, the 22d day of June, I am satisfied that we cannot write it into the pending bill. I know that there are Senators present who are so strongly opposed to the measure and its consideration under these circumstances that they not only could but would act in a way that would prevent consideration of the amendment at the present time if they thought it was to be written into the law.

I will say to the Senator from Oklahoma that I intend to do my part to write into the law this amendment, or the substance of this amendment, so that it will become effective upon the income taxes which are to be paid in March 1940. However, I am satisfied that the conferees from the Ways and Means Committee of the House of Representatives would not permit the amendment to be added to the pending bill so as to become law on the 1st day of July of this year. So I think the Senator's effort is futile and would not produce the result which he desires to achieve.

Mr. LEE. Does the Senator's contemplation of the proposal preventing tax exemption include State and local tax-exempt securities?

Mr. BROWN. Speaking for myself, I would first prevent the further issue of tax-exempt bonds by the Federal Government. There is no question that we can do that constitutionally. Secondly, by the same reciprocal method we used in applying the income tax to State salaries, I would provide that the States might tax the income from Federal securities, and that the Federal Government might apply its income tax to future issues of State and municipal bonds. That is the proposal which I favor.

Mr. President, of course I did not read these things with any intention except to show that each year we have the same situation. We have a tax under a "rush act," we are given the "rush act" with respect to amendments, and we are given the same assurances, that soon another tax bill will be before the Senate, and that we will have an opportunity at that time to offer the amendments.

No one could do this better than the genial chairman of the Committee on Finance, who is a very kind and pleasant gentleman, and I may add, most effective in slipping a tax bill right on through without amendment. I say in fairness that a great responsibility rests on him. There are many amendments, it is true; but after the President of the United States has asked the Congress for a bill to stop the further issuance of tax-exempt securities, after the Secretary of the Treasury has come out in favor of legislation which would stop the further issuance of tax-exempt securities, after this body has already passed on it by a majority vote, after the people passed the sixteenth amendment, which amendment provided that Congress should have the power to tax a man's income from whatever source derived, showing that the people wanted us to tax income which is escaping, I think it is appropriate that we should attach this amendment to the pending tax bill.

Mr. President, tax exemption is special privilege to a special class. It is not a privilege to the poor man, because he does not own any bonds. It is a special privilege to the rich, and I think it should be stopped. Now, when we are broadening the tax base, at the time when we are reaching down into the lower brackets and requiring the payment of taxes on incomes down to $800, I think we certainly should tap this great reservoir of wealth in this country.

Fifty-five billion dollars of wealth is now hidden in the storm cellar of tax-exempt securities, and we cannot touch it. Yet our country faces such a crisis that we find it necessary to go down into the lower-bracket incomes and tax the man with an income of no more than $800. No doubt we will soon hear the argument, "Not at this time; next time we are going to take that up. We are considering it. We are going to wait until we get it 100 percent perfect." I believe we should go ahead and act on it now.

Mr. President, when I presented this matter on one other occasion, I made a few remarks which are just as appropriate now, and I wish to refer to a few paragraphs of what I said at that time. On May 2, 1939, in a speech on the floor of the Senate, I stated:

> If a person has an income from renting a building, practicing law, teaching school, running a store, or working in a shop, or any other occupation, he must pay income taxes both to the State and Federal Governments, but if he has an income derived from the interest on tax-exempt Government bonds, he is excused from paying taxes on that income, yet there are those who favor the continuation of this tax-exemption privilege.
>
> If a married storekeeper living in Oklahoma has an income of $5,000, he must pay income taxes amounting to $146.22, but if his neighbor has an income of $5,000 from the interest on tax-exempt bonds, he is excused from paying any income taxes whatever on that income.
>
> Then, again, if a married man living in Oklahoma, after paying property taxes and paving taxes, has an income of $10,000 derived from renting his own property, he must pay income taxes amounting to $737.85; but if his neighbor has an income of $10,000 derived from the interest on tax-exempt bonds, he is excused from paying any income taxes whatever on that income.
>
> Then, again, if a married man living in Oklahoma has an income of $50,000 derived from the oil business, he would be required to pay income taxes amounting to $11,132.41; whereas if his neighbor has an income of $50,000 derived from tax-exempt Government bonds, he would be excused from paying any income taxes whatever on that income.
>
> Then, again, if a poor farmer does not make enough to pay his property taxes, his farm is sold from under him; but if a rich man has an income of $1,000,000 derived from tax-exempt bonds, he is not required to pay one thin dime of taxes on that income.
>
> Such favoritism is not only unfair and unjust but it is economically unsound.
>
> The Government is losing millions in revenue because of these tax exemptions. By taxing incomes which are now exempt, the Government will gain much more in revenues than it will lose on account of increased costs, but, of course, those who favor tax exemption argue that if you do not exempt the bonds from taxation you must pay higher interest rates in order to sell them, and that this increased cost offsets the gain in revenue.
>
> But that is not true, because only those with large incomes are able to purchase bonds, and these large incomes are subject to heavy surtaxes which would return much more in revenues than the additional interest would cost. Mr. Hanes, Assistant Secretary of the Treasury, reports that it would not be necessary to increase the interest rate more than one-half of 1 percent at the most, and perhaps as low as one-fourth of 1 percent.
>
> Therefore, I repeat, the Government loses much more in revenue than it gains in lower interest rates.
>
> Of course, the savings in revenue would differ according to the tax laws of the different States and also according to the amount of the income of the purchaser, but let us take a specific example.
>
> Suppose a school district in Oklahoma issues $1,000,000 worth of bonds bearing 3 percent interest, and suppose the entire issue is purchased by a man having an income of $500,000. If the bonds are tax exempt, the Government loses each year in income taxes $21,197.77; whereas if the bonds were taxable the increased cost in interest charges would average only $3,750 a year, according to the estimates of the Treasury Department. The difference between $21,197.77, which would be the loss in revenue if the bonds were tax exempt, and $3,750, which would be the increased cost if the bonds were not tax exempt, is $17,447.77.
>
> In other words, the net loss in revenue on that $1,000,000 issue of tax-exempt bonds is $17,447.77 each year. Then suppose these bonds were issued for 20 years. The total amount of net loss in revenue on that $1,000,000 issue of tax-exempt bonds would be $348,955.40.
>
> For that amount many school bells could be kept ringing, and remember that figure represents the savings on only $1,000,000 worth of tax-exempt bonds, whereas altogether there are $50,000,000,000 worth of tax-exempt bonds in the United States today.

Mr. President, I said a while ago, tax exemption is a special privilege to a special class. If a man with an income of $500,000 purchases a bond, the tax-exemption privilege is worth 7 percent interest to him, whereas the tax-exempt privilege to a man with an income of $5,000 is worth only two-tenths of 1 percent to him. Consequently it is a special privilege to the few.

Mr. President, I ask for the yeas and nays on this amendment.

Mr. BROWN. Mr. President, I understand that the Senator from Oklahoma has discussed only the first of the two amendments he has proposed.

Mr. LEE. Yes.

Mr. BROWN. I understand he will discuss the other amendment later?

Mr. LEE. I shall only explain the other one.

Mr. BROWN. Mr. President, I wish to say that I do not blame the Senator from Oklahoma at all for feeling somewhat put out, as he indicates he is, by reason of the lack of action upon this issue. As the Senator knows, it takes the concurrent action of the House and the Senate to pass a measure providing for taxation of bonds. The Senate has at least twice, and possibly even more often than that, passed some sort of measure taxing the interest on Federal bonds. None of those actions resulted in getting such a law upon the statute books.

Mr. LEE. Mr. President, will the Senator yield?

Mr. BROWN. I yield.

Mr. LEE. The Senate reversed its own action the last time we passed such legislation. A Senator who had supported it moved to reconsider the vote by which the measure was passed, and under the influence of the chairman of the Finance Committee, whose influence is very strong in that regard, the Senate was persuaded to put the measure aside until the next year. That was last year. Last year we were persuaded to put the measure aside to another year, and that is this year, and now we are no doubt going to be persuaded to put it aside again.

Mr. BROWN. I only know that the Senator is interested in enacting a law that will cover this situation. I have certainly that same interest. I, of course, have no certain knowledge of what the Ways and Means Committee would do if we should adopt the Senator's amendment and put it on the bill and if the matter went to conference. Of course, in order to keep the RECORD straight, the Senator well knows that the Ways and Means Committee and the House of Representatives did not pass upon legislation of this character in the pending House bill that is before us.

From a practical standpoint I do not think it is possible to enact this legislation by adopting the amendment proposed by the Senator from Oklahoma, but I think there is a more fundamental objection to the amendment which the Senator proposes. There is no question that the President of the United States, the Treasury Department and, I believe I am safe in saying, a majority of the Members of the Senate, are desirous of enacting legislation which will adequately cover the matter of tax-exempt bonds. Unqualifiedly I believe that we should enact such a law. But I think the Senate would be doing a disservice to the cause which I firmly believe it desires to further, by adopting this particular amendment.

As the Senator will readily admit, I think, his amendment relates solely to Federal bonds. The Senator from Idaho, who was taken from us early in this session, was always in favor of taxing the interest on Federal bonds. He was strongly opposed to the Federal Government taxing the interest on State and municipal bonds. He always drew that line of distinction. He would not have favored a proposal to lay a Federal tax on such bonds, first, because he did not believe it was right to do so, and second, because he did not believe it could be done constitutionally. As the Senator from Oklahoma says, there has never been any doubt about the constitutional power of the United States to tax Federal bonds. The question has always been whether or not we could constitutionally tax State bonds. I will say to the Senator from Oklahoma that I am satisfied, after a somewhat extensive investigation into this question, that the Federal Government can constitutionally tax the interest on State bonds.

I think the constitutionality of any law we might pass would be aided by the use of the reciprocal plan, that is, taxation of Federal bonds by State authorities, and taxation of State bonds by Federal authorities. But the Senator leaves out of his amendment any reference to State securities. He does not provide for a tax upon State securities.

For the reasons I have stated, I think that we ought to do the whole job at once; that is, pass a reciprocal-tax law. On this subject, the Senator knows that the Supreme Court of the United States has approved that type of legislation. It was the opinion of the Attorney General and of the General Counsel of the Bureau of Internal Revenue that the reciprocal plan would aid the constitutionality of the bill.

Mr. LEE. Mr. President, will the Senator yield?

Mr. BROWN. I yield.

Mr. LEE. Of course, the adoption of this amendment would not preclude the passage of a reciprocal law. The effect of the pending amendment would simply be to prevent the Federal Government itself from issuing securities under a contract with the purchaser that it would not tax them. That would not in any way hinder the passage of such a law as the Senator refers to. In my opinion, that is the first step we should take toward stopping the tax-exempt privilege. We are facing a time when it will be necessary for the Treasury Department to borrow a great amount of money. There will be a tremendous temptation for the Treasury Department to issue tax-exempt bonds. In spite of the Secretary's statement that he proposes not to issue any more tax-exempt bonds, when he faces the situation and wants the bonds purchased, he will be under a tremendous temptation to issue tax-exempt bonds again. But if we should adopt this amendment it would make it illegal for him to make such a contract with a purchaser.

Mr. BROWN. My point is—and it is contrary to what the Senator said in the earlier part of the last statement he made—that it would be easier to get a bill through the Senate which taxes both State bonds and Federal bonds than to pass such legislation piecemeal. I have no doubt that many Senators who are quite strongly insistent upon the principle of State's rights would readily vote for a proposal to tax Federal bonds, and we could probably pass that kind of a law today; but when we came to the matter of passing a law which taxes State bonds, we should be met with strong opposition from Senators who entertain such views.

Mr. LEE. Mr. President, will the Senator yield?

Mr. BROWN. I yield.

Mr. LEE. The Senator does not argue that it is now necessary to pass any law to tax Federal bonds, does he? If the Federal bond does not contain a contract with the purchaser which forbids taxation, no such law is necessary.

Mr. BROWN. The Senator refers to State bonds, does he not?

Mr. LEE. No; I mean Federal bonds. The Government issues some bonds which are subject to certain taxes.

Mr. BROWN. That is correct.

Mr. LEE. If the taxation is not precluded by contract with the purchaser, the Federal Government may tax them now.

Mr. BROWN. The Federal Government does tax a great many Federal bonds to a certain extent at the present time.

Mr. LEE. To a certain extent. That is true. The point I was making is that there is no need for a law to give the Government the right to tax its own bonds. The only law we need is a law to make it illegal for the Government to make a contract with the purchaser that it will not tax them.

Mr. BROWN. I think the Senator is correct in that respect; but that does not overcome my proposition, that it would be easier to obtain a complete law which would prevent the issue of all tax-exempt bonds by the Federal Government, by State governments, or by municipal governments, than to do so by piecemeal legislation.

I wish to call the attention of the Senator to the fact that as to the $4,000,000,000 of securities which may be issued by the Treasury Department to finance national defense—the authorization which is contained in the pending bill—the Secretary has plainly stated that he will not issue tax-exempt notes. Let me read what the Secretary said:

> On these new securities, if I have the discretion, I want to make them fully taxable. * * * To make this thing fair all around I don't think we should increase the taxes $1,000,000,000, and then give the people who lend the money a special privilege through tax exemption.

The Secretary said in another place:

> I want to indicate clearly the Treasury's position with respect to repeal of tax exemption affecting interest on all public securities. I am opposed to any action modifying contractual obligations exempting from taxation interest on outstanding Federal securities.

The Senator does not propose to interfere with that situation by his amendment.

> The Treasury is in favor of a repeal of those statutes granting exemption of interest on all future public-security issues, Federal, State, municipal, and local, including the obligations to be issued under this act. However, if the tax exemption affecting future State, municipal, and local issues is not repealed at this time, the Treasury wishes to reserve the discretion it now enjoys under the Second Liberty Bond Act, and it will make the interest on the notes to be issued under this act subject to Federal taxes.

I take that, along with the other statement which I read, as a plain indication on the part of Secretary Morgenthau, who will handle this issue, that he will not issue any more

tax-exempt securities to take care of this particular $4,000,000,000 of financing. So I think the result which the Senator seeks is already achieved. The present administration is against the use of tax-exempt bonds; but I am fearful, as I said before, that there are several Senators whose votes we sorely need, and that we shall lose them if we place before them the single and sole issue of the right of the Federal Government to tax State and municipal securities. I wish to put that question before the Senate in one bill, and not in several bills.

I wish to say to the Senator again that I am further satisfied that the Ways and Means Committee of the House of Representatives—and the Senator and I have both been Members of the House of Representatives—is very jealous of its prerogatives.

Heretofore they have at least twice, and I think more often than that, refused to accept an amendment of this kind on a tax bill. I think it is utterly futile for us to put it on a bill which the Senator from Mississippi tells us it is hoped will be passed by Saturday night.

I shall not again ask the Senator from Oklahoma to withdraw his amendment. I do not think I would have any success if I made such a request; but I say to the Senate, and particularly to those who desire this type of legislation, that if we want a good bill prohibiting the further issuance of tax-exempt bonds we should do it at a time when we can cover the entire problem; that is, the issue of Federal tax-exempts and the issue of State and municipal tax-exempts. If we are to do the job thoroughly, we must do it at one and the same time.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Oklahoma [Mr. LEE].

Mr. LEE. I ask for the yeas and nays on the amendment. I hope the Senate will give me a vote on the amendment.

The yeas and nays were not ordered.

Mr. LEE. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Adams	Donahey	Lodge	Schwellenbach
Andrews	Downey	Lucas	Sheppard
Ashurst	Ellender	Lundeen	Shipstead
Austin	George	McCarran	Slattery
Bailey	Gerry	McKellar	Smathers
Bankhead	Gillette	McNary	Smith
Barkley	Green	Maloney	Taft
Bilbo	Guffey	Mead	Thomas, Idaho
Bone	Gurney	Miller	Thomas, Okla.
Bridges	Hale	Minton	Thomas, Utah
Brown	Harrison	Murray	Tobey
Bulow	Hatch	Neely	Townsend
Burke	Hayden	Norris	Truman
Byrd	Herring	Nye	Tydings
Byrnes	Hill	O'Mahoney	Vandenberg
Capper	Holman	Overton	Van Nuys
Caraway	Holt	Pepper	Wagner
Chandler	Hughes	Pittman	Walsh
Chavez	Johnson, Calif.	Radcliffe	Wheeler
Clark, Idaho	Johnson, Colo.	Reed	White
Clark, Mo.	King	Reynolds	Wiley
Connally	La Follette	Russell	
Danaher	Lee	Schwartz	

The PRESIDING OFFICER. Ninety Senators have answered to their names. A quorum is present.

Mr. LEE. Mr. President, I desire to have a yea and nay vote on this amendment which proposes to prevent the further issuance of tax-exempt bonds.

The PRESIDING OFFICER. The yeas and nays are requested. Is the request seconded?

The yeas and nays were not ordered.

The amendment was rejected.

Mr. LEE. Mr. President, I send to the desk another amendment which I ask to have stated.

The PRESIDING OFFICER. The amendment offered by the Senator from Oklahoma will be stated.

The CHIEF CLERK. On page 1, between lines 6 and 7, it is proposed to insert the following:

(a) Section 12 (a) of the Internal Revenue Code is amended to read as follows:

"(a) Definition of 'Surtax net income': As used in this section the term 'surtax net income' means the amount by which the net income together with exclusions from gross income under section 22 (b) (4) exceeds the credits against net income provided in section 25 (b)."

On page 1, line 7, before the word "section", it is proposed to insert "(b)."

On page 6, between lines 5 and 6, it is proposed to insert the following:

(c) The Internal Revenue Code is amended by inserting therein, immediately after section 33, a new section to read as follows:

"SEC. 34. In the case of an individual, there shall be allowed as a credit against the tax an amount equal to the surtax on a surtax net income equal to $4,000 plus the exclusions from gross income under section 22 (b) (4); but the credit shall not exceed the portion of the tax attributable to section 12."

Mr. LEE. Mr. President, this amendment provides for adding the tax-exempt income to the taxable income for the purpose of determining the rate which would be applicable only to the taxable income. In other words, it would mean that if a man had an income of $10,000 from tax-exempt securities, and if he had an income of $10,000 from taxable sources, we could consider the $10,000 of tax-exempts as in the lower brackets, so as to push the taxable income up into the upper brackets and increase the rate. This has been considered by those who have studied the question as an entirely proper and legal method of reaching income which is now escaping taxation.

The PRESIDING OFFICER (Mr. HILL in the chair). The question is on agreeing to the amendment offered by the Senator from Oklahoma.

The amendment was rejected.

Mr. BONE. Mr. President, this probably is not the most auspicious moment for offering to the pending bill the amendment which I intend to tender at this time. I shall ask that the clerk report the amendment I have offered, but I ask unanimous consent that the reading of it be waived, because I think all Senators are aware of its contents.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Washington? The Chair hears none, and the clerk will state where the amendment is to be placed in the bill.

The CHIEF CLERK. It is proposed on page 33, to add a new section, to be numbered section 404.

Mr. HARRISON. Mr. President, I ask unanimous consent, if the Senator will permit, that hereafter in referring to the amendment it be referred to as the "War Profits Taxation Act."

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

Mr. BONE. Mr. President, so that the record may appear in an orderly way, I am glad to concur in the suggestion of the Senator from Mississippi. The amendment I have tendered, and which I now propose to discuss, has appeared in the Senate under various bill numbers. The last bill, which is the one tendered as the amendment, was known as Senate bill 1885. I think Senators are familiar with the bill, because it has appeared in this form for 5 years, the bill first being introduced in 1935.

The bill is in reality the work of the Senate Munitions Committee. To more completely identify it, let me say to Senators that in 1938 the bill received the endorsement of the organization known as the Veterans of Foreign Wars, who publicized it all over the United States and urged its adoption. In 1939 the Veterans of Foreign Wars again put on a Nationwide campaign to bring about the adoption of this particular piece of legislation.

Mr. HARRISON. Mr. President, will the Senator yield?

Mr. BONE. I yield.

Mr. HARRISON. Would the Senator be willing, if it meets with the approval of the Senate, to have his amendment, together with the substitute for it offered by the Senator from Texas [Mr. CONNALLY] accepted by the Senate to go to conference? I cannot give any assurance how long it will stay in conference, but we will at least treat them both fairly. [Laughter.]

Mr. BONE. I am rather inclined to accept the suggestion of the able Senator from Mississippi. I think that, in any event, if it were adopted by the Senate, the conferees would exercise their best judgment on the amendment.

If the Senator will give me about 5 minutes, so that I can explain to my colleagues something of the background of the amendment, I will not attempt to go into its merits. I think I shall be happy to avail myself of the offer the Senator has made to have the amendment go to conference.

Without discussing the merits of the amendment, let me say that no group of men in the United States is more sincerely interested in the question of war profits than are the veterans of the United States who saw service overseas. They, in common with all other patriotic citizens of the country, were shocked and filled with a sense of outrage that anyone could remain in the United States during a time when our soldiers were engaged in a foreign war and pile up enormous profits.

I have in the mass of papers before me an editorial from one of the most conservative papers on the Pacific coast, pointing out that the records of the Treasury indicated that during the World War 23,000 men in the United States were permitted to become millionaires.

I think, first, that the country would never survive the economic shock of that sort of an operation were we even to attempt the experience of the former war in allowing individuals and firms to make enormous profits again. Second, I think the proposal of this kind of legislation must at this time appear rather mild to Members of the Senate.

I had intended, had I occupied the floor at any length, to emphasize what I have just stated. A few days ago the able Senator from Florida said that this tax bill was tax bill No. 1, that tumbling one on the heels of the other would come a succession of tax bills, each one devoted to the purpose of making it impossible for anyone to enrich himself during wartime.

We are now confronted with the inevitability of a draft of young men. A great many of us are fathers. We face the necessity of seeing our boys drafted into the Army, and it will be sufficient to say to my colleagues that if a war should come to our country and my boy and their boys were taken into the Army, that draft would not preserve for them any part of their prewar earnings. It would be a draft of 100 percent of their bodies. The draft would include their health, their sanity, and all they have realized out of life up to the time they are drafted.

Now let me be more concrete and specific. Suppose—and I think we should have these things in mind when we pass tax bills, because I want to say frankly to my colleagues that, so long as I am a Member of this body, I shall not be tolerant of the efforts of anyone to make profits during a war—suppose a boy were a university boy, of sound mind and good body, that all he had in life was his health and a good education. At the time he was drafted he was earning, we will say, $6,000 a year. He might not be good officer material at the moment, because that requires some sort of training, and therefore he would have to become a buck private at $30 a month.

What would Army officials or Navy officials say to that boy if, when he appeared before the drafting officer, he sat down, as businessmen are wont to sit down when they discuss business matters with Government officials in wartime, and said, "Now, gentlemen, before we go through the formalities of my being inducted into the Army, I want to have a little heart-to-heart discussion with you about business matters. I am sure you, having a profound respect for all the orthodoxies of the capitalist system, will understand that I have a property right in my body, and that property is protected under our Constitution. I have been holding down a pretty good job, receiving $500 a month. I want now to discuss with you the possibility of my being able to retain part of that. Since I have severed my connection I will expect the Government Treasury to make up the balance for me."

Suppose such a boy appeared before the National Council of Defense and made such an argument, what do you think, Mr. President, he would be charged with being? He probably would be immediately charged with being a "fifth columnist" or a Communist, or something of that sort. Yet I ask here and now, in good faith, what is the difference between that boy demanding the preservation to him of a portion of his pre-war earnings and the businessman whose profits we have to consider? Does a boy have no property right in his life? Can that be so under a parliamentary government which day in and day out emphasizes in America the sacredness of property rights, emphasizes the fact that if we destroy what we call property rights, then our civilization falls? Can it be possible that under our form of government, with altitudinous elan and wild acclaim in a burst of passion accompanying a declaration of war, to set aside all that boy's property rights in his own body, but at the same time to have a tenderness and solicitude and sympathy in listening to the claims of businessmen to make profits?

The other day there was called to my attention an article appearing on the financial page of a large eastern newspaper, which I shall put in the RECORD a little later. I call the Senate's attention to this because it is going to make for a condition, unless we are emotionally dead, which will bring about such a revulsion of feeling here as will clean the boards in America, and I hope they will be cleaned without the United States getting into the war.

The writer to whom I referred spoke about the English system of taxation. He said there is very serious question in the minds of businessmen in Britain about the effect of the heavier taxes now being levied over there. The picture changes so rapidly that it may have changed since the article was written; but the picture was predicated on this kind of a set-up, that there is a determination made of the normal profits over a certain period, and beyond that the Government takes all. In other words, the excess-profits tax takes everything, 100 percent, over and above the prewar earnings. In commenting on it this American writer, who probably would have no hesitancy in grabbing 100 percent of the body, said there is grave question now in the minds of many businessmen in England as to the effect of this, because if you remove the hope of profit, if you remove this great motivating force, which is of course profit above the normal profit, there is nothing left for the businessman, nothing to animate him except the vague thing we call patriotism.

Merciful God, just the vague thing called patriotism. If my brethren thought as I do, we would not waste 5 minutes on these bills.

The Senator from Florida [Mr. PEPPER] said the other day that we will take over the property of the United States. I am sure that we all understood that he did not quite mean that.

I will say to my Republican and Democratic brethren who do me the honor to listen to me, that both parties in their platform declarations made definite specific pledges to the American people on this subject. Do Senators know what those pledges were? That pledge in each party platform was the reason why the veterans of America got behind this bill, S. 1885. This is what these pledges said—pledges made by your party and by my party—"In the next war we believe in drafting property exactly as we draft men."

Do Senators think there ought to be any reason why a committee of conferees of both Houses should not be willing to accept the proposal contained in Senate bill 1885? If Senators have no doubt, I shall take time to read the platform declarations to them. Perhaps it can be understood now why the Republicans are going to meet in a few days and adopt a plankless platform. I do not blame them at all. Imagine the party of Lincoln having a plankless platform! That is the kind of platform they ought to have if we "weasel" on this business of war profits. That is the sort of a platform the noble Democratic Party ought to have if it lacks the "guts" to take all the profits in wartime when it takes the bodies of our boys.

There are two other considerations which I think should move us. If one-tenth of 1 percent of the horrors of war that have been pictured to us repeatedly in the columns of the press day after day are true then we will have a struggle to retain our republican form of government if a war comes to us. We will not have to worry over whether we shall make profits or not. I am as firmly convinced of one thing as I am that I stand here today, as I am that I live, and that is that if war comes to us these men, after awhile, are not going to worry about profits. They are going to face the question of whether there shall be a capital levy on all property in the United States.

We can go ahead and concern ourselves about these taxes, and concern ourselves hour after hour in debate as to how much profit men shall have, but if mothers and fathers have not become utterly soft they will never let their boys go to war and be shot to death until they know that all the property in the country has been drafted precisely as the boys have been. They will not be good Americans if they do not do so.

What is there sacred about property that does not apply with equal force to a boy's life? If war comes, I shall not if I can help it, allow anyone to make profit out of war while my boy is in the trenches.

Already we are told that we shall be obliged to have a totalitarian government. I think the Senator from Florida suggested the other night that we had better abandon some of our pretensions and go to it right away. If we must have a totalitarian government do not think that it will protect property. The urge to live is as implicit in government as it is in men's minds. It is embedded as deeply there as it is in the hearts and souls of men. So I think we need not worry about that.

If we proceed with our preparedness program, if we build a two-ocean Navy, we shall be obliged to spend much more than the $20,000,000,000 the Senator from Virginia [Mr. BYRD] referred to the other day. I think he was quite modest in his estimate. I believe the Senator from Virginia has been very realistic in talking about this matter of defense. We will not spend merely $20,000,000,000 in preparations. We will spend two or three hundred billion dollars in preparations, and then how long do Senators think we will stand around and talk about profits? Profits! We are discussing the matter of profits, but when making such tremendous outlays there can be little question of profits.

This morning we had a long confab in the Naval Affairs Committee about whether or not shipbuilders, airplane builders, should have 10-, 12-, or 14-percent profits. Suppose the boys are called to the colors, do you think, Mr. President, the American people will with any tolerance listen to long, tedious debates here whether a manufacturer shall make 14-percent profit?

Mr. GILLETTE. Mr. President, will the Senator yield?

Mr. BONE. I yield.

Mr. GILLETTE. I wonder if the Senator remembers that before the Naval Affairs Committee this morning one of the witnesses testified that if we take away any portion of the profits in this construction work, which we are trying to hurry to a culmination, it would destroy the efforts we were making to expedite the construction for defense? Does the Senator recall that?

Mr. BONE. Yes, I do; and very vividly. I hope every Senator will read the statements of witnesses who appeared before the Naval Affairs Committee this morning. If the people of the United States could read them, they would find them very revealing.

Such statements have been made before committees, not only this morning, but during the years back to 1934, when I tried to have our navy yards expanded, and the Navy objected to it, stating that it did not want to expand them, that when we got into trouble it would have private concerns build the ships. I reminded the Navy Department officials of what private concerns had done to us in the World War. They took our shirts. These patriotic businessmen, these fellows who are waving flags and bellowing to high heaven about their Americanism and patriotism, and who are squawking all the time about "fifth columnists," said to us, to Senators of the United States, "If we cannot make that much profit, of course, our enthusiasm will wane."

Let a soldier's enthusiasm wane, and what would happen to him? There would be a drumhead court martial, and he would be shot to death. But the patriotism of one of these fellows who makes 24-percent profit on airplanes can wane, and we do not do anything about it. I should like to be in command of this business for a while and have the patriotism of one of these fellows wane. He would wane permanently. That would be his last waning. His wail about waning would be classified among famous last words. When my boy is taken into the Army, do Senators suppose that his patriotism will be permitted to wane when he gets into a trench?

Mr. President, it is funny business. It is un-American. It is indecent. It is a consummation of all the vulgarisms and of vulgarities of all time for men to talk about the profit they must make so that they will work well. These businessmen suggested to us—and a number of Senators were present—that they felt very sure that they could not do a very good job if their profits were cut down to 7 or 8 percent.

They could not do a very good job. Therefore, they would be very loath to assure quick action on tanks, airplanes, and other things if they had to live on a measly, wretched 7 or 8 percent. Their stockholders would not like it. God would be insulted. The angels in heaven would wear their wings at half mast if we did such an atrocious thing to them.

Mr. President, what do you suppose would happen to a boy in the Army who told his colonel, "Now, Colonel, you know I was getting a good salary before I came here, and I am getting only 30 "bucks" a month now. I find my urge to serve my country waning. I am fearful I cannot stage a good fight for you. My profit motive is impaired." What do you think would happen to that boy? My people have soldiered in every war, back to and including the Revolution. I think they had some "guts", and I do not think one of them ever got into an argument with his colonel or division commander about whether or not he was getting enough while he was trying to bring the Republic into existence, or keep Britain from strangling it in its cradle, or to preserve it afterward in all the wars down to the present.

That is the reason why, in my judgment, the bill which I have introduced and which has now been offered in the form of an amendment, which the Senator from Mississippi has been generous enough to agree to take to conference, is the thing we shall have to face. I think it is a mild bill.

Mr. HARRISON. Mr. President, will the Senator yield?

Mr. BONE. I yield.

Mr. HARRISON. I thought we had arranged matters so that the amendment, which is quite long, need not be printed, but that we might refer to it by title, which would not necessitate the expense of printing it. I think it would be well for the Senate to pass on the question, because I find that printing it would be quite costly.

Mr. BONE. Mr. President, I will say to the Senator that I had several hundred copies of it printed. That may solve his problem. I think the clerk in charge of printing had several hundred copies printed for me, and I think that will solve the Senator's problem for him.

I was diverted, and I am sorry, because I intended to conclude in a moment. I call attention to the fact that Australia and Canada are preparing to take over not merely the income from property, but the corpus of the property, if necessary. The total war of today is altogether different from anything man ever has dreamed of. It has been suggested that we adopt totalitarianism as a necessary thing. It seems strange, does it not, to all of us to have an honored Member of the Senate rise in our midst and urge upon us as a matter of self-defense that it is necessary to adopt totalitarianism to preserve the Republic—to urge upon men who are the sons of men who fought at Gettysburg that we must go to totalitarianism in this country?

If we do so a Fascist government will be set up in this country. We may call it anything we please. I do not care who might head the Government—President Roosevelt, a Republican President, or anyone else—it would be a Fascist government. To fight an evil, to fight a monstrous thing, we must embrace it. And yet we have been told this week that we must embrace fascism or its equivalent.

As I see fascism and communism in operation in the world today, there is not much difference between them, except that the Fascist movement, or the Nazi movement, or the totalitarian or authoritarian type of government takes over the whole of the economy in a succession of bites—half a dozen or a dozen bites, including capital levies, and what not. The Communist movement merely makes one big gulp and absorbs the whole thing at one time. If Senators have any choice of executioners, if they prefer to be burned at the stake to being boiled in oil, I shall not quarrel with them about how they shall be incontinently and improvidently removed from this vale of tears. So far as I am concerned, I prefer to live here. In the words of Walter Lippmann, I am one of the soft Americans who like to live in America and have automobiles and things which the fecund genius of America has given us in unlimited quantities—things which I think, if we have any sense at all, we can retain.

No; we are not to retain those things. We are to embrace a totalitarian form of government, we are told, and rush into it so that Senators may save themselves unnecessary worry about the little tax bill which the veterans endorse.

As I was about to say a moment ago, I feel almost ashamed to offer the bill. It is such a flabby, washed-out little thing compared with the thing which has been suggested is necessary in America that in a way I hate to offer it. All it does is to provide a level of taxation preserving, I may say parenthetically, those deductions and allowances in existing law. It would allow a corporation to retain nearly 5 percent of its net profit. It would take in private income almost everything above the $10,000 level. I hate to bring the sad news to Senators. I may never smile again after I tell Senators that it would take $2,600 of taxes out of the salary of each Senator. Senators are now paying income taxes. If any Senator thinks that my proposal is too God-awful for words, and that it would be an assault upon the American form of government to take $2,600 out of his salary, if he thinks that is too great a sacrifice to make to preserve America, I will withdraw the bill.

It has been suggested that the rich may suffer greatly. Had I been disposed to make a long argument, I could have read to the Senate some figures on the incomes of twenty-nine and a half million American families. About 98 percent of them would not be touched by the bill.

Mr. President, I shall not waste my time wailing over the miseries of 1 percent of the vulgar rich in America. They can somehow take care of themselves. If we tax them on their incomes during war and take all but $10,000, I hope Mr. Morgan can get along. I use him as an illustration. I do not pick him out as a personal devil, or anything like that, or single him out as a rich man. If we were to take all but $10,000 or $12,000 of his income, I feel certain that Mr. Morgan has enough assets tucked away to live fairly well for a year or so while the boys are out in the trenches.

If anyone disagrees with that conclusion, and will assure me that Mr. Morgan is "busted" and could not possibly live through a few months of adversity, then I shall ask him why he voted against the increase in the W. P. A. allowance for poor devils getting 50 "bucks" a month, who break bread with beggars and sleep in the brush. Millions of them have no place to turn—no place to lay their heads. So I am not going to worry about Pierpont Morgan or any of the other gentlemen who might be touched by the higher income brackets.

The amendment would take 93 percent in the higher brackets, and I think that is a very modest amount when the country is in the throes of a great and bloody war.

I hope—and I know I am expressing the hope that is in the heart of every man—that we will not get into war, because I think that would destroy the Republic. The impact of debt alone would destroy us. If we are going to spend $200,000,000,000 in preparation, as has been suggested here—and it might lead to that over a long period of years—obviously we never in God's world could hope to preserve intact the thing we call the United States of America if we ever got into war.

There is one final thing which has, I think, made the veterans very anxious to have this done. They knew that if we ever attempted to pay for another war with debt instead of paying for it out of the income of the country as we fought the war, we would merely balloon up the present debt level to a point where it would be intolerable, and in itself would destroy the Republic. Second, it would not be possible to pay a dollar of pensions to veterans of the World War, let alone veterans of the new war; and I am not so certain how long we are going to be able to carry the present debt. I agree with my friend from Virginia [Mr. BYRD] about that. I frequently am in disagreement with him, but he has been very realistic about the tax situation. I think the American people are not going to pull in the belt one or two notches. They are going to get hold of one end of the belt and start pulling and never let the little pin fall into the slot. The point where you let the little belt buckle finally come to a hole is past in our time. No man in this Chamber will live long enough to see the end of the spending splurge we are on now. So, knowing that, if we are realistic enough to know it, we might as well get ready to make all the levy we can on the net incomes of Americans.

We did not create this condition. God help us if we should get into war. There would not be anything left. We would first make a capital levy on the property of the country. We would finally do what New Zealand and Australia are planning to do. Mr. Menzies, the Prime Minister of Australia, said the other day, "We are going into this struggle, and we are going to fight it through, and we are going to win it through, if we take every dollar of property in Australia." Well, we may be in a war ourselves pretty soon. If some of the ardent folks in this country who scream for blood, and yearn to send their manly briskets against the bristling bayonets of the enemy, have their way, we shall be in war pretty soon, and then the proposals of the Senator from Oklahoma [Mr. LEE] and myself will look like child's play. It will take more than chicken feed to carry on that kind of a war. It will mean a totalitarian form of government, where the draft is simply a situation in which an officer walks in and says, "Brother, get out of your factory." "This is my factory. The fifth article of the Constitution of the United States says"—and about that time he would be called an "eighth" or "ninth" or "tenth columnist." We would have graduated from the "fifth columnist" class by that time. He would be up in the higher brackets of infamy.

"We want your factory." If you make the slightest demur, someone will call in a private and say, "This fellow does not like what we are doing here. Stick a bayonet in him, or take him somewhere and send him off into a corner. He is an alien enemy." "Oh, no; I was born in Pittsburgh." "The hell you were. It does not sound like it. You are an alien enemy. We have a fellow at the head of the Government like Hitler." That is what he will tell the boys running the show in this country, and he will not mince matters in doing it, either.

I understand that the amendment of the Senator from Texas [Mr. CONNALLY] is going along; and my only quarrel with that proposal is that it is not high enough. I think he has been entirely too generous. The Senator from Texas has a feeling that perhaps this thing can ride along, and he is trying to give the taxpayers every break in the game. I think he has not kept up with the Senator from Florida [Mr. PEPPER] and the rest of us here, and does not understand what is going on.

I do not like the social controls in these measures, but in the mutations of time they may be so mild that we will look back and say that the Senator from Texas was a stand-

patter; and God knows I absolve him from that crime now. I hope the conferees, when they get out there, will just look realistically at this matter, and know that this is what we will call tax bill No. 2. It does not become effective unless war breaks out, so no one need beat his or her breast in wild fear and agony if it should go on the statute books as a result of the action of the conferees. No one would be hurt, but the feelings of some of the boys would be hurt because, oh, ye gods; how they yearn and how they lust after the fleshpots of war profits.

Mr. LEE. Mr. President, will the Senator yield?

Mr. BONE. Yes; I yield.

Mr. LEE. Of course, I am in agreement with the Senator on his amendment; but there is one source of war profits that even the Senator's amendment will not touch. In the last World War the interest on the bonds which we sold to finance the war yielded, up to 1934, $12,000,000,000, which we paid in high interest rates, which was tax exempt, which even the Senator's amendment will not reach. I merely mention that; so that even after we adopt the Senator's amendment we still must deal with the other field of borrowing on a tax-exempt basis, and guaranteeing profits, and guaranteeing that the profiteer may keep them.

Mr. BONE. There is truth in what the Senator says. I am sympathetic with his amendment. I think we are going to have to ask ourselves how long we can keep floating bonds, even for the enormous preparation program that confronts us, and, beyond that, how we could possibly hope to float bonds to finance an actual war. I do not believe there is anyone in the Senate who has even seriously thought about what that would mean. Suppose we should try to unload a hundred billion dollars or two hundred billion dollars of bonds, in a long-drawn-out war, on the banks of America. Every one of us knows that it just could not be done; that is all. We would destroy all the banks. If bonds went off 10 percent now, it would wipe out the capital of most of the banks. If we attempted anything like that, the economic structure of America would not have to be pulled down; it would collapse of its own weight. Everyone in this body knows that. Everyone knows it.

Taxation is now a deadly necessity. As a matter of fact, something of the proposals in this amendment ought to be clamped on now. We should raise as much as we could in the way of revenue out of current earnings of the country, and perhaps underwrite some of the bonds that the Senator from Oklahoma proposes in his suggestion. None of these things are weird and bizarre. They are going to be deadly necessities in case of war.

So I am going again to express the hope that the committee will seriously consider this matter, and put on one of these amendments. I certainly hope it will be Senate bill 1885.

If, however, they think this thing is too drastic, they had better adopt the proposal of the Senator from Texas [Mr. CONNALLY] as a less drastic alternative. At least the presence of either of these proposals on the statute books of this country would do no harm, and I am inclined to think it would have a very salutary influence.

Mr. BARKLEY obtained the floor.

Mr. HARRISON. Mr. President, will the Senator yield?

Mr. BARKLEY. I yield.

Mr. HARRISON. I do not want the Senator from Washington to take his seat under a misapprehension. I do not think it feasible to accept the two amendments, as I suggested, because of the peculiar situation. I understand it would cost $2,100 to engross and send to conference both of these bills, the Connally bill and the Bone bill, which are very long. So I think it better that the question of the adoption of the substitute be put, and the Senate be allowed to decide which it will take, the Bone amendment or the proposed substitute. I hope it will not take either one.

Mr. BONE. Mr. President, I should like to say, then, that, in view of the fact that the bill of the Senator from Texas covers much lower levels of taxation, particularly in the higher brackets, and somewhat higher levels in the lower brackets, and because it does not approach this problem and absorb the amount of net revenue which I think should be absorbed, if there is any inflation and ballooning of prices and taking advantage of the margins of profit which are allowable under the bill, I would, of course, object to the bill of the Senator from Texas. I am sure he will understand that I only object to the levels. I wish to say that I have no quarrel with any Senator who agrees with the levels presented.

Fifty Senators put their names on the bill I introduced with the idea of having it considered. Some columnists—and the country would be desolated without columnists—said that Senators had not read the bill. I know several Senators have read the bill of the Senator from Texas. We have here a revenue measure of 158 pages in fine type. Aside from the Senators who actually worked on it in the Committee on Finance, if there is a Senator in this body who will now rise and tell me that he has read the bill, I will sit down and not utter another word. Will one Senator in the whole body rise and tell me he has read the revenue bill of 1939, except the Senators who worked on it in the Finance Committee? And they did work.

Of course, the columnists read everything. [Laughter.] The day this bill was introduced, even Dorothy Thompson, who apparently is the best-informed person in the United States, stated that the bill did not allow an exemption for the payment of taxes to a State or its political subdivisions, and when the attention of all the country was drawn to section 23 of the bill, which made that very provision, were any of those folks, these publicists, who guide the country in all the glory of their transcendent genius, gallant enough, courageous enough, and forthright enough to admit they fibbed a little about the bill? Oh, no. The next afternoon out came a blast again, and when it was pointed out that they were completely in error, did they admit it? Oh, no.

The United States News, David Lawrence's paper, had the courage to come out and say that a number of these columnists had made an error and had misinformed the country, but I have not noticed that one of the columnists has admitted he was dead wrong.

The Veterans of Foreign Wars, who filed 4,000,000 petitions asking that this country be kept out of war, and asking for the passage of this bill, for reasons which were cogent with them, their leaders having read the bill and having satisfied the veterans that these high tax levels were desirable, wanted the bill passed. Certainly the veterans of this country, who are now the victims of the last war, not only have a right to express an opinion, but their opinion should weigh heavily.

Mr. BARKLEY. Mr. President, I have no desire to take the time of the Senate, but inasmuch as the amendment, which really is in the form of a bill—it is a complete tax bill within itself——

Mr. BONE. Yes; it would take the place of all other forms of Federal taxation, and would automatically end when the war ends.

Mr. BARKLEY. It applies to income taxes as well as corporation taxes and all other taxes. It is a bill which contains 183 pages. It has not been read to the Senate, and therefore I wish to make a very brief statement, not an argument, but a brief statement as to what it contains.

The individual normal tax is 6 percent, instead of the rate of the present law, while the personal exemptions are $1,000 and $500, respectively, for married and single persons, with a credit of $100 for each dependent, instead of the present $400.

No earned-income credit is allowed. The individual surtax provision contains five brackets, the first of which embraces that portion of the surtax on net income in excess of $3,000 and not in excess of $5,000. The last bracket embraces the portion in excess of $20,000. The rate applicable to the first bracket is 10 percent and to the last bracket 93 percent.

Beginning with a net income of $40,000, the bill would take 74 percent, and the rates are increased so that in the

case of a million-dollar income the bill would take 98 percent of the income.

The general corporate income taxes are based on net income, and the rates are graduated in accordance with the relation of the adjusted declaration of declared value of the capital stock of corporations, and the net income based upon the declaration of value for 1934.

Mr. BONE. That adjusted declared value was adopted in 1934 and has been carried in the subsequent law. I understand it is the basis of our present taxing law.

Mr. BARKLEY. The Treasury informs me that the adjusted declaration values as of 1934 for the purposes of capital-stock tax vary from the book value to the market value as high as 84 percent, so that on a basis of declared value for capital-stock tax purposes in 1934 there would be many corporations in the country which would have 84 percent less than their actual value; that is, their book value or their present market value. So that, while the bill provides that all above 60 percent included in the declared value as of 1934 is taken in the tax, in cases where the declared value of 1934 represents a value much less than the present value, the result would be that probably all above 3 percent would be taken by the Government.

Life-insurance companies, and mutual-insurance companies other than life-insurance companies, are taxed 95 percent on their net income under the bill.

A tax of $100 per share or any fraction thereof payable by the issuing corporation is imposed on stock issued as dividends. In other words, if a corporation makes a certain profit and desires to use the profits in the financing of its plant and does not pay it out in cash and in dividends but pays it in stock instead, an increased issue of stock representing the profit, the bill takes all of it; that is, it takes a hundred dollars a share or any fraction of a share. If the par value were a hundred dollars it would take all of it. If the par value of the shares were $10, it would still take a hundred dollars a share on the basis of the $10 value. So that it would take 10 times as much as the value of the stock issued in lieu of a dividend.

Mr. BONE. Mr. President, will the Senator yield?

Mr. BARKLEY. I yield.

Mr. BONE. I should like to ask the Senator from Texas about the various levels in Senate bill 1248. I do not know whether or not the Senator has changed the levels in the bill.

Mr. CONNALLY. Is the Senator speaking of the total amount collected?

Mr. BONE. No; the various amounts which would be collected under the various levels of income which were taken from Senate bill 1248, which was the last bill the Senator introduced.

Mr. CONNALLY. It was House bill 5229.

Mr. BONE. No; that bill was introduced in the House, and it was a companion bill to the other bill. The first bill the Senator introduced was Senate bill 1248.

Mr. CONNALLY. I do not remember the number.

Mr. BONE. That was introduced in 1937, the first session, on February 1.

Mr. CONNALLY. That was based on a different proposition. That was based on undistributed dividends. This bill has been changed to integrate it into the regular tax system, which succeeded the undistributed profits tax.

Mr. BARKLEY. The schedule of general corporate income tax is as follows:

On any net profit not over 2 percent of the adjusted declared value of capital stock as of 1934, the tax would be 15 percent.

Over 2 percent and not over 6 percent of the adjusted declared value of capital stock the tax would be 25 percent.

Over 6 percent of the adjusted declared value of capital stock the tax is 100 percent.

In other words, the bill taxes at the rate of 15 percent on profits up to 2 percent on the adjusted declared value, and then it taxes the profits above 2 percent and not above 6 percent at the rate of 25 percent, and then on everything over 6 percent of the adjusted declared value of capital stock it takes 100 percent of all there is above 6 percent.

So under the bill if a tax of 15 percent is levied on the profit up to 2 percent, and 25 percent on the profit between 2 and 6 percent, and then 100 percent tax on all profit above 6 percent, the actual tax might amount to as much as 85 percent or 90 percent.

I mention that simply in order that the Senate may know on what it is voting.

I have here a letter to the chairman of the Senate Finance Committee from the Secretary of War, to whom the bill was referred for comment and report. I shall not read the letter. It calls attention to the fact that under the National Defense Act they are required not only to coordinate the military but the economic situation in the country in order to bring about the best possible national defense, and they comment on the fact that there is a point beyond which even in time of war we cannot go and expect to raise any revenue.

I ask that the letter from the present Secretary of War, commenting on the bill, be printed at this point in the RECORD as part of my remarks.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

WAR DEPARTMENT,
Washington, May 5, 1939.

Hon. PAT HARRISON,
Chairman, Committee on Finance, United States Senate.

DEAR SENATOR HARRISON: Careful consideration has been given to the bill, S. 1885, "To tax the profits out of war by steeply graduated income and other taxes in order to provide for effective national defense, to promote peace, to encourage actual neutrality, to discourage war profiteering, to distribute the burdens of war, to keep democracy alive, and for other purposes," which you transmitted to the War Department under date of March 22, 1939, with a request for information and the views of the Department relative thereto.

The effect of the proposed legislation will be to enact a new revenue law to become operative immediately upon a declaration of war.

While it is outside the scope of War Department activities to determine the manner in which war necessities shall be financed, the Department is charged by law with the preparation in peace of plans for the mobilization of the economic and industrial resources of the country essential to wartime needs. These plans, after many years of intensive effort, have reached an advanced stage. They are based on the principle that the cooperation of all elements of the population is necessary and will be had in carrying out the defense program. In preparing these plans it has been considered essential to avoid all experimental and uncertain methods and proposals in favor of those the technique of which is well understood by the industries and business interests of the country. Only in this way is it considered possible to avoid confusion and disruption of economic processes, especially in the early days of an emergency, when national efficiency is of major importance.

In the opinion of the War Department, the proposed legislation will endanger the operation of plans prepared for national defense in a most critical period. The operation of this legislation may well result in the disruption of the cooperative spirit upon which the execution of the procurement plans depends and result in the liquidation of securities of industrial concerns in a period when they should be operating at maximum efficiency.

The War Department, while in complete sympathy with the desire to equalize the burdens of war and to prevent profiteering, believes, and has at various times in the past recommended, that the subject of war finance and taxation be made the subject of a deliberate and careful study in peace by the Treasury Department. It is believed that as a result of such a study revenue legislation may be drafted in peace in such a manner as to avoid endangering the general defense plans. Legislation so drafted could then be kept continually revised ready for presentation for legislative action by Congress when the emergency so required.

As an aid in developing governmental policies effective in support of plans for national defense, the War Department recently requested the Brookings Institution to undertake a comprehensive study on the economics of price control in war in its relationship to the efficient conduct of the war, the prevention of profiteering and inflation, and the equalization of the burdens of war. This study is now being actively pursued but will not be completed for several months. It will suggest legislation which will serve as the basis of recommendations to Congress with respect to a sound economic preparedness program. When the results of this study are available to the War Department it will be in a much better position than at present to assist in developing constructive legislation relating to the subject under consideration.

The War Department is of the opinion that the bill S. 1885 would be detrimental to the interest of national defense and recommends that it be not enacted into law.

This report was submitted to the Bureau of the Budget, which advised that there would be no objection by that office to its sub-

mission to your committee, it being understood that no commitment would thereby be made with respect to the relationship of the proposed legislation to the program of the President.

Sincerely yours,

HARRY H. WOODRING,
Secretary of War.

Mr. BARKLEY. I also have a letter from the Secretary of the Navy with respect to this proposal, which takes the same position as that taken by the Secretary of War. I shall not read it, but ask unanimous consent that it be printed in the RECORD at this point as part of my remarks.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

DEPARTMENT OF THE NAVY,
OFFICE OF THE SECRETARY,
Washington, June 7, 1939.

The CHAIRMAN, COMMITTEE ON FINANCE,
United States Senate, Washington, D. C.

MY DEAR MR. CHAIRMAN: The bill S. 1885, "To tax the profits out of war by steeply graduated income and other taxes in order to provide for effective national defense, to promote peace, to encourage actual neutrality, to discourage war profiteering, to distribute the burdens of war, to keep democracy alive, and for other purposes," was referred to the Navy Department by your committee with a request for a report thereon.

The bill S. 1885 proposes to impose upon the people and corporations, immediately upon declaration of war and until Congress shall declare the war emergency to be at an end, a system of steeply graduated taxes. The rates of income tax now prevailing on individuals are increased and exemptions decreased. The normal tax rate is increased from a minimum of 10 percent upon surtax net incomes between $3,000 and $5,000 to a maximum on incomes of over $20,000 of $9,880 on the first $20,000, and 93 percent on all surtax net incomes above $20,000.

The corporation taxes proposed run from 15 percent of such portion of net income as is in excess of 2 percent of capital-stock value to 100 percent of such portion of net income as is in excess of 6 percent of capital-stock value. Holding companies' net incomes would also be drastically taxed. A levy of 98 percent of their undistributed net income is proposed, and in no case would any such company be able to accumulate over $100,000 undistributed net income in any one year.

The least possible adverse effect that could be expected from such legislation as that proposed by the bill, S. 1885, would be a drastic change in the entire economic structure of the country at the very time when the least possible disturbance thereto is imperative.

Once war is upon us, the entire national economy must be geared and adjusted to its successful prosecution and earliest practicable termination. Incidentally, price-control measures will undoubtedly be installed upon inception of war. In fact, they are provided for in the industrial mobilization plan. They, in themselves, will tend to prevent undue accumulation of profits. This contemplated procedure should allay the fears of those who are concerned over profiteering and excess profits after war is upon us.

The Navy Department recommends against enactment of the bill S. 1885.

No commitment is made with respect to the relationship of the legislation proposed in the bill S. 1885 to the program of the President.

Sincerely yours,

WILLIAM D. LEAHY, *Acting.*

Mr. BARKLEY. I also ask unanimous consent to have printed as part of my remarks a statement which has been prepared by the Treasury experts who are working with the Finance Committee in respect to this tax bill, which includes a paragraph or two from the report of the House Committee on Ways and Means on the pending bill, in which it states that they are giving consideration to the question of excess-profits taxes, and also to the question of war-profits taxes, with the view to bringing in a sound measure dealing with that subject at a very early date.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

The proposed amendment relates to the general subject of taxation of war and excess profits. Because of the complicated structure of our economic and financial systems and because of the extremely high rates involved in such taxation, this field presents many extremely difficult and intricate problems. It is, of course, essential that individuals and corporations be prevented from unduly enriching themselves through rearmament or war. The problems of war and excess-profits taxation require detailed and intensive study before reasonably adequate and satisfactory solutions can be found. Recognizing the importance of these problems and the necessity for seeking adequate solutions, the report of the Committee on Ways and Means on the pending bill contains the following paragraph:

"During the executive sessions, there have been discussed proposals to provide special amortization for national-defense industries and to provide for the imposition of excess-profits taxes. These two measures—each in itself requiring a complicated and exhaustive legislative project—must be considered together. It is the desire of this committee, which is favorably reporting a bill which will enable a larger proportion of our citizens to participate in the responsibility of providing an adequate national defense than has ever been the case before, that there shall not be an opportunity for the creation of new war millionaires or the further substantial enrichment of already wealthy persons because of the rearmament program.

"Accordingly we have instructed our technical assistants and the appropriate Treasury officials to accelerate their work in these two fields so that bills will be prepared for submission not later than the opening of the next session of Congress, which if passed by the Congress may become retroactive and apply to income earned during the calendar year of 1940, or may become effective upon any other date which Congress, in the light of information it then possesses, may deem advisable."

This proposed amendment is substantially identical with legislation which was considered by a Subcommittee of the Finance Committee in 1936. With respect to that legislation the Treasury Department expressed its views in such detail and at such great length that it is impossible to review all of its recommendations at this time. Suffice it to say that many of the questions raised by the Department involved the underlying structure of this proposal (hearings before a Subcommittee of the Committee on Finance, United States Senate, 74th Cong., 3d sess., on H. R. 5529, pp. 17, 95, and 131 et seq.). For example, there may be doubts as to the wisdom of using as a base for the taxation of corporations the "adjusted declared value" of the corporation's capital stock. Also the deductions allowed are so restricted in scope as to perhaps be grossly unfair in the case of a tax having rates as high as 100 percent of the net income in excess of 6 percent of the adjusted declared value of capital stock in the case of corporations and as high as 99 percent of the surtax net income in excess of $20,000 in the case of individuals.

The proposed amendment was drafted at the time the Revenue Act of 1936 was being considered by the Congress. It is thus geared to a tax law long since out of date. Substantial technical revisions of the revenue structure have since been enacted, notably the Revenue Acts of 1938 and 1939. It is therefore necessary to devote considerable time and study to integrating the proposed amendment with the existing tax law in order to prevent the amendment from operating harshly or inequitably either against taxpayers or against the Government.

Mr. BARKLEY. I realize that Senators who are interested in this legislation will probably feel that that is a sort of an evasive situation, where promises are made that the situation will be studied and a tax bill brought in. But I feel that we ought to keep in mind that we are not at war. We are not really writing a war-tax bill. No one wants any corporation or any individual in this country to reap profits out of war. I know of no sensible person who is not willing to go as far as it is possible to go in making property and profits amenable to a war situation as completely as men are made amenable to a war situation.

I think we ought to keep in mind that we are not at war; and if and when we do go to war, if we ever do—which I hope we will not do at any time—we will then be confronted with writing a war-tax bill in view of the conditions which exist in war. We are not now writing a war-tax bill. We are writing a bill designed to raise revenue at least in part to cover the expenses of preparing against war.

With all due respect to my dear friend, the Senator from Washington, in whose sincerity I have the utmost faith, and of whose ability I find myself frequently envious, his proposal that we shall write here a tax bill, which is really a substitute for the bill we are considering, a measure 183 pages in length, which has not been given any consideration by the tax-writing committees of the two Houses, calls upon one to be a little more credulous than I myself feel like being at this time.

I want these facts to go into the RECORD so that if this proposal should go into the pending bill and should go to conference, the conferees will have the benefit of the facts which I have set forth in considering whether the amendment should be agreed to.

Mr. BONE. I am sure the Senator does not want to have remain in the RECORD a statement that my amendment is a substitute for the pending bill.

Mr. BARKLEY. Well, in the sense that it is a complete tax bill, and it is inconsistent with the bill we are now considering.

Mr. BONE. It is not inconsistent with the bill, when we consider it proposes taxation to be put into effect in time of war.

Mr. BARKLEY. Both of these bills cannot be in effect at the same time.

Mr. BONE. Oh, yes; they can.

Mr. BARKLEY. The rates of income taxes and corporation taxes are entirely different.

Mr. BONE. Let me put it this way. They cannot, of course, be in effect at the same time; but if my amendment should be adopted, this is what would happen: The measure would simply be on our statute books in inoperative form. The amendment provides that the part of the bill represented by my amendment would remain inoperative except upon the declaration of war. Then it would supersede all existing legislation, but it would automatically go off the books when war ended.

Now, as to the attitude of the War Department and the Navy Department, to which the Senator from Kentucky has referred. Let me tell the Senate something that is of interest, which at times has made me wonder about the War Department and the Navy Department.

Back in 1937 I had the temerity to introduce a bill which called upon the Navy Department immediately to expand our navy yards with sufficient ways, slips, and welding and cutting machinery to take care of the Vinson-Trammell program, with the amendments thereto up to that time. Had we done that—and it would have taken about $25,000,000—the Navy Department of the United States would have had in its possession right now facilities so complete that on 5 minutes' notice they could have laid down the keel of every big ship authorized up to the time the last authorization was made by Congress.

In that same bill I asked for the expansion of Government arsenals, to be equipped with new jigs, dies, tools, machine tools, and fixtures to take care of the then peacetime needs of the United States, and in addition to lay in a huge supply of jigs, dies, tools, and machine tools and fixtures of all kinds in such quantities that if an emergency came, under the direction of the President of the United States the machine tools could have been put into any private factory, so it would be completely tooled and ready to go to work as soon as the necessary adjustments could be made in the private plants.

Mr. President, I want the RECORD to show that statement because a distinguished Senator the other day asked me if I had voted for a certain naval bill. He knew better. I do not know what impelled him to ask that question. Had I been smart enough at the moment, he would never ask me another question in this body again. But he did not support my proposal. In the Naval Affairs Committee, as early as 1934, when the representatives of the Navy came here and said there was a crisis, I said, "All right; let us expand our navy yards; let us expand our arsenals; let us put in a huge supply of jigs, dies, and machine tools." I want to tie this to the Navy Department and the War Department, which are always writing reports and sending them here.

What do Senators think the Navy Department did in response to that suggestion? The Navy Department—the same Navy Department which is telling us now that we are in an awful fix—sent word that that idea was not in harmony with national defense, and that we had better wait and let private plants do it until a crisis came.

Mr. President, out with that sort of business. They would have this country in such a position that it could not adequately defend itself on short notice, and we could not defend ourselves when the crisis came.

I say that is a queer kind of patriotism. We could have had our own navy yards, which could do all the work, if the Navy Department had had the guts to say "yes." I have the letter of the Navy Department. The Department says, "No; we cannot interfere with private initiative; and when a crisis comes we will have private plants do the work." Today we have the deadly certainty of having private plants do it, under the conditions described by the Senator from Iowa [Mr. GILLETTE] a moment ago. The private builders come before us and say, "We cannot do a good job because our profit motive is interfered with. We might soldier on the job unless we made 14 percent." The Senator from Maryland [Mr. TYDINGS] was present when this matter was amplified for us.

That is the condition we are encountering. It was not considered good practice to have a Government navy yard, and to have Government construction yards and slips; but under the theory advanced by the Navy Department, when we expand a private yard, Uncle Sam is to pay for all the expansion at the expense of the taxpayer, and Senators will vote for it. We have already voted for it. We are to pay for the expanded private facilities with Government money, and private plants will make the profit. If we are to follow that plan, why not have Uncle Sam own the plants?

Three or four years ago I stated in the Naval Affairs Committee that we were living in a troubled world, and that we might never see the end of it in our lifetime. Let us at least expand our navy yards and arsenals to take care of as much work as possible. They would be totally inadequate in a great crisis, but we should have them as a backlog of preparation. I am fed up with the idea of being told that there is something subtle or smoky in that sort of a suggestion, and that it is not a good, patriotic American doctrine. That is the reason why I object to the Navy Department and the War Department telling us what to do about taxation.

Mr. BARKLEY. Mr. President, I will say to the Senator from Washington that the Committee on Finance asked the Secretary of War and the Secretary of the Navy for reports on this bill, because under the law they are charged not only with coordinating the military and naval forces of the United States but also with some duty in connection with coordinating the economic condition of the country. In response to a letter from the chairman of the Finance Committee, the Senator from Mississippi [Mr. HARRISON], asking for their opinion on the bill which the Senator has offered as an amendment, the Departments wrote replies. I am sure the Senator will be fair enough to admit that the Secretary of War and the Secretary of the Navy have not barged in of their own volition and written a report on the bill. They were asked by the committee to do so.

Mr. BONE. I know; but they do many funny things.

Mr. CONNALLY. Mr. President, I desire to offer a substitute for the amendment offered by the Senator from Washington, and I ask that it be considered without reading in detail.

The PRESIDING OFFICER. The Senator will send his amendment to the desk. Without objection, the amendment will be considered without reading.

The CHIEF CLERK. The amendment, in the nature of a substitute offered by Mr. CONNALLY, is to insert as an amendment the text of Senate bill 4141, to provide revenue and facilitate the regulation and control of the economic and industrial structure of the Nation, for the successful prosecution of war, and for other purposes.

Mr. CONNALLY. Mr. President, I do not enjoy a night session any more than does any other Senator. I am not responsible for this night session, and I regret the necessity for having it. I do not want to weary Senators by unduly delaying the Senate.

It is only through a sense of duty to the committee, which appointed the Senator from North Carolina [Mr. BAILEY], the Senator from Pennsylvania [Mr. GUFFEY], the Senator from Wisconsin [Mr. LA FOLLETTE], the Senator from Delaware [Mr. TOWNSEND], and myself as a subcommittee to draft the substitute which we have proposed, that I am emboldened to ask that it be substituted for the amendment of the Senator from Washington.

In 1936 we were appointed a subcommittee to draft a war-profits act. We have revised the measure two or three times, due to the change in our taxing system, because we wanted it to be harmonious and integrated into the existing system. So, at the present time, it represents about 6 months of studious work on the part of the subcommittee,

in connection with the Joint Committee on Taxation and its experts, the Treasury Department, and other Government departments.

We have worked out a war-profits bill applicable only in time of war. The rates are very heavy, but not quite so severe as the rates in the amendment of the Senator from Washington. For instance, on a $1,000,000 net income, the amendment of the Senator from Washington would take more than $980,000. The amendment which we offer would take 88 percent rather than 98 percent.

In the case of a married person with no dependents the measure which we sponsor would take $40 instead of $60, as provided by the amendment of the Senator from Washington. The rates are more gradual under our measure, and yet they are very heavy. The Treasury estimates that on the basis of 1938 income data on individual incomes the rates carried in my proposed substitute would produce $7,866,000,000 a year. With respect to the tax on corporations, we were not able to make an estimate for 1938, because the data for 1938 were based on undistributed dividends, and we did not have the necessary experience to estimate what the rate would produce in the case of corporations; but under the terms of the amendment, which automatically would go into effect only in time of war, the revenue from individual incomes, on the basis of data for 1938, would be approximately $8,000,000,000.

The Senator from Kentucky [Mr. BARKLEY] says that we are not in a war. No; we are not in a war, but when we get into a war we ought to have the tax structure already in operation prior to the declaration of war. When war comes we may not be able to pass a war-revenue bill for months after the war shall have begun, and the taxes would not be provided for unless we should make them retroactive, which would, of course, meet with much opposition and unfavorable reaction from the people.

Mr. President, this is a task which we did not seek. By order of the Finance Committee the subcommittee spent literally months in hearings, and in detailed, laborious efforts, as will be testified to by all the members of the subcommittee.

The only kind of a bill to which we could tie this measure is a revenue bill coming over from the House of Representatives. We could not bring it up in the Senate at will and pass it through this body. We should have to wait until the House sent us a revenue bill. Whenever it is suggested that we attach it to a revenue bill, some Senator rises and says, "Let us do it next year, next month, or next fall."

The subcommittee has discharged its duty. We are depositing the bill on the front porch of the Senate. If the Senate does not want it, it is perfectly all right with the subcommittee. The Finance Committee ought to want such a bill adopted. The Finance Committee examined it, went over the work of the subcommittee, and approved the measure. We ought to have the support of the Finance Committee, although judging by some of the votes earlier in the day it seems that such support is rather unpopular.

Mr. TYDINGS. Mr. President, will the Senator yield?

Mr. CONNALLY. I yield.

Mr. TYDINGS. Will the Senator tell us what the exemption is for a single man?

Mr. CONNALLY. I believe the exemption for a single man is $800, and for a married man $1,500.

Mr. TYDINGS. A married man without children?

Mr. CONNALLY. A married man without children has an exemption of $1,500, or perhaps $1,600, and a single man has an exemption of $800. I have the report before me in detail. I have not gone through the report for some time.

Mr. President, let me recite some of the rates briefly.

On an income of $2,000 a married person with no dependents would pay $40. On an income of $2,500 he would pay $90. On an income of $3,000 he would pay $164. On an income of $3,500 he would pay $244; on an income of $4,000 he would pay $336; on an income of $4,500 he would pay $431; and on an income of $5,000 he would pay $538.

Is that a burdensome tax? On an income of $10,000 a married person with no dependents would pay $1,354. The normal individual income-tax rate, after the allowance of deductions and things of that kind, is 10 percent. Then surtaxes are added gradually, so as not to be confiscatory.

The trouble with the amendment of the Senator from Washington is that we could not make war on it. We could not conduct a war on it, because it is so destructive of income that I very much fear it would hamper the waging of the war. We might be able to wage the war, yet we want to take all the profit that we can, over and above a reasonable return, from every individual and every corporation in the land, whether engaged in the manufacture of war materials or in any other activity.

Mr. TYDINGS. Mr. President——

Mr. CONNALLY. I yield.

Mr. TYDINGS. As I understood the Senator's explanation of the amendment, he has explained the individual income-tax provisions and the amount of gross revenues they would raise, but, as I understood his explanation, there was no estimate of what the corporation tax would raise.

Mr. CONNALLY. There is a corporation tax, but we were not able to estimate what it would raise, because when we originally drew it, it was based upon the law we had about taxing undistributed profits which we later repealed. So, since we repealed it, we have changed this amendment to fit in with the present system, but we did not get an estimate; but I can tell the Senator what the tax on corporations would be.

In this amendment we have also an excess-profits tax. The normal tax on corporations, the flat tax, is 22 percent. In addition to that, there is an excess-profits tax. The excess-profits tax is based upon two alternative systems; either upon the basis of the invested capital or upon the Canadian system, which represents a 4-year pre-war average. They take the average profits for 4 years before the war and permit a return of 5 percent, I believe it is, and then take 50 percent of all above that.

Mr. TYDINGS. Mr. President, will the Senator yield at that point?

Mr. CONNALLY. Yes.

Mr. TYDINGS. Is there any exemption for corporations—three or four thousand dollars?

Mr. CONNALLY. I think there is an exemption of $3,000.

(a) The excess-profits credit shall consist in the case of a domestic corporation of (1) a specific exemption of $3,000 or (2) 5 percent of the invested capital for the taxable year, whichever is the greater. * * *

(b) In the case of a return made for a fractional part of a year, the specific exemption of $3,000 shall be reduced—

And so forth and so forth.

Mr. TYDINGS. Mr. President, will the Senator yield for one additional question?

Mr. CONNALLY. Certainly.

Mr. TYDINGS. Am I to understand that the tax of 22 percent on corporations is the tax that would be laid after a 5-percent exemption was taken out?

Mr. CONNALLY. No. I will say to the Senator that that is the excess-profits tax.

Mr. TYDINGS. Twenty-two percent is the flat corporation tax?

Mr. CONNALLY. The flat corporation tax, just such as is paid now.

Mr. TYDINGS. But as to excess profits, there would be 5 percent of the income set aside first, before the excess-profits tax would apply?

Mr. CONNALLY. Or $3,000, whichever is the greater.

Here are the rate schedules:

In the case of corporations, the excess-profits taxes are as follows:

Ten percent of the amount of the net income in excess of the credit—

That credit is determined as I stated to the Senator a moment ago; the credit is $3,000—

and not in excess of 10 percent of the invested capital for the taxable year.

Twenty percent of the amount of the net income in excess of 10 percent, but not in excess of 15 percent of the invested capital.

Thirty percent of the amount of the net income in excess of 15 percent, but not in excess of 20 percent of the invested capital.

Forty percent of the amount of the net income in excess of 20 percent, but not in excess of 25 percent of the invested capital.

And then it goes on up to 60 percent in the higher brackets.

Mr. President, those are the bare outlines of this amendment. It has been very carefully drawn by the drafting service, by the Joint Committee on Internal Revenue Taxation.

Mr. BYRD. Mr. President, has the Senator from Texas an estimate of the total revenue the amendment will bring?

Mr. CONNALLY. I explained a moment ago that on the basis of the 1938 income returns we would get almost $8,000,000,000 out of the individual income-tax return. I am sorry to say that we have not the estimates on corporations.

Mr. BYRD. That amendment would take the place of the bill which is before us?

Mr. CONNALLY. If this amendment is adopted, the moment war is declared it comes into effect and displaces all other tax bills.

Mr. TYDINGS. Does that include excise taxes?

Mr. CONNALLY. No; we have restricted it to these two titles—incomes and corporations.

Mr. TYDINGS. Then I take it that the existing excise taxes which were on the books at the time war was declared would remain.

Mr. CONNALLY. They would continue.

Mr. TYDINGS. But all income taxes would be eliminated, and this measure would be substituted?

Mr. CONNALLY. Exactly. The Senator is correct.

Mr. BYRD. Mr. President, the Senator estimates that we will get $8,000,000,000 for the present individual income taxes?

Mr. CONNALLY. On the basis of 1938 income.

Mr. BYRD. That does not include corporations?

Mr. CONNALLY. That does not include corporations. So I believe this would go a long way toward balancing the Budget, which we have long sought, but have not found, I will say to the Senator from Virginia.

Mr. BYRD. Mr. President, I should like the Senator to explain the provision on page 312. As I understand, that would give the President the right to fix prices on every article of every description, even down to the farmer's land. He could determine what the farmer's land was worth, what it should rent for and sell for.

Mr. BONE. Mr. President, in that connection, I was going to ask the Senator from Texas if he would strike from his amendment those controls which are in the back, titles II and III. They are not necessarily vital to the amendment.

Mr. CONNALLY. I am entirely willing to strike out those titles, if it is agreeable to the Senator from Washington, because the only reason why they are in the amendment is that that is all that was left of the Senator's bill. We left those things in, but we did revise the tax feature, because the tax features of the bill were referred to the Finance Committee. These other provisions were in the bill as it came from the Committee on Military Affairs; so we left them as they were, but we did revise the tax features. I am quite content to eliminate those titles.

Mr. BONE. I did not mean to imply that I was necessarily willing to accept the Senator's amendment.

Mr. CONNALLY. Oh, no.

Mr. BONE. I certainly would not vote against it if there was not something better offered. I merely feel that those so-called business and social controls might well be questioned. They are in very graphic and clear form.

They are almost the very heart of the mobilization plan. We had them in the first plan—No. 5529, I believe it was—that the Senator from Texas [Mr. CONNALLY] referred to, and they were stricken out in the last two or three drafts of this bill.

Mr. TYDINGS. Mr. President, the Senator has made a very clear explanation, I think, of the amendment as to taxes. I notice, just in glancing at the amendment, that it contains a number of powers of a very far-reaching nature. We should be, of course, taking some chances on voting for this amendment with the taxes in it, because many of us have not had a chance to study it; but I think the Senator has pretty well explained what is in it. But with all the other powers in the amendment in addition to the taxes, no matter how much one might be in favor of the tax provisions of it, we would be writing a pretty big blank check to vote for those powers.

I should much prefer to have the amendment submitted without these powers granted to the President.

Mr. CONNALLY. I will say to the Senator that I indicated just a moment ago that so far as the Senator from Texas is concerned I am perfectly willing to eliminate titles II and III. We did not revise those titles because they came to us from the Military Affairs Committee. We did revise the provisions relating to taxation.

Mr. TYDINGS. Would the Senator eliminate them?

Mr. CONNALLY. I am eliminating them now.

Mr. BYRD. I would support, I think, the balance of the amendment.

Mr. CONNALLY. If I am going to abandon them to get the Senator's support, I do not want him to say "I think I will support it." I want to know whether he will or not.

Mr. BYRD. I could not support titles II and III.

Mr. CONNALLY. That is what I am going to strike out.

Mr. BYRD. Under title III the President would have the right to fix the price of all farming land.

Mr. CONNALLY. Mr. President, I ask leave to eliminate the language from page 309, line 3, down to page 328, line 2.

The PRESIDING OFFICER. The Senator from Texas modifies his amendment, as indicated.

Mr. BYRD. Mr. President, where does the modification begin, on what page?

Mr. CONNALLY. On page 309. It takes out all of titles II and III.

Mr. DANAHER. Mr. President, will the Senator yield?

Mr. CONNALLY. I yield.

Mr. DANAHER. I should like to ask the Senator from Texas whether the Senator from Delaware [Mr. TOWNSEND], whose name was mentioned in connection with the amendment, agrees to the elimination of titles II and III.

Mr. CONNALLY. I have not consulted the Senator from Delaware, who is closer to the Senator from Connecticut now than to the Senator from Texas, and I think, as a matter of convenience, the Senator from Connecticut should privately approach the Senator from Delaware and find out, rather than clutter up the RECORD with unnecessary interrogatories. [Laughter.]

Mr. TOWNSEND. Mr. President, will the Senator yield?

Mr. CONNALLY. I yield.

Mr. TOWNSEND. I wish to say to the Senator from Connecticut that I agree to the elimination.

Mr. CONNALLY. The Senator from Kansas [Mr. CAPPER] was the Senator I had in mind at the moment.

Mr. President, I do not desire to burden the Senate longer, but I shall insist that the Senate vote on the amendment. We have a fine amendment, which has been worked out with great care. It does carry heavy rates, but they are applicable only in time of war. I am tired hearing Senators beat their breasts and go about over the country and talk over the radio about "no millionaires shall be made out of this war," then when we offer a measure that will prevent millionaires being made out of the war, they want to postpone it to some other time.

Mr. President, before I take my seat I wish to say that, while I am not enjoying this night session, I believe it is the duty of the Congress to stay right here in Washington and pass a general tax bill as soon as the pending bill is out of the way. The people of the United States are willing now—I do not know how long they are going to remain willing, but they are willing now—to pay heavy, increased taxes, and they must know, and it is our duty to tell them, that with all of this preparedness, all these clouds of planes, and all these majestic battleships we are going to provide, and all of the tanks and mechanization, much money must be paid out. It is going to cost the people money, and if they want these things, we should take steps to pay for them, not provide that our grandchildren shall pay for them, but we should pay for them ourselves.

As soon as this temporary tax bill is out of the way I think we should reconvene and go to work on a general overhauling of the tax laws. We have to do it if we are to respond to our duty to our country, to ourselves, and to the people.

We all know we have to raise taxes whether we have a war or whether we do not. Why do we not do it? Some want to wait until after the election, I suppose. Neither party is going to make any political profit out of this war or out of this tax business. The people of the United States are not going to be deluded by any kind of peanut politics this good year, 1940. They want this program of preparedness carried out. They have to pay for it, and I am ready to vote to put it on them.

Mr. ASHURST. They are willing to pay for it.

Mr. CONNALLY. They are willing to pay for it. How long they will be willing I am not so sure. [Laughter.] They will pay now, and the time to pass the bill is when they want it. I receive telegrams and am called over the telephone, the messages being "I want to pay. I will pay 25 percent of my income." Well, will they be willing next January to pay 25 percent of their income? The time to pass a tax bill is right now.

Mr. ADAMS. Mr. President, I wish to ask a question for information with reference to the bill. The bill or amendment of the Senator from Texas would go into effect when Congress finds a state of war to exist?

Mr. CONNALLY. That is correct.

Mr. ADAMS. When it would go into effect would it take the place of existing tax law, or would it be added to that?

Mr. CONNALLY. It would take the place of existing tax laws as to the features which are mentioned. It would not disturb the excise taxes, but it would take the place of the individual income tax and the corporation tax.

Mr. ADAMS. I asked the question because there were some parts of the bill I had not read. [Laughter.]

Mr. CONNALLY. I am certainly surprised to know that the Senator has not read the bill. I have heard him discuss many bills on the floor, but I never detected before that he had not read them.

Mr. President, I do not want Senators to vote against the amendment merely because they desire to put it off. If the House of Representatives does not want to take it they do not have to, but it is our duty to add this amendment to the bill. The House will not originate one. The only opportunity we have of imposing a war-profits tax is by lying in wait, as it were, for some tax bill to come over from the House, and then tying a war-profits bill onto it.

We now have that opportunity. This is not a wild bill, this is not an anarchistic bill, this is not an alien bill, this is not a "fifth column" bill. We can make war under this bill, and yet we take from the individual taxpayers nearly $8,000,000,000, and several more billions from the corporations. We will make the war self-sustaining so far as possible, and we will help to pay some of the tax-exempt bonds about which the Senator from Oklahoma is talking.

Mr. PEPPER. Mr. President, will the Senator yield?

Mr. CONNALLY. I yield.

Mr. PEPPER. Did I understand the Senator to indicate in the last statement he made that the total revenue the bill would exact would be about $15,000,000,000?

Mr. CONNALLY. No.

Mr. PEPPER. What is the revenue to be exacted?

Mr. CONNALLY. I said that on the basis of 1938 income-tax returns the yield from individual incomes would be nearly $8,000,000,000. We have not estimates as to the corporations, because in 1938 the corporations were taxed on the basis of the undistributed dividends, and we are not under that system now, and we have not estimates as to the corporations; but the Senator I am sure will easily perceive that if we collect $8,000,000,000 from individuals there will be a very sizable sum from corporations.

Mr. PEPPER. Would excise taxes also be added?

Mr. CONNALLY. No; they would not be disturbed. We do not disturb the excise taxes in this bill or other bills, but this merely takes the place of individual income taxes and corporation taxes. We thought that when we got all the corporations and all the individuals, we were getting the people who were more apt to have war profits—excess profits.

There will not be a great deal of return from the taxes on cigarettes and soda water and moving pictures and things of that kind, but if we want to get the war profits, we can get them in this bill in a logical, reasonable way. The Treasury says it will work. The Treasury says it can administer it. The Treasury says it is not destructive. It has had the painstaking care and labor of the subcommittee for about 6 months, every day, with the experts of the Joint Committee on Taxation, of the Treasury, and the legislative counsel.

If anyone can synthetize any better bill than this let him bring it in. It does not destroy incomes. It lets them live. It milks the old cow right down to the point of exhaustion, but it does not quite exhaust her, because we want some milk tomorrow. [Laughter.]

Mr. President, I hope the Senate will adopt the amendment in lieu of the amendment offered by the Senator from Washington.

Mr. LEE. Mr. President, I shall not take long, but I think it appropriate to explain the difference between the two bills in the form of amendments now under discussion and the bill which is now on the Senate Calendar to draft capital in case of war.

These amendments will recover profits resulting from commerce and industry, but during the World War some of the greatest profits were made in the field of finance. Neither of these amendments will touch the profits in the field of finance. For instance, if we adopt one of them—and I hope we will—then the Treasury will have to borrow $4,000,000,000 in order to set our program of national defense in motion. When it borrows that money it guarantees exemption.

In the World War when we borrowed money, because of inflation we borrowed 50-cent dollars. Inflation always accompanies war. Deflation always follows war. When we paid those bonds back we paid them back with 150-cent dollars. We borrowed 50-cent dollars and paid back 150-cent dollars, and there was a tremendous profit or unearned increment made on those tax-exempt bonds.

If we are to cover the field of profiteering in war, we must have a system of forced loans which are not tax exempt, so that each person must buy in proportion to his ability, and not on the basis of pressure of patriotism or profit.

I wish to make plain at this time, that even though we adopt one of these amendments we will not take all the profits out of war, and we will not have a financing system that will yield money as we need it, because no nation has ever been able to pay for a war as it fights the war.

Therefore we must borrow money, and if we borrow under the old system of tax exemption, and Government bonds are bought because of patriotism rather than on the basis of ability, we still are not reaching the subject of profiteering.

Mr. PEPPER. Mr. President, will the Senator yield?

Mr. LEE. I yield.

Mr. PEPPER. Does either one of these amendments impose a higher rate of tax upon income derived from war industries than upon income derived from ordinary industrial activities? I mean is there any higher tax upon income derived from war activities than upon income derived from ordinary peacetime activities?

Mr. LEE. No. They cannot be separated. But measures apply only upon a declaration of war, or war conditions as determined by Congress. As I understand the amendment of the Senator from Texas [Mr. CONNALLY], it attempts to leave a margin of normal profit. As I understand the amendment of the Senator from Washington [Mr. BONE], to which I am a signatory, it leaves a much less margin of profit.

Mr. CONNALLY. Mr. President, the Senator from Arizona [Mr. ASHURST], in his kindness and wisdom, has requested that I read briefly the concluding paragraph of my amendment, which is as follows:

Except as otherwise provided herein, the provisions of this act shall become operative and in full force and effect immediately upon the declaration by Congress that a state of war exists between the

United States and any foreign government and that the existence of such state of war creates grave national emergency; and such provisions shall remain in full force and effect for the duration of such war and thereafter until the Congress shall declare the emergency created by such war to be at an end.

Mr. President, I ask that the amendment be referred to in the proceedings and in the conference report, if any, as Senate bill 4141. I do that in order to save the expense of printing.

The PRESIDING OFFICER. The Chair will advise the Senator from Texas that the amendment can be referred to by number in the Senate Journal and in the CONGRESSIONAL RECORD, but if it goes back to the House it will have to go back as part of the House bill.

Mr. CONNALLY. As far as it is possible to do so, I ask that it be referred to as Senate bill 4141, because I do not want to have it printed two or three different times.

Mr. BONE. Mr. President, I wish to say to the Senate that substantially the same provision concerning the application of Senate bill 1885 and its termination date is contained in the language of the bill or amendment of the Senator from Texas [Mr. CONNALLY]. That is, it becomes operative in time of war.

I wish to make one final suggestion. I want Senators to understand that Senate bill 1885, which I have been discussing, is not my work. The bill originated from the Senate Munitions Committee and was prepared after months of careful study by the best tax experts the committee had at its command. It is not a haphazard piece of work or a piece of botch work. It has been given, I think, the consideration of the ablest tax experts that the Senate committee could employ for that purpose.

In connection with the bill presented by the Senator from Texas [Mr. CONNALLY], if I shall vote against it I want the Senator to understand that I am not objecting to it except upon this basis, that I think the tax levels contained in his bill are not high enough. I want more drastic tax levels and, of course, I should like to see Senate bill 1885 adopted. For that reason, if I shall elect to vote against the bill of the Senator from Texas, I want him to know why I do so.

Mr. NYE. Mr. President, the presentations made by the able Senator from Washington [Mr. BONE] and the able Senator from Texas [Mr. CONNALLY], in support of this legislation leaves room for nothing more to be said. I only wish to say that I shall find it not at all to my liking to vote against the amendment which is offered by the Senator from Texas [Mr. CONNALLY], but, since it will be the first one offered and voted on, and since I much prefer the more stringent rates provided in the amendment offered by the Senator from Washington, I shall have to vote "nay" on the next vote.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Texas [Mr. CONNALLY] in the nature of a substitute for the amendment of the Senator from Washington [Mr. BONE.]

The amendment was agreed to.

The question now is on the amendment of the Senator from Washington, as amended.

Mr. CONNALLY. I ask for the yeas and nays.

The yeas and nays were ordered.

Mr. HATCH. A parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. HATCH. Simply because there is great confusion in the Chamber some Senators are not quite sure as to what is being voted on. Will the Chair state what we are now voting on?

The PRESIDING OFFICER. The question now to be voted on is on the amendment of the Senator from Washington [Mr. BONE] as amended by the Senator from Texas [Mr. CONNALLY], the amendment of the Senator from Texas being in the nature of a substitute for the amendment of the Senator from Washington. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. CHANDLER (when his name was called). I have a pair with the senior Senator from Pennsylvania [Mr. DAVIS]. I transfer that pair to the Senator from Arizona [Mr. HAYDEN], and will vote. I vote "nay."

Mr. SHIPSTEAD (when his name was called). I have a general pair with the senior Senator from Virginia [Mr. GLASS]. I transfer that pair to the senior Senator from North Dakota [Mr. FRAZIER]. I am not informed how the Senator from Virginia would vote. I am informed that the Senator from North Dakota would vote "yea," and therefore I am at liberty to vote. I vote "yea."

Mr. THOMAS of Utah (when his name was called). On this question I have a pair with the senior Senator from New Hampshire [Mr. BRIDGES]. I therefore withhold my vote.

The roll call was concluded.

Mr. MINTON. I announce that the Senator from North Carolina [Mr. BAILEY], the Senator from Mississippi [Mr. BILBO], the Senator from Idaho [Mr. CLARK], the Senator from Virginia [Mr. GLASS], the Senator from Arizona [Mr. HAYDEN], the Senator from Louisiana [Mr. OVERTON], the Senator from Illinois [Mr. SLATTERY], and the Senator from Tennessee [Mr. STEWART] are necessarily detained.

Mr. AUSTIN. The Senator from Michigan [Mr. VANDENBERG] has a general pair with the Senator from Illinois [Mr. SLATTERY].

The Senator from Oregon [Mr. HOLMAN] has a general pair with the Senator from Tennessee [Mr. STEWART]. If present, the Senator from Oregon would vote "nay."

The Senator from New Jersey [Mr. BARBOUR] is absent on official duties.

The Senator from Pennsylvania [Mr. DAVIS] is absent because of illness in his family.

The Senator from Vermont [Mr. GIBSON] is absent on account of illness.

The result was announced—yeas 51, nays 28, as follows:

YEAS—51

Andrews	Downey	La Follette	Schwartz
Ashurst	Ellender	Lee	Schwellenbach
Bankhead	George	Lundeen	Sheppard
Bone	Gillette	Mead	Shipstead
Bulow	Green	Miller	Thomas, Idaho
Byrd	Guffey	Minton	Thomas, Okla.
Byrnes	Harrison	Murray	Truman
Capper	Hatch	Neely	Tydings
Caraway	Herring	Norris	Wagner
Chavez	Hill	Nye	Walsh
Clark, Mo.	Holt	Pepper	Wheeler
Connally	Hughes	Reynolds	Wiley
Donahey	Johnson, Colo.	Russell	

NAYS—28

Adams	Gerry	McKellar	Smathers
Austin	Gurney	McNary	Smith
Barkley	Hale	Maloney	Taft
Brown	King	O'Mahoney	Tobey
Burke	Lodge	Pittman	Townsend
Chandler	Lucas	Radcliffe	Van Nuys
Danaher	McCarran	Reed	White

NOT VOTING—17

Bailey	Davis	Holman	Thomas, Utah
Barbour	Frazier	Johnson, Calif.	Vandenberg
Bilbo	Gibson	Overton	
Bridges	Glass	Slattery	
Clark, Idaho	Hayden	Stewart	

So Mr. BONE's amendment, as amended, was agreed to.

The PRESIDING OFFICER. The bill is still before the Senate and open to further amendment.

SEVERAL SENATORS. Vote! Vote!

Mr. DANAHER. Mr. President, this afternoon, after some discussion with the chairman of the Finance Committee and with the Senator from Michigan [Mr. BROWN], who is handling one phase of the bill with respect to which there was an interesting discussion earlier in the day, counsel for the Treasury Department, who was present, prepared language which covers all the cases mentioned by the Senators who had an interest in the discussion.

Mr. President, the objective sought to be achieved is to remove the possibility of retroactive liability from State officers and employees who were paid in part from Federal funds for the years 1936, 1937, and 1938. The matter has been fully canvassed. Until the Supreme Court decision of 1939, these employees were not even considered taxable. In order to do equity in the case, irrespective of what the legal claim may have been, and in order that these employees may not be unjustly subjected to taxation, I offer an amendment which I send to the desk and ask to have stated.

The PRESIDING OFFICER. The amendment offered by the Senator from Connecticut will be stated.

The CHIEF CLERK. At the proper place in the bill it is proposed to insert the following:

Section 205 of the Public Salary Tax Act of 1939 is amended by inserting "(a)" after "205" and by adding thereto a new paragraph to read as follows:

"(d) The amount of income tax shall be assessed or collected, after the date of the enactment of the Revenue Act of 1940, which is attributable to compensation received for any taxable year beginning prior to January 1, 1939, for personal service as an officer or employee of any State, or any political subdivision thereof, or any agency or instrumentality of any of the foregoing, if, but for the provisions of paragraph (a), assessment or collection of such tax would be prohibited by the provisions of this title."

Mr. HARRISON. Mr. President, does the Senator's amendment deal only with punitive taxes, or is it along the same line as the previous amendment? Is it different from the amendment which the Senator offered earlier in the day?

Mr. DANAHER. Yes; let me say to the Senator from Mississippi that the Treasury counsel has redrafted, in the language desired by the Treasury Department—if an amendment of this type were to be adopted—identically the language needed to cover the situation and to include all the cases mentioned, such as those mentioned by the Senator from Wyoming, the Senator from Arkansas, and others. Consequently, this language is now deemed in proper form by the Treasury counsel.

Mr. HARRISON. I have no objection to its going to conference.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Connecticut [Mr. DANAHER].

The amendment was agreed to.

The PRESIDING OFFICER. The bill is open to further amendment. If there be no further amendment to be proposed, the question is on the engrossment of the amendments and the third reading of the bill.

The amendments were ordered to be engrossed, and the bill to be read a third time.

The bill was read the third time.

The PRESIDING OFFICER. The bill having been read three times, the question is, Shall it pass?

Mr. McKELLAR, Mr. BARKLEY, and other Senators called for the yeas and nays, and they were ordered.

The PRESIDING OFFICER. The clerk will call the roll.

The Chief Clerk proceeded to call the roll.

Mr. ASHURST (when Mr. HAYDEN's name was called). My colleague [Mr. HAYDEN] is unavoidably detained. If present, he would vote "yea."

Mr. SHIPSTEAD (when his name was called). Making the same announcement as before, I am informed that the senior Senator from Virginia [Mr. GLASS], with whom I am paired, would vote "yea" if present. Therefore, I am at liberty to vote. I vote "yea."

Also, I am informed that the senior Senator from North Dakota [Mr. FRAZIER], if present, would vote "yea."

Mr. LUCAS (when Mr. SLATTERY's name was called). My colleague [Mr. SLATTERY] is unavoidably detained from the Senate because of illness in his family. If he were present, he would vote "yea."

Mr. McKELLAR (when Mr. STEWART's name was called). My colleague [Mr. STEWART] is detained on very necessary public business. If he were present, he would vote "yea." He is paired with the Senator from Oregon [Mr. HOLMAN].

Mr. THOMAS of Utah (when his name was called). On this question I have a pair with the senior Senator from New Hampshire [Mr. BRIDGES] and therefore withhold my vote.

The roll call was concluded.

Mr. McNARY. The senior Senator from California [Mr. JOHNSON], the senior Senator from Michigan [Mr. VANDENBERG], and the junior Senator from Oregon [Mr. HOLMAN] are necessarily absent. If present, those Senators would vote "yea."

Mr. MINTON. The Senator from North Carolina [Mr. BAILEY], the Senator from Idaho [Mr. CLARK], and the Senator from Virginia [Mr. GLASS] are necessarily absent. If present, they would vote "yea."

Mr. ELLENDER. My colleague [Mr. OVERTON] is necessarily absent. If present, he would vote "yea."

Mr. AUSTIN. I announce that the following Senators would vote "yea" if present:

The Senator from New Jersey [Mr. BARBOUR], who is absent on official duties;

The Senator from North Dakota [Mr. FRAZIER], who is necessarily absent; and

The Senator from Pennsylvania [Mr. DAVIS], who is absent because of illness in his family.

The result was announced—yeas 75, nays 5, as follows:

YEAS—75

Adams	Donahey	Lucas	Schwartz
Andrews	Downey	McCarran	Schwellenbach
Ashurst	Ellender	McKellar	Sheppard
Bankhead	George	McNary	Shipstead
Barkley	Gerry	Maloney	Smathers
Bilbo	Gillette	Mead	Smith
Bone	Green	Miller	Thomas, Idaho
Brown	Guffey	Minton	Thomas, Okla.
Bulow	Harrison	Murray	Tobey
Burke	Hatch	Neely	Townsend
Byrd	Herring	Norris	Truman
Byrnes	Hill	Nye	Tydings
Capper	Holt	O'Mahoney	Van Nuys
Caraway	Hughes	Pepper	Wagner
Chandler	Johnson, Colo.	Pittman	Walsh
Chavez	King	Radcliffe	Wheeler
Clark, Mo.	La Follette	Reed	White
Connally	Lee	Reynolds	Wiley
Danaher	Lodge	Russell	

NAYS—5

Austin	Hale	Lundeen	Taft
Gurney			

NOT VOTING—16

Bailey	Davis	Hayden	Slattery
Barbour	Frazier	Holman	Stewart
Bridges	Gibson	Johnson, Calif.	Thomas, Utah
Clark, Idaho	Glass	Overton	Vandenberg

So the bill was passed.

Mr. HARRISON. I ask unanimous consent that the Secretary of the Senate be authorized to change the section numbers and make changes in cross-references in the bill, and that in printing the Senate engrossed amendments the so-called Connally amendment be printed in roman type; also, that the bill be printed with the Senate amendments numbered, except the so-called Connally amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HARRISON. I move that the Senate insist on its amendments, request a conference with the House of Representatives thereon, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to; and the Presiding Officer appointed Mr. HARRISON, Mr. KING, Mr. GEORGE, Mr. LA FOLLETTE, and Mr. CAPPER conferees on the part of the Senate.

Mr. WILEY. Mr. President, during these trying days of international chaos, we in America are grateful that we are at peace. Our economy, however, is not at peace. We shattered the peace of our economy the very day we decided that we needed to arm for defense, and Hitler's victories made this more necessary.

Our economy is in a transitional stage—the bill for our armaments is not as high as in wartime, but it is higher than it has ever been in peacetime. We can anticipate today that 6 months from now we will begin to find out how defense costs will affect our standards of living and our national economy.

We know that the cost of defense in a mad, shrinking world, is tremendous. We know that those costs are largely an unproductive drain on the national economy. We know that paying these costs will mean sacrifices wrung from us in money and tears and sweat.

It is well for us to be prepared for these sacrifices now. It is well for us to realize that our public debt on April 18, just 21 days before the beginning of the blitzkrieg in western Europe, was $42,598,000,000. Since then we have whipped up our obligations to a record high of better than $45,000,000,000.

Mr. President, if we were to raise our defense fund in only one State—my own State of Wisconsin—it would cost every

man, woman, and child, a thousand dollars. We must realize that today in raising such a huge fund we are writing a mighty big mortgage on our standard of living. You may be certain our economic life up ahead will not be all "beer and skittles."

It serves no purpose now to wrangle over past defense expenditures. It serves no purpose now to speak of a "sixth column" found in incompetent government. The 2,500-page report of the majority and minority members of the House Appropriations Committee on this score is very enlightening reading, and it gives us the tip-off as to what the future should not be.

Our past spending has given us several costly lessons.

First. Past spending has lowered our standards of living and the cumulative peak has not yet been reached.

Second. Temporary gains made through Government spending are temporary in their invigorating effects on our economy—mere "shots in the arm."

Third. Our present spending will lower our standard of living still further.

Fourth. Careful, intelligent spending will insure that we get our money's worth and will lessen the future economic impact of paying the bill. That means that we cannot pay "ducks and drakes" with defense money.

Fifth. The maximum borrowing capacity of the Government must be available for defense financing. This means that all unnecessary spending in other branches of Government must cease.

Sixth. We must stop the trend away from a competitive enterprise system, or there will be no point in defending this hemisphere.

All this brings us to the question of "taking the profits out of war." In a day and age of slogans, this is a popular slogan. War profit is like sin—most respectable folks are against it.

We are all opposed to profiteering. We remember the World War. That war made some multimillionaires while other men fought in the mud at $30 a month. We remember the manufacturers who turned out shoddy uniforms and dud shells at top prices. And we remember that a few workers sometimes loitered in shipyards and munitions plants at top wages. After all, you do not have to wear a plug hat to be a profiteer. In all fairness, though, I believe it should be stated that the vast bulk of labor merely asks for a square deal.

Mr. President, no one will sanction the exploitation of an emergency by conscienceless men. Everyone is for an antiwar profits bill. That makes it doubly important for us to see that no other idea masquerades under that title. The distinguished Senator from Washington undoubtedly is sincere in referring to his bill as an "antiwar profits bill," but I believe the title is a misnomer when applied to his bill. This bill doesn't appear to be directed at war profits. It does not appear to be concerned about the unholy profits of war. It is merely directed at imposing extraordinary confiscatory taxes on everyone in the event of war. I lent my name to the bill, not as approval thereof, but in order that this challenging interest could be brought into the open.

I object to this bill for a number of reasons:

First. It is not a war-profits bill as its title implies.

It does not direct its fire against profits. It hits at the average day-to-day bread-and-butter income of the average taxpayer.

It would annihilate the small incomes of policemen, for example. A policeman or a school teacher would receive no more in wartime than in peacetime, and his peacetime income is small enough. His living expenses would be blasted skyhigh. He would not be making a cent of profit out of the war. In fact he would be living up to every cent of his income. Yet, this bill would bleed him white with a supertax.

That does not get at war profits. That does not eliminate war profits. It merely sandbags the general public into a stupor so Government can take over.

Second. Its provisions are so drastic as to be confiscatory. A man and his wife would have $1,000 to live on and then the tax would be applied. A man with $10,000 would pay $2,640. A man with a $100,000 income would pay $89,210. A man with a million-dollar income would pay $980,210, and, as has been pointed out, might conceivably pay more than 100 percent after all his taxes were added. Meanwhile the corporation tax would take all income over 6 percent. I object to the bill because it is confiscation.

Third. I object to the bill because I believe it would kick our economy wide open. If a man with a good income suddenly has to pay from one-third to nine-tenths of that income in taxes, he would be forced to default on his commitments, life insurance, and so forth. This bill would paralyze our economy and drain our economic bloodstream.

There are certain possibilities, however, of actually doing what this bill proposes to do; that is, tax war profits. I believe we should tax war profits, and that is why I signed this bill. I believe this problem should be considered now. We might tax war profits in several ways.

First. Freeze the peacetime income at regular rates—possibly at the average gross figure of the last 3 years' income-tax report—and then put on a very high tax for income over the peacetime average. This would put a ceiling on profits.

Second. We might permit everyone to make as much money as he can and then levy on his capital after the war is successfully concluded.

But whatever we do, we must realize that we are in for a period of self-discipline, self-denial, and self-sacrifice. Defense and the protection of our land must move on despite "hell and high-water taxes." The cost of defense is great, but the need is greater.

Mr. President, in connection with every tax program, besides the matters I have heretofore suggested, it appears to me that we cannot simply be concerned with the immediate present; we have to look into the future. It is conceded by everyone here that after this war crisis is over America will face the greatest test in her history. It has been said that the depression of 1929 will be a mere rain shower compared with the storm we will have to face. Under those circumstances, Mr. President, I drop this suggestion:

I believe that every industry that employs labor should be privileged to create a special reserve of at least 5 percent per year of its yearly income, a reserve that could be specially set aside to aid in providing for labor in the slack years that are up ahead.

As a corollary of this proposition, in view of the fact it has been said that the world is facing a period of famine and possibly worse, it would be well for the Government to take the lid off of our production and start a storage program of its own, making us able to look after our own and meeting the responsibility that the world crisis places upon us. This kind of a program would provide the Government with a means of stabilizing prices; it would give the producer a fair return for what he produces. The Government could also, by this very method, interfere with anyone gambling with the rights of the public.

ADDITIONAL REPORT OF A COMMITTEE

Mr. MINTON, from the Committee on Interstate Commerce, to which was referred the joint resolution (S. J. Res. 212) making applicable to certain coal deliveries the prices established by the National Bituminous Coal Commission, reported it without amendment and submitted a report (No. 1904) thereon.

ADDITIONAL BILLS INTRODUCED

Additional bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. KING:

S. 4161. A bill to amend the District of Columbia Revenue Act of 1939; to the Committee on the District of Columbia.

By Mr. MEAD:

S. 4162. A bill to limit the power of the Home Owners' Loan Corporation to obtain deficiency judgments and to

provide for local boards to review cases in which the Corporation contemplates institution of foreclosure proceedings; to the Committee on Banking and Currency.

SECOND DEFICIENCY APPROPRIATIONS—AMENDMENT

Mr. MEAD submitted an amendment proposing to appropriate $2,000 under the office of Sergeant at Arms and Doorkeeper, Senate, for salary of messenger at special gallery door, fiscal year 1941, intended to be proposed by him to House bill 10104, the second deficiency appropriation bill, which was referred to the Committee on Appropriations and ordered to be printed.

SUPPLEMENTAL APPROPRIATIONS FOR THE NATIONAL DEFENSE

Mr. ADAMS. Mr. President, I move that the Senate proceed to the consideration of House bill 10055, making supplemental appropriations for the national defense.

The motion was agreed to; and the Senate proceeded to consider the bill (H. R. 10055) making supplemental appropriations for the national defense for the fiscal year ending June 30, 1941, and for other purposes, which had been reported from the Committee on Appropriations with amendments.

EXECUTIVE SESSION

Mr. BARKLEY. I move that the Senate proceed to the consideration of executive business.

The motion was agreed to; and the Senate proceeded to the consideration of executive business.

EXECUTIVE REPORTS OF A COMMITTEE

Mr. McKELLAR, from the Committee on Post Offices and Post Roads, reported favorably the nominations of sundry postmasters.

The PRESIDING OFFICER (Mr. HILL in the chair). If there be no further reports of committees, the clerk will state the nominations on the calendar.

THE COAST GUARD

The legislative clerk proceeded to read sundry nominations in the Coast Guard.

The PRESIDING OFFICER. Without objection, the nominations are confirmed en bloc.

COAST AND GEODETIC SURVEY

The legislative clerk proceeded to read sundry nominations in the Coast and Geodetic Survey.

The PRESIDING OFFICER. Without objection, the nominations are confirmed en bloc.

POSTMASTERS

The legislative clerk proceeded to read sundry nominations of postmasters.

Mr. McKELLAR. I ask unanimous consent that the nominations of postmasters be confirmed en bloc.

The PRESIDING OFFICER. Without objection, the nominations are confirmed en bloc.

IN THE MARINE CORPS

The legislative clerk proceeded to read sundry nominations in the Marine Corps.

The PRESIDING OFFICER. Without objection, the nominations are confirmed en bloc.

That completes the Executive Calendar.

RECESS

Mr. BARKLEY. As in legislative session, I move that the Senate take a recess until 12 o'clock noon tomorrow.

The motion was agreed to; and (at 10 o'clock and 30 minutes p. m.) the Senate took a recess until tomorrow, Thursday, June 20, 1940, at 12 o'clock meridian.

CONFIRMATIONS

Executive nominations confirmed by the Senate June 19 (legislative day of May 28), 1940

COAST GUARD OF THE UNITED STATES

James Pine to be a captain.

Arthur E. Larsen to be a chief boatswain.

Harry F. Bradley to be a chief machinist.

COAST AND GEODETIC SURVEY

TO BE HYDROGRAPHIC AND GEODETIC ENGINEERS (WITH RELATIVE RANK OF LIEUTENANT IN THE NAVY)

Alvin Cecil Thorson

Joe Charles Partington

TO BE JUNIOR HYDROGRAPHIC AND GEODETIC ENGINEER (WITH RELATIVE RANK OF LIEUTENANT, JUNIOR GRADE, IN THE NAVY)

Herman Carl Applequist

William Francis Deane

Edgar Flanay Hicks, Jr.

PROMOTIONS AND APPOINTMENTS IN THE NAVY

MARINE CORPS

To be second lieutenants

William M. Gilliam
Wade M. Jackson
David E. Marshall
David Ahee
Paul H. Allbright
Earl E. Anderson
Wendell W. Andrews
Henry Aplington 2d
James O. Appleyard
Robert H. Armstrong
Robert M. Ash
John D. Atkins, Jr.
Frank L. Avbel
Charles R. Baker
Allen T. Barnum
Edward M. Barrett
Roy J. Batterton, Jr.
Kenneth H. Bayer
Francis X. Beamer
James O. Bell
Alexander R. Benson
Orville V. Bergren
James H. Biddy
Paul H. Bird
William M. Bryan, Jr.
Earl A. Cash
High J. Chapman
Mason F. Chronister
Max B. Clinkinbeard
Darrell L. Cool
Walter F. Cornell
Stoddard G. Cortelyou
Lloyd G. Coutts
Winsor V. Crockett, Jr.
Victor J. Croizat
Claude B. Cross
Francis F. Daly
John E. Decher, Jr.
John L. Donnell
William R. Door, Jr.
Clifford B. Drake
Walter L. Eddy, Jr.
Emil P. Eschenburg
Edward V. Finn
Clyde P. Ford
Fred J. Frazer
Ernest C. Fusan
Walter C. Goodpasture, Jr.
Elbert D. Graves
John W. Graves
John H. Gustafson
Victor J. Harwick
Robert O. Hawkins
Thomas H. Healy
Wade H. Hitt
Walter Holomon
John F. Holt
Marshall J. Hooper
Nicholas L. Hotti
Kenneth C. Houston
Wilson F. Humphreys
Homer G. Hutchinson, Jr.
John R. Ivey
Paul T. Johnston
Paul M. Jones
William P. Kaempfer
George B. Kantner
Bernard T. Kelly
John W. Kennedy, Jr.
Walter T. Kerttula
Karl W. Kolb
Carl V. Larsen
Crawford B. Lawton
Walter E. Lischeid
Will E. Madden
Charles S. Manning
Kenneth E. Martin
Marlin C. Martin, Jr.
Phillip B. May
Robert C. Maze
Kermit C. Zieg
William S. McLaughlin
Paul B. McNicol
George G. Megrail
Robert F. Meldrum
Robert A. Merchant, Jr.
Ross S. Mickey
Hector R. Migneault
Harry T. Milne
Richard I. Moss
Franklin B. Nihart
Arba L. Norton
Thomas J. O'Connor
Robert J. Oddy
Jeff P. Overstreet
Edward L. Peoples
Tillman N. Peters
Ralph L. Pipes
Jonas M. Platt
Daniel S. Pregnall
Baptiste D. Pronovost
John A. Ptak
Robert T. Raby
Earle K. Radord, Jr.
James D. Ramsey
Howard J. Rice
Hulon H. Riche
Wallace H. Robinson, Jr.
Leyton M. Rogers
Albert H. Schierman
Donald M. Schmuck
Frederick A. Seimears
Robert D. Shaffer
Allan L. Shepard
Carleton E. Simensen
Frederic R. Smith
Robert E. Snider
Francis T. Snyder
Raymond O. Sommers
William H. Souder, Jr.
Edward M. Staab, Jr.
Elmer E. Sutphin 3d

Robert T. Sweeney
Robert Y. Stratton
Robert D. Taplett
Harry W. Taylor
Eugene N. Thompson
Robert J. Trulaske
Walton L. Turner
Clarence E. Van Ray
Charles E. Warren
George F. Waters, Jr.
John A. White
Elliott Wilson
John Winterholler
Herbert F. Woodbury
Alexander M. Worth, Jr.
Richard W. Wyczawski
Howard A. York

POSTMASTERS

KENTUCKY

Henry Roe Thompson Kinnaird, Edmonton.
Raymond E. Doyle, Park City.

LOUISIANA

Henry H. Sample, Lecompte.

NEBRASKA

James A. Gunn, Ponca.
Robert Harold O'Kane, Wood River.

NEVADA

Isaac L. Stone, McGill.
Effie M. Perry, Yerington.

NORTH CAROLINA

John G. Kennedy, Beulaville.
Robert A. Watson, Sr., Jonesboro.
Parley Potter, Magnolia.
Robert L. Mattocks, Maysville.
Karl M. Cook, Mount Pleasant.
Lacy F. Clark, Raeford.
James B. Hayes, Rocky Point.
Murphy Lee Carr, Rosehill.
Lucile L. White, Salemburg.
Roger Mills Laughridge, Shelby.
Harry E. Smith, Vanceboro.

OHIO

Earl C. Stiwald, Amherst.
Robert B. Maddock, College Corner.
Howard C. Whitmire, Delta.
Ludwig Ries, Jr., Dennison.
Terrence B. King, Deshler.
Paul E. Harbaugh, Kings Mills.
Allen E. Owens, Kinsman.
Homer P. Galloway, Lore City.
Elmyra L. Griswold, Macedonia.
Frederick H. Kramer, Millersport.
Marguerite E. Martin, Monroeville.
Fred E. Surgen, Murray City.
Alvie F. Jones, North Jackson.
Ansel C. Bidlack, Oakwood.
John H. H. Welsch, Port Washington.
Glenn D. Keeney, Rock Creek.
Chester A. Hostetler, Strasburg.
Samuel A. Smith, Sugarcreek.
John E. Reichard, Willshire.

SOUTH DAKOTA

Edward Lee McMahon, Beresford.
James T. Homme, Bison.
Theodore G. Weiland, Bridgewater.
Herbert C. Hagen, Britton.
Loyal H. McKnight, Bruce.
Charles Gordon Finley, Bryant.
Winfield C. Clark, Canistota.
Violet Ellefson, Castlewood.
Ralph L. Chambers, Clear Lake.
John R. Knapp, Colome.
Helen M. Himebaugh, Custer.
Alva I. Addy, Dallas.
Hollis M. Hill, De Smet.
Thomas H. Ryan, Elk Point.
Joseph A. Conlon, Faulkton.
Ernest F. Heuer, Florence.
Albert A. Schmidt, Freeman.
Clyde V. Hill, Highmore.
Sebastian A. Archer, Lake Preston.
John T. Schneider, Lebanon.
Fred J. Hepperle, Leola.
Sylvester C. Eisenman, Marty.
Michael P. Garvey, Milbank.
Charles P. Corcoran, Miller.
Michael F. McGrath, Morristown.
Arthur A. Kluckman, Mound City.
John Loesch, Oldham.
Olga R. Otis, Pierpont.
Harry F. Evers, Pukwana.
Harvey J. Seim, Revillo.
Albert H. Fogel, Rosholt.
Leroy F. Lemert, Spencer.
Agnes Parker, Timber Lake.
William A. Bauman, Vermillion.
Rose Cole Hoyer, Wagner.
Clarence J. LaBarge, Wakonda.
Leo F. Craney, Watertown.
Marion Peterson, Waubay.
Frank D. Fitch, Wessington.
Frank B. Kargleder, White Rock.
Edd A. Sinkler, Wood.

HOUSE OF REPRESENTATIVES

WEDNESDAY, JUNE 19, 1940

The House met at 12 o'clock noon, and was called to order by the Speaker.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

Almighty God, who dwellest in the beauty and glory of infinite holiness, we draw nigh to Thee as our merciful, Heavenly Father. So regard us that our minds shall be awake to strong and impelling desire for righteousness and peace. O Lord God, there is a shudder in the world, which makes it quiver to its foundation. Countless numbers of mankind are being bound by the chains of stalking, petrified hearts of conquest as they face the vast, all-engulfing abyss of terror. Stay Thou the foaming teeth of war with death in their jaws as they blaspheme the name of God and defame the souls of men. O loving Father, have mercy, have mercy as the multitudes of the crippled, the sightless, and the fatherless are driven before the wild flames of murder to their unknown graves. We pray Thee to strengthen our mighty hopes that make us Thy children; direct our country in every good work and bless all our institutions which mark the aspirations of a free people; pity us in our weaknesses; restrain us in our tendencies; be at our side when the way is unsafe. In the name of Christ Jesus our Lord. Amen.

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Frazier, its legislative clerk, announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 8668) entitled "An act making appropriations for the fiscal year ending June 30, 1941, for civil functions administered by the War Department, and for other purposes."

The message also announced that the Senate agrees to the amendments of the House to a bill of the Senate of the following title:

S. 2059. An act authorizing a grant to the city of Fargo, N. Dak., of an easement in connection with the construction of water and sewer systems.

THE HONORABLE EDWARD T. TAYLOR, OF COLORADO

Mr. LUDLOW. Mr. Speaker, I ask unanimous consent to address the House briefly.

The SPEAKER. Is there objection to the request of the gentleman from Indiana [Mr. LUDLOW]?

There was no objection.

The SPEAKER. The Chair thinks it is proper to say that under the circumstances presented this morning by the gentleman from Indiana and others, by agreement of the

majority and minority leaders, it might be proper to waive the 1-minute rule for the time being.

Mr. LUDLOW. Mr. Speaker, fourscore and two years ago there was born in the State of Illinois a man who is honored and loved by every Member of this House. Representative EDWARD T. TAYLOR, chairman of the Committee on Appropriations, is passing his eighty-second milestone today [applause] with his head erect and his heart warm with love for his country, which he has served with a full measure of devotion over a period of nearly 60 years. [Applause.]

It is not my purpose on this occasion to present a minute biographical recital of the distinguished career and notable achievements of our friend—everybody's friend—from Colorado. To essay that task and do justice to it would require a long time instead of a brief minute or two. He has the perfectly amazing record of having run for public office 21 times, of having had no opposition for the nomination any time he ran, and of being elected every time he ran. [Applause.] Out in the rugged frontier country his sterling qualities, even in his youth, created a demand for his services as adviser, arbiter, and administrator, so that public office came to him naturally, and it has remained with him continuously. As principal of schools, superintendent of schools, deputy district attorney, district attorney, and State senator for 12 years his name was a household word throughout the West long before he was elected to Congress in 1909. He had reached the half-century turn when he came to Washington. No other person in the history of the Republic has had such an extended congressional career after reaching the age of 50. During more than three decades of congressional service Mr. TAYLOR's practical wisdom has been a national asset, which is reflected in many of the laws now on the statute books. Of the 8,300 Members of the House since the first session of the First Congress, only 6 others have been elected 16 successive times: Bingham and Butler, of Pennsylvania; Gillette, of Massachusetts; Pou, of North Carolina; Haugen, of Iowa; and Sabath, of Illinois, all of whom entered Congress much younger than Mr. TAYLOR. Our friend has served in Congress under 6 Presidents and 8 Speakers, and one would judge from his vigor and enthusiasm that his career is just beginning. [Applause.] The universal confidence which people have in his honesty, ability, and fairness has been demonstrated by almost innumerable calls to him to preside over conventions, groups, and assemblages of various kinds and descriptions, and he has a remarkable collection of gavels, 80 in number, that have been presented to him from time to time in token of appreciation of his services and the righteousness of his decisions as a presiding officer. These instruments, designed for peace and order, have come from all over the country and indicate a wide range of fancy in the selection of materials, from bone to wood and metal, and from featherweight to a heaviness that would put a strain on the muscles of a prize fighter.

Those of us who sit by Mr. TAYLOR's side day by day on the Committee on Appropriations know that his is a face that cloaks no dissimulation. I never knew a man who could say "No" with more emphasis. He hates sham and fraud and is merciless in tearing away the mask of deceit. But with his stern adherence to principles of honesty and right dealing he has a heart of gold that beats in rhythm with the heartbeats of 130,000,000 people, and I guess that is one of the reasons why we all love him. I know that I speak the sentiments of all of the members of our committee and all of the Members of the House, and of millions of the people of the United States, when I wish him many, many happy returns of this day. [Applause, the Members rising.]

Mr. LEWIS of Colorado. Mr. Speaker, I ask unanimous consent to proceed for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Colorado [Mr. LEWIS]?

Mr. LEWIS of Colorado. Mr. Speaker, I had looked forward to calling briefly to the attention of the House today the fact that our beloved colleague, the dean of the Colorado delegation [Mr. TAYLOR], was 82 years young this morning. But, without my knowing of it in advance, our good friend the gentleman from Indiana [Mr. LUDLOW] has just now expressed far better than could I his affection and esteem for Mr. TAYLOR, which I believe is shared by every Member of the House.

There is an interesting coincidence in age between the city of Denver, which I have the honor to represent, and Mr. TAYLOR.

EDWARD THOMAS TAYLOR was born near Metamora, Woodford County, Ill., June 19, 1858.

In the summer or autumn of 1858, the Russell brothers who had gained experience in placer mining in California, led a party of Georgians to Cherry Creek, the confluence of which with the South Platte River is now in the heart of Denver. They found "colors" of gold all along Cherry Creek and along other streams tributary to the South Platte. The party remained throughout that fall and winter in what was then vaguely known as "the Pikes Peak region," although Pikes Peak rises 75 miles to the south of where Cherry Creek flows into the South Platte. The Russell party, joined by others, continued their prospecting up other tributaries of the South Platte and the following spring found lode deposits of gold in place. These discoveries started the "Pikes Peak or bust" gold rush of 1859, in which many were "busted" but which resulted in the permanent settlement of Denver and of Colorado.

Denver, named after James W. Denver, the Governor of the Territory of Kansas—which then included one-third of what is now Colorado—was commenced in October 1858, 4 months after EDWARD T. TAYLOR was born in Illinois.

So it happens that the city of Denver, with its 318,000 people within its corporate limits, and about forty or fifty thousand in its immediately contiguous suburbs, is only about 4 months younger than Mr. TAYLOR.

During Mr. TAYLOR's first three terms in the House—Sixty-first to Sixty-third Congresses, 1909 to 1915—he was the Congressman at large from Colorado and, as such, was a Representative of the city of Denver as well as of all other parts of our State. He has always been a great influential friend of Denver as well as of Colorado and the entire West, and we all appreciate him and love him.

I am sure I can speak for all the people of Denver when I say that we are very proud, not only of our splendid city, young in spirit, but also in the outstanding Representative, also young in spirit, who has so ably represented in this House, Denver, Colo., the West and, in fact, the entire Nation, during more than 31 years. [Applause.]

Mr. MURDOCK of Utah. Mr. Speaker, I ask unanimous consent to proceed for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Utah [Mr. MURDOCK]?

There was no objection.

Mr. MURDOCK of Utah. Mr. Speaker, I cannot refrain from saying just a word or two in the way of tribute to my distinguished friend the gentleman from Colorado, EDWARD T. TAYLOR, that sterling statesman from the western slope of the Rockies on this his eighty-second anniversary. It is not rare in this day and age for youth to render distinguished service; for men in middle life it is expected; but when one can boast of a half century of distinguished service to his State and country it is an adornment that attaches to very few, and especially when that service is still being carried on in the vigorous style so typical of the gentleman from Colorado, ED TAYLOR. Years seem only kind to him. Notwithstanding their load, they have in no way impaired his dignity or bearing; his genial disposition and charming personality have only been mellowed by their number. To the love of and the high esteem in which he is held by his colleagues each year of his long and distinguished service in this body has added greatly. To me he permanently endeared himself when as a new Member in March 1933 I came to him for advice and counsel. His response was so warm and cordial, so encouraging, that I felt here is a genuine friend, one to whom I can tie and always depend on for advice. I have sought him out often since that time nearly, 8 years ago, when troubled with legislative problems and when in need of help. He has never failed to be cooperative and helpful.

In 1935, 5 years ago today, the distinguished lady from Arizona, Mrs. Isabella Greenway, a former Member of this body, was entertaining a few Members from the West in honor of the distinguished gentleman from Colorado. We all had our glasses poised ready to drink one to the health of the distinguished guest of honor when our hostess pointed to me and commanded a toast to Ed. Almost spontaneously I responded, and with your leave I will now repeat the toast I proposed on that occasion:

Here's to ED TAYLOR, a real son of the West,
As a Member of Congress, he's right at his best;
To his country he's given the best that he's had,
And to new western Members he's been a real dad.

I am sure all my colleagues from the West joined on that occasion in my toast and join me today in wishing Ed many happy returns of the day.

Mr. DIRKSEN. Mr. Speaker, I ask unanimous consent to proceed for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Illinois [Mr. DIRKSEN]?

There was no objection.

Mr. DIRKSEN. Mr. Speaker, our beloved colleague, EDWARD T. TAYLOR, was born in Woodford County, Ill., which is in the district of Congressman ARENDS and adjoins my own district.

It is rather interesting to reflect for a moment on the fact that he was born in 1858, which was 2 years before the Republicans nominated Abraham Lincoln in the great wigwam convention in Chicago. In a way I am a little surprised that Mr. TAYLOR did not turn out to be a Republican rather than a Democrat.

It is interesting to reflect also in the light of the observance we had here in March 1939 when we observed the one hundred and fiftieth anniversary of the launching of this Government under the Constitution that if you took two lifetimes the equivalent of our great colleague, it would more than span the life of the Republic. He probably remembers from reading the front pages of the newspapers in those contemporary periods of the surrender of the sword at Appomattox, and building of the Brooklyn Bridge. He no doubt recalls the massacre of the forces of General Custer on the Little Big Horn, a subject on which our friend, Mr. BURDICK, is an authority. His lifetime comes down through Presidents Garfield, Arthur, Cleveland, Roosevelt, Wilson, Taft, Harding, Coolidge, and all the rest, and it stimulates one to think some of the philosophy of Lin Yuteng, the Chinese philosopher, who spoke of families and of nations as a sort of endless stream of life. Mr. TAYLOR has lived so long and so intimately with so much of the historic and epochal events which constitute the pattern of our Republic's history that he can be truly regarded as an integral part of the endless lifestream of the Nation. I like to think of Mr. TAYLOR as a Member of this body making a great contribution to the welfare of the Republic, moving on and on and on down the corridor of time as an integral part of the history of this country. What a pleasure it is, therefore, to serve with him.

Mr. TAYLOR, I think I speak for the good folks out in central Illinois when I do honor to you today, coming as you have from Woodford County before you went to Colorado. You will recall that in Metamora, the county seat of Woodford County, there stands today a memorial courthouse where Lincoln practiced law and where he made speeches. You come from a very historic and celebrated spot. So, in the name of the good people in that area of Illinois, all power, all honor, long life, and contentment to you. [Applause.]

The SPEAKER. The Chair recognizes the gentleman from Illinois [Mr. SABATH].

Mr. SABATH. Mr. Speaker, I have served here with our friend the gentleman from Colorado [Mr. TAYLOR] longer than any other Member; and during that time I frequently have said that it has been a real pleasure to serve with a great variety of Members, but I want to emphasize as strongly as I can that I have never served with a finer, nobler soul than the gentleman from Colorado, ED TAYLOR. It is indeed gratifying that he is still with us, with sustaining virility and a superabundance of useful and beneficial knowledge, constantly being exercised, excelled by none and equaled by few.

The gentleman from Colorado [Mr. TAYLOR] is today observing his eighty-second anniversary, and I am sure this evening will be enjoyed by him with his gracious and affectionate spouse. He was fortunate in the beginning, in that he was born in my own State of Illinois.

My colleague the gentleman from Illinois [Mr. DIRKSEN] has said he is surprised that the gentleman from Colorado [Mr. TAYLOR], having been born in Illinois, is not a Republican. I am, however, not surprised. The gentleman from Colorado, ED TAYLOR, always has had a great deal of common sense and has always desired to serve the country to the utmost of his ability, and therefore he became and has ever remained a Democrat. [Laughter and applause.]

I need not tell the membership of the House, especially the older Members, that the gentleman from Colorado [Mr. TAYLOR] is the author of more sound and progressive legislation affecting the western part of the United States, with special reference to mining, public lands, public parks, irrigation, and water rights, than any other Member of Congress, past or present. Even to this good day he, the chairman of the powerful Committee on Appropriations, is chairman of the appropriations subcommittee having to do with the Interior Department.

Mr. TAYLOR'S long line of worthy and important achievements in this body is, aside from his personal charm, his greatest assurance of grateful remembrance.

He is not known as one who has amassed much money, because he has spent most of his busy life in the public service.

Educator, lawyer, district attorney, State senator, and, lastly, 16 times elected a Member of this body, our friend has led a very busy and useful life. It is worthy of note that only 4 Members within the life of the American Congress have served continuously longer than the gentleman from Colorado [Mr. TAYLOR]. Think of such a singular testimonial and honor.

Credit for our friend still being here, to carry on with characteristic zeal and enthusiasm his onerous and important duties, is not entirely his. I have the pleasure, the honor, and the distinction of knowing personally the good one who quite largely makes it possible for him to still be with us. I do not know any more affectionate and agreeable couple that has set a better example for happy and contented American life than the gentleman from Colorado, ED TAYLOR, and his beloved wife, who is one of the most charming women it ever has been my fortune to meet. [Applause.] Many years ago, when the tempo of American life was calmer, we lived at the same hotel. Mrs. Taylor, as general manager of the Taylor household, is entitled to very considerable credit for the blessed fact that we have the gentleman from Colorado [Mr. TAYLOR] with us.

Ed, knowing you so well, and valuing your character so highly, I know that the entire membership of the House, irrespective of political affiliations, joins me in the confident hope that we may continue to have your wise counsel and pleasing personality for many, many years.

The SPEAKER. The Chair recognizes the gentleman from North Carolina [Mr. DOUGHTON].

Mr. DOUGHTON. Mr. Speaker, I have listened with deep interest and genuine appreciation to the very high tributes that have been paid to the gentleman from Colorado [Mr. TAYLOR] by those who have preceded me. The gentleman from Colorado [Mr. TAYLOR] preceded me in entering upon service in this House by 2 years. The gentleman from Illinois [Mr. SABATH], who has just preceded me on this floor, had been here 4 years, or two terms, when I came here. While they both preceded me in their service, which has been long and distinguished, I trust that I may precede them in retirement from this body by at least 20 years. I sincerely trust that the gentleman from Colorado, ED TAYLOR, may have many, many years of useful service yet in this body, in which he has served so faithfully and with such outstanding distinction not only to his district but to his State and to the Nation.

I am sure I voice the feelings of every Member of this House on both sides of the aisle when I say that the gentleman from Colorado, ED TAYLOR, possesses to the highest degree the respect, the admiration, and the genuine affection of every Member of this body. I sincerely trust that he will have many more years of useful service here and may remain as virile and alert in both mind and body as he is today. I know that those who have served with him fully appreciate his high character, his genuine ability, his patriotism, and his almost unequalled service in this body. [Applause.]

Mr. JOHNSON of Oklahoma. Mr. Speaker, I feel it a high honor to be permitted to join several other colleagues in paying tribute, on this, his birthday anniversary, to our distinguished chairman, the gentleman from Colorado, Hon. ED TAYLOR. To those of us who have been so closely associated with him for the past several years in our labors together on the Committee on Appropriations it is difficult to believe that our beloved chairman has today reached the ripe age of 82 years. To those of us who work with him and know of his indefatigable energy, his extraordinary pluck, his quick wit, and keen mind he is everything but an old man. The fact is, any of the much younger Members who should try to follow him during a day's work would be forced to the conclusion that he is getting younger and a lot spryer as the days go by. [Applause.]

It might be surprising to those who are not Members of this body that the 40 members of the Appropriations Committee almost invariably refer to our devoted chairman affectionately as Ed, and he calls each of us by our given names. This is true not only of members of our committee, but many Members of both Houses of Congress speak of our chairman only as Ed.

As chairman of the Appropriations Committee he does not use any high-powered or slave-driving tactics. ED TAYLOR not only takes his services in Congress seriously but he also takes the Members into his confidence, talks to them frankly and openly concerning the various problems facing the Nation. Not only is it true that he does not attempt to drive members of his committee, but he respects the views of all members as well as others, but takes orders from no one.

Chairman TAYLOR also enjoys the distinction of having served some 32 successive years in Congress. It is a compliment to him that the good people of Colorado appreciate him and his invaluable services so much that he has never had opposition in the primaries, and those who have opposed him in the general elections during those 32 years have never been able to get to first base. [Applause.]

ED TAYLOR has long been, and is now, a distinct credit to his own State of Colorado, and his long public record of useful service has been a blessing to the Nation. The public measures sponsored, as well as the many kindly deeds of this quiet, unassuming gentleman, whose birthday anniversary we pause here in our deliberations to celebrate, will live on and on for many years with undiminished power.

The Congress of the United States and the Nation need more men who have the high sense of duty, moral courage, and intellectual honesty of this statesman and Christian gentleman from Colorado, EDWARD T. TAYLOR.

The SPEAKER. The Chair recognizes the gentleman from Colorado [Mr. TAYLOR].

Mr. TAYLOR. Mr. Speaker and my colleagues in the House, I doubt if any of you younger people can fully realize my genuine appreciation of your most cordial greeting. I feel profoundly grateful for your most kind and generous expressions of good will and congratulations. It is really an inspiration to me to receive such a friendly recognition on my eighty-second birthday, and I thank all of you from the bottom of my heart.

I have heard it said that some people are young and unfortunately are not youthful, while others happily are old and are not aged. I have always hoped that I would remain in this latter class during recent years and for whatever time may still be allotted to me.

On this memorable occasion I am, I guess, naturally in a reminiscent frame of mind. I think back today to when I first came to Congress on March 4, 1909, the day President Theodore Roosevelt retired and President Taft was inaugurated.

At that time Uncle Joe Cannon was Speaker of the House. He and James Tawney, of Minnesota, the chairman of the Appropriations Committee, and Walter I. Smith, of Council Bluffs, Iowa, constituted kind of a steering committee that practically handled the whole show. They certainly were boss of the situation. They appointed all the Members to all the committees. They did not permit the Democrats to say anything about it. They put us wherever they pleased. It was a common saying that if Uncle Joe took any special dislike to any Democrat he would put him on the Committee on the Disposition of Useless Executive Papers.

I was told the only way I could get on a committee was to go and see Uncle Joe, which I did. I was not permitted to see him for 2 or 3 days, but I finally got into his office. I remember it very vividly. He was reading a newspaper. I spoke to him and told him my name and that I had been elected Congressman at Large from the State of Colorado, and that I would like to have him appoint me as a member of the Committee on the Public Lands. He glanced at me, then went on reading his paper. I told him briefly that I thought I could be of more service to my constituents and to the House on that committee than any other, and asked him if it would be agreeable to him to make that assignment.

He turned and looked at me and said, "Where did you say you came from?" I told him from Colorado. He said, "I won't let you go on that committee. You western fellows would steal everything the Government has out there for your States, or something or other, and you cannot go on that committee." He continued reading his paper and I went out. I felt very much disappointed and dejected. I asked a number of the boys what I could do about it, and they said I could not do anything, because Uncle Joe Cannon and Tawney and Smith were the boss of the whole show.

I did as I usually do, and spoke to my wife about it. She asked if Walter Smith came from Council Bluffs, Iowa. She said that she and Mr. Smith and his wife were schoolmates for many years in the Council Bluffs High School, and that I should speak to him. I did so. Judge Smith said, "I don't know you, Mr. TAYLOR, but if you are the husband of Etta Taber, I will put you on that committee," and he did. That was the only time that I got the better of Uncle Joe.

While he ruled with an iron hand, I always had a profound admiration for him. He was a great watchdog of the Treasury. He is entitled to the credit of saving many millions of dollars to the taxpayers of our country. I think the last thing he ever said on the floor of this House ought to be remembered. I do not recall that it has ever been published. He became quite frail in his later years.

One day he came on the floor of the House when we were considering an appropriation bill. A Member from Minnesota offered an amendment to insert an item of $25,000 for something in his district. He made a vigorous speech in behalf of it, saying he hoped the House would unanimously accept it. Uncle Joe got up and said, "Mr. Speaker, in view of the fact that we are trying to economize and keep this appropriation bill down to a reasonable figure, I feel that no amendment should be accepted unless it is for something that is not only necessary but very urgent. I don't look upon this offered amendment as of that character and I hope it will not be accepted by the House." The Minnesota Member said very loudly and pompously, "Mr. Speaker, I look upon this matter differently than the distinguished gentleman from Illinois." Uncle Joe Cannon arose and said, "Yes, Mr. Speaker, I have often noticed that some people always look at everything through their own gimlet hole." [Laughter.] The House cheered and that settled that amendment.

I feel that would be a good motto to paste up somewhere around here—to not look at everything through your own gimlet hole.

The first bill I introduced when I came to Congress was to remove the Capitol to my beautiful little home city of Glenwood Springs, Colo. It provided for a summer home for

the President and his staff in our cool mountain climate. While I never obtained any favorable action, I have ever since felt that it would be a good idea for the President and his immediate staff to have a cool resort of that kind during the summer season in Washington.

The first bill I ever passed through the House authorized the ranchmen in southwestern Colorado to take coal from public domain for their domestic purposes. It was vetoed by President Taft, which was a great disappointment to me.

I remembered that Jim Tawney, of Minnesota, had a brother living in my home county and I had been his attorney for several years. It seems he had written to his brother telling him if he could ever be of service to this new Democratic Congressman from Colorado, he wanted him to do so. When I spoke to Tawney about the matter he said he would be very glad to take care of it for me.

A few days after that he reported out and passed through the House one of the large appropriation bills, which contained the identical language of my bill. The bill went to the White House with that language, and because of the fact that the President has no power to veto an item in an appropriation bill, President Taft was compelled to sign the bill containing the exact language he had vetoed about 10 days before.

That calls to my mind a matter I have mentioned before on the floor of this House several times, and I want to mention it again. There are 36 States in the Union that authorize the Governor to veto items in appropriation bills, and that provision has been a marvelous saving to those States. If that provision were put into our Constitution, it would save an average of $500,000,000 a year to the taxpayers of this country. I had a bill providing for that amendment to the Federal Constitution pending for several years before Congress but have never been able to get favorable action on it.

From my knowledge on the Appropriations Committee during the past 20 years, I am confident I know whereof I speak.

That kind of a provision would prevent logrolling and the insertion of a large number of items by individual members for their individual home benefits that should never be approved. If the President had the power to eliminate those "Alphonse and Gaston" amendments it would come nearer keeping our Budget balanced than any other possible piece of legislation I know of.

I think the House might be interested in a historical reference. It is now 166 years, a century and two-thirds since the Continental Congress first met in the year 1774. Yet, measured in terms of a number of generations which have served in Congress from that early beginning to the present time, the Continental Congress is only a few yesterdays in the past.

If I may be permitted to again refer to myself, the overlapping services of but four other men in addition to my own constitute a living chain which joins those early colonial days of the Continental Congress with those of the Seventy-sixth Congress of the year 1940.

As I have said before, when I first came to Congress in 1909, Uncle Joe Cannon was Speaker of this House. When Uncle Joe first came to Congress in 1873, Alexander H. Stephens, of Georgia, was a Member of this House. When Stephens first entered Congress in 1843, Henry Clay, of Kentucky, had been a Member of Congress and he reentered in 1849 as a Senator. When Clay entered Congress, Abraham Baldwin was a sitting Senator from Georgia. Baldwin had been a Member of the Continental Congress and participated in the action of that body calling the Constitutional Convention. He was a delegate to the convention and one of the signers of the Constitution. Thus was the torch of free government lighted in those early colonial days. It passed through the hands of but five men from the days of the Continental Congress down to the present time; from Baldwin to Clay, Clay to Stephens, Stephens to Cannon, and from Cannon to myself, whose overlapping services from an unbroken chain span from the prenatal period of our Republic down to the present time.

I hope the youngest Member of this House, the gentleman from Texas [Mr. BECKWORTH], or some other Member, will carry on this torch for the next 35 years, and be the symbol of the oncoming generation after I have retired from this body.

My long and consecutive legislative experience, including 12 years in the Colorado State Senate and nearly 32 years in Congress, covers the widest possible field of legislative experience, which I will not mention. But, I feel like adding that I think one of the mottoes of what success I have obtained may be the fact that I have long since learned never to attempt the impossible and to always cooperate with the inevitable. That sentiment has been helpful to me many times and I hope it may be helpful to you.

In the appalling crisis now existing in the world, when our country is threatened, and the liberty, freedom, and civilization on this planet are in tragic jeopardy, I feel that, regardless of politics, we should quite largely put aside politics and think only of our country and the people of the world who are being subjugated.

I believe that we Members sitting on the floor of this body, knowing conditions as we do, and the tempers and moods of each other, that we can serve our country much better than any new group of new Members.

For that reason I say to the House frankly that I hope the entire Membership of this body may be reelected this coming fall. I thank you all. [Applause, the Members rising.]

MOVING EXPENSES, EMPLOYEES RAILWAY MAIL SERVICE

Mr. BURCH. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill H. R. 1827, to allow moving expenses to employees in the railway mail service, with a Senate amendment thereto, and concur in the Senate amendment.

The SPEAKER. The Clerk will report the Senate amendment.

The Clerk read as follows:

Line 4, strike out "and Post Office Inspection Service."
Line 6, after "duty", insert ", and who actually have to change their residence."

The SPEAKER. Is there objection?

Mr. MARTIN of Massachusetts. Mr. Speaker, I reserve the right to object. Is this the unanimous report of the Committee on the Post Office and Post Roads?

Mr. BURCH. It is.

Mr. MARTIN of Massachusetts. How much money is involved?

Mr. BURCH. About $5,000 annually. It is for the expenses of moving the household goods of postal employees who are arbitrarily transferred from one location to another.

Mr. MARTIN of Massachusetts. Is this a new policy that we are establishing?

Mr. BURCH. It is not a new policy in the Government. Generally, many departments do the same thing—practically all of them.

The SPEAKER. Is there objection?

There was no objection.

The SPEAKER. The question is on concurring in the Senate amendments.

The Senate amendments were concurred in, and a motion to reconsider the vote by which they were concurred in was laid on the table.

UNIVERSAL MILITARY CONSCRIPTION

Mr. FISH. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection?

There was no objection.

Mr. FISH. Mr. Speaker, President Roosevelt says he expects to send to Congress a message urging universal military conscription in the United States. I warn the Members of the House to make a careful study of this entire proposal, which, in my opinion, would be bringing the European war system over to the United States.

Universal military service in America would create a gigantic war machine, or "Frankenstein," that would destroy and devour our democratic and free institutions.

I am in favor of making America invincible on land, sea, and air, through the largest Navy in the world and by increasing and modernizing our Army and National Guard. I am not in favor of copying the European war system of conscription in time of peace, although it may be necessary for defense if we are ever attacked.

Conscription in Europe is largely responsible for their continuous wars, as it creates a war psychology that war is natural and inevitable, and why not now? It destroys all peace elements and substitutes a psychology that breeds war. There is no room for it here except in defense of our country in case of an invasion.

EXTENSION OF REMARKS

Mr. FULMER. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD by the insertion of a short resolution.

The SPEAKER. Is there objection?

There was no objection.

Mr. HENNINGS. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and to include an editorial from the St. Louis Star.

The SPEAKER. Is there objection?

There was no objection.

Mr. ALLEN of Pennsylvania. Mr. Speaker, I ask unanimous consent to extend my remarks twice in the RECORD, by including an editorial from the Bennington (Vt.) Banner, and also an editorial from the Chicago Tribune.

The SPEAKER. Is there objection?

There was no objection.

Mr. D'ALESANDRO. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD by including a speech by the Assistant Secretary of State, a newspaper article, and a short editorial.

The SPEAKER. Is there objection?

There was no objection.

Mr. WHITTINGTON. Mr. Speaker, I ask unanimous consent to extend my remarks and to include the keynote address of Hon. G. Garland Lyell before the Democratic State Convention of Mississippi, June 11.

The SPEAKER. Is there objection?

There was no objection.

Mr. FLAHERTY. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and to insert an editorial.

The SPEAKER. Is there objection?

There was no objection.

WAR AND PEACE

Mr. PIERCE. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection?

There was no objection.

[Mr. PIERCE addressed the House. His remarks appear in the Appendix of the RECORD.]

Mr. PIERCE. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and include an article I wrote for the Public Opinion Quarterly, appearing in the last issue.

The SPEAKER. Is there objection?

There was no objection.

POLL TAX

Mr. GEYER of California. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection?

There was no objection.

Mr. GEYER of California. Mr. Speaker, I notice by the RECORD that the gentleman from Georgia [Mr. Cox] gave recognition yesterday to the fight that I have been making against the un-American poll tax as a prerequisite to voting which is in existence in eight Southern States.

I am certainly gratified, but not surprised, that the gentleman did not attempt to justify this very un-American practice of charging for the privilege of exercising a right for which our forefathers fought, bled, and died. I am sure that no one would attempt to justify this restriction on democracy. The gentleman from Georgia [Mr. Cox] infers that my knowledge of the subject is limited. I wish to state that the material for the various tables that have been placed in the RECORD have been taken from such reliable sources as our own Congressional Directory, World Almanac, the Bureau of the Census reports, and the reports from State officials.

It is not surprising that the gentleman from Georgia [Mr. Cox] would accept the challenge. In this connection, we are reminded of an old saying, "The pig caught under the gate is the one that squeals."

Mr. COX. Mr. Speaker, I ask unanimous consent to address the House for half a minute.

The SPEAKER. Is there objection?

There was no objection.

Mr. COX. Mr. Speaker, it is strange that we find here and there some people who seem to have no higher ambition than to make a public nuisance of themselves.

COMPULSORY MILITARY TRAINING

Mr. MAY. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection?

There was no objection.

Mr. MAY. Mr. Speaker, I listened with interest to the remarks of the gentleman from New York [Mr. FISH] with respect to the purported or supposed recommendation by the President of the United States as to compulsory military training, said to have been given out at a press conference yesterday evening at the White House. That matter appeared in the public press this morning and the House Military Affairs Committee in executive session took the matter under consideration and after rather extended and careful discussion of the press comments decided that they would await patiently and coolly the final recommendations of the President of the United States as Commander in Chief of the Army and Navy. After that is received, if it is sent up, the House Military Affairs Committee, as it tries to do in all cases, will give it careful, cautious, and painstaking consideration and at the end of thorough hearings will dispose of the matter as its judgment will seem to dictate at that time. [Applause.] Speaking for myself only, I wish to state that I greatly deplore all efforts, from whatever source they may come, to excite the passion of the people and to thereby create a war hysteria among the people of our country. Military dictatorship in these days seems to be the order of the day and I shall not at this time express any opinion as to the subject of compulsory military training, but there are so many danger signals in such a system that I now assure the American public that if and when the matter comes to my committee it will be approached impassionately, coolly, and with due regard to the many vital problems involved in such legislation in this crucial time in the world's history. [Applause.]

Mr. JENNINGS. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection?

There was no objection.

Mr. JENNINGS. Mr. Speaker, today's press carries the startling announcement that there will presently be proposed to the Congress a measure for the compulsory regimentation of the boys and girls of this Nation. The Washington Times-Herald says with reference to the President's proposal:

> He expressed the firm conviction at his press conference yesterday that this country, to safeguard its way of life, must adopt some such pattern of regimentation.

Then the newspaper article concludes with these words:

> What American girls might be given to do in such a program the President could not yet say. Jocularly he suggested that the women's camps must be at least 25 miles apart from the men's.

The time has not yet come when the boys are to be drafted. The time will never come when Congress will take from the mothers of the land their daughters and place them in military or any other kind of camps. [Laughter and applause.]

[Here the gavel fell.]

OUR FOREIGN POLICY

Mr. BARTON of New York. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection?

There was no objection.

Mr. BARTON of New York. Mr. Speaker, I sometimes think that if Mr. Hitler has access to the American press he must read our papers with hilarious mirth. Yesterday, under the urgent insistence of the State Department and with a great deal of oratory in this House, we served notice on Mr. Hitler that we intend to defend the entire Western Hemisphere. The report of what we did was in this morning's papers. In the same papers Hitler is notified that the Secretary of the Navy is now offering to a belligerent 20 of our newest and as yet unfinished ships, which are the essential instruments of hemisphere defense. In a letter to the Secretary of the Navy this morning I said, as follows:

I have been writing to my constituents that I favor letting the Allies have any help we can give "without jeopardizing our own national defense." I want to ask a direct question: Are you, as the official in charge of our naval defense, prepared to state categorically that the action reported in today's papers does not and cannot under any circumstances jeopardize our national defense?

[Here the gavel fell.]

EXTENSION OF REMARKS

Mr. LELAND M. FORD. Mr. Speaker, I ask unanimous consent to extend my remarks and include therein a resolution from the American Legion on the retention and preference to veterans on W. P. A., and also to include a speech by Mr. J. H. Harnly before the Rotary Club at the Biltmore Hotel in Los Angeles.

The SPEAKER. Without objection, the requests are granted.

There was no objection.

UNEMPLOYMENT

Mr. LELAND M. FORD. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection?

There was no objection.

[Mr. LELAND M. FORD addressed the House. His remarks appear in the Appendix of the RECORD.]

EXTENSION OF REMARKS

Mr. ANGELL. Mr. Speaker, I ask unanimous consent to extend my remarks and include a short historical article on Finland. This may slightly exceed the space permitted under the rule, and I ask unanimous consent to print it notwithstanding.

The SPEAKER. Is there objection?

There was no objection.

OUR DOMESTIC PROBLEMS

Mr. H. CARL ANDERSEN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection?

There was no objection.

Mr. H. CARL ANDERSEN. Mr. Speaker, it is ridiculous to even consider adjournment of Congress at this time; not only does the precarious foreign situation demand that we remain on the job but also our domestic problems cry out for solution.

To bolster the inner defenses of our Nation, Congress should take the necessary steps toward placing agriculture on an even keel.

Our national defense needs the food the farmer produces, but it is a pity that he must produce it at present ruinously low prices. December wheat at 78 cents in Chicago and hogs at $5.30 top at that market does not augur well for farm stability—nor for national defense.

Let us stay in session. The political conventions will and can take care of their own problems. Let us at least try to solve some of the many issues now flatly placed on the doorstep of Congress.

I would place at all times the combined judgment of 531 Members of the Congress above the judgment, however good, of any one man who might happen to be occupying the White House. [Applause.]

[Here the gavel fell.]

SKILLED LABOR FOR NATIONAL DEFENSE

Mr. ANDERSON of California. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection?

There was no objection.

Mr. ANDERSON of California. Mr. Speaker, on last Friday the Federal Security Administrator, Paul V. McNutt, released for the press a statement that there is an ample supply of skilled labor available for our national-defense program. This statement is not consistent with the evidence that has been presented to the House Naval Affairs Committee. While we were holding hearings recently on the bill to expedite the naval shipbuilding program, representatives of the Government shipbuilding yards, as well as representatives of private yards, positively declared that there was a serious shortage of skilled labor. Those of us who attended the launching of the battleship *North Carolina* in New York last week were informed that due to the shortage of skilled labor some of the construction shifts were only about 40 percent efficient. If there is a shortage, it constitutes a serious threat to the speedy and efficient completion of our preparedness program. Furthermore, the country should be accurately informed of the facts and not lulled into a sense of false security by the misleading statements of public officials. [Applause.]

[Here the gavel fell.]

Mr. RICH. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. RICH. Mr. Speaker, I want to call attention to the bill (S. 4141) to provide revenue and facilitate the regulation and control of the economic and industrial structure of the Nation for the successful prosecution of the war, and for other purposes.

Let me ask: What war; who is going to war? Not America, I hope. What are they doing? Today's newspapers carry accounts that the Secretary of the Navy has turned over to other countries contracts on ships that are being constructed for the Government of the United States. The Members of Congress did not know anything about it. You gave the President too much power already, and see just how he is leading you and the country into war. It is terrible.

If we enact this bill, S. 4141, we shall be giving the President greater dictatorial powers, contained in titles II, III, IV, and V of the bill, which amount to dictatorial bureaucratic control over every man, woman, and child in this country. We should never do it. This might be termed the Czar Roosevelt bill if ever enacted into law. It gives him the power to rule or ruin—to ruin if they do not obey; to fine and imprison if the people do not submit.

Let me quote from page 311, section 704, of the bill:

Rules and regulations: The President shall have power to make all necessary rules and regulations for the administration of this title, and such rules and regulations shall have the force and effect of law, and violation thereof shall be a misdemeanor, punishable by a fine not exceeding $1,000 or by imprisonment for not more than 1 year, or by both such fine and imprisonment; and in addition to such penalty any offense punishable by military law shall be subject to the jurisdiction of military court.

He can draft into war any citizen he chooses. The President can control all industry as he sees fit. He can close any commodity exchange, regulate prices, limit sales, requisition and take possession of any product, appoint administrators at $10,000 a year. The President already has too much power. We are not at war, and I hope we will never be again. I am for peace. I hope the Congress is. I will not vote to send our boys abroad again. We did so once, but never again.

[Here the gavel fell.]

Mr. THORKELSON. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

Mr. RAYBURN. Mr. Speaker, reserving the right to object, and I am not going to, of course; but we have been in session today for 55 minutes and have not yet touched the program for the day.

Mr. MARTIN of Massachusetts. Mr. Speaker, will the gentleman yield?

Mr. RAYBURN. I yield.

Mr. MARTIN of Massachusetts. I do not think it can be said that we on the Republican side have taken that time, or prevented the majority from getting on to the program for the day.

Mr. RAYBURN. I am not going to object to the gentleman's request, but I simply want to call attention to the fact that we are indulging to quite a large extent in these 1-minute speeches. The custom is indulged in just as much on one side as it is on the other. I express the hope that Members will cut down such requests as much as possible so that we may proceed with the business of the day.

The SPEAKER. Is there objection to the request of the gentleman from Montana?

There was no objection.

[Mr. THORKELSON addressed the House. His remarks appear in the Appendix of the RECORD.]

THE REPUBLICAN PARTY AND THE CITY OF PHILADELPHIA

Mr. BURDICK. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. BURDICK. Mr. Speaker, I ask unanimous consent to revise and extend my remarks.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. BURDICK. Mr. Speaker, I hold in my hand a newspaper published 75 years ago describing the funeral of President Lincoln at Philadelphia. Lincoln was the first national leader of the Republican Party. I hope that the forthcoming meeting of the Republican Party at Philadelphia will not in the near future be described as "the funeral of the Republican Party at Philadelphia."

Is the great Republican Party of Abraham Lincoln to be sacrificed on the utility altar by nominating Wendell Willkie for the highest office of our country? We Republicans in the West want to know if Wall Street, the utilities, and the international bankers control our party and can select our candidate?

I believe I am serving the best interests of the Republican Party by protesting in advance and exposing the machinations and attempts of J. P. Morgan and the New York utility bankers in forcing Wendell Willkie on the Republican Party. Money I know talks.

What the Republican Party needs is the votes of the American people, and it will not get them by being dictated to by Wall Street and letting them select a Democratic utility president as our candidate for President of the United States.

Let it be remembered that Willkie and his cohorts in holding companies put over the sale of millions of dollars worth of stock on the American people and today that stock is almost worthless. Let it also be remembered that Willkie within the last few months has changed from a Democrat to a Republican. Evidently, like Rip Van Winkle, he has been asleep for 20 years and has but recently found himself in the Republican Party. I have always appreciated Washington Irving's Rip Van Winkle, but I do not favor this Rip Van Willkie.

There is nothing to the Willkie boom for President except the artificial public opinion being created by newspapers, magazines, and the radio. The reason back of all this is money. Money is being spent by someone, and lots of it. This is a good time to find out whether the American people are to be let alone in the selection of a Republican candidate for the Presidency, or whether, the "special interests" of this country are powerful enough to dictate to the American people. If that power cannot be broken, then this Republic is lost.

If the Republican Party submits to control by J. Pierpont Morgan and the bankers of New York I fully expect in the future to read about the funeral of the Republican Party at Philadelphia in 1940. [Applause.]

[Here the gavel fell.]

TRANSFER OF NAVAL VESSELS

Mr. CASE of South Dakota. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. CASE of South Dakota. Mr. Speaker, attention has already been called to dispatches appearing in yesterday's and today's papers regarding the transfer of vessels. In addition to what has been said as to their importance to our national defense and the implications involved in the sale of vessels usable for war purposes to a belligerent engaged in a war in which the United States is not engaged let me point out that this is a direct violation of law, title V of the unrepealed Neutrality Act of 1917 which was a reenactment of provisions in the act of 1915, which in turn was a reenactment of sections in the neutrality law of 1909 which was based upon articles in The Hague Convention of 1907 which in turn were based upon a solemn treaty made between the United States and Great Britain in 1871. If this thing should be done, the law should be repealed openly. Violation of long-established laws and solemn treaties is a poor way to maintain the American way of life. [Applause.]

EXTENSION OF REMARKS

Mr. JONKMAN. Mr. Speaker, I ask unanimnous consent to extend my own remarks and to include therein a letter from a constituent which appeared in the Open Forum.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. CURTIS. Mr. Speaker, I ask unanimous consent that my colleague the gentleman from Wyoming [Mr. HORTON], may have permission to extend his own remarks in the RECORD.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. MCGREGOR asked and was given permission to extend his own remarks in the RECORD.

Mr. SIMPSON. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include therein an address by Dr. Arnaud C. Marts, president of Bucknell University.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. BRADLEY of Michigan. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include therein an article from the Daily Worker of June 17.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. CLEVENGER. Mr. Speaker, I ask unanimous consent to extend my own remarks and to include therein two tables of agricultural statistics.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. CULKIN. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include therein certain tables.

The SPEAKER. Is there objection to the request of the gentleman from New York [Mr. CULKIN]?

There was no objection.

Mr. COLE of New York. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include a short poem.

The SPEAKER. Is there objection to the request of the gentleman from New York [Mr. COLE]?

There was no objection.

Mr. THILL. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Wisconsin [Mr. THILL]?

There was no objection.

BRITISH PROPAGANDA

Mr. THILL. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Wisconsin [Mr. THILL]?

There was no objection.

Mr. THILL. Mr. Speaker, I hold in my hand a copy of an advertisement which has been sent to Members of Congress entitled "Stop Hitler Now." Thousands upon thousands of dollars have been spent by the Committee to Defend America by Aiding the Allies in placing such advertisements in the leading newspapers of the country.

Let us take a look at the membership of this committee. It has been stated that 18 prominent bankers met secretly on the 29th of April in New York to set up this committee. The meeting was called by the former legal adviser of the British Embassy in the last World War. The same group of millionaires who helped drag us into the last war are broadcasting the same propaganda, using the same old slogans, in their attempts to get us into the present war.

Mr. Speaker, I call upon the Dies committee to investigate Nazi, communistic, and Fascist propaganda in the United States and also to investigate British propaganda which is insidiously leading this country into war. [Applause.]

[Here the gavel fell.]

EXTENSION OF REMARKS

Mr. PITTENGER. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include some newspaper comments in connection with national defense and the building of airplanes.

The SPEAKER. Is there objection to the request of the gentleman from Minnesota [Mr. PITTENGER]?

There was no objection.

Mr. WILLIAMS of Delaware. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include a short editorial from the Journal-Every Evening.

The SPEAKER. Is there objection to the request of the gentleman from Delaware [Mr. WILLIAMS]?

There was no objection.

Mr. LEWIS of Colorado. Mr. Speaker, I ask unanimous consent to revise and to slightly extend the remarks I made this morning.

The SPEAKER. Is there objection to the request of the gentleman from Colorado [Mr. LEWIS]?

There was no objection.

Mr. LEWIS of Colorado. Mr. Speaker, I ask unanimous consent to extend in the Appendix of the RECORD a eulogy of our late colleague, John A. Martin.

The SPEAKER. Is there objection to the request of the gentleman from Colorado [Mr. LEWIS]?

There was no objection.

ALTERATION OF CERTAIN BRIDGES OVER NAVIGABLE WATERS OF THE UNITED STATES

The SPEAKER. The unfinished business is the further consideration of the veto message of the President of H. R. 9381, a bill to provide for the alteration of certain bridges over navigable waters of the United States, for the apportionment of the cost of such alterations between the United States and the owners of such bridges, and for other purposes, which the Clerk will report for the information of the House.

The Clerk read the veto message of the President, as follows:

To the House of Representatives:

I am returning herewith, without my approval, H. R. 9381, a bill to provide for the alteration of certain bridges over navigable waters of the United States, for the apportionment of the cost of such alterations between the United States and the owners of such bridges, and for other purposes.

The bill contains a number of provisions that are very similar to some of those in the General Bridge Act of March 23, 1906 (34 Stat. 84). However, it would establish a new policy by which the United States would be required to bear a portion of the cost of alterations or changes in bridges over navigable waters used and operated for the purpose of carrying railroad traffic, or both railroad and highway traffic, where such alterations or changes are found to be necessary by the Secretary of War for free and unobstructed navigation. Under the new policy which the bill proposes the bridge owner would be required to bear only such part of the cost of such alterations or changes as may be attributable to the direct and special benefits which will accrue to him, as determined by the Secretary of War, and the United States would be required to bear the remainder of such cost. The provisions of the bill are substantially the same as those contained in S. 1989, from which I withheld my approval on August 11, 1939.

As was stated in my memorandum of disapproval of S. 1989, the General Bridge Act of March 23, 1906, authorizes the Secretary of War to require the alteration of any bridge which, in his opinion, may at any time unreasonably obstruct navigation, the cost of such alteration to be borne entirely by the owner. This has been a condition precedent to the construction of bridges over the navigable waters of the United States and the owners are fully apprised of the condition before the construction work is undertaken. The Supreme Court has repeatedly held that where a bridge is an unreasonable obstruction to navigation the removal of such obstruction may be required without compensation from the United States, and such removal cannot be regarded as a taking of private property within the meaning of the Constitution. To require the Federal Government to pay the cost of alterations which do not directly benefit the bridge owners would impose upon it heavy financial liabilities. It is the duty of the Government to preserve and protect the navigability of our navigable waters, and when any person, association, corporation, or other body is authorized to build a structure over any such stream, the United States should not be required to bear any part of the cost of alterations which are necessary to avoid obstructions to navigation.

I am, therefore, returning the bill H. R. 9381 without my approval as it does not appear that any adequate reason exists for imposing upon the Federal Government the additional burdens which the bill proposes.

FRANKLIN D. ROOSEVELT.

THE WHITE HOUSE, *June 10, 1940.*

The SPEAKER. The question is, Will the House reconsider and upon reconsideration agree to pass the bill, the objections of the President to the contrary notwithstanding?

QUESTION OF PERSONAL PRIVILEGE

Mr. HOFFMAN. Mr. Speaker, I rise to a question of personal privilege.

The SPEAKER. The gentleman will state his question of personal privilege.

Mr. HOFFMAN. Mr. Speaker, I rise to a question of personal privilege.

Mr. Speaker, I call your attention to the fact that, under date of June 12, on page 8090 of the CONGRESSIONAL RECORD, the gentleman from New York [Mr. O'TOOLE], under permission to extend his remarks, has inserted the following language:

> National unity alone will preserve us as a Nation. Likewise, it is very important in our addresses, in our letters in times such as these, that we confine ourselves to the truth. The President of the United States has never suggested that the Congress should go home.
>
> It is not enough that the Member from Michigan should bring dishonor and discredit upon the high position that he occupies by his scurrilous language in regard to the highest office in the land, but he also feels compelled to distort the words of the President.
>
> Perhaps if he would commune with his God and with his conscience, he might learn to be more tolerant, for with tolerance would come a real, genuine love of patriotism, a love for democracy and its officers, its institutions, and its people.

This language was not uttered on the floor of the House, as appears by the official transcript of the address made by the gentleman on the floor. Therefore, the procedure of demanding that "the words be taken down" was not available to any Member of the House.

The language quoted above affected the rights and conduct of the Member from Michigan therein referred to in his representative capacity; intimates that the Member from Michigan, to whom reference was made, had not stated the truth with reference to the attitude of the President as to adjournment (8 Hinds, sec. 3163; Cannon's Procedure, p. 273); that, because of the language used in the letter, which was a private letter sent to Republicans and no copy of which was ever intended for or sent to the gentleman from New York [Mr. O'TOOLE] and which was not, by the gentleman from Michigan, inserted in the RECORD but was placed therein by the gentleman from New York [Mr. O'TOOLE], dishonor and discredit was brought upon the House of Representatives.

That the language also contained by inference a charge that the Member from Michigan was not patriotic; had no love for democracy, its institutions, its people.

The SPEAKER. Is it the contention of the gentleman from Michigan [Mr. HOFFMAN] that the language indicated here with red pencil marks was not stated on the floor of the House by the gentleman from New York in his speech?

Mr. HOFFMAN. I do not recall whether all the language indicated by the red marks comes within that category, but the language I read is not in the copy of the official transcript which I sent to the desk. That language was not uttered on the floor. It was added under permission to revise and extend, and, therefore, is subject to the point of order.

The SPEAKER. It is difficult for the Chair to compare these two texts in order to determine what was said on the floor and what was stated in the extension of remarks.

Was the following language which appears in the extension of remarks on page 8090 of the RECORD not stated on the floor?

It is not enough that the Member from Michigan should bring dishonor and discredit upon the high position that he occupies by his scurrilous language in regard to the highest office in the land, but he also feels compelled to distort the words of the President.

Mr. HOFFMAN. That is not in the official transcript and was not uttered on the floor of the House.

The SPEAKER. The Chair is of the opinion that the gentleman is entitled to be recognized on his question of personal privilege.

Mr. HOFFMAN. Mr. Speaker, I ask unanimous consent to revise and extend my remarks and include therein part of an editorial by David Lawrence.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. HOFFMAN. Mr. Speaker, the thought that President Roosevelt can best serve America by renouncing his political ambition for a third term has been expressed many times. As concise a statement as any is that of David Lawrence contained in the United States News. In part it is as follows:

We are on the verge of war. No man can foretell how soon we will realize that all democracy faces a threat of extinction and that we must recognize a state of war exists now against our own democracy. These are not times when wars are declared. They simply happen overnight, and only the democracies insist on taking time for the formalities while the aggressors bomb airdromes and render defenses impotent.

The President's duty is very plain. He must sacrifice his political ambitions for the good of the Nation. He might well consider the recommendation to the Congress of a program putting America immediately on a war basis. At the same moment the President ought to announce that he will respect the American tradition and refuse to run for a third term.

NATIONAL UNITY CANNOT BE BUILT ON DISTRUST

A change in the Presidency is not likely to cause any dislocation in industry, especially if Mr. Roosevelt will appoint now or give power to men already appointed to accelerate the industrial production of the Nation for defense. Whether another Democrat is chosen—and there are many capable leaders in the Democratic Party—or whether the country chooses a Republican, the fact remains that at this of all times democracy must prove the worth of its institutions. In the middle of a critical period, Britain changed prime ministers last month and so did France.

If America is to go into war it must be with a leadership that is freed from the handicaps that would face a third-term President. National unity cannot be built upon foundations of distrust. And unhappily industry today does not feel that the President is as concerned about the national defense as he should be or else he would not be temporizing with advisory councils and insisting on maintaining the restrictions and barriers that have hamstrung industry for the last 7 years.

ALL POLITICAL AMBITIONS MUST BE SACRIFICED

Mr. Roosevelt cannot do the job of directing industrial operations himself. He must delegate authority and do so promptly. He must also tell the people the truth about the need for a modification in the restrictions imposed by the New Deal on business management and industrial production. If this is not done, it will be said with emphasis on every side that the administration is more interested in saving the New Deal than in saving America.

To attain the desired end—national unity—the third-term issue must be disposed of by the President himself. To refuse a third-term nomination would, to be sure, disappoint the selfish politicians and parasites who infest Washington and who have imposed long enough on the good nature of a generous-minded President.

Mr. Speaker, on the 5th day of June it was my privilege to write a letter to my colleagues on the Republican side. I did not at that time apprehend that the right of free speech, or the right to express an opinion in a letter to a friend, had either been abridged or would ever be questioned. I did not know at that time that this country had reached a condition where it was a matter of criticism for one Member to write a letter to another Member expressing an opinion.

Mr. GAVAGAN. Mr. Speaker, a point of order.

The SPEAKER. The gentleman will state it.

Mr. GAVAGAN. The gentleman from Michigan who is now addressing the House rose to a question of personal privilege. He was sustained in that contention. He is now not confining his remarks, as he must under the rules of the House, to that question of personal privilege.

The SPEAKER. The gentleman from Michigan will proceed in order upon the question for which he is recognized, a matter of personal privilege in which he complains of the language of the gentleman from New York.

Mr. HOFFMAN. That is right, Mr. Speaker, and the language of the gentleman from New York was that I was distorting the truth in charging in that letter that the President wanted the Congress to adjourn—and I repeat, I did not know at that time that it was a matter of criticism for a Member to state to another Member what he thought so long as he wrote the truth, even about the President of the United States.

In that connection, may I state a matter which is known to most of us, that it is just as reprehensible to give currency to a libel or a slander as it is to utter it. If there was anything in this letter of June 5 which should not have been written, it is beyond me how a gentleman on the majority side would take that letter and reproduce it and give it currency on the floor of the House. It is difficult to understand how the gentleman from Illinois, the chairman of the Rules Committee [Mr. SABATH], would again, on either last Saturday or Monday, circulate a reproduction of that letter and so give it currency. If the letter or any statement in it was untrue, or disparaging, why make it public?

Mr. GAVAGAN. Mr. Speaker, I rise again to a point of order.

The SPEAKER. The gentleman will state it.

Mr. GAVAGAN. The gentleman is not proceeding in order. He rose to a question of high personal privilege. He is now attacking other Members of the House not interested in the question to which he rose.

The SPEAKER. The point of order is well taken. The gentleman will proceed in order.

Mr. HOFFMAN. Let us refer to the letter, and to the part of it in which the gentleman said the truth was distorted. That letter contains this statement:

This morning's press tells us that Roosevelt yesterday said—

And that statement, I may say, was taken from the New York Herald Tribune of June 5—

he saw no good reason why Congress should continue in session for the duration of the emergency, as desired by the Republican Members. Sarcastically, he said the situation did not require Congress to remain in session except for the laudable goal of delivering speeches.

The gentleman from New York says that that was a distortion of the truth, and somewhat later it was said here on the floor that the President never made any such statement. But never have I heard from any Member of the majority, never have I read in the press or have I heard from anyone that the President did not want us to adjourn. I repeat, it was said that he had not made the statement, and I had assumed, of course, that when the leader of the Senate, through the press, announced that we must adjourn——

Mr. GAVAGAN. Mr. Speaker, I again raise the point of order that the gentleman is not proceeding in order.

The SPEAKER. The gentleman well understands the rule, that he must address himself to the particular question he is raising here. The Chair has no disposition to unduly limit the gentleman in the presentation of his argument, but when he goes out of the field of his argument and refers to the action of the Senate, and matters of that sort, the Chair is of the opinion that the gentleman is going beyond the rules governing the question of personal privilege.

Mr. HOFFMAN. Mr. Speaker, I am attempting to argue the proposition that the letter is not a distortion of the truth. I am attempting to argue the proposition that from newspaper reports, and from other facts and circumstances, that the President did want us to adjourn, and that the leadership of both the House and the Senate, not as disclosed by the official record, but by the press of the day, was acting in agreement with the administrative policy, and that judged by the attitude of the leadership of House and Senate, the President did not want us to continue in session. The press, even down to last Saturday, carried the statement that the Senate leadership, at least, wanted Congress to adjourn.

The SPEAKER. The gentleman will proceed, but the Chair trusts the gentleman will confine himself to the real issue here and not go far afield but stick to the facts.

Mr. HOFFMAN. I will endeavor to, and if I am permitted to proceed I will endeavor not to take the time of the House too long.

So you will see, I trust, that there was no distortion of the truth in the statement that the President wanted to get Congress out of Washington.

Mr. GAVAGAN. Mr. Speaker, a point of order.

The SPEAKER. The gentleman will state it.

Mr. GAVAGAN. Mr. Speaker, the gentleman is not proceeding in order. The gentleman raised the question of high personal privilege, and the question concerned the remarks of my colleague the gentleman from New York [Mr. O'TOOLE]. Those remarks had nothing to do with utterances of the President or utterances of Members of the other body, and I must insist, as long as the gentleman from Michigan is wasting the time of this House on a question of personal privilege, that he proceed in order.

Mr. HOFFMAN. I object to that statement, Mr. Speaker. The gentleman has no right to make any such statement. I object. The gentleman is out of order when he makes the statement that I am wasting the time of the House.

The SPEAKER. The Chair must pass on the essential point of order raised by the gentleman from New York.

The gentleman from Michigan is entitled in connection with his answer to that of which he complains to make reference to what he conceives to be the defense of his attitude that his statement was not a distortion of the truth.

It is very difficult in matters of this sort to confine a Member to just one particular line of statements, but under all the precedents he is entitled to present the circumstances surrounding his attitude. The Chair trusts, however, that the gentleman will follow that course.

Mr. HOFFMAN. Mr. Speaker, I will endeavor to follow that course and I will endeavor not to waste time, and I say to the gentleman who has raised a point of order so often that it is a very easy matter to raise other points of personal privilege and nothing is gained by criticism, however constructive it may be, which tends or is intended to destroy the thread of the argument. So I will go back and I will say this, that how a Member of the House can be accused of distorting the truth when he makes the statement, in substance, that the President wanted Congress to adjourn, I fail to understand. If that is a distortion of the truth, then the newspapers throughout this country have had the wrong idea about who wanted us to adjourn and who wanted us to stay here. So, too, have the reporters been in error all through the last 2 weeks. So, too, have millions of Americans. The truth is the facts show the President desired that the Congress go home.

There were some other statements in this letter and from those statements the gentleman intimates I am not patriotic. Well, that is a matter of judgment largely and, fortunately, the gentleman from Pennsylvania [Mr. EBERHARTER] who spoke on the floor of the House and criticized the writing of this letter—and I repeat again that it is a strange, strange situation when a personal letter to a friend may be picked up—it is something like eavesdropping—and republished and circulated and placed in the RECORD without the writer's consent. When the gentleman criticized the writing of that letter and the gentleman from California [Mr. VOORHIS] criticized the writing of that letter, they, by inference, challenged the right of a citizen and the patriotism of a citizen who criticized the President.

I want to say I stand on that letter today, and if opportunity offers I will attempt to demonstrate the truth of every single sentence in it. You will recall, if you remember the letter, that one of the principal things in that letter was this: That we stay here and we tell the truth; that we let the people know what the President was doing, what he intended, and who was helping him in his program. I think, in view of the fact that we had in the paper last night the statement about the sending of warships to Europe, I was well within my rights, and I was performing a service to the people of my district at least, in asking that we let them know what is going on now down here at Washington. Since when has it become an offense to tell the truth about President Roosevelt—what he is doing, who is encouraged by his actions, and what his program may be?

Fault was found because in that letter the statement was made that the President—and, mark you, these statements were not made by me on the floor, but the letter containing the statements was put in the RECORD by a Member on the majority side; that is how it got into the RECORD; not by my initiative—and in this letter the statement which seems to peeve some people—was that the President was "a crazy, conceited megalomaniac." Now, that is a long statement, and maybe it sounds worse than it is; and I am wondering why, when on the floor of this House, from the Well of the House, on the 13th day of July last year, when the President was designated as an "egocentric megalomaniac," no exception was taken and no answer was ever made. One statement was made in the Well on the floor here, and the House was in session and no criticism was made of it; but when this statement was put out in a letter, a personal letter, then comes the criticism.

Now, let us see what this statement means. There are various definitions. Not having had the finished education of some, I naturally use colloquial meanings, and here is one:

Crazy: Inordinately eager, foolishly desirous.

Conceit: Having an excessive opinion of oneself.

Megalomania: A tendency to magnify and exaggerate.

Now, let us go back over the record and determine from his acts whether the description is accurate. Whether he is inordinately eager, has an excessive opinion of himself, has a tendency to magnify and exaggerate. "Excessive eagerness." I might start out by saying, here we are now in a time of great emergency, our Nation's existence threatened, and according to many an editorial—and your attention is directed now specifically to one of David Lawrence's of 2 weeks ago, when he called upon the President of the United States to say that he was not a candidate for a third term.

The SPEAKER. The Chair does not think that reference is pertinent to the argument.

Mr. HOFFMAN. Very well. I shall go on with the inordinate eagerness thought. Was the President inordinately

eager last year—and this has to do with the truth as to whether the statement made in the letter—was the President inordinately eager to extend his power when last year he joined the Communists in the city of New York to defeat John O'Connor, a Democrat, a former Member, and the chairman of the Rules Committee?

Mr. GAVAGAN. O Mr. Speaker, a point of order.

Mr. FAY. Mr. Speaker, I rise to a point of order.

The SPEAKER. The gentleman will proceed in order. The Chair sustains the point of order in respect to the reference to a former Member of the House from the city of New York.

Mr. HOFFMAN. Then I apologize to the Speaker. I will ask whether it was inordinately eager to ask for billions of dollars for relief and then permit it to be used as it was used, according to a committee, a distinguished committee composed of members of the majority party, for corrupt political purposes? Was that inordinately eager? Was it inordinate eagerness that caused the cancelation of the air-mail contracts, as a result of which 12 young men went to their death? Was it inordinate eagerness to obtain absolute power, visible or behind the scenes, when we were asked to pack the Supreme Court and put on new Justices so that the philosophy of the Court's decisions might be changed and brought into line with New Deal theories? Was it inordinate eagerness for the labor vote, for the support of John Lewis——

Mr. SABATH. Mr. Speaker, I rise to a point of order. The gentleman is going far afield and adding insult to injury. I think it is manifestly unfair for him to try to justify the language which he has used, and he even now does not comply with the rules in trying to show that the gentleman from New York [Mr. O'TOOLE] was not justified in saying and putting into the RECORD, under the leave granted him, that the gentleman was far afield from telling the truth when he accused the President of being crazy, conceited, and I think the gentleman is out of order. I raise the point of order.

The SPEAKER. The Chair is compelled to overrule that point of order. The gentleman from Michigan will kindly proceed in order on this question he raises, without going too far afield. It is very difficult for the Chair in matters of the question of personal privilege to draw any sharp lines of cleavage as to what a Member may properly say on such an occasion.

Mr. HOFFMAN. Mr. Speaker, I was asking whether or not it was inordinate eagerness to secure the support of a certain pressure group, the C. I. O. and the Communists who went into Michigan—and this is an old, old story—in 1937, these men marching armed, depriving the employers of their property in violation of that constitutional guaranty of due process of law, whether it was inordinate eagerness to secure the C. I. O. vote which induced the President, notwithstanding the provisions of section 5299 (R. S.), to refrain from action when Lewis deprived 100,000 men and women of their jobs and why it was that action was not taken by the Secretary of Labor and the Chief Executive?

Mr. SABATH. Mr. Speaker, I rise to a point of order.

Mr. RABAUT. Mr. Speaker, I rise to a point of order. This is getting to be a political football.

Mr. HOFFMAN. You started kicking me around.

Mr. RABAUT. Mr. Speaker, the gentleman is out of order. This very same condition existed under a Republican Governor in the most marked condition it ever existed in Michigan, and not a word was said about it.

The SPEAKER. The gentleman from Michigan will proceed in order.

Mr. HOFFMAN. In answer to the statement of the gentleman from Michigan, I may say that he is absolutely mistaken.

Mr. RABAUT. I am not mistaken, and the gentleman has been wrong all morning.

Mr. HOFFMAN. You are absolutely mistaken. In Michigan I criticized the Republican Governor, Governor Dickinson, because he did not take part in protecting the men who wanted to work at the time of the Chrysler strike.

Mr. RABAUT. And I will tell the House here that they had the greatest strike in history under a Republican administration.

Mr. HOFFMAN. The record does not so show.

Mr. RAYBURN. Mr. Speaker, will the gentleman yield to me?

Mr. HOFFMAN. I do.

Mr. RAYBURN. Mr. Speaker, as the Speaker has said correctly on a question of personal privilege, a wide discretion must be allowed by the Speaker when a Member states it, but it does appear to me that what a Democratic Governor of Michigan did or what a Republican Governor of Michigan did has very little to do with the gentleman's question of personal privilege. Also, it appears to me that the gentleman should be able to talk without getting that far afield, and I trust that he will obey the injunction of the Speaker to proceed in order on the question of personal privilege.

Mr. HOFFMAN. Mr. Speaker, I thank the gentleman from the bottom of my heart for his little lecture, and I will endeavor to avoid anything that might give offense, if I can. Shortly I shall quit, with the permission to revise and extend, except that I would not want the same point that the remarks are not in order raised afterward.

I was discussing the meaning of those terms, which sound much worse than they actually are. I was going to ask this question: Is it inordinately eager, that is, is a man inordinately eager to have his own way when, for example, after this House has created a committee, such as the Dies committee, for the activities of that committee to be criticized as being "sordid"? Is there any inordinate eagerness when, after this House has adopted the so-called Smith amendments, they still remain over in another body and the newspapers state that the administration is opposed to the adoption of those amendments? Is there any inordinate eagerness in keeping Harry Bridges in this country——

Mr. McKEOUGH. Mr. Speaker, a point of order.

The SPEAKER. The gentleman will state it.

Mr. McKEOUGH. The gentleman is certainly very far afield in attempting by implication to criticize the other body at the other end of this Capitol.

The SPEAKER. The Chair sustains the point of order.

Mr. HOFFMAN. Very well. I understand that mention of the "other body" cannot under the rule be made, but my remarks were directed to the action of the administration rather than to the Senate. I will speak about the Secretary of Labor. [Laughter and applause.]

The SPEAKER. There is no question of the Secretary of Labor involved in the question of privilege.

The Chair has no desire to unduly limit the reasonable grounds of the gentleman's argument, but the Chair must insist that he do not depart from the legitimate question raised of personal privilege, to depart into other fields that have no relevancy whatever to his question. The Chair will endeavor to confine the gentleman to those channels.

Mr. HOFFMAN. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. HOFFMAN. Would it be proper to discuss the question of whether there was any inordinate eagerness on the part of the administration to retain Harry Bridges?

The SPEAKER. The Chair thinks it would be improper for the gentleman to go into that field. [Applause.]

Mr. HOFFMAN. Then, Mr. Speaker——

The SPEAKER. In other words, if a Member rises to a question of personal privilege, the presumption is that something has been said that reflects upon his reputation or integrity as a Member. The gentleman should confine himself in his statement of facts to that issue.

Mr. HOFFMAN. I was thinking about the patriotic slant of the thing and an administration which had retained Harry Bridges and made it necessary for us to take the action we did.

The SPEAKER. The gentleman is not proceeding in order under the ruling of the Chair.

Mr. HOFFMAN. I would ask this, Mr. Speaker: Remember, now, in this letter I used a word which means that the President was inordinately eager. Now I am asking is there any inordinate eagerness on his part, when we have a national-defense program and when we know that in order to manufacture planes, cannon, and munitions of war we must have production—is there any inordinate eagerness on his part when he says that none of these social reforms or social legislation which retard and limit production must be interfered with, which means that the men in our factories can only work 42 hours if time and a half is not paid for overtime?

Mr. GIFFORD. Mr. Speaker, will the gentleman yield?

Mr. HOFFMAN. I yield.

Mr. GIFFORD. I wonder if your question of personal privilege is that your patriotism has been challenged? I think that is a fair question. His patriotism has been challenged because he criticized the President of the United States. I think the gentleman from Michigan is justified in attempting to say that he is not unpatriotic, if he sees fit to criticize even the President of the United States. I think he should have much latitude when his patriotism is challenged.

The SPEAKER. The Chair has given the gentleman a considerable amount of latitude.

Mr. RAYBURN. Mr. Speaker, will the gentleman yield again?

Mr. HOFFMAN. Yes; I yield.

Mr. RAYBURN. I want to say to the gentleman from Michigan, and to other Members of the House, the Speaker has rather wide latitude under the rules of the House and under the common practices with reference to denying a Member the privilege of addressing the House on a question of personal privilege when he does not speak to that question. I do trust again, may I say to the gentleman, that he not discuss this in a way that strained measures may be resorted to. The gentleman, of course, understands what I mean.

Mr. HOFFMAN. Oh, yes. I gather that I can be taken off the floor, for you have a majority; but I had not realized that, when a man's patriotism as a Member of this House was challenged, he had no right to show the things that he had stood for, the things that he was opposed to, if perchance that policy was not in accord with that of the President of the United States. I did not understand that you could not discuss it.

Mr. RAYBURN. If the gentleman had asked unanimous consent to speak for an hour, yes; but the gentleman has the floor by raising a question affecting his privileges as a Member of the House, and he was so recognized. It does seem that the gentleman would have wide enough latitude, in discussing that, not to go out into other fields and discuss matters that certainly are not relevant to that question of personal privilege.

Mr. HOFFMAN. Well, I thank the gentleman again. And though the instances of what might be termed "inordinate eagerness" have only been touched on, I leave the others for another occasion and turn at this point to the charge of a "tendency to exaggerate and magnify."

So as to avoid anything that might give offense I will call attention to this. We all recall how Grover Cleveland went fishing in a flatboat, and we now recall that when the President goes fishing he must have a warship or a battleship. Even in sport there is a tendency to magnify.

Mr. Speaker, I mentioned exaggeration. I call attention to the time that the last message was delivered. Now, whether this is exaggeration or not, is, of course, a matter of opinion, but you remember how the President stood at the Speaker's desk here and painted to us a picture that was so realistic that many of us were actually frightened that day about those bombers coming over and going way out to Omaha and blowing that city all to dust. Do you remember? Was that an exaggeration? And then how we were told that we must have 50,000 airplanes right away. And then the following Sunday we were told, in substance, that everything was all right, just leave it to him, that it was all a mistake, that no harm would come to us. Both situations cannot be true. Either the danger was exaggerated or the degree of our unpreparedness was exaggerated.

Now, if you will pardon me, I just refer briefly to the matter of conceit.

The SPEAKER. The Chair would like to inquire of the gentleman from Michigan whether in his statement of personal privilege that the Chair now has before it the gentleman refers to the matter of conceit? As the Chair reads these charges, the gentleman has not set out any specific language in his statement of privilege bearing on the matter of conceit.

The Chair reads the following:

> National unity alone will preserve us as a Nation. Likewise, it is very important in our addresses, in our letters in times such as these, that we confine ourselves to the truth. The President of the United States has never suggested that the Congress should go home.

Mr. HOFFMAN. "Conceit" is not in there, Mr. Speaker, if I may interrupt.

The SPEAKER. That is exactly the point the Chair was raising. The gentleman is not complaining now with reference to the word "conceit." The Chair reads further from the gentleman's statement:

> It is not enough that the Member from Michigan should bring dishonor and discredit upon the high position that he occupies by his scurrilous language in regard to the highest office in the land, but he also feels compelled to distort the words of the President.
>
> Perhaps if he would commune with his God and with his conscience, he might learn to be more tolerant, for with tolerance would come a real, genuine love of patriotism, a love for democracy and its officers, its institutions, and its people.

The Chair can find nothing in this statement furnished by the gentleman from Michigan in support of his question of privilege to allow him to follow up the matter of conceit, or peccadillos in the statement of others.

Mr. HOFFMAN. Mr. Speaker, the point is this, that the gentleman from New York makes the accusation that I am lacking in patriotism and several other qualities.

The SPEAKER. The gentleman can answer those charges if he desires to, but that has nothing to do with the gentleman's commenting upon the quality, vice, or virtue of conceit in other individuals, particularly the President of the United States.

Mr. HOFFMAN. No; but for example the gentleman from New York complains about my letter of the 5th in which appeared the word "conceited."

The SPEAKER. The gentleman has not complained of that in his statement of privilege.

Mr. HOFFMAN. I do complain of it in the matter I sent up to the Speaker, because the gentleman from New York characterized my lack of patriotism and referred to my letter in which the word was used.

The SPEAKER. The Chair has just read to the gentleman the language of which he complains, and the Chair finds no justification in that language for the argument the gentleman is now making.

Mr. HOFFMAN. Then, as I understand the ruling of the Chair it is this: That notwithstanding the fact that the word "conceited" was contained in the letter and that the letter as a whole is criticized as being scurrilous, and these charges were made in the RECORD as appears from the page indicated, I will not now be permitted to substantiate the charge made in the letter, and thus show, by a showing that the word "conceited" was a proper description, that the words were not scurrilous? If that is the ruling, that ends that matter.

The SPEAKER. The gentleman will proceed in order.

Mr. HOFFMAN. Mr. Speaker, I do not want to transgress the rule. May I say whether or not I consider the President conceited?

The SPEAKER. The Chair thinks not.

Mr. HOFFMAN. All right, then, we will say nothing about that. The result is that the gentleman from New York [Mr. O'TOOLE] is permitted to say that language I used is scurrilous; but, when I attempt to show that the language I used

was a correct and accurate description, I may not do so. I will only say this, that when a party has just one man who is capable according to its theory of handling the affairs of this Nation——

The SPEAKER. The gentleman is out of order in making that statement.

Mr. HOFFMAN. Very well, then, I will finish, I will say this——

Mr. EBERHARTER. Mr. Speaker, will the gentleman yield?

Mr. HOFFMAN. No.

The SPEAKER. The gentleman declines to yield.

Mr. HOFFMAN. I say this——

Mr. GAVAGAN. The best thing the gentleman has said is that he was going to finish.

Mr. HOFFMAN. That is the gentleman's opinion. The gentleman is out of order in that he has not secured recognition from the Speaker. Gentlemen have been interrupting in violation of the rule, which requires recognition by the Chair. I am glad I do not have to go before a district in Harlem, and thank God——

Mr. GAVAGAN. The gentleman would not last 2 minutes in Harlem.

Mr. HOFFMAN. Mr. Speaker, the gentleman from New York——

Mr. McKEOUGH. Mr. Speaker, I make a point of order that the gentleman has not been recognized for this purpose.

The SPEAKER. The point of order is well taken.

Mr. HOFFMAN. I know to whom I am responsible for my position. My people are the judges of my capabilities, of my patriotism or lack of it.

You are not concerned, except incidentally, with who is sent down here to Congress. Now, do not worry. Dig out the skeletons on your own side if you want to hear the bones rattle.

Mr. COLE of Maryland. Mr. Speaker, I make the point of order that certainly this argument has nothing to do with the question now properly before the House.

The SPEAKER. The Chair sustains the point of order.

Mr. HOFFMAN. I concede it.

Mr. COLE of Maryland. Why do you do it then?

Mr. HOFFMAN. Because the gentleman from New York brought it up himself.

Mr. COLE of Maryland. The Speaker has asked you to abide by the rules.

Mr. HOFFMAN. I will abide by the rules.

Mr. McCORMACK. Mr. Speaker, I make the point of order that the previous point of order having been sustained, the gentleman cannot proceed until a motion is made that the gentleman may be permitted to proceed in order.

The SPEAKER. The Chair does not think that the rule contemplates that action.

Mr. HOFFMAN. Mr. Speaker, I will conclude. In connection with your program of national defense—and I speak for no one on the Republican side except myself—you will find that I will go with you, and I have gone with you all along the line. I will make just as many sacrifices for national defense as any man on the majority side. I will vote with you to compel our people to make those sacrifices. I voted for the national-defense bills. I voted for the tax bill. But let me tell you this: When the President attempts to sacrifice on the altar of his political ambition our economic freedom, our industrial production, without which we cannot adequately prepare for defense, I refuse to go along with him. [Applause.]

The regular order was demanded.

Mr. HOFFMAN. And I will tell you something else: I will go along with the President and with the majority party to the end of the road, however bitter the traveling may be, as long as he travels the road of patriotic endeavor, of national defense. But with him not 1 inch will I go in any endeavor to make over America, from the constitutional form of government founded by our forefathers into a weak and inefficient imitation of the government of a Hitler.

I will travel with him for our liberty, for our independence, for our system of private enterprise, no matter how sharp the curves, how narrow and rocky the way.

But down the broad and easy road of waste, extravagance, and regimentation not willingly will I ever travel.

For the building of ships, of aircraft, national defenses of all kinds, yes, let me repeat, I will support him, as will all other patriotic Americans, so long as hand may be raised or breath may be drawn. But leave and condemn him and refuse to go with him when he attempts to crucify on the cross of his third-term ambition the defenseless youth of our land. [Applause.]

Mr. Speaker, I yield back the balance of my time.

ALTERATION OF CERTAIN BRIDGES OVER NAVIGABLE WATERS OF THE UNITED STATES

The SPEAKER. The gentleman from California [Mr. LEA] is recognized.

Mr. LEA. Mr. Speaker, I yield 14 minutes to myself.

On the 10th of this month the President sent a message to the House vetoing the bill H. R. 9381. The principal feature of this bill provides for the apportionment of the cost of alterations of bridges over navigable streams when ordered by the Federal Government through its Secretary of War.

For many years the law has given the Secretary of War the right to order the alteration of bridges over navigable waters where, in his opinion, such bridges obstruct navigation on account of insufficient height, width, or otherwise. The owner is required to make the alterations at his own expense and as required by the specifications of the Secretary of War. The owner fails to comply on penalty of a $5,000 fine, with each month treated as a separate offense.

The order of the Secretary may be based on any navigation reason, regardless of whether there is any important reason for the alteration. When there is a navigation and also other reasons, such as beautification of the bridge, the Secretary may make the order and specify requirements to meet those other reasons, regardless of any benefit to the owner or to transportation, and compel the owner to pay all the costs.

The purpose of this bill was to relieve bridge owners of this harsh rule, which requires owners to alter bridges at their own expense, whether or not they receive any benefit from the alteration, and, in some instances, regardless of whether or not the public receives any benefit from the alteration.

Legislation such as this was recommended by the President's Committee of Six appointed by him to recommend transportation legislation. The principle of this bill was also recommended as sound by the President's Committee of Three, consisting of three outstanding members of the Interstate Commerce Commission. The principle of this bill has been applied throughout the country by the Federal Government for the construction of grade crossings.

We believe the present law sets up a harsh and unjust rule, which should be modified.

The object the law contemplated was solely to aid transportation by navigation. The object of building a bridge over a stream, whether a railway bridge or a highway bridge, was to afford a means of land transportation for the benefit of the public.

The navigable stream is publicly owned; the highway is publicly owned, including its bridges. The railroad is privately owned, but acquires its right to construct the bridge because it serves public transportation. The commercial carrier, whether on the highway or on the river or on the rails, is not publicly owned, but is a privately owned carrier. Transportation, whether on water, highway, or rails is paid for by the shipping public. The public owns the highway, but it does not own the commercial vehicles that haul the freight. The public owns the river, but it does not own the private ship that carries its freight for hire.

A railroad company desires to build a line to transport freight for the public. It gets a permit from the War Department and constructs its bridge to conform to the

specifications required by the Secretary of War. The Secretary makes those specifications to meet the needs of vessels using the watercourse. In subsequent years a steamship company comes along and wants to widen the channel or raise the clearance of the bridge, or change its location. The steamship company wants to do that to aid its transportation business, probably as a competitor of the railroad owner of the bridge. The railroad company, by the agent of the Government, is ordered to make whatever alteration is required at an expense of $1,000 or $100,000, without any contribution from anybody benefited by the alteration.

Little regard is paid to the relative amount of water transportation to be accommodated by the alteration.

The bill which passed the House and which the President vetoed, does not relieve the owner of responsibility for alteration of the bridge. It requires that the owner alone pay for these items:

First. For the direct and special benefits to him.

Second. For any benefits he receives due to savings in the repair of the bridge, old or new.

Third. For the maintenance cost of the bridge.

Fourth. He must pay that part of the cost attributable to the requirements of traffic by rail or highway.

Fifth. He must pay the cost due to the increased carrying capacity of the bridge.

Sixth. He must pay for the value of the increased service life of the bridge.

Where the bridge is used for highway purposes, the part of the cost due to the highway traffic is to be borne by the proprietor of the highway.

If the bridge is altered for reasons other than navigation, those interested may be required to pay equitable contributions according to their benefits.

The liability of the United States does not begin until after all the above costs have been provided. The balance of the costs are paid by the United States.

The United States liability is limited to a proportionate part of the cost as guaranteed by the bridge owner. No higher liability shall be assumed except where the Secretary of War agrees to share the excess cost due to an emergency or unforeseen conditions.

The apportionment is made after hearing by the Secretary and his findings are conclusive as to the facts.

The veto message states that this bill would establish a new policy for the United States. That is true. It would be a new policy, but we believe a new policy founded on common sense and justice. Who can write a fairer formula for apportioning the cost of bridges than that set forth in this bill?

The veto message declares:

> Under the new policy which the bill proposes, the bridge owner would be required to bear only such part of the cost of such alterations or changes as may be attributable to the direct and special benefits which accrue to him, as determined by the Secretary of War; and the United States would be required to bear the remainder of the cost.

This statement of the veto message fails to convey adequately the provisions of this bill. The owner must pay for savings in repairs. He must pay the maintenance cost; he must pay the cost attributable to the requirements of traffic by rail or highway, for the increased carrying capacity of the bridge and for the increased service life of the bridge as contrasted with the old structure. The cost of the bridge due to highway traffic is to be borne by the proprietor of the highway.

True, when an applicant applies for a permit for a bridge he takes it with knowledge of the provisions of the existing law. He must build a bridge on that condition or not at all. That fact does not relieve the law of the harshness and injustice of its present application.

The President refers to the fact that the Supreme Court has repeatedly held that the Government has a constitutional right to order the removal of a bridge without compensation and that such removal is not regarded as taking of private property within the meaning of the Constitution. We do not queston that constitutional right. What we question by this bill is the wisdom and justice of the harsh requirements of the present law.

We do not ask a change of the law to conform to the constitutional requirements. We ask a change of the law to be fair and to be just.

The question here today is not whether or not the Constitution permits this; it is not whether or not this thing has been done, but it is a simple question of whether or not it is a just and fair thing to do for the future. Nothing makes for progress if existing ill practices can be justified by previous acquiescence in such practices.

The message states that to require the Government to pay costs of alterations which do not directly benefit the owner would impose heavy financial liabilities. All must concede it is better for the Government to do the right thing than the cheaper thing.

The present rule grew out of the days when railroads were symbolized as organized aggressive wealth, using their powers to oppress the public. In recent years 50 percent of the railroads in the United States have been running without profit to their owners. Thousands of miles have been abandoned. Nearly one-third of the mileage of the United States is now in the possession of the courts for inability to pay expenses. The industry is threatened with bankruptcies that may lead to further elimination of lines on a large scale. This is a time when in the interest of the people of the United States we can at least afford to be fair to railway as well as highway bridges.

The rule requiring these bankrupt railroads to pay all costs of alterations of bridges regardless of benefits does not fit into the practical picture of this hour.

It requires a two-thirds vote of each House of Congress to overcome a Presidential veto. In other words, a veto renders Congress impotent against one-third of its membership. Exercised with caution and restraint, the veto power is a wholesome feature of the Government. It is properly used in those cases where Congress has acted inadvertently or clearly abused its power. In popular forms of Government the rule of the majority exercised with reasonable intelligence and patriotism is a fundamental principle for the exercise of power. An indiscriminate or improvident invasion of the rightful power of Congress by unwarranted vetoes is in conflict with the best interests of popular government.

I have observed the exercise of the veto power under five Presidents. As a usual thing I have regarded the power as properly used. In some instances I have regarded vetoes as founded on misinformation, or lack of understanding of the problem involved, and the exercise of the power unwarranted. Too frequently the veto power rests on ex parte information hurriedly presented to the President by departments of the Government; sometimes the information is tinged by the pique or incomprehensive viewpoints of executive departments. If open hearings were practicable and possible, it is likely mistaken grounds for vetoes would be eliminated to a larger degree. This very situation emphasizes the duty of vigilance on the part of Congress in refusal to acquiesce in vetoes that transgress its rightful functions.

When the veto power was conferred upon the President there was in the United States no political parties as we know them today. The veto power was written into the Constitution on the belief there would be an untrammeled judgment of Congress to pass upon the wisdom or unwisdom of the veto. When in later decades political parties developed and threw the force of party support to support vetoes on partisan grounds regardless of merits, the situation invited the Executive into more indiscriminate use of vetoes, to the relative debasement of Congress as one of the coordinate branches of the Government.

Before we hastily rush to sustain vetoes of doubtful merit, we should exercise that caution worthy of those who comprehend their serious responsibilities to preserve the responsibilities and prerogatives of Congress, unimpaired, as a great independent, coordinate branch of this Republic.

Mr. SPENCE. Will the gentleman yield?

Mr. LEA. I yield to the gentleman from Kentucky.

Mr. SPENCE. The State of Kentucky has purchased nine bridges, I think, over navigable streams. It paid for those bridges by issuing revenue bonds against the tolls that are collected. Many of those bridges will be free in a few years. A great many of them are almost paid for now. I want to know what effect the law, as it now exists, has upon those bridges. Can the National Government order a change in those bridges and place the entire burden upon the State of Kentucky?

Mr. LEA. It can.

[Here the gavel fell.]

Mr. LEA. Mr. Speaker, I yield 5 minutes to the gentleman from Massachusetts [Mr. HOLMES].

Mr. HOLMES. Mr. Speaker, I do not know as I can add a great deal to what the chairman of the Committee on Interstate Commerce has said. For 8 years it has been my privilege to serve on the bridge subcommittee of the Interstate Commerce Committee of the House. May I recall to the attention of the older Members the fact that years ago there was considerable trouble in this House in passing bridge bills. May I make the further observation that bills authorizing a community to build a bridge over navigable streams are usually introduced by a Member of the House or Senate. These bills must have the approval of the Secretary of War and the approval of the Secretary of Agriculture formerly, but now requires the approval of the Department of Public Works. In accordance with the Bridge Act passed in 1906.

The bill now pending before us was given very serious consideration and every phase and angle of the law was gone into very, very thoroughly. As a matter of fact, when the original bill was approved it was passed unanimously by the House and Senate, then the President vetoed it because there was some objectionable language in the bill. When we reported the transportation bill, S. 2009, we incorporated in that legislation the identical bill which had been vetoed by the President. When the conferees, in considering various portions of the Transportation Act, came to the bridge section, we received word it was objectionable.

The conferees decided to take the provision out of the transportation bill and after conference, as I understand it from Senator TRUMAN, of Missouri, and our genial colleague the gentleman from Alabama [Mr. HOBBS], the objectionable language was so changed that we were given to understand the legislation as amended would meet with the President's approval.

The implication is made here that the burden of the reconstruction cost is going to be placed on the United States. Let us examine the definitions of a bridge owner.

> The term "bridge owner" means any corporation, association, partnership, or individual owning any bridge, and, when any bridge shall be in the possession or under the control of any trustee, receiver, trustee in bankruptcy, or lessee, said terms shall include both the owner of the legal title and the person or entity in possession or control of such bridge.

[Here the gavel fell.]

Mr. LEA. Mr. Speaker, I yield 3 additional minutes to the gentleman from Massachusetts.

Mr. HOLMES. The definition continues—

> The term "bridge owner" shall also mean and include all joint owners, particularly States, counties, municipalities, or other participants in ownership of bridges for both railroad and highway traffic.

When we consider section 6, where the question of apportionment of cost enters into the picture, we find this language:

> The Secretary shall determine and issue an order specifying the proportionate shares of the total cost of the project to be borne by the United States and by the bridge owner. * * * The bridge owner shall bear such part of the cost as is attributable to the direct and special benefits which will accrue to the bridge owner as a result of the alteration, including the expectable savings in repair or maintenance costs.

In other words, under this legislation if the Secretary of War is allocating costs he is adopting the same principles that your State and my State have adopted when we say to two communities, "You can build a highway bridge over a certain lake or river joining two communities." Your State law usually provides that in distributing the cost they first apportion the cost to the communities involved, and then the State assumes that portion which may be applied to highway construction. It is the same in this case. We are trying to legislate in such a way that because a bridge is obstructing a navigable stream the whole burden of reconstruction will not be placed on the owner, but that the communities adjacent thereto, which also have a primary interest in it, will bear their proportionate share of the cost of that reconstruction. [Applause.]

[Here the gavel fell.]

Mr. LEA. Mr. Speaker, I yield 5 minutes to the gentleman from Missouri [Mr. COCHRAN].

Mr. COCHRAN. Mr. Speaker, about 15 years ago I took a very active interest in bridge legislation. I made a study of the law and came to the conclusion that Congress was making a serious mistake in granting franchises to private individuals to build toll bridges over navigable streams. I started a campaign against such bills. On the first roll call that I forced in this House only 12 Members voted with me, but I kept up that campaign and finally a policy was adopted by this House which stopped forever, I hope, the granting of franchises to private individuals to build toll bridges.

In reference to this bill, which the President vetoed, there has never been a roll call on this legislation.

There is a rather unusual procedure involved here today. This veto message came in late in the evening, a week or so ago, and the gentleman from California [Mr. LEA] asked unanimous consent to put the vote off. Later he again asked unanimous consent to delay the vote until today. In the meantime, you as well as I have been flooded with propaganda from private interests, railroads, and so forth, that want this bill to become a law so they can saddle the cost of necessary alterations upon the taxpayers of this country. This propaganda has had no effect upon me. I so advised those who wired me. I am going to vote to sustain the President's veto. I believe his reasons for returning this bill without his approval are sound. Why should the taxpayers of this country be required to make alterations for bridges over navigable streams when the General Bridge Act and the franchises granting permission to construct such bridges specifically provided that in the event alterations were necessary the owners would have to bear the cost? You are simply repealing a part of the many laws that have been passed granting permission to construct such bridges.

Mr. LEWIS of Colorado. Mr. Speaker, will the gentleman yield?

Mr. COCHRAN. I yield to the gentleman from Colorado.

Mr. LEWIS of Colorado. The gentleman speaks about propaganda. I thought I got all the propaganda that was coming, but I have not received anything on this subject—not one letter.

Mr. COCHRAN. I have had plenty. Come to my office and see. I have had telegrams from railroads and others, not only from St. Louis but from over the country.

If you study this legislation, you will see that the financial benefits are going to a few, and you are going to make the many, your constituents and mine, pay for alterations on private property when they are not going to receive any benefits whatever for the money that will be expended. Our streams are being continually deepened. Some that are not navigable are made navigable. Those who constructed the bridges understood that if it was necessary, for instance, to have a higher clearance, the people who owned the bridges were going to be required to pay the cost. I say, Mr. Speaker, it would be an outrage to saddle the cost under this proposal upon the taxpayers of this country who, I insist, will not receive any benefits.

Mr. HOLMES. Mr. Speaker, will the gentleman yield?

Mr. COCHRAN. I yield to the gentleman from Massachusetts.

Mr. HOLMES. May I call the attention of the gentleman to the fact that for every private bridge there are 10, 15, or 20 bridges owned by the municipalities, counties, and States that will receive the benefit of this legislation?

Mr. COCHRAN. Let me ask the gentleman if he wants the sovereign States to turn everything over to the Federal Government and let the Federal Government pay all their bills?

Mr. HOLMES. I want to answer the gentleman in this way. No; this does not do that.

Mr. COCHRAN. No; it does not. Well, read it carefully.

Mr. HOLMES. But it does protect the community that has an authorization to build a bridge between two communities or two States from the Federal Government's coming in there and telling them to tear it down and rebuild it, and shoulder the burden of all that expense onto the local taxpayers of the two States.

Mr. COCHRAN. And if the gentleman will read the franchise under which most of the bridges have been constructed, he will find a provision there and also in the Bridge Act of 1906, which specifically states if you are impeding navigation and alterations are necessary, you must pay the cost of the alterations and not the Federal Government. So, if they did not have a proper clearance or build a proper bridge when it was originally constructed, they should bear the cost now of making the improvements that the War Department states are necessary so navigation will not be impeded.

Mr. KEEFE. Mr. Speaker, will the gentleman yield?

Mr. COCHRAN. I yield to the gentleman from Wisconsin.

Mr. KEEFE. The gentleman has stated that he has spent a good many years investigating this problem. In his investigations, has he any statistics or facts to show what the prospective cost might be to the Government if this legislation is enacted, based upon what may be expected in the shape of repairs and alterations?

Mr. COCHRAN. I have been told unofficially by an officer of the Engineer Corps that the initial cost, with respect to bridges that should be altered now, would be around $15,000,000 or $20,000,000.

It will be the taxpayers who must provide the money. Still, if it is a railroad or a toll bridge the same taxpayers must pay the railroad to ride over the bridge or the toll to cross it on foot or in an automobile.

In my judgment this House should sustain the President's veto.

[Here the gavel fell.]

Mr. LEA. Mr. Speaker, I yield 3 minutes to the gentleman from Illinois [Mr. DIRKSEN].

Mr. DIRKSEN. Mr. Speaker, about 15 years ago I served on the city council, as a commissioner in my city, and in the course of that tenure we built a bridge over the Illinois River. There was some difficulty in getting the money, and one of the things we did was to assess the railroads for a portion of the cost of that bridge. They received exactly no benefit, and I could find no damage suit lodged against the railroad at any time by virtue of the fact that they maintained no grade separation, but they were penalized to the extent of about $30,000 and received absolutely no benefits. The bridge cost a good deal more than it otherwise would for the reason that the War Department came along and said that a bridge with a clearance height over the Illinois River shall be 66 feet above low-water level. The chances are that that provision added many thousand dollars to the cost of that bridge.

Now, I maintain, out of the personal experience I have had in this matter, that it would be unfair to assess a railroad, for instance, if they received no benefit. It would be unfair to tax the municipality, too, if they did not receive a benefit, and if a bridge is necessary, and if the War Department says to a municipality or a State, "This is the kind of bridge you must build, this is the clearance height you must maintain," then certainly in all equity and good conscience it is fair to apportion properly the total cost on an equitable basis and assess everybody accordingly.

This is the tenor of the bill that is pending today, and I propose to vote to override the veto. [Applause.]

Mr. LEA. Mr. Speaker, I yield 1 minute to the gentleman from Connecticut [Mr. MILLER].

Mr. MILLER. Mr. Speaker, I just want to record myself in favor of this bill. I think that it corrects a mistake that was made years ago and regardless of who the individuals are or the States or the cities that benefit, I think it is simple justice that we pass this bill over the President's veto.

I want to add to the word of the gentleman from Colorado [Mr. LEWIS], I have had just one communication on this subject. I do not know where all of the mail to the gentleman from Missouri has come from, but, certainly, it has not come from my part of the country.

Mr. LEA. Mr. Speaker, I yield 2 minutes to the gentleman from New York [Mr. CULKIN].

Mr. CULKIN. Mr. Speaker, I am glad at this time to be able to say a positive word in behalf of the railroads. [Applause.] I think their rights are definitely and unfairly invaded under the present law and this legislation offers a positive cure in the situation.

The legal doctrine which the President cites in the message seems to me to be unsound in the present instance, and the operation of the common law places an undue burden upon the railroads. I am more or less familiar with this procedure, having seen it pass through the Rivers and Harbors Committee for many years. It is my judgment and the judgment of a majority of the members of that committee that this legislation is timely, sound, and will correct an economic wrong that is being done to the railroads.

I urge that the House override the President's veto. [Applause.]

Mr. LEA. Mr. Speaker, I yield 2 minutes to the gentleman from Ohio [Mr. CROSSER].

Mr. CROSSER. Mr. Speaker, according to my judgment, this is a very just bill. It merely proposes that the parties immediately affected by the replacement or renewal of a bridge shall make payment according to the benefits received by them as a result of such change. The parties directly interested in any of these bridge improvements or replacements would, under the terms of the bill, pay toward its cost just to the extent that they may receive benefits. If anything is equitable, that is most equitable. I can see no just ground for opposition to the bill. The fact that heretofore the law provided otherwise is, to my mind, not a sound objection. Most of the laws enacted are adopted in lieu of law in effect prior to such enactment. If the law is unjust, we should always try to correct it. To say that a contrary law is now in effect is no sound reason for opposing the present bill. If existing law is wrong, that is why it should be replaced. That is the reason for the pending bill. I sincerely trust that the Members of the House will vote to pass the measure. [Applause.]

Mr. LEA. Mr. Speaker, I yield 7 minutes to the gentleman from Illinois [Mr. SABATH].

Mr. SABATH. Mr. Speaker, years ago many of us from Illinois, especially from the city of Chicago, endeavored to secure some relief when the city of Chicago was by the War Department ordered to build new bridges at a cost of about $30,000,000. At that time the Committee on Interstate and Foreign Commerce did not see fit to effect any such relief legislation; but today we have a bill that will cost the Government millions of dollars, and will relieve the railroads and other private corporations from their responsibility, which they pledged when permits were granted to build these bridges across the navigable streams of the United States. I think this Congress as well as the subdivisions of government have done a great deal more than their share for the railroads in the last few years. We have built most of their viaducts and underpasses; we have even paved alongside their rights-of-way at grade crossings; and I venture to say that if the real figures could be had, they would show that the Government has expended to help the railroads in this connection to the extent of millions upon millions; and today, they come here and ask the Government for further relief and that the Government assume the financial responsibility. I regret that this was called to my attention only a few moments ago, and I therefore cannot give the real facts and figures to the House; but I am satis-

fied that if the Members had these figures and fully realized the potential cost to the Government they would hesitate long before voting to override the veto of the President.

Under the new policy, when a bridge is to be altered, the owner of the bridge would be required to pay only such part of the cost of alteration as is attributable to the direct and special benefits which will accrue to the bridge owner as a result of the alteration, including the expectable savings or maintenance costs, and that part of the cost attributable to the requirements of traffic by railroad or highway, or both, including any expenditure for increased carrying capacity of the bridge. That is, an undue amount of the cost of these alterations would be borne by the Government. I think the railroads and the private owners are the greatest direct beneficiaries and that they should be made to stand the cost of any expenditure that may be required due to the plans to alter their facilities. The Government of the United States has gone far enough to aid the railroads. Oh, I concede the argument of the gentleman from California [Mr. LEA] that the railroads are in bad shape; but we are not responsible for that condition. Congress has been generously aiding the railroads for many years. Congress appropriated more than $2,000,000,000 to rehabilitate the railroads during the war, and as soon as that money was expended the railroads found it expedient to urge that the Government relinquish any supervision of management, so that presidents of the railroads might again draw $100,000, $120,000, or $150,000 a year each and the vice presidents fifty to seventy-five thousand dollars a year each. That is quite largely where the money has gone; where it has been expended. We have these unconscionable salaries and poor management; and why should the Government be called upon continuously to assist the railroads that have failed completely to manage the affairs of the various lines in accordance with their pledges of efficiency and economy to the stockholders and bondholders?

Mr. Speaker, it is amazing to what extent the Committee on Interstate and Foreign Commerce has gone to urge its members to vote, as I understand, as a unit to override the President's veto. And it is still more strange to witness many Democrats working in collaboration with the Republicans who day after day have criticized the administration's spending, and at the same time they may at every opportunity be found voting for amendments that increase the cost of pending bills by many millions.

It is rumored around here that the railroad lobbyists claim to have enough votes to override the Presidential veto. That condition, if true, is unfortunate; but I shall vote to sustain the President, who is trying to hold down expenditures in these trying days, in his veto.

I feel that during these unfortunate and anxious days, when tremendous sums are actually needed for national defense, it is regrettable that so many fail to appreciate the situation. I myself feel that the President's veto should be sustained and that a vote to override it cannot by sound logic be justified by anybody.

Mr. LEA. Mr. Speaker, I yield 1 minute to the gentleman from Oregon [Mr. PIERCE].

Mr. PIERCE. Mr. Speaker, I particularly appeal to my Democratic colleagues to sustain the veto. When you override the veto of an Executive, you hurt hard, you cut deep. I know what it means, and I beg of my Democratic friends to vote to sustain the President. These are no idle words of his. He has stated clearly and plainly why he has vetoed the bill. Those words have been read from the Clerk's desk. There is no necessity of repeating them. The railroads were given the right to cross the rivers by the Congress, and it was provided that if there were changes required, they would make them at the expense of the railroads. Why override the President's veto? I can see why our friends on the left will do so, but I beg of my Democratic friends to sustain the President.

The SPEAKER pro tempore. The time of the gentleman from Oregon has expired.

Mr. LEA. Mr. Speaker, I have one more speaker, and at the conclusion of his address I shall move the previous question. I yield the remainder of my time, with the exception of 1 minute, to the gentleman from Alabama [Mr. HOBBS].

The SPEAKER pro tempore. The gentleman from Alabama is recognized for 16 minutes.

Mr. HOBBS. Mr. Speaker, I will be delighted to answer the question of the gentleman from Oregon, Governor PIERCE, and these other gentlemen who have preceded me: Why should we pass this bill, the veto notwithstanding?

The President's veto is based upon an erroneous premise that the act of 1906 "has been a condition precedent to the construction of bridges over the navigable waters of the United States and the owners are fully apprised of the condition before the construction work is undertaken." I do not know a single railroad bridge—if you forget everything else I say, please hear me now—I do not know a single railroad bridge which will be affected by this act which was not built before the act of 1906 was ever thought of. I do not know a bridge that is being required to be remodeled or that ever has been, which is not more than 50 years old.

Every one of them that I know anything about, and I have diligently inquired and have in my files reports on every one in the United States, I think. I solemnly tell you that, in spite of the propaganda which has been spread, there is not a bridge which, in my deliberate judgment, will be affected by the operation of this act which was not built at least 20 years before the act of 1906 was passed. That fact kills the predicate of the President's veto, that the bridges were built with full knowledge of the act of 1906. I want to repeat that, because I want you to get it. I do not know of a bridge in question which was not built 20 years before the act of 1906.

The President, in vetoing any bill, is exercising his constitutional power. It is equally within the constitutional power of this House to pass the bill, the President's veto notwithstanding. Both are in exact accord with the Constitution of the United States, and in exercising that power we are but performing the legislative duty that the Constitution of the United States contemplates and authorizes.

This is no dictatorship. The President has said repeatedly, and I know he means it, that he does not want to override Congress or usurp its functions. He has a perfect right to veto any bill. We have a perfect right equally, derived from the same source, to pass it over his veto after we consider his reasons. I am sure we all have fully considered his reasons, and now, in the friendliest possible spirit, we are going to disagree most respectfully.

Mr. LEAVY. Mr. Speaker, will the gentleman yield?

Mr. HOBBS. I will be happy to yield to the distinguished gentleman from Washington.

Mr. LEAVY. The gentleman stated that the bridges which would be affected are practically all bridges built prior to 1906?

Mr. HOBBS. That is right.

Mr. LEAVY. But if a bridge were built prior to 1906 and it had just simply become worn out and had to be replaced, as I understand the bill, that would not involve any obligation on the part of the Government?

Mr. HOBBS. Oh, certainly not.

Mr. LEAVY. Only in the case where specifications were changed by the Government?

Mr. HOBBS. That is right because of the needs of navigation.

Now, I must hurry on. The propagandists against this bill are saying that this bill is in the interest of the railroads, and that it is a railroad bill. I say categorically that is not so. Some people have said that it was a bill in the interest of the waterways, so that they could have the increased clearances they need. That is not so. It is a bill in the interest of both the railroads and the waterways, but mainly in the interest of the general public, particularly railway labor. Please permit me to tell you how this bill originated in my mind.

Eight years ago a barge of the Inland Waterways Corporation, paying no attention whatsoever to the signs all around,

ran down the Tombigbee River at flood stage and knocked down one span of an interstate carrier's bridge—the Southern Railway Co.—between Selma, Ala., my home town, and Meridian, Miss.

The railroad company made arrangements to pick up that span and put it in the place it had formerly occupied. The Army engineers said, "No; you cannot do that." And for 8 years we have not had a train run on that line from Selma to Meridian. For 8 years conductors, flagmen, engineers, and firemen on that interstate-commerce line have not made a run. It took those train crews off of the pay roll in my home town. It took 18 men at one time out of the shops in my home town. The Southern Railway shops in Selma has the biggest pay roll in that town. They are killing it. Now they have dropped down 125 miles and are "picking on" another old bridge at Jackson, Ala. Neither of those bridges was in my district, but it is killing the shops in my home town, and the biggest pay roll we have.

Now, here is the joke of it. The Southern Railway Co., that operates from Selma to Mobile, the most needed line in our section for national defense, coming right out of the heart of the steel and iron district in Dixie, straight to the only port Alabama has—and it is developed and is a good one—that line was ordered to replace the bridge at Jackson, Ala. The Southern Railway Co. does not even own the line. It does not own the bridge.

It has no interest in it; it leases it from a British syndicate; and because of losses incurred for 12 years in the operation of that division they have been suing for years to cancel the lease, and the British syndicate will not permit it. The order of the Army engineers to tear down that bridge and build a new one might mean they would be permitted by the Interstate Commerce Commission to abandon it, and abandoning the bridge means abandoning the line. A chain is no stronger than its weakest link. A railroad is no better than its bridges.

With the problem of national defense pressing upon us every minute for consideration, I am saying to you that it does not do much good to manufacture guns and ammunition unless you have the means of transportation. Both waterways and railways are necessary to the public good. We cannot possibly keep men at work if we are going to put them out of work.

Mr. WALTER. Mr. Speaker, will the gentleman yield?

Mr. HOBBS. I am always happy to yield to my friend from Pennsylvania.

Mr. WALTER. Was not the bill that is under consideration now drafted specifically to meet the objections that were made to a similar bill of a year or two ago?

Mr. HOBBS. A bill of 1 year ago which was vetoed after Congress adjourned. In answer to that question I want, if I may, to read again to the House the letter which Senator TRUMAN wrote to the gentleman from Kentucky, the Honorable VIRGIL CHAPMAN, chairman of the subcommittee on bridges of the Interstate and Foreign Commerce Committee:

> DEAR MR. CHAPMAN: While I may not, because of the rule of protocol against quoting the President, state exactly what he said to me, yet I may with propriety certify the clear understanding I gained from a personal interview with the President.
>
> Therefore I certify H. R. 9381 is in complete and perfect accord with my clear understanding, so gained, of the wishes of the President with respect to that legislation.
>
> H. R. 9381 is essentially the same bill passed by the Senate and the House last year in which have been incorporated amendments that I am sure will make it acceptable to the President.
>
> Sincerely yours,
>
> HARRY S. TRUMAN.

Mr. MAY. Mr. Speaker, will the gentleman yield?

Mr. HOBBS. Yes; I am delighted to yield to the distinguished gentleman from Kentucky.

Mr. MAY. The instance of the bridge across the Tombigbee River mentioned by the gentleman is one example of where it has interfered not only with a large number of commercial activities and transportation, but it might become an important factor in the national-defense program in the transportation of troops, material, and so on.

Mr. HOBBS. Of course, that is so, and I thank the gentleman for the contribution. Now, let me tell you something else: If the Jackson railway bridge is abandoned, it will leave 14 counties, most of them in the district of the gentleman from Alabama, FRANK BOYKIN, utterly without any rail service whatsoever. None of them is in my district, but they are killing the railroad shops in Selma, my home town, and it is the biggest pay roll there.

Mr. SPENCE. Mr. Speaker, will the gentleman yield?

Mr. HOBBS. I am delighted to yield.

Mr. SPENCE. Is there an appeal from the decision of the Secretary of War?

Mr. HOBBS. Yes, sir.

Mr. SPENCE. Would not that, therefore, assure the Government's interest being treated fairly?

Mr. HOBBS. Of course, no Secretary of War is ever going to treat the Government unfairly.

Mr. DONDERO. Mr. Speaker, will the gentleman yield for a question?

Mr. HOBBS. Certainly.

Mr. DONDERO. Has the gentleman discussed the equities of the case as yet?

Mr. HOBBS. I am going to do that right away.

Mr. VAN ZANDT. Mr. Speaker, will the gentleman yield?

Mr. HOBBS. Gladly.

Mr. VAN ZANDT. The gentleman is familiar with the bridge across the Potomac here in Washington. The Army engineers recommend a new bridge so that it may compare with the Arlington Bridge, yet the present bridge is adequate to handle the railroad business.

Mr. HOBBS. And every other bridge must be maintained under the orders of the Interstate Commerce Commission in perfectly serviceable condition to serve the needs of the railroads.

Mr. ZIMMERMAN. Mr. Speaker, will the gentleman yield?

Mr. HOBBS. I shall be glad to yield to the gentleman for a question.

Mr. ZIMMERMAN. The gentleman spoke of a bridge across the Tombigbee River being owned by a British syndicate.

Mr. HOBBS. Yes, sir.

Mr. ZIMMERMAN. I presume that if the bridge is renewed or lifted to aid navigation that the Government would pay for it and that it would still belong to the British syndicate. Is that right?

Mr. HOBBS. In no case is the Government required to pay more than a small part of the cost, but your conclusion is true, and I make no apology for the fact. We ought to treat every investor who puts his money in this country fairly; and this bill is essentially fair and equitable.

Before I explain the bill very briefly—and I hesitate to do so in view of the clear, fine, fair presentation which has been made by the distinguished chairman of the Interstate and Foreign Commerce Committee of the House—I want to tell you who is for this bill. Before I drafted it originally I went to every one of the 21 railway brotherhoods in this country and submitted my ideas to them and got their approval. I have never consulted with any railroad, of course, because I knew they would be for it. The brotherhoods tell me that the situation as it exists is killing jobs and adding to the unemployment problem, and therefore they are cordially for this bill.

Second, the President appointed a committee of six to study the transportation problem as a whole, a committee composed of two representatives of management, two of labor, and two of the public. This committee unanimously recommended the relief given in this bill. Every Member of Congress in both Houses has voted for it twice. Both the Interstate and Foreign Commerce Committee of the House and two committees of the Senate have given it the closest kind of scrutiny, under a magnifying glass, and have said it is O. K. We have now amended it in accordance with the suggestion of the President; incorporated three amendments he asked be incorporated. I am sure this bill

would never have been vetoed had it not been for his engrossment in foreign affairs.

Now, let us look at the bill. What does it do? Mind you, it applies to no bridge that was not built before the act of 1906, so far as I know. It says that whenever the needs of navigation require, the War Department shall have full and plenary power to order the remodeling, relocation, or rebuilding of any railroad bridge crossing a navigable stream, but it may do so only after a hearing has been held and the necessities of the case studied. Then if the War Department concludes, after fair and full hearings and after due notice, that improvement is necessary, then it shall so order.

[Here the gavel fell.]

Mr. LEA. Mr. Speaker, I yield the gentleman 1 additional minute.

Mr. HOBBS. Mr. Speaker, this bill requires that there should be charged up against the railroad all the benefits that flow to the railroad company from the improvement, and, having charged up to the railroad company specifically the value of the use that they have had of the old bridge, having charged up to the railroad company the expected savings in maintenance and repairs, having charged to the railroad company the increase in the capacity of the new bridge, enabling the railroad to haul heavier loads, this bill requires the Government to pay the remainder of the cost.

The Government subsidizes the waterways because of national need. The alterations ordered are needed for the improvement of navigation and, therefore, benefit the Government. There is no reason why the Government should not pay for the benefits it so receives.

With the sincerest admiration for our great President, with genuine regret that agreement with him on this point is impossible, I beg you to serve national defense, relieve unemployment, be fair to the railways, and, therefore, pass this perfectly meritorious bill over his veto.

Let me give you as concisely as possible, five reasons for an "aye" vote:

First. National defense cannot be made adequate without adequate rail and water ways.

The United States is a land of vast distances. No one can predict where there may be need to concentrate men, munitions, and war matériel.

From time to time the place for such concentration may shift.

No matter how many tanks and guns, no matter how much ammunition we may manufacture, we must be prepared to haul them where we want them when we want them.

A railroad is no better than its bridges.

A waterway is no better than its clearances.

Second. Neither can peacetime transportation service be adequate without adequate rail and water ways.

Third. Railways are no longer able to build bridges to serve, not only their own needs, but also the expanding needs of their competing carriers, the waterways.

The situation of the railways presents a serious problem, as everybody familiar with the subject admits. Looking at the figures for the past 5 years, it appears that with the exception of the year 1935, the railroads have never earned as much as 2 percent upon their investment. In 1938, after payment of fixed charges, there was a deficit of $123,000,000, which may be compared with an income in 1930 of $524,000,000. It is true that conditions were somewhat improved in 1939, when there was a net income after fixed charges had been paid of $95,000,000.

On the whole, however, the situation of the railroads was well expressed by President Roosevelt in his Salt Lake City speech, made on September 17, 1932, when he said:

> Now, there is no reason to disguise the fact that the railways as a whole are in serious difficulty.

I may call attention also to the statement made by the President in that same speech, devoted as it was to the railroad question, where he said:

> The problem of the railroads is the problem of each and every one of us. No single economic activity enters into the life of every individual as much as do these great carriers.

The situation is further illustrated by the fact that at the present time 109 railroad companies of all classes are undergoing reorganization, either through the process of receivership or bankruptcy. These 109 companies operate 77,414 miles of railroad or 31 percent of the total railway mileage of the country.

The situation of the railroads, particularly with respect to impaired railroad credit, was such that the President of the United States, in the spring of 1938, appointed a special committee, composed of the Secretary of the Treasury, the Chairman of the Reconstruction Finance Corporation, the Chairman of the Securities and Exchange Commission, a representative of the Department of Commerce, the Administrator of the Farm Security organization, a representative of the Security Owners Association, a representative of railroad management, a representative of railroad labor, and three members of the Interstate Commerce Commission, to make a study of the transportation problem, particularly as it affected railroads.

In the message delivered to the Congress by the President, bearing date of April 11, 1938, in transmitting to Congress the recommendations of this committee, the President referred to the fact that the problem of railroad transportation had become increasingly difficult. In the report made to the President and by the President transmitted to Congress, the three members of the Interstate Commerce Commission, as shown by House Document No. 583, Seventy-fifth Congress, third session, fully recognized the serious situation of the railroads, saying, among other things:

> The continuing decline in the spread between revenues and expenses, along with the current loss of traffic, have, generally speaking, resulted in the destruction of railroad credit. Few railroads are in a position to borrow. With earnings so largely consumed in paying operating expenses, taxes, and other obligations, little is available for improving plant no matter how necessary such improvements may be. The railroad plant, especially its equipment, is constantly wearing out or becoming obsolete. Efficient operation requires constant renewal and replacement. To the extent such renewal and replacement are impeded, transportation efficiency is lessened and cost is increased.

In the fall of 1938, after the railroads had been defeated in their effort to secure a decrease in the wage rate, the President appointed a committee of six persons connected with the railroad industry, three of these being railroad presidents and three being railroad labor executives. In making this appointment, the President is quoted by the New York Herald Tribune as saying, at a press conference on Septeber 20, 1938, in substance that the question of wage reduction is subordinate for the time being to the broad question of railroad rehabilitation. He pointed out that he had made recommendations for railroad rehabilitation at the last session of Congress, but that Congress had adjourned without enacting any laws helpful to the railroads, one-third of which are already in bankruptcy. It is a well-known fact that the President requested this Committee of Six to bring forward recommendations which would represent a forward step in the matter of railroad rehabilitation.

The Committee of Six, after very careful consideration of all factors entering into the problem, made a series of concrete recommendations, one of which had to do with the reconstruction of bridges and other facilities. The language of the Committee in summarizing its recommendation was:

> Adoption of policy that whenever, in connection with the improvement of navigable waters * * * a railroad is required to alter or reconstruct bridges or other facilities, it be reimbursed by the Government for all costs in excess of any direct benefit accruing to it.

This recommendation went to the President under date of December 23, 1938.

In the hearings which were had on a bill which is substantially the same as H. R. 9381, held by a subcommittee of the Senate Committee on Commerce on May 17, 1939, a table was introduced showing that certain railroads shown in the table,

over a period of years, had expended $48,209,756 in rebuilding and relocating bridges at the command of the Federal Government. The table further showed that of this amount, $28,480,267 was expended for the improvement of navigation and $17,890,528 was expended for the improvement of railroad facilities. In other words, in the period of years covered by the table, the railroads have been called upon to pay practically $28,500,000 to improve water transportation, without any benefit whatever to the facilities of the railroads from the viewpoint of railroad transportation.

It is only necessary to call attention to the extended hearings held by the House Committee on Interstate and Foreign Commerce, extending from January 24, 1939, to March 30, 1939, to understand the serious situation of the railroads and the necessity for giving relief wherever that can be done without sacrifice of the public interest. Particular attention may be called to the testimony of Commissioner Splawn and to the tables which he there introduced, showing that for the first 11 months of 1938 the class I railroads of the country incurred a deficit of $145,277,364, and that among the deficit railroads in that period were such important lines as the Atlantic Coast Line; Baltimore & Ohio; Boston & Maine; Chicago & North Western; Chicago, Milwaukee, St. Paul & Pacific; Missouri Pacific; New York Central; New York, New Haven & Hartford; Northern Pacific; Pere Marquette; St. Louis-San Francisco; Seaboard Air Line; Southern Railway; Southern Pacific; and many others which could be mentioned. As stated previously, the 1939 showing is a little better, but the conditions which brought about the improvement were attributable to a stimulated and temporary improvement, due to war conditions abroad.

Fourth. H. R. 9381, the Truman-Hobbs bill, simply faces these facts and provides the only practical remedy.

There is no question but that the Army engineers have the power to order the repair, remodeling, improvement, relocation, or rebuilding of any railroad bridge across a navigable stream, if the needs of navigation so require.

This bill simply requires that in the exercise of this power, a hearing be given to interested parties and that the Army engineers shall ascertain the equities in the event they find it necessary to order the improvement of a railway bridge.

In such event the bill requires the Army engineers to charge the bridge owner with—

> Such part of the cost of the improvement as is attributable to the direct and special benefits which will accrue to the bridge owner as a result of the alteration, including the expectable savings in repair or maintenance costs. And that part of the cost attributable to the requirements of traffic by railroad or highway, or both, including any expenditure for increased carrying capacity of the bridge, and including such proportion of the actual capital cost of the old bridge or of such part of the old bridge as may be altered or changed or rebuilt, as the used service life of the whole or a part, as the case may be, bears to the total estimated service life of the whole or such part.

The United States is required to bear "the balance of the cost, including that part attributable to the necessities of navigation."

Of course, other contingencies are provided for. The benefits to any highways must be borne by the proprietor of the highway. Where a relocation or alteration is desirable from the standpoint of the owner of a park, for instance, the park owner is required to participate in defraying the expense.

Essentially, the bill is sound, fair, and altogether equitable. It charges every proper element of cost against the railways which should be borne by them. The Government is required to bear whatever the residue of cost may be after all the deductions have been made. Bear in mind, the basis of the order for the improvement is the needs of navigation. Therefore, since a perfectly good railroad bridge, adequately serving railway needs, is to be remodeled solely because of the needs of the competing carrier, it is manifest that navigation should be taxed with an equitable share of the cost.

Whatever this equitable share may be is left to determination of the Army engineers. This is fair. The Nation gets the benefit both for peacetime service and for national defense. The Nation should be willing to pay what its own Army engineers certify to be equitable.

Fifth. The bill is the product of 4 years' hard work.

The authors, the Interstate Commerce Committees of both House and Senate, and their experts, after full hearings upon every phase of the transportation problem, many consultations with competent advisers, have produced a bill which has no "bugs" in it.

A very similar bill was passed by both Houses of Congress last year, but was vetoed by the President after Congress adjourned.

This year the President suggested certain amendments. These have been included in the present bill, and are as follows:

> Page 2, lines 11 to 14: "The term 'bridge owner' shall also mean and include all joint owners, particularly States, counties, municipalities, or other participants in ownership of bridges for both railroad and highway traffic."
>
> Page 5, lines 21 and 22: "including the expectable savings in repair or maintenance costs;".
>
> Page 6, lines 5 to 17: "*Provided*, That the part of the cost of alteration of any bridge for both highway and railroad traffic, attributable to the requirements of traffic by highway, shall be borne by the proprietor of the highway: *Provided further*, That in the event the alteration or relocation of any bridge may be desirable for the reason that the bridge unreasonably obstructs navigation, but also for some other reason, the Secretary may require equitable contribution from any interested person, firm, association, corporation, municipality, county, or State desiring such alteration or relocation for such other reason, as a condition precedent to the making of an order for such alteration or relocation."

This bill, as its preceding version, follows the philosophy set forth by the Supreme Court of the United States in its decision in the case of *N. C. & St. L. Ry. Co.* v. *Walters* (294 U. S. 405), relating to the analogous problem arising there in the elimination of grade crossings. There is no distinction in principle between the equities arising from the elimination of a grade crossing where a highway intersects a railway, and the equities arising from the improvement of a railway bridge which crosses a navigable stream. Hence the application of the philosophy of the Walters case to the problem sought to be equitably solved by this bill.

The Walters case was one attacking a statute of a State—Tennessee—which imposed upon the railway company one-half of the cost of obviating a grade crossing. It was claimed, quite properly, that the elimination of grade crossings was a safety measure protecting both the travelers on the highway and also on the railway, hence was valid because of the unlimited police power of a sovereign State.

But the Supreme Court of the United States, speaking through Mr. Justice Brandeis, held:

> The police power is subject to the constitutional limitation that it may not be exerted arbitrarily or unreasonably.
>
> The power in a State to require a railroad company to bear expenses of separating the grades of the railway and a new highway at crossing is not absolute, but is subject to the due-process clause of the fourteenth amendment; and it does not exist in the particular case if, upon the facts of that case, the exaction would be unreasonable or arbitrary.
>
> Far from being a feeder of railway traffic, it—the underpass—would add to the motor competition from which the railway had already suffered severely; and that the tax burden upon the railway was already excessive, as compared with that upon the owners of motor vehicles who would use the highway as its competitors.

If, therefore, the Supreme Court of the United States held, as it did, that a Tennessee statute was void which imposed only one-half of the cost of an underpass, the construction of which was ordered by a sovereign State in the exercise of its police power, how much less of equity has the Federal Government?

There are at least 11 reasons why the State's case was stronger than the case of the Federal Government:

First. The Federal Government has no police powers, save one—to maintain itself. All the others were expressly reserved to the States.

Second. The imposition by the Federal Government is not, as was the States, for the benefit of the railroad company at all, but merely for the benefit of a competing carrier, the waterway.

Third. The power to regulate interstate commerce is the only basis upon which the right of the Federal Government

to order the alteration of a railway bridge can be predicated and only then because of the needs of navigation.

Fourth. Most of the railway bridges which would be affected by this act were erected under permit of the Federal Government—usually they were built in accordance with plans and specifications either prepared or approved by the Federal Government; whereas the State did nothing of the kind with respect to the railway the State ordered to pay one-half of the cost of an underpass.

Fifth. Every one of the bridges which would be affected by this act is perfectly serviceable and satisfactory for all railway purposes.

Railways are required by law, as well as for their own protection, to maintain their bridges in first-class condition.

Sixth. This taking of private property—money—from the railways, without just compensation (in fact, without any compensation), is only permitted on the tenuous theory of regulating water-borne commerce.

Seventh. But, taken in conjunction with the burdens of taxation—on the railways heavy, on the waterways none—and the systems of regulation to which the railways and their competitors are subject, such an exaction amounts to a denial of equal protection of the laws and discriminates against and burdens interstate commerce.

Eighth. The power to regulate is not the power to kill.

Regulation presupposes the continuity of the traffic regulated—not its destruction.

Ninth. Assessments for public improvements are ordinarily constitutional only if based on benefits to the property assessed.

Tenth. The State only sought to impose on the railway company one-half of the cost of the alteration; the Federal Government has been imposing all of the cost.

Eleventh. So far as I have been able to ascertain—and I have made diligent research—most, if not all, of the bridges which would be affected by this act were built long before the act of March 23, 1906; yet the President, in his message of June 10, 1940, returning the bill H. R. 9381 without his approval, makes this statement as the basis of his veto:

> As was stated in my memorandum of disapproval of S. 1989, the General Bridge Act of March 23, 1906, authorizes the Secretary of War to require the alteration of any bridge which, in his opinion, may at any time unreasonably obstruct navigation, the cost of such alteration to be borne entirely by the owner. This has been a condition precedent to the construction of bridges over the navigable waters of the United States and the owners are fully apprised of the condition before the construction work is undertaken.

The proponents of the bill are clearly convinced that there will not be any great cost entailed upon the Government by making this bill law. The railroads have already, under the orders of the Army engineers, rebuilt or altered a considerable number of the bridges which might otherwise come within its purview. The railroads have already thus expended over $28,000,000 for the improvement of navigation out of a total of $48,000,000 they were compelled thus to expend. There should not be a great many more of similar expenditures to be required. But whether much or little, the Government cannot be required under this bill to pay 1 cent until it has been certified, after full hearing, by its own Army engineers, that the Government's contribution is necessary for the improvement of navigation.

This bill will not cost the Government a cent unless the Government's expenditure is both necessary and right. If any expenditure meets this criterion it should be made.

We know how exceedingly engrossed in foreign affairs the President is. We have no criticism of his vetoes of this bill. We know that other things are uppermost in his mind. But we sincerely believe that this bill will militate to the distinct advantage of the national defense which is at this time the preeminent consideration of every American. [Applause.]

Mr. LEA. Mr. Speaker, I move the previous question.

The previous question was ordered.

The SPEAKER. The question is, Will the House, on reconsideration, agree to pass the bill, the objections of the President to the contrary notwithstanding?

The Clerk will call the roll.

The question was taken; and there were—yeas 324, nays 68, not voting 39, as follows:

[Roll No. 156]

YEAS—324

Alexander	Dies	Johnson, Ind.	Ramspeck
Allen, Ill.	Dirksen	Johnson, Okla.	Randolph
Allen, La.	Ditter	Johnson, W. Va.	Reed, Ill.
Allen, Pa.	Dondero	Jones, Ohio	Reed, N. Y.
Andersen, H. Carl	Douglas	Jonkman	Rees, Kans.
Anderson, Calif.	Doxey	Keefe	Rich
Anderson, Mo.	Duncan	Kefauver	Richards
Andresen, A. H.	Durham	Kelly	Robertson
Andrews	Dworshak	Kennedy, Martin	Robinson, Utah
Angell	Eaton	Keogh	Robsion, Ky.
Arends	Edmiston	Kerr	Rockefeller
Austin	Elliott	Kilburn	Rodgers, Pa.
Ball	Ellis	Kilday	Rogers, Mass.
Barden, N. C.	Elston	Kinzer	Rogers, Okla.
Barnes	Engel	Kirwan	Routzohn
Barry	Englebright	Kitchens	Rutherford
Barton, N. Y.	Evans	Kleberg	Ryan
Bates, Ky.	Faddis	Knutson	Sandager
Bates, Mass.	Fenton	Kocialkowski	Sasscer
Bell	Fernandez	Kunkel	Satterfield
Bender	Fitzpatrick	Lambertson	Schaefer, Ill.
Blackney	Flannagan	Landis	Schafer, Wis.
Bland	Flannery	Lanham	Schiffler
Bolles	Ford, Leland M.	Larrabee	Schuetz
Bolton	Ford, Miss.	Lea	Scrugham
Boren	Fries	Leavy	Secrest
Boykin	Gamble	LeCompte	Seger
Bradley, Mich.	Garrett	Lesinski	Shafer, Mich.
Brewster	Gartner	Lewis, Colo.	Shanley
Brooks	Gathings	Lewis, Ohio	Shannon
Brown, Ga.	Gearhart	Luce	Sheppard
Brown, Ohio	Gehrmann	Ludlow	Short
Bryson	Gerlach	Lynch	Simpson
Buck	Geyer, Calif.	McDowell	Smith, Maine
Buckler, Minn.	Gibbs	McGehee	Smith, Ohio
Buckley, N. Y.	Gifford	McGregor	Smith, Va.
Bulwinkle	Gilchrist	McLaughlin	Smith, Wash.
Burch	Gillie	McLean	Smith, W. Va.
Burdick	Goodwin	McLeod	Snyder
Byrns, Tenn.	Gore	McMillan, Clara	South
Caldwell	Gossett	McMillan, John L.	Sparkman
Camp	Graham	Maas	Spence
Cannon, Fla.	Grant, Ala.	Maloney	Springer
Carlson	Grant, Ind.	Mansfield	Stearns, N. H.
Carter	Gregory	Marshall	Stefan
Cartwright	Griffith	Martin, Iowa	Sumner, Ill.
Case, S. Dak.	Gross	Martin, Mass.	Sumners, Tex.
Casey, Mass.	Guyer, Kans.	Mason	Sutphin
Celler	Gwynne	Massingale	Sweeney
Chapman	Hall, Edwin A.	May	Sweet
Chiperfield	Hall, Leonard W.	Michener	Taber
Church	Hancock	Miller	Talle
Clark	Hare	Mills, Ark.	Tarver
Clason	Harness	Mills, La.	Tenerowicz
Claypool	Harter, N. Y.	Monkiewicz	Terry
Clevenger	Hartley	Monroney	Thill
Cluett	Havenner	Moser	Thomas, Tex.
Coffee, Nebr.	Hawks	Mott	Thorkelson
Coffee, Wash.	Healey	Mouton	Tibbott
Cole, Md.	Hendricks	Mundt	Tinkham
Cole, N. Y.	Hennings	Murdock, Ariz.	Tolan
Collins	Hess	Murdock, Utah	Treadway
Colmer	Hill	Murray	Van Zandt
Cooley	Hinshaw	Norrell	Vinson, Ga.
Cooper	Hobbs	O'Brien	Vorys, Ohio
Corbett	Hoffman	O'Connor	Vreeland
Costello	Holmes	Oliver	Wadsworth
Courtney	Hook	O'Neal	Wallgren
Cox	Hope	Osmers	Walter
Cravens	Houston	O'Toole	Weaver
Creal	Hull	Parsons	Wheat
Crosser	Hunter	Patrick	Whelchel
Crowe	Izac	Patton	White, Idaho
Crowther	Jarman	Pearson	Wigglesworth
Culkin	Jarrett	Peterson, Fla.	Williams, Del.
Cummings	Jeffries	Peterson, Ga.	Winter
Curtis	Jenks, N. H.	Pittenger	Wolcott
D'Alesandro	Jennings	Plumley	Wolfenden, Pa.
Darden, Va.	Jensen	Polk	Wood
Davis	Johns	Powers	Woodruff, Mich.
Dempsey	Johnson, Ill.	Rabaut	Youngdahl

NAYS—68

Arnold	Dunn	Kee	Norton
Beam	Eberharter	Keller	O'Day
Beckworth	Edelstein	Kennedy, Michael	O'Leary
Bloom	Fay	Kramer	Patman
Boehne	Ferguson	McAndrews	Pfeifer
Bradley, Pa.	Flaherty	McCormack	Pierce
Burgin	Folger	McKeough	Poage
Cannon, Mo.	Ford, Thomas F.	Maciejewski	Rankin
Cochran	Fulmer	Magnuson	Rayburn
Connery	Gavagan	Mahon	Sacks
Cullen	Hart	Marcantonio	Schulte
Delaney	Jacobsen	Martin, Ill.	Schwert
Dickstein	Johnson, Luther A.	Myers	Smith, Conn.
Dingell	Johnson, Lyndon	Nelson	Somers, N. Y.
Doughton	Jones, Tex.	Nichols	Thomason

Vincent, Ky.	Warren	Whittington	Woodrum, Va.
Ward	West	Williams, Mo.	Zimmerman

NOT VOTING—39

Boland	Halleck	Merritt	Starnes, Ala.
Byrne, N. Y.	Harrington	Mitchell	Steagall
Byron	Harter, Ohio	Pace	Sullivan
Crawford	Horton	Reece, Tenn.	Taylor
Darrow	Jenkins, Ohio	Risk	Thomas, N. J.
DeRouen	Kean	Romjue	Voorhis, Calif.
Disney	Kennedy, Md.	Sabath	Welch
Drewry	Lemke	Seccombe	White, Ohio
Fish	McArdle	Sheridan	Wolverton, N. J.
Green	McGranery	Smith, Ill.	

So, two-thirds having voted in the affirmative, the bill was passed, the objections of the President to the contrary notwithstanding.

The Clerk announced the following pairs:

On the vote:

Mr. Jenkins of Ohio and Mr. Halleck (for) with Mr. Byrne of New York (against).

Mr. Wolverton of New Jersey and Mr. Seccombe (for) with Mr. Sullivan (against).

Mr. Crawford and Mr. Kean (for) with Mr. Merritt (against).

General pairs:

Mr. Drewry with Mr. Thomas of New Jersey.
Mr. Harter of Ohio with Mr. Welch.
Mr. McGranery with Mr. Horton.
Mr. Pace with Mr. Fish.
Mr. Sabath with Mr. Risk.
Mr. Starnes of Alabama with Mr. Darrow.
Mr. Boland with Mr. Lemke.
Mr. Steagall with Mr. White of Ohio.
Mr. Byron with Mr. DeRouen.
Mr. McArdle with Mr. Mitchell.
Mr. Green with Mr. Harrington.
Mr. Romjue with Mr. Sheridan.
Mr. Taylor with Mr. Smith of Illinois.
Mr. Voorhis of California with Mr. Disney.

The vote was announced as above recorded.

DEPARTMENT OF AGRICULTURE APPROPRIATION BILL, 1941—CONFERENCE REPORT

Mr. CANNON of Missouri. Mr. Speaker, I call up the conference report on the bill (H. R. 8202) making appropriations for the Department of Agriculture for the fiscal year ending June 30, 1941, and for other purposes, and I ask unanimous consent that the statement may be read in lieu of the report.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Missouri [Mr. CANNON]?

There was no objection.

The Clerk read the statement.

The conference report and statement are as follows:

CONFERENCE REPORT

The committee of conference on the disagreeing votes of the two Houses on certain amendments of the Senate and amendments of the House to certain amendments of the Senate to the bill (H. R. 8202) making appropriations for the Department of Agriculture for the fiscal year ending June 30, 1941, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendments numbered 41, 42, and 60.

Amendment numbered 44: That the Senate recede from its disagreement to the amendment of the House to the amendment of the Senate numbered 44, and agree to the same.

Amendment numbered 45: That the Senate recede from its disagreement to the amendment of the House to the amendment of the Senate numbered 45, and agree to the same.

Amendment numbered 95: That the Senate recede from its disagreement to the amendment of the House to the amendment of the Senate numbered 95, and agree to the same.

Amendment numbered 99: That the Senate recede from its disagreement to the amendment of the House to the amendment of the Senate numbered 99, and agree to the same.

Amendment numbered 103: That the Senate recede from its disagreement to the amendment of the House to the amendment of the Senate numbered 103, and agree to the same with an amendment as follows: In lieu of the matter inserted by the Senate amendment as amended by the House insert the following:

"Loans: For loans in accordance with title I of the Bankhead-Jones Farm Tenant Act, approved July 22, 1937 (7 U. S. C. 1000–1006), $50,000,000, which sum shall be borrowed from the Reconstruction Finance Corporation at an interest rate of 3 per centum per annum and which sum shall not be used for making loans under the terms of said Act for the purchase of farms of greater value than the average farm unit of thirty acres and more in the county, parish, or locality in which such purchase may be made, which value shall be determined solely according to statistics of the farm census of 1940 after such statistics become available, but prior to that time may be determined in accordance with such regulations as may be promulgated by the Secretary of Agriculture; and the Reconstruction Finance Corporation is hereby authorized and directed to lend such sum to the Secretary of Agriculture upon the security of any obligations of borrowers from the Secretary under the provisions of title I of the Bankhead-Jones Farm Tenant Act approved July 22, 1937 (7 U. S. C. 1000–1006): *Provided*, That the amount loaned by the Reconstruction Finance Corporation shall not exceed 85 per centum of the principal amount outstanding of the obligations constituting the security therefor: *Provided further*, That the Secretary may utilize proceeds from payments of principal and interest on any loans made under such title I to repay the Reconstruction Finance Corporation the amount borrowed therefrom under the authority of this paragraph: *Provided further*, That the amount of notes, bonds, debentures, and other such obligations which the Reconstruction Finance Corporation is authorized and empowered to issue and to have outstanding at any one time under existing law is hereby increased by an amount sufficient to carry out the provisions hereof."

The committee of conference report in disagreement amendments numbered 17, 20, 21, 37, 39, 43, 61, 65, 66, and 105.

CLARENCE CANNON,
M. C. TARVER,
W. P. LAMBERTSON,
Managers on the part of the House.

RICHARD B. RUSSELL,
CARL HAYDEN,
M. E. TYDINGS,
J. H. BANKHEAD,
E. D. SMITH,
GERALD P. NYE,
CHAS. L. MCNARY,
Managers on the part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on certain amendments of the Senate and amendments of the House to certain amendments of the Senate to the bill (H. R. 8202) making appropriations for the Department of Agriculture for the fiscal year ending June 30, 1941, and for other purposes, submit the following statement in explanation of the effect of the action recommended and agreed upon as to such amendments in the accompanying conference report, namely:

On amendment Nos. 41 and 42, acquisition of national-forest lands: Appropriates $1,000,000, as proposed by the House, instead of $2,000,000, as proposed by the Senate.

On amendment Nos. 44 and 45, forest roads and trails: Appropriates $9,000,000, as proposed in the House amendment to the amendment of the Senate, instead of $7,500,000, as originally proposed by the House, and $10,000,000, as proposed by the Senate.

On amendment No. 60, pink-bollworm and Thurberia-weevil control: Appropriates $526,800, as proposed by the House, instead of $909,608, as proposed by the Senate.

On amendment No. 95 (relating to administrative expenses in Washington and in the field under the appropriation for domestic-allotment payments): Limits to the Marketing and Marketing Agreements Division of the Agricultural Adjustment Administration and the Federal Surplus Commodities Corporation the interchangability between the District of Columbia, regional offices, and the several States, of the limitations upon administrative expenses for such offices prescribed by section 392 (b) of the Agricultural Adjustment Act of 1938, instead of providing for such interchangeability for all the activities provided for under such appropriation, as proposed by the Senate.

On amendment No. 99, parity payments: Authorizes parity payments up to 100 percent of parity price, as provided by the amendment of the House to the amendment of the Senate.

On amendment No. 103, farm-tenant loans: The recommendation of the conferees diqers from the original Senate amendment and from the House amendment to the Senate amendment in the following respects:

1. It is recommended that the $50,000,000 for farm-tenant loans which is to be borrowed from the Reconstruction Finance Corporation shall be loaned to the Secretary of Agriculture upon the security of outstanding obligations of borrowers under the provisions of title I of the Bankhead-Jones Farm Tenant Act, but not in excess of 85 percent of such obligations, instead of the requirement proposed by the Senate that the Secretary of the Treasury shall reimburse the Reconstruction Finance Corporation from the general fund in the Treasury for obligations in default.

2. The recommendation of the conferees includes the so-called Tarver amendment, prohibiting the purchase of any farm of greater value than the average farm unit in the county, parish, or locality where the purchase is made, so amended as to require the average to be computed on the basis of farms of not less than 30 acres as determined by the farm census of 1940 when that census is available and prior to that time, as determined in accordance with regulations promulgated by the Secretary of Agriculture.

In disagreement

The committee of conference have not agreed respecting the following amendments:

Amendments Nos. 20, 21, 39, 43, 65, and 66 relate to totals involved in connection with the other amendments in disagreement.

On amendments Nos. 17 and 37, relating to beef-cattle investigations in the Southeast and to range investigations in the West: Amendment No. 17 provides an increase of $10,000 under animal husbandry investigations for cooperative studies of beef-cattle production in the Southeastern States; and amendment No. 37 provides an increase of $10,000 for range investigations in the Southeastern States in connection with the beef-cattle studies set up under amendment No. 17, and provides an additional increase of $15,935 for the restoration of the Budget cut in the range investigations under the several forest research stations in the West.

On amendment No. 61, white-fringed beetle control: Appropriates $600,000.

On amendment No. 105, water facilities, arid and semiarid lands: Appropriates $500,000.

CLARENCE CANNON,
M. C. TARVER,
W. P. LAMBERTSON,
Managers on the part of the House.

Mr. CANNON of Missouri. Mr. Speaker, I yield 5 minutes to the gentleman from Georgia [Mr. TARVER].

Mr. TARVER. Mr. Speaker, when the first conference report on the Department of Agriculture appropriation bill came before the House approximately a month ago, a great deal of difference of opinion arose with reference to the so-called 75-percent limitation in connection with parity payments—that is, the proviso limiting parity payments to not more than the amounts necessary to bring prices of the five crops involved to 75 percent of parity and proportioning the funds appropriated accordingly. Gentlemen in the House, particularly those representing areas of the country interested in the production of wheat, felt it would be to the interest of their localities that this provision be eliminated and after discussion that was done by a vote of the House, and the Senate with regard to that particular amendment has receded. I am not going to undertake to raise any question with regard to the propriety of the action which has been taken by the House.

I felt upon consideration of the matter in connection with the former conference report, and I feel now, that we should first have endeavored to bring the producers of these five major crops up to 75 percent of parity before undertaking to bring them up to 100 percent of parity for which the bill does not provide sufficient funds; but I take the floor at this time for the purpose of pointing out to the gentlemen who represent wheat-producing areas in this country that the effect of the elimination of this 75-percent provision may very well not be what they anticipated it would be.

I pointed out in connection with consideration of that question when the matter was first before the House that conditions on account of occurrences across the water might substantially change and that wheat, instead of being one of the most favored as to market price of these five major crops, might conceivably be in a worse position than cotton or some other of the five major crops when the time arrives for the determination of the question as to what amount of parity payments each of the crops should have.

I want to call your attention to the fact that on May 18—and I am quoting from figures furnished by the Department of Agriculture—on May 18, which was just a few days after the time we had this question up before, wheat with the 75-percent limitation left in the bill would have received on the basis of prices obtaining on that date $69,000,000 of the $212,000,000 in this bill, whereas with the elimination of the 75-percent limitation it would have received $62,095,000. This state of facts was brought about by the decline in the price of wheat following events abroad.

On the basis of prices on May 27, 9 days later, wheat with the 75-percent limitation left in the law would have received $79,500,000, and with the 75-percent limitation eliminated would have received $63,040,000, more than $16,000,000 less with the 75-percent limitation eliminated than with the 75-percent limitation contained in the law.

I realize that this does not present the picture of what may be the condition at the time when prices have to be determined for the purpose of fixing the amounts of parity payments. The conditions then, with reference to wheat, may be better or worse than this but, according to those who are in a better position to express an opinion than I am, the experts of the Department of Agriculture, the most probable thing is that the condition of wheat will not rapidly improve. So I feel that the attention of these gentlemen who were so anxious because wheat was above 75 percent of parity at the time that the 75-percent limitation should be removed, a little more than a month ago, should be, in all fairness, called to the fact that on the basis of prices obtaining only a few days ago, and substantially obtaining at the present time, the wheat producers would lose over $16,000,000 because of their insistence on the removal of the 75-percent limitation.

Mr. WHITTINGTON. Mr. Speaker, will the gentleman yield?

Mr. TARVER. I yield to the gentleman from Mississippi.

Mr. WHITTINGTON. Is it not true that the argument made for parity at the time this provision was adopted by the House was really a delusion, because there is no such thing now and there was no such thing then as a real parity price for cotton or wheat?

Mr. TARVER. I would prefer not to take the 5 minutes allotted to me to discuss that question. I think we ought not to legislate on the basis of a temporary condition which may change at any time. I suggest that the gentlemen who were so insistent upon securing this striking out of the 75-percent limitation have perhaps been hoisted by their own petard and their constituents prevented from receiving benefits in the amount of over $16,000,000 which they would otherwise have had. [Applause.]

[Here the gavel fell.]

Mr. CANNON of Missouri. Mr. Speaker, I yield 5 minutes to the gentleman from Illinois [Mr. DIRKSEN].

Mr. DIRKSEN. Mr. Speaker, I shall take only a minute or two to answer and make an observation upon the statement made by the gentleman from Georgia. It may be quite true, on the basis of May 18 figures or May 29 figures, that wheat will receive $16,000,000 less than it would if the 75-percent limitation had remained in the bill. As a matter of fact, I do not believe that is the concern or the consideration of the wheat farmer or the corn farmer or any other farmer in that great midwestern area where we produce cereal grain. We believe, in the first place, that the basic consideration set forth in the Agricultural Adjustment Act of 1938 should have been carried out, and that the only logical formula by which to do that is a 100-percent parity formula, irrespective of whether it penalizes corn, cotton, wheat, tobacco, rice, or any other commodity, on the basis of a price that is given as of a certain date.

But there is much conjecture in what the gentleman from Georgia says, because this money is not available for payment until the next crop year. The situation may be entirely different. Wheat may be up very substantially at that time, or corn may be up substantially at that time. They may get more or they may get less than the money that is made available in this bill. But the thing I seek to emphasize is that we who contended for the 100-percent rather than the 75-percent formula were not interested so much in the dollars-and-cents aspect of it as we were in the development and in the adoption of a formula that is founded in logic, in reason, in justice, and in equity, and that carries out pretty well the philosophy that was enunciated in the Agricultural Adjustment Act of 1938.

Many things can happen overnight; in fact, wheat can go up very substantially, and corn can do likewise. We do not know what the impact of war will be upon the agricultural economy of the country, but we do know that when this passes it will have anchored parity upon a rather sound and logical basis, and that is the primary consideration. [Applause.]

Farmers seek a parity price for their products. If only a moderate sum is required to bring wheat or corn to parity, and a larger amount for some other commodity, there will be no dissatisfaction between the farmers of one section as against the farmers of another section, because parity is the ultimate objective.

Mr. CANNON of Missouri. Mr. Speaker, I ask for a vote on the conference report.

The conference report was agreed to.

The SPEAKER. The Clerk will report the first amendment in disagreement.

The Clerk read as follows:

Amendment No. 17: On page 22, in line 17, strike out "$814,380" and insert "$824,380."

Mr. CANNON of Missouri. Mr. Speaker, I ask unanimous consent that amendment No. 17 and amendment No. 37 be considered together, as they both relate to the beef-cattle investigations.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

The Clerk read as follows:

Amendment No. 37: On page 43, in line 6, strike out "$245,000" and insert "$270,935."

Mr. CANNON of Missouri. Mr. Speaker, I move that the House further insist on its disagreement to the Senate amendments.

Mr. COX. Mr Speaker, I offer a preferential motion.

The Clerk read as follows:

Mr. Cox moves that the House recede and concur in the Senate amendments numbered 17 and 37.

Mr. CANNON of Missouri. Mr. Speaker, I yield 5 minutes to the gentleman from Georgia [Mr. TARVER].

Mr. TARVER. Mr. Speaker, this is a small item. The House placed in the bill $15,000 for the Bureau of Animal Industry and $15,000 for the Forest Service in the matter of range investigations for the purpose of making investigations to determine how a beef-cattle industry could best be built up for the benefit of those living on the cut-over forest lands of the Southeast.

This is not a matter of establishing a new industry. There are already several million cattle in this area. It is a question of carrying on some developments similar to those that have been carried on in the West, in order to develop best types of grasses, and the best types of cattle so as to improve the production of beef cattle for the use of the people of that area. It does not have anything to do with competition with the commercial beef-growing sections of the country. The people on much of the land of that section, if they are not helped to produce their own beef, will not be able to buy beef. It is a matter of enabling them to raise enough cattle to take care of their own needs.

The Department strongly recommended the appropriations but it asked for $25,000 in each case instead of $15,000, and when the bill went to the Senate with the two $15,000 items provided in the House, the Senate committee, after hearing the evidence, decided that $15,000 in each case would, perhaps, be thrown away since it would require $25,000 to make the necessary investigations, and they therefore added $10,000 for each bureau concerned, and that is the amount which is involved here. If these investigations are to be made at all, they should be adequately financed. One-half of the money is to be spent at the station at Tifton, Ga., and one-half in North Carolina.

This is an appropriation which was sponsored before our subcommittee by the gentleman from North Carolina [Mr. WARREN], and in which several Representatives from Southeastern States are interested. I do not recall having heard in our subcommittee any objection, with the possible exception of one member who, I think, was laboring under a misapprehension.

The matter came up in the House upon the consideration of the last conference report, and the House voted 182 to 179, a majority of 3 votes, against these small increases in appropriations. The Senate has insisted upon the appropriations contained in these 2 items and, of course, we are not in position to say that the viewpoint of the House, expressed by only a mere 3 majority, should be absolutely controlling when the Senate conferees are unanimous in their insistence that the appropriations ought to be allowed, and in the interest of an early conclusion of this bill, I sincerely hope that these items, which in my judgment are amply justified by the record and which are very much desired by the Senate conferees, may be approved by the House, and I hope that the motion of the gentleman from Georgia [Mr. COX] may receive the approval of this body. [Applause.]

COMMODITY CREDIT CORPORATION

Mr. NELSON, from the Committee on Rules, submitted the following privileged report (Rept. No. 2648), which was referred to the House Calendar and ordered to be printed:

House Resolution 535

Resolved, That immediately upon adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the state of the Union for consideration of H. R. 9931, a bill to increase the credit resources of the Commodity Credit Corporation. That after general debate, which shall be confined to the bill and shall continue not to exceed 2 hours to be equally divided and controlled by the chairman and ranking minority member of the Committee on Banking and Currency, the bill shall be read for amendment under the 5-minute rule. At the conclusion of the reading of the bill for amendment, the Committee shall rise and report the same to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

EXTENSION OF REMARKS

Mr. FITZPATRICK. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD by including therein a copy of an address delivered by myself to the 1940 graduating class of Gonzaga High School on Monday evening, June 17.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. MAGNUSON asked and was given permission to revise and extend his own remarks in the RECORD.

DEPARTMENT OF AGRICULTURE APPROPRIATION BILL, 1941—CONFERENCE REPORT

Mr. CANNON of Missouri. Mr. Speaker, with the passage of the conference report that has just been agreed to, we complete appropriations for agriculture unprecedented in the history of the American Congress. We have provided at this session of Congress the greatest amount for agriculture ever provided in the history of this Congress or of any other parliamentary body in the history of the world.

With the adoption of this conference report, Mr. Speaker, we have provided for agriculture at this session of Congress, $1,534,000,000, such a sum as was never before provided for a similar purpose.

Here are the tentative figures as tabulated by the clerk of the committee:

Direct appropriations		$917,992,483
Transferred to deficiency bill		60,000,000
Total direct appropriations		977,992,483
R. F. C. funds:		
R. E. A. loans	$100,000,000	
Farm-tenant loans	50,000,000	
		150,000,000
Grand total in regular bill		1,127,992,483
Permanent appropriations (including 30-percent fund for surplus disposal)		106,554,085
Grand total, annual and permanents		1,234,546,568
In work-relief bill:		
Rural rehabilitation loans (House figure, $115,000,000; Senate, $75,000,000)		75,000,000
Grand total, without any speculative items		1,309,546,568
Other Senate amendments:		
Additional rehabilitation loans (R. F. C. funds)		125,000,000
Additional surplus-crop disposal		100,000,000
Extending the foregoing items		225,000,000
Grand total		1,534,546,568
Comparable totals, previous years:		
1939		1,285,639,000
1940		1,441,912,000

Just to show the increase in the appropriations for agriculture, we appropriated for all purposes covered by this bill

in 1920, $33,900,211, and with the passage of this bill, 20 years later, we appropriate $1,534,546,568 for the same purpose.

In 20 years we have come from a bill for $33,000,000 up to a bill for fifteen hundred and thirty-four million, an astounding increase in Federal appropriations. But, Mr. Speaker, there are still some not satisfied, some who say we have not yet appropriated enough, some who say that we ought to go further and appropriate money, not only for legitimate purposes, but for purposes for which there is no Budget estimate, or for which there is no request from the Department of Agriculture—and that is the item we have before us in this amendment. It is an item for beef-cattle investigation, but the work they do is a duplication of work done in other parts of the United States, and there is no Budget estimate for it and no request for it from the Department of Agriculture.

Mr. DWORSHAK. Mr. Speaker, will the gentleman yield?

Mr. CANNON of Missouri. Yes.

Mr. DWORSHAK. Mr. Speaker, will the gentleman kindly tell us if there is any significance in his statement that in the eighth year of the New Deal we are required to appropriate this vast sum of money to cure the farm difficulty?

Mr. CANNON of Missouri. This is purely an economic question, but if the gentleman seeks to inject politics I will say that when his party was in power the price of agricultural products sank to the lowest point in the history of American agriculture. Under the last Republican President wheat sold for less than at any time since the reign of Queen Elizabeth.

Mr. O'CONNOR. Mr. Speaker, will the gentleman yield?

Mr. CANNON of Missouri. Yes.

Mr. O'CONNOR. When we speak about appropriating $212,000,000 for parity prices for the farmer, do we not realize that it does not mean parity prices at all, but it depresses the farmer? In other words, he is given a 75-cent dollar as compared with all other dollars in industry. In other words, he is 25 percent below parity.

Mr. CANNON of Missouri. That is true, but this is $212,000,000 nearer to parity.

Mr. SCHAFER of Wisconsin. Mr. Speaker, will the gentleman yield?

Mr. CANNON of Missouri. I regret that I cannot yield at this time.

Mr. Speaker, I read from an editorial in yesterday's Washington Star. In discussing the collapse of the French and British armies it asks:

> How does this catastrophe come about?

I am certain there is not a man here who has not asked himself that question. How has this catastrophe befallen the Allies? Then the editorial goes on:

> There is but one answer—France and Britain were not ready to defend their liberty, and the aggressor gave them no time to prepare after the first blow was struck.

The Star, one of the conservative papers of the Nation, then makes the application to the United States:

> As a nation, we have not yet grasped the full significance of this harsh truth, and for that reason we, too, are in deadly peril.

Why did the Allies collapse? Why did they suffer such an astounding defeat at Flanders? The French army was universally conceded to be the finest army in Europe, and Britain's navy was without a peer. It was not that the Allies lacked either army or navy. The trouble was back home in the British Parliament and in the French Chamber of Deputies.

We cannot afford, at times like these, to fritter away money upon inconsequential and trivial matters like this, that cannot even get the endorsement of the Budget estimate, or the approval of the Department of Agriculture. We have serious business ahead. Every resource at our command should be husbanded and should be spent judiciously and economically.

Do you know how much money we have appropriated during this session of Congress? We have already appropriated over $15,000,000,000. How much revenue has the United States Government to balance that $15,000,000,000?

Mr. RICH. Will the gentleman yield?

Mr. CANNON of Missouri. I yield to the gentleman from Pennsylvania.

Mr. RICH. You said we spent $15,000,000,000 at this session of Congress and then you looked over to the Republican side. Why did you not look over to your side of the House? This side of the House did not spend that $15,000,000,000.

Mr. CANNON of Missouri. I was speaking to the gentlemen on both sides of the House. When a question came up yesterday as to the expenditure of an item which the gentleman from Kansas [Mr. LAMBERTSON] showed to be unjustified he could get only a dozen votes over there in support of his fight to protect the Treasury. That is what is the matter with the gentleman's side of the House. [Laughter.]

Now, my friends, we have appropriated at this session of Congress $15,000,000,000, and the estimated amount of revenue of the United States Government for the year 1941 is $5,650,000,000. By the time we get through—we are not through yet—we will have spent three times what we took in. After appropriating three times the amount of our income, this amendment proposes to add to the deficit an item for which there is no Budget or department approval.

Mr. RICH. Will the gentleman yield?

Mr. CANNON of Missouri. I regret that I do not have the time.

Now, the President of the United States asks us to be economical. He even asks us to cut down 10 percent on the money already appropriated. He is the Commander in Chief of the Army and Navy. He knows what the military needs of the Nation are, and with that in view he is urging economy in all nonessential expenditures. If there is the slightest doubt as to the need of an appropriation, that need should be resolved in the negative. But on this amendment there cannot be the slightest doubt. It has no approval from any source.

Mr. COX. Will the gentleman yield?

Mr. CANNON of Missouri. I yield to the gentleman from Georgia.

Mr. COX. The gentleman makes the point that the item here involved had no Budget estimate. Can the gentleman tell me if there was a Budget estimate with reference to the parity item in the bill?

Mr. CANNON of Missouri. The gentleman from Georgia is one who seeks to justify himself by another's sin. The thing before us is an item which is not justified and which the Budget refused to approve. The Budget says it ought not be spent.

Mr. COX. Did the Budget approve the parity item which the gentleman voted for?

Mr. CANNON of Missouri. The gentleman says, "There is a fellow sitting over on the other side of the aisle who is guiltier than I am. I am guilty, but there is a fellow over there who is more reprehensible than I am." When a man is called in court for misdeeds, the law will not excuse him because somebody else committed the same crime.

The item in this amendment is unjustified. There is no Budget estimate for it; the Department has not asked for it; and at a time like this, when we are spending three times the amount of our income, when it is necessary to build clouds of airplanes and fleets of ships and arm 10,000,000 men, attempt to divert money for an unwarranted purpose of this kind cannot be looked upon as cooperation with the defense program. They are asking $5,000,000,000 for the Navy, 84 more battleships; and that is just the beginning. They say that they must have $10,000,000,000 to start the program, and we are told authoritatively that really means $20,000,000,000.

Three times this House has rejected this item. It rejected it when we passed the bill and sent it to the Senate. It rejected it when we sent the amendment to conference. We voted on it the third time with the conference report. Now, they are back for the fourth time.

Mr. Speaker, the issue is clearly drawn. We have already passed the largest agricultural appropriation bill in history. This session has spent three times the amount of the national

income. This appropriation is unjustified. If agreed to every dollar of it will have to be borrowed. The proposition before the House is not to appropriate the money but to borrow the money—and for a purpose uncountenanced by any agency of the Government.

Mr. Speaker, I move the previous question on this amendment.

Mr. COX. Mr. Speaker, will the gentleman withhold his motion?

Mr. CANNON of Missouri. I offered to yield to the gentleman.

Mr. COX. I ask the gentleman for just 1 minute.

Mr. CANNON of Missouri. Mr. Speaker, I move the previous question.

Mr. COX. I hope the Members will support the amendment.

Mr. CANNON of Missouri. Mr. Speaker, I offered the gentleman time. He would not take it. I now yield him 1 minute.

The SPEAKER pro tempore (Mr. WARREN). The gentleman from Georgia is recognized for 1 minute.

Mr. SCHAFER of Wisconsin. Mr. Speaker, a parliamentary inquiry.

The SPEAKER pro tempore. The gentleman will state it.

Mr. SCHAFER of Wisconsin. The gentleman from Missouri moved the previous question.

The SPEAKER pro tempore. Does the gentleman from Georgia yield for a parliamentary inquiry?

Mr. SCHAFER of Wisconsin. Mr. Speaker, a point of order. Mr. Speaker, I make the point of order that under the rules the gentleman does not have the right to the floor, the gentleman from Missouri [Mr. CANNON] having moved the previous question.

The SPEAKER pro tempore. The Chair is ready to rule. The very fact that the gentleman from Missouri yielded a minute to the gentleman from Georgia signified that for the time being he had withdrawn his motion for the previous question.

Mr. SCHAFER of Wisconsin. Mr. Speaker, I make the further point of order that under the rules the gentleman from Missouri could not withdraw a pending motion except by unanimous consent, which was not granted.

The SPEAKER pro tempore. The Chair has already ruled.

The gentleman from Georgia is recognized for 1 minute.

Mr. COX. Mr. Speaker, this amendment failed of adoption by three votes when the bill was before the House some weeks ago for consideration. The Senate has insisted upon the amendment, and the conferees have brought it back here for another vote. The amount involved is only $10,000. I trust the Members of this House will support the preferential motion which I have offered.

Mr. CANNON of Missouri. Mr. Speaker, I move the previous question.

The SPEAKER pro tempore. Without objection, the previous question will be considered as having been ordered.

Mr. SCHAFER of Wisconsin. Mr. Speaker, I object.

The SPEAKER pro tempore. The question is, Shall the previous question be ordered?

The previous question was ordered.

The SPEAKER pro tempore. The question is on the preferential motion made by the gentleman from Georgia that the House recede and concur in the Senate amendment.

The question was taken; and on a division (demanded by Mr. CANNON of Missouri) there were—ayes 102, noes 27.

So the motion was agreed to.

The SPEAKER pro tempore. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Amendment No. 20: Page 27, line 21, strike out "$12,414,440" and insert in lieu thereof "$12,464,440."

Mr. CANNON of Missouri. Mr. Speaker, I move that the House recede from its disagreement to the Senate amendment and agree with an amendment, which I send to the Clerk's desk.

The Clerk read as follows:

Mr. CANNON of Missouri moves that the House recede from its disagreement to the amendment of the Senate, No. 20, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "$12,449,440."

The motion was agreed to.

The SPEAKER pro tempore (Mr. WARREN). The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Amendment No. 21: Page 29, line 6, strike out "$12,414,440" and insert "$12,464,440."

Mr. CANNON of Missouri. Mr. Speaker, I move that the House recede from its disagreement to the Senate amendment and agree to the same with an amendment, which I send to the Clerk's desk.

The Clerk read as follows:

Mr. CANNON of Missouri moves that the House recede from its disagreement to the Senate amendment No. 21 and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "$12,449,440."

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 39: Page 43, line 21, strike out "$12,795,000" and insert "$14,891,720."

Mr. CANNON of Missouri. Mr. Speaker, I move that the House recede from its disagreement to the Senate amendment and agree to the same with an amendment, which I send to the Clerk's desk.

The Clerk read as follows:

Mr. CANNON of Missouri moves that the House recede from its disagreement to Senate amendment No. 39 and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "$14,353,435."

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Amendment No. 43: Page 47, line 4, strike out "$16,366,000" and insert "$19,462,720."

Mr. CANNON of Missouri. Mr. Speaker, I move that the House recede from its disagreement to the Senate amendment and agree to the same with an amendment, which I send to the Clerk's desk.

The Clerk read as follows:

Mr. CANNON of Missouri moves that the House recede from its disagreement to Senate amendment No. 43 and agree to the same with an amendment as follows: In lieu of the sum proposed in said amendment insert "$17,924,435."

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Amendment No. 61: Page 58, line 3, insert "White-fringed beetle control: For the control and prevention of spread of the white-fringed beetle, $600,000."

Mr. CANNON of Missouri. Mr. Speaker, I move that the House further insist on its disagreement to the Senate amendment.

Mr. TARVER. Mr. Speaker, I offer a preferential motion.

The Clerk read as follows:

Mr. TARVER moves that the House recede and concur in Senate amendment No. 61.

Mr. CANNON of Missouri. Mr. Speaker, I yield 10 minutes to the gentleman from Georgia [Mr. TARVER].

Mr. TARVER. Mr. Speaker, this is an appropriation for which there is a Budget estimate. It is intended for the purpose of controlling and eradicating one of the most dangerous, if not the most dangerous, insect pests in the United States, and by dangerous, of course, I mean dangerous to agriculture generally.

It has now taken hold in four States of the South, Florida, Alabama, Mississippi, and Louisiana. My own State is not

involved. We are advised, however, as will be shown by the hearings, that unless this pest is controlled and eradicated there is reason to believe it will spread not only to all of the South but even to agricultural territory north of the Ohio River. It is not a pest which destroys only a cotton boll or a cotton square. It is a pest which destroys everything in the way of plant life that it comes in contact with, including root and branch.

The Department of Agriculture has stated that it will be possible to eradicate it if prompt action is taken, that is, continued action. Some action has been taken, which has been reasonably successful. It has urged the making of this appropriation. There is no more reason for denying this than there would have been reason for denying the $500,000 for control of the chinch bug which this House provided in the second deficiency bill on yesterday unless gentlemen give consideration to geographical reasons.

Mr. Speaker, I do not come from a commercial corn-producing area, but as a member of the Appropriations Committee I made no objection, and no other Member from my section made any objection, to the provision for the extra $500,000 which was recommended by the Budget for chinch-bug control and eradication.

Why is this item not entitled to equal consideration? There was some impression when it was voted on in the House before that the money to take care of this situation might be taken out of the general appropriation for the control of insect pests, but the Department of Agriculture through its officials in the Bureau of Entomology and Plant Quarantine stated that it cannot be done unless they should find it necessary to neglect the grasshopper work in order to do it. We do not want to ask them to do that. We ask you to make provision for agriculture of the South similar to that which you have already made for agriculture in the West, to take care of the grasshopper situation, to take care of the chinch-bug situation, and to take care of the Mormon-cricket situation, an appropriation against which no more valid objection can be made than could have been made against either of those I have mentioned. In fact, it is a situation which in common reason and good judgment must take precedence over these other conditions from funds already appropriated if this special fund is not provided.

Mr. MUNDT. Will the gentleman yield?

Mr. TARVER. I yield to the gentleman from South Dakota.

Mr. MUNDT. Is it not true that under the bill as amended this will also include money to be available for certain plant disease, the eradication of barberry for example?

Mr. TARVER. I understand that some question exists as to that. I am not in a position to construe the law as far as it may be applicable to the prevention or eradication of the barberry disease at this time.

Mr. MUNDT. In the discussion in the Senate at the time Senator SHIPSTEAD brought in that amendment that question was asked and answered in the affirmative.

Mr. TARVER. I am in favor of attempting to eradicate all these diseases and pests which afflict the agriculture of our country, no matter in what section the disease or pest may be rampant, but I am making the point here that there is no justification in undertaking to pick out one estimate from the Bureau of the Budget and one that is strongly supported by the authorities of the Department and say, "We will allow what is needed for the control of the chinch bugs, grasshoppers, and Mormon crickets, and so forth, but we will not allow anything for the control of the white-fringed beetle."

Let me read a letter I have just received from the American Farm Bureau Federation through its director, Mr. W. R. Ogg:

> We understand the Senate amendment in the agricultural appropriation bill provides $600,000 for white-fringed beetle control. This appropriation is important to our farmers in Florida, southern Alabama, Mississippi, and Louisiana because of the wide variety of crops which this pest attacks, including cotton, soybeans, peanuts, potatoes, and certain other crops.
>
> The sum which the Senate has added for this purpose corresponds with the Budget estimate submitted for this work. Reports indicate that—
>
> "The intensive work conducted so far has demonstrated that the procedures followed are effective in preventing its spread and reducing its numbers. * * * In areas where it is well established its numbers have been drastically reduced. If the operations are discontinued or materially curtailed, the pest will, without doubt, spread into new sections and increase in numbers and very materially add to the burden of production of a wide variety of crops over large areas of the United States." (Hearings before Senate Subcommittee on Agricultural Appropriations for 1941, p. 31.)
>
> A special request that funds be provided for control and prevention of the spread of the white-fringed beetle has come from our Alabama Farm Bureau Federation, in which State much damage and loss has occurred on account of this pest. We trust the funds recommended for this purpose may be provided in the appropriation bill for 1941.

Mr. HOBBS. Mr. Speaker, will the gentleman yield?

Mr. TARVER. I yield to the gentleman from Alabama.

Mr. HOBBS. May I call attention to the letter of Mr. B. M. Gaddis, in charge of domestic plant quarantine, which I set out in the Appendix of the RECORD, at page 3934, which gives the story and shows that each beetle will lay from 600 to 3,000 eggs, which hatch in 2 weeks, and that any place there is succulent vegetation south of the North Pole will eventually be infested by this pest, which is six times as bad as any other known pest, unless we eradicate it now, which this one appropriation of $600,000 will accomplish.

Mr. TARVER. I thank the gentleman for his contribution.

I also wish to call your attention to the Appendix of the RECORD containing, on pages 3081 and 3082, letters from the commissioner of agriculture and the State entomologist of the State of Louisiana. You will recall that when we had this matter up in the House before, the gentleman from Illinois [Mr. DIRKSEN] read a number of letters from beekeepers in the State of Louisiana protesting against the making of this appropriation. I cannot read all of what these gentlemen say to you, but I do want to quote briefly from the communication of the State entomologist, W. E. Anderson, which is endorsed by the State commissioner of agriculture:

> The State of Louisiana recognized that in imposing restrictions in carrying out the regulations for the eradication of the pest it necessarily follows that certain hardships and privations must be imposed on citizens in the infested areas in order to protect the balance of the country from the ravages of the white-fringed beetle. In fairness to the various interests affected by the program (by causing these interests to sustain a loss) the State of Louisiana has endeavored to alleviate these losses as much as possible by appropriating money to pay claims for losses and damages.
>
> The beekeeping industry, and I might say the balance of the industries in the infested areas of Louisiana affected by the white-fringed beetle control and eradication program, are infinitesimal in value when compared to the value of other crops that will be protected not only in Louisiana but in other States from the ravages of the white-fringed bettle if the Bureau of Entomology and Plant Quarantine in cooperation with States affected, is permitted to carry this program on to a successful conclusion.
>
> The testimonials of the Louisiana beekeepers in the infested area that were read into the CONGRESSIONAL RECORD May 14 presented a one-sided, selfish picture in order to obtain the avowed objection of a few individuals to stop the program of white-fringed beetle eradication. If the program could not be stopped, then to harass those in charge of the work in every way possible through individual efforts as well as through the so-called organization of Louisiana Beekeepers Association, who, with the exception of less than a dozen, keep bees as a hobby or a side line.
>
> Beekeepers, dairymen, and beef-cattle owners have been paid in excess of $35,000 for losses that they have sustained.

In other words, the State of Louisiana has recognized that this work is of sufficient importance to justify it in paying from State funds and by appropriation by the State legislature money in the amount of $35,000 to compensate for the loss which beekeepers necessarily have sustained.

The gentleman from Illinois [Mr. DIRKSEN], undoubtedly in good faith, made a very seductive speech against this particular item when it was before the House before. I believe that he now feels that he was misled. I feel sure that he will support us in our efforts to secure this very much needed appropriation, amply justified by the evidence submitted by the Department and approved by the Bureau of the Budget, and for the rejection of which absolutely no just reason could possibly be assigned. I, therefore, sincerely hope that the House will vote to recede and concur in the Senate amendment. [Applause.]

Mr. CANNON of Missouri. Mr. Speaker, I yield 10 minutes to the gentleman from Illinois [Mr. DIRKSEN].

Mr. DIRKSEN. Mr. Speaker, I feel quite flattered at the remarks of my friend the gentleman from Georgia. I do not know exactly what a seductive speech would be, but in any event I deem that a high flattery, and accordingly I express my appreciation to the gentleman.

Mr. TARVER. Mr. Speaker, will the gentleman yield?

Mr. DIRKSEN. I yield with a great deal of pleasure.

Mr. TARVER. I am sure the gentleman will realize that a seductive speech is a very effective speech.

Mr. DIRKSEN. I shall not resist the preferential motion to recede and concur in the Senate action, but I am led to make this observation on the white-fringed beetle. My opposition to the appropriation of $600,000 for the control and prevention of the spread of this new pest, which came from South America, was predicated on something more than mere conjecture because I could see in the distance the accumulation of a great appropriation over a period of years before we got through dealing with this matter.

My good friend the gentleman from Alabama [Mr. HOBBS] said a moment ago that this one appropriation will do the business. Do not kid yourselves about that. It is 20 years ago that they said: "This one appropriation will do the business in eradicating the Japanese beetle," and we are appropriating hundreds of thousands of dollars every year for that purpose and have been for 20 years. It is over 10 years ago that the Dutch elm disease came in on some logs that were imported from Holland, and it was represented then that if they could get one or two appropriations it would do the business.

Well, we have appropriated $15,000,000 thus far, and we are still appropriating for Dutch elm diseases. Meanwhile, we are finding new bugs every day, and, in fact, we are going to run out of names for bugs if we are not very careful. When I was a kid, the names of bugs or the varieties of bugs were very simple. They had not invented these new and fanciful names. There were tomato cutworms, lightning bugs, June bugs, and potato bugs, and probably some earworms in the corn and some corn borer and maybe an occasional chinch bug and a grasshopper. They were about all the bugs discovered when I was tilling a little chunk of soil in Illinois; but now we have the white-fringed beetle, the pink bollworm, the white bollworm, the white-pine blister rust, the peach mosaic, and the phony peach bug, and a thousand other varieties. So that every year we are appropriating millions of dollars to catch up with the assault of the bugs upon the subsistence of mankind. I sometimes speculate, sitting on the Appropriations Committee and listening to the learned doctors and professors who come along telling us about the new bugs that are making their ravages upon all the things that constitute a part of man's subsistence. I have wondered on occasion whether in the ultimate struggle between mankind and the insect world they will not ultimately conquer anyway. This may be called the real "fifth column" in America today, this great army of bugs; but I want to emphasize to you that this initial appropriation of $600,000 will be in the bill next year, and it will be in the bill the next year, and it will be in the bill many years to come, and the over-all total will go into millions before we ever get to the point where we can say we have effectively dealt with the problem.

The singular thing about all this is that we are changing the agricultural economy of the country. We are changing methods of agriculture, types of products that are raised in this section of the country or the other, and, as a matter of fact, we are doing many things to nurture and to give sustenance to these bugs and worms, and, in consequence, here we are year after year appropriating millions for chinch bugs, for grasshoppers, for Mormon crickets, and for all the rest. Is it any wonder that today we come to you on a final conference report on the agricultural appropriation bill, which is way up in the upper brackets and aggregates almost $1,000,000,000. Compare that with the original Agricultural Appropriation Act that came when Abraham Lincoln first signed the bill under which this agency was created. Of course, our agricultural efforts go back infinitely further than that.

As I recall, we set up some kind of agency more than 100 years ago and the first real appropriation was for $1,000, and that appropriation was to take care of grasshoppers out in the far West, and we have been dealing with that problem for 100 years, and last year we were right back here for more appropriations to deal with grasshoppers. So when you approve this $600,000 do not think that is the end of the story. There is going to be other money asked from time to time, from year to year, to cope with this new infestation, this new bug from South America, the new member of the insect "fifth column" of the country; but I shall not resist the appropriation. I shall not resist the $600,000 that is requested, because I have some new data on the subject, and I will say, in all fairness, that at the time I resisted this appropriation I had telegrams from Louisiana, from the beekeepers, from entomologists, and others down there, but not from the State entomologists, intimating that the damage was greatly overrated and that this money was not necessary. In their final letter on this matter they said, "They are using arsenical spray so promiscuously as to kill whole stands of bees." That is why the beekeepers were kicking. That is another thing to keep in mind in connection with this appropriation, and I will tell you why.

In 1929 they discovered for the first time the fruitfly in the orange groves of Florida. This House made a small appropriation to go down there and investigate it and in 1929 and 1930 we appropriated over $7,000,000 for the eradication of the fruitfly. They went to work with arsenical sprays of one kind and another and did a pretty fair job in eliminating the fly.

But there came out of the Rules Committee just a few days ago a proposal to set up a commission consisting of House and Senate Members to ascertain the damage that was done as a result of Uncle Sam's efforts in the orange groves, the tangerine groves, and the grapefruit groves of Florida for the purpose of reimbursing the growers, after having spent $7,000,000 out of the Federal Treasury for the purpose of control and eradication. You see Uncle Sam gets caught coming and going. We provide money for eradication and control and the people down there say with open arms, "O Uncle Sam, please walk in and help us to conquer this pest; we will be ever so grateful if you will appropriate out of the Federal Treasury and send your experts and agents down here to do the job of control and prevention," and then after a while they come along and say, "Uncle Sam, it was generous of you to come down here, but you sent a lot of amateurs and got this arsenical spray all over the countryside to ruin the trees, ruin the marketability of the fruit, and do any amount of damage, including damage to horses, cattle, mules, chickens, goats, and dogs. And now, Uncle Sam, despite the fact you gave $7,000,000 for this purpose, we believe you ought to reimburse us for the damage your people did."

Yes; that is the thing that is pending now after more than 10 years of effort. So mark it down in the book, gentlemen, when you spend this money and those experts in the Bureau of Plant Industry or Entomology or Plant Quarantine do not do a satisfactory job or they rub out some product of a grower down in that country, it means they are going to be back here with an old tin cup asking for reimbursement for the damage that has been done. [Applause.]

[Here the gavel fell.]

Mr. CANNON of Missouri. Mr. Speaker, I yield 1 minute to the gentleman from Alabama [Mr. GRANT].

Mr. GRANT of Alabama. Mr. Speaker, I do not believe anyone who has spoken on this measure has actually seen the destruction being wrought by the white-fringed beetle. I do not know why it is called that, because in reality it is a red. I believe it is the most destructive of all weevils. I am not a specialist on breeding, but I say that if some eradication is not done to destroy this beetle, it will be all over the country in a few years. Last year the Government maintained in my district in southern Alabama a station to eradi-

cate these weevils. I went out there and I saw ditches dug 2 or 3 feet deep that were covered overnight by these weevils. I also saw dug post holes 4 and 5 feet deep that in the morning were filled with them and I say that if this is not destroyed, when it reaches some of the other States, you will realize that it is indeed a dangerous thing.

The SPEAKER pro tempore. The time of the gentleman from Alabama has expired.

Mr. CANNON of Missouri. Mr. Speaker, I yield 5 minutes to the gentleman from Alabama [Mr. HOBBS].

Mr. HOBBS. Mr. Speaker, I apologize to the House for appearing again, but this matter, in my judgment, has been treated with too much levity by the Members of the House because of the fact that they have not ever in their lives seen one of these beetles. Neither have I. There has never been one found in my district, but I have enough confidence in the Bureau of Entomology and Plant Quarantine and their experts to believe what they say. I read to you now from an extension on page 3935 of the Appendix of the RECORD, made by myself, the following statement from a letter of Mr. Gaddis:

> Larvae have been found in the ground at a depth of 26 inches, indicating probable survival even in northern areas.

Let me take up for a moment the horrible picture presented by my good friend the gentleman from Illinois [Mr. DIRKSEN]. He pictures the awful plight of three or four beekeepers in Louisiana, and during the debate on this appropriation bill some days ago he read letters from those three or four beekeepers, and what do those letters say? They say, in effect, that they have never known any damage to be caused by the white-fringed beetle, but that the arsenical spray used to exterminate them has done some damage to them. Of course, that is true. Beekeepers have their apiaries in wooden boxes, which a beetle cannot chew, and, of course, beetles do not eat honey. They eat succulent vegetation of all kinds. Therefore, it is impossible for these little beetles to have destroyed a beehive in a box, but the arsenical spray used to exterminate the white-fringed beetle has done damages by blowing into those bee boxes, and I am bold enough to say that it is as good an investment as the United States Government can make to reimburse those beekeepers for the damage thus inflicted, because they will never have to do it again.

In this letter from Mr. Gaddis, the expert in charge, he says that in the areas that have been treated they are unable to find a single beetle. Therefore it is not a recurring appropriation, as the gentleman from Illinois [Mr. DIRKSEN] would have you believe, but this appropriation means the complete eradication—the extermination of a pest which, if you allow it to breed 3,000 eggs every 2 weeks, will go to Michigan, will go to Peoria, Ill., and eat up every bit of succulent vegetation around the home town of the gentleman from Illinois [Mr. DIRKSEN]; and when it does get there he will be yelling his head off for 10 times this small appropriation, which, if you give us now, will completely eradicate and utterly render useless any further appropriation for this cause. This is not a control appropriation. This is an eradication appropriation, and we will do the job once and for all and be through with it.

I beg the House Members to give this a reasonable chance. To spend a dime when a dollar is needed is worse than useless. This appropriation is recommended by the Budget, this appropriation is greatly commended by the Senate conferees and every one of them, and the appropriation is not seriously opposed by a single member of the House conferees. It should be made. It is wise and just and fair and permanent.

The SPEAKER pro tempore. The time of the gentleman from Alabama has expired.

Mr. CANNON of Missouri. Mr. Speaker, every year we have a new bug, and every year we hear the same old story that unless the Government appropriates vast sums of money it will consume every green leaf and leave a barren and fruitless desert behind it.

Mr. TABER. Mr. Speaker, will the gentleman yield?

Mr. CANNON of Missouri. I yield to the gentleman from New York.

Mr. TABER. I wonder if the gentleman could tell us why during the last few years we have had so many more bugs and so many more varieties of bugs and why never any of them die out.

Mr. CANNON of Missouri. The answer to that is that we do not have more bugs, but that we have more "bugologists," who want to serve the United States Government at good, fat salaries, and they can always go out and find a new and voracious bug to justify their employment at a lucrative salary.

The first menace to vegetation and the United States Treasury of this kind that I recall after coming to the House was the brown-tail moth, which had its habitat in the State of Vermont. The Government spent large sums of money combating it and the experts painted horrible pictures of its destructive potentialities. Panic stricken by the thought of national devastation, we descended on the Treasury to secure funds to save the Nation.

Mr. Purnell, who at that time represented one of the districts in Indiana and was on the committee, hurried down to the White House to see President Coolidge to get his endorsement of an appropriation to exterminate the pest. President Coolidge said, "Why, when I was Governor, the State of Vermont appropriated money to fight the brown-tail moth. But we discovered after a while that the men we paid to destroy the moths spent the day destroying them, and spent the nights planting them so there would be more moths to destroy." [Laughter.]

Now, the next great scare we had was over the European corn borer. Corn growers out in the great Middle West grew pale when the experts told us about the corn borer.

Mr. TABER. Will the gentleman yield for a question?

Mr. CANNON of Missouri. Yes; I yield with pleasure.

Mr. TABER. Has this bug any relation to the Mediterranean fruit fly that got $20,000,000?

Mr. CANNON of Missouri. It has one characteristic in common. It feeds at the public crib, and requires a vast amount of nursing and mulcted the Treasury of millions of dollars to pay the fellows who go down there to hunt them and valorously beard them in their lair at high rates of remuneration.

Mr. TABER. The bug hunters?

Mr. CANNON of Missouri. Yes; the same kind. Perhaps I should say the job hunters.

Mr. TABER. The same kind of bug hunters?

Mr. CANNON of Missouri. Yes; the same kind. Perhaps we should include the vote hunters.

Mr. TABER. Just as expensive?

Mr. CANNON of Missouri. Just as expensive. The bugs come high but the bug hunters come higher.

To resume the thread of my discourse, they assured us that unless the corn borer was exterminated it would soon spread to the cornfields of the West, and when it did we would have to discontinue the production of corn. So we appropriated—I know this sounds absurd—but we appropriated altogether a total of $17,000,000 to fight the European corn borer. You remember what a hubub there was in the farm papers about it at the time. Eventually they discovered it did practically no damage, and today we pay no attention to it. It is difficult to realize that a few years ago we spent $17,000,000 to exterminate it.

Then came the Mediterranean fruitfly. The Mediterranean fruitfly, we were told, would destroy every citrus grove in the United States. It must have prompt and urgent attention. So we appropriated altogether $10,000,000 to destroy the Mediterranean fruitfly. Finally, Chairman Buchanan, chairman of the Committee on Appropriations, himself went down to Florida to see how they were spending all this money.

When he came back he told the committee he did not believe there ever had been a single Mediterranean fruitfly in Florida. But we spent $10,000,000 exterminating a bug that the chairman could not find when he went down there and did not believe ever existed.

Now, here is the come-back, my friends. There has been introduced, as the gentleman from Illinois [Mr. DIRKSEN], told you, a bill to appropriate seven and one-half million dollars to pay for the damage done to the citrus people when the United States agents were down there trying to find the Mediterranean fruitfly. And do you know, my friends, that a bill has already been drawn and will be introduced in a few days to appropriate a large amount of money to reimburse the farmers of the South for the damage occasioned by the activities of the United States Government in exterminating the white-fringed beetle?

Mr. TARVER. Will the gentleman yield?

Mr. CANNON of Missouri. I yield.

Mr. TARVER. Who in the world could have drawn such a bill? That is the first I ever heard of it.

Mr. CANNON of Missouri. I will say to the gentleman that the bill has already been drawn and will be introduced in a few days.

Mr. TARVER. By whom?

Mr. CANNON of Missouri. The gentleman will be apprised in due time.

Mr. DIRKSEN. Will the gentleman yield?

Mr. CANNON of Missouri. I yield to the gentleman.

Mr. DIRKSEN. In 1938 we empowered the Secretary of Agriculture to name a board of five to go to Florida to make an investigation and ascertain damages. The report of that committee is in the document room now. There is a majority report and a minority report. The majority report says there is an ascertained estimated loss of over seven and one-half million dollars, and there is a rule out of the Rules Committee now to appoint three Members of the House and three Members of the Senate to ascertain the damage. It will be coming on this floor soon.

Mr. TARVER. But the gentleman made the statement that a bill has been drawn to pay damages caused in the eradication of this pest.

Mr. CANNON of Missouri. Yes. The bill has already been drawn and will be introduced in due time.

Mr. TARVER. By whom? I never heard of it before.

Mr. CANNON of Missouri. I do not know whether the gentleman desires to make the announcement at this time or not. I leave that to him. But the bill has been drawn and will be introduced to reimburse those who have been damaged by the expenditure of United States Government money to destroy the white-fringed beetle. It is my understanding that some of the claimants have already been reimbursed by the States.

Mr. SHAFER of Wisconsin. Mr. Speaker, will the gentleman yield?

Mr. CANNON of Missouri. I yield.

Mr. SCHAFER of Wisconsin. Why should the taxpayers be called upon to spend hundreds of millions of dollars to destroy these so-called pests which destroy agricultural products, and then be called upon for hundreds of millions of dollars in order that Mordecai Ezekiel can carry on his crop-destruction program?

Mr. PETERSON of Florida. Mr. Speaker, will the gentleman yield?

Mr. CANNON of Missouri. I yield.

Mr. PETERSON of Florida. The Mediterranean fruitfly has been mentioned. This is a subject which, of course, is very close to my district and to my interests. Is the gentleman familiar with the fact that the fly was first claimed to have been found on the laboratory grounds of the Federal Department of Agriculture? I am sure the gentleman remembers the stringent regulations which were issued to prevent us from shipping our fruit so the pest would not spread to the soft fruits of the northland.

Mr. CANNON of Missouri. And the gentleman knows that we are now asked to reimburse to the tune of $7,500,000 the farmers we attempted to help.

Mr. PETERSON of Florida. I have a resolution pending that has been passed by the Senate Committee on Claims to investigate; but it is for the actual destruction of the property itself, not that which was infested by the fly, but that which was destroyed to prevent the flies' spreading.

Mr. CANNON of Missouri. The next pest to claim the public eye is one with which we are all familiar, the Japanese beetle. We were told that the Japanese beetle would not only ruin fruit trees but would destroy grass, shrubbery, foliage, and the trees themselves. We were told that no such voracious and destructive pest had ever been known, and of course we appropriated large sums of money. I am certain that every Member remembers seeing all around here in every park in Washington, and around the Capitol Grounds, the little white rods with green traps hanging on them. We were told that unless immediate steps were taken the Japanese beetle would destroy all vegetation within a radius of 500 miles of Washington. Now they are to be found around here by the bushel and we have quit trapping them, and we discover that the Japanese beetle is not doing any more harm than any other common insect pest.

We went into hysteria over the brown-tail moth and spent money, then forgot about it. We became greatly agitated next over the European corn borer, spent $17,000,000 on it, and then forgot all about it and today pay little attention to him. Then we appropriated $10,000,000 to eradicate the Mediterranean fruitfly, but now pay no attention to him. Then we appropriated for the Japanese beetle. Today the Jap is our neighbor, we see him every day, and he does no great damage. Now we have a new bug, the white-fringed beetle, and as usual we are asked to appropriate large sums of money for it. After we have spent the money we shall forget all about him except that a bill will be brought in to take care of the damage caused by the Federal Government's attempt to destroy him.

Mr. TABER. Mr. Speaker, will the gentleman yield?

Mr. CANNON of Missouri. I yield to the gentleman from New York.

Mr. TABER. If they get rid of this beetle there would not be any job for the bug hunters.

Mr. CANNON of Missouri. That is the heart-rending feature of it.

Mr. TABER. That is why they never get rid of the bugs.

Mr. CANNON of Missouri. Most of these drives on Congress like this do not come from the farmers, but from the organized armies of the United States Government employees who get good, easy jobs out of the appropriations.

Now, Mr. Speaker, we are already providing for this pest and all other pests. We appropriated for the current year $2,500,000 for insect pests. The deficiency bill which is now before the Senate and which passed the House this week carries $500,000 more for insect pests, and there is carried in the regular bill a larger amount for study and control. Why should we spend more money for that purpose in view of Budget conditions?

Mr. Speaker, I move the previous question.

The previous question was ordered.

The SPEAKER pro tempore. The question is on the preferential motion of the gentleman from Georgia that the House recede and concur in the Senate amendment.

The question was taken; and on a division (demanded by Mr. TARVER) there were—ayes 50, noes 67.

Mr. TARVER. Mr. Speaker, I object to the vote on the ground there is not a quorum present, and make the point of order that a quorum is not present.

The SPEAKER pro tempore. The Chair will count. (After counting.) One hundred and eighty-one Members are present, not a quorum.

The Doorkeeper will close the doors, the Sergeant at Arms will notify absent Members, and the Clerk will call the roll.

The question was taken; and there were—yeas 145, nays 227, not voting 59, as follows:

[Roll No. 157]

YEAS—145

Allen, La.	Bloom	Bulwinkle	Camp.
Anderson, Mo.	Boykin	Burdick	Cannon, Fla.
Arends	Brooks	Burgin	Cartwright
Barden, N. C.	Brown, Ga.	Byrne, N. Y.	Case, S. Dak.
Beckworth	Bryson	Byrns, Tenn.	Celler
Bland	Buckley, N. Y.	Caldwell	Chapman

Clark	Fries	Mahon	Secrest
Claypool	Garrett	Mansfield	Sheppard
Colmer	Gathings	Marcantonio	Smith, Va.
Cooley	Gibbs	May	Smith, Wash.
Corbett	Gore	Mills, Ark.	Somers, N. Y.
Costello	Gossett	Mills, La.	South
Cox	Grant, Ala.	Monroney	Sparkman
Cravens	Griffith	Mouton	Spence
Creal	Hare	Mundt	Starnes, Ala.
Cullen	Harrington	Murdock, Ariz.	Sumners, Tex.
Cummings	Havenner	Murdock, Utah	Tarver
Darden, Va.	Hendricks	Nichols	Taylor
Davis	Hill	Norrell	Tenerowicz
Delaney	Hobbs	O'Connor	Terry
Dempsey	Izac	O'Toole	Thomas, Tex.
DeRouen	Jarman	Patman	Thomason
Dies	Johnson, Luther A.	Patrick	Tolan
Dirksen	Johnson, Lyndon	Patton	Vinson, Ga.
Doughton	Johnson, Okla.	Peterson, Fla.	Voorhis, Calif.
Doxey	Jones, Tex.	Peterson, Ga.	Wallgren
Duncan	Kefauver	Pierce	Walter
Dunn	Keller	Pittenger	Warren
Elliott	Kennedy, Martin	Poage	Weaver
Ellis	Kilday	Ramspeck	West
Ferguson	Kleberg	Rankin	Whelchel
Fernandez	Lanham	Richards	Whittington
Flaherty	Lea	Robertson	Williams, Mo.
Flannagan	Leavy	Robinson, Utah	Zimmerman
Folger	McCormack	Rogers, Okla.	
Ford, Miss.	McGehee	Satterfield	
Ford, Thomas F.	McMillan, John L.	Scrugham	

NAYS—227

Alexander	Elston	Kinzer	Reed, N. Y.
Allen, Ill.	Engel	Kirwan	Rees, Kans.
Allen, Pa.	Evans	Kitchens	Rich
Andersen, H. Carl	Faddis	Knutson	Robsion, Ky.
Anderson, Calif.	Fay	Kocialkowski	Rockefeller
Andresen, A. H.	Fenton	Kramer	Rodgers, Pa.
Andrews	Flannery	Kunkel	Rogers, Mass.
Angell	Fulmer	Lambertson	Rutherford
Arnold	Gamble	Landis	Ryan
Austin	Gartner	Larrabee	Sabath
Ball	Gavagan	LeCompte	Sacks
Barnes	Gearhart	Lesinski	Sandager
Barry	Gehrmann	Lewis, Colo.	Sasscer
Barton, N. Y.	Gerlach	Lewis, Ohio	Schaefer, Ill.
Bates, Ky.	Geyer, Calif.	Luce	Schuetz
Bates, Mass.	Gifford	Ludlow	Schulte
Beam	Gilchrist	Lynch	Schwert
Bell	Goodwin	McAndrews	Seger
Bender	Graham	McDowell	Shafer, Mich.
Blackney	Grant, Ind.	McGregor	Shanley
Boehne	Gregory	McKeough	Shannon
Bolles	Gross	McLaughlin	Short
Bolton	Guyer, Kans.	McLean	Simpson
Boren	Gwynne	McLeod	Smith, Conn.
Bradley, Pa.	Hall, Edwin A.	McMillan, Clara	Smith, Maine
Brewster	Hall, Leonard W.	Maas	Smith, Ohio
Brown, Ohio	Hancock	Maciejewski	Smith, W. Va.
Cannon, Mo.	Harness	Magnuson	Snyder
Carlson	Hart	Maloney	Springer
Carter	Harter, N. Y.	Marshall	Stearns, N. H.
Casey, Mass.	Hartley	Martin, Ill.	Stefan
Church	Hawks	Martin, Iowa	Sutphin
Clason	Healey	Martin, Mass.	Sweet
Cluett	Hennings	Mason	Taber
Cochran	Hess	Massingale	Talle
Coffee, Nebr.	Hinshaw	Michener	Thill
Cole, Md.	Hoffman	Monkiewicz	Thorkelson
Cole, N. Y.	Holmes	Moser	Tibbott
Connery	Hook	Mott	Tinkham
Cooper	Hope	Murray	Treadway
Courtney	Hull	Myers	Van Zandt
Crosser	Hunter	Nelson	Vincent, Ky.
Crowe	Jacobsen	Norton	Vorys, Ohio
Crowther	Jarrett	O'Brien	Vreeland
Culkin	Jeffries	O'Day	Wadsworth
Curtis	Jenks, N. H.	O'Leary	Ward
D'Alesandro	Johnson, Ill.	Oliver	Welch
Dickstein	Johnson, Ind.	O'Neal	Wheat
Dingell	Johnson, W. Va.	Osmers	White, Ohio
Dondero	Jones, Ohio	Parsons	Wigglesworth
Douglas	Jonkman	Pearson	Williams, Del.
Durham	Keefe	Pfeifer	Winter
Dworshak	Kelly	Plumley	Wolcott
Eaton	Kennedy, Michael	Powers	Wolfenden, Pa.
Eberharter	Keogh	Rabaut	Wolverton, N. J.
Edelstein	Kerr	Randolph	Youngdahl
Edmiston	Kilburn	Reed, Ill.	

NOT VOTING—59

Boland	Darrow	Harter, Ohio	McArdle
Bradley, Mich.	Disney	Horton	McGranery
Buck	Ditter	Houston	Merritt
Buckler, Minn.	Drewry	Jenkins, Ohio	Miller
Burch	Englebright	Jennings	Mitchell
Byron	Fish	Jensen	Pace
Chiperfield	Fitzpatrick	Johns	Polk
Clevenger	Ford, Leland M.	Kean	Rayburn
Coffee, Wash.	Gillie	Kee	Reece, Tenn.
Collins	Green	Kennedy, Md.	Risk
Crawford	Halleck	Lemke	Romjue
Routzohn	Sheridan	Sumner, Ill.	Wood
Schafer, Wis.	Smith, Ill.	Sweeney	Woodruff, Mich.
Schiffler	Steagall	Thomas, N. J.	Woodrum, Va.
Seccombe	Sullivan	White, Idaho	

So the motion was rejected.

The Clerk announced the following pairs:

General pairs:

Mr. Woodrum of Virginia with Mr. Jenkins of Ohio.
Mr. Rayburn with Mr. Halleck.
Mr. Collins with Mr. Crawford.
Mr. Boland with Mr. Jensen.
Mr. Drewry with Mr. Miller.
Mr. Wood with Mr. Clevenger.
Mr. Steagall with Miss Sumner of Illinois.
Mr. Burch with Mr. Horton.
Mr. Sullivan with Mr. Ditter.
Mr. Pace with Mr. Bradley of Michigan.
Mr. Romjue with Mr. Schiffler.
Mr. Buck with Mr. Fish.
Mr. McArdle with Mr. Jennings.
Mr. Disney with Mr. Routzohn.
Mr. Fitzpatrick with Mr. Thomas of New Jersey.
Mr. Sheridan with Mr. Chiperfield.
Mr. McGranery with Mr. Gillie.
Mr. Byron with Mr. Johns.
Mr. Green with Mr. Kean.
Mr. Merritt with Mr. Darrow.
Mr. Kee with Mr. Englebright.
Mr. Sweeney with Mr. Reece of Tennessee.
Mr. Polk with Mr. Seccombe.
Mr. Coffee of Washington with Mr. Woodruff of Michigan.
Mr. Harter of Ohio with Mr. Leland M. Ford.
Mr. Houston with Mr. Risk.
Mr. Smith of Illinois with Mr. Schafer of Wisconsin.
Mr. Mitchell with Mr. Lemke.
Mr. White of Idaho with Mr. Buckler of Minnesota.

Mr. JACOBSEN changed his vote from "yea" to "nay."

The doors were opened.

The result of the vote was announced as above recorded.

The SPEAKER pro tempore (Mr. WARREN). The question now occurs on the motion of the gentleman from Missouri [Mr. CANNON] that the House insist upon its disagreement to the Senate amendment.

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Amendment No. 65: Page 60, line 18, strike out "$5,644,801" and insert "$6,773,093."

Mr. CANNON of Missouri. Mr. Speaker, I move that the House further insist on its disagreement to the Senate amendment.

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Amendment No. 66: Page 60, line 19, strike out "$867,648" and insert "$878,168."

Mr. CANNON of Missouri. Mr. Speaker, I move that the House further insist on its disagreement to the Senate amendment.

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Amendment No. 105: Page 89, in line 21, insert the following:

"WATER FACILITIES, ARID AND SEMIARID AREAS

"To enable the Secretary of Agriculture to carry into effect the provisions of the act entitled 'An act to promote conservation in the arid and semiarid areas of the United States by aiding in the development of facilities for water storage and utilization, and for other purposes,' approved August 28, 1937 (16 U. S. C. 590r–590x), including the employment of persons and means in the District of Columbia and elsewhere; printing and binding; the purchase, exchange, operation, and maintenance of passenger-carrying vehicles; and rent in the District of Colimbia and elsewhere, $500,000, of which not to exceed $25,000 may be expended for personal services in the District of Columbia: *Provided,* That not to exceed $50,000 of this appropriation shall be available for expenditure for any one project designed in whole or in part to benefit lands by the irrigation thereof, and all project facilities and appurtenances which depend for their utility in whole or in part upon each other or upon any common facility shall be deemed one project, and the authority contained in said act shall not be deemed to authorize the construction of any project not in accord with this limitation."

Mr. CANNON of Missouri. Mr. Speaker, I move that the House further insist on its disagreement to the Senate amendment.

Mr. LEAVY. Mr. Speaker, I offer a preferential motion which I send to the Clerk's desk.

The Clerk read as follows:

Mr. LEAVY moves that the House recede and concur in Senate amendment No. 105.

Mr. CANNON of Missouri. Mr. Speaker, I yield 5 minutes to the gentleman from Washington [Mr. LEAVY].

Mr. LEAVY. Mr. Speaker, this is apparently the last item in controversy in the agricultural appropriation bill. On December 4 last I, together with the seven other members of the Agriculture Subcommittee on Appropriations, came back to begin consideration of this bill. It looks now as though we have reached the place where we can write finis to it as far as we are concerned. This water-facilities item is the last in this conference report in disagreement.

This item affects the 17 Western States. Every State lying west of the western line of the State of Missouri is affected.

We had this appropriation up a month ago; a record vote was taken and the vote at that time was 171 to 173. The motion made by myself to recede and concur lost by 2 votes. At least 12 Members who voted against the motion to recede and concur a month ago have indicated now that they desire an opportunity to change their vote because they did not fully understand the matter. There should be no difficulty if the matter is fully understood in passing this Senate amendment.

When the matter was before us a month ago, the argument was presented by the gentleman from Illinois [Mr. DIRKSEN] and the gentleman from New York [Mr. TABER] that we were appropriating $500,000 to be spent for salaries for employees largely. There was no opportunity given to answer the broad charges made by these gentlemen. The facts are that this money is appropriated for the purpose of paying those who are qualified to tell the farmers in a drought-stricken area where and how they can plan to get water to carry them through and save them and the land upon which they have lived all their lives and on which they desire to remain. Instead of this being $500,000 for that purpose, it is actually $3,500,000 that the Government spent this year. The money here involved, or a large part of it, goes to supervise that work. The $3,000,000 comes largely from soil conservation and from farm security. It is repayable, and experience has shown that it is being repaid.

They have in the short time that this act has been in effect, which is a little over a year, salvaged or saved almost 2,000 farmers and their families in those 17 States, largely in the arid belt. There are 4,000 applications now pending for this service.

A representative of the Department of Agriculture, in response to a request, goes into western Kansas, the Dakotas, Colorado, Wyoming, or wherever it may be; he makes a careful analysis of the situation, then he advises the farmer or group of farmers if it is wise at that point to attempt to get a water supply to carry them through or to attempt to put in a dam that must cost under $50,000, or otherwise take steps to make it possible for these fine, but unfortunate, folks to remain on their farms.

This money, Mr. Speaker, is repaid again by those who receive these benefits. When we analyze the subject briefly, the question that must occur to us is: Is it better for Uncle Sam to spend millions and millions of dollars in direct relief and to drive these poor people, who have an opportunity with a little help, to make a home, and who have a chance to live where they have lived all their lives, or should we permit and compel them to become members of the hopeless migrant army and move to the West or back to the East, there to become recipients of public charity? Actual experience has proven the great value of this work. To destroy it now, by cutting off all appropriations, would not alone deny help to the great number who have filed applications, but it would result in untold loss to the hundreds who are now on incompleted projects. The failure to initiate such an undertaking sooner has given us this great army, who have been referred to as the children of the Grapes of Wrath.

With a better understanding of this subject, I am hopeful the House—and I assure you that it is in the interest of economy—will vote in favor of the motion to recede and concur.

I feel an unusual interest in this matter—not that it affects my district to any great degree, but because as a member of the subcommittee that wrote this bill I was one who believed in it, but believed it ought to be an activity that should be carried on in the Department of the Interior under reclamation. I have since found that I was in error on that point. It could not be carried on there, because the A. A. A. and Farm Security are the big factors in this program. When someone gets up here and tells you, as probably they will, that the major part of this money is being spent for salaries, remember that this is money for supervisory work only. It affects 20,000 drought-stricken farmers; and who knows when this drought region will strike further east? As a matter of fact, there are many places now in western Minnesota, Iowa, Missouri, and Arkansas that could make good use of this service.

Mr. MURDOCK of Arizona. Mr. Speaker, will the gentleman yield?

Mr. LEAVY. I yield to the gentleman from Arizona.

Mr. MURDOCK of Arizona. It should be pointed out that the West is suffering now from a more severe drought than we have ever known since the population extended into the West. This is one of the much imperatively needed things to help our farmers all through the West—more for water for domestic purposes and for stock water than for irrigation.

Mr. LEAVY. Weather Bureau reports indicate that the drought has moved substantially east, even east of the Mississippi River. There is an actual shortage in the rainfall this year over the normal rainfall that far east. I say there is no telling when a group of farmers in western Missouri or western Iowa will want a water supply or be driven out entirely. A vote for my motion is a vote that means joy and happiness for thousands of our fellow citizens who, without this service, are doomed to become migrants and lead hopeless lives of despair. [Applause.]

[Here the gavel fell.]

Mr. CANNON of Missouri. Mr. Speaker, I yield 5 minutes to the gentleman from Montana [Mr. O'CONNOR].

Mr. O'CONNOR. Mr. Speaker, we heard here this afternoon a very powerful address delivered by the ranking majority member of the Appropriations Committee that has this conference report in hand with reference to our national-defense program. Everything the gentleman said regarding that matter is absolutely true, but we do not want to sacrifice our important domestic problems which are just as serious. We have to raise the things our people need in order to round out the picture.

Our colleagues in the Senate have a number of times reaffirmed their belief in the soundness and desirability of this program. The Senate conferees on this item have steadfastly refused to back down in the face of an earlier decision by this House to abolish the program. It is now before us again, and I, for one, earnestly hope that this time there will be a favorable vote.

Throughout vast areas of 17 of our Western States water is synonymous with life. You have heard that before; so many times, perhaps, that it has become an idle phrase. But I assure you it remains true, and will bear even further repetition. Where 18, 14, 12, and even fewer inches of rain fall each year, water is a matter of the most critical importance to the people trying to make a living on the land. It is a matter of the most critical importance to herds of cattle and flocks of sheep that must in the end help sustain our population. I speak of this from experience. In my own State of Montana we come face to face each year with the dry, hard facts of drought and the tragedy of little water.

The water-facilities program is neither lavish nor expensive. The item is for $500,000. The emphasis of the program is on the construction of small water facilities—small

but highly important improvements such as small water ponds; stock water tanks; small reservoirs; small pump installations, including windmills; the development of springs; and small irrigation facilities, either for individual families or small groups of families. A major purpose of this program is to make it possible for farm families to become self-supporting and stay off the relief rolls. Counting everything, administration, transportation, technical services, labor, equipment, and materials, the cost of these facilities averages only in the neighborhood of $1,000 each. This is not a program of monumental dams, vast irrigation systems, or power. It aims to provide carefully planned small water facilities in order to achieve wiser use of the land over a long period of years. And, through wiser use of the land, it improves distinctly the welfare of the people who live on the land.

The money is not spent willy-nilly to build a puddle here and a windmill there. Each facility is planned and installed on the basis of the best possible use of the entire farm or ranch. Along with the water facilities goes soil and water conservation. There is a definite decrease in waste—waste of water, waste of land, waste of manpower, waste of production capacity, and waste of money. By some this program has been criticized on the grounds that it is slow. The prompt and complete answer to that kind of criticism is that well-planned, permanently useful work is far better, far less expensive, and far more desirable in the long run than comparatively fast, "hit or miss" projects that have neither present nor future value.

During the short time this program has been under way, installations have been completed, or well started, which in the end will benefit more than 1,200,000 acres. Every one of these facilities will aid in bringing about wiser and more profitable use of the land.

The item, gentlemen, is $500,000. With it we can continue a program which is producing results of permanent value to the Nation and to the people and agriculture of the West. If we fail to approve this item, much of the good work already done will suffer, for it is naturally impossible to clear water rights, make plans, and construct many facilities, all within a single year. But, more important, it will be the people who are trying to make a living, at an American standard, on the dry lands of the West, who will suffer if this item fails.

I cannot overemphasize the importance of this item to the farmers and stockmen of the West. It means securing water for livestock, pasture, and gardens. This goes to the vitals of the whole existence of our Western States. I appeal to the Members of this House this afternoon to stand by the farmers of these 17 Western States who are trying to carve out a living in that arid country and give them a chance to retain their homes and live as human beings. [Applause.]

[Here the gavel fell.]

Mr. CANNON of Missouri. Mr. Speaker, I yield 2 minutes to the gentleman from South Dakota [Mr. CASE].

Mr. CASE of South Dakota. Mr. Speaker, I believe the Members probably have come to the point where they can recognize that when an item comes up concerning water in the West the gentleman from Washington, the gentleman from Montana, the gentleman from Arizona, the gentleman from Kansas, the gentleman from Nebraska, and a few others of us will be up here fighting for a little water. That is again true this afternoon.

This item is a $500,000 item. It was sent up by the Bureau of the Budget. It is not in excess of the Budget. The Senate has insisted upon this item going in the bill.

I know the argument that will be presented before this debate is concluded, that too much of this money is spent for overhead and not enough in the field. I was impressed by that argument somewhat myself the last time this issue was before us. To get the facts on the case, I went back to the people who are working in the field. I wrote some of the editors of newspapers in the territory in my district where this program is being carried on. Before I had even gotten a reply to my letter I received letters from two editors and from half a dozen farmers telling me that this is the most important item in the agricultural program, as far as they are concerned. They had seen the report that the item was beaten by three votes last time. They wrote in to explain that the reason this money goes for supervision is that that is what the farmers want. They want technical assistance in laying out their contour lines for ditches, for small dams, and things of that sort. They want to know the right line for their ditches to spread the water on their hay bottoms and the correct face and back slope and the safe height for their dams so they will not wash out.

The farmers themselves are doing the work, and if we can expend $500,000 and have it multiplied by the farmers doing their own work under this program or by using, if they have to spend money, their Triple A checks, or something of that sort, we ought to do it. We are only asking for $500,000 to provide engineering and technical assistance and what wells or other facilities that can be financed when the farmers are willing to do their own work. I have newspaper articles and I have letters in my office which I would be pleased for anyone to see showing that this is a case where the farmers themselves are doing the work, and that if this fund, primarily, seems to go to overhead administration or supervision it should to multiply the results obtainable. [Applause.]

[Here the gavel fell.]

Mr. CANNON of Missouri. Mr. Speaker, I yield 5 minutes to the gentleman from Texas [Mr. JONES].

Mr. JONES of Texas. Mr. Speaker, I feel that if my friends who are opposing this item could be out in the great West when one of the great droughts appear, they would not oppose this appropriation. I have seen the hot winds come and sweep with a blistering trail across the prairies of that great country, the heavens become brass, and the earth as iron, and people were very much discouraged.

It is a great country, it is the bread basket of America, but there are periods when water is truly the life of the land. In most of that area, I know in the southwestern area, the average annual rainfall is 21 inches per year over a 30- or 40-year period. That is enough to make a crop if the water is properly handled, but when the land becomes as hard as iron and the rain comes in a flood it rushes off, 80 or 90 percent of it, and they do not get the advantage of it.

When they hold the water there, through furrows in the pasture and contouring of the land and through the use of wells and small ponds, the land produces. I have seen projects of several thousand acres including a number of farmers that had the benefit of this furrowing and contouring, and this expert advice and engineering where the grass would be twice as good and the crops twice as good, where the rainfall was the same, but where they had properly utilized the water.

I have had these farmers come to me and say, "Is there not some way we can get the Department to send the engineer or some one to show us how? We will do the work. We want to get our land and our water and our crops saved." Now, this is heart rending, but it is true. I do not believe there will be $500,000 spent by this Government this year that will do as much as this $500,000 will do.

It is easy for those who have never faced the blazing and suffocating drought to take water for granted, to refer to frog ponds, and to the field men who are doing this grand job as bureaucrats, and to make light of the parching thirst of land and people. But let the Missouri or some other great river go on a rampage, and they cry out for help and get it. And they should. But how much better it is to use the water to slake human and natural thirst, before it reaches the flood stage.

Mr. MURDOCK of Arizona. Mr. Speaker, will the gentleman yield?

Mr. JONES of Texas. I yield.

Mr. MURDOCK of Arizona. The gentleman from Nevada [Mr. SCRUGHAM] told me that on one occasion when the land on which he lived was so dry they were digging wells, trying

to get water for the stock, that one scientific man came from Washington, found water, 17 wells were sunk, and in every case they found water for the keeping of their livestock. Now that man is worth while.

Mr. JONES of Texas. I thank the gentleman.

Some reference was made to the item of traveling. As a matter of fact, when you are in the country you must do some traveling. Many of these farmers only want somebody to show them how to do the work and save this water for themselves and save their country. It will save the Government many millions of dollars in the long run. It is like preventive medicine. It is conservation in the truest and finest sense. The work should go forward. It means much to the entire West, to the land, to the people, and to the Nation.

Mr. THOMASON. Mr. Speaker, will the gentleman yield?

Mr. JONES of Texas. I yield to my colleague from Texas.

Mr. THOMASON. This program has been under way for about 3 years and is now in full swing. This is a very modest sum, and it is all for administrative purposes. Is it not a fact that if this appropriation is denied that this great work will have to fold up?

Mr. JONES of Texas. Certainly, that is true, and it would be a great loss to the country. Oh, if people only understood what water conservation means to the rich western land and to our future food supply, the vote would be unanimous.

[Here the gavel fell.]

Mr. CANNON of Missouri. Mr. Speaker, I yield 5 minutes to the gentleman from Texas [Mr. DIES].

Mr. DIES. Mr. Speaker, if the House will indulge me for a very few minutes, I would like to read a message from a French labor leader, that appears in the afternoon paper. Speaking of the procession of thousands of refugees fleeing from France, he sent this message to America:

"I wonder," said the labor leader, "whether you will ever see anything like that in America. For your sake, I hope you never shall."

Then, apparently more to himself than to me:

"That"—pointing to the tragic processions below—"is one of the things that democracies must learn how to avoid. It is a result of a combination of many things—of Trojan horsemen and 'fifth columnists,' of actual enemies, secret and avowed, undermining a country from within.

"It is also the result of the mistake made by sincere supporters of democracy who, while pursuing ends desirable in themselves, wholly forgot that without adequate national defense the social gains, however marvelous, were doomed to be lost, and much more with them.

"What a lesson this should be for the future—for America and for democracy in general. The democracies have a tremendously difficult problem ahead, but it must be solved if any of them is to survive. They must find a way to make capital, labor, and government all realize that the general good of one is inseparably bound up with the good of the others.

"They must find a way to prevent Trojan horsemen and 'fifth columnists' from using free institutions to destroy those same institutions. What I mean is that, in Germany and Russia, there is no such thing as freedom of speech and assembly and religion—no civil liberty. Those expressing views contrary to the idea of the governments are promptly liquidated.

"Yet agents of Hitlerism and Stalinism, paid and unpaid, have been given free rein in countries like mine—and yours—where they invoke the very freedoms they seek to destroy, in order to conceal their nefarious activities.

"Of course, the solution is difficult, but it must be found as a matter of sheer self-defense in such a world as this."

I hope that the administration will cooperate with us in getting a solution of this problem before adjournment. [Applause.]

Mr. CANNON of Missouri. Mr. Speaker, I yield now to the gentleman from Texas [Mr. MAHON].

Mr. MAHON. Mr. Speaker, this question has been rather exhaustively discussed, but I take this time to say that I agree with the gentlemen who have spoken in favor of it, and I feel that by all means we ought to allow this $500,000 to carry on this water-facilities program which has been in operation for about 3 years. I am sorry that so many of our colleagues seem to wholly misunderstand the program. It is truly a worth-while program, and it must be continued.

Mr. CANNON of Missouri. Mr. Speaker, I yield 3 minutes to the gentleman from Pennsylvania [Mr. VAN ZANDT].

Mr. VAN ZANDT. Mr. Speaker, I wonder if my colleagues will bear with me for a moment or two while I read a paper released from the American Legion headquarters. There is no group in the United States who understands war any better than do the veterans of the last war, and today, one of the great veterans' organizations who speak for the veterans of this country is the American Legion, and I read to you the statement issued this morning from the Legion headquarters by O. K. Armstrong at Springfield, Mo.:

AMERICAN LEGION AND WAR IN EUROPE

THE AMERICAN LEGION NATIONAL HEADQUARTERS,
Indianapolis, Ind.

Statement issued from American Legion Headquarters, Washington; O. K. Armstrong, of Springfield, Mo., member of the Foreign Relations Committee, declares that the hour has struck for the American Legion to take a stand against involvement of the United States in war. Mr. Armstrong, magazine writer, conferred last week with National Commander Raymond J. Kelly and with Foreign Relations Chairman Wilbur Alter.

The hour has struck for the American Legion to take a vigorous stand and assume leadership to keep this country from involvement in war.

The program of the American Legion, from resolutions of past national conventions and committee actions, stands squarely for keeping our country at peace through a strong national defense and noninterference in the quarrels of other nations. Legionnaires everywhere should make an effort to carry out the mandate of the last national convention in Chicago, which reads:

PREVENT INVOLVEMENT IN THIS CONFLICT

We not only believe that this Nation need not become involved but insist and demand that the President of the United States and the Congress pursue a policy that, while preserving the sovereignty and dignity of this Nation, will prevent involvement in this conflict.

National Commander Kelly has repeatedly stressed that our security and that of our hemisphere are our primary concern. It is time for the Legion to rally behind him to a man in his recent declaration that it is idle to consider the feasibility of intervening in the great conflict across the Atlantic.

LEGION COMBATING ALL PROPAGANDA

The Legion program calls for combating all propaganda designed to break down our neutrality. If any who plead for our participation in war do so with the hope of profit of any kind, financial, industrial, political, or any other, they should be branded as enemies of our American homes, institutions, and ideals.

We need sane thinking and fast, calm, silent action. A strong man well armed needs no hostile and bitter words to assert his defense.

We must halt the cultivation of the feeling that war inevitably awaits us. It is the American tradition to create good will among men and nations, and the American Legion should take the lead now as never before in continuing that tradition. As a nation intent upon preserving democracy, we shall need all the friendship of foreign governments and peoples we can find.

In recent conferences with National Commander Kelly and Chairman Alter I have pledged my time and energy to this task. I hope my fellow Legionnaires will do likewise.

The greatest contribution the veterans of the last World War can make to America and the world is to preserve our Nation on guard and at peace. [Applause.]

Mr. CANNON of Missouri. Mr. Speaker, I yield 3 minutes to the gentleman from Oklahoma [Mr. FERGUSON].

Mr. FERGUSON. Mr. Speaker, I shall not take the 3 minutes allotted to me. This program is not in conflict with reclamation. It consists of projects on individual farms that are surveyed and planned by this great organization that helps to develop the facilities on the individual farms at small cost. The 17 States that are interested could

not possibly pass this legislation, but 171 Members voted for it before, and I know that this House will have enough national interest to agree to this motion to recede and concur.

Mr. CANNON of Missouri. Mr. Speaker, I yield 5 minutes to the gentleman from New York [Mr. TABER].

Mr. TABER. Mr. Speaker, this calls for an expenditure of $500,000 to operate a group of bureaucrats. In 1939, the last fiscal year, they spent $52,000 for traveling expenses. They have a flock of automobiles chasing around the country. Last year they spent a total of approximately $368,000. This year they hope to get by with $500,000, and next year they want $500,000 more. Is there a man who knows anything about farming who has any idea that there is any farmer in this country who does not know how to build a small dam to hold back water on his own farm? That is all they say these bureaucrats do, except to spend money for traveling expenses. It is perfectly apparent that the development of wells and that sort of thing is an interesting thing. But they can do those things just as well themselves, as if they had a bureaucrat traveling around the country in an automobile telling them how to do it. I hope you will vote on this and vote no and turn it down.

Mr. CANNON of Missouri. Mr. Speaker, I shall take only a moment or two. This is the old shelterbelt idea. Formerly the Government planted trees on these dust-bowl farms free of charge and paid the farmers to fence and tend them.

Now they are asking the Government to build ponds on the same farms—to spend public money on private land—not as a loan but as a gratuity, and want half a million dollars to carry on this benevolent work. The truth is that this land should never have been put in cultivation. It is not suited to farming and should have been left as grazing land. Farmers on this marginal land will never be self-sustaining, regardless of how much free money the Government ladles out to them year after year and especially when it is handled as the go-betweens are handling this particular money. They are asking for $500,000. The breakdown accompanying the estimate shows that $360,000 of the $500,000 will go for salaries of high-powered, high-priced employees, and only $140,000 of the $500,000 will actually reach the farmer. In other words, this appropriation is primarily to provide fat, juicy sinecures out of the Public Treasury at a time when the Treasury is empty and every dollar of the $500,000 must be borrowed.

At Valley Forge, when the need of the American Army was greatest and when the fortunes of the Revolution were at the lowest ebb, such few cattle as they were able to obtain for the depleted commissary were bought from the neighboring farmers.

Among them was a cantankerous old gentleman who first agreed to sell his stock for Continental script, but, after the cattle had been delivered, concluded he ought to have British gold. It might have been that he fell under the influence of the contemporary "fifth column." At any rate he visited camp and created considerable disturbance over the price of his beef. Finally he was taken to Washington and Washington listened to him patiently and then said, "Here we are, striving our utmost to maintain harmony, drill an army, and establish the independence of the Colonies and you come rushing into camp bawling, 'Beef, beef, beef.'"

History repeats itself, and at a time when the entire Nation is cooperating on a defense program and exerting every energy to maintain the independence Washington established, these gentlemen inject a discordant note—$500,000 for juicy jobs—and flock to the floor of the House bawling, "Pork, pork, pork." [Applause and laughter.]

The SPEAKER. The question is on the preferential motion of the gentleman from Washington [Mr. LEAVY] to recede and concur in the Senate amendment.

The question was taken; and on a division there were ayes 130 and noes 92.

Mr. CANNON of Missouri. Mr. Speaker, I ask for the yeas and nays.

The yeas and nays were ordered.

The question was taken; and there were—yeas 198, nays 147, answered "present" 3, not voting 83, as follows:

[Roll No. 158]

YEAS—198

Allen, Ill.	Dickstein	Jones, Tex.	Pearson
Allen, La.	Dies	Kefauver	Peterson, Fla.
Andersen, H. Carl	Dingell	Kelly	Peterson, Ga.
Anderson, Calif.	Doughton	Kennedy, Martin	Pfeifer
Anderson, Mo.	Doxey	Kennedy, Michael	Pierce
Andrews	Duncan	Keogh	Poage
Arnold	Dunn	Kilday	Ramspeck
Barden, N. C.	Durham	Kleberg	Rankin
Barry	Eberharter	Kocialkowski	Rayburn
Bates, Ky.	Edelstein	Kramer	Rees, Kans.
Beam	Edmiston	Lanham	Richards
Beckworth	Elliott	Lea	Robinson, Utah
Bland	Ellis	Leavy	Rogers, Okla.
Bloom	Fay	Lesinski	Sacks
Boykin	Ferguson	Lewis, Colo.	Satterfield
Bradley, Pa.	Fernandez	Lynch	Schaefer, Ill.
Brooks	Flaherty	McAndrews	Schuetz
Brown, Ga.	Flannagan	McCormack	Shanley
Buckler, Minn.	Flannery	McGehee	Sheppard
Buckley, N. Y.	Folger	McKeough	Smith, Conn.
Burdick	Ford, Miss.	McLaughlin	Smith, Wash.
Burgin	Fries	McMillan, Clara	Smith, W. Va.
Byrne, N. Y.	Fulmer	Maciejewski	Somers, N. Y.
Camp	Garrett	Magnuson	South
Cannon, Fla.	Gathings	Mahon	Sparkman
Carlson	Gavagan	Maloney	Spence
Carter	Gearhart	Mansfield	Starnes, Ala.
Cartwright	Geyer, Calif.	Marcantonio	Stefan
Case, S. Dak.	Gibbs	Martin, Ill.	Sutphin
Casey, Mass.	Gore	Massingale	Tarver
Celler	Gossett	May	Tenerowicz
Chapman	Grant, Ala.	Mills, Ark.	Terry
Coffee, Nebr.	Gregory	Mills, La.	Thomas, Tex.
Coffee, Wash.	Griffith	Monroney	Thomason
Colmer	Guyer, Kans.	Mott	Thorkelson
Connery	Harrington	Mouton	Tolan
Cooley	Havenner	Murdock, Ariz.	Vincent, Ky.
Cooper	Healey	Murdock, Utah	Vinson, Ga.
Costello	Hennings	Myers	Voorhis, Calif.
Courtney	Hill	Nelson	Wallgren
Cox	Hinshaw	Nichols	Walter
Cravens	Hobbs	Norrell	Weaver
Creal	Hook	O'Brien	Welch
Crosser	Hope	O'Connor	West
Crowe	Houston	O'Day	Whelchel
Cullen	Izac	O'Toole	Whittington
D'Alesandro	Jacobsen	Parsons	Williams, Mo.
Davis	Jarman	Patman	Zimmerman
Delaney	Johnson, Lyndon	Patrick	
Dempsey	Johnson, Okla.	Patton	

NAYS—147

Alexander	Faddis	Kitchens	Ryan
Allen, Pa.	Fenton	Knutson	Sandager
Andresen, A. H.	Gamble	Kunkel	Sasscer
Angell	Gartner	Lambertson	Schafer, Wis.
Arends	Gehrmann	Landis	Schulte
Austin	Gerlach	Luce	Schwert
Ball	Gifford	Ludlow	Secrest
Barnes	Gilchrist	McDowell	Seger
Barton, N. Y.	Goodwin	McGregor	Shafer, Mich.
Bates, Mass.	Graham	McLean	Shannon
Blackney	Grant, Ind.	McLeod	Short
Boehne	Gross	McMillan, John L.	Simpson
Bolles	Gwynne	Maas	Smith, Maine
Bolton	Hall, Edwin A.	Marshall	Smith, Ohio
Brewster	Hancock	Martin, Iowa	Smith, Va.
Brown, Ohio	Hare	Martin, Mass.	Snyder
Bryson	Harness	Mason	Springer
Burch	Hart	Michener	Stearns, N. H.
Byrns, Tenn.	Harter, N. Y.	Monkiewicz	Sweet
Cannon, Mo.	Hartley	Moser	Talle
Church	Hawks	Murray	Tibbott
Clark	Hess	O'Leary	Tinkham
Clason	Hoffman	Oliver	Treadway
Claypool	Holmes	O'Neal	Van Zandt
Cluett	Hull	Osmers	Vorys, Ohio
Cochran	Hunter	Pittenger	Vreeland
Cole, Md.	Jarrett	Plumley	Ward
Cole, N. Y.	Jeffries	Polk	Wheat
Crowther	Jenks, N. H.	Rabaut	White, Ohio
Culkin	Johnson, Ill.	Reed, Ill.	Wigglesworth
Darden, Va.	Johnson, Ind.	Reed, N. Y.	Williams, Del.
Dondero	Johnson, W. Va.	Rich	Winter
Douglas	Jones, Ohio	Robertson	Wolcott
Eaton	Jonkman	Rockefeller	Wolfenden, Pa.
Elston	Keefe	Rodgers, Pa.	Woodruff, Mich.
Engel	Kinzer	Rogers, Mass.	Youngdahl
Evans	Kirwan	Rutherford	

ANSWERED "PRESENT"—3

Hall, Leonard W.	Kilburn	Taber

NOT VOTING—83

Bell	Drewry	Kennedy, Md.	Sabath
Bender	Dworshak	Kerr	Schiffler
Boland	Englebright	Larrabee	Scrugham
Boren	Fish	LeCompte	Seccombe
Bradley, Mich.	Fitzpatrick	Lemke	Sheridan
Buck	Ford, Leland M.	Lewis, Ohio	Smith, Ill.
Bulwinkle	Ford, Thomas F.	McArdle	Steagall
Byron	Gillie	McGranery	Sullivan
Caldwell	Green	Merritt	Sumner, Ill.
Chiperfield	Halleck	Miller	Sumners, Tex.
Clevenger	Harter, Ohio	Mitchell	Sweeney
Collins	Hendricks	Mundt	Taylor
Corbett	Horton	Norton	Thill
Crawford	Jenkins, Ohio	Pace	Thomas, N. J.
Cummings	Jennings	Powers	Wadsworth
Curtis	Jensen	Randolph	Warren
Darrow	Johns	Reece, Tenn.	White, Idaho
DeRouen	Johnson, Luther A.	Risk	Wolverton, N. J.
Dirksen	Kean	Robsion, Ky.	Wood
Disney	Kee	Romjue	Woodrum, Va.
Ditter	Keller	Routzohn	

So the motion was agreed to.

The Clerk announced the following pairs:

On this vote:

Mr. Merritt (for) with Mr. Larrabee (against).
Mr. Dworshak (for) with Mr. Kilburn (against).
Mr. Lemke (for) with Mr. Robsion of Kentucky (against).
Mr. Byron (for) with Mr. Jenkins of Ohio (against).
Mr. Curtis (for) with Mr. Leonard W. Hall (against).
Mr. Mundt (for) with Mr. Taber (against).
Mr. Sullivan (for) with Mr. Powers (against).

General pairs:

Mr. Woodrum of Virginia with Mr. Halleck.
Mr. Collins with Mr. Crawford.
Mr. Boland with Mr. Jensen.
Mr. Drewry with Mr. Miller.
Mr. Wood with Mr. Clevenger.
Mr. Steagall with Miss Sumner of Illinois.
Mr. Caldwell with Mr. Horton.
Mr. Warren with Mr. Ditter.
Mr. Pace with Mr. Bradley of Michigan.
Mr. Romjue with Mr. Schiffler.
Mr. Buck with Mr. Fish.
Mr. McArdle with Mr. Jennings.
Mr. Disney with Mr. Routzohn.
Mr. Fitzpatrick with Mr. Thomas of New Jersey.
Mr. Sheridan with Mr. Chiperfield.
Mr. McGranery with Mr. Gillie.
Mr. Kerr with Mr. Johns.
Mr. Green with Mr. Kean.
Mr. Hendricks with Mr. Darrow.
Mr. Kee with Mr. Englebright.
Mr. Bulwinkle with Mr. Lecompte.
Mr. DeRouen with Mr. Reece of Tennessee.
Mr. Randolph with Mr. Seccombe.
Mr. Bell with Mr. Leland M. Ford.
Mr. Luther A. Johnson with Mr. Risk.
Mr. Sweeney with Mr. Dirksen.
Mr. Smith of Illinois with Mr. Thill.
Mrs. Norton with Mr. Wadsworth.
Mr. Cummings with Mr. Bender.
Mr. Harter of Ohio with Mr. Corbett.
Mr. White of Idaho with Mr. Wolverton of New Jersey.
Mr. Sumners of Texas with Mr. Keller.
Mr. Boren with Mr. Taylor.
Mr. Sabath with Mr. Scrugham.
Mr. Mitchell with Mr. Lewis of Ohio.

Mr. LEONARD W. HALL. Mr. Speaker, I had a pair with the gentleman from Nebraska, Mr. CURTIS. If he had been present he would have voted "aye." I voted "no." Therefore I withdraw my vote and answer "present."

Mr. KILBURN. Mr. Speaker, I had a pair with the gentleman from Idaho, Mr. DWORSHAK. If he had been present he would have voted "aye." I voted "no." I withdraw my vote and answer "present."

Mr. TABER. Mr. Speaker, I voted "no." I have a pair with the gentleman from South Dakota, Mr. MUNDT. Had he been present he would have voted "aye." I withdraw my vote and answer "present."

Mr. MICHENER changed his vote from "aye" to "no."

The result of the vote was announced as above recorded.

A motion to reconsider the vote by which the motion was agreed to was laid on the table.

GENERAL LEAVE TO EXTEND REMARKS

Mr. LEAVY. Mr. Speaker, I ask unanimous consent that all Members who have spoken on this conference report may have 5 legislative days within which to revise and extend their own remarks.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

INVESTIGATION BY F. B. I.

Mr. SABATH, from the Committee on Rules, submitted the following privileged resolution (Rept. No. 2651), which was referred to the House calendar and ordered to be printed:

House Resolution 537

Resolved, That immediately upon adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the state of the Union for consideration of House Joint Resolution 571, a joint resolution to authorize the Federal Bureau of Investigation of the Department of Justice to conduct investigations in the interests of national defense, and for that purpose to permit wire tapping in certain cases. That after general debate, which shall be confined to the joint resolution and shall continue not to exceed 1 hour to be equally divided and controlled by the chairman and ranking minority member of the Committee on the Judiciary, the joint resolution shall be read for amendment under the 5-minute rule. At the conclusion of the reading of the joint resolution for amendment, the Committee shall rise and report the same to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the joint resolution and amendments thereto to final passage without intervening motion except one motion to recommit.

NAVAL CONSTRUCTION

Mr. SABATH, from the Committee on Rules, submitted the following privileged resolution (Rept. No. 2652), which was referred to the House Calendar and ordered to be printed:

House Resolution 538

Resolved, That immediately upon adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the state of the Union for consideration of H. R. 10100, a bill to establish the composition of the United States Navy, to authorize the construction of certain naval vessels, and for other purposes. That after general debate, which shall be confined to the bill and shall continue not to exceed 2 hours to be equally divided and controlled by the chairman and ranking minority member of the Committee on Naval Affairs, the bill shall be read for amendment under the 5-minute rule. At the conclusion of the reading of the bill for amendment, the Committee shall rise and report the same to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

EXTENSION OF REMARKS

Mr. McCORMACK. Mr. Speaker, for the information of the Members, I ask unanimous consent to incorporate in the Appendix of the RECORD an amendment that I propose to offer to the sugar bill.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

RELIEF APPROPRIATION BILL, 1941

Mr. CANNON of Missouri. Mr. Speaker, I ask unanimous consent that the Committee on Appropriations may have until midnight tonight to file a conference report on the resolution (H. J. Res. 544) making appropriations for work relief and relief, for the fiscal year ending June 30, 1941.

The SPEAKER. Is there objection?

There was no objection.

UNLAWFUL USE OF BADGE, MEDAL, OR EMBLEM OF VETERANS' ORGANIZATIONS

Mr. WALTER. Mr. Speaker, I call up the conference report on the bill (H. R. 5982) for the protection against unlawful use of the badge, medal, emblem, or other insignia of veterans' organizations incorporated by act of Congress, and for providing penalties for the violation thereof.

The Clerk reported the title of the bill.

The SPEAKER. The Clerk will read the conference report.

The Clerk read the conference report.

The conference report and statement are as follows:

CONFERENCE REPORT

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 5982) for the protection against unlawful use of the badge, medal, emblem, or other insignia of veterans' organizations incorporated

by Act of Congress, and providing penalties for the violation thereof, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendment of the Senate numbered 1 and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert the following: "manufacture, sale, or purchase for resale,"; and restore after such words the following language stricken out by the Senate amendment, viz, "either separately or appended to, or to be appended to, or the reproduction on any article of merchandise manufactured or sold," and the Senate agreed to the same.

That the House recede from its disagreement to the amendment of the Senate numbered 2 and agree to the same.

HATTON SUMNERS,
FRANCIS E. WALTER,
JOHN W. GWYNNE,
Managers on the part of the House.

PAT MCCARRAN,
FREDERICK VAN NUYS,
JOHN A. DANAHER,
Managers on the part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 5982) for the protection against unlawful use of the badge, medal, emblem, or other insignia of veterans' organizations incorporated by act of Congress, and providing penalties for the violation thereof, submit the following explanation of the effect of the action agreed upon in conference and recommended in the accompanying conference report:

Senate amendment No. 1 proposed to change the words "manufacturing, wearing, purchase or sale, either separately or appended to, or to be appended to, or the reproduction on any article of merchandise manufactured or sold" to the following language: "manufacture or sale in interstate commerce." The amendment would have limited the bill to apply to manufacture or sale in interstate commerce. The House receded from its disagreement to the amendment with an amendment to insert the following in lieu of the matter proposed by the Senate amendment: "manufacture, sale or purchase for resale" followed by the language "either separately or appended to, or to be appended to, or the reproduction on any article of merchandise manufactured or sold,"; and the Senate agreed to the amendment.

Senate amendment No. 2 added to the prohibited acts the reproduction of insignia for commercial purposes. This amendment was regarded as strengthening the bill; and the House recedes from its disagreement to the amendment.

HATTON SUMNERS,
FRANCIS E. WALTER,
JOHN W. GWYNNE,
Managers on the part of the House.

Mr. MICHENER. Mr. Speaker, will the gentleman yield?

Mr. WALTER. I yield.

Mr. MICHENER. This is the bill on which the gentleman from Iowa [Mr. GWYNNE] was one of the conferees?

Mr. WALTER. Yes; and he is present. It is a complete agreement.

The SPEAKER. The question is on agreeing to the conference report.

The conference report was agreed to.

EXTENSION OF REMARKS

By unanimous consent Mr. ANDERSON of Missouri was granted permission to extend his own remarks in the RECORD.

Mr. FERGUSON, Mr. MURDOCK of Utah, and Mr. REED of New York asked and were given permission to revise and extend their remarks.

FRED B. WOODWARD

Mr. ROGERS of Oklahoma. Mr. Speaker, I ask unanimous consent that the Committee on the Judiciary may be discharged from consideration of the bill (S. 3727) limiting the operation of certain sections of the Criminal Code and the Revised Statutes, and that the bill be rereferred to the Committee on Indian Affairs.

Mr. MICHENER. Mr. Speaker, reserving the right to object, is this agreeable to the Committee on the Judiciary?

Mr. ROGERS of Oklahoma. The clerk of the Judiciary Committee called me and asked if we would have this bill rereferred to the Committee on Indian Affairs. An identical House bill was referred to the Committee on Indian Affairs, has been reported by the committee, and is now on the calendar. In the meantime the Senate has passed a similar Senate bill. When it came to the desk it was referred to the Committee on the Judiciary. Because the Committee on Indian Affairs had jurisdiction of the original House bill dealing with this subject the Senate bill should be referred to the Committee on Indian Affairs also.

Mr. MICHENER. Is this rereference agreeable to the chairman of the Judiciary Committee?

Mr. ROGERS of Oklahoma. I presume it is. The clerk of the committee called and asked me to have this done.

The SPEAKER. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

EXTENSION OF REMARKS

Mr. SHANLEY. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and to include therein an article appearing in the Saturday Evening Post, by John McCutcheon.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. HARTER of New York. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include therein an editorial.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. HARTER of New York. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD on the subject of the Monroe Doctrine.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. KEEFE. Mr. Speaker, on the 18th of June our colleague the gentleman from Michigan [Mr. MCLEOD] spoke over the red network of the National Broadcasting Co. I ask unanimous consent to extend my own remarks in the RECORD and to include therein that address.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. WOODRUFF of Michigan. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include therein a letter from George N. Peek.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to Mr. WOLVERTON (at the request of Mr. POWERS), indefinitely, on account of official business.

SPECIAL ORDER

The SPEAKER. Under a previous special order, the gentleman from Michigan [Mr. DINGELL] is recognized for 10 minutes.

Mr. DINGELL. Mr. Speaker, on May 28, less than a month ago, I addressed the House on the subject of Senate Resolution 245 and the vital importance of its adoption to the people of the city of Detroit. I did not then, nor shall I now, attempt to impress upon my colleagues from other States—Ohio, Indiana, Illinois, Missouri, Kansas, Oklahoma, and Texas, particularly—the bearing of that resolution upon the daily lives and the rights of millions of their constituents.

Senate Resolution 245, introduced by Senator NYE last March 14, authorizes an investigation not merely of Federal antitrust violations in natural gas commerce but likewise the enforcement of those antitrust laws and the general administration of justice, affecting the consumers of natural gas in this country. As indicated by my previous address, Mr. Speaker, the preliminary hearings on Senate Resolution 245 by a Senate Judiciary Subcommittee, chairmanned by Senator HATCH, have been concluded. And I am gratified to report for the RECORD, Mr. Speaker, that Senator HATCH's subcommittee on Monday, June 10, informed the Senate Judiciary Committee that a full investigation is warranted.

You may recall that those preliminary hearings were marked especially by testimony of a grave nature by the Honorable John W. Smith, who is president of the common council of the city of Detroit, former mayor, and citizen of undoubted

integrity. Mr. Smith, speaking also as chairman of the natural gas committee of the United States Conference of Mayors, testified as follows, and I now read from a transcript excerpt of the hearing:

Senator HATCH. Mr. Smith wants to take a train. Would you mind deferring to him for just a moment or two so that we can accommodate him?

Mr. SMITH. Mr. Lee was going to ask me a question, I think.

Mr. LEE. The question I would like to ask Mr. Smith before he leaves is whether he has any information as to why the proposal of the consent decree at the present time—if you want to characterize it that way—came about.

Mr. SMITH. At the Department of Justice, in conference with the Assistant Attorney General, Mr. Arnold, and other gentlemen who were attached to the Antitrust Division, I asked them why they wanted to proceed in this manner. They said there were two reasons. The first was that they could prosecute these cases, but that that would take 2 years or more. The second reason was that they had a bad court in Delaware.

Senator HATCH. When was this conference?

Mr. SMITH. This was on several occasions. There were a number of people in the room at the time—the corporation counsel of the city of Detroit and eight or nine persons were in the room, some of whom were connected with the Mokan.

Senator HATCH. Is that the only comment you care to make?

Mr. SMITH. That is what he asked me to make.

Former Senator BULKLEY. The conference that Mr. Smith referred to was on July 11. I referred to it myself.

Mr. Speaker, I venture to predict that the testimony I have just quoted will become historic, for it raises an issue that can never be resolved until a thorough and determined search for all the truth has been completed and a cure is found for whatever evils may be brought to light. In the pursuit of that truth, and with a hope of speeding Senate action on Senate Resolution 245, I wish to read into the record the text of four communications. The first is a letter which I addressed to the Honorable John P. Nields, of the United States district court, Wilmington, Del., on June 5, 1940. The second is a letter I received, under date of June 6, from Assistant Attorney General Thurman Arnold. The third is from the copy of a letter which Mr. Arnold informs me he has sent to Judge Nields, also under date of June 6. My fourth exhibit, Mr. Speaker, is the text of a letter which was sent to the Senate Judiciary Committee, attention Senator HATCH, under date of June 12, by John W. Smith, as Detroit council president and natural-gas committee chairman of the Mayors' Conference.

My letter to Judge Nields, Mr. Speaker, was principally for the purpose of urging that he assure to the public a double protection by referring the new proposed "consent decree" to the Federal Trade Commission as master in chancery. This was the course Congress had intended could be followed by a Federal court in consent-decree matters, and in view of the statement attributed to Mr. Arnold I felt that the court might not want to overlook such reasonable and effective procedure. The letter follows:

HOUSE OF REPRESENTATIVES,
Washington, D. C., June 5, 1940.

Hon. JOHN P. NIELDS,
United States District Court, Wilmington, Del.

DEAR SIR: By way of introduction, permit me to say that my name is JOHN D. DINGELL, and that I am a Member of Congress, representing the Fifteenth Congressional District of the State of Michigan, located within the city limits of Detroit.

I write you in connection with the case of the *United States of America, petitioner,* v. *Columbia Gas & Electric Corporation et al., defendants* (in equity No. 1099), now pending in your court on a motion for the approval of a plan purporting to end a monopoly and restraint of trade in natural gas, which is seriously injurious to the people of my district and throughout a large and populous contiguous area.

This letter is prompted by my conviction, which I have held since 1935, that the only certainly effective remedy for the restraint cited above is simple but effective—namely, the complete and permanent separation of the Panhandle Eastern Pipe Line Co. and Michigan Gas Transmission Corporation from both defendants, Columbia Oil & Gasoline Corporation and Columbia Gas & Electric Corporation, as well as from the general body of their substantially identical stockholders.

The failure of the Department of Justice to insist in your court upon the above remedy, despite the fact that in its several petitions filed in the case the Department specifically prayed for that relief, has resulted in the introduction of a resolution in the Senate of the United States for an investigation to determine whether the antitrust laws have been violated in commerce in natural gas, and "whether the antitrust laws have been fully, adequately, and impartially enforced to enable consumers and potential consumers to obtain supplies of natural gas * * * on a competitive basis."

At public hearings before a subcommittee of the Judiciary Committee of the United States Senate, recently held on this resolution, testimony was given by responsible persons that high officials of the Department of Justice, in charge of enforcing the antitrust laws, had declared that the Government is being forced to accept an unsatisfactory and less effective remedy for this illegal restraint—namely, the "plan" described above—because the judge to whom the matter has been presented is a "bad judge," who will not grant the relief prescribed by law, which has been traditionally followed in similar cases, and which the gravity of the situation in this particular case manifestly demands.

Prior to these hearings on the above resolution (S. Res. 245), the Attorney General stated (in a letter to United States Senator GERALD P. NYE, March 15, 1940): "I have no doubt that Judge Nields would welcome any information which would be helpful in arriving at a determination of the fairness, equity, and legality of the proposed plan." The Attorney General, however, I am informed, has opposed the city of Detroit's entry into the case with a result that the city's formal petition for permission to intervene in this case has been denied by your court. As an intervener, the city of Detroit would have been in a position to safeguard the more than one and one-half million citizens of my community on this basis, i. e., that it would have been able to procure a review of the decision of your court in the appellate court, and finally, if necessary, in the Supreme Court of the United States.

Obviously, the appearance in this case of a great community so vitally concerned, as is the community which I represent, on the narrow and limited basis of amicus curiae, is inadequate. Therefore, the suggestion advanced to Senator NYE by the Attorney General, I take it, applies to any Member of the Congress, so that I now bring to your attention a method which Congress intended should be used by the courts in such cases as this, and which would assure to all interested parties a full and complete hearing by an agency ideally equipped to investigate and report to your court upon the efficacy of this particular "Columbia plan."

I refer to section 7, Federal Trade Commission Act, September 26, 1914 (38 Stat. 717), which reads as follows:

"SEC. 7. That in any suit in equity brought by or under the direction of the Attorney General as provided by the antitrust acts the court may, upon the conclusion of the testimony therein, if it shall be then of opinion that the complainant is entitled to relief, refer said suit to the Commission, as a master in chancery, to ascertain and report an appropriate form of decree therein. The Commission shall proceed upon such notice to the parties and under such rules of procedure as the court may prescribe, and upon the coming in of such report such exceptions may be filed and such proceedings had in relation thereto as upon the report of a master in other equity causes, but the court may adopt or reject such report, in whole or in part, and enter such decree as the nature of the case may in its judgment require."

As a Member of Congress, I can only say that any inference that justice is being withheld by a "bad judge" is a charge of the most serious character, and nothing should be left undone by any agency having jurisdiction in the matter to establish the truth or dispel the fallacy of such a statement.

An inquiry by the Federal Trade Commission, as a master in chancery, under section 7 of the Federal Trade Commission Act, would assuredly comply with the intent of Congress, since the Commission, by authority of Congress and at great cost, has within recent years conducted a thorough investigation of monopolistic conditions in the natural-gas industry.

Its lengthy investigations have given the Federal Trade Commission an experience and skill not approached by any other agency or individual. This facility is available for use by your court in this case. The section was enacted by Congress obviously because it was felt that the Trade Commission would become the most useful adjunct to a court of equity in the formulation of decrees in cases dealing with monopolies and restraints of trade.

I am aware that hearings on this proposed Columbia plan have been completed by one master in chancery, but in an issue so grave as this, and in these days when our form of government and our American concepts of justice are being so viciously assailed, the opportunity for your court to obtain a double check on the Columbia plan by the Federal Trade Commission, it seems to me, merits your consideration.

Another reason is, production of machinery for national defense will be seriously affected by the restriction upon the use of natural gas by manufacturers in the Detroit and nearby areas which exists in this case. The fuel and transportation shortages which so seriously impeded the country in the last war strongly confirm this view; and it goes without saying that they ought not to be permitted to recur. In fact, nothing should be permitted to endanger the fullest development and use of all available fuels in this important industrial area in the interest of national defense. A reexamination of this matter by the Federal Trade Commission is, therefore, no reflection upon the master, who passed upon the plan at a time when present conditions were not foreseen.

The present consent decree, entered in 1936, has been described by the Detroit Common Council as "a delusion and a snare," and I can well share the fears of the city of Detroit that justice may be again impeded and your court led into error. In an address to the House of Representatives on May 28, last, I made a statement concerning the Columbia consent decree of January 29, 1936, which

conveys also my opinion of the present so-called Columbia plan. I stated:

"I always did have a strong suspicion that this whole deal, including above everything else the consent decree, was a betrayal of the public interest, and I so stated before the committee. I added that the stench reached the high heavens. I condemned the cowardice which caused the acceptance of the consent agreement because it was the trick which I warned the negotiators about in my letter of September 3, 1935, which I reproduce herewith:

"It would have been better to have lost everything than to have accepted a shameful, hollow compromise sanctioned by the court which turned out to be of no advantage to the Panhandle Co. and to the city of Detroit."

In conclusion, may I present again the single purpose of this letter, namely, to respectfully request that your court place the entire Columbia plan before the Federal Trade Commission as master in chancery, as authorized by section 7 of the Federal Trade Commission Act, so that—

(a) A double check may be given by an unexcelled authority on all facts and arguments presented on the Columbia plan to date;

(b) All pertinent information available or obtainable since conclusion of earlier hearings on this plan may be brought into the record of the case.

Accepting the open invitation of the Attorney General to address you, I urge this course in the firm belief that it will be extremely helpful to your court "in arriving at a determination of the fairness, equity, and legality of the proposed plan."

I am transmitting copies of this letter to the clerk of your court with the request that they be forwarded to the several parties in the case.

Respectfully yours,

JOHN D. DINGELL.

The second letter, from Mr. Arnold to me, reads as follows:

DEPARTMENT OF JUSTICE,
Washington, June 6, 1940.

Hon. JOHN D. DINGELL,
House of Representatives, Washington, D. C.

DEAR CONGRESSMAN DINGELL: If you decide to publish your letter to Judge Nields in the CONGRESSIONAL RECORD, will you please introduce into the RECORD at the same time my own letter to Judge Nields, which I mailed to him today, a copy of which is enclosed. If you do not introduce your letter, I will not make my reply public.

Sincerely,

THURMAN ARNOLD,
Assistant Attorney General.

The third letter, that is, the text of a copy of a letter which Mr. Arnold informs me he sent to Judge Nields, is as follows:

DEPARTMENT OF JUSTICE,
Washingon, June 6, 1940.

Hon. JOHN P. NIELDS,
United States District Court, Wilmington, Del.

DEAR JUDGE NIELDS: A copy of the letter to you by Congressman DINGELL, of Michigan, dated June 6, 1940, relating to the case of United States against Columbia Gas & Electric Corporation et al., now pending before you, has been brought to my attention. I understand the Congressman intends to publish his letter in the CONGRESSIONAL RECORD. It contains statements to the effect that high officials of the Department said you were "a bad judge," and for that reason we were being forced to accept an unsatisfactory remedy in that case. This statement is false. It also contains a statement that we opposed the city of Detroit's entry into the case. That statement is also false. On the contrary, the Department urged the Detroit officials to express their views to the court. In spite of this they did not appear at the hearing on the plan, which is the subject of the Congressman's letter.

The whole matter of the relation of the Department to your court was aired in an investigation before a subcommittee of the Senate Judiciary Committee. At that hearing an attempt was made by those attacking the Department of Justice to embarrass the relationship between this Department and your court by testimony of confidential conversations in which the witness stated remarks were made about you personally. In replying to this testimony I declined to enter into the issue of veracity between myself and those witnesses on what might have been said about your honor. In the first place, I had no recollection of any remarks about you. In the second place, I consider it undignified to discuss personal opinions about a Federal court in a congressional hearing. In the third place, it was my impression that the committee itself considered such a discussion extremely distasteful and inappropriate.

In view of the publication of the letter by Congressman DINGELL, I think, however, that I should say that at no time was your honor's integrity or ability ever called into question in any conversation and anyone who asserts that it was is making a false statement. At the hearing the charges against the Department of Justice were shown to be without any foundation whatever. That should conclude the matter.

I regret that I have to write this letter. It is necessary only because the letter written by Congressman DINGELL attempts to rehash that phase of the investigation from a partisan point of view. Therefore, unless a reply is published, Congressman DINGELL's letter might give an erroneous impression of the attitude of the Department toward your court.

Sincerely,

THURMAN ARNOLD,
Assistant Attorney General.

The fourth letter, the text of a copy of a letter sent by Mr. Smith to the Senate Judiciary Committee, is my final exhibit. In view of Detroit's key importance to preparations for national defense, Mr. Smith's appeal cannot be ignored. But I direct attention, too, to Mr. Smith's reiterated support of the testimony he gave before Senator HATCH's subcommittee. This letter reads as follows:

CITY OF DETROIT, *June 12, 1940.*

Re Senate Resolution 245.
SENATE JUDICIARY COMMITTEE,
United States Senate, Washington, D. C.
(Attention Hon. CARL D. HATCH, chairman, Senate Judiciary Subcommittee.)

MY DEAR SENATOR: On Monday last the President told the Nation: "We will not slow down or detour. Signs and signals call for speed—full speed ahead!"

I quote this challenging statement on national defense, Senator, because it brings into sharper focus the public need for early adoption of Senate Resolution 245 by the United States Senate. For if Detroit industries are to fulfill their vital functions in helping to rearm America with maximum efficiency, they are entitled to the use of a constant, ample natural-gas supply at a low cost.

I repeat the President's statement here because I also learned on last Monday that Senate Resolution 245 may be shelved until Congress reconvenes next January. Such a delay would, in my opinion, be an unfortunate slow down or detour instead of a speed-up toward effective national security.

Natural gas is primarily an industrial fuel. A Cleveland manufacturer once declared that "no greater catastrophe could befall Cleveland than the loss of its natural-gas supply." Detroit industrialists first petitioned the Detroit Common Council for natural gas in 1930. Today, 10 years later, though faced by a Nation's supreme demands, they are still without it in substantial quantity.

I testified before your subcommittee that Detroit can use 220,000,000 cubic feet of natural gas daily; but less than half that volume is under contract now, in a normal time. You need only recall the serious fuel famines of the first World War to recognize the strategic importance of building a second natural-gas pipe line to Detroit as a Federal defense weapon. But our city can hope for no such relief until the unlawful restraints imposed by the Columbia Gas & Electric interests are permanently removed.

But Senate Resolution 245 can do more than help to strengthen America against enemies without. It can bring to light serious weaknesses within our country. If democracy is to endure, it must have the desire and will to clean its own house. On that basis alone, the city of Detroit can properly appeal for Senate adoption of Senate Resolution 245.

Further, the record should show, Senator, that I stand squarely and resolutely behind the testimony I gave before your subcommittee last April, in relating the reasons advanced to me and to others by Justice Department officials, for their acceptance of the so-called Columbia plan, which affects Detroit so deeply.

As president of the Detroit Common Council and as chairman of the Natural Gas Committee of the United States Conference of Mayors, may I say that the reflection cast upon the Federal court by Assistant Attorney General Thurman Arnold was unmistakable in its import, and I am ready to bring corroborating witnesses before any committee of the Senate or the House of Representatives.

I refer to such a matter with extreme reluctance, Senator, but I may say that, even in 1935, the late Senator Couzens believed that a Senate inquiry into the natural-gas monopolies was justified. (See CONGRESSIONAL RECORD, v. 79, p. 3785, S. Res. 108.) How much more impelling, then, is our need for the adoption of Senate Resolution 245 in 1940?

On behalf of the mayors' conference and my own city, I want to thank you, Senator, for the fair and earnest attention you are giving, as chairman of the Senate Judiciary Subcommittee, to the merits of Senate Resolution 245. We hope for early and favorable action by the full committee.

Respectfully,

———— ————,
President, Common Council, City of Detroit, and Chairman, Natural Gas Committee, United States Conference of Mayors.

Mr. Speaker, I am entering these communications not only because they belong in the RECORD but also as an earnest and candid invitation to Judge Nields to discuss my suggestion that the Federal Trade Commission be asked to reexamine the so-called Columbia plan, which is opposed bitterly by the city of Detroit, and which, by circumstances, allegedly has also been forced upon the Department of Justice.

I want to say further, Mr. Speaker, that Mr. Smith's testimony cannot be tested without a full Senate inquiry, nor

can the serious charge attributed to Mr. Arnold be dispelled by mere denial. Meantime, let me warn the Columbia Gas & Electric Corporation that my city's capacity for resistance is powerful and tenacious.

ENROLLED BILLS SIGNED

Mr. PARSONS, from the Committee on Enrolled Bills, reported that that committee had examined and found truly enrolled bills of the House of the following titles, which were thereupon signed by the Speaker:

H. R. 9117. An act to eliminate the tax on brandy and wine spirits used in the fortification of wine; to increase the tax on wine; to compensate for the loss of revenue occasioned by the elimination of the tax on brandy and wine spirits used in the fortification of wine; and for other purposes; and

H. R. 9909. An act to amend sections 2803 (c) and 2903 of the Internal Revenue Code.

BILLS PRESENTED TO THE PRESIDENT

Mr. PARSONS, from the Committee on Enrolled Bills, reported that that committee did on this day present to the President, for his approval, bills of the House of the following titles:

H. R. 9117. An act to eliminate the tax on brandy and wine spirits used in the fortification of wine; to increase the tax on wine; to compensate for the loss of revenue occasioned by the elimination of the tax on brandy and wine spirits used in the fortification of wine; and for other purposes; and

H. R. 9909. An act to amend sections 2803 (c) and 2903 of the Internal Revenue Code.

ADJOURNMENT

Mr. LEAVY. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 6 o'clock and 25 minutes p. m.) the House adjourned until tomorrow, Thursday, June 20, 1940, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1767. A letter from the Acting Secretary of the Navy, transmitting a draft of a proposed bill to provide, in cooperation with the Port of New York Authority, for the construction in New York Harbor of a graving drydock large enough to accommodate the largest naval ships built or building; to the Committee on Naval Affairs.

1768. A letter from the Chairman, Civil Aeronautics Authority, transmitting a draft of a proposed bill to provide for a grant to the Richmond, Fredericksburg & Potomac Railroad Co. of a right-of-way across certain land owned by the United States; to the Committee on the Public Lands.

1769. A letter from the President, Board of Commissioners of the District of Columbia, transmitting a draft of a proposed bill to amend section 2 of the act of Congress entitled "An act for the suppression of prostitution in the District of Columbia," approved August 15, 1935; to the Committee on the District of Columbia.

1770. A letter from the Secretary of Agriculture, transmitting a report for the fiscal year ended June 30, 1931, covering the receipts, expenditures, and work of the agricultural experiment stations in the States, Hawaii, Alaska, and Puerto Rico under the Hatch, Adams, Purnell, and supplementary acts, and title I of the Bankhead-Jones Act of June 29, 1935, authorizing payments to the States, Hawaii, Alaska, and Puerto Rico for agricultural experiment stations; to the Committee on Agriculture.

1771. A letter from the Archivist of the United States, transmitting recommendation for disposition of a list of papers by the Department of the Interior; to the Committee on the Disposition of Executive Papers.

1772. A letter from the Archivist of the United States, transmitting recommendation for disposition of a list of papers by the Department of Agriculture; to the Committee on the Disposition of Executive Papers.

1773. A letter from the Archivist of the United States, transmitting recommendation for disposition of a list of papers from the Department of the Interior; to the Committee on the Disposition of Executive Papers.

1774. A letter from the Archivist of the United States, transmitting recommendation for the disposition of a list of papers by the Department of the Interior; to the Committee on the Disposition of Executive Papers.

1775. A letter from the Archivist of the United States, transmitting recommendation for the disposition of a list of papers by the Department of the Interior; to the Committee on the Disposition of Executive Papers.

1776. A letter from the Archivist of the United States, transmitting recommendation for disposition of a list of papers by the Department of the Treasury; to the Committee on the Disposition of Executive Papers.

1777. A letter from the Archivist of the United States, transmitting recommendation for disposition of a list of papers by the Department of the Navy; to the Committee on the Disposition of Executive Papers.

1778. A letter from the Archivist of the United States, transmitting recommendation for disposition of a list of papers by the Department of the Treasury; to the Committee on the Disposition of Executive Papers.

1779. A letter from the Archivist of the United States, transmitting recommendation for disposition of a list of papers by the United States attorney for the district of South Dakota, with the approval of the Department of Justice; to the Committee on the Disposition of Executive Papers.

1780. A letter from the Archivist of the United States, transmitting recommendation for disposition of a list of papers by the United States marshal for the district of South Dakota with the approval of the Department of Justice; to the Committee on the Disposition of Executive Papers.

1781. A letter from the Archivist of the United States, transmitting recommendation for the disposition of a list of papers by the Department of the Navy; to the Committee on the Disposition of Executive Papers.

1782. A letter from the Archivist of the United States, transmitting recommendation for disposition of lists of papers by the Post Office Department; to the Committee on the Disposition of Executive Papers.

1783. A letter from the Archivist of the United States, transmitting recommendation for disposition of a list of papers by the Federal Works Agency, Public Buildings Administration; to the Committee on the Disposition of Executive Papers.

1784. A letter from the Archivist of the United States, transmitting recommendation for the disposition of a list of papers by the Federal Works Agency, Work Projects Administration; to the Committee on the Disposition of Executive Papers.

1785. A letter from the Archivist of the United States, transmitting recommendation for disposition of a list of papers by the Federal Security Agency, Office of Education; to the Committee on the Disposition of Executive Papers.

1786. A letter from the Archivist of the United States, transmitting recommendation for the disposition of a list of papers by the Civil Aeronautics Authority; to the Committee on the Dispostiion of Executive Papers.

1787. A letter from the Archivist of the United States, transmitting recommendation for disposition of lists of papers by the Department of Agriculture; to the Committee on the Disposition of Executive Papers.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII,

Mr. BULWINKLE: Committee on Interstate and Foreign Commerce. House Report No. 2031 (pt. II). Supplemental report to accompany S. 2111; without amendment. Referred

to the Committee of the Whole House on the state of the Union.

Mr. VINSON of Georgia: Committee on Naval Affairs. H. R. 10100. A bill to establish the composition of the United States Navy, to authorize the construction of certain naval vessels, and for other purposes; with amendment (Rept. No. 2640). Referred to the Committee of the Whole House on the state of the Union.

Mr. HOBBS: Committee on the Judiciary. H. R. 10101. A bill to make unlawful the transportation of convict-made goods in interstate commerce, and for other purposes; without amendment (Rept. No. 2641). Referred to the House Calendar.

Mr. BLOOM: Committee on Foreign Affairs. House Joint Resolution 573. Joint resolution to amend section 4 of Public Resolution No. 54, approved November 4, 1939, entitled "Joint resolution to preserve the neutrality and the peace of the United States and to secure the safety of its citizens and their interests; with amendment (Rept. No. 2642). Referred to the House Calendar.

Mr. DEROUEN: Committee on the Public Lands. H. R. 8204. A bill amending the act of January 17, 1920 (41 Stat. 392), authorizing local drainage districts to drain certain public lands in the State of Arkansas, counties of Mississippi and Poinsett, and subjecting said lands to taxation, insofar as said act affects certain public lands in Big Lake Migratory Bird Refuge, Mississippi County, lying within the Little River Floodway, known as Big Lake; without amendment (Rept. No. 2644). Referred to the Committee of the Whole House on the state of the Union.

Mr. DICKSTEIN: Committee on Immigration and Naturalization. H. R. 10112. A bill to amend the Immigration Act of 1924 to require aliens admitted into the United States as officials of foreign governments either to maintain their status or to depart from the United States, with the approval of the Secretary of State; without amendment (Rept. No. 2645). Referred to the Committee of the Whole House on the state of the Union.

Mr. COCHRAN: Committee on Expenditures in the Executive Departments. S. 2773. An act to authorize the payment of compensation to recess appointees in certain cases; without amendment (Rept. No. 2646). Referred to the Committee of the Whole House on the state of the Union.

Mr. COCHRAN: Committee on Expenditures in the Executive Departments. H. R. 10061. A bill to consolidate certain exceptions to section 3709 of the Revised Statutes and to improve the United States Code; without amendment (Rept. No. 2647). Referred to the Committee of the Whole House on the state of the Union.

Mr. NELSON: Committee on Rules. House Resolution 535. Resolution for the consideration of H. R. 9931, a bill to increase the credit resources of the Commodity Credit Corporation; without amendment (Rept. No. 2648). Referred to the House Calendar.

Mr. SPARKMAN: Committee on Military Affairs. S. 3131. An act to extend the benefits of the United States Employees' Compensation Act to members of the Officers' Reserve Corps and of the Enlisted Reserve Corps of the Army who were physically injured in line of duty while performing active duty or engaged in authorized training between dates of February 28, 1925, and July 15, 1939, both inclusive, and for other purposes; with amendment (Rept. No. 2649). Referred to the Committee of the Whole House on the state of the Union.

Mr. RANDOLPH: Committee on the District of Columbia. H. R. 10106. A bill to amend the District of Columbia Revenue Act of 1939; without amendment (Rept. No. 2650). Referred to the Committee of the Whole House on the state of the Union.

Mr. SABATH: Committee on Rules. House Resolution 537. Resolution for the consideration of House Joint Resolution 571, joint resolution to authorize the Federal Bureau of Investigation of the Department of Justice to conduct investigations in the interests of national defense, and for that purpose to permit wire tapping in certain cases; without amendment (Rept. No. 2651). Referred to the House Calendar.

Mr. SABATH: Committee on Rules. House Resolution 538. Resolution for the consideration of H. R. 10100, a bill to establish the composition of the United States Navy, to authorize the construction of certain naval vessels, and for other purposes; without amendment (Rept. No. 2652). Referred to the House Calendar.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of rule XIII,

Mr. ENGLEBRIGHT: Committee on the Public Lands. H. R. 6752. A bill to release all the interest of the United States in certain land constituting a portion of the right-of-way granted to the Central Pacific Railway Co. under the act of July 1, 1862, as amended and supplemented; with amendment (Rept. No. 2643). Referred to the Committee of the Whole House.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. ALEXANDER:

H. R. 10113. A bill to establish as a part of the military reserves of the United States a Home Defense Organized Reserve for local home defense against present-day foreign military methods and "fifth column" infiltration and sabotage; to the Committee on Military Affairs.

By Mr. DOXEY:

H. R. 10114. A bill to authorize the Secretary of Agriculture to make analyses of fiber properties, spinning tests, and other tests of the quality of cotton samples submitted to him; to the Committee on Agriculture.

By Mr. GORE:

H. R. 10115. A bill providing for the restoration to active duty of certain physically fit retired officers; to the Committee on Military Affairs.

By Mr. MAY:

H. R. 10116. A bill to authorize the Secretary of War to acquire by donation land, or to accept donation of the cost of acquiring same, for military or other public purposes; to the Committee on Military Affairs.

By Mr. VOORHIS of California:

H. R. 10117. A bill to increase the number of farm owners, to reduce farm tenancy, and to assist the resettlement on the land of migrant families; to the Committee on Agriculture.

By Mr. FERNANDEZ:

H. R. 10118. A bill to provide for an investigation and report of losses resulting from the campaign for the eradication and control of the white-fringed beetle by the Department of Agriculture; to the Committee on Agriculture.

By Mr. FISH:

H. Res. 536. Resolution calling on the President for information concerning the sale, directly or indirectly, of naval vessels to any belligerent nation; to the Committee on Naval Affairs.

MEMORIALS

Under clause 3 of rule XXII, memorials were presented and referred as follows:

By the SPEAKER: Memorial of the legislature of the State of New York, memorializing the President and the Congress of the United States to consider their resolution dated March 30, 1940, concerning the Sugar Act of 1937; to the Committee on Agriculture.

Also, memorial of the legislature of the State of New York, memorializing the President and the Congress of the United States to consider their resolution dated March 30, 1940, concerning House bill 801, or any appropriate legislation which will prevent the punishment or destruction of persons accused or suspected of crime in any other way or by any other authority than by due process of law and by a

duly constituted court of justice; to the Committee on the Judiciary.

Also, memorial of the legislature of the State of Louisiana, memorializing the President and the Congress of the United States to consider their House Concurrent Resolution No. 22, with reference to universal military training; to the Committee on Military Affairs.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. BURDICK:

H. R. 10119. A bill for the relief of Franklin Stencil; to the Committee on Claims.

H. R. 10120. A bill for the relief of Dominic Stencil; to the Committee on Claims.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

8838. By Mr. CASE of South Dakota: Petition of Corson County farmers, urging enactment of House bill 8748 and recommending passage of Senate bill 3509, to reduce permanently the interest rates on Federal land bank and land-bank commissioner loans, etc.; to the Committee on Agriculture.

8839. Also, petition of Frank G. Wilson, vice president, and Thomas Eagle Thunder, secretary, of the Black Hills Sioux National Council, endorsed by the Black Hills Sioux National Council in special session held at Red Scaffold, S. Dak., June 11–12, 1940, urging against the enactment of Senate bill 3083; also petitioning that House Joint Resolution 352 be given immediate hearing and passage; and petitioning Congress to appropriate special funds for the benefit of the younger generation who have been denied relief and are now out of school and residing within the reservations; to the Committee on Indian Affairs.

8840. By Mr. MARTIN J. KENNEDY: Petition of the Central Union Label Council, New York City, expressing opposition to any reduction of appropriations which would endanger the salaries of Federal employees; to the Committee on Appropriations.

8841. By Mr. KEOGH: Petition of the Central Union Label Council of Greater New York, opposing any reduction in salaries of Federal employees; to the Committee on Appropriations.

8842. Also, petition of the Brooklyn Young Republican Club, Hotel Bossert, Brooklyn, N. Y., favoring all possible aid to the Allies, and for an appropriation of $100,000,000 for the purchase of clothing and supplies to feed the refugees within the war zones; to the Committee on Foreign Affairs.

8843. By Mr. MERRITT: Resolution of the National Association of Postmasters and the National Association of Postal Supervisors in joint convention, approving the recent stand of the President of the United States relative to adequate national defense; to the Committee on Military Affairs.

8844. Also, resolution of Raymond W. Smith Post, No. 222, American Legion, endorsing the sentiments expressed by the President of the United States in his speech of June 10, 1940; to the Committee on Military Affairs.

8845. By Mr. SANDAGER: Petition of the Lions Club of Providence, urging the immediate enactment of such legislation as may be necessary to put an end to subversive activities of agents of foreign powers; to the Committee on the Judiciary.

8846. Also, petition to the President and the Congress of the United States by the Emergency Committee of Rhode Island, signed by 1,125 citizens, urging that action be taken by this country at the earliest possible moment to render to the Allies every effective aid within our power, short of sending troops to Europe; to the Committee on Military Affairs.

8847. By Mr. SCHIFFLER: Petition of Archie Marshall and other citizens of Littleton, Wetzel County, W. Va., urging the United States to give all possible assistance to the Allies, such as war planes, tanks, equipment, materials, etc., but opposing sending our boys to fight on foreign soil; to the Committee on Foreign Affairs.

8848. By Mr. SCHWERT: Petition of 108 citizens of the Niagara frontier, urging aid to the Allies and preparedness in the United States—this list is an addition to previous list of 275 signatures urging similar action; to the Committee on Foreign Affairs.

8849. Also, resolution of L. L. Tillman Post, No. 900, American Legion, Akron, N. Y., pertaining to protective measures and subversive activities in national emergency; to the Committee on the Judiciary.

8850. By Mr. SPRINGER: Resolution of the Vigo County Industrial Union Council, Terre Haute, Ind., pertaining to labor and national defense; to the Committee on Military Affairs.

8851. Also, resolution of G. M. Subcouncil, No. 4, United Automobile Workers of America, Congress of Industrial Organizations, Muncie, Ind., pertaining to labor and the national-defense program; to the Committee on Military Affairs.

8852. By the SPEAKER: Petition of L. B. Magee and others of San Francisco, Calif., petitioning consideration of their resolution with reference to foreign affairs; to the Committee on Foreign Affairs.

8853. Also, petition of the Civic Reform League of Puerto Rico, San Juan, P. R., petitioning consideration of their resolution with reference to the defense program; to the Committee on Military Affairs.

8854. Also, petition of the Indiana Committee for National Defense, Indianapolis, Ind., petitioning consideration of their resolution with reference to the defense program; to the Committee on Military Affairs.

SENATE

THURSDAY, JUNE 20, 1940

(Legislative day of Tuesday, May 28, 1940)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

Rev. Duncan Fraser, assistant rector, Church of the Epiphany, Washington, D. C., offered the following prayer:

Almighty and everlasting God, who hast taught us in Thy holy word that Thou dost not willingly grieve or afflict the children of men, and that those who sleep in Thee sleep not eternally: Accept our prayers on behalf of the soul of Thy servant, now departed from this Senate. Rest eternal grant unto him, O Lord, and may light perpetual shine upon him and upon all who mourn his loss, till we shall all be gathered into the fellowship of Thy saints. Through Jesus Christ, Thy Son, our Lord. Amen.

THE JOURNAL

On request of Mr. BARKLEY, and by unanimous consent, the reading of the Journal of the proceedings of the calendar day of Wednesday, June 19, 1940, was dispensed with, and the Journal was approved.

CALL OF THE ROLL

Mr. MINTON. I suggest the absence of a quorum.

The VICE PRESIDENT. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Adams	Capper	Green	La Follette
Andrews	Caraway	Guffey	Lee
Ashurst	Chandler	Gurney	Lodge
Austin	Chavez	Hale	Lucas
Bailey	Clark, Idaho	Harrison	Lundeen
Bankhead	Clark, Mo.	Hatch	McCarran
Barkley	Connally	Hayden	McKellar
Bilbo	Danaher	Herring	McNary
Bone	Davis	Hill	Maloney
Bridges	Donahey	Holman	Mead
Brown	Downey	Holt	Miller
Bulow	Ellender	Hughes	Minton
Burke	George	Johnson, Calif.	Murray
Byrd	Gerry	Johnson, Colo.	Neely
Byrnes	Gillette	King	Norris

Nye	Russell	Taft	Vandenberg
O'Mahoney	Schwartz	Thomas, Idaho	Van Nuys
Overton	Schwellenbach	Thomas, Okla.	Wagner
Pepper	Sheppard	Thomas, Utah	Walsh
Pittman	Shipstead	Tobey	Wheeler
Radcliffe	Slattery	Townsend	White
Reed	Smathers	Truman	Wiley
Reynolds	Smith	Tydings	

Mr. MINTON. I announce that the Senator from Virginia [Mr. GLASS] and the Senator from Tennessee [Mr. STEWART] are necessarily absent from the Senate.

Mr. AUSTIN. I announce that the Senator from North Dakota [Mr. FRAZIER] is necessarily absent.

The Senator from New Jersey [Mr. BARBOUR] is absent on official duties.

The VICE PRESIDENT. Ninety-one Senators have answered to their names. A quorum is present.

DEATH OF SENATOR ERNEST W. GIBSON, OF VERMONT

Mr. AUSTIN. Mr. President, the seat on my right, occupied for the last few years by my distinguished colleague ERNEST W. GIBSON, is vacant and is in mourning. My colleague passed on this morning to that Upper Chamber in which his virtuous life and his noble character entitle him to a seat among the very elect, of those who loved their fellow man.

On his desk we lay the unfading amaranth, representing the devoted regard of every one of his colleagues in this great body, of the officers and officials of the United States Senate, of the official reporters, of the members of the press, of the pages, of the doorkeepers, of everyone who had any contact at all with Senator GIBSON during his long and faithful and distinguished service here on Capitol Hill.

He was born in 1872 in Londonderry, Vt., the son of William L. and Saville Stowell Gibson. I remember visiting that hilltop farm about 7 years ago, and viewing the horizons of his youth, whence I have no doubt came some of the strength and nobility of his character, for one may not omit to receive from those Green Mountains, with the shining rivers in between, a stimulating energy, and a stability which comes from their very moderation and the calm beauty of their wooded slopes.

He married in 1897 Grace Fullerton Hadley, of Chester, and to them four children were born—Hadley Gibson, deceased; Ernest W. Gibson, Jr., now secretary of the Vermont Senate; Preston F. Gibson, now municipal judge of Brattleboro, and Doris Gibson, whose filial piety is well known to us all, whose love devoted her life to promoting his welfare and his happiness.

Senator GIBSON, by choice, was a lawyer, and, Mr. President, by choice, he was a soldier. He early showed his interest in military affairs, and enlisted in the Vermont National Guard in 1899. He rose to the rank of colonel before his enlistment expired in 1908. Returning to the service in 1915, he served on the Mexican border, and later went overseas during the World War as a captain of infantry, and from 1921 to 1923 served as colonel of the One Hundred and Seventy-second Vermont Infantry. He served in the House of Representatives for a period of over 10 years before coming to the Senate, first taking his seat December 5, 1923, and serving continuously in that body through the Sixty-eighth, Sixty-ninth, Seventieth, Seventy-first, Seventy-second, and Seventy-third Congresses until his appointment to the United States Senate by Gov. Stanley C. Wilson November 21, 1933. He was elected for the unexpired term of Senator Porter H. Dale January 16, 1934, and was reelected for the full term November 8, 1938.

He was a member of many important committees during his service in both Houses of Congress; and at the time of his death he held membership on the Naval Affairs, Commerce, Library, Civil Service, and Territories and Insular Affairs Committees.

He was a frequent visitor to Hawaii, and made several trips during his terms to the Philippine Islands and other insular possessions for the purpose of obtaining information for use in formulating constructive policies relating to territorial and insular affairs, in which he was especially interested.

During the months in which the Commerce Committee was engaged in maritime legislation and amendments to the pure food and drug laws, Senator GIBSON worked arduously with the late Senator Copeland, chairman of the committee.

Senator GIBSON was an ardent worker for the welfare of Vermont, and rendered conspicuous service while in the House in his pursuit of Federal funds to pay in part for the losses sustained in the flood of 1927, the most disastrous in the history of Vermont. After a long fight, waged largely in House committees, Representative GIBSON was successful in getting the bill over to the Senate. Proposing aid to the extent of $2,654,000, the bill was finally approved and attached to the agricultural appropriation bill of 1929, which was approved May 16, 1928. These funds were a great help to the State in its rehabilitation program.

His service on the District of Columbia Committee in the House and the Senate resulted in legislation helpful to the schools, hospitals, and parks of the District of Columbia.

He was a constant newspaper reader, and was usually prepared early in the morning to discuss the most important daily events as set forth particularly in the New York newspapers, which he carried under his arm. He became something of a minute man in this respect. Besides, he was a prolific contributor of letters to newspapers on public questions, and he pounded out his ideas on a typewriter in the manner of a skilled newspaper man.

Mr. President, the people of Vermont, who reelected him by a significant majority—a vote of 73,990 to 38,673—loved Senator GIBSON. He did not have to make a campaign for reelection. By choice, and wishing to have that fine contact with his people which comes from service on the public platform, he made a few speeches during his campaign; but there was no expenditure of funds; there was no hustling about and organizing. Senator GIBSON was reelected as a demonstration of the confidence and regard of the people of the State of Vermont, and they will grievously miss him.

Our hearts go out to his faithful office staff. Throughout his rather long illness, and the gallant battle preceding his demise, they have been constantly watching and praying for his welfare.

I must be pardoned for making a personal reference in order to record a fact which I think is worthy of perpetual memory, and that is that during all the time of our joint service in the Congress of the United States, and though we frequently voted differently regarding measures pending here and general policies, there never has been a single unkind episode between us. I shall prize, I shall always cherish that remarkable, kind, friendly, affable, witty relationship which was due largely to the character of ERNEST W. GIBSON.

To his family we cannot possibly do so much as we wish we could, but we here record our deepest sympathy for them.

Mr. President, it was characteristic of ERNEST W. GIBSON to be modest, unassuming, to give little weight to protocol and conventionality, and to set value upon the substance rather than the form. In his lifetime he would have preferred that the Senate of the United States continue, in these strenuous hours, its labor of trying to provide means of national defense, rather than take the customary action of adjourning immediately out of respect for his memory. His survivors—these boys and this daughter of his—thoroughly appreciate the character of their father, and have requested us not to allow even this great sadness and even our great love and regard for their father to interrupt the progress of the public business.

Mr. President, in view of the patriotism represented in the suggestions of this sorrowing family, in view of their faith that their father, if alive, would have wanted this thing done, I shall ask that the Senate proceed with the business of the day as a mark of respect for the great character of ERNEST W. GIBSON, and then permit me, at a suitable hour in the

day, to make the customary motion that the Senate adjourn in testimony of our great regard and our great sorrow at the passing of ERNEST W. GIBSON.

Mr. BARKLEY. Mr. President, there is little that I can add to the very beautiful and touching tribute which has been paid to Senator GIBSON, whom we all admired and respected, by his colleague, whom we all admire and respect. No greater tribute could be paid to the memory of Senator GIBSON than has been paid to him already by his family, who have made this request, speaking sentiments which no doubt he himself would entertain, and which, for all we know, may have been communicated to them, in regard to the action suggested by the Senator from Vermont.

One's public service and private character are not always measured by verbosity. Frequently that characteristic may denote the lack of public service and private character.

I knew Senator GIBSON many years. I admired him, and I had for him great personal affection. As his colleague has said, he was modest and unobtrusive, but genuine. He represented in a real sense the rugged hills of his State and of New England, from which there has been diffused throughout the length of this great land that blood which has helped to make this Nation a great Republic.

In the vast armies of Napoleon there was one soldier for whom Napoleon had a deep affection. He was a private in the ranks, and on many occasions Napoleon offered to promote him, but he always refused, on the ground that he preferred to serve in the ranks of Napoleon's army. His name was Latour d'Auvergne, and when finally he died in action Napoleon ordered that his heart should be preserved, and that on each roll call his name should be called and his nearest comrade should reply, "Dead on the field of honor."

In view of the character of our departed colleague, in view of his record in legislative and in military matters, serving his country, I think we can all say today that he died on the field of honor.

Mr. President, I appreciate what has been said by the Senator from Vermont. I appreciate this wonderful feeling on the part of Senator GIBSON's family. For many years we have sat here and observed his beautiful and charming daughter in the gallery and have noted her devotion to her father. I can assure the Senator and the Senate that we will not have a prolonged session today, but will proceed for a while, according to the request, with the business of the Senate, after which the Senator from Vermont may make his motion.

MESSAGES FROM THE PRESIDENT

Messages in writing from the President of the United States were communicated to the Senate by Mr. Latta, one of his secretaries.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Chaffee, one of its reading clerks, announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 5982) for the protection against unlawful use of the badge, medal, emblem, or other insignia of veterans' organizations incorporated by act of Congress, and providing penalties for the violation thereof.

The message also announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 8202) making appropriations for the Department of Agriculture for the fiscal year ending June 30, 1941, and for other purposes; that the House receded from its disagreement to the amendments of the Senate numbered 17, 37, and 105 to the bill, and concurred therein; that the House receded from its disagreement to the amendments of the Senate numbered 20, 21, 39, and 43 to the bill, and concurred therein, severally with an amendment, in which it requested the concurrence of the Senate, and that the House further insisted upon its disagreement to the amendments of the Senate numbered 61, 65, and 66 to the bill.

ENROLLED BILL SIGNED

The message further announced that the Speaker had affixed his signature to the enrolled bill (S. 2059) authorizing a grant to the city of Fargo, N. Dak., of an easement in connection with the construction of water and sewer systems, and it was signed by the President pro tempore.

SUPPLEMENTAL ESTIMATE, WAR DEPARTMENT (S. DOC. NO. 234)

The VICE PRESIDENT laid before the Senate a communication from the President of the United States, transmitting a supplemental estimate of appropriation for the fiscal year 1941, for the War Department, amounting to $135,000, which, with the accompanying paper, was referred to the Committee on Appropriations and ordered to be printed.

SUPPLEMENTAL ESTIMATES, DEPARTMENT OF JUSTICE (S. DOC. NO. 235)

The VICE PRESIDENT laid before the Senate a communication from the President of the United States, transmitting supplemental estimates of appropriations, fiscal year 1941, amounting to $3,600,000, for the Department of Justice, which, with the accompanying paper, was referred to the Committee on Appropriations and ordered to be printed.

SUPPLEMENTAL ESTIMATES, LEGISLATIVE ESTABLISHMENT (S. DOC. NO. 236)

The VICE PRESIDENT laid before the Senate a communication from the President of the United States, transmitting three supplemental estimates of appropriations for the legislative establishment, fiscal year 1941, amounting to $70,000, which, with the accompanying papers, was referred to the Committee on Appropriations and ordered to be printed.

SUPPLEMENTAL ESTIMATES, TREASURY DEPARTMENT (S. DOC. NO. 237)

The VICE PRESIDENT laid before the Senate a communication from the President of the United States, transmitting supplemental estimates of appropriations for the Treasury Department, fiscal year 1941, amounting to $530,000, which, with the accompanying paper, was referred to the Committee on Appropriations and ordered to be printed.

SUPPLEMENTAL ESTIMATE, TREASURY DEPARTMENT (S. DOC. NO. 238)

The VICE PRESIDENT laid before the Senate a communication from the President of the United States, transmitting a supplemental estimate of appropriation for the Treasury Department, fiscal year 1940, amounting to $600,000, which, with the accompanying paper, was referred to the Committee on Appropriations and ordered to be printed.

SUPPLEMENTAL ESTIMATES, TREASURY DEPARTMENT (S. DOC. NO. 239)

The VICE PRESIDENT laid before the Senate a communication from the President of the United States, transmitting supplemental estimates of appropriations for the Treasury Department, fiscal year 1941, amounting to $1,337,840, which, with the accompanying paper, was referred to the Committee on Appropriations and ordered to be printed.

SUPPLEMENTAL ESTIMATE, DEPARTMENT OF LABOR (S. DOC. NO. 240)

The VICE PRESIDENT laid before the Senate a communication from the President of the United States, transmitting a supplemental estimate of appropriation for the Department of Labor, fiscal year 1941, amounting to $110,000, which, with the accompanying paper, was referred to the Committee on Appropriations and ordered to be printed.

SUPPLEMENTAL ESTIMATE, TENNESSEE VALLEY AUTHORITY (S. DOC. NO. 241)

The VICE PRESIDENT laid before the Senate a communication from the President of the United States, transmitting a supplemental estimate of appropriation for the Tennessee Valley Authority, fiscal year 1941, in the amount of $25,000,000, which, with the accompanying paper, was

referred to the Committee on Appropriations and ordered to be printed.

SUPPLEMENTAL ESTIMATES, DEPARTMENT OF LABOR AND FEDERAL SECURITY AGENCY (S. DOC. NO. 242)

The VICE PRESIDENT laid before the Senate a communication from the President of the United States, transmitting supplemental estimates of appropriation required by the Department of Labor and the Federal Security Agency, fiscal year 1941, amounting to $22,590,000, which, with the accompanying paper, were referred to the Committee on Appropriations and ordered to be printed.

SUPPLEMENTAL ESTIMATES, FEDERAL WORKS AGENCY (S. DOC. NO. 243)

The VICE PRESIDENT laid before the Senate a communication from the President of the United States, transmitting supplemental estimates of appropriations for the Federal Works Agency, fiscal year 1941, in amount of $9,700,000, which, with the accompanying paper, was referred to the Committee on Appropriations and ordered to be printed.

SUPPLEMENTAL ESTIMATE, DEPARTMENT OF STATE (S. DOC. NO. 244)

The VICE PRESIDENT laid before the Senate a communication from the President of the United States, transmitting a supplemental estimate of appropriation for the Department of State, fiscal year 1941, amounting to $500,000, which, with the accompanying paper, was referred to the Committee on Appropriations and ordered to be printed.

SUPPLEMENTAL ESTIMATE, WAR DEPARTMENT (S. DOC. NO. 245)

The VICE PRESIDENT laid before the Senate a supplemental estimate of appropriation for the War Department, Army Air Corps, fiscal year 1941, to be immediately available, amounting to $43,500,000, which, with the accompanying paper, was referred to the Committee on Appropriations and ordered to be printed.

SUPPLEMENTAL ESTIMATES, DEPARTMENT OF THE INTERIOR (S. DOC. NO. 249)

The VICE PRESIDENT laid before the Senate a communication from the President of the United States, transmitting supplemental estimates of appropriations for the Department of the Interior, fiscal year 1941, amounting to $600,000, which, with the accompanying paper, was referred to the Committee on Appropriations and ordered to be printed.

SUPPLEMENTAL ESTIMATES, DEPARTMENT OF COMMERCE (S. DOC. NO. 250)

The VICE PRESIDENT laid before the Senate a communication from the President of the United States, transmitting supplemental estimates of appropriations for the Department of Commerce, fiscal year 1941, amounting to $239,000, which, with the accompanying paper, was referred to the Committee on Appropriations and ordered to be printed.

RIGHT-OF-WAY TO THE RICHMOND, FREDERICKSBURG & POTOMAC RAILROAD CO.—WASHINGTON NATIONAL AIRPORT

The VICE PRESIDENT laid before the Senate a letter from the Chairman of the Civil Aeronautics Authority, transmitting a draft of proposed legislation to provide for a grant to the Richmond, Fredericksburg & Potomac Railroad Co. of a right-of-way across certain land owned by the United States, which, with the accompanying paper, was referred to the Committee on Public Lands and Surveys.

PETITIONS AND MEMORIALS

The VICE PRESIDENT laid before the Senate the following concurrent resolution of the Legislature of the State of Louisiana, which was referred to the Committee on Agriculture and Forestry:

Memorializing the Congress of the United States to recognize Louisiana's interest in the sugar industry by permitting it to produce a greater proportion of the continental sugar consumption

Whereas the Louisiana sugar industry has become a very efficient industry but has been throttled by unprogressive policies of the Agricultural Department of the United States Government; and

Whereas under the 1937 Sugar Act arbitrary figures were adopted to control sugar production in the United States; and

Whereas Louisiana's sugar quota for 1940 is 362,000 tons, or 36,000 tons less than its 1904 sugar production; and in contrast thereto the quota for beet-sugar production and for sugar production of the Territorial possessions of the United States has been materially increased over the figure of 1904; and

Whereas the basis for the Louisiana quota is further unfair, unjust, and unreasonable because the period used by the Department of Agriculture in arriving at the basis between the years 1909–13 is a period when our Louisiana cane suffered from mosaic disease and from drought; that the acre production during said period of time was 2,154 pounds and now the acre production is 3,681 pounds: Therefore be it

Resolved by the Senate of Louisiana (the house of representatives concurring), That we do respectfully urge upon the Congress of the United States, now in session, that the proper authorities vested with the control of continental sugar production be requested to give the State of Louisiana a fairer sugar quota; be it further

Resolved, That copies of this concurrent resolution be forwarded to the President of the United States Senate, the Speaker of the House of Representatives of the United States, to Louisiana's senatorial and congressional Representatives in Washington, and to the press.

The VICE PRESIDENT also laid before the Senate the following concurrent resolution of the Legislature of the State of Louisiana, which was referred to the Committee on Military Affairs:

Memorializing the Congress of the United States and the Civil Aeronautics Authority to establish an aviation base at Lafayette, La.

Whereas the United States, in its defense program, is seeking to establish aviation bases in various sections of the country; and

Whereas the city of Lafayette, La., offers a modern airport with latest equipment and facilities; and

Whereas there is now in the city of Lafayette, La., a college known as Southwestern Louisiana Institute, where students study aviation, several of whom have already received pilot's licenses; and

Whereas in the defense program Lafayette, being near the Gulf coast, could be used for an air base to prevent any successful attacks through the Gulf of Mexico; and

Whereas, should the existing airport be not sufficiently large to fill the requirements and needs of the Federal Government for an air base, there is a sufficient quantity of lands that could be acquired adjoining the airport to make the said airport as large as necessary: Therefore be it

Resolved by the Senate of the State of Louisiana (the house of representatives concurring), That we do respectfully urge upon the Congress of the United States, now in session, and the Civil Aeronautics Authority that the proper authorities vested with the selection of air bases in the national-defense program be requested to make Lafayette, La., one of its air bases; be it further

Resolved, That copies of this concurrent resolution be forwarded to the President of the United States Senate, the Speaker of the House of Representatives of the United States, the Louisiana senatorial and congressional representatives in Washington, and to the press.

The VICE PRESIDENT also laid before the Senate the following concurrent resolution of the Legislature of the State of Louisiana, which was ordered to lie on the table:

Memorializing the Congress of the United States to adopt such legislation and to provide such funds as may be necessary to establish and maintain an adequate national defense for the United States of America

Whereas a greater part of the armies of the civilized world are now engaged in mortal combat which will inevitably result in the loss of countless lives, the destruction of property, and jeopardize the very existence of nations themselves; and

Whereas due to the improved mechanized power of modern warfare, particularly in the air, the position of the United States of America is not secure from attack by the aggressors of the world; and

Whereas the President of the United States of America has, on Thursday, May 16, 1940, recommended to the Congress of the United States that it do immediately provide funds in the amount of not less than $1,182,000,000 to strengthen the national defense of the United States; and

Whereas it is the deliberate opinion of these legislative bodies that such action is not only proper but necessary in order to insure the safety of this Nation and the perpetuation of American interest and ideals, to the end that the best interests of this Nation may be served: Now, therefore, be it

Resolved by the Senate of the State of Louisiana (and the house of representatives concurring), That the Congress of the United States is hereby memorialized to forthwith adopt such legislation and provide such funds as may be necessary to establish and maintain an adequate national defense for the United States of America in view of existing world conditions, and that it be further memorialized

to adopt the program of national defense outlined by the President in his message to the Congress on May 16, 1940; be it further

Resolved, etc. That copies of the resolution be forwarded to the President of the Senate of the United States, the Speaker of the House of Representatives, and the President of the United States of America.

The VICE PRESIDENT also laid before the Senate a petition of sundry citizens of Caldwell, Idaho, praying that the United States preserve its neutrality and keep out of war, which was referred to the Committee on Foreign Relations.

He also laid before the Senate a resolution of the Lions Club of Flora, Miss., endorsing the national-defense program, and favoring the enactment of legislation to stop all subversive activities in the United States, which was ordered to lie on the table.

Mr. MEAD presented a petition of sundry citizens of Buffalo, N. Y., praying for the enactment of legislation to stop all subversive activities in the United States, and also that no training other than military training be undertaken under Government supervision, which was referred to the Committee on the Judiciary.

Mr. WALSH presented a telegram in the nature of a petition from the Foreign Commerce Club, Horton I. Marlor, president, Boston, Mass., praying that the United States adopt a strong national-defense program, and also a Government service-training system, which was referred to the Committee on Military Affairs.

He also presented a petition of sundry citizens of Leominster, Mass., praying that Congress remain in session during the international crisis, which was ordered to lie on the table.

Mr. TYDINGS presented a resolution of the executive board of the Women's International League for Peace and Freedom, Maryland Branch, Baltimore, Md., requesting that the United States keep out of war, and protesting against the enactment of legislation to conscript man power or wealth, which was referred to the Committee on Foreign Relations.

He also presented a petition of sundry citizens of Baltimore, Md., endorsing the national-defense program, and praying that the United States may keep out of war, which was referred to the Committee on Foreign Relations.

He also presented a resolution of the Young Women's Democratic Club of Montgomery County, Md., endorsing the national-defense and rearmament program of the President of the United States, which was referred to the Committee on Military Affairs.

REPORTS OF COMMITTEES

Mr. CAPPER, from the Committee on Claims, to which was referred the bill (H. R. 5823) for the relief of Morrissey Construction Co., reported it without amendment and submitted a report (No. 1905) thereon.

Mr. BROWN, from the Committee on Claims, to which was referred the bill (S. 3741) for the relief of Charles P. Madsen, reported it with an amendment and submitted a report (No. 1906) thereon.

Mr. McKELLAR, from the Committee on Post Offices and Post Roads, to which was referred the bill (S. 4137) relating to transportation of foreign mail by aircraft, reported it without amendment and submitted a report (No. 1907) thereon.

Mr. ADAMS, from the Committee on Public Lands and Surveys, to which was referred the bill (S. 3869) to authorize the participation of States in certain revenues from national parks, national monuments, and other areas under the administrative jurisdiction of the National Park Service, and for other purposes, reported it without amendment and submitted a report (No. 1908) thereon.

Mr. KING, from the Committee on the District of Columbia, to which was referred the bill (H. R. 9722) to provide for the regulation of the business of fire, marine, and casualty insurance, and for other purposes, reported it with amendments and submitted a report (No. 1909) thereon.

Mr. HUGHES, from the Committee on the Judiciary, to which was referred the bill (H. R. 9139) to amend an act entitled "An act to establish a uniform system of bankruptcy throughout the United States," approved July 1, 1898, and acts amendatory thereof and supplementary thereto, reported it without amendment and submitted a report (No. 1910) thereon.

EXPEDITION IN NAVAL SHIPBUILDING—REPORT OF COMMITTEE ON NAVAL AFFAIRS (REPT. NO. 1863)

Mr. WALSH. Mr. President, under permission granted me a few days ago, from the Committee on Naval Affairs I am filing a written report to accompany the bill (H. R. 9822) to expedite naval shipbuilding, and for other purposes, reported by me on the 17th instant from that committee with amendments.

Since this bill was reported favorably some amendments have been added by the committee which will be presented on the floor and explained.

The VICE PRESIDENT. The report will be received and printed.

EXECUTIVE REPORTS OF A COMMITTEE

As in executive session,

Mr. McKELLAR, from the Committee on Post Offices and Post Roads, reported favorably the nominations of sundry postmasters.

BILLS AND JOINT RESOLUTION INTRODUCED

Bills and a joint resolution were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. MALONEY:

S. 4163. A bill conferring jurisdiction upon the Court of Claims to hear, determine, and render judgment upon the claim of Peter M. Roune; to the Committee on Claims.

By Mr. BURKE:

S. 4164. A bill to protect the integrity and institutions of the United States through a system of selective compulsory military training and service; to the Committee on Military Affairs.

By Mr. WALSH:

S. 4165. A bill to provide, in cooperation with the Port of New York Authority, for the construction in New York Harbor of a graving drydock large enough to accommodate the largest naval ships built or building; and

S. 4166. A bill to provide for the disposition of certain moneys received by the United States in connection with proceedings against the Standard Oil Co. of California and others, pursuant to the joint resolution of February 21, 1924 (43 Stat. 15); to the Committee on Naval Affairs.

By Mr. WHEELER:

S. 4167. A bill to amend an act entitled "An act authorizing construction of water conservation and utilization projects in the Great Plains and arid and semiarid areas of the United States," approved August 11, 1939 (53 Stat. 1418), and an act entitled "An act to promote conservation in the arid and semiarid areas of the United States by aiding in the development of facilities for water storage and utilization, and for other purposes," approved August 28, 1937 (50 Stat. 869); to the Committee on Irrigation and Reclamation.

(Mr. LUNDEEN introduced Senate Joint Resolution 282, which was referred to the Committee on Foreign Relations, and appears under a separate heading.)

ACQUISITION OF MILITARY BASES IN WESTERN HEMISPHERE

Mr. LUNDEEN. Mr. President, for some time we have had under discussion, on this Senate floor and in the daily press, the acquisition of land now in non-American hands within the Western Hemisphere. Air and naval bases are of utmost importance to our national defense. These islands and American possessions must be put under our flag now—not later or when it may be too late, but now.

Time and again during many years I have pioneered this legislation. I hope we may have Senators' support now that the storm clouds of Europe are rising on our horizon.

I am introducing a Senate joint resolution which is more comprehensive than any other resolutions proposed in the past. The joint resolution is very short, and I ask that it

lie on the table and be printed in the RECORD at this point in my remarks.

There being no objection, the joint resolution (S. J. Res. 282) authorizing the President of the United States to purchase or otherwise acquire by peaceful means islands or possessions of non-American nations within the Western Hemisphere was read twice by its title, referred to the Committee on Foreign Relations, and ordered to be printed in the RECORD, as follows:

Resolved, etc., That the President of the United States is hereby authorized to acquire, by negotiation and purchase, islands and possessions of non-American nations within the Western Hemisphere. In the event negotiation and purchase fails, the President is hereby authorized to proceed to acquire such vital and necessary islands and possessions by the armed forces of the United States.

SEC. 2. That there is hereby authorized to be appropriated, out of any money in the Treasury not otherwise appropriated, such sum or sums as may be necessary upon recommendation of the President to carry out the purpose of this joint resolution.

NOTICE OF MOTION TO SUSPEND THE RULE—AMENDMENT

Mr. BANKHEAD submitted the following notice in writing:

In accordance with the provision of rule XL of the Standing Rules of the Senate, I hereby give notice in writing that it is my intention hereafter to move to suspend paragraph 4 of rule XVI for the purpose of proposing to the bill (H. R. 10104) making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1940, and prior fiscal years, to provide supplemental appropriations for the fiscal years ending June 30, 1940, and June 30, 1941, and for other purposes, the following amendment, namely:

At the proper place insert the following:

"SEC. —. The date in the first proviso of the fourth paragraph under the heading 'Bureau of Internal Revenue' (relating to refunds of processing and related taxes), in the Second Deficiency Appropriation Act, fiscal year 1938, as amended, is hereby changed from 'July 1, 1940,' to 'July 1, 1941'."

Mr. BANKHEAD submitted an amendment intended to be proposed by him to House bill 10104, the Second Deficiency Appropriation Act, 1940, which was referred to the Committee on Appropriations and ordered to be printed.

(For text of amendment referred to see the foregoing notice.)

EXPEDITION IN STRENGTHENING THE NATIONAL DEFENSE—ADDITIONAL SENATE CONFEREE

On motion by Mr. SHEPPARD, the Senator from Utah [Mr. THOMAS] was appointed an additional conferee on the part of the Senate on the bill (H. R. 9850) to expedite the strengthening of the national defense, now being considered in conference.

KURT FRINGS—VETO MESSAGE (S. DOC. NO. 248)

The VICE PRESIDENT laid before the Senate the following message from the President of the United States, which was read, and, with the accompanying bill, referred to the Committee on Immigration and ordered to be printed:

To the Senate:

I return herewith, without my approval, S. 3673, "to enable Kurt Frings to enter and remain permanently in the United States."

My disapproval of this enactment is justified, I think, upon the ground that the alien, a native of Cologne, Germany, was refused a German quota immigration visa at the American Consulate General in Mexico City in 1938 because he admitted committing acts constituting perjury, an offense involving moral turpitude, in connection with his application for a nonimmigrant temporary visitor's passport visa at the American Consulate General at Tokyo, Japan, in 1935.

FRANKLIN D. ROOSEVELT.

THE WHITE HOUSE, *June 19, 1940.*

EARLE EMBREY—VETO MESSAGE (S. DOC. NO. 247)

The VICE PRESIDENT laid before the Senate the following message from the President of the United States, which was read, and, with the accompanying bill, referred to the Committee on Claims and ordered to be printed:

To the Senate:

I return herewith, without my approval, S. 2209, an act for the relief of Earle Embrey.

S. 2209 in terms provides for the payment of $679.86 to Earle Embrey, New Albany, Ind., in full satisfaction of his claim against the United States for a refund of social-security taxes paid by him during the year 1938, under a misinterpretation of the provisions of title IX of the Social Security Act with respect to credit for the amount of contributions paid into an unemployment fund under a State law.

The files of the Bureau of Internal Revenue disclose that on January 31, 1938, Mr. Embrey filed a return of tax for the calendar year 1937 under title IX of the Social Security Act, showing tax in the amount of $809.84 which has been paid in full. No credit was taken on the return for contributions to State unemployment funds. On May 17, 1938, Mr. Embrey paid into the unemployment compensation fund of the State of Indiana the sum of $679.85, representing contributions with respect to employment during 1937 required of the taxpayer under the unemployment compensation law of that State.

The original provisions for credit against the tax imposed by title IX of the Social Security Act, contained in section 902 thereof, permitted the allowance of credit, to the extent of 90 percent of the tax, for contributions with respect to employment during the calendar year paid before the due date of the taxpayer's return; that is, before January 31 next following the close of the calendar year or such due date as extended for not more than 60 days. Since the contributions for the year 1937 were not paid prior to January 31, 1938 (no extension of time having been applied for or granted), credit against the tax on account of the contributions was not allowable under the original provisions of law referred to. Accordingly, claims filed by Mr. Embrey for refund and abatement of the tax, based upon the payment of such contributions, were rejected in full.

However, the provisions for credit against the tax for 1936, 1937, and 1938 under title IX of the Social Security Act were subsequently liberalized as to all taxpayers by section 902 of the Social Security Act amendments of 1939, enacted August 10, 1939. Section 902 (a) (1) of the amendments provides for the allowance of credit against the tax for 1936, 1937, or 1938 for contributions with respect to employment during such year, paid into an unemployment fund under a State law before the sixtieth day after the date of enactment of the amendments; that is, before October 9, 1939. Section 902 (d) of the amendments provides for refunds, based on allowable credits, where the taxpayer has paid his tax without the benefit of the credit.

Since Mr. Embrey paid contributions into the unemployment compensation fund of the State of Indiana in the amount of $679.85 with respect to employment during the calendar year 1937 prior to October 9, 1939, that amount was under the liberalized provisions allowable as credit against the Federal tax for such year. The Federal tax having been paid by Mr. Embrey without the benefit of this credit, he was entitled to a refund of the tax equal to the amount of the credit.

The files of the Bureau of Internal Revenue disclose that on December 22, 1939, a check in the amount of $679.85 in favor of Mr. Embrey was transmitted to the Collector of Internal Revenue at Indianapolis, Ind., for delivery to Mr. Embrey, and the files further disclose that Mr. Embrey has received payment in full.

Accordingly I withhold my approval of S. 2209.

FRANKLIN D. ROOSEVELT.

THE WHITE HOUSE, *June 19, 1940.*

ALTERATION OF BRIDGES OVER NAVIGABLE WATERS—VETO MESSAGE—ANNOUNCEMENT

Mr. TRUMAN. Mr. President, I desire to make an announcement. There has been some interest in House bill 9381, a railroad bridge bill which the President vetoed and which was passed by the House, upon reconsideration, and is now on the desk. I desire to make announcement to the

Senate that I intend to ask for consideration and action on that bill tomorrow at the most convenient time.

REVENUE BILL OF 1940—TAXATION OF WHISKY

Mr. CHANDLER. Mr. President, I ask unanimous consent to place in the RECORD a telegram from Robert Barry, an official of the National Distilleries Co., who says his company makes, in addition to straight whisky, five or six blended products, and he approves the action of the Senate in taxing both straight whisky and blended products.

There being no objection, the telegram was ordered to be printed in the RECORD, as follows:

NEW YORK, N. Y., *June 20, 1940.*

WALTER MULBRY,
Secretary to Senator Albert B. Chandler,
Senate Office Building, Washington, D. C.:

Liquor News, an important trade paper, calls specific attention in issue out today to failure of national distillers to take position on rectifiers tax; putting us in position of dodging issue. Would very much appreciate therefore if Senator will introduce my telegram in RECORD, saying that at time original telegram from Kentucky distillers be inserted Monday our officials had not been contacted and that, also, we produce five or six blended whiskies. We believe increased tax on rectification just as justifiable for national-defense revenues as that on straight whiskies.

Regards,

ROBERT BARRY.

THE RED CROSS—ADDRESS BY CLIFTON FADIMAN

[Mr. HILL asked and obtained leave to have printed in the RECORD an address delivered by Mr. Clifton Fadiman at the war-relief rally of the District of Columbia Red Cross Chapter on June 16, 1940, which appears in the Appendix.]

AGES OF GENERAL OFFICERS IN THE GERMAN ARMY—ARTICLE BY SIGRID SCHULTZ

[Mr. HILL asked and obtained leave to have printed in the RECORD an article by Sigrid Schultz, published in the Washington Herald June 18, 1940, entitled "Hitler Relies on Young War Chiefs for Military Success," which appears in the Appendix.]

DEMOCRATIC CONVENTION IN WASHINGTON—LETTER BY SENATOR SCHWELLENBACH

[Mr. SCHWELLENBACH asked and obtained leave to have printed in the RECORD a letter written by him to the Democratic convention of the State of Washington, held at Yakima, Wash., on June 15, 1940.]

EMBARGO ON WAR MATERIALS TO JAPAN

[Mr. SCHWELLENBACH asked and obtained leave to have printed in the RECORD a letter from Joan S. Greene, of Cambridge, Mass., on the subject of the embargo of war materials to Japan, which appears in the Appendix.]

ALLEGED DISCRIMINATION AGAINST COLORED CITIZENS

[Mr. CAPPER asked and obtained leave to have printed in the RECORD an article published in the Topeka (Kans.) Daily Capital entitled "'Fifth Column' To Attack," by R. J. Reynolds, dealing with alleged discrimination against colored citizens of the United States, which appears in the Appendix.]

PREPARATIONS FOR NATIONAL DEFENSE—RESOLUTIONS OF SHREVEPORT, LA., ELKS

[Mr. OVERTON asked and obtained leave to have printed in the RECORD resolutions adopted by the Shreveport Lodge, No. 122, Benevolent and Protective Order of Elks, on the subject of national defense and universal military training, which appear in the Appendix.]

TREND TOWARD WAR—ST. LOUIS POST DISPATCH EDITORIAL

[Mr. CLARK of Missouri asked and obtained leave to have printed in the RECORD an editorial from the St. Louis Post Dispatch of June 19, 1940, entitled "How We Are Being Led to the Brink," which appears in the Appendix.]

SUPPLEMENTAL APPROPRIATIONS FOR THE NATIONAL DEFENSE

The Senate resumed the consideration of the bill (H. R. 10055) making supplemental appropriations for the national defense for the fiscal year ending June 30, 1941, and for other purposes.

Mr. ADAMS. Mr. President, I ask that the formal reading of the bill be dispensed with, that it be read for amendment, and that committee amendments be first considered.

The VICE PRESIDENT. Is there objection? The Chair hears none, and it is so ordered. The Clerk will proceed to state the amendments of the committee.

The first amendment of the Committee on Appropriations was, under the heading "Treasury Department—Coast Guard", on page 5, after line 2, to insert:

Salaries, Office of Commandant, Coast Guard: For an additional amount for personal services in the District of Columbia, fiscal year 1941, $98,880.

Mr. LODGE. Mr. President, I desire to address myself briefly to certain phases of the pending appropriation bill. I understand that the funds carried in the bill, added to those which have been appropriated previously, will give us a Regular Army of 375,000 men. The previous appropriation bill carried funds for 280,000, and I believe I am correct in saying that this one carries funds for 95,000.

I have frequently stated that in my opinion we should go higher than this, although, of course, this is a forward step. I shall not, however, offer again the amendment I have previously offered, to raise the strength of the Army to 750,000, because while I believe strongly that we should have an Army of that size, it is a perfectly empty gesture to do anything of that kind when the War Department is experiencing the greatest difficulty in obtaining recruits for an Army of 280,000 men, and grave doubts are expressed by those competent to have an opinion as to whether or not it will be possible to build the Army up to the very small number of 375,000 by the process of voluntary enlistment.

Mr. KING. Mr. President——

The PRESIDENT pro tempore. Does the Senator from Massachusetts yield to the Senator from Utah?

Mr. LODGE. I yield.

Mr. KING. I am somewhat surprised at the statement made by the Senator, although I do not have sufficient knowledge to express an opinion as to its accuracy; but I have noticed in the press, and I have received a number of letters corroborating the views therein expressed, that a large number of persons desired to enlist, that they were seeking opportunities to enlist, and visiting the various places where enlistments might be made. I am surprised to learn that difficulty is being experienced by the Army in obtaining the necessary complement in order to build our Army to proper proportions.

Mr. LODGE. I myself was surprised, I will say to the Senator from Utah; but I have in my hand the figures furnished me by the Adjutant General under date of June 19, which show that as of June 11 the First Corps Area, the Second Corps Area, the Third Corps Area, and the Fifth Corps Area were all behind the quotas which had been assigned to them with a view to raising 13,194 men, which is the present objective of the Army in order to carry out its program for a total of 280,000.

Mr. KING. Mr. President, will the Senator yield?

Mr. LODGE. I yield.

Mr. KING. Will the Senator pardon me for asking whether he would be willing to express an opinion, in view of the dark clouds that are hanging over all the world and casting some shadow upon the Western Hemisphere, and the inadequacy of our Army, and the failure of so many of our young men to enlist, whether he believes that we should resort to conscription or to some other method by which to augment the military forces of our country?

Mr. LODGE. I am coming to that in just a moment. The facts which I am now presenting I think are a foundation for the edifice which I am trying to construct.

Mr. President, at this point I ask unanimous consent to have printed as a part of my remarks a communication which I received from The Adjutant General under date of June 19, 1940, showing that the present volunteer system does not work.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

a. On May 16, 1940, the War Department dispatched requisitions to all corps areas for the procurement of an additional 13,194 enlisted men for the Army and a direction that the task should be completed by June 30, 1940. The following tabulation shows the plan and the status based on last reports received from the field as of June 16:

Corps area	Original quota May 16	June 11 revision to insure completion of quotas in lagging corps areas	Total results as obtained as reported on June 16	Remainder to be procured by June 30
First	1,143	787	387	400
Second	1,362	677	364	313
Third	1,640	1,500	986	514
Fourth	1,881	2,681	1,670	1,011
Fifth	1,875	1,810	1,361	449
Sixth	1,297	1,297	1,158	139
Seventh	972	1,062	649	413
Eighth	1,925	2,281	1,780	501
Ninth	1,099	1,099	596	503
Total	13,194	13,194	8,951	4,243

b. The plan for the procurement of the next increment of an additional 38,000 men to raise the Army to a strength of 280,000 men will begin within the next few days calling for monthly priorities of 18,179 men for July and 17,346 men for August, plus 2,748 flying cadets. Requisitions to corps areas are now in preparation and are expected to be dispatched to the field not later than June 20. The original requisitions for each corps area under this plan will call for approximately the numbers shown below:

Original requirement

Corps area:	
First	3,040
Second	4,560
Third	5,320
Fourth	5,320
Fifth	4,560
Sixth	3,800
Seventh	3,040
Eighth	5,320
Ninth	3,040
Total	38,000

c. The details of the plan for the procurement of an additional 95,000 men to raise the Army to a strength of 375,000 men are not yet completed and the proposed starting and terminating dates have not been definitely set. The appropriation bill for this number has not yet been passed.

The original requisitions for each corps area under the plan for 95,000 additional men will call for approximately the numbers shown below:

Original requirement

Corps area:	
First	7,600
Second	11,400
Third	13,300
Fourth	13,300
Fifth	11,400
Sixth	9,500
Seventh	7,600
Eighth	13,300
Ninth	7,600
Total	95,000

The recent bill passed by the House of Representatives on June 17 raising the authorized strength of the Army to 400,000 men is understood to be authorization for a new legal limit replacing the former legal limit of 280,000 men and does not in itself mean that the Army will be recruited to that strength immediately.

Mr. LODGE. I ask to have printed in the RECORD a statement with respect to the population of Army corps areas in 1937.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

Population of Army corps areas, 1937

Population [1] (in thousands)

First Corps Area:	
Maine	856
New Hampshire	510
Vermont	383
Massachusetts	4,426
Rhode Island	681
Connecticut	1,741
Total	8,597
Second Corps Area: [2]	
New Jersey	4,343
Delaware	261
New York	12,959
Total	17,563
Third Corps Area:	
Pennsylvania	10,176
Maryland	1,679
Virginia	2,706
District of Columbia	627
Total	15,188
Fourth Corps Area:	
North Carolina	3,492
South Carolina	1,875
Georgia	3,085
Florida	1,670
Alabama	2,895
Tennessee	2,893
Mississippi	2,023
Louisiana	2,132
Total	20,065
Fifth Corps Area:	
Ohio	6,733
West Virginia	1,865
Indiana	3,474
Kentucky	2,920
Total	14,992
Sixth Corps Area:	
Illinois	7,878
Michigan	4,830
Wisconsin	2,926
Total	15,634
Seventh Corps Area:	
Missouri	3,989
Kansas	1,864
Arkansas	2,048
Iowa	2,552
Nebraska	1,364
Minnesota	2,652
North Dakota	706
South Dakota	692
Total	15,867
Eighth Corps Area: [3]	
Texas	6,172
Oklahoma	2,548
Colorado	1,071
New Mexico	422
Arizona	412
Total	10,625
Ninth Corps Area: [4]	
Washington	1,658
Oregon	1,027
Idaho	493
Montana	539
Wyoming	235
Utah	519
Nevada	101
California	6,154
Total	10,726

Sources: Population, Statistical Abstract of the United States, 1939, p. 9. Corps areas: Adjutant General's office, Army List and Directory, Apr. 20, 1939, pp. 1–7.

Mr. LODGE. Mr. President, as the Senator from Utah so ably inferred, in view of the fact that we are not procuring the men for this little army—and it is a little army, Belgium

[1] Bureau of the Census midyear estimate, July 1, 1937.

[2] Island of Puerto Rico is included in this area but population of 1,774,000 was not added in with the States in the area.

[3] Excludes a portion of Arizona west of west longitude 114° and south of north latitude 33° which is attached to the Ninth Corps Area for purposes of administration, etc., of the Border Patrol.

[4] The Ninth Corps Area includes the portion of Arizona referred to in note 3 and also Alaska with a population of 62,200 in 1937, which was not included in the population of the area.

had an army of 600,000 men, and here we are unable to get the men for an army of 300,000—it is my hope that by enacting some kind of a selective service law now, we may develop a highly trained armed force which will make unnecessary later a wholesale draft, and will thus spare the American people, in the terrible event of war, the needless bloodshed which would come from throwing into battle large masses of men who are only slightly trained and have only their bravery as their armor.

This terrible war in Europe teaches us many lessons, but one of the lessons it has taught us emphatically is that qualities of mind and spirit, no matter how superb they may be, are no match for troops that are highly trained in mechanized warfare.

Another lesson this war has taught us is that modern armies cannot be raised and trained after the war has started. It simply cannot be done.

I submit that it is clear from the figures of The Adjutant General, which I hope every Senator will read when they appear in the RECORD tomorrow, that the volunteer system is not working. I submit that schemes for militarizing the C. C. C. are grossly undemocratic. They single out a group of underprivileged boys for special treatment, and I do not believe that is the right way to proceed.

The proposals to draft noncombatants, which have been discussed—I have seen something said about drafting our girls, for example—have my vigorous opposition. I do not believe we have reached the stage in America where we need to commit the affront to family life and to all our institutions that would be involved in drafting womanhood.

But, Mr. President, we need trained combat troops for our own defense, and we are not getting them. We should get them now. We owe it to the people to see to it that this period shall not be known as the Chamberlain era in American history. So, for that reason, I hope that some kind of selective service measure will be acted on promptly.

That is the statement which I desire to make, and before I yield my seat I shall ask to have printed as part of my remarks a statement which has been prepared for me, showing the additional cost of bringing the Army from the strength of 375,000 up to a strength of 750,000. In asking for that unanimous consent I call attention to the fact that this is the initial figure, and that the annual figure to be added for maintaining an army of 750,000, once we get it set up, would be about one-half billion dollars.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

Increase in Regular Army of 375,000 to reach a strength of 750,000 for the first complete fiscal year

Departmental items:	
Office of Secretary of War	$97,678
Office of the Chief of Staff	68,746
Adjutant General's Office	1,104,022
Office of Judge Advocate General	63,290
Office, Chief of Finance	754,156
Office of Quartermaster General	327,633
Office, Chief Signal Officer	251,516
Office, Chief of Air Corps	126,000
Office, Surgeon General	451,348
Contingent expenses, War Department	477,990
Printing and binding, War Department	1,010,848
Total, departmental	4,733,227
Military items:	
Special field exercises	24,000,000
Welfare of enlisted men	506,250
Pay of the Army	204,391,700
Travel of the Army	15,191,345
Expenses of courts martial	78,491
Apprehension of deserters	24,525
Finance service, Army	2,042,863
Subsistence of the Army	76,566,592
Regular supplies of the Army	16,459,666
Clothing and equipage of the Army	119,751,238
Incidental expenses of the Army	14,426,492
Army transportation:	
Animal	658,696
Water	3,373,152
Motor	93,496,969
Rail	20,855,952
Horses, draft and pack animals	

Increase in Regular Army of 375,000 to reach a strength of 750,000 for the first complete fiscal year—Continued

Military items—Continued.	
Military posts, temporary shelter and storage for ammunition	$228,245,005
Barracks and quarters	28,048,190
Construction and repair of hospitals	1,513,494
Signal Service of the Army	17,137,373
Air Corps, Army	200,000,000
Medical and hospital department, Army	28,490,959
Engineer Service, Army	6,142,994
Ordnance Service and supplies, Army	313,348,598
Chemical Warfare Service, Army	15,027,958
Organized Reserves	53,071,620
Total, military	[1] 1,482,850,122
Grand total	1,487,583,349

[1] Includes $134,434,246 for critical items of equipment and $200,000,000 for reserve ammunition.

Mr. KING. Mr. President, will the Senator yield?

Mr. LODGE. I yield.

Mr. KING. The able Senator has just suggested that we should have the more efficient selective system. Is there any legislation now pending which would accomplish the object he has in mind, and, if not, has he submitted a bill which would provide for a proper development of the selective system, and which would in the end reach the objective which we seek?

Mr. LODGE. Mr. President, I will say to the Senator from Utah that I have been studying several bills. I have not introduced a bill myself, although I should be very glad to do so if I thought there was any demand for it. I understand that the War Department has such legislation ready, and that it could be gotten up here in 10 minutes in the event there was a disposition on the part of the leadership here to support such a proposal.

Mr. KING. Does not the Senator further believe, in the light of the information which he has received, and part of which he has brought to our attention, that a measure of the character he has indicated, which provided for a proper selective system, would have no difficulty in receiving the approval both of the House and the Senate?

Mr. LODGE. I should hope that that would be true.

Mr. KING. I share the Senator's hope, and I think it is not merely faith. I believe his hope is founded upon what I trust is reality.

Mr. LODGE. Well, I certainly hope so, because it is something that we ought to come to grips with at once.

Mr. BRIDGES. I wish to ask the Senator from Massachusetts if he thought that the fact that we pay C. C. C. boys $30 a month, and pay members of the Army $21 a month, had anything to do with the slacking up or slowing up of enlistments?

Mr. LODGE. I think for certain types of people that would be an inducement, but I do not know how much of a factor it has been.

INVESTIGATION OF ENFORCEMENT OF ANTITRUST LAWS BY DEPARTMENT OF JUSTICE

Mr. HATCH. Mr. President, I have just been reading the proceedings which took place in the House of Representatives, as printed in the CONGRESSIONAL RECORD of yesterday, and observed the remarks made on the floor of the House by Representative DINGELL, of Michigan, concerning a Senate resolution, and the hearings had thereon by a subcommittee of the Judiciary Committee of the Senate. The Representative from Michigan correctly stated the situation as developed in the subcommittee. He called attention to the provisions of the resolution, and I feel that in justice to one of the departments of the Government I should make an added explanation of the attitude of the subcommittee, and also the attitude of the Department.

The resolution to which I refer was submitted by the Senator from North Dakota [Mr. NYE], and requested a Senate investigation of the entire natural-gas industry. It also requested an investigation as to whether or not alleged violations of antitrust laws are properly enforced by the Department of Justice.

The subcommittee which heard the testimony was composed of the Senator from West Virginia [Mr. NEELY], the Senator from Connecticut [Mr. DANAHER], and myself. We agreed, I think unanimously, that an investigation should be had and so reported to the full committee. We did not think this was the proper or appropriate time to conduct the investigation, and we made such a recommendation to the full committee. As a result of the action of the full committee, the resolution is in the Senate Judiciary Committee today waiting to be called up by the subcommittee.

The point I particularly desire to bring out relates to the second part of the resolution which asks for an investigation in effect, of the Department of Justice, as to whether or not the antitrust laws are being properly enforced. I wish to say that Mr. Thurman Arnold, in charge of the Antitrust Division, appeared before our committee and testified at length. The Department of Justice did not oppose that part of the resolution, and in justice to Mr. Arnold I take the floor to make that statement today, and also to say that Mr. Arnold himself not only urgently requested that the Senate committee be authorized to investigate the natural gas industry, but also urged the committee to investigate the activities and doings of the Department of Justice in connection with alleged violations of the antitrust law.

I thought it only fair to Mr. Arnold that the Senate and the House should know that his Division of the Department of Justice, does not oppose the investigation, but on the contrary has requested it.

MESSAGES FROM THE PRESIDENT

Messages in writing from the President of the United States submitting nominations of two members of the President's Cabinet were communicated to the Senate by Mr. Latta, one of his secretaries.

SUPPLEMENTAL APPROPRIATIONS FOR THE NATIONAL DEFENSE

The Senate resumed the consideration of the bill (H. R. 10055) making supplemental appropriations for the national defense for the fiscal year ending June 30, 1941, and for other purposes.

The PRESIDING OFFICER (Mr. MILLER in the chair). The question is on agreeing to the committee amendment on page 5, line 2.

The amendment was agreed to.

The next amendment was, under the heading "War Department—Civil functions", on page 6, after line 7, to insert:

CORPS OF ENGINEERS—RIVERS AND HARBORS

Maintenance and improvement of existing river and harbor works: For an additional amount for the preservation and maintenance of existing river and harbor works, and for the prosecution of such projects heretofore authorized as may be most desirable in the interest of commerce and navigation, including the objects and under the conditions specified under the headings "Improvement of Existing River and Harbor Works" and "Maintenance of Existing River and Harbor Works" in the Budget for the fiscal year ending June 30, 1941, to be immediately and continuously available until expended, $8,127,000.

The amendment was agreed to.

The next amendment was, under the heading "Title II—War Department—Military activities—Air Corps", on page 9, line 8, after the word "Army", to strike out "$249,830,282" and insert "$293,330,282", so as to read:

Air Corps, Army, $293,330,282; and, in addition, the Chief of the Air Corps, when authorized by the Secretary of War, may enter into contracts prior to July 1, 1941, to an amount not in excess of $109,259,597, for the procurement of new airplanes, equipment, spare parts, and accessories.

The amendment was agreed to.

The next amendment was, under the subhead "Office of the Secretary", on page 12, after line 14, to insert:

SEC. 201. The appropriations for "Regular supplies of the Army," "Clothing and equipage," "Army transportation," "Signal Service of the Army," "Air Corps, Army," "Medical and Hospital Department," "Engineer Service, Army," "Ordnance Service and supplies, Army," "Chemical Warfare Service," and "Seacoast defenses" for the fiscal year 1941 shall each be available for the employment of persons and the procurement of supplies and services, printing and binding, and communication service at the seat of government and elsewhere.

The amendment was agreed to.

The next amendment was, on page 12, line 25, to change the section number from 201 to 202.

The amendment was agreed to.

The next amendment was, under the heading "Title III—Navy Department—Bureau of Navigation", on page 13, after line 18, to insert:

Naval Reserve, including additional training for Naval Reserves, without regard to limitations, specified under this head in the Naval Appropriation Act for the fiscal year 1941, and for training exercises of the Naval Reserve during the fiscal year 1941 and for each and every object connected therewith at the discretion of the Secretary of the Navy, including rental of civilian craft and hire of personal and other services, $7,500,000: *Provided*, That the first two provisos of the paragraph under the heading "Naval Reserve" contained in title I of the act making appropriations for the Navy Department and the naval service, fiscal year 1941, are hereby repealed.

The amendment was agreed to.

The next amendment was, under the subhead "Bureau of Engineering", on page 10, after the word "material", to strike out "$25,200,000" and insert "$25,500,000", so as to read:

Engineering, including the necessary tools, equipment, and facilities in naval establishments or private plants for expediting construction and delivery of engineering material, $25,500,000, of which not to exceed 7 percent shall be available for the pay of employees assigned to group IV (b) and those performing similar services carried under native and alien schedules in the Schedule of Wages for Civil Employees in the Field Service of the Navy Department.

The amendment was agreed to.

The next amendment was, under the subhead "Bureau of Construction and Repair", on page 14, line 20, after the word "material", to strike out "$21,400,000" and insert "$21,500,000", so as to read:

BUREAU OF CONSTRUCTION AND REPAIR

Construction and repair, including the necessary tools, equipment, and facilities in naval establishments or private plants for expediting the construction and delivery of hull and other material, $21,500,000, of which not to exceed 7 percent shall be available for the pay of employees assigned to group IV (b) and those performing similar services carried under native and alien schedules in the Schedule of Wages for Civil Employees in the Field Service of the Navy Department.

The amendment was agreed to.

The next amendment was, under the subhead "Bureau of Ordnance", on page 15, line 2, after the word "including", to insert "increased facilities at Indianhead, Md., for the manufacture and storage of powder", and in line 9, after the word "land", to strike out "$63,028,370" and insert "$72,528,370", so as to read:

Ordnance and ordnance stores, Navy, including increased facilities at Indianhead, Md., for the manufacture and storage of powder, additional equipment, tools, and facilities at ordnance stations or private plants for production, handling, and storage of ordnance material and ammunition, acquisition or construction of one ferry boat for the Naval Torpedo Station, Newport, R. I., and not to exceed $25,000 for the acquisition of land, $72,528,370; and in addition the Secretary of the Navy may, prior to July 1, 1941, enter into contracts for ordnance and ordnance materials, including ammunition, to an amount not in excess of $28,560,000.

The amendment was agreed to.

The next amendment was, under the subhead "Public works, Bureau of Yards and Docks", on page 19, line 1, after the word "dock", to strike out "(additional for fixing up ways No. 3 to take 45,000-ton battleship)", so as to read:

Navy Yard, Philadelphia, Pa.: Additional improvements of power plant and distributing systems, $450,000; additional extension to yard dispensary, $50,000; extension of additional pier, $150,000; additional weight-handling and transportation equipment, $115,000; improvement of shipbuilding ways No. 1, $125,000; addition to shipfitters' shop, $300,000; electric shop, $255,000; shipbuilding dock, $10,000,000.

The amendment was agreed to.

The next amendment was, on page 21, line 19, after the word "land", to strike out "$24,000,000" and insert "$24,204,000", so as to read:

Naval Air Station, Quonset Point, R. I.: Additional aviation shore facilities, including buildings and accessories and acquisition of land, $24,204,000.

The amendment was agreed to.

The next amendment was, on page 22, after line 12, to insert:

Naval Air Station, Canton Island: Aviation shore facilities, including buildings and accessories, $1,500,000.

The amendment was agreed to.

The next amendment was, on page 22, line 17, after the word "land", to strike out "$1,000,000" and insert "$2,000,000", so as to read:

Naval Air Station, Tongue Point, Oreg.: Additional aviation shore facilities, including buildings, accessories, and acquisition of land, $2,000,000.

The amendment was agreed to.

The next amendment was, on page 24, line 10, after the word "location", to insert a colon and the following proviso:

Provided, That the fixed fee to be paid the contractor as a result of any contract hereafter entered into under the authority of the above-mentioned act shall not exceed 6 percent of the estimated cost of the contract, exclusive of the fee, as determined by the Secretary of the Navy.

So as to read:

The provisions of section 4 of the act approved April 25, 1939 (53 Stat. 590–592), shall be applicable to all public works and public-utilities projects provided in this title, regardless of location: *Provided*, That the fixed fee to be paid the contractor as a result of any contract hereafter entered into under the authority of the above-mentioned act shall not exceed 6 percent of the estimated cost of the contract, exclusive of the fee, as determined by the Secretary of the Navy.

The amendment was agreed to.

The next amendment was, on page 24, after line 15, to insert:

To enable the Secretary of the Navy to expedite the construction or provision of the public-works and public-utilities projects mentioned in this act and in the Naval Appropriation Act for the fiscal year 1941, the limit of cost indicated for each of such projects may, in the discretion of the Secretary of the Navy, be varied upward or downward by an amount not to exceed 10 percent, but the aggregate of all such limits of cost shall not be exceeded.

The amendment was agreed to.

The next amendment was, under the subhead "Bureau of Aeronautics," on page 25, line 17, after the words "so forth", to strike out "$870,400" and insert "$1,170,400"; and in line 20, after the words "in all", to strike out "$22,585,000" and insert "$22,885,000", so as to read:

Aviation, Navy: For maintenance, repair, and operation of aircraft factory, air stations, and so forth, $1,170,400; and for new construction and procurement of aircraft and equipment, spare parts and accessories, $21,714,600; in all, $22,885,000.

The amendment was agreed to.

EXECUTIVE NOMINATIONS REFERRED

Mr. ASHURST. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. ASHURST. Did a message arrive from the President of the United States? If so, I ask that the message be laid before the Senate, as in executive session, if there be any nominations.

As in executive session,

The PRESIDING OFFICER (Mr. MILLER in the chair) laid before the Senate the following Executive message from the President of the United States, which was read:

THE WHITE HOUSE, *June 20, 1940.*

To the Senate of the United States:

I nominate Henry L. Stimson, of New York, to be Secretary of War.

FRANKLIN D. ROOSEVELT.

The PRESIDING OFFICER. The message will be referred to the Committee on Military Affairs.

The PRESIDING OFFICER also laid before the Senate the following Executive message from the President of the United States, which was read:

THE WHITE HOUSE, *June 20, 1940.*

To the Senate of the United States:

I nominate Frank Knox, of Illinois, to be Secretary of the Navy.

FRANKLIN D. ROOSEVELT.

The PRESIDING OFFICER. The message will be referred to the Committee on Naval Affairs.

Mr. KING. Mr. President, I am not a member of either of the committees to which the nominations have been referred, and, of course, it would be improper for me to indicate what action should be taken upon the nominations. Under all the circumstances, however, I respectfully submit that action should be taken within a reasonable time.

Both nominees are men of character and ability. Undoubtedly the President believed them to be fitted for their respective duties.

Mr. Stimson served as Secretary of War in a former administration, and is familiar with the duties of that important office. We are all familiar with his able and patriotic service when acting as Secretary of State. His paper dealing with the invasion of Manchuria by Japan will rank among the ablest state papers, and if his views had prevailed the situation in Asia might have been different from the unfortunate condition now existing.

I have no personal acquaintance with Colonel Knox, but he is known in military circles as well as in political circles.

SUPPLEMENTAL APPROPRIATIONS FOR THE NATIONAL DEFENSE

The Senate resumed the consideration of the bill (H. R. 10055) making supplemental appropriations for the national defense for the fiscal year ending June 30, 1941, and for other purposes.

The PRESIDING OFFICER. The next amendment reported by the committee will be stated.

The next amendment was, at the top of page 26, to insert:

MARINE CORPS

General expenses, Marine Corps, $2,000,000.

The amendment was agreed to.

The next amendment was, under the subhead "Alterations to naval vessels", on page 26, line 7, before the word "to", to strike out "$14,360,000" and insert "$24,360,000"; in line 8, after the word "expended", to strike out the semicolon and "and in addition, the Secretary of the Navy may enter into contracts for these purposes in an amount not in excess of $10,000,000", and in line 14, after the words "per centum", to strike out the semicolon and the following additional proviso: *"Provided further*, That in connection with the expenditure of the appropriation and the exercise of the authority in this paragraph, the Secretary of the Navy is authorized to exceed the statutory limit on repairs and alterations to vessels", so as to read:

Alterations to naval vessels, including the provision of antiaircraft defense and the construction or acquisition and conversion of vessels for naval auxiliaries of all kinds, $24,360,000, to remain available until expended: *Provided*, That the sum to be paid out of this appropriation for the employment of classified personal services in the Navy Department and in the field service to be engaged upon such work shall not exceed 7 per centum.

The amendment was agreed to.

The next amendment was, under the subhead "Navy Department—Salaries and contingent expenses", on page 28, after line 6, to insert "Office of the Secretary of the Navy, $10,000", so as to read:

For compensation for personal services in the District of Columbia, as follows:
Office of the Secretary of the Navy, $10,000.
Office of the Chief of Naval Operations, $20,000.
Bureau of Navigation, $35,000.
Hydrographic Office, $25,000.
Naval Observatory, $3,000.
Bureau of Supplies and Accounts, $16,200.
Contingent expenses, $20,000.

The amendment was agreed to.

The next amendment was, under the subhead "Emergency fund", on page 28, after line 14, to strike out:

The Secretary of the Navy, with the approval of the President, without reference to section 3709 of the Revised Statutes, and for emergency national-defense purposes, is authorized to enter into contracts prior to July 1, 1941, in an amount not to exceed $25,000,000, for all expenses in connection with the rental and conversion, or construction or acquisition and conversion of vessels to naval auxiliaries and patrol craft of all kinds.

And in lieu thereof to insert the following:

To enable the Secretary of the Navy, with the approval of the President, without reference to section 3709 of the Revised Statutes, to rent and convert, or construct or acquire and convert vesssels to naval auxiliaries and patrol craft of all kinds, $25,000,000.

The amendment was agreed to.

The next amendment was, on page 29, after line 2, to insert:

SEC. 301. The Secretary of the Navy is authorized, where necessary, to exceed the statutory limit on repairs and alterations to vessels during the existing emergency, and with the funds appropriated in title III of this act, to acquire and convert auxiliaries for service with the fleet.

The amendment was agreed to.

The next amendment was, on page 29, after line 7, to insert:

SEC. 302. The second proviso under the heading "Naval personnel" contained in title II of the act making appropriations for the Navy Department and the naval service for the fiscal year 1941 is hereby amended to read as follows: ": *Provided further*, That to the extent that Naval Reservists are not available the Secretary of the Navy shall recruit regular enlisted men in the Navy."

The amendment was agreed to.

The next amendment was, on page 29, line 15, to change the section number from 301 to 303.

The amendment was agreed to.

The PRESIDING OFFICER. That completes the committee amendments.

The bill is still before the Senate and open to further amendment.

Mr. ANDREWS obtained the floor.

Mr. ADAMS. Mr. President, on behalf of the committee, I offer an amendment at the request of the Senator from Florida [Mr. ANDREWS].

The PRESIDING OFFICER. The Chair has recognized the Senator from Florida.

Mr. ADAMS. I am performing a service on his behalf under instructions from the committee.

The PRESIDING OFFICER. Does the Senator from Florida yield to the Senator from Colorado?

Mr. ANDREWS. I yield.

The PRESIDING OFFICER. The amendment offered by the Senator from Colorado on behalf of the committee will be stated.

The CHIEF CLERK. On page 23, at the end of line 9, it is proposed to insert *"Provided*, That said pipe line may be built in cooperation with an agency of the State of Florida."

Mr. MCNARY. Mr. President, I do not know that I have any objection. What is the amendment?

The PRESIDING OFFICER. The Senator from Florida is recognized to explain the amendment.

Mr. ANDREWS. Mr. President, the amendment is added at the end of line 9. Since the amendment was proposed yesterday before the Appropriations Committee I have consulted with the Navy Department. At the meeting of the committee yesterday I recommended an amendment which was acceptable to the Navy Department and thought it was being inscribed in the bill. This morning I learned that the amendment which is being proposed is not acceptable to the Navy Department. I did not have an opportunity to tell the Senator from Colorado this morning before he proposed it.

I have an amendment which I should like to offer as a substitute for the amendment offered in behalf of the committee by the Senator from Colorado. I understand that my amendment is acceptable to the Navy Department.

The PRESIDING OFFICER. The amendment offered by the Senator from Florida, in the nature of a substitute for the amendment offered by the Senator from Colorado, will be stated.

The CHIEF CLERK. At the end of line 9, on page 23, it is proposed to insert the following:

To be constructed by the Navy alone or in cooperation with an agency of the State of Florida, at the discretion of the Secretary of the Navy, so that the Army, Navy, and civilian population may be jointly supplied with an adequate fresh-water supply.

Mr. ADAMS. Mr. President, will the Senator explain the difference between the two amendments? The amendment which I offered on behalf of the committee was prepared at the instance of the Senator from Florida, and we assumed that it met the problem. I should like to know what change in the language is involved.

Mr. ANDREWS. Mr. President, the amendment which I proposed before the committee is in different language from the amendment which the Senator from Colorado has proposed. After the committee had adjourned yesterday, I saw the form of the amendment which the committee proposed to present, and learned that it was not in the form I proposed, and might not be acceptable to the Navy. I, therefore, communicated with a member of the committee and tried to have the amendment which I had drafted presented instead of the one just offered by the Senator from Colorado [Mr. ADAMS]. This morning I have been in a meeting of the Committee on Naval Affairs, as well as another committee meeting, and have not had an opportunity to discuss the matter.

Mr. ADAMS. Mr. President, will the Senator explain what the difference is?

Mr. ANDREWS. I will be happy to do so.

Key West used to be a city of about 24,000 or 25,000 inhabitants, but since the East Coast Railway was destroyed by a hurricane, its population has dwindled down to about 15,000 persons. Formerly fresh water was carried over the 140 miles to Key West by train loads, but after the railway was destroyed by the West Indian hurricane this method of procuring fresh water for the island of Key West was, of course, made impossible. Those interested have been working on that project for several years, and at the last session of the legislature of Florida there was enacted legislation creating what is known as the Florida Keys Aqueduct Commission. They have had a survey made of the cost of constructing an aqueduct from the mainland, which is about 140 miles. After careful calculations, it has been ascertained that this aqueduct can be constructed for the $2,000,000 provided in the bill, but that amount will permit a pipe line only about 8 or 10 inches in diameter. It is understood that such a pipe line will not be sufficient to furnish water to the Navy and to the civilian population. Therefore the Florida Keys Aqueduct Commission has conferred with the R. F. C. and with the W. P. A., and additional funds will be provided in the amount of about $1,400,000 or $1,500,000. By combining their funds it will be possible to construct a pipe line 14 or 16 inches in diameter instead of 8 or 10 inches in diameter, and thus afford fresh water for about two or three times the present population of the island of Key West.

It is my understanding that the developments in Key West are now going forward very swiftly, particularly on the part of the Navy. Whether we think of it in that regard or not, Key West is likely to become more or less the Singapore of the Western Hemisphere, and it is probable that it will have three times the population it now has if the submarine base is further developed, which is expected to be done, and also the naval sub-air base and other facilities, including those of the Army.

The State of Florida offers to come in on this matter and help with its contribution in addition to the $2,000,000 provided in the pending bill.

For the reason stated we desire this amendment to go in the measure.

I desire to substitute the amendment as drafted and as just read by the clerk, because I have taken the matter up with the Navy, and the amendment, as revised, which I now propose, will be satisfactory to them. It authorizes them to construct alone, if they cannot agree on some basis of contribution and method of construction with the State of Florida. In other words, this amendment will add about one million four hundred or five hundred thousand dollars to the amount made available by the bill. Likewise the Florida Keys Aqueduct Commission owns the right-of-way of 140 miles, and will no doubt furnish the right-of-way for the construction of this pipe line to carry fresh water.

I think the proposal is feasible; I find no good reason at all why the work should not be done in the manner now proposed. The amendment would not bind the hands of the Navy but would allow the Florida Keys Aqueduct Commission to contribute the land and aid in the construction of this pipe line to Key West, which is also an absolutely necessary project in furtherance of national defense.

Mr. ADAMS. Mr. President, will the Senator explain the difference between the amendments? We have three drafts. The Senator brought to the committee one draft of his amendment; then the committee has presented one; and the Senator now presents a third draft. We understand the background of it, but I should like to have the Senator explain the differences between the three amendments, what is the occasion for the amendment he now presents, and what would the consequences be to the Government.

Mr. ANDREWS. I will be glad to do that. The amendment which was drafted yesterday and handed to the committee was the one which was suggested by a Member of the House who helped pilot this particular provision through the House, Representative CANNON, of the Fourth District of the State of Florida, in which this project is located.

After it was drafted, and after seeing the one that is now offered by the committee, and comparing them, I took the matter up with the Navy Department, and this morning I have drafted an amendment with which I understand the Navy Department is absolutely in agreement. I understand they may not be willing to go along with the one the committee now proposes.

Mr. ADAMS. May I ask the Senator what is the difference between them? I understand what he says is about the Navy Department; but what is the difference between the amendments; and what is the effect on the Government and on the Treasury?

Mr. ANDREWS. My amendment is in the alternative and states more clearly what it is for. This amendment would enable the State of Florida, through this authority, to aid in this work. Both the Navy and the State have each got to do certain things; and the amendment allows the State to aid in the construction. The State, as I have said, has the right-of-way, and will, I understand, contribute it to the project.

Mr. BYRNES. Mr. President——

The PRESIDING OFFICER. Does the Senator from Florida yield to the Senator from South Carolina?

Mr. ANDREWS. I yield.

Mr. BYRNES. The amendment offered by the chairman of the committee, by direction of the committee, reads:

Provided, That said pipe line may be built in cooperation with an agency of the State of Florida.

That leaves it discretionary with the Navy as to whether or not it shall build the pipe line in cooperation with the State of Florida.

The amendment the Senator from Florida offers, it seems to me, says exactly the same thing, for it also uses the words "with an agency of the State of Florida." So far as I can see, there is absolutely no difference between the amendments.

Mr. ANDREWS. This is the language which the Navy Department told me this morning the Department wanted. If it should be adopted, at any rate it would be in conference.

Mr. BYRNES. If the amendment is adopted in the form as presented by the committee, it will be in conference, and if there is any question about the language, I suggest to the Senator from Florida he may then talk to the conference committee and explain, if there is any difference, what the difference is and why there is a difference.

Mr. ADAMS. Mr. President, I hope the Senate will not agree to the amendment of the Senator from Florida but will adopt the amendment submitted by the committee. As the Senator from South Carolina has explained, if it should be changed, the change can be made in conference.

Mr. ANDREWS. I do not mind accepting the committee amendment and having it go to conference, where it can be worked out. We have been working on this matter for some time. This is a proposition that we have worked out; the project is in my State; and I thought that what I have said here with regard to it ought to be accepted.

The PRESIDING OFFICER. Does the Senator from Florida withdraw his proposed amendment in the nature of a substitute? If not, the Chair will put the question on his amendment.

The question is on the amendment in the nature of a substitute offered by the Senator from Florida for the amendment proposed by the Senator from Colorado [Mr. ADAMS].

Mr. ANDREWS. Mr. President, I will accept the amendment of the Senator from Colorado, with the understanding that at the conference my amendment will be considered.

The PRESIDING OFFICER. Does the Senator from Florida desire to withdraw his amendment?

Mr. ANDREWS. I withdraw it at the present time for the purpose indicated.

The PRESIDING OFFICER. The question is upon the amendment offered by the Senator from Colorado [Mr. ADAMS] in behalf of the committee.

The amendment was agreed to.

Mr. ADAMS. I desire to submit another amendment on behalf of the committee that has to do with the correction of a situation in reference to the Under Secretary of the Navy.

The PRESIDING OFFICER. The amendment will be stated.

The CHIEF CLERK. On page 28, line 7, in the committee amendment, after the word "Navy", it is proposed to insert "including salary of the Under Secretary at $10,000 per annum."

The amendment was agreed to.

Mr. GURNEY obtained the floor.

Mr. RUSSELL. Mr. President——

The PRESIDING OFFICER. Does the Senator from South Dakota yield to the Senator from Georgia?

Mr. GURNEY. I rose to ask a question of the Senator from Colorado, who is in charge of the bill.

AGRICULTURAL APPROPRIATIONS—CONFERENCE REPORT

Mr. RUSSELL. Mr. President, if the Senator will permit me——

Mr. GURNEY. I shall be glad to yield to the Senator from Georgia.

Mr. RUSSELL. From the conference committee on the agricultural appropriation bill, I submit the second conference report.

The PRESIDING OFFICER. The report will be read.

The legislative clerk read the report, as follows:

The committee of conference on the disagreeing votes of the two Houses on certain amendments of the Senate and amendments of the House to certain amendments of the Senate to the bill (H. R. 8202) making appropriations for the Department of Agriculture for the fiscal year ending June 30, 1941, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendments numbered 41, 42, and 60.

Amendment numbered 44: That the Senate recede from its disagreement to the amendment of the House to the amendment of the Senate numbered 44, and agree to the same.

Amendment numbered 45: That the Senate recede from its disagreement to the amendment of the House to the amendment of the Senate numbered 95, and agree to the same.

Amendment numbered 95: That the Senate recede from its disagreement to the amendment of the House to the amendment of the Senate numbered 95, and agree to the same.

Amendment numbered 99: That the Senate recede from its disagreement to the amendment of the House to the amendment of the Senate numbered 99, and agree to the same.

Amendment numbered 103: That the Senate recede from its disagreement to the amendment of the House to the amendment of the Senate numbered 103, and agree to the same with an amendment as follows: In lieu of the matter inserted by the Senate amendment as amended by the House insert the following:

"Loans: For loans in accordance with title I of the Bankhead-Jones Farm Tenant Act, approved July 22, 1937 (7 U. S. C. 1000–1006), $50,000,000, which sum shall be borrowed from the Reconstruction Finance Corporation at an interest rate of 3 per centum per annum and which sum shall not be used for making loans

under the terms of said Act for the purchase of farms of greater value than the average farm unit of thirty acres and more in the county, parish, or locality in which such purchase may be made, which value shall be determined solely according to statistics of the farm census of 1940 after such statistics become available, but prior to that time may be determined in accordance with such regulations as may be promulgated by the Secretary of Agriculture; and the Reconstruction Finance Corporation is hereby authorized and directed to lend such sum to the Secretary of Agriculture upon the Security of any obligations of borrowers from the Secretary under the provisions of title I of the Bankhead-Jones Farm Tenant Act approved July 22, 1937 (7 U. S. C. 1000–1006): *Provided*, That the amount loaned by the Reconstruction Finance Corporation shall not exceed 85 per centum of the principal amount outstanding of the obligations constituting the security therefor: *Provided further*, That the Secretary may utilize proceeds from payments of principal and interest on any loans made under such title I to repay the Reconstruction Finance Corporation the amount borrowed therefrom under the authority of this paragraph: *Provided further*, That the amount of notes, bonds, debentures, and other such obligations which the Reconstruction Finance Corporation is authorized and empowered to issue and to have outstanding at any one time under existing law is hereby increased by an amount sufficient to carry out the provisions hereof."

The committee of conference report in disagreement amendments numbered 17, 20, 21, 37, 39, 43, 61, 65, 66, and 105.

RICHARD B. RUSSELL,
CARL HAYDEN,
M. E. TYDINGS,
J. H. BANKHEAD,
E. D. SMITH,
GERALD P. NYE,
CHAS. L. MCNARY,
Managers on the part of the Senate.
CLARENCE CANNON,
M. C. TARVER,
W. P. LAMBERTSON,
Managers on the part of the House.

The PRESIDING OFFICER. Is there objection to the present consideration of the conference report?

McNARY. I have not any objection. I think it properly should be considered.

There being no objection, the Senate proceeded to consider the report.

Mr. McNARY. I desire, however, to ask a question of the Senator from Georgia. These are the four amendments to which disagreements were had in the House and in conference?

Mr. RUSSELL. The House took three of the amendments out of disagreement by adopting them. They disagreed to the fourth amendment. It is my purpose to move that the Senate recede from that amendment, inasmuch as it has had two record votes in the House.

Mr. McNARY. I think that is quite proper. For the RECORD, will the Senator state what that amendment is about?

Mr. RUSSELL. The first two are very small amendments. One involves $10,000 for range investigations in the southeast. That amendment was adopted by the House. A companion amendment appropriated $15,000 above the Budget estimates to prevent the discontinuance of certain range investigations which are being carried on, I think in the Joaquin Valley in California, and $10,000 for similar work in relation to beef cattle studies in the southeast.

The other amendment approved by the House appropriated $500,000 to carry out the arid-lands program for the purpose of building small dams and water reservoirs in the drought area.

The amendment which was rejected by the House was the one appropriating funds for the eradication of the white-fringe beetle.

Mr. McNARY. I thank the Senator.

The PRESIDING OFFICER. The question is on agreeing to the conference report.

The report was agreed to.

The PRESIDING OFFICER laid before the Senate a message from the House of Representatives announcing its action on certain amendments of the Senate to House bill 8202, which was read, as follows:

IN THE HOUSE OF REPRESENTATIVES,
June 19, 1940.

Resolved, That the House recede from its disagreement to the amendments of the Senate numbered 17, 37, and 105 to the bill (H. R. 8202) making appropriations for the Department of Agriculture for the fiscal year ending June 30, 1941, and for other purposes, and concur therein;

That the House recede from its disagreement to the amendment of the Senate numbered 20 to said bill and concur therein with an amendment as follows: In lieu of the sum inserted by said amendment insert "$12,449,440";

That the House recede from its disagreement to the amendment of the Senate numbered 21 to said bill and concur therein with an amendment as follows: In lieu of the sum inserted by said amendment insert "$12,449,440";

That the House recede from its disagreement to the amendment of the Senate numbered 39 to said bill and concur therein with an amendment as follows: In lieu of the sum inserted by said amendment insert "$14,353,435";

That the House recede from its disagreement to the amendment of the Senate numbered 43 to said bill and concur therein with an amendment as follows: In lieu of the sum inserted by said amendment insert "$17,924,435"; and

That the House further insist upon its disagreement to the amendments of the Senate numbered 61, 65, and 66 to said bill.

Mr. RUSSELL. Mr. President, I move that the Senate concur in the amendments of the House to the amendments of the Senate numbered 20, 21, 39, and 43. I may state that they merely correct totals, that action being made necessary because of the action on the other amendments.

The PRESIDING OFFICER. The question is on the motion of the Senator from Georgia.

The motion was agreed to.

Mr. RUSSELL. I now move that the Senate recede from Senate amendment numbered 61.

The motion was agreed to.

Mr. RUSSELL. I move that the Senate further insist on Senate amendments numbered 65 and 66.

Mr. KING. May I inquire what those amendments are?

Mr. RUSSELL. I shall be glad to advise the Senator from Utah. Those two amendments are totals which were in disagreement, due to the action of the House in refusing to accept the Senate amendment appropriating funds for white-fringe beetle work.

I may say to the Senator from Utah that this is merely a necessary parliamentary process. These totals will be adjusted on the floor of the House, following which the Senate may concur in the amendments of the House to the Senate amendments.

Mr. KING. I have no objection.

The PRESIDING OFFICER. The question is on the motion of the Senator from Georgia.

The motion was agreed to.

SUPPLEMENTAL APPROPRIATIONS FOR THE NATIONAL DEFENSE

The Senate resumed the consideration of the bill (H. R. 10055) making supplemental appropriations for the national defense for the fiscal year ending June 30, 1941, and for other purposes.

Mr. ADAMS. Mr. President, will the Senator from South Dakota let me submit the last committee amendment?

The PRESIDING OFFICER. Does the Senator from South Dakota yield for that purpose?

Mr. GURNEY. I yield the floor, and will take the floor again at a later time.

Mr. ADAMS. I submit an amendment simply to authorize the detailing of enlisted men to the Department relative to a minor matter.

The PRESIDING OFFICER. The amendment will be stated.

Mr. KING. Before the amendment is stated, may I inquire of the Senator the amount that has been increased in the bill over the authorization?

Mr. ADAMS. One hundred million dollars.

Mr. KING. And, generally, what does that increase relate to?

Mr. ADAMS. The principal item of increase is $43,000,000 for building airplane engines.

Mr. KING. By the Government, or by contract, or both?

Mr. ADAMS. By contract.

Mr. KING. What is the other item?

Mr. ADAMS. There is a series of items. There are two contract authorizations. There is an item of $7,500,000 for extra training of the Naval Reserves. There is an $8,000,000

item for ordnance matériel for the Marine Corps. The Bureau of Yards and Docks have some items. There is a $10,000,000 item for alterations in naval vessels. There is an emergency fund of $25,000,000.

Mr. KING. To what purpose will that fund be devoted?

Mr. ADAMS. It is in lieu of a contract authorization in the House bill. It is for the purpose of converting, renting, or acquiring naval auxiliary and patrol craft to protect the harbors.

Mr. KING. It seems to me that is a rather large appropriation for that purpose, in view of the fact that we have so many small craft which might be utilized for the purpose indicated.

Mr. ADAMS. All the Senate has done has been to change the provision from a contract authorization to a direct appropriation, of which I believe the Senator approves.

Mr. KING. Yes; I do.

The PRESIDING OFFICER. The amendment offered by the Senator from Colorado will be stated.

The LEGISLATIVE CLERK. On page 29, after line 14, it is proposed to insert a new section reading as follows:

SEC. 303. Enlisted men of the Navy may be detailed to the Office of Naval Intelligence during the fiscal year 1941.

The amendment was agreed to.

Mr. ADAMS. I ask unanimous consent that the clerks be authorized to make the necessary corrections in numbers and totals.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. GURNEY. Mr. President——

Mr. ADAMS. Does the Senator wish to speak before the bill passes?

Mr. GURNEY. I do.

I desire to ask the Senator from Colorado some questions as a matter of information to myself. I am very much interested in the development of manganese because of the huge supply we have in South Dakota. I call the attention of the Senator from Colorado to page 11, wherein there is appropriated $2,000,000 to be used by the head of the Bureau of Mines, Department of the Interior, for the erection of a Government pilot plant for the processing by electricity of manganese ores. I ask the Senator if it is the intention of the Department to place that plant somewhere near Boulder Dam? Is that the plan?

Mr. ADAMS. I am not able to answer the Senator's question offhand. The fact that the amendment provides for the electrolytic process suggests that the plant would have to be located near one of the great water-power developments.

Mr. GURNEY. Was there any information on the subject in the hearings?

Mr. ADAMS. We had no Senate hearings on the matter. The House hearings may show that.

Mr. McNARY. Where is the item; on what page?

Mr. GURNEY. Page 11, line 6.

What I am interested in is this: Has any information been given to the committee as to the amount of ore available? I know, of course, that electricity is available at reasonable rates, but I am not so sure that a large supply of ore is available in that territory.

Mr. ASHURST and Mr. BYRNES addressed the Chair.

The PRESIDING OFFICER. Does the Senator from South Dakota yield; and if so, to whom?

Mr. GURNEY. I yield to the Senator from Arizona.

Mr. ASHURST. Mr. President, if the able Senator from South Dakota is inquiring whether there are manganese ore deposits near Boulder Dam, permit me to say that in Mojave County, Ariz., which is the northwest corner of the State, large deposits of manganese ore are known to exist. Doubtless, with the hydroelectric energy generated at Boulder Dam, ultimately a vast deal of this manganese ore will be mined, and processed.

I happen to know of these deposits because many years ago, while aiding in making a survey as to manganese resources, it was startling to me to learn that in 32 States of the Union there are manganese deposits. In order, however, properly to develop them, a protective tariff would be required, because of the cheap, forced, or slave labor of Soviet Russia, and the cheap and underpaid labor of other countries which export manganese to the United States.

I wish to associate myself with the Senator from South Dakota and any other Senator who will aid in a program for the development not alone of manganese properties but of other essential strategic and critical materials and metals.

Mr. GURNEY. I realize all that, and I am heartily in accord with any program which will develop this critical and strategic material; but I am concerned as to what the surveys show as to the amount of ore available in that territory, and I am also concerned as to the quality of the ore. Can the Senator enlighten me on that subject?

Mr. ASHURST. Although I come from one of the great mining States of the Union, candor and frankness require me to say that I am not a practical miner; but information which was gathered for me more than 10 years ago led me to the opinion that the manganese deposits in Mojave County, Ariz., and other counties in Arizona, if developed, would furnish considerable manganese.

Mr. GURNEY. There is another question which comes to mind when we think of building a pilot plant, and that is that a private pilot plant has already been in operation for some time in Kentucky, and this appropriation puts the Government in competition with a private plant which has already shown the efficiency of this kind of electrolytic processing of manganese ore.

Mr. ADAMS. Mr. President, will the Senator allow me to make a comment on that subject?

Mr. GURNEY. I yield to the Senator from Colorado.

Mr. ADAMS. Of course, I am interested, coming from a mining State where we feel we have manganese ores which we would like to have developed. If I were in position to draw the amendment, I should strike out the words "by the electrolytic process", so that the Department of the Interior might develop these ores by any available process.

Mr. GURNEY. I thank the Senator; I was getting to that point. To bring the matter to a head, I move to strike out the words "by the electrolytic process", on page 11, line 10.

Mr. ASHURST. Mr. President, will the Senator yield?

Mr. GURNEY. I yield.

Mr. ASHURST. I have no practical experience with reference to the electrolytic process.

Mr. President, it may be inferred, because of the use of this language, that the electrolytic process would be considered a more eligible one. Before we strike the words out it seems to me the Senate should be advised as to whether or not this is the most eligible and the most practical method. The words "by the electrolytic process" undoubtedly must have been inserted for some reason.

Mr. GURNEY. I am sure they were inserted for the purpose of putting the plant where there was cheap power, but I am not sure that that is the process by which manganese ore can be produced most cheaply.

Mr. ASHURST. Nor am I.

Mr. GURNEY. If it should be decided by the Bureau of Mines or the Department of the Interior that the electrolytic processing of ore is the better method, if we should strike out these four words they could establish a plant at Boulder Dam, or at any other place, and use any other process they desired to use.

Mr. BYRNES. Mr. President, will the Senator yield?

Mr. GURNEY. I yield.

Mr. BYRNES. I think the Senator is exactly right, and I think the words should be stricken out, so that the whole matter will be left for the Bureau of Mines to determine, after proper investigation, what process is to be used. What they want is manganese, not the method, and they will not be restricted to any process at all if the amendment offered by the Senator shall be adopted.

Mr. McCARRAN. Mr. President, will the Senator yield?

Mr. GURNEY. I yield.

Mr. McCARRAN. There is a very specific reason for the language now in the bill. For many years an attempt has been made to reduce the grade of manganese by the electrolytic process. In order to make a proper experiment, it is necessary to have the cheapest possible power. The whole matter is in an experimental stage. There are in thirty-odd States manganese of varying grade, ferromanganese and nonferromanganese. The highest grade in the United States is less than 60 percent.

Boulder Dam is a Government project at which the very lowest priced electric energy is about to be made available, in fact, is available now, and surrounding that project for an area of 250 miles there are great quantities of manganese ore of various grades, some in Arizona. There are hundreds of thousands if not millions of tons in Lincoln County, Nev., which is not far distant from the Boulder project.

In order to carry out this experimentation so that we may use the manganese of the United States, which is so essential, this electrolytic process has been tried out, and wherever it has been tried out it has proven to be very successful. This language is used in an attempt now to set up, at a point where there is the most reasonably priced electrical energy, a pilot plant to develop the electrolytic process for the production of manganese.

Today we are getting our manganese largely from Russia, although with Brazil we entered into a reciprocal-trade agreement in which manganese was involved. After we entered into the reciprocal-trade agreement with Brazil, under the most-favored-nation clause Russia came in with her manganese produced by peon labor and slave labor, and could outbid Brazil. Hence we are not getting our manganese from Brazil now. We are getting it from Russia, to the detriment of manganese mining in the United States, the reason being that the Russians can bring manganese in as ballast, and outbid us, even with the highest grade of manganese we produce.

It is proposed that the plant in mind shall utilize cheap electrical energy at a point nearest the places where manganese ore is produced. I think it would be a serious mistake to strike the language from the bill.

Mr. GURNEY. I am sure the statement made by the Senator from Nevada is entirely correct. My information is that the pilot plant would make available electrical energy at approximately half a mill a kilowatt-hour, while it is now being furnished to the pilot plant established by private industry at Knoxville, Tenn., at one-half cent a kilowatt-hour.

I am still sure that the words should be stricken from the bill, because there are other processes for purifying manganese ore, such as those used in Cuba, and it is possible that the Government would find it much better to spend this $2,000,000 in other sections of the country where larger quantities of ore could be purified and made available about where we need it.

Mr. CHAVEZ. Mr. President, will the Senator yield?

Mr. GURNEY. I am glad to yield to the Senator from New Mexico.

Mr. CHAVEZ. I shall support the amendment offered by the Senator from South Dakota. I do not believe that it will in any way interfere with the plant the Bureau of Mines may have in mind now at any place near Boulder Dam, or near any of the other places where reasonable power prices are obtainable. The fact that the language indicated by the Senator from South Dakota was stricken out would not preclude the Department or the authorities from proceeding with a plant they have in mind. However, if the language is taken out, it will make other resources available for the production of manganese.

There is much manganese in my State. The southwestern quarter of my State is practically nothing else but manganese, and, as indicated by the Senator from Nevada [Mr. McCARRAN], we have to compete with manganese imported from foreign countries. It is surprising to learn how many Senators—and I was among them—were not satisfied with the reciprocal trade agreement legislation which we passed some time ago, because it interfered with the orderly development of manganese in the entire Southwest, while that industry was at the same time competing with Russia, and possibly with Brazil.

I feel that the amendment of the Senator from South Dakota should prevail, and, in my opinion, it would not interfere at all with placing the plant near Boulder Dam or elsewhere, but it would help other sections of the country to develop their own resources.

Mr. MILLER. Mr. President, will the Senator yield?

Mr. GURNEY. I yield.

Mr. MILLER. I suggest that the amendment offered by the Senator from South Dakota is an amendment of extreme importance at this time. I have been interested for a good many years in an effort to develop manganese and to develop other strategic minerals in this Nation. The hearings before the Committee on Military Affairs, of which I was formerly a member, and the hearings before special committees, disclose the fact that there are many processes by which the ore may be separated and converted into ferromanagnese of such a grade that the Army and Navy would like to have it. The trouble has been a dispute as to various processes. Army and Navy men are more or less set in their ways, and scientists are more or less adamant in their opinions at times, but we do know that there is a dispute between scientists today. Only last year Du Pont sent a representative who testified before a committee of the Congress that they had a process whereby these low-grade minerals might be raised to a sufficient grade. I think it would be the height of folly for the Congress to say to the Bureau of Mines, "Build a pilot plant for experimentation with a certain process." Let us take the bridle off those men and give them an opportunity. What the Senator from Nevada has said is true, and it may develop that the process he has indicated will prove to be the process adopted, but let us not hamstring or hamper the Bureau or the Department.

If the amendment shall be adopted, I earnestly hope that the House will agree to it, and that we shall say to the Bureau of Mines, "Take the various processes which are being advocated by various people and by various scientists, experiment with them and report to the Congress the one best suited to this country for the development of our particular grade of ore."

Mr. GURNEY. Mr. President, I ask for the adoption of the amendment.

Mr. PITTMAN. Mr. President, what is the language of the amendment?

The PRESIDING OFFICER. The clerk will state the amendment.

The LEGISLATIVE CLERK. On page 11, line 10, after the word "therefrom", it is proposed to strike out the words "by the electrolytic process."

Mr. PITTMAN. There would not be anything left then, would there?

Mr. GURNEY. Yes.

Mr. PITTMAN. How would it read with that language stricken out? As I understand, the Senator is striking out the words "by the electrolytic process."

Mr. GURNEY. "By the electrolytic process."

Mr. PITTMAN. It seems to me that the remainder of the sentence does not provide for any process.

Mr. GURNEY. They can use any kind of process whatever to get the manganese ore into usable shape.

Mr. PITTMAN. But the Senator's amendment does not refer to any process at all.

Mr. GURNEY. That is correct.

Mr. PITTMAN. The Senator's amendment would result in providing only for a plant to beneficiate manganese.

Mr. GURNEY. Yes.

Mr. PITTMAN. Does not the Senator think it would be better to say "by the electrolytic or other process"?

Mr. KING. "Or any other feasible process."

Mr. PITTMAN. Yes; "or any other feasible process."

Mr. GURNEY. I am willing to accept that amendment.

Mr. MILLER. I have no objection to that.

Mr. GURNEY. I am agreeable to the suggestion so long as it does not confine it to any one certain process. If the Senator cares to offer that as an amendment to my amendment, I shall be glad to accept it.

Mr. PITTMAN. I think that language would be better than the language in the Senator's amendment, because some process should be referred to. I suggest that the Senator modify his amendment by inserting, after the word "electrolytic", the words "or other", so as to read "electrolytic or other process."

Mr. GURNEY. I shall be glad to modify my amendment accordingly.

The PRESIDING OFFICER. The amendment, as modified, will be stated.

The LEGISLATIVE CLERK. On page 11, in line 10, after the word "electrolytic", it is proposed to insert "or other."

Mr. KING. Mr. President, I have been a little surprised and gratified to learn of the large deposits of manganese in the United States. I recall that upon two occasions in the Finance Committee, of which I am a member, we attempted to encourage the development of manganese deposits in the United States by the imposition of tariffs. Upon the first occasion to which I refer a rather high tariff was imposed. Later, when another tariff bill was under consideration, representations were made that the tariff then existing was not adequate and we increased it. Representatives of the Government appeared and stated that the deposits of manganese in the United States were so spotty and were so lacking in merit that it would be very difficult for us ever to develop satisfactory manganese enterprises in the United States.

I did not accept that view, and therefore favored the higher tariffs, but I regret to say the promises which were made before our committee were not verified. Years have gone by since then—that is, since 1930 and 1932—and we still have not developed manganese to meet the requirements of our country.

Much has been said about the manganese deposits in Russia. I happened to visit the region of the Caucasus Mountains in Russia and I visited the places where manganese deposits were being developed, and also the developments of the gold deposits in the Ural Mountains. It is true that rather cheap labor was used, but methods of extracting the ore were not comparable in their scientific aspects, if I may use that expression, to the methods employed in the United States, and the Russians did not produce manganese as cheaply as many of us had imagined.

The point I am trying to make is that I am very glad if it has been discovered that we have adequate manganese deposits in Lincoln County, Nev., or in Arizona, or in South Dakota, or elsewhere, to meet the imperative demands of our country. Manganese is one of the necessary strategic minerals, and if we can produce an adequate supply to meet the needs of our country I shall be very glad, indeed.

There is much to say in favor of the position taken by the junior Senator from Nevada [Mr. MCCARRAN]. I made some investigation of the electrolytic process while in Russia, and also when we were investigating the matter before the Finance Committee, and it seems to me that if the manganese development in the United States were to assume adequate proportions, it would be largely through the electrolytic process, unless, perhaps, through some process now unknown.

Mr. MCCARRAN. Mr. President, the Senator is undoubtedly aware that in many States of the Union there are great quantities of manganese, but in some States it is of a low grade. So in order to make it commercially possible to mine it and utilize it in the arts and sciences, and in connection with the steel industry, processes, of which the electrolytic process is one, have been tried by way of experiment.

Mr. SCHWARTZ. Mr. President, it seems to me we should have more than one pilot plant. The feasibility of the electrolytic or any other process cannot be determined in a single pilot plant. I would suggest an amendment, on page 11, line 10, after the words "pilot plant", to insert "or plants."

Mr. GURNEY. Mr. President, at this time I ask for the adoption of my amendment, as modified.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from South Dakota [Mr. GURNEY], as modified.

The amendment, as modified, was agreed to.

Mr. SCHWARTZ. Mr. President, I ask for action on the amendment I have proposed on page 11, line 8, after the words "pilot plant", to insert the words "or plants."

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Wyoming.

The amendment was agreed to.

The PRESIDING OFFICER (Mr. BROWN in the chair). The question is on the engrossment of the amendments and the third reading of the bill.

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill H. R. 10055 was read the third time and passed.

Mr. ADAMS. Mr. President, I move that the Senate insist upon its amendments, ask for a conference with the House of Representatives thereon, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to; and the Presiding Officer appointed Mr. ADAMS, Mr. GLASS, Mr. MCKELLAR, Mr. HAYDEN, Mr. BYRNES, Mr. HALE, and Mr. TOWNSEND conferees on the part of the Senate.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Calloway, one of its reading clerks, announced that the House had disagreed to the amendments of the Senate to the bill (H. R. 10039) to provide for the expenses of national preparedness by raising revenue and issuing bonds, to provide a method for paying for such bonds, and for other purposes; agreed to the conference asked by the Senate on the disagreeing votes of the two Houses thereon, and that Mr. DOUGHTON, Mr. CULLEN, Mr. MCCORMACK, Mr. COOPER, Mr. TREADWAY, Mr. CROWTHER, and Mr. KNUTSON were appointed managers on the part of the House at the conference.

TRANSPORTATION OF RED CROSS RELIEF SUPPLIES

Mr. PITTMAN obtained the floor.

Mr. MCNARY. Mr. President, will the Senator yield?

Mr. PITTMAN. I yield.

Mr. MCNARY. I do not want to anticipate the proposal which I believe the able Senator from Nevada is about to make, but if he makes it I want to suggest the absence of a quorum.

Mr. PITTMAN. I shall make my proposal in the form of a motion.

Mr. MCNARY. I believe the Senator from Nevada intends to bring up a joint resolution which was considered in the Foreign Relations Committee concerning a matter which was before us a day or two ago.

Mr. PITTMAN. Yes. I tried to have action taken on it yesterday, but I could not obtain unanimous consent at that time.

Mr. MCNARY. If my anticipation is correct, before any statement is made I think we should have a call for a quorum, and I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Adams	Clark, Idaho	Hill	Murray
Andrews	Clark, Mo.	Holman	Neely
Ashurst	Connally	Holt	Norris
Austin	Danaher	Hughes	Nye
Bailey	Davis	Johnson, Calif.	O'Mahoney
Bankhead	Donahey	Johnson, Colo.	Overton
Barkley	Downey	King	Pepper
Bilbo	Ellender	La Follette	Pittman
Bone	George	Lee	Radcliffe
Bridges	Gerry	Lodge	Reed
Brown	Gillette	Lucas	Reynolds
Bulow	Green	Lundeen	Russell
Burke	Guffey	McCarran	Schwartz
Byrd	Gurney	McKellar	Schwellenbach
Byrnes	Hale	McNary	Sheppard
Capper	Harrison	Maloney	Shipstead
Caraway	Hatch	Mead	Slattery
Chandler	Hayden	Miller	Smathers
Chavez	Herring	Minton	Smith

Taft	Tobey	Vandenberg	Wheeler
Thomas, Idaho	Townsend	Van Nuys	White
Thomas, Okla.	Truman	Wagner	Wiley
Thomas, Utah	Tydings	Walsh	

The PRESIDING OFFICER. Ninety-one Senators have answered to their names. A quorum is present.

Mr. PITTMAN. Mr. President, I move that the Senate proceed to the consideration of Senate Joint Resolution 279.

The PRESIDING OFFICER. The joint resolution will be stated by title.

The LEGISLATIVE CLERK. Joint resolution (S. J. Res. 279) to amend section 4 of Public Resolution No. 54, approved November 4, 1939, entitled "Joint resolution to preserve the neutrality and the peace of the United States and to secure the safety of its citizens and their interests."

Mr. McNARY. Mr. President, I do not express any antipathy, but I think the joint resolution should be explained, in the light of the discussion of a few days ago.

Mr. PITTMAN. I shall make an explanation with regard to the joint resolution.

On last Tuesday we had under consideration Senate Joint Reslution 279, amending section 4 of the Neutrality Act with reference to American Red Cross vessels. The restriction was that a Red Cross vessel might proceed to belligerent ports with the safe conduct of all the belligerent countries named in the President's proclamation. That restriction, of course, makes it impossible for the Red Cross to do anything in Europe, because it is now impossible to obtain safe conduct from three of the countries, because they are not active. Even Germany, which the testimony shows is entirely willing for this ship, which is now at sea, to go into the harbor at Bordeaux, said that nothing would happen to the vessel going over as far as Germany was concerned, but that Germany might be bombing Bordeaux at the time the vessel arrived and that the port might not be safe. At any rate, Germany would not grant safe conduct.

If our Red Cross is to function in Europe, that restriction must be eliminated. The necessity for the Red Cross functioning is evident. There was never as much suffering in the world as there is in Europe today, and we have more resources to give in that relief than has any other country in the world. In fact, our Government has appropriated $50,000,000 to be used by the President through the Red Cross or other agencies for such relief.

For many years all governments have treated the Red Cross as an agency of mercy. The Red Cross went back of the battle lines in France in the World War. It was used to carry the wounded. The Red Cross conducted hospitals, as well as relief stations, behind the lines. As a matter of fact, some of the personnel of the Red Cross lost their lives in that war. They willingly took the chance to do the humane work they were doing throughout the world.

We cannot entirely eliminate every chance of a Red Cross vessel being sunk. We can eliminate every practical danger; and that is what we should do. When the joint resolution was under discussion a few days ago, the chief objection was that it did not protect against Red Cross vessels being driven through a blockaded zone. There was nothing to restrict them. We had to trust the President, and the president of the American Red Cross. The president of the Red Cross testified before our committee. He very plainly said that as long as he was in charge of a Red Cross vessel he would not allow it to go into a zone where there was bombing. The same statement was made by Mr. Breckenridge Long, Assistant Secretary of State. That fact was brought out by the Senator from Missouri [Mr. CLARK] on the floor of the Senate. It was stated that in a matter of this kind we should not simply take the word of an Assistant Secretary of State. So I asked the members of the Foreign Relations Committee to attend a meeting yesterday for the purpose of considering this joint resolution. The committee had considered it once and reported it, but the debate on the floor indicated that there should be some further consideration. When the committee met yesterday I presented another amendment to the joint resolution, in the nature of a proviso reflecting the sentiments of Congress. Some Senators thought there should be an actual limitation by a proviso, so that was agreed upon. There were other suggestions with regard to the language of the joint resolution which were an improvement upon the proviso as I drafted it.

Its present form is the result of that consideration lasting an hour and a half. I intend to offer this amendment——

Mr. McKELLAR. Mr. President, has the Senator a copy of the proviso, and would he mind reading it?

Mr. PITTMAN. I have it in my hand now for the purpose of reading it, and I will offer it after the joint resolution is taken up. At the end of the resolution as reported in printed form, it is proposed to add the following:

Provided, That where permission has not been given by the blockading power, no American Red Cross vessel shall enter a port where a blockade by aircraft, surface vessel, or submarine is being attempted through the destruction of vessels, or into a port of any country where such blockade of the whole country is being so attempted; and *provided further,* That such American Red Cross vessel shall be on a mission of mercy only and carrying only Red Cross materials and personnel.

The words "a blockade being attempted" are used and we have described how, namely by destroying vessels from the air or by surface vessels or by submarines, so as to avoid the technical construction of the word "blockade" in international law. We have used the word "blockade," but we have broadened its definition.

I may say that personally, from the testimony of the Assistant Secretary of State and the president of the Red Cross and because of the whole history of the American Red Cross, I myself was satisfied without the original provision. The history of American Red Cross vessels is unique.

Mr. McNARY. Mr. President, will the Senator yield?

Mr. PITTMAN. I yield.

Mr. McNARY. May I ask who suggested the provision the Senator has just read as an addition to the resolution? Those words were not contained in the first resolution.

Mr. PITTMAN. I suggested this amendment in substance as it is now, but the language is not the exact language because suggested changes were made in the meeting of the committee yesterday.

Mr. McNARY. What I want to find out is, Does the Red Cross subscribe to the language now suggested by the able Senator from Nevada?

Mr. PITTMAN. Yes; I telephoned Norman Davis about it, and asked him if he had any objection to the amendment, and he said "No"—that it was carrying out exactly what the Red Cross would do, anyway, and the Assistant Secretary of State said the same thing.

The reason I was not so insistent as some were with regard to this amendment is that the whole history of Red Cross vessels is different from that of all other vessels. Red Cross vessels do not have all the responsibility, so to speak, of a private ship under the flag of its government. Throughout the whole World War there was not a Red Cross vessel of any country sunk. We know that all countries respect the Red Cross. They respect the Red Cross because it administers to suffering with impartiality as to races and belligerents. It is not a government agency but an institution of people.

While Germany cannot give a safe conduct because a safe conduct means that they will lead the vessel through their own mine fields and take care of it, there was not any objection expressed to this ship bringing her cargo to Bordeaux, and I do not think there ever will be.

Under my statement that I will immediately offer this amendment if the joint resolution is taken up, I ask for a vote on the motion to proceed to the consideration of the joint resolution.

The PRESIDING OFFICER. The question is on the motion of the Senator from Nevada to proceed to the consideration of Senate Joint Resolution 279.

NOMINATIONS OF HENRY L. STIMSON AND FRANK KNOX

Mr. WHEELER. Mr. President, I do not rise to oppose the joint resolution which the Senator from Nevada desires to

have considered or the amendment which he has suggested. As a matter of fact, I think the amendment he has proposed, and will later offer to the joint resolution, is proper and indicates that the chairman of the Committee on Foreign Relations is trying to do everything he can do to prevent this country becoming involved in European affairs.

I rise now for an entirely different purpose. The President has just sent to the Senate the nominations of two gentlemen, one to be Secretary of the Navy, and the other to be Secretary of War. Colonel Knox, of the Chicago Daily News, has been nominated to be Secretary of the Navy. He is an ardent Republican; he was candidate for Vice President on the Republican ticket in the national election of 1936, and those who listened to his speeches during that campaign know that he was more vitriolic against the President of the United States than was any other man I have ever heard speak over the radio or from the public platform. He denounced every single labor and liberal policy of the administration which had been in office during the previous 4 years.

The other gentleman is Henry L. Stimson. Both of them, I may say, so far as I know, are honorable gentlemen, but the country ought to know that both these gentlemen are the most conservative of the conservative Republicans in this country. The people of the country ought to know this means that this administration is turning away from the liberal policies we have talked so much about; that it is turning away from the underprivileged; that it is turning its back upon the one-third of the people who are ill-housed, ill-fed, and ill-clothed. We still have those people with us; but our thoughts are being turned toward Europe and toward war.

These two men were chosen, without doubt, because of all the interventionists in the Republican Party they have been foremost in that cause. They have been actively advocating more than mere preparedness. All those with whom I have come in contact want preparedness. They want it upon a sane, sound basis; they want to go about it sanely and calmly, and with the idea of seeing that the money we are appropriating shall be spent in a proper way. We want to defend this country against anybody who may ever dare attack it, whether on the Pacific or on the Atlantic. The great majority of the people of this country are even willing to go further; they are willing to aid any South American country and to go to its rescue in the event any other nation attempts to attack it. But the people of the country should know exactly what the nomination of these two gentlemen means and the significance of their selection.

Mr. Stimson, I understand, is 73 years of age. He was appointed at the end of Mr. Taft's administration as Secretary of War. He was one of the 30 men who met recently secretly in the city of New York and were responsible for putting out the advertisement trying to propagandize the American people into taking steps that would lead this Nation down the road to war.

What does it mean to the Democrats of this country? Does it mean that Democrats cannot be found in the United States of America who are able and capable of filling the offices? Does it mean that the Democratic Party has abandoned all its principles of liberalism? Does it mean, if you please, that now we Democrats are going over into the heart of Wall Street and taking the very essence of Wall Street representatives and putting them into the Cabinet under a Democratic administration? Does it mean, if you please, that these men are appointed because of the fact that they have been advocating direct intervention? Does it mean, if you please, that the policy of the Democratic Party for peace has been changed to one of war?

These two appointments ought to be particularly pleasing to the warmongers, to those who think we ought to go to war; to those who think that isolation means putting our heads in the sand. But it should not be pleasing to those who no longer feel that we are a colony of the British Government; it should not be pleasing to those who do not want to see American boys go across the water and be slaughtered upon the battlefields of Europe; it should not be pleasing to the peace-loving people of this country. I can visualize the response of every great newspaper in this country that has been advocating direct intervention, everything short of war, everything, if you please, to take one step nearer to the brink, knowing that when we turn on the gasoline when near the brink, and keep pouring it in we cannot stop without going oved the brink.

Mr. SHIPSTEAD. Mr. President, will the Senator yield?

Mr. WHEELER. I yield to the Senator from Minnesota.

Mr. SHIPSTEAD. Information some years ago was to the effect that Mr. Stimson was a member of the firm of attorneys of which Elihu Root was the head, and who were the attorneys for the French and British Governments. I think it ought to be investigated now, whether or not Mr. Stimson is still an agent of a foreign country as attorney.

Mr. WHEELER. I must confess that it is with a heavy heart that I, as one Member of this body, see the drift of events. I had hoped that the Democratic Party would continue to be the liberal party. I had hoped that the Democratic Party would continue to be interested in the one-third of the population which is ill-housed, ill-fed, and ill-clothed. I had hoped that the Democratic Party would be the peace party of the United States, and not make the foolish errors which have been made in the past, and that we would not drive the people, by hysteria and pounding, the same old way that they have been driven before. The men who met in the secret meeting in New York were the same group that carried on the propaganda to get us into the last war. They were using the same old slogans in the same old way. Now, instead of having them in New York and in Chicago, we are to bring them down and put them in the Cabinet. [Manifestations of applause in the galleries.]

Mr. BARKLEY. Mr. President, I regret that the Senator from Montana has, in my judgment, drawn from the appointment of Colonel Knox and Colonel Stimson some deductions which I do not believe are well founded. I think at least the Senate and the country should reserve judgment upon the wisdom of these appointments until the committees to which they have been referred have reported, and the nominations are brought before the Senate for its action.

Undoubtedly there are in the Democratic Party men who are qualified to be Secretary of War and Secretary of the Navy. Undoubtedly there are in the Democratic Party men just as well qualified as the two gentlemen whose names have been sent to the Senate. But, Mr. President, there has been a feeling in this country, and it has found widespread comment and circulation in the press, that in this hour of our extremity, in this hour of our emergency and our anxiety, partisan politics ought to cut no figure either in the exercise of Executive authority or in the deliberations of these legislative bodies.

I am not intimately acquainted with either Mr. Stimson or Colonel Knox, but I happen to know Mr. Stimson more intimately than I do Colonel Knox. Many years ago Mr. Stimson was Secretary of War. The position of Secretary of War is an administrative office. The Secretary of War does not decide the policies of the Government with respect to liberalism or reaction. He is chiefly an administrative officer, charged with the duty of conducting the War Department. While he is a member of the Cabinet, and sits around the Cabinet table, and undoubtedly discusses policies, his office is chiefly an administrative office; and there is, and ought to be, very little partisan politics in the administration of that office.

The same thing is true of the Secretary of the Navy. So far as I know, Colonel Knox never has held a public office. He may have held one of some character at some time, but I do not recall it. Four years ago he was a candidate for Vice President on the Republican ticket, and was not elected. Since then, and more especially in the past few months, it has been necessary to consider the opinions and the views of others besides those who happen to belong to the majority party in dealing with our international relations. Colonel Knox is one of those who have been invited by the President into conferences dealing with our international relations.

He has exhibited toward the party which defeated him a liberalism which has seemed to me to be commendable. He has been willing to cooperate with the Government of the United States in carrying forward its policies. However much men may differ as to those policies, it has been necessary for the Government to have policies, and it has had policies, and it has sought the advice and counsel and assistance of men beyond the membership of the party in power in formulating and in carrying out those policies.

Mr. Stimson was Secretary of State under Mr. Hoover. I believe it cannot be disputed that he was an outstanding Secretary of State. There are in this country many persons who believe that if his views in 1931 had been adopted by the nations then in a position to take action, we might not now be in the position in which the world finds itself, because, as Secretary of State, he urged upon one of the belligerents in the existing war certain action in the Far East which, if taken, might have prevented the accumulation of conditions and circumstances which have brought the world to its present unfortunate state.

I do not believe that the appointment of these two gentlemen indicates that the Democratic Party has turned its back upon liberalism. I believe the outstanding significance of their appointment is that the President of the United States recognizes that in this hour partisanship, insofar as it may be abandoned, ought to be abandoned; that the experience and the wisdom and the counsel and the cooperation of men of all political faiths ought to be placed at the disposal of the Government of the United States and, through it, at the disposal of the American people. That, in my judgment, is the significance of these appointments.

I do not believe their appointment, together or individually, indicates that we are headed toward war. Under the Constitution there is only one authority in this Nation that can declare war, and that is the Congress of the United States. Until Congress is convinced that a declaration of war is the last resort, the ultimate resort to which we must go in order to protect and preserve our institutions, no Secretary of the Navy or Secretary of War can take us into war.

I am proud of the fact that the Democratic Party—and I do not say this in any spirit of partisanship—has always been the liberal party. I have always believed it to be the liberal party, taking its history from the beginning until now. I do not say that in derogation of many eras of liberalism under the Republican Party, especially under the leadership of Col. Theodore Roosevelt from 1901 to 1908. I think in more recent years the Democratic Party has justified its position as the liberal party of the United States; by which I mean it has at least been the party which has moved toward the recognition of the theory which has placed the Government of the United States and all its agencies and all its experience and its knowledge and its power at the disposal of the American people in trying to solve their problems—economic, social, industrial, moral, and political. I believe in that sort of liberalism; and I have always believed, and I now believe, that if and when the time ever comes that any political party or any administration ceases to look forward instead of backward, ceases to be willing to move into unoccupied territory, if necessary, in order that the welfare of the American people may be advanced, that party and that administration will no longer be trusted by the American people. That has been the history of political parties in the United States.

In my judgment, no man can doubt the patriotism and the loyalty as American citizens of either Colonel Knox or Mr. Stimson. I am not even prepared to say that within their own conceptions of the term "liberalism" they are not themselves liberal. I so regard Mr. Stimson. He was a great Secretary of State. I do not know what his legal employments have been.

Mr. HOLT. Mr. President, will the Senator yield?

Mr. BARKLEY. I will yield in a moment. The Chief Justice of the United States, Hon. Charles Evans Hughes, was at one time accused of being a Wall Street lawyer. When he was nominated to be Chief Justice of the United States, and his name was sent to the Senate, many perfectly sincere, conscientious Senators voted against confirmation because they feared that his legal connections, while he was practicing law, might even unconsciously color his opinions as Chief Justice. I think those fears have been found to be groundless; and, in my judgment, Chief Justice Hughes has made and is now making an outstanding Chief Justice of the United States.

In view of the record of these men and their attitude on public questions, as it has been expressed and demonstrated, disconnected from any of their private interests, I do not entertain a fear that they will in any degree fail in the highest discharge of their duty, that they will fail to bring to the offices to which they have been nominated wide experience, broad vision, and deep knowledge, not only of world conditions but of the history and conditions of the United States.

I believe that when they have been confirmed by the Senate, as I feel sure they will be, and have served in their respective capacities, the American people will have cause to congratulate the President of the United States on the fact that he has been willing to go beyond the boundaries of his own political party, omitting numerous men who were qualified to serve in these capacities within that party, to show his interest in the American Republic first and in some political organization second.

In view of the remarks of the Senator from Montana [Mr. WHEELER], whose sincerity I do not in any way question, I felt that I should say at least this much before the committees to which the nominations have been referred have had an opportunity to act upon them. In my judgment, it would be unfortunate if the American people should in advance be prejudiced against the men who have been nominated by the President to fill these nonpolitical, nonpartisan offices, by anything which might be said on the floor of the Senate. That is my excuse, if I need one, for the remarks I have made.

Mr. WHEELER. Mr. President, the distinguished leader, the Senator from Kentucky [Mr. BARKLEY], has spoken of the "extremity" in which the United States is in at the present time. He spoke of these nonpolitical offices. After all, the only extremity the United States is in is what we have conceived in our own minds. We are in no extremity, and it is unfortunate that it should go out to the American people that this great country of ours, the richest of all the countries of the world, is in dire distress and in an extremity.

Partisan politics? I am not playing partisan politics. If I were going to charge that politics was being played, I would say that the selection of these men just before the Republican Convention is to meet might more properly be looked upon as politics than the expression of an objection to their nominations.

Great liberals? Of course. The minute the Democrats take a man from Wall Street he becomes a liberal, and the minute he does not come along with us he is a reactionary. A leopard does not change its spots that quickly.

Partisanship? Of course. When the day comes that there is not some partisanship in the United States, when there are not two parties, then we will have dictatorship. We should have at least two strong parties in the United States. We should have a clash of opinion between Democrats and Republicans, liberals and conservatives.

We are not in the war, we are not defenseless, no airplanes are going to come over and bomb us and bomb any cities. No one has attacked us, and no one is going to attack us.

Mr. TOBEY. And we are not going to war.

Mr. WHEELER. And we are not going into the war, if a majority of the Congress has its way about it. But when the distinguished Senator from Kentucky says that the Congress is the only body that can declare war, let me call his attention to a speech made by the Chief Executive of this Nation at Chautauqua, N. Y. I cannot quote the exact words, but I have seen them. In that speech he said, in effect, that any

President of the United States and his Secretary of State could get this country into war.

This country can be gotten into war by inflaming the public mind. I think the distinguished Senator from Nebraska [Mr. NORRIS], who voted against our entrance into the last war, has stated that many Senators stood upon the floor of the Senate and Representatives on the floor of the House and voted for our entrance into the war even though they did not want to vote for it, but they voted in that way because of the propaganda, because the public mind had been inflamed, because the same propaganda out of Wall Street and out of Great Britain inflamed the public mind until Representatives and Senators, thinking of being reelected to Congress, voted for our entrance into the war, against their better judgment. I am told that some of them voted for it with tears in their eyes, because they did not believe in it; but because of the fact that they were driven on by the propaganda, they voted for our entrance into the war.

Take this country into war? The man who wants to take this country into war is doing the greatest disservice to the people of the United States any man can possibly do, no matter who he may be. It seems to me nothing short of criminality to urge the people of this country to send American boys to war, or to get this country into the war.

Someone may say, "You are pro this or pro that." I am not pro-British, I am not pro-French, I am not pro-German, I am not pro anything else that is not American. I am pro-American, and I want to look at this question from the standpoint of the welfare of the great masses of the American people.

I know Colonel Knox, and I have high regard for him personally. I have spoken with him on the same platform. I have read the editorials which have appeared in his papers, I have seen them constantly, I know the trend of his thought with reference to the war, and I know the trend of the editorial policy of his paper. Anyone who can read those editorials and anyone who knows that trend knows that it has all been for intervention, for taking the country further, step by step, down that road.

Anyone who heard Mr. Stimson's speech a few nights ago, and has seen his public utterances, knows the trend of his thought. I am not questioning his integrity or his honesty.

These are both honorable men. But I state that, notwithstanding the fact that they are honorable men, the country should know what the trend of their minds is, what their editorials and public utterances have been, what they are leading us to, and what it means, so that the people will not be fooled.

If the American people want to go to war, certainly that is their privilege. If they want to go to war and they do go to war, every man in the Senate will, of course, do his patriotic duty to support the Government. But until that time comes, those of us who are opposed to that course and think it is unwise, and think it is wrong to propagandize the country, feel that we should tell the American people, so that they will not be fooled as to the whole trend of the thought of these men, whose public utterances we have followed in the editorials we have read.

Liberals? Of course Mr. Stimson is now a liberal, now a great progressive. And Colonel Knox is now a great liberal. When did he become a liberal? Certainly not in 1936, when he was a Vice Presidential candidate, because, as I stated before, if there was one man in the United States who made vitriolic speeches and denounced the President and the New Deal from one end of the country to the other, it was this same distinguished gentleman, Colonel Knox. I never heard more vitriolic speeches. That should be notice to the liberal forces of the country just what the drift is; it should be notice to the peace-loving people of this country just what the drift is.

Mr. HOLT. Mr. President, I had intended to speak on the resolution, but I cannot fail, in passing, to comment on the appointment of Col. Frank Knox and Mr. Stimson to the Cabinet of the President of the United States. At least the President wanted his Cabinet to be nonpartisan, because it is now 5 to 5, with Mr. Wallace, Mr. Ickes, Mr. Hopkins, Colonel Knox, and Mr. Stimson.

Mr. CLARK of Missouri. Mr. President, will the Senator yield?

Mr. HOLT. I yield.

Mr. CLARK of Missouri. I do not know who the Senator counts as Democrats, but I have been under the impression that before these appointments were made there were only three Democrats in the Cabinet, and one of them has now been superseded.

Mr. HOLT. Mr. President, I did not rise to discuss that matter, but I read in the newspapers 3 weeks ago that there was pressure from London to get Harry Woodring out of the Cabinet, and it has succeeded. Why does London seemingly know more about our foreign policy than the United States Senate knows? Did Lord Lothian tell the President when he conferred with him that Mr. Woodring was in the way?

I do not hold any brief for Mr. Woodring. I am not taking up his case. But the difference between Mr. Woodring's policy of helping the Allies and that of the new nominee is just this. Mr. Woodring's policy was to do everything for the Allies within the law and to look after America first, but the policy of the new nominee is to do anything for the Allies that is necessary and America be damned.

Col. Frank Knox, a liberal. The Senator from Kentucky [Mr. BARKLEY] spoke of him as a liberal. I do not have the editorials with me, but I shall put them in the RECORD this week—editorials dealing with the matter under discussion and showing what sort of liberal Colonel Knox is.

Of course, the President of the United States wanted the Secretary of War and the Secretary of the Navy to do his bidding without any question, and he now has men who will do it, because they are right along with him in conducting us along the path toward war.

Everyone here knows—the Senator from Kentucky gave us a little lesson in civics—that the Congress declares war.

Mr. BARKLEY. Mr. President, will the Senator yield?

Mr. HOLT. I will yield. I shall be more generous to the Senator from Kentucky than he was to me when I asked him to yield.

Mr. BARKLEY. I am sorry that I did not yield to the Senator. I wanted to finish my remarks before I yielded. It was not because I had no desire not to yield to the Senator.

Mr. President, I am not attempting to lecture the Senate on civics, and particularly I am not trying to lecture the Senator from West Virginia on civics.

Mr. HOLT. The Senator can lecture me on practical politics, but not on civics.

Mr. BARKLEY. No; I shall not attempt to lecture the Senator on practical politics. I leave that to the State of West Virginia itself, which has already done so. [Laughter.]

Mr. HOLT. The only difference between the State of West Virginia and the State of Kentucky is that it cost $60,000,000 to reelect the Senator from Kentucky. [Laughter in the galleries.]

Mr. BARKLEY. That statement is an unmitigated untruth.

Mr. HOLT. I thank the Senator for expressing it.

Mr. BARKLEY. Yes. Well, I have expressed it.

Mr. HOLT. Well, I am glad he did.

Now, going ahead with what I started to say. I wish to say that, of course, it is very good that we shall have a Secretary of the Navy. We have had one off and on. The Secretary of the Navy is now a candidate in the State of New Jersey. Apparently it is not very important to have a Secretary of the Navy, when he is needed to run on the Democratic ticket in New Jersey at this very, very important time. I shall not discuss that matter.

It has been known for some time that most all of these laws being passed give the Secretary of War and the Secretary of the Navy power which they have never had in the

history of our country, and powers which were never even thought of are now put into the hands of two warmongers—and I speak of Knox and Stimson. I shall discuss them later on in the Senate.

I should like Colonel Knox to tell the country about his international investments which he personally holds in South America. Let him come out and tell the truth and show his interest in America—but which end of America?

Coming back to the matter of declaration of war, we know that Congress has to declare war. The Senator from Montana [Mr. WHEELER] spoke about how war could result by inflaming public passion. There is another way of getting into war, and that is by creating an incident by reason of which the other side declares war on us. You can get into a fight either by hitting somebody or by creating an incident which results in him hitting you. That is what the administration is trying to do. Since certain policies of the New Deal failed, actions have been taken in recent months which would tend to create an incident to involve us in the controversies of Europe.

The President said at Chautauqua that day by day decisions will get us into war, if we are not careful. Every one of those decisions has been toward war.

Speak of creating an incident? Yes. In every way possible effort is being made to create an incident by which the public could be inflamed, or to create an incident because of which some nation could declare war, or make an overt act against us. Does anyone here think that either Colonel Knox or Mr. Stimson, the great liberals of Wall Street, spoken of by the Senator from Montana, would hesitate to do something to create such an incident? If anyone thinks so he is either fooling himself, or he is not familiar with the record of these individuals.

Mr. CLARK of Missouri. Mr. President, will the Senator yield?

Mr. HOLT. I yield.

Mr. CLARK of Missouri. The Senator from West Virginia will recall an incident within the memory or within the congressional term of service of some Members of this body, when without any declaration of war by the Congress, or any authority of the Congress, a Secretary of the Navy actually committed an act of war against a nation with which we were not at war, by landing bluejackets and marines, and shelling the port of Vera Cruz along the coast of Mexico. Without any authority of Congress whatever he created an incident which was an act of war, had the adverse party been strong enough to treat it as an act of war. We landed the bluejackets at Vera Cruz without a declaration of war, and occupied it for months. We shelled that city, killed some of its citizens because, forsooth, the Secretary of the Navy became enraged because the government, which had not been recognized by the United States, refused to salute the American flag.

Mr. HOLT. Of course, the Senator from Missouri is correct in his statement.

Going back to the first statement I made, the London newspapers spoke about how they could not get cooperation from Mr. Woodring. They could not get cooperation from him. I did not know we would discuss this subject today, or I would have brought with me files and records I have. I intend to put them in the RECORD to show that the idea of cooperation with England was discussed at the time, to which I referred.

Mr. President, England need not fear today that there will be no cooperation on the part of either Mr. Stimson or Mr. Knox. Such assurance was probably had before they were named to the Cabinet. I say here this afternoon on the floor of the United States Senate that all indications point—some of you may say that I should not say it because of my political affiliation—but my opinion is that there have been commitments made for our involvement in the war and now the question is, Will those commitments be fulfilled?

So far as I am personally concerned—I may be only one, but I am sure there are more who are with me—I shall vote against that involvement. Day by day, step by step we are getting nearer to war. It is said, "That is not a step taking us to war," and the next day another step is taken toward war. These jingoists were put into the Cabinet as a step toward peace—peace with the Republican interventionists. That is what some wanted, not peace with the world. And I say here this afternoon that time will record the history of 1937 to 1940 in the foreign relations of the United States as the most damning indictment against secret diplomacy this country has ever seen. Time will prove it, just as after the last war we found out what happened behind the scenes. We may not like it, but it is the truth. This is another move in the direction of cooperation to get America into this war.

Mr. MALONEY. Mr. President, I am very reluctant to speak this afternoon, because I can understand how anxious the Senate is to adjourn to pay honor and tribute to one of its most distinguished Members. But I will not let the curtain come down on this session without at least one Senator standing up to deny the accusation or insinuation, made on more than one occasion in the past hour, that there is an attempt upon the part of the President of the United States to lead this country into war.

If there is a Senator who does not believe that there is a grave and compelling need for preparedness, I should like to have him now rise in his place and so state. If there is a Senator who doubts that there is danger to us as a result of the situation in foreign places, I should like to have him so state, and tell us why there is need for preparedness if there is no danger. I should like to have some Senator point out now, in the immediate wake of these insinuations, what step the President of the United States or the Government of the United States has taken that is the slightest indication of an effort to involve us in a foreign war or to bring our boys into participation in war.

Not so long ago we experienced the excitement of the so-called Neutrality Act. I said then, and I now repeat, that I would not vote to send our boys to participate in a foreign war. I said then, and I say now, on my own responsibility and in the broadest sense, that the United States Senate is a peace bloc, and that we want to avoid war; but surely every Senator knows, as does every careful-thinking American, that we are in at least the lighter shadows of war. If that were not true, Mr. President, we should not be reading and hearing a constant accusation on the part of some that we have neglected a proper preparedness.

It seems sad to me, Mr. President, that in this trying hour of the world's history we are not a united people. The totalitarian powers of Europe, with their hateful philosophy and ideology, are marching toward the destruction of god-fearing people. Religious Poland is gone. Czechoslovakia is in the dust. Holland and Belgium have been subjected to indignity, humiliation, and distress. France has her back against the wall. England is in terror and terrible danger; and the totalitarian leaders, who have turned their backs on God, are going forward. Why? Because they are a united people; because they have a national ideal—a base ideal, to be sure, but a national ideal.

In the shadow of all that terror and reason for fear, with Gethsemane probably just down the road, in the United States Senate, representative of the Nation's leadership, the ambassadors of the great sovereign States are tearing themselves apart, when the crying need of the hour, in addition to preparedness, is national unity.

I do not know that Mr. Stimson and Colonel Knox need my defense, and I do not know that I should come to their defense at this moment, because I am not sufficiently informed as to their background or their ideas, but I have a supreme faith in our national leadership and in an outstanding man who has an imagination capable of coping with the situation. It not only deeply distresses me, Mr. President, but, as a Senator of the United States, I resent it when, in an hour of peril, which we all admit, there is a question as to whether or not a man has a right to serve because he may be a conservative rather than a liberal.

Mr. President, I am quite willing to match my votes for the short time I have been in the Senate, on any liberal

standard that may be chosen, with those of Senators who question the political views of any men now called to serve. At such a time as this I very much resent the attempt to wave the exciting flag of Wall Street before the American people. I know, as the result of an experience on a committee of this body, that men who were engaged in the manufacture of munitions during the last war have tried to avoid participation now because of the stigma cast upon them as a result of their experience in the last war. I know that our Government, our people, and Members of the Senate are hoping and praying that we may again accelerate and stimulate their interest and activity in the manufacture of munitions and implements of war as we rush toward preparedness.

Mr. President, in probably the darkest hour in all the world's history, when there should be a melting of the hearts and a meeting of the minds of the men of this great Republic, we find the leadership of the United States Senate going in different paths and raising questions of politics, such as the question of whether a man is a liberal or a conservative.

Mr. President, I am old enough to remember the last war. No such questions were then raised. I have lived long enough to know that come war again—and I pray God it will not come—a man's political views will not be questioned. He will not be asked whether he is a conservative or a liberal, or whether he comes from Main Street, Oak Street, or Wall Street.

While I speak today unprepared, and only because I felt that there was a need for someone to raise his voice against these charges, I hope that some heed will be paid to one feeble voice, so that, despite the excitement of an election year, and because of the uncertainties and worry of the times, we may come together, particularly in this body, as we consider the problems which are a sacred responsibility now more than ever before in our country's history.

Mr. BYRNES. Mr. President, I desire to occupy only a few minutes in speaking of the matter which has just been discussed.

I have no desire to make any comments about the two nominations sent to the Senate this afternoon. If, as the Senator from West Virginia [Mr. HOLT] says he understands, either of the two gentlemen, Mr. Knox or Mr. Stimson, has made any commitment to a foreign government to participate in an effort to involve this country in war, that is a matter which should be susceptible of proof; and I think we can confidently rely upon the proper committee of the Senate, upon an investigation, ascertaining whether or not that is the fact. Should it be the fact, it would certainly influence the votes of Members of the Senate.

I have no idea that the Senator's information is correct. While I have only a slight acquaintance with the two gentlemen who have been nominated, their records cause me to believe that neither of them would be guilty of making a commitment to any foreign government to involve this country in war. If such a commitment could be proved, no Senator would vote to confirm their nominations. But, Mr. President, it would be exceedingly unfortunate if a statement of that kind were made for which there is no justification, and which cannot be proved, because, after all, the statement is carried to the country; and if there is a denial 1 week or 2 weeks hence, the denial will probably never overtake the charge.

I recall that during the World War politics was forgotten. I was then a Member of the House of Representatives, and I will say for the Republican Members of the House that never once was there any justification for the charge that politics influenced their consideration of any question. They stood up as Americans, and not as partisans; this country was united, and we were proud of the record of the Republicans and Democrats alike in the Senate and in the House of Representatives. If today there is nothing against the gentlemen whose nominations have been sent to the Senate this afternoon other than the fact that Mr. Stimson and Mr. Knox are Republicans, I certainly will vote to confirm their nominations, because I believe at this time in the history of our country we should realize when we call on the Republicans in the Senate and the House to forget politics and support the program of the Government for the defense of the Nation, then the least we Democrats can do is to forget partisan politics and to prove by our actions that we have forgotten it.

Mr. KING. Mr. President, will the Senator yield for a question?

Mr. BYRNES. I yield.

Mr. KING. Does not the assumption that these two gentlemen desire to bring us into war contemplate that the President of the United States desires to bring us into war? We know that that is not the case, and we know that he would select men who would share his views and do everything possible to avoid war, but to prepare this country for every eventuality.

Mr. BYRNES. Mr. President, of course I have no such idea, and I know the American people do not believe that the President of the United States wants this country to engage in war. I do not want to engage in war. Where would an army land across the sea? At what port could they be landed? Who is seriously thinking of such a thing? No sane man here has any such idea in his mind. What would we send abroad—375,000 men?

Mr. CLARK of Missouri. Mr. President, will the Senator yield?

Mr. BYRNES. I yield.

Mr. CLARK of Missouri. We have been sending some of the very latest naval vessels, some of which have not even been delivered, in violation of law.

Mr. BYRNES. I disagree with the Senator as to there being a violation of law, but that is a matter that should be gone into and, if it is in violation of law, then it should not be done. I was speaking of men when the Senator interrupted me; that is what I had in mind; because the American people are being told that we are going to send their boys abroad. I know of nobody in a place of responsibility or power who has any such idea.

Mr. BARKLEY. Mr. President, does the Senator know of anything even in the way of material that has been sent or is being sent that Congress has not authorized to be sent?

Mr. BYRNES. I know to what the Senator refers and we know what has happened. I heard officials of the Navy Department testify as to planes which were being manufactured for the Navy Department 6 months ago by Pratt & Whitney, as I recall. Pratt & Whitney told the Navy Department that a new engine had been developed which had greater power, would give greater speed, and which was twice as good as the one that was being manufactured for the United States Navy. At that time the Government of Finland, in sore need of planes, wanted to buy those planes under construction; the Navy Department released its order, and let Finland buy them when Pratt & Whitney agreed that, in place of those planes, they would provide for the Navy Department, for a little less money, planes much superior to those under construction. The same process has been followed, according to information we have had in the Appropriations Committee, in the case of other materials. I know that in the press there is a discussion about some ships, but because I have not the facts and do not know them, I do not express an opinion about that matter, for I think that at this time we should avoid making statements unless we are absolutely certain of the facts in the case.

But, Mr. President, I must admit that I was prompted to ask the Senate to indulge me because of the statements made by my good friend, the senior Senator from Montana [Mr. WHEELER]. I have not discussed the war in Europe, so far as I can recall, since the neutrality bill was under discussion last year. Several times I have heard made the same statement or a statement similar to the one made by the Senator from Montana. I know him well enough to know that he makes it in all sincerity. Today he said, referring to the Senator from Nebraska during the World War, that the Senator from Nebraska had voted against entering that war; that he understood at that time Members

of the Senate and House voted for America to enter that war when they did not believe in it, some of them crying as they voted, because they were driven to it by British propaganda. That was substantially his statement; I would not attempt to quote his exact words. That statement has been made in the press and has been made on the floor of the Senate and the House. I know the Senator from Nebraska voted against entering the World War. I had respect for his views, just as I had respect for the views of other members of the House who voted against entering the war. One of the dearest friends I had in life was the Representative from North Carolina, the Democratic leader of the House of Representatives, Claude Kitchen. Two hours before that vote was taken he asked me to come to his room. He said he was going to vote, as did the Senator from Nebraska, against entering the war. In the presence of his wife and children, he told me of his determination; he said that for two nights he had not slept; and he also cried on that occasion. I admit I joined him in that respect. I was against his position; I was going to vote for the resolution to enter the war; but I respected him as a man who had convictions and had the courage of those convictions. When he was criticized, I defended him with all my soul. At the same time, I claimed the same right to respect for my views.

No British propaganda caused the Senator from California [Mr. JOHNSON], the Senator from Kentucky [Mr. BARKLEY], the Senator from Arizona [Mr. ASHURST], the senior Senator from South Carolina [Mr. SMITH], the Senator from Texas [Mr. CONNALLY], the Senator from Virginia [Mr. GLASS], or the others who voted for the resolution to enter the World War. Why did we vote for it? Was it because of munition manufacturers? There never could be a greater mistake. I hold no brief for them; I would have nothing to say in their behalf at that time or any other. I have never attempted to study the profits made by them. Yet I wish to say that the statement made by the Senator from Connecticut [Mr. MALONEY] has been brought home to us. Within the last few days the Senator from Maryland [Mr. TYDINGS] and I, interrogating a witness before the Appropriations Committee, were told that at least one of the great manufacturers of powder in this country stopped manufacturing powder because throughout this country he was called a merchant of death. He had money. Why should he subject himself and his family to criticism of being a "merchant of death"? He refused to take orders; he does not want them now; and this country, in its hour of unpreparedness, goes to him today to ask him, to plead with him, to manufacture powder. Officials of the Navy Department told us that they even encouraged orders from other governments to be placed with him. We are a peace-loving people; we cannot hope under our society in civilization to build up powder plants all over this Nation sufficient to supply us with powder in time of war. We look to such manufacturers now, and when we do we find they do not want to go into the business which we denounced.

Mr. TYDINGS. Mr. President, will the Senator yield?

Mr. BYRNES. I yield.

Mr. TYDINGS. In the particular case to which the Senator has referred, when we were interviewing one of the Government witnesses, it was developed that the powder manufacturer had, at the request of the Government only, kept his plant open in time of peace and took an annual loss of $300,000 a year, so that the Government would not be without a powder plant in case we got into war.

Mr. BYRNES. As I said in referring to the matter, I hold no brief for munitions manufacturers; but I know, as a Member of the House at the time the declaration of war was agreed to, in the presence of Members of the Senate who were then Members of the House, I felt just as did some others. I am not surprised that the Senator should say he was informed that men were in tears. That was true.

Mr. WHEELER. Mr. President, will the Senator yield?

Mr. BYRNES. I yield.

Mr. WHEELER. What I said was that the Senator from Nebraska—and I think he made the statement upon the floor of the Senate when there was before us a bill for the purpose of providing for a referendum, and if I am mistaken, he will correct me, though I think I quote him correctly, or in substance, when I state that he said men voted for the war who did not want to vote for it, because the people back home were urging them to do so.

Mr. BYRNES. I would agree with that. So I misunderstood the Senator.

Mr. WHEELER. I may have said——

Mr. BYRNES. British propaganda.

Mr. WHEELER. "British propaganda," but, of course, I had no reference to the Senator from South Carolina. I know him too well to do so, and I know the Senators to whom he has referred were not influenced by British propaganda; but I also know that there was British propaganda in this country at that time; and I think everybody recognized the fact that there was terrific propaganda here to get us into war. I differed with the Senator, for I did not feel that we should have gotten into the last war, but I respect the opinion of the man who thought we should, and he had as much right to his views as I had to mine.

Mr. BYRNES. I am glad the Senator's statement is not that they were prompted by British propaganda. If he said "prompted by the views of the people at home," again I will say that was true. Who cannot recall it? It was no munition manufacturers' propaganda. Who cannot recall the days of 1915–16, when vessel after vessel flying the American flag was sent to the bottom of the sea, and American men and women were sent to a watery grave? That is what caused the American people to demand a declaration of war.

Talk about Congress going to war. The people will make the Congress go to war whenever it goes. Only the people will do it. Congress will be the last to act. I thought more of my country and of the Congress in the trying days in 1917 than ever before or since; for men, regardless of party, rose to the best that was in them, and voted their honest convictions at 2 or 3 o'clock in the morning, as I recall the time that vote was taken. Tears were in the eyes of many men. Why should they not have been?

I have before me the record of some of the things that were recorded by the American Legion as having happened prior to our entrance into the war. When ship after ship was sunk, when our Government demanded respect for the United States of America, what respect was shown? We know there is propaganda on many issues, but Members of the Senate and House properly appraise it. We knew prior to our entrance into the World War that in our midst there was propaganda on the part of the German Government. We knew that Count von Bernstorff, right here in Washington, in the shadow of this Capitol, had a $50,000 slush fund to influence the actions of the United States Congress. I remember the day when the evidence was presented to the American people. Did that make the people of America feel good? No British propaganda was required to arouse the people. There was not a red-blooded American who could pick up a newspaper and read of Americans being slaughtered, and then read of the representative of a foreign government putting out a slush fund to influence the action of Congress, without feeling the deepest resentment and outrage. And then the Zimmermann note was found by our Intelligence people, disclosing an effort by Germany to induce our peaceful neighbor to the south of us, Mexico, to go to war with us, to take up arms against us at our back door, and to induce Japan to make war upon us.

Talk about British propaganda. Whose factories were sabotaged? We found machines wrecked and factories blown up, and we found the representatives of the German Government doing it. Was it propaganda? Germans were tried in the courts of the United States for these offenses. They were convicted, and many of them served sentences. They had a trial by an American jury, instead of a concentration camp or a death sentence, as they would have had in other countries.

I will say to the Senator from Montana that about 2 weeks before we entered the war, on one Sunday, in 158 churches

in America resolutions were adopted and sent to the House of Representatives demanding that we enter the war. There was no British propaganda there. It came from the God-fearing Christian people of America. They stood up and said, "In the name of America, we demand of the Senate and House that they vote for war." Finally, Germany gave notice it would disregard all protests and engage in unrestricted submarine warfare upon our shipping. America went to war.

I only want to say that regardless of what propagandists may now say, when I voted for the declaration of war, I voted for it because I believed there was no other course for America. Under the same circumstances, I would vote the same way today.

Mr. CLARK of Missouri. Mr. President, a few moments ago the Senator from Kentucky [Mr. BARKLEY] expressed the hope that this subject might be postponed until the committees of the Senate, to which had been referred these nominations, might have an opportunity to report.

I should have been entirly content to acquiesce in that request of the Senator from Kentucky had he not himself proceeded to enter into a lengthy apology for the appointment of the two nominees whose names have been sent to the Senate, which was followed by the impassioned resentment of the Senator from Connecticut [Mr. MALONEY] as to any Senator who happened to disagree with his views; and now those addresses have been followed by the impassioned war address of the distinguished Senator from South Carolina [Mr. BYRNES].

Mr. BARKLEY. Mr. President, will the Senator yield?

Mr. CLARK of Missouri. I yield.

Mr. BARKLEY. The Senator's characterization of my remarks as an apology is entirely out of place. I would have said nothing about this matter if the Senator from Montana had not injected it in here, and I merely replied to him.

Mr. CLARK of Missouri. I say to the Senator from Kentucky that I heard the Senator say that the matter ought to be postponed, and he himself then proceeded to enter into a lengthy discussion of it. I merely am exercising my right, as a Senator, to express a very brief opinion.

Mr. BARKLEY. I did state that. I expressed the view that until the committees could bring in the nominations for consideration here the American people ought not to be prejudiced in advance against them.

Mr. CLARK of Missouri. And then the Senator attempted to prejudice the American people in advance in behalf of the nominees.

Mr. BARKLEY. No; I attempted to reply——

Mr. CLARK of Missouri. I heard the Senator.

Mr. BARKLEY. I attempted to reply to what the Senator from Montana said. If the Senator from Missouri regards that as an apology, he has a right to regard it as he sees fit.

Mr. CLARK of Missouri. I understand that I have that right, and it is a right which I am now exercising.

Mr. BARKLEY. I have no doubt the Senator will exercise his right.

Mr. CLARK of Missouri. Unquestionably.

Mr. MALONEY. Mr. President——

Mr. CLARK of Missouri. I yield to the Senator from Connecticut.

Mr. MALONEY. Did I correctly understand the Senator to say that he believed I scolded someone?

Mr. CLARK of Missouri. I understood the Senator from Connecticut repeatedly to express his resentment against anybody who disagreed with the policy now in effect; at least, I so understood him.

Mr. MALONEY. The Senator misunderstood me.

Mr. CLARK of Missouri. What was it the Senator said?

Mr. MALONEY. I said I resented any charge made that Wall Street was trying to inflame the country into war, and that I resented the insinuation made that the President was trying to put us into war. I certainly said nothing which would give the Senator reason to believe that I desired to scold anyone.

Mr. CLARK of Missouri. The whole burden of the Senator's remarks was to charge anybody who disagreed with this policy with disunity, with causing a disorganization of the national policy of the country. I am perfectly willing to stand on the Senator's remarks in the RECORD.

Mr. MALONEY. On the basis of that I shall say no more, and respectfully suggest that the Senator read my remarks before he makes a suggestion of that kind.

Mr. CLARK of Missouri. I listened to them. I do not need to read them, but I will be glad to do so.

I do not desire to detain the Senate, and take the floor for a moment only for this reason—that as one Senator who intends to vote against the confirmation of Mr. Stimson and against the confirmation of Colonel Knox, I do not wish it to be understood that I am casting those votes either because I believe for a moment that either one of them has been in treasonable or semitreasonable correspondence with any foreign power, or subjected to any improper influence from any other power, or because I am objecting to their political views, or to the fact that both are ultrareactionaries in their politics. Neither or those is the case, as has been suggested in this debate. I do not for a moment believe that either Colonel Stimson or Colonel Knox would be guilty of being subjected to influence by any foreign government. Such a thing would be an act of treason. I have not the pleasure of Colonel Stimson's personal acquaintance. I have known of him, of course, as every other reasonably well-informed American citizen has, for a great many years. I have enjoyed the personal friendship of Colonel Knox since the first regular convention of the American Legion in Minneapolis in 1919 and I entertain for him a high regard and most cordial and friendly personal feelings.

Both of them have justly earned the high regard of the American people. Both of them are men of ability. Both of them are men of high character. I do not doubt the patriotism of either one of them, although I very violently disagree with some of their views. Each one of them has a right to his own opinion. But, Mr. President, I shall vote against their confirmation because they are both interventionists, not secretly, not clandestinely, but openly. The writings and speeches of both of them conclusively show that they favor a policy of American intervention. They are for war or for acts which amount to war and are certain to precipitate war.

For that reason I shall vote against their confirmation, not because they happen to be conservatives—they are both conservatives of the conservatives, of course—not because they are Republicans and I disagree very wholeheartedly with their political views, but because I do not see my way clear to vote to confirm in two very important offices at this time men whose decisions, day-by-day decisions, as the President said in his great speech at Chautauqua in 1936 before he had his change of heart, might tend to make up a situation which might lead the country into war.

The Senator from Kentucky [Mr. BARKLEY] said a little while ago—and I would not even mention the question of partisan politics if he had not injected it into the discussion—that he regarded the Democratic Party as a great liberal party. So do I. That is the reason why I am a Democrat. I regard the Democratic Party traditionally as the great party of liberalism in this country; and whenever the Democratic Party ceases to be the great party of liberalism, the Democratic Party will go out of existence, and will deserve to go out of existence. My great-grandfather voted for Jefferson's electors in 1796. He was a private soldier in the Revolutionary Army. From that day to this there never has been a man by the name of Clark in my family who ever scratched a ticket. I will match my democracy with that of anybody in this body, in the White House, or anywhere else. When the Senator from Kentucky says the Democratic Party ought to be a great liberal party, I say, too, that it ought to be a great liberal party. It has traditionally been the great liberal party; but, Mr. President, the Senator from Kentucky must know, and all men must know that war propaganda and war spirit and the totalitarian governmental powers which accompany war are the inevitable, the invincible, the unconquerable enemies of liberalism.

Mr. TOBEY. Mr. President——

Mr. CLARK of Missouri. I will yield in just a moment. War spirit, war propaganda, war effort, involving totalitarian

governments, are naturally the very antithesis of liberalism, it is the enemy of liberal political views. We have to look back only to the last war to see that, when Woodrow Wilson, after a magnificent record of liberalism in his first administration, and after, I am convinced, every effort to keep the country out of war, finally took the country into war, a successful war, he destroyed the beneficial results of his first administration and sent the great liberal Democratic Party to wander in the wilderness of defeat for 12 long, weary, tragic years. The Democratic Party, which had in Wilson's first administration been the very embodiment of liberal legislation and reform measures, was repudiated at the polls by the people of the United States after we had become the war party during the very progress of the war, and 2 years later the Republican Party picked up a fourth-rate United States Senator and swept the country with him, a man who was so far from being a liberal that he brought into power with him the infamous "Ohio gang," which brought about the most infamous and shameful era of corruption in the whole history of the United States, and destroyed the liberalism of Wilson's first administration.

Mr. WHEELER. Mr. President——

The PRESIDING OFFICER (Mr. BROWN in the chair). Does the Senator from Missouri yield to the Senator from Montana?

Mr. CLARK of Missouri. I yield.

Mr. WHEELER. I do not know whether the Senator read Mr. Stimson's speech——

Mr. CLARK of Missouri. I heard part of it.

Mr. WHEELER. The one which he made on yesterday, which was quoted in some of the papers.

Mr. CLARK of Missouri. He made the speech night before last.

Mr. WHEELER. In it he said he was in favor of our giving everything we could to the Allies, and if they did not have the ships to take the supplies to Europe, that we should furnish the ships and convoy them over there.

Mr. CLARK of Missouri. Of course, Mr. President, and that is admittedly an act of war, open intervention in the war.

Mr. WHEELER. I was going to say that has always been looked upon as an act of war and intervention in war. If I did not make it plain—I thought I did before—I have not anything against Mr. Stimson or Colonel Knox. I agree with the Senator that they are high-class, conservative, reactionary Republicans. But, even so, I am not holding that against them. The thing I have against them for these particular jobs at this particular time is their interventionist views. Of course, those who want intervention should support them. I am entitled to my views, and the people of this country who do not want intervention, I am sure, will not like the appointments. Everyone who wants intervention will want them.

Mr. CLARK of Missouri. Now I yield to the Senator from New Hampshire.

Mr. TOBEY. Mr. President, I would say to the Senator from Missouri that I am very glad he brought up the matter of propaganda. If I am not mistaken, the Senator from Missouri is the author of a resolution for an investigation of propaganda in this country which is now reposing in the Senate Committee on Foreign Relations.

Mr. CLARK of Missouri. It has been reported from the Committee on Foreign Relations.

Mr. TOBEY. Fine!

Mr. CLARK of Missouri. It is now and has been for some months in the Committee to Audit and Control the Contingent Expenses of the Senate.

Mr. TOBEY. I hope it may come to the Senate floor.

As to propaganda, within 2 weeks there appeared in the CONGRESSIONAL RECORD an article depicting British propaganda during the World War, wherein Lord Northcliffe admitted spending $150,000,000 in the United States on British propaganda.

I can recall when I was chairman of a committee on war activities in New England during the World War, before we entered the war, a telephone call came from New York, and Newel Dwight Hillis, then minister of Henry Ward Beecher's church in Brooklyn, came to New England and gave a series of addresses, and told stories. For instance, he told of a time when a youth of Belgium had had his body saturated with petrol and burned before the eyes of his mother to a cruel death. That proved to be a 100-percent falsehood, British propaganda in this country, to foment the people of the country against Germany.

Mr. HOLT. Can the Senator from Missouri tell me the name of the chairman of the committee who is holding up his resolution for the investigation of propaganda?

Mr. CLARK of Missouri. It is well known. The Senator can find it in the Congressional Directory. [Laughter.]

Mr. President, I did not rise to discuss propaganda, although I have very positive opinions on that subject, and much information about it; and at the proper time I shall discuss it at some length. I rose to say, in view of the issues injected into the discussion over the nominations of Colonel Knox and Colonel Stimson, that I agree wholeheartedly with what President Roosevelt said in his speech at Chautauqua as to the importance of the day-to-day decisions which possibly can lead us to a situation involving us in war.

Having that in mind, and having in mind the views of Colonel Stimson and Colonel Knox, frankly and openly expressed, in favor of intervention, I cannot regard their appointments in any other light than as the selection of members of a war Cabinet. I cannot cast my vote to put them in a position where they might make the day-to-day decisions which might create a situation involving us in war, apparently in consonance with the policy for which they have already expressed support. I cannot vote to put them in a position to carry into effect the theories which they have openly expressed.

Therefore, without any reflection on the patriotism, the ability, or the character of either Colonel Knox or Colonel Stimson, I shall cast my vote against their confirmation. I cannot and will not vote for the creation of a war Cabinet. I will not vote to make the Democratic Party a war party, and I will not follow the Democratic Party as a war party. I will not follow any man who seeks to lead this Nation into war except in defense of the United States.

Mr. HOLT. Mr. President——

The PRESIDING OFFICER. The Senator from West Virginia.

Mr. HOLT. All I desire to say now is that tomorrow or the day after I shall discuss what the Senator from South Carolina [Mr. BYRNES] said, and I hope he will be present. I did not want the RECORD to be closed without my making this statement this afternoon.

I can understand why he as chairman of the committee is holding up the resolution. He is the one to whom I was referring. I do not dodge. There has been in his committee for a long time a Senate resolution to appropriate $25,000, twenty-five thousand measly dollars, to investigate foreign propaganda in the United States to involve us in war. It is resting peacefully there at the pleasure of the Senator from South Carolina. If there is no foreign propaganda, why does he fear an investigation by the United States of that propaganda?

I shall not say more, except that he was the one referred to in Round Table the paper of British Lord Lothian, as canny, and able, and shrewd, speaking of the Senator from South Carolina. I agree with that decidedly; Lord Lothian has him right. [Laughter.]

Mr. President, I wish to say that propaganda does not work on Senators directly. That is not the purpose of propaganda. Anyone who knows what propaganda is knows it is not to work directly on the Senate, but to work on the people back home so pressure can be put on the Members of the Senate and the House of Representatives. That is the general purpose of propaganda.

The Senator spoke a moment ago about Count von Bernstorff's money being here, but he did not see any of Lord Northcliffe's money, which was exposed somewhat later.

If he is interested in foreign propaganda, and if there is none of it in this country, he can best prove his sincerity in exposing that by reporting to the United States Senate a resolution which would allow the Vice President of the United States to appoint a committee to investigate foreign propaganda, and which would appropriate only $25,000 therefor.

As to discussing it later, I shall do so tomorrow, with some records which I am sure the Senate will be very glad to hear and to read about.

TRANSPORTATION OF RED CROSS RELIEF SUPPLIES

The PRESIDING OFFICER. The question is on the motion of the Senator from Nevada [Mr. PITTMAN] that the Senate proceed to the consideration of Senate Joint Resolution 279.

The motion was agreed to, and the Senate proceeded to consider the joint resolution (S. J. Res. 279) to amend section 4 of Public Resolution No. 54, approved November 4, 1939, entitled "Joint resolution to preserve the neutrality and the peace of the United States and to secure the safety of its citizens and their interests," which had been reported from the Committee on Foreign relations, with an amendment, on page 2, line 1, after the word "vessels" to insert "unarmed and not under convoy," so as to make the joint resolution read:

Resolved, etc., That section 4 of Public Resolution No. 54, approved November 4, 1939, entitled "Joint resolution to preserve the neutrality and the peace of the United States and to secure the safety of its citizens and their interests" be, and is hereby, amended to read as follows:

"SEC. 4. The provisions of section 2 (a) shall not prohibit the transportation by vessels, unarmed and not under convoy, under charter or other direction and control of the American Red Cross of officers and American Red Cross personnel, medical personnel, and medical supplies, food, and clothing, for the relief of human suffering."

Mr. PITTMAN. Mr. President, I offer an amendment, which I ask to have stated.

The PRESIDING OFFICER. The amendment will be stated.

The CHIEF CLERK. On page 2, line 5, after the word "suffering", it is proposed to insert a colon and the following provisos:

Provided, That where permission has not been given by the blockading power, no American Red Cross vessel shall enter a port where a blockade by aircraft, surface vessel, or submarine is being attempted through the destruction of vessels, or into a port of any country where such blockade of the whole country is being so attempted: *Provided further*, That such American Red Cross vessel shall be on a mission of mercy only and carrying only Red Cross materials and personnel.

Mr. HOLT. Mr. President, it was on my insistence day before yesterday that action on the joint resolution under discussion was held up. I think time has proved that the position I then took was correct, and that the joint resolution needed to be amended. I think the amendment that was presented vastly improved the joint resolution. I do not think it removed the danger entirely, however. I was very fearful that sending this ship into the war zone would provoke the incident which would result in bringing us into war. I think the Foreign Relations Committee has definitely improved the joint resolution.

I am not ashamed of the fact that I objected to consideration of it. I did so in the name of American boys; not because I did not favor sending Red Cross ships overseas, because I feel it is right to provide as much as we can in that way, since it is done by personal contributions, and the organization is one whose object is to do mercy.

I wanted that statement to appear in the RECORD at this time.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Nevada [Mr. PITTMAN].

The amendment was agreed to.

The PRESIDING OFFICER. The question is on agreeing to the committee amendment on page 2, line 1.

The amendment was agreed to.

The PRESIDING OFFICER. The question is on the engrossment and third reading of the joint resolution.

The joint resolution (S. J. Res. 279) was ordered to be engrossed for a third reading, read the third time, and passed.

MARINE INSURANCE (S. DOC. NO. 246)

The PRESIDING OFFICER (Mr. BROWN in the chair) laid before the Senate a communication from the President of the United States, which was read, referred to the Committee on Commerce, and ordered to be printed, as follows:

THE WHITE HOUSE,
Washington, June 20, 1940.

The PRESIDENT OF THE SENATE.

SIR: There is a bill, S. 2566, now pending before the Committee of Commerce of the Senate, which I consider to be of such importance to the American merchant marine and to the national defense that its enactment at this session of Congress is highly desirable in the national public interest. An identical bill, H. R. 6572, is pending on the Union Calendar of the House of Representatives.

The bill (S. 2566) to amend the Merchant Marine Act, 1936, as amended, to provide for marine war-risk insurance and reinsurance and for marine risk reinsurance, and for other purposes, would make emergency provision for Government insurance against marine and marine war-risks for American vessels, cargoes thereon, and crews thereof, when insurance protection cannot be supplied in the American insurance market on a basis adequate for the needs of such shipping. Marine insurance is an essential factor in our water-borne commerce. Under existing conditions such commerce may suddenly, by reason of the unavailability or undesirability of the world insurance market now resorted to, be unable to procure such protection on reasonable terms. The Government therefore must be in a position to supply the insurance protection necessary to keep American water-borne commerce moving in any such emergencies. I emphasize the need for prompt enactment of this legislation because the need therefor may become acute at any time, particularly in the cases of certain American vessels of such high value that the American insurance market is inadequate to cover the risks involved.

I believe you will agree with me that the prompt consideration and enactment of this measure is essential to the maintenance of our domestic and foreign commerce, and to our national economy. I will appreciate whatever steps you may deem it advisable to take in order to expedite the consideration of this measure by the Senate.

Sincerely,

FRANKLIN D. ROOSEVELT.

CREDIT RESOURCES OF COMMODITY CREDIT CORPORATION

Mr. BYRNES. Mr. President, I move that the Senate proceed to the consideration of the bill (S. 3998) to increase the credit resources of Commodity Credit Corporation.

Mr. McNARY. Does the Senator want action on that bill today?

Mr. BYRNES. I will do whatever the Senator from Oregon wishes. If delay is desired, I shall not ask for action on the bill today.

Mr. McNARY. Why not let the bill remain the unfinished business, and let the Senate carry out its purpose to adjourn out of respect to the memory of our late colleague?

Mr. BYRNES. Very well. I ask that the bill be read.

The PRESIDING OFFICER. The bill will be read.

The Chief Clerk read as follows:

Be it enacted, etc., That the act approved March 8, 1938 (52 Stat. 107), as amended by the act of March 4, 1939 (53 Stat. 510), be amended as follows: In section 4 delete the figure "$900,000,000" and insert in lieu thereof the figure "$1,400,000,000."

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from South Carolina.

The motion was agreed to; and the Senate proceeded to consider the bill (S. 3998) to increase the credit resources of Commodity Credit Corporation.

EXECUTIVE MESSAGES REFERRED

The PRESIDING OFFICER (Mr. BROWN in the chair), as in executive session, laid before the Senate messages from

the President of the United States submitting sundry nominations, which were referred to the appropriate committees.

(For nominations this day received, see the end of Senate proceedings.)

CONSIDERATION OF CALENDAR TOMORROW

Mr. BARKLEY. Mr. President, before the Senator from Vermont [Mr. AUSTIN] makes his motion, I wish to advise the Senate that tomorrow, as soon as the routine business of the morning hour shall have been concluded, I shall ask the Senate to consider bills on the calendar to which there is no objection. There are a number of bills on the calendar which should be considered before the week is over, and I think we shall have time to do that tomorrow.

DEATH OF SENATOR ERNEST W. GIBSON, OF VERMONT

Mr. AUSTIN. I send to the desk resolutions, for which I ask immediate consideration.

The PRESIDING OFFICER. The resolutions will be read.

The resolutions (S. Res. 283) were read, considered by unanimous consent, and unanimously agreed to, as follows:

Resolved, That the Senate has heard with profound sorrow and deep regret the announcement of the death of Hon. ERNEST W GIBSON, late a Senator from the State of Vermont.

Resolved, That a committee of six Senators be appointed by the President of the Senate to take order for superintending the funeral of the deceased Senator.

Resolved, That the Secretary communicate these resolutions to the House of Representatives and transmit a copy thereof to the family of the deceased.

Under the second resolution, the Presiding Officer appointed as the committee on the part of the Senate the Senator from Vermont [Mr. AUSTIN], the junior Senator from Texas [Mr. CONNALLY], the senior Senator from South Dakota [Mr. BULOW], the junior Senator from Nebraska [Mr. BURKE], the junior Senator from South Dakota [Mr. GURNEY], and the junior Senator from New Hampshire [Mr. TOBEY].

Mr. AUSTIN. Mr. President, as a further mark of respect to the memory of the deceased Senator, I move that the Senate do now adjourn until 11 o'clock a. m., tomorrow.

The motion was unanimously agreed to; and (at 3 o'clock and 41 minutes p. m.) the Senate adjourned until tomorrow, Friday, June 21, 1940, at 11 o'clock a. m.

NOMINATIONS

Executive nominations received by the Senate June 20 (legislative day of May 28), 1940

SECRETARY OF WAR

Henry L. Stimson, of New York, to be Secretary of War.

SECRETARY OF THE NAVY

Frank Knox, of Illinois, to be Secretary of the Navy.

DEPARTMENT OF COMMERCE

Robert H. Hinckley, of Utah, to be Assistant Secretary of Commerce, vice John Monroe Johnson.

UNITED STATES PUBLIC HEALTH SERVICE

The following-named passed assistant surgeons to be surgeons in the United States Public Health Service, to rank as such from the dates set opposite their names:

Walter L. Barnes, June 30, 1940.
Lee C. Watkins, June 30, 1940.
Paul A. Neal, June 30, 1940.
William F. Ossenfort, June 29, 1940.
Oswald F. Hedley, June 28, 1940.
Walter P. Griffey, June 29, 1940.
Joseph O. Dean, June 28, 1940.
Ivan W. Steele, June 28, 1940.
Kenneth R. Nelson, June 28, 1940.
Vane M. Hoge, June 29, 1940.
Frank F. Thweatt, Jr., June 29, 1940.
Gilbert L. Dunnahoo, July 9, 1940.

The following-named assistant surgeons to be passed assistant surgeons in the United States Public Health Service, to rank as such from the dates set opposite their names:

Romeo J. Gentile, June 1, 1940.
Clarence A. Smith, June 1, 1940.
Richard H. Smith, June 7, 1940.
John A. Lewis, Jr., July 3, 1940.
Wightman R. Duke, July 1, 1940.
Dale C. Cameron, July 1, 1940.
Leo D. O'Kane, July 1, 1940.
Jack L. James, July 6, 1940.
Wixom S. Sibley, July 16, 1940.
Leon S. Saler, August 11, 1940.

POSTMASTERS

ALABAMA

Luther F. Corley to be postmaster at Boaz, Ala., in place of O. B. Hunter, deceased.

ARIZONA

Bertha L. Hastings to be postmaster at Hayden, Ariz., in place of B. L. Hastings. Incumbent's commission expired June 1, 1940.

Mary W. Hand to be postmaster at Winkelman, Ariz., in place of M. W. Hand. Incumbent's commission expires July 1, 1940.

ARKANSAS

James F. Rieves to be postmaster at Marion, Ark., in place of J. F. Rieves. Incumbent's commission expired March 25, 1940.

Robert O. Hannah to be postmaster at Springdale, Ark., in place of J. A. Watson. Incumbent's commission expired April 21, 1940.

CALIFORNIA

Harry S. Sumners to be postmaster at Artesia, Calif., in place of H. S. Sumners. Incumbent's commission expired June 2, 1940.

Royal F. Hiebert to be postmaster at Central Valley, Calif. Office became Presidential March 1, 1939.

Edith Irvin to be postmaster at Clearwater, Calif., in place of Edith Irvin. Incumbent's commission expired June 1, 1940.

Ira H. Arbuckle to be postmaster at Clovis, Calif., in place of I. H. Arbuckle. Incumbent's commission expired April 25, 1940.

Velma Betty Doheney to be postmaster at Hynes, Calif., in place of V. B. Doheney. Incumbent's commission expired May 22, 1940.

Percy W. Helena to be postmaster at Los Altos, Calif., in place of P. W. Helena. Incumbent's commission expired February 5, 1940.

Gertrude Ford to be postmaster at Pacific Palisades, Calif., in place of Gertrude Ford. Incumbent's commission expired April 24, 1940.

George F. Erwin to be postmaster at Sanitarium, Calif., in place of G. F. Erwin. Incumbent's commission expired June 1, 1940.

Josephine Zucca to be postmaster at Selby, Calif., in place of Josephine Zucca. Incumbent's commission expired January 23, 1940.

Hazel E. Avise to be postmaster at Walnut Creek, Calif., in place of H. E. Avise. Incumbent's commission expired April 25, 1940.

COLORADO

Vernon Peiffer to be postmaster at Cripple Creek, Colo., in place of Vernon Peiffer. Incumbent's commission expired April 25, 1940.

CONNECTICUT

David William Sherry, Jr., to be postmaster at Thompson, Conn., in place of R. A. Dunning, retired.

FLORIDA

George P. Farnall to be postmaster at Belle Glade, Fla., in place of G. P. Farnall. Incumbent's commission expired January 23, 1940.

Rondal B. Handley to be postmaster at Holopaw, Fla., in place of R. B. Handley. Incumbent's commission expires July 1, 1940.

Lilian M. Archer to be postmaster at Howey In The Hills, Fla., in place of F. S. Archer, retired.

John J. Menges to be postmaster at Lake Worth, Fla., in place of R. L. Horsman. Incumbent's commission expired April 1, 1940.

William T. Gary to be postmaster at Ocala, Fla., in place of H. D. Leavengood. Incumbent's commission expired March 16, 1939.

John B. Jones, Jr., to be postmaster at Oviedo, Fla., in place of J. B. Jones, Jr. Incumbent's commission expired June 1, 1940.

GEORGIA

Bernie C. Chapman to be postmaster at Porterdale, Ga., in place of B. C. Chapman. Incumbent's commission expired April 2, 1939.

IDAHO

Maud Larsen to be postmaster at Bellevue, Idaho. Office became Presidential July 1, 1938.

Parley Perkins to be postmaster at Murtaugh, Idaho. Office became Presidential July 1, 1938.

ILLINOIS

Rena F. Beard to be postmaster at Arenzville, Ill., in place of R. J. Ommen, resigned.

John E. Heineke to be postmaster at Benson, Ill., in place of J. C. Kolb. Incumbent's commission expired July 26, 1939.

Clara Belle Pevehouse to be postmaster at Clayton, Ill., in place of C. B. Pevehouse. Incumbent's commission expires June 20, 1940.

Mary E. Sowers to be postmaster at Cypress, Ill., in place of George Racey, resigned.

Eugenia B. Spaulding to be postmaster at Depue, Ill., in place of Eugenia Spaulding. Incumbent's commission expired May 19, 1940.

Don C. Moss to be postmaster at Marion, Ill., in place of W. H. McAlpin, resigned.

James A. Thomson to be postmaster at Ravinia, Ill., in place of J. A. Thomson. Incumbent's commission expired June 27, 1939.

Clark N. Pool to be postmaster at St. Francisville, Ill., in place of Michael Sparks. Incumbent's commission expired January 20, 1940.

INDIANA

Minnie M. Pepple to be postmaster at Avilla, Ind., in place of Edna Shanline, resigned.

Virden R. Graham to be postmaster at Burnettsville, Ind. Office became Presidential July 1, 1938.

Guy M. Peters to be postmaster at Lawrence, Ind., in place of A. M. Records, resigned.

Gus H. Fry to be postmaster at Lewisville, Ind., in place of G. C. Davison. Incumbent's commission expires July 1, 1940.

William Simms to be postmaster at Waveland, Ind., in place of William Simms. Incumbent's commission expired June 19, 1940.

IOWA

Arthur A. Dingman to be postmaster at Aurelia, Iowa, in place of A. A. Dingman. Incumbent's commission expired February 10, 1938.

Gertrude M. Kueter to be postmaster at Bellevue, Iowa, in place of L. E. Kucheman, deceased.

Jacob Van Houte to be postmaster at Boyden, Iowa, in place of Jacob Van Houte, Jr. Incumbent's commission expired May 17, 1939.

John F. Alexander to be postmaster at Conrad, Iowa, in place of J. F. Alexander. Incumbent's commission expired April 28, 1940.

Claude G. Herman to be postmaster at Dunkerton, Iowa, in place of C. J. Hayes. Incumbent's commission expires July 1, 1940.

Alden F. Palmquist to be postmaster at Hartley, Iowa, in place of A. F. Palmquist. Incumbent's commission expired April 2, 1938.

Frank C. Hentges to be postmaster at Le Mars, Iowa, in place of F. C. Hentges. Incumbent's commission expired February 14, 1940.

Louis E. Maxfield to be postmaster at Malcom, Iowa, in place of L. E. Maxfield. Incumbent's commission expired April 28, 1940.

John M. Stephenson to be postmaster at Mediapolis, Iowa, in place of J. M. Stephenson. Incumbent's commission expired June 8, 1940.

Forest Davis to be postmaster at Moulton, Iowa, in place of Forest Davis. Incumbent's commission expires June 25, 1940.

Chris G. Wiemer to be postmaster at Radcliffe, Iowa, in place of C. G. Wiemer. Incumbent's commission expired May 31, 1939.

Claude A. Baber to be postmaster at Rudd, Iowa, in place of C. A. Baber. Incumbent's commission expires July 1, 1940.

Ulysses G. Pedersen to be postmaster at Schaller, Iowa, in place of U. G. Pedersen. Incumbent's commission expired June 1, 1940.

Kathleen A. Nettell to be postmaster at Shellsburg, Iowa, in place of E. M. Bratton, retired.

Nelle Cullen to be postmaster at Sioux Rapids, Iowa, in place of Nelle Cullen. Incumbent's commission expired February 5, 1940.

Joseph A. Clark to be postmaster at Sloan, Iowa, in place of J. A. Clark. Incumbent's commission expired June 1, 1940.

Walter L. Hurd to be postmaster at Stanhope, Iowa, in place of W. L. Hurd. Incumbent's commission expired June 1, 1940.

KANSAS

Edward F. Funke to be postmaster at Burns, Kans., in place of T. G. Riggs. Incumbent's commission expired March 25, 1940.

Rollie O. Tobias to be postmaster at Liberal, Kans., in place of R. O. Tobias. Incumbent's commission expired February 14, 1940.

KENTUCKY

Frank C. McElwain to be postmaster at Elkton, Ky., in place of J. A. Goodman, resigned.

Sister James Haldeman to be postmaster at Nazareth, Ky., in place of Sister M. M. Lebray, retired.

Mattie F. Beck to be postmaster at Waverly Hills, Ky., in place of W. R. Livermore. Incumbent's commission expires July 1, 1940.

LOUISIANA

William L. Galloway to be postmaster at Arcadia, La., in place of W. L. Galloway. Incumbent's commission expires June 25, 1940.

Robert B. Matthews to be postmaster at Castor, La., in place of R. B. Matthews. Incumbent's commission expires June 25, 1940.

Clement Bourgeois to be postmaster at Erath, La., in place of Clement Bourgeois. Incumbent's commission expired April 9, 1940.

Netta C. Wilson to be postmaster at New Roads, La., in place of C. W. Wilson, deceased.

MAINE

John D. Randlett to be postmaster at Hartland, Maine, in place of L. V. Cookson, removed.

Elva Brackett to be postmaster at Monhegan, Maine. Office became Presidential July 1, 1939.

MARYLAND

James Arthur Johnson to be postmaster at Federalsburg, Md., in place of I. H. Morris, deceased.

MASSACHUSETTS

Isabelle Crocker to be postmaster at Cotuit, Mass., in place of Isabelle Crocker. Incumbent's commission expired April 1, 1940.

John Joseph Mackin, Jr., to be postmaster at Millers Falls, Mass., in place of J. J. Mackin, Jr. Incumbent's commission expired June 3, 1940.

Albert E. Holmes to be postmaster at Oak Bluffs, Mass., in place of L. T. Riley, resigned.

Mark R. Mullin to be postmaster at Rochdale, Mass., in place of A. B. Kennedy, retired.

MICHIGAN

Max P. Ladwig to be postmaster at Baroda, Mich., in place of M. P. Ladwig. Incumbent's commission expired March 10, 1940.

Kenneth F. Oakes to be postmaster at Drayton Plains, Mich., in place of W. E. Oakes, retired.

Matt F. Bilek to be postmaster at Menominee, Mich., in place of M. F. Bilek. Incumbent's commission expired January 20, 1940.

Stanley J. Risk to be postmaster at Muskegon, Mich., in place of S. J. Risk. Incumbent's commission expired June 19, 1940.

Joseph B. Comiskey to be postmaster at South Lyon, Mich., in place of J. B. Comiskey. Incumbent's commission expired Jaunary 20, 1940.

MINNESOTA

Theodore H. Lohrke to be postmaster at Balaton, Minn., in place of T. H. Lohrke. Incumbent's commission expires June 25, 1940.

Mary E. Snyder to be postmaster at Canton, Minn., in place of W. E. Willford. Incumbent's commission expired April 30, 1940.

Lloyd W. Ohman to be postmaster at Deer Creek, Minn., in place of L. W. Ohman. Incumbent's commission expires June 25, 1940.

Herman Frajola to be postmaster at Gilbert, Minn., in place of Herman Frajola. Incumbent's commission expired February 5, 1940.

Stephen Singer to be postmaster at Goodridge, Minn., in place of Stephen Singer. Incumbent's commission expired March 25, 1940.

MISSISSIPPI

John Byron Jackson to be postmaster at Hernando, Miss., in place of J. D. Fogg, deceased.

MISSOURI

Ovil R. Proctor to be postmaster at Conception Junction, Mo. Office became Presidential April 1, 1940.

Marietta Boswell to be postmaster at Forsyth, Mo., in place of Etta Boswell. Incumbent's commission expired August 27, 1939.

Herbert Samel to be postmaster at Glencoe, Mo. Office became Presidential July 1, 1939.

William W. Scholes, Jr. to be postmaster at Granby, Mo., in place of W. W. Scholes, Jr. Incumbent's commission expired May 20, 1940.

Lula Young to be postmaster at Niangua, Mo., in place of Lula Young. Incumbent's commission expired March 13, 1940.

Leo E. Ruscha to be postmaster at Pierce City, Mo., in place of L. E. Ruscha. Incumbent's commission expires June 25, 1940.

Frank C. Murdock to be postmaster at Seneca, Mo., in place of F. C. Murdock. Incumbent's commission expired June 17, 1940.

Raymond Carrick to be postmaster at Seymour, Mo., in place of Raymond Carrick. Incumbent's commission expires June 25, 1940.

Thelma G. White to be postmaster at Triplett, Mo., in place of J. A. Twyman, deceased.

MONTANA

Ora M. Freeman to be postmaster at Lima, Mont., in place of H. C. Patterson, resigned.

Thomas E. Devore to be postmaster at Whitehall, Mont., in place of T. E. Devore. Incumbent's commission expired June 1, 1940.

NEBRASKA

George M. Gaskill to be postmaster at Albion, Nebr., in place of G. M. Gaskill. Incumbent's commission expired June 19, 1940.

Erwin E. Gardner to be postmaster at Curtis, Nebr., in place of E. E. Gardner. Incumbent's commission expired May 13, 1940.

Richard M. Britt to be postmaster at Doniphan, Nebr., in place of R. M. Britt. Incumbent's commission expires July 1, 1940.

Harley G. Moorhead to be postmaster at Omaha, Nebr., in place of H. G. Moorhead. Incumbent's commission expired June 1, 1940.

William Nelson to be postmaster at Spencer, Nebr., in place of William Nelson. Incumbent's commission expired August 27, 1939.

NEW JERSEY

Walter McCracken to be postmaster at Newton, N. J., in place of Walter McCracken. Incumbent's commission expires June 25, 1940.

NEW YORK

Sidney A. Herzig to be postmaster at Beaver Falls, N. Y., in place of S. A. Herzig. Incumbent's commission expires June 25, 1940.

Helen B. Brown to be postmaster at Gilbertsville, N. Y., in place of A. B. Ward, removed.

Victor Vergata to be postmaster at Greenvale, N. Y. Office became Presidential July 1, 1938.

Glen H. Smith to be postmaster at Mexico, N. Y., in place of G. H. Smith. Incumbent's commission expired March 21, 1939.

James P. Doyle to be postmaster at Nunda, N. Y., in place of J. P. Doyle. Incumbent's commission expired May 22, 1940.

Anna W. Cohan to be postmaster at Palmer, N. Y., in place of A. W. Cohan. Incumbent's commission expires June 25, 1940.

Oren G. Hunter to be postmaster at Parish, N. Y., in place of O. G. Hunter. Incumbent's commission expired May 23, 1939.

Thomas Q. Quinlan to be postmaster at Pavilion, N. Y., in place of J. H. Quinlan, retired.

Clarence A. Lockwood to be postmaster at Schroon Lake, N. Y., in place of C. A. Lockwood. Incumbent's commission expired April 1, 1940.

Howard Bell to be postmaster at Woodstock, N. Y., in place of Howard Bell. Incumbent'c commission expired May 26, 1940.

NORTH CAROLINA

Oliver L. Hoffman to be postmaster at Mount Holly, N. C., in place of O. L. Hoffman. Incumbent's commission expired June 17, 1940.

Leon A. Mann to be postmaster at Newport, N. C., in place of L. A. Mann. Incumbent's commission expired June 17, 1940.

James C. Farris to be postmaster at Valdese, N. C., in place of W. E. Butler, resigned.

NORTH DAKOTA

Sophie Ovedia Doyle to be postmaster at Belfield, N. Dak., in place of J. M. McCabe, resigned.

Kathryn I. Seaborn to be postmaster at Dickey, N. Dak., in place of H. D. Mack, retired.

OHIO

Stanley Lawrence Smith to be postmaster at Ashville, Ohio, in place of S. L. Smith. Incumbent's commission expired May 13, 1940.

OKLAHOMA

Oliver H. Graham to be postmaster at Dustin, Okla., in place of O. H. Graham. Incumbent's commission expires June 20, 1940.

William C. Placke to be postmaster at Prague, Okla., in place of M. A. Crute. Incumbent's commission expired January 24, 1940.

Oscar Speed to be postmaster at Sayre, Okla., in place of Oscar Speed. Incumbent's commission expired May 8, 1940.

OREGON

Walter R. Powell to be postmaster at Burns, Oreg., in place of W. R. Powell. Incumbent's commission expired March 12, 1940.

Esther Fawk to be postmaster at Willamina, Oreg., in place of F. H. Fawk, deceased.

PENNSYLVANIA

Joseph W. Kudasik to be postmaster at Central City, Pa., in place of J. W. Kudasik. Incumbent's commission expires June 20, 1940.

James M. Donahue to be postmaster at Coaldale, Pa., in place of V. R. Gildea, not commissioned.

Howard D. Brown to be postmaster at Friedens, Pa., in place of H. D. Brown. Incumbent's commission expires July 1, 1940.

John Butchkosky to be postmaster at Jeddo, Pa., in place of L. J. Welsh. Incumbent's commission expired February 26, 1940.

Helen P. Harter to be postmaster at Laurelton, Pa., in place of H. P. Harter. Incumbent's commission expires July 1, 1940.

Francis E. Feeney to be postmaster at Minersville, Pa., in place of J. F. Boran, removed.

Leonard T. Cullen to be postmaster at New Albany, Pa., in place of A. J. Lenox, removed.

William R. Hanna to be postmaster at New Castle, Pa., in place of R. A. Steen, removed.

John F. Hahn to be postmaster at Oil City, Pa., in place of M. P. Murphy, deceased.

Benjamin Shaute to be postmaster at Peckville, Pa., in place of Benjamin Shaute. Incumbent's commission expires June 25, 1940.

PUERTO RICO

Nicolas Ortiz Lebron to be postmaster at Aibonito, P. R., in place of N. O. Lebron. Incumbent's commission expired April 1, 1940.

RHODE ISLAND

Catherine L. Levesque to be postmaster at Portsmouth, R. I., in place of C. L. Levesque. Incumbent's commission expired May 13, 1940.

SOUTH CAROLINA

Katie Lee McIntyre to be postmaster at Clio, S. C., in place of K. L. McIntyre. Incumbent's commission expired March 13, 1940.

SOUTH DAKOTA

Gladys W. Stanek to be postmaster at Fairfax, S. Dak., in place of G. W. Stanek. Incumbent's commission expired June 16, 1940.

Mary A. Hurley to be postmaster at Lennox, S. Dak., in place of M. A. Hurley. Incumbent's commission expired July 19, 1939.

Frank A. Allen to be postmaster at Wolsey, S. Dak., in place of F. A. Allen. Incumbent's commission expired February 25, 1940.

TENNESSEE

Raymond Glenn Leech to be postmaster at Estill Springs, Tenn., in place of R. T. Carroll, deceased.

Rufus V. Cawthon to be postmaster at Mount Juliet, Tenn., in place of R. V. Cawthon. Incumbent's commission expired July 1, 1939.

TEXAS

Willard E. Trimble to be postmaster at Carbon, Tex., in place of Devoe Dover. Incumbent's commission expires July 1, 1940.

Samuel Lee Hall to be postmaster at Roby, Tex., in place of M. M. Ferrel, resigned.

UTAH

William L. Sargent to be postmaster at Coalville, Utah, in place of W. L. Sargent. Incumbent's commission expired February 7, 1940.

William E. Woodbury to be postmaster at Hurricane, Utah, in place of W. E. Woodbury. Incumbent's commission expires June 25, 1940.

John C. Green to be postmaster at Park City, Utah, in place of J. C. Green. Incumbent's commission expires June 25, 1940.

VERMONT

Alice C. Carr to be postmaster at Derby, Vt., in place of A. C. Carr. Incumbent's commission expired June 8, 1940.

Douglas C. Montgomery to be postmaster at East Arlington, Vt., in place of D. C. Montgomery. Incumbent's commission expired March 6, 1940.

Agnes M. Bullard to be postmaster at Marshfield, Vt., in place of A. M. Bullard. Incumbent's commission expired June 16, 1940.

Charles J. King to be postmaster at Milton, Vt., in place of C. J. King. Incumbent's commission expired June 1, 1940.

Charles J. Smith to be postmaster at Newbury, Vt., in place of C. J. Smith. Incumbent's commission expires June 25, 1940.

Thomas H. Barry to be postmaster at Waterbury, Vt., in place of T. H. Barry. Incumbent's commission expired May 26, 1940.

Marjorie M. Duval to be postmaster at West Burke, Vt., in place of M. M. Duval. Incumbent's commission expired April 28, 1940.

VIRGINIA

Alden D. Rader to be postmaster at Stuarts Draft, Va., in place of S. B. Harper, retired.

WASHINGTON

James A. Dowdle to be postmaster at Arlington, Wash., in place of W. H. Perrigo, resigned.

John A. Bush to be postmaster at Dishman, Wash., in place of J. A. Bush. Incumbent's commission expired April 30, 1940.

Valentine Horwath to be postmaster at Northport, Wash., in place of T. T. Richardson, retired.

WEST VIRGINIA

Charles C. DuLowe, Jr., to be postmaster at Whitesville, W. Va., in place of D. G. Dillion. Incumbent's commission expired April 29, 1940.

WISCONSIN

Elsie M. Dussault to be postmaster at Land O'Lakes, Wis., in place of E. M. Dussault. Incumbent's commission expired June 1, 1940.

Emma C. Andrews to be postmaster at Manitowish, Wis., in place of E. C. Andrews. Incumbent's commission expired March 3, 1940.

Marion L. Shafer to be postmaster at Muscoda, Wis., in place of M. L. Shafer. Incumbent's commission expired April 28, 1940.

HOUSE OF REPRESENTATIVES

THURSDAY, JUNE 20, 1940

The House met at 12 o'clock noon.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

In this sacred stillness, Heavenly Father, come Thou to our waiting hearts and minds. We thank Thee for Thy changeless goodness, which is manifested toward us in countless ways. Bless us with a pardon of our sins, with consciences which are sensitive to all wrong, and with strength to carry forward every good resolution. Comfort the poor and the distressed of our land and open the hearts of the fortunate and lead them to alleviate human suffering wherever found. Keep us loyal to our fathers' God, loyal to our country, loyal to our homes, and loyal to ourselves. Impress us that there are no errors in Thy eternal scheme and that all things work together for the final good of man. As we lift our eyes unto the hills from whence cometh our strength, we pray that Thy loving providence may be over all and that every citizen of our country may lay his best gifts at the altar of our Republic. Widen the sweeps of peace, contentment, and cooperation, defeating doubt, subduing fear, and destroying hate. May the Spirit of the Master give wise guidance, peace, and good health to our Speaker, the Members, officers, and employees of the Congress. In our Redeemer's name. Amen.

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Frazier, its legislative clerk, announced that the Senate had passed, with amendments in which the concurrence of the House is requested, a bill of the House of the following title:

H. R. 10039. An act to provide for the expenses of national preparedness by raising revenue and issuing bonds, to provide a method for paying for such bonds, and for other purposes.

The message also announced that the Senate insists upon its amendments to the foregoing bill, requests a conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. HARRISON, Mr. KING, Mr. GEORGE, Mr. LA FOLLETTE, and Mr. CAPPER to be the conferees on the part of the Senate.

THE REVENUE BILL OF 1940

Mr. DOUGHTON. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 10039) to provide for the expenses of national preparedness by raising revenue and issuing bonds, to provide a method for paying for such bonds, and for other purposes, with Senate amendments thereto, disagree to the Senate amendments, and agree to the conference requested by the Senate.

The SPEAKER. Is there objection to the request of the gentleman from North Carolina?

Mr. MARTIN of Massachusetts. Reserving the right to object, Mr. Speaker, I understand this is agreeable to the minority members of the Committee on Ways and Means?

Mr. DOUGHTON. Absolutely. I would not say to the minority members, because I have not discussed it with anybody but the gentleman from Massachusetts [Mr. TREADWAY] and the gentleman from New York [Mr. CROWTHER], but, as far as I know, it is agreeable.

Mr. MARTIN of Massachusetts. It is agreeable to those gentlemen?

Mr. DOUGHTON. Yes.

The SPEAKER. Is there objection to the request of the gentleman from North Carolina? [After a pause.] The Chair hears none, and appoints the following conferees: Messrs. DOUGHTON, CULLEN, MCCORMACK, COOPER, TREADWAY, CROWTHER, and KNUTSON.

PARLIAMENTARY INQUIRY

Mr. COCHRAN. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. COCHRAN. Mr. Speaker, on Monday last, during the consideration of the Consent Calendar, there were two bills on the calendar, H. R. 9389 and H. R. 9705, both reported by the Committee on Public Lands. When the bill H. R. 9389 was reached on the calendar, the gentleman from Pennsylvania [Mr. RICH] asked the gentleman from Utah [Mr. ROBINSON] a question in regard to the bill, wanting to know if it was approved by the Department. The gentleman from Utah [Mr. ROBINSON] said it was. He also said that the bill provided for the Government to utilize certain land, and he added that it enabled the Indians to sue in the Court of Claims. I had a copy of that bill in my hand, and there was an amendment to the bill as printed, but the so-called second amendment was not printed in the bill after the committee filed its report. In the report, however, there was a second amendment, which had reference to the right to sue in the Court of Claims, a subject over which the Committee on Public Lands has absolutely no jurisdiction. This amendment was, as I stated, not printed in the bill as presented to the House, but when the bill passed and was printed in the RECORD the next day, it contained the second amendment, which was printed in the report, with the notation it had been adopted by the House.

I contend, Mr. Speaker, that we do not consider reports when we consider a bill. I feel that it is unfair to this House and those of us who have been trying to protect the Treasury against the jurisdictional bills depriving the Government of a proper defense, that that amendment should have been adopted by the House when it was not printed in the bill. I desire to know if it would not be a fair request to ask the Senate to return that bill so that proper consideration can be given to it, the second amendment, which, to say the least, was subject to a point of order.

The SPEAKER. The recollection of the Chair is that the amendment to which the gentleman refers was offered from the floor as a committee amendment to the pending bill.

Mr. COCHRAN. It was a committee amendment, as shown by the report, but the second amendment was not printed in the bill.

The SPEAKER. It was offered from the floor when the bill was under consideration, however.

Mr. COCHRAN. It was not offered from the floor, according to the CONGRESSIONAL RECORD. The usual manner of handling bills on the Consent Calendar, as the Speaker knows, is for the occupant of the chair to simply say, "Without objection, the committee amendment will be agreed to, and so forth."

The SPEAKER. The Chair does not recall the details in connection with the consideration of all these bills. The recollection of the Chair is that the gentleman from North Carolina [Mr. WARREN] was temporarily occupying the chair.

Mr. WARREN. Mr. Speaker, will the gentleman yield?

Mr. COCHRAN. I yield to the gentleman from North Carolina.

Mr. WARREN. I happened to be occupying the chair at that time, and I remember distinctly that the gentleman from Utah [Mr. ROBINSON] stated the facts in connection with it and offered it as a committee amendment from the floor.

Mr. COCHRAN. The RECORD does not so show.

Mr. WARREN. I do not know what the RECORD shows, but that is what happened.

Mr. ROBINSON of Utah. Mr. Speaker, will the gentleman yield?

Mr. COCHRAN. I yield to the gentleman from Utah.

Mr. ROBINSON of Utah. I want to state that that is exactly what happened.

Mr. COCHRAN. Did the gentleman offer the amendment from the floor?

Mr. ROBINSON of Utah. Yes.

Mr. COCHRAN. The RECORD does not show that.

Mr. ROBINSON of Utah. I also stated at that time that there had been a mistake made in not printing the amendment in the bill, but that another print had been requested and that I thought that print of the bill was here so it would be available.

Mr. COCHRAN. That puts the matter in a different light but the fact is the RECORD does not show the gentleman offered the amendment from the floor, nor does it state in the RECORD that the bill was not properly printed and that another print was available.

The SPEAKER. Does the gentleman desire to withdraw his parliamentary inquiry?

Mr. COCHRAN. In view of what the gentleman from Utah [Mr. ROBINSON] and the gentleman from North Carolina [Mr. WARREN] have said, I agree that it was properly handled, but it is not properly shown in the RECORD, and I withdraw my parliamentary inquiry. Of course, I would not question what my good friends say happened. There were two errors, however, one in the failure to include the amendment in the reported bill and the second the failure of the Official Reporter to properly include in the RECORD that which actually transpired during the proceedings of the House.

Mr. Speaker, since making the remarks this morning concerning the proceedings of the House Monday the Official Reporter has found his notes which confirm the statements of the gentleman from North Carolina [Mr. WARREN], who was occupying the chair, and the gentleman from Utah [Mr. ROBINSON]. What actually transpired aside from what appeared in the RECORD was:

Mr. ROBINSON of Utah. Mr. Speaker I offer a committee amendment.

* * * * * * *

Mr. ROBINSON of Utah. Mr. Speaker this amendment is set forth in the report but was inadvertently left out of the bill. I ask that it be included in the bill.

The SPEAKER pro tempore. Without objection, the further reading of the committee amendment will be dispensed with.

There was no objection.

Mr. Speaker, arrangements have been made to include what did transpire in the permanent RECORD.

EXTENSION OF REMARKS

Mr. MAY asked and was given permission to extend his own remarks in the RECORD.

CONGRESSIONAL CONFERENCE ON UNEMPLOYMENT

Mr. VOORHIS of California. Mr. Speaker, I ask unanimous consent to proceed for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. VOORHIS of California. Mr. Speaker, the strength of any nation is in the industry of its people. The foundation of national defense in our Nation is in keeping our people, resources, and productive plant at work. If America speedily solves her unemployment problem there is no question we can make our country impregnable.

For some months a number of us have been studying the unemployment problem. Our final report and program is ready and I have asked for this time in order to ask unanimous consent to extend my remarks in the Appendix of the RECORD today and thus to present to the House and to the country the final report and program of the Congressional Conference on Unemployment. I hope all Members will take the trouble to read that report.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. ELIZALDE asked and was given permission to revise and extend his own remarks in the RECORD.

Mr. ALLEN of Pennsylvania. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and to include therein a telegram with respect to bituminous coal.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. FLANNAGAN. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and to include therein a letter received from Elder E. M. Evans.

The SPEAKER. Is there objection to the request of the gentleman from Virginia?

There was no objection.

PERMISSION TO ADDRESS THE HOUSE

Mr. MAHON. Mr. Speaker, I ask unanimous consent that after the completion of the legislative program for the day I may be permitted to address the House for 12 minutes.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

EXTENSION OF REMARKS

Mr. ANDERSON of Missouri asked and was given permission to revise and extend his own remarks in the RECORD.

Mr. O'BRIEN. Mr. Speaker, I ask unanimous consent to extend my own remarks and to include therein a telegram from one of my constituents.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

PERMISSION TO ADDRESS THE HOUSE

Mr. O'BRIEN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. O'BRIEN. Mr. Speaker, ladies, and gentlemen, particularly the gentleman to my right, I received a wire the other day from one of my constituents asking me to make sure that we do not become involved in foreign entanglements, and for the sake of the majority leader, I wish he would pay particular attention to what I have to say for the simple reason that he said the other day that if there was anything to be done to keep us out of war, he knew men on both sides of the aisle would be willing to do it. One of my constituents happened to visit me last week and sat in the gallery and I pointed out the distinguished majority leader, the gentleman from Texas, and I said to him that the distinguished majority leader wanted to do precisely the same thing that you do—keep us out of war—and he said, "I know that he will do that because he looks like you—he has no hair."

I want to say that was a great compliment coming from my constituent in making comparable my looks and my hair with that of the gentleman from Texas, SAM RAYBURN. [Laughter.]

[Here the gavel fell.]

THE LATE SENATOR GIBSON

Mr. PLUMLEY. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

Mr. RANKIN. Mr. Speaker, under the circumstances I ask unanimous consent that the 1-minute rule be relaxed with reference to the gentleman from Vermont. We know what he is going to speak about.

The SPEAKER. The gentleman from Vermont has informed the Chair that he desires to announce the death of Senator GIBSON. The Chair recognizes the gentleman from Vermont.

Mr. PLUMLEY. Mr. Speaker, I regret to announce the death this morning of Senator GIBSON, the junior Senator from Vermont and a former long-time member of the House. The people of Vermont have lost a true friend of great heart; the State of Vermont has lost an eminent son whose lifetime of distinguished service brought honor to it; the Nation has lost an unusually able but unselfish public servant whose career as lawyer, soldier, and statesman was ever devoted to the welfare of his country.

For me his death marks the end of a lifetime friendship which had grown stronger with the passage of time.

I have just come from the Senate Chamber where so often we have met, but today—

> Well I know he waits not as of old—
> I could not find him in the oldtime place—
> I must pursue him, made by sorrow bold,
> Through worlds unknown, in strange celestial race
> Whose mystic round no traveler has told,
> From star to star, until I see his face.

Mr. RANKIN. Mr. Speaker, will the gentleman yield?

Mr. PLUMLEY. Yes; I yield.

Mr. RANKIN. Mr. Speaker, I speak for the entire Democratic membership of the House, and especially for those Members who served with ERNEST GIBSON, in saying that we have learned with the most profound regret of his untimely passing away.

He came to the House shortly after I did. We served together on the Committee on World War Veterans' Legislation. He was a member of our veterans' block. He was a veteran of both the World War and the Spanish-American War. I knew him as intimately, perhaps, as did any other Member who now occupies a seat in this body, and I can truthfully say that I have never met with any man in this service for whom I had a higher regard or in whose integrity I had more implicit confidence. He was a statesman, conscious of his responsibility, who always believed in doing, and had the courage to do, what he thought was right. He was a patriot of the first order. He was a Christian without hypocrisy; he was a man without guile.

William Jennings Bryan, perhaps, the greatest Christian leader of modern times, expressed my sentiments more thoroughly than I could myself, and especially with reference to this distinguished friend, when he said:

> If the Master deigns to touch with divine power the cold and pulseless heart of the buried acorn, causing it to burst forth into a new life, will He leave neglected in the earth the soul of man made

in the image of his Creator? If He stoops to give to the rose bush whose withered blossoms float upon the autumn breeze the sweet assurance of another springtime, will He refuse the words of hope to the sons of men when the frosts of winter come? If matter mute and inanimate, though changed by the forces of nature into a multitude of forms, can never die, will the imperial spirit of man alone suffer annihilation after it has paid a brief visit, like a royal guest, to this tenement of clay? No; I am as sure that there is another life as I am that I live today.

Some time ago, while in Cairo—

Said the Great Commoner—

I was shown a few grains of wheat that had slumbered for more than 3,000 years in an Egyptian tomb. As I looked upon those grains of wheat this thought came into my mind: If one of them had been planted on the banks of the Nile the next year after it was grown and all its lineal descendants had been harvested and planted from that day to this, its progeny would be sufficiently numerous to feed the teeming millions of this world. There is an unbroken chain of life which connects the earliest grain with the one which we now sow and reap. If there is an invisible something in a grain of wheat which enables it, when warmed by the sunshine and nurtured by the rain, to discard its old body and build out of earth and air a new one so much like the old that we cannot tell the one from the other and transmits its own likeness through 3,000 generations, I need not fear that my soul will have the power to clothe itself with a new body suited to another existence when this earthly frame has crumbled into dust.

SIDNEY HILLMAN

Mr. COX. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection?

There was no objection.

Mr. COX. Mr. Speaker, I notice in the press this morning that Mr. Sidney Hillman has been named Advisory Defense Commissioner. The news disturbs me greatly. I favor national defense. I want a defense adequate to cope with the combined armed forces of the world, but, Mr. Speaker, God alone can save this Republic with the youth of the country put under the training of Sidney Hillman.

INTERNATIONAL AFFAIRS

Mrs. ROGERS of Massachusetts. Mr. Speaker, I ask unanimous consent to proceed for 1 minute.

The SPEAKER. Is there objection?

There was no objection.

Mrs. ROGERS of Massachusetts. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and to include therein an editorial from the Washington Post of this morning.

The SPEAKER. Is there objection?

There was no objection.

Mrs. ROGERS of Massachusetts. Mr. Speaker, I rise to announce to the House that I am introducing today another resolution of inquiry regarding conditions in the war zones. I think that the Foreign Affairs Committee should be given the very best information in order that the committee, which has to do with the conduct of our international affairs, may be very fully advised as to what is going on. I accuse the administration, and I accuse and I accuse again, as I have done frequently on the floor, of keeping from the Foreign Affairs Committee information vital to us, vital if we are to legislate properly to safeguard the people of this country. We do not have many hearings, and when we do we are given no important information, no one in authority comes to speak to us, and I have brought this to the attention of the committee and of the House continuously. The House turned down my resolution which asked and demanded that vital information from the President and the Secretary of State. Mr. Speaker, if the House does not act favorably on this resolution, I shall tell the House that it is the Members' own fault that they do not know what is going on, and they cannot go back to their constituents and say, "We have safeguarded you; we have kept informed." That is our sacred trust, Mr. Speaker.

My resolution, in effect, requests the President of the United States, if not incompatible with the public interests, to transmit to this House, for the information of the Committee on Foreign Affairs, the essential substance of reports and communications received by him or by the Department of State, from diplomatic sources or otherwise, concerning conditions in war zones in foreign countries.

The SPEAKER. The time of the gentlewoman from Massachusetts has expired.

HARRY BRIDGES

Mr. LELAND M. FORD. Mr. Speaker, I ask unanimous consent to proceed for 1 minute and to revise my remarks in the RECORD.

The SPEAKER. Is there objection?

There was no objection.

[Mr. LELAND M. FORD addressed the House. His remarks appear in the Appendix of the RECORD.]

EXTENSION OF REMARKS

Mr. SPRINGER. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include therein certain tables referred to about agriculture, some of which refer to counties in my own congressional district.

The SPEAKER. Is there objection?

There was no objection.

Mr. ANGELL. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and to include short articles on Oregon.

The SPEAKER. Is there objection?

There was no objection.

Mr. ALEXANDER. Mr. Speaker, I ask unanimous consent to extend my remarks and to include therein an address by Senator BURTON K. WHEELER on international and domestic problems, made in Minneapolis last Monday night by Senator WHEELER.

The SPEAKER. Is there objection?

There was no objection.

Mr. THORKELSON. Mr. Speaker, I ask unanimous consent to extend my own remarks and to include a quotation from the Washington Times-Herald and a letter that I have received.

The SPEAKER. Is there objection?

There was no objection.

CONDITION OF THE TREASURY

Mr. RICH. Mr. Speaker, I ask unanimous consent to proceed for 1 minute and to revise and extend my remarks in the RECORD.

The SPEAKER. Is there objection?

There was no objection.

Mr. RICH. Mr. Speaker, I accuse this administration because of the fact we are $3,640,000,000 in the red, according to the statement made by Mr. Morganthau on the 15th of this month, or at the rate of $8,000 a minute in the red for this whole year, and I accuse this administration for the next year of being a still greater spender to the extent of $15,000,000,000. We will take in six and a half billion dollars, and be, therefore, eight and a half billion dollars short, which will be in the red at the rate of $17,000 a minute for all next year. It is terrible. Where are you going to get the money? Mr. Speaker, I am so blue today, I am just so blue I do not know what to do. [Laughter and applause.]

TRANSFER OF NAVAL VESSELS

Mr. KEEFE. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection?

There was no objection.

[Mr. KEEFE addressed the House. His remarks appear in the Appendix of the RECORD.]

COMPULSORY MILITARY TRAINING

Mr. SMITH of Ohio. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection?

There was no objection.

Mr. SMITH of Ohio. Mr. Speaker, President Roosevelt's proposal to now force upon our Nation compulsory military training and labor armies is so outrageous as to defy all description. With a brutal frankness he now tells our people he intends to make this Nation completely into a totalitarian state, that we must go the way of Mussolini, Hitler, and Stalin.

The course of complete regimentation he is now attempting to force upon us is identical with that pursued by them.

The primary purpose back of this move is not national defense—let us not be deceived in this. Roosevelt's real purpose in setting up compulsory military training and labor armies is to put the unemployed to some kind of work. Mussolini, Hitler, and Stalin promised their peoples jobs and the more abundant life in order to get themselves in power. After they got themselves in power they knew of no other way to make their promises good except to force their unemployed to work—with bayonets and bullets.

Roosevelt now finds himself in exactly the same position. He has failed to make his promise good to solve the unemployment problem in the democratic way. He sees no other way out of his difficulty but to follow the course of the European dictators, so he grabs the hammer and sickle, with which he hopes to make one final, fell swoop upon what is left of democracy in America and put a complete end to it.

Mr. Roosevelt reveals his hand still further when he designates Harry Hopkins and Sidney Hillman as the master minds to head and perfect his totalitarian scheme of regimentation. I regard Harry Hopkins as a perfect tool to carry out this communistic scheme. It is well known that he has been an ardent supporter of the socialistic plans put in operation in the last few years to destroy private industry. I believe it is a matter of record that Sidney Hillman has been definitely associated with the socialistic movement. Socialism is the same thing as communism. It is merely the first stage of communism.

Fathers and mothers of America, is this the heritage you want to leave to your sons, your daughters, your posterity? I cannot believe it. But one thing appears to me certain, unless this move to force compulsory military training and labor armies upon our Nation is sufficient to warn you of the imminent danger of our Nation becoming a totalitarian state, nothing can save us. [Applause.]

[Here the gavel fell.]

EXTENSION OF REMARKS

Mr. SANDAGER. Mr. Speaker, I ask unanimous consent to extend my own remarks and include therein a telegram from the Rhode Island Textile Association urging that Congress remain in session during the present emergency.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. WOODRUFF of Michigan. Mr. Speaker, I ask unanimous consent to extend my own remarks and include therein an article by Gifford Pinchot.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

By unanimous consent, Mr. WILLIAMS of Delaware, Mr. VAN ZANDT, and Mr. MAGNUSON were granted permission to extend their own remarks in the RECORD.

Mr. WINTER. Mr. Speaker, I ask unanimous consent to extend my own remarks and include therein a statement I made before the Committee on Reciprocity.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. BENDER. Mr. Speaker, I ask unanimous consent to extend my remarks and also to extend my remarks and include an editorial.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

THE REPUBLICAN PARTY

Mr. LAMBERTSON. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection?

There was no objection.

Mr. LAMBERTSON. Mr. Speaker and Members, the gentleman from North Dakota [Mr. BURDICK] showed a paper yesterday recording the death of Abraham Lincoln and predicting dire results to the Republican Party under certain circumstances. I want to show an old document, a copy of the Republican platform distributed to the delegates May 17, 1860, of the Wigwam Convention that nominated Abraham Lincoln first.

We are building the framework in Philadelphia today of another platform. Let me read from the first and the sixth paragraphs, and there are only seventeen:

That the history of the Nation during the last 4 years has fully established the propriety and necessity of the organization and perpetuation of the Republican Party, and that the causes which called it into existence are permanent in their nature, and now, more than ever before, demand its peaceful and constitutional triumph.

And how prophetic the beginning of the sixth paragraph:

That the people justly view with alarm the reckless extravagance which pervades every department of the Federal Government; that a return to rigid economy and accountability is indispensable to arrest the systematic plunder of the Public Treasury.

Let me say to my friend from North Dakota, whoever is nominated at Philadelphia next week will have the support of at least 90 percent of the Republican Party and 25 percent of the old Democrat Party and will be elected in November. [Applause.]

[Here the gavel fell.]

EXTENSION OF REMARKS

Mr. SCHULTE. Mr. Speaker, I ask unanimous consent to place in the RECORD a telegram I had the pleasure of receiving this morning from Mr. A. C. Dorman, a very able and outstanding citizen in my district, which shows very adequately the sentiment of the people of my district.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. GEYER of California. Mr. Speaker, I ask unanimous consent to extend my remarks, and include an editorial from the Des Moines Register and also a petition from a group of poets.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

THE SUGAR ACT OF 1937

Mr. LEWIS of Colorado. Mr. Speaker, I call up House Resolution No. 515.

The Clerk read as follows:

House Resolution 515

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of H. R. 9654, a bill to extend, for an additional year, the provisions of the Sugar Act of 1937 and the taxes with respect to sugar, and all points of order against said bill are hereby waived. That after general debate, which shall be confined to the bill and continue not to exceed 1 hour, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Agriculture, the bill shall be read. No amendments shall be in order to said bill except amendments proposing the extension of any of the provisions of section 207 of the Sugar Act of 1937 and such amendments shall be in order, any rule of the House to the contrary notwithstanding. At the conclusion of the consideration of the bill, the Committee shall rise and report the same to the House with such amendments as may have been adopted and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit, with or without instructions.

Mr. LEWIS of Colorado. Mr. Speaker, I yield 30 minutes to the gentleman from Michigan [Mr. MICHENER].

At this time I yield myself 15 minutes. I ask that the Chair be kind enough to notify me when I have consumed 10 minutes.

Mr. Speaker, this rule provides for bringing before the House the so-called Cummings bill (H. R. 9654) to extend for 1 year the provisions of the Sugar Act of 1937.

This bill will extend all portions of the Sugar Act of 1937 which are now in force. I hasten, however, to explain that by the terms of the Sugar Act of 1937, section 207, subsections (a) and (b), which put limitations on the importation of direct-consumption sugar—that is to say, refined sugar—from Hawaii and from Puerto Rico, expired, by the express terms of the act, on February 29, 1940. So now, and since February 29 of this year, there have been no limitations upon the importations of refined sugar from Hawaii and Puerto Rico.

I should add also that at a recent press conference—on last Friday, June 14, 1940, as I recall—the President is re-

ported to have said that he and the Department of Agriculture and the Department of State hoped that the Cummings bill, H. R. 9654, would be passed exactly as reported by the Committee on Agriculture of this House. Furthermore, in a letter dated April 11, 1940, addressed to the gentleman from Texas, the Honorable MARVIN JONES, chairman of the Committee on Agriculture of the House, the President stressed the inequity, as he saw it, of putting any limitation upon importations of refined sugar from Hawaii and Puerto Rico. In this letter of the President to the gentleman from Texas [Mr. JONES]—which, by the way, was printed in the Appendix of the CONGRESSIONAL RECORD, page 2659—the President said, among other things:

The people of the Territory of Hawaii and the possessions of Puerto Rico and the Virgin Islands are American citizens who compose some of those minority groups in our population with local governments that lack the protection of statehood.

If this circumstance were not given adequate consideration, it would be possible to destroy by legislation the livelihood of our citizens in the insular parts of the United States through the enactment of discriminatory prohibitions against their products; and they would possess no legal power to take counter measures in self-defense. Such a course of action, as I have pointed out on a previous occasion, would be tantamount to an imperialistic classification of citizens and a tyrannical abuse of minority rights that is utterly contrary to the American concept of fairness and democracy. Among the cases in point is the proposal to reinstate the former discrimination against the refining of sugar in the insular parts of the United States.

On the other hand, Representatives from New York, New Jersey, Pennsylvania, Maryland, and Massachusetts appeared before the Committee on Rules when application was made for a rule for consideration of the Cummings bill, and insisted that the refining industries in the Atlantic seaboard cities were being ruined by unrestricted importations of refined sugar from Puerto Rico since March 1 of this year and that thousands of their well-paid American employees were being thrown out of work. These Congressmen insisted that the quotas in force up to March 1, 1940, upon the importations of refined sugar from Puerto Rico and Hawaii, particularly from Puerto Rico, should be restored, and to that end they asked that the Committee on Rules provide in the rule for consideration of H. R. 9654 for permission to offer an amendment restoring the restrictions on importations of refined sugar from Hawaii and Puerto Rico. I am informed that the gentleman from Massachusetts [Mr. MCCORMACK] will offer such an amendment. What action should be taken on the McCormack amendment is a question for the House of Representatives to determine. In due course that amendment will be brought up for consideration in the House this afternoon.

Mr. Speaker, at this time I should like to point out how extremely important, yes, how vital, is the passage of this bill to the beet-sugar-producing areas in the United States. There are 17 States in continental United States which produce beet sugar. It is not often that I ask the indulgence of the House; but on this matter, so vitally important to 17 States and particularly to the State of Colorado, I do ask your indulgence to hear me briefly.

The important provisions of the Sugar Act of 1937, so far as beet sugar is concerned, expire at the end of this present calendar year unless this bill is passed. Those of us who have gone into the question at all are convinced that it would be impossible for the Seventy-seventh Congress to enact legislation until at least 3 or 4 months of its first session, which will begin next January, shall have gone by. Under such circumstances it is clear that virtually the entire 1941 crop of beets would have to be planted without the growers knowing what returns they might expect from their crops or under what conditions the sugar manufactured from their beets would be marketed. That situation is one from which nothing but confusion could be expected. It would react with a tremendously depressing effect on a vital segment of western agriculture.

A few days ago, the members of the Colorado delegation, namely, EDWARD T. TAYLOR, FRED CUMMINGS, and I, sent to a number of Members of the House letters, dated June 15, 1940, signed by us, in which we set forth some of the important features of the beet-sugar industry. In the course of those letters we said—and I quote:

There are 70,000 sugar-beet growers in 17 States, and the production of beets requires the employment of 100,000 field workers annually. Ninety-four beet-sugar factories give employment to about 10,000 men (no women or children are employed) on an annual average throughout every year. In addition, there are thousands of men in coal mines and limestone quarries whose employment is directly dependent in large part on this industry. In 1939 every acre of beets grown in the United States resulted in $32 of revenue for the railroads. Moreover, there are many hundreds engaged in the fattening of cattle and sheep on beet pulp—and many hundreds more in stockyards and packing plants whose continued employment is dependent upon the passage of this bill. An instance of the importance of these feeding activities is the fact that the byproducts of 13 of the 18 beet-sugar factories in Colorado are used to feed 22 percent of all the lambs and 11 percent of all cattle dry-lot fed in the United States.

The SPEAKER. The gentleman from Colorado has consumed 10 minutes.

Mr. LEWIS of Colorado. I thank the Speaker for notifying me.

Mr. Speaker, in the State of Colorado the beet-sugar industry with its ramifications is a fundamental industry of our State. We are best known, I know, for our production of gold and silver. It is true that the discovery of gold is what made possible the original settlement of Colorado. I do not wish to minimize the present importance of our precious-metal mines. But the annual income derived from the beet-sugar industry, with all its ramifications and its subsidiary industries, is now more important to our State each year than the gold- and silver-mining industry, not only in value of product but also in employment provided.

The total pay roll of the entire beet-sugar industry throughout the United States in 1938 was $16,951,500; in 1939 it was $17,350,000. Under normal conditions Colorado beet-sugar factories and the offices of these factories employ during the operating season 5,720 men; no women or children are employed. The factory and office pay rolls for 1 normal year in Colorado are, in round numbers, $4,265,000. The production of sugar beets furnishes throughout the country opportunity for employment of approximately 100,000 field workers whose wages average $21 for each acre of beets. On a daily basis, their wages are the highest paid in any branch of the sugar industry, if not indeed the highest paid to any group of agricultural workers. The employment which the beet-sugar industry creates in related industries is almost impossible to calculate. But it is not to be questioned that thousands engaged in transportation, in mining, and in quarrying limestone owe their employment directly to the beet-sugar industry. The production of cotton in our Southern States and the fabrication of cotton bags and filter cloth require the services of many others. Upon the beet pulp and other byproducts of the beet-sugar industry is dependent the great cattle- and lamb-feeding industry in Western States. The beet-sugar industry is responsible for the fact that in Denver is the greatest lamb and sheep market in the United States.

The beet-sugar industry in 1938 paid a total freight bill of $21,580,000; and in 1939 the total freight bill was $27,069,000. This amounted to approximately $15.95 for every ton of beet sugar marketed in 1938 and $16.05 for every ton distributed last year.

Mr. Speaker, I could go on and on and fill the CONGRESSIONAL RECORD with figures and statistics on this subject.

I think I have given enough to show how infinitely important this beet-sugar industry is to Colorado and to 16 other States. A few minutes ago I spoke of the 94 beet-sugar factories in the 17 States in which sugar beets are grown. Of these 94 factories, there are 10 factories in California, 18 factories in Colorado, 9 factories in Idaho, 1 factory in Indiana, 1 factory in Iowa, 1 factory in Kansas, 16 factories in Michigan, 2 factories in Minnesota, 5 factories in Montana, 7 factories in Nebraska, 5 factories in Ohio, 1 factory in Oregon, 1 factory in South Dakota, 8 factories in Utah, 2 factories in Washington, 2 factories in Wisconsin, and 5 factories in Wyoming, making a total of 94 factories in the 17 States.

The location of each of these factories is as follows:

LOCATION OF BEET SUGAR FACTORIES

NINETY-FOUR FACTORIES IN 17 STATES

California (10 factories): Alvarado, Betteravia, Clarksburg, Dyer, Hamilton City, Manteca, Oxnard, Spreckles, Tracy, Woodland.

Colorado (18 factories): Brighton, Brush, Delta, Eaton, Fort Collins, Fort Lupton, Fort Morgan, Grand Junction, Greeley, Johnstown, Longmont, Loveland, Ovid, Rocky Ford, Sterling, Sugar City, Swink, Windsor.

Idaho (9 factories): Blackfoot, Burley, Idaho Falls, Preston, Rigby, Rupert, Shelley, Sugar City, Twin Falls.

Indiana (1 factory): Decatur.

Iowa (1 factory): Mason City.

Kansas (1 factory): Garden City.

Michigan (16 factories): Alma, Bay City (2), Blissfield, Caro, Carrollton, Croswell, Holland, Lansing, Menominee, Mount Clemens, Mount Pleasant, Owosso, St. Louis, Sebewaing, West Bay City.

Minnesota (2 factories): Chaska, East Grand Forks.

Montana (5 factories): Billings, Chinook, Hardin, Missoula, Sidney.

Nebraska (7 factories): Bayard, Gering, Grand Island, Lyman, Minatare, Mitchell, Scottsbluff.

Ohio (5 factories): Findlay, Fremont, Ottawa, Paulding, Toledo.

Oregon (1 factory): Nyssa.

South Dakota (1 factory): Belle Fourche.

Utah (8 factories): Brigham City, Centerfield, Garland, Layton, Lewiston, Ogden, Spanish Fork, West Jordan.

Washington (2 factories): Bellingham, Toppenish.

Wisconsin (2 factories): Green Bay, Janesville.

Wyoming (5 factories): Lovell, Sheridan, Torrington, Wheatland, Worland.

Total beet-sugar factories, 94 in 17 States.

Mr. Speaker, without exaggerating, and with all the earnestness of my soul, I say to the Members of this House that if, for any reason, the Congress fails to extend this Sugar Act at this session, such failure will be a crushing blow to 17 States of this Union. Thousands of men—yes; tens of thousands of men—will feel the impact of this failure to continue the Sugar Act in effect. Thousands will be unemployed. The relief rolls will be increased. Business depression will ensue. An invading army in Colorado could not do greater damage or create greater havoc and misery than would the prostration of the beet-sugar industry in our State.

With all the earnestness and solemnity at my command, I entreat you to consider well what I have just told you. When the vote comes on this bill, bear in mind what dire disaster the failure to enact this bill would bring to 17 States of the Union, and especially to our State of Colorado.

Mr. Speaker, I reserve the balance of my time.

Mr. MICHENER. Mr. Speaker, I yield myself such time as I may require.

Mr. Speaker, the gentleman from Colorado has given a very fair explanation of what this bill is about. The rule makes in order that bill. The gentleman has just advised us that this bill as reported by the Agriculture Committee, and the one made in order by the pending rule—has the approval of the administration and that the President will sign the bill "as is."

There are two groups in this country who are primarily interested in the refining and production of sugar. The present bill continues the existing law exactly as it now is for 1 year. This law will expire on the 31st day of December 1940; therefore this is an emergency measure so far as beet-sugar production in this country is concerned.

The only opposition I know of comes from the refiners, who are confined largely to the seaboard States. I believe New Jersey and New York have the most of them. There are one or two minor refiners in California. Those factories refine raw sugar that comes to this country from offshore territory. In other words, they are primarily interested in refining raw sugar not produced in the United States. The more raw sugar that can be brought into the country the more work the refiners will have. The more sugar that is brought into the country the less sugar can be produced in continental United States.

Mr. CELLER. Will the gentleman yield?

Mr. MICHENER. I yield to the gentleman from New York.

Mr. CELLER. Does the gentleman think it is right to continue the limitations and the quotas on refined sugar coming from Hawaii and Puerto Rico and as a result practically destroy the refineries that we have built in New York?

Mr. MICHENER. My position is that this bill is not perfect. We know there has to be a general revision of the sugar law. I think everyone familiar with the situation accepts that as fact. We do know that the present law expires in this coming December; therefore, anything we do now at best will be but a stopgap. I am in favor of that, and I am in favor of going along with the bill as reported by the committee for one reason, if for no other, that the President, as we understand it, will sign this bill, and he will not sign the bill if amended.

Mr. CELLER. Will the gentleman yield?

Mr. MICHENER. No. I do not have the time.

Mr. CELLER. Just for one question?

Mr. MICHENER. The gentleman is irresistible. Make it short.

Mr. CELLER. The President stated he wishes quotas with reference to refined sugar from Hawaii and Puerto Rico continued, but the bill does not do that.

Mr. MICHENER. I am not arguing with the gentleman. I have no access to the President. I have not talked with him. Possibly the gentleman from New York, who is one of his close advisers, does know what he will do. I know what the gentleman from Colorado [Mr. LEWIS] just stated, and if what he stated is true, then I am correct, but I am not going to argue with the gentleman. I am not familiar with all the details of this bill. I am a member of the Rules Committee. The bill will be thoroughly discussed by members of the Agricultural Committee, who reported the bill, and those gentlemen know all about its intricacies. In short, the bill extends for an additional year the provisions of the Sugar Act of 1937. Under existing law the quota provisions and the conditional payment provisions expire on December 31, 1940. That is, no quota provisions will be in effect in or benefit payments be made for 1941 unless these provisions are extended. Section 1 of the bill makes these provisions expire 1 year later, December 31, 1941. As under present law, after 1941, the bill permits the Secretary of Agriculture to make accrued payments for the crop years 1941 and previous years. The bill does not continue the limitations on refined sugar coming from Hawaii or Puerto Rico. These provisions expired on March 1 of this year, and the bill does not revive them. The other limitations of the present law on refined sugar and liquid sugar importations are continued.

The bill also continues the taxes on the manufacture and importation of sugar. These taxes expire on June 30, 1941. Section 2 of the bill extends the taxes for 1 year so that they will expire on June 30, 1942.

The Sugar Act, section 503, authorizes the appropriation of amounts equal to the taxes on sugar coming from and sugarcane grown in the Philippines to be paid to the Philippines for financing a program of economic adjustment there. Under present law no payment may be made with respect to manufacture or importation of sugar and cane after June 30, 1941. Section 3 of the bill extends this date to June 30, 1942.

This rule does not throw the entire bill open to amendment. It only throws section 207 of the Sugar Act open to amendment, so if you have any amendments to other parts of the bill, save your breath, do not offer them, because they will be out of order.

Mr. O'CONNOR. Will the gentleman yield?

Mr. MICHENER. I yield to the gentleman from Montana.

Mr. O'CONNOR. Does the gentleman think a rule of this kind that prevents amendments to other parts of the Sugar Act is one that is fair to the membership of this House?

Mr. MICHENER. You know sometimes you have to accept things when the President has indicated what he will sign and what he will not sign. An emergency stares the beet-sugar industry in the face. I am one of those Members who will sacrifice things I might hope for in order to get the best I can. It seems to me that it would be foolish to vote for a bill that suited me if I knew that the bill could not become law. Here is a question of getting the best you can.

Mr. O'CONNOR. Does not the gentleman feel that this House ought to do its own legislating?

Mr. MICHENER. The gentleman always does his own thinking, and his conclusions are always worthy of consideration. Let us pass this rule as well as the amendment prepared by the Committee on Agriculture and stop there.

Mr. Speaker, I yield 5 minutes to the gentleman from New York [Mr. CULKIN].

Mr. CULKIN. Mr. Speaker, the gentleman from Massachusetts [Mr. MCCORMACK] will in due course offer an amendment to the pending bill to restore the limitations upon Hawaiian and Puerto Rican refined sugar. My sincere judgment is that this amendment should be supported by every Member of the House who is from a State producing sugar beets or sugarcane.

It is obvious that a flood of refined sugar made by cheap labor in the tropical islands will not benefit the sugar farmers of this country. The fact is that rapid expansion of the refining in Puerto Rico will bring with it a disruption in the marketing conditions affecting sugars of all kinds. This adverse price on American sugar will be particularly noticeable on the eastern coastal area from New England down the Atlantic coast to the Gulf ports. The American producers of cane and beet sugar are primarily interested in receiving a fair price for their product. Their Representatives here in this House should remember that the price the American producer receives for his sugar is determined by the price which prevails for refined sugar in the seaboard cities of the Nation.

During recent years the beet-sugar industry has sent thousands of bags of sugar from the Western States for marketing along the Atlantic seacoast. He who runs may read that a flood of Puerto Rican refined sugar will ruin the markets for continental sugar producers. This fact standing alone should invoke enthusiastic support for the McCormack amendment later to be presented.

However, there is a second and equally important reason why the Representatives of the sugar States should support the McCormack amendment and this reason applies particularly to the gentlemen on the Republican side of the aisle. It is impossible to conceive of a permanent protectice system for sugar such as was shown in the Sugar Act of 1937 unless that system provides a protection for the American workmen and American investment at the same time that provision is made for the American farmer. Over one-half of the people of this country live in States which refine cane sugar. These great populous areas insist that their sugar-refining workmen and great investments in this field be duly considered in legislation. Raw-sugar quotas have been properly enacted by Congress for the purpose of protecting American farmers. Hand in hand with them has gone refined-sugar quotas for the purpose of protecting American workmen. In all justice an equitable balance must be maintained or protective sugar legislation of all kinds will be thrown to the winds.

I desire to call as witnesses to the justice and necessity of the McCormack amendment several congressional experts in the national sugar-producing field. I first call my good friend the gentleman from Colorado [Mr. CUMMINGS] the author of this bill. In 1937 when this same subject was under discussion my friend supported the reasonable demands of the refinery workmen when he said:

> The only brief that I have for the refiners is not for the refiners as such but I think that any good American citizen has a brief for every man who has a job in the United States (p. 8308, CONGRESSIONAL RECORD).

I call as another witness the distinguished gentleman from Michigan [Mr. WOODRUFF] an expert in this field and one of the ablest Republicans in the House. The gentleman from Michigan [Mr. WOODRUFF] said in 1937, referring to an amendment to the Sugar Act to strike out quotas on refined sugar:

> We will be asked, through legislation, to declare a death sentence upon the investments made in this country; we will be asked to destroy plants that exist in this country; we will be asked to throw out of employment American citizens living here who now have jobs. That is a discrimination against American citizens living in continental United States.

I call as a further witness my colleague the gentleman from Oregon [Mr. PIERCE]. He said at the time that this matter was under discussion in 1937.

> I prefer to leave those sections in the bill, because they affect men working in factories. These are our own people. They are spending their own hard-earned money, buying our own farm products, articles of food that we have to sell. I believe in protecting them.

So, from every neck of the woods in continental America and from both sides of the aisle came the demand that protection should be given at the one and same time to the cane- and beet-sugar industry and to the workmen and those with investments in refined sugar. I say this with all sincerity, and I am fully convinced that I am speaking not only for the sugar-refining East but for the interest of the beet and cane producer. In doing so I am merely echoing the basic sentiments of the gentlemen who are today proponents of this bill.

In conclusion I urge that, in all fairness to American workers and American investment, the McCormack amendment hereafter to be offered be adopted by the House. [Applause.]

Mr. SACKS. Mr. Speaker, will the gentleman yield?

Mr. CULKIN. I yield to the gentleman from Pennsylvania.

Mr. SACKS. The statement was made a while ago that if this bill contained the McCormack amendment the President would veto it. I should like to call the attention of the gentleman to the fact that the same argument was presented the last time we had the bill up for consideration, and the President signed the bill.

Mr. CULKIN. I do not believe the President, whether or not he runs—and that is in the lap of the gods—will veto this bill. He did not do it before and he will not do it now. [Applause.]

[Here the gavel fell.]

Mr. MICHENER. Mr. Speaker, I yield 5 minutes to the gentleman from Hawaii [Mr. KING].

Mr. KING. Mr. Speaker, I ask unanimous consent to revise and extend my remarks and include therein certain tables prepared by myself.

The SPEAKER. Is there objection to the request of the Delegate from Hawaii?

There was no objection.

Mr. KING. Mr. Speaker, the sugar issue is always one of great controversy and a good deal of misunderstanding. There are not so many people in the House who have the background of this legislation. I want to point out that the restrictions on the refining process in Hawaii and in Puerto Rico did not exist prior to 1934. Before then any domestic producer of sugar could increase or expand his production and market it as raw or as refined sugar as he pleased, but in 1934 we adopted a quota system which set up quota restrictions on different producing areas. Domestic producers had quotas and foreign producers had quotas. Then superimposed upon that there was this emergency restriction on refined sugar from Hawaii and Puerto Rico. We have objected to that, Mr. Speaker, as a matter of principle.

In 1937, when the Sugar Act of that year was enacted, the President, three Cabinet officers, and many Members of this House and of the other body also objected to that restriction as wrong in principle. It was practically admitted on the floor of this House by many speakers that it was a matter of expediency and not a matter of material interest, and not defensible as a matter of principle.

However, the President did sign the 1937 act, but he signed it with great regret and on assurances that had been given him by the spokesmen of the domestic sugar industry that such a limitation would not again be put in legislation controlling the sugar industry.

I want to say to those who are interested in the domestic sugar industry that the refining group—and I make no criticism of those who speak for them here who really speak for the employees. Nobody speaks for the refining group as such. We all know that it is the Sugar Trust—the Sugar Trust that was haled before a court on many occasions. Those who fight their battles on the floor here speak for the men who are employed by the refiners.

Mr. CULKIN. Mr. Speaker, will the gentleman yield?

Mr. KING. I am sorry, I do not have time to yield. This is a matter of most vital interest to the people of Hawaii. I must use all the time I can in my effort to put my case before the Members of this House.

I want to say that the refining group, to show their inconsistency, come before the Congress and say, "If we cannot have restrictions on refining in Hawaii and Puerto Rico, we do not want a sugar bill at all." In other words, they make the whole issue of the welfare of the domestic industry depend upon this provision, when, as a matter of actual fact, they do not get more than 300,000 tons of raw sugar from Hawaii in any one year, and we are to continue to supply that sugar under an agreement with the Hawaiian industry. But the gentlemen who are going to speak in behalf of the refineries, especially the one at Edgewater, would capitalize a labor argument when there would be no displacement of labor insofar as refined sugar from Hawaii is concerned.

I want to say further that under existing law, under the quota system, the refining industry is the beneficiary of four different elements of protection; but, not satisfied with this help, it insists that that degree of protection shall be extended to bar the importation of refined sugar from Hawaii.

You speak of off-shore areas. If the area is under the American flag, it is a part of the United States. You speak of tropical sugar from tropical countries, but if a tropical country flies the American flag, what difference does it make whether it is a tropical, temperate, or frigid zone country.

This law would place upon the production of sugar in Hawaii a double burden: first, a quota system, and then another limitation, because the provision is that there may be refined only about 3 percent of that quota for shipment to the United States. The trade between Hawaii and the rest of the United States is interstate commerce. It is a part of our system of government, which, under the Constitution, guarantees to all Americans equal privileges and contemplates the free exchange of goods and services between the different parts of the United States.

Under existing law there are four degrees of protection for the refining interests:

First, limitation on imports of Cuban-refined—direct consumption—sugar to 375,000 tons.

If the refiners fail in their objective of having the McCormack amendment adopted they will defeat the law and there will be no restrictions on refined sugar from Cuba, which then can send 500,000 tons of sugar or more into this country.

Second is a limitation on the expansion of the beet-sugar and domestic-cane industry. If this law is killed the beet- and cane-sugar industry of the United States will not be held down to present existing quotas.

Third, there is an embargo on imports of liquid sugar from all countries in the world except Cuba and Santo Domingo and restrictive quotas on those two countries.

This sugar enters into competition with direct-consumption sugar, and there again, if this continuing resolution is defeated, the refiners will be subject to that competition.

There is also a fourth protection which is the limitation on refined sugar from other foreign countries now held to a minimum quota. If the Cummings bill is defeated there will be no limitation on foreign sugar, so long as they can beat the hurdle of the tariff.

This shows the inconsistency of the position of the refiners.

I am sympathetic with the spokesmen for the workers who say they cannot support the bill because it would mean that these men would lose their opportunity to labor, but such dislocations occur throughout the country. The coal mines are going down because oil is coming up, and a textile mill goes up in North Carolina and in New Hampshire a textile mill goes down. A boot and shoe factory goes up in Kansas City, and one goes broke in St. Paul.

So I want to ask you to vote against the McCormack amendment, and then, if that amendment does not carry, I ask you to support the bill. [Applause.]

Mr. Speaker, for many years the domestic sugar industry depended solely on a tariff on foreign sugar for its protection. Within the tariff wall, the domestic industry could increase or decrease its production, and market raw or refined sugar, as it desired, without any restrictions except those imposed by the usual economic laws of supply and demand.

Under this system the domestic industry did expand, but only after many bitter fights with the so-called Sugar Trust, comprising the associated refiners located on the Atlantic seaboard. There is a natural and inevitable conflict between this same trust and the American sugar producers. For every ton of sugar grown within the United States, 1 ton less of foreign sugar can be imported by them for refining and marketing in the United States. In many instances this displacement means a double loss to the refiners, as they are often heavily interested in the foreign plantations that produce the raw sugar they process.

The following table shows this gradual shift from foreign to domestic sugar producers which has steadily decreased the volume of business of the eastern refiners:

Percentages of sugar distributed for consumption in the United States supplied by the principal producing areas

	Louisiana and Florida	United States beet	Hawaii	Puerto Rico	Philippine Islands	Cuba
1929	2.7	14.7	13.3	6.6	10.4	51.9
1930	2.9	17.0	12.0	11.6	12.0	43.9
1931	3.1	20.5	14.7	11.4	12.4	37.2
1932	2.6	21.1	16.4	14.6	16.7	28.2
1933	5.0	21.6	15.7	12.5	19.7	25.3
1934	4.1	25.1	14.5	13.6	18.0	24.6
1935	4.8	22.1	15.5	12.8	14.0	30.7
1936	6.8	22.1	14.0	13.2	14.0	29.8
1937	7.3	18.2	14.3	13.4	14.3	30.0
1938	8.2	21.0	13.2	12.8	14.4	29.9
1939	9.2	24.7	13.2	13.9	12.3	24.9

In 1934 the Jones-Costigan Act instituted the present quota system for the stabilization of the sugar industry. An excise tax was levied on all sugar sold in the American market. For foreign sugars, this tax was in addition to the reduced tariff, which latter, of course, was not paid by domestic sugars. Upon full compliance with the various provisions of the act as to quotas, acreages, labor requirements, and so forth, domestic producers were reimbursed a part of this excise tax. The tax and the compliance payments were the means of enforcing the act, which otherwise might have been disregarded.

The theory of the act was to adjust production to consumptive needs and to provide an adequate supply of sugar at a price fair to the consumer, the producer, and the processor. Foreign producers, principally Cuba, were allotted quotas as well as domestic producers. The basis for the quota allocations was supposedly the average amounts produced by each unit for a period of years prior to 1934. Actually the quotas assigned favored continental producers at the expense of Hawaii and Puerto Rico. Severe cuts were made in the amounts which could be produced by Hawaii and Puerto Rico in order to provide larger allotments to mainland cane and beet producers.

Production in 3-year period preceding 1934, and relative status of producing areas under quotas for the year 1934 pursuant to the Jones-Costigan Sugar Act[1]

[All in short tons of sugar, raw-value equivalent]

Year	Beet area	Louisiana	Florida	Hawaii
1931 production	1,236,920	158,360	24,185	1,018,047
1932 production	1,451,990	224,700	42,324	1,057,303
1933 production	1,756,940	206,510	46,355	1,063,604
Average per year	1,481,950	196,523	37,621	1,046,318
Final quota for year 1934	1,556,166	220,874	40,160	[2] 976,764
Relationship of 1934 quota to average production:				
Excess in tons	74,216	24,351	2,539	
Reduction in tons				69,554

[1] Source: P. 66, hearings before House Special Subcommittee on Agriculture on H. R. 5326 Mar. 15 to 22, 1937.

[2] Total quota for Hawaii, including local consumption of 28,500 tons.

However, the system worked; the domestic sugar industry obtained some degree of stability and consumer prices re-

mained at a fair level in comparison with other agricultural commodities and with sugar prices of former years. The contention that the excise tax was a consumers' tax was disproved by the actual record. The control of production and of foreign imports prevented a rise in price, which, in fact, was less than during many previous periods.

[Cents per pound]

	Average 1909–13	1935	1936	1938	1939
Price of raw sugar [1]	4.1	3.2	3.6	2.94	2.98
Processing or excise tax		.5		.50	.50
Refiners' and retailers' charges	1.85	2.0	2.0	1.86	1.92
Retail price of refined sugar [2]	5.95	5.7	5.6	5.30	5.40

[1] Bureau of Agricultural Economics, U. S. Department of Agriculture.
[2] Bureau of Labor Statistics, U. S. Department of Labor.

The eastern refiners, whose raw materials came principally from Cuba, were not satisfied with the generous quota assigned that island, of which only a fixed percentage could be in refined or direct consumption sugar, but demanded, as the price of their support for this legislation, that the refining situation as it then existed be "frozen," in order that they might maintain their industry at its existing level. They could not hope to "freeze" mainland producers. Sugar beets are necessarily processed where grown; Louisiana's quota of cane sugar is all refined in the neighborhood, without restriction; Florida can, if it desires, refine its entire production on its own plantations.

But the refiners and their allies won their fight as against Hawaii, Puerto Rico, and the Virgin Islands. By the Jones-Costigan Act, the latter could refine none of its sugar; Puerto Rico could market only 15 percent of its quota in refined form; and Hawaii, an incorporated Territory of the United States, was restricted to not more than 3 percent of its quota. Thus was superimposed upon an agricultural bill an industrial feature that had no place in this legislation; thus was the precedent initiated of treating American citizens of the Territories and possessions differently from their fellow citizens on the mainland.

This act placed a double restriction upon Hawaii, a burden not borne by any mainland area. First, the act fixed Hawaii's quota at about 70,000 tons less than it should have been; and, second, it limited the amount which could be processed in Hawaii to about 3 percent of that quota. The principle involved is greater than any material consideration. No other agricultural commodity, even under the severest program of production control, has had its processing fixed by law. The South, or any State in the South, may process all the cotton it raises. Kansas may mill its own wheat. Every mainland sugar-growing area may process the whole or any part of its production, but Hawaii may not. Hawaii became a colony under a new imperial policy and must be content to be a producer of raw materials.

The Sugar Act of 1937 next enacted by Congress accorded Hawaii and Puerto Rico a better position in regard to quotas insofar as the manner of their determination is concerned. However, Hawaii took another cut in its quota in order that increases could be granted Louisiana and Florida. A comparison of the 1936 quotas—the last under the Jones-Costigan Act—with those of 1937 shows that Hawaii suffered a reduction of nearly 50,000 tons to provide a substantial increase for those two States.

Final quotas

[In short tons of sugar, raw-value equivalent]

	1936	1937	
Hawaii	1,032,812	984,210	Decrease, 48,602.
Louisiana-Florida	392,016	472,337	Increase, 80,321.

The refiners again made no concessions, but invoked the precedent of 1934 to procure a further reduction in Cuba's refined quota and the reenactment of the restrictions on Hawaii and Puerto Rico. This provision of the bill was strongly opposed by the administration, through the President and several Cabinet heads, and by many Members of both Houses. The fallacy of the refiners' arguments, the importance of the principle involved, were all repeatedly emphasized. The distinguished chairman of the House Committee on Agriculture, the gentleman from Texas [Mr. JONES], offered an amendment to the bill to strike out the provisions mentioned. But this amendment failed to carry.

The act represented an advance over previous legislation in one important respect. It was admitted in debate that the limitations on Hawaii and Puerto Rico were wrong in principle and justifiable only as a matter of expediency. The new legislation provided that they should expire 10 months before the act itself expired. Responsible spokesmen for the domestic sugar industry promised the President that such restrictions would not again be made a part of sugar legislation. On these assurances the President finally signed the bill, expressing his hope that the provisions he opposed would be removed from the law even before the time designated, but that, in any case, he sincerely trusted the domestic producers would not again help perpetuate the refining monopoly.

His confidence has yet to be justified. True, the restrictions he condemns expired on February 29, and are not now a part of the Sugar Act. True, the House Committee on Agriculture has reported out a bill that would continue the existing law in its present form, after voting down various proposals that would have amended the law, specifically one to include a revival of the expired manufacturing limitations. The bill reported out by the Committee on Agriculture represents its best collective judgment on what was feasible and necessary legislation for the domestic sugar industry at this time.

But the rule before us, Mr. Speaker, goes beyond the bill. It overrides the judgment of the Committee on Agriculture, and makes in order amendments to the sugar act already rejected by that committee. I do not question the wisdom of the rule. Perhaps it is desirable to submit the question to the House for final action. I take this rule as another evidence of the power of the refining industry, whose threat to sabotage any sugar legislation forced this rule upon us. I understand the domestic sugar industry as a whole, particularly the beet-sugar producers in 17 States, must have the legislation provided by the Cummings bill, H. R. 9654. The rider on that bill contemplated by this rule is an extraneous, a detrimental feature that may endanger the entire sugar program.

It illustrates the rule-or-ruin policy of the eastern refiners in their consistent opposition to the domestic sugar industry, a policy which was frankly expressed by Dr. John E. Dalton, assistant to the president of the National Sugar Refining Co. and executive secretary of the United States Cane Sugar Refiners' Association, at a conference on sugar legislation held in New York on May 3 last. I quote from his statement two revealing paragraphs:

> The first thing that has crippled New York's sugar industry—and, gentlemen, it will continue to cripple it unless legislation stops it—has been the tremendous increase in the production of beet sugar in our Western States. I want to get it into the record, Mr. Pike, without any equivocation, that the refiners are unalterably opposed to an expansion of the production of beet sugar. I repeat, I want to get it into the record that the refiners have no unholy alliance with the beet-sugar industry. At a public hearing 2 weeks ago before the House Agriculture Committee, Mr. Bunker, the chairman of the United States Cane Sugar Refiners' Association, stated that our industry does not want to have an expansion of the production of beet sugar, for the very simple and obvious reason that an expansion of beet sugar means a contraction in the consumption of cane sugar, and the more beet sugar that is produced the less cane sugar is going to be consumed. The beet-sugar industry since 1925—this is interesting—has increased 100 percent, whereas the refined-cane-sugar industry in New York has decreased 30 percent.

And again:

> I want to make one thing perfectly clear, so that we won't have any confusion. The refining industry is not asking for enactment of the Sugar Act of 1937. We say simply this: If a quota system on raw sugar, coupled with processing taxes and subsidies, is going

to be continued by Congress, then we will demand limitations on Hawaiian and Puerto Rican refined sugar. If Congress wants to go back to the old tariff system, we don't care about Hawaiian and Puerto Rican refining. But if Congress continues a quota system which subsidizes those islands and limits our volume of business, then we say we will fight to have Hawaii and Puerto Rico limited because we are limited.

Thus Dr. Dalton, speaking for the refining industry. How then can anyone interested in the domestic sugar industry support the amendments that will be offered on behalf of the refiners? I ask, therefore, that after the rule is adopted—and I realize how important it is to have a rule, any rule, that will permit sugar legislation to be brought before Congress—that the refiners' threat be disregarded and the amendments to H. R. 9654 be voted down.

Mr. LEWIS of Colorado. Mr. Speaker, I yield 5 minutes to the gentleman from Georgia [Mr. COX].

Mr. COX. Mr. Speaker, James Anthony Froude once said, "Where all are selfish the sage is no better than the fool."

I want to appeal to the sense of fair play, to the fine sportsmanship of the membership of the House from these 17 States that are said to be so vitally interested in the bill, the consideration of which this rule intends to make in order. On yesterday these same 17 States were likewise vitally interested in the so-called Leavy amendment to the agricultural appropriation bill. If Members from these 17 States will consult the roll call on that amendment, they will find that they were in that instance saved, as they have been many, many times before, by the Members from those States that are equally as vitally interested in protecting invested capital, in protecting the refineries in this country and the workers in these refineries. There has grown up through the past several years a kind of working arrangement between Members of these 17 States and Members who come from the big industrial centers. Not only in regard to sugar have you worked together, but as regards all other proposals to take care of your agricultural problems, and if you people mean to live up to the combination which has been formed, you will not seek to throw down those who have saved you on many, many occasions. If you do, then I hope that this House will defeat your bill.

Mr. CUMMINGS. Mr. Speaker, will the gentleman yield?

Mr. COX. Yes.

Mr. CUMMINGS. Is not the statement made regarding the East and the West just as true to the West taking care of the South?

Mr. COX. Oh, I have not the time to yield for that. Let me quote the gentleman himself, and probably he is the best authority on sugar that there is in the House. He worked with this same group in 1934 and again in 1936, and he championed their cause in 1937. Now, conditions have not so changed as to justify a shift in attitude. When this same sugar bill was before the House in 1937, the gentleman from Colorado [Mr. CUMMINGS] used this language. He raised the question as to whether these limitations should apply to Puerto Rico and Hawaii, and said:

> This is just as plan as the nose on your face. If you will examine the Government report which I have here and refer to the tables in that report, you will find that the average wage for labor in the sugar industry in Hawaii is $10.80 a week. They want to refine the sugar there in order to make more money. The industry in the two countries is absolutely different. I am going to offer for introduction in the RECORD a graph that shows that six Hawaiian families own and control the sugar industry in Hawaii.

Mr. Speaker, the gentleman supported that argument with other statements. He said that the limitation ought to apply because we ought to protect our own workers against having their jobs taken away from them by people who live in Hawaii and Puerto Rico.

The SPEAKER. The time of the gentleman from Georgia has expired.

Mr. LEWIS of Colorado. Mr. Speaker, I yield 2 minutes to the gentleman from Florida [Mr. PETERSON].

Mr. PETERSON of Florida. Mr. Speaker, this is practically a closed rule. It allows only one amendment, an amendment which caused the President, when he approved the bill before, to say that he only approved it by virtue of assurances from responsible leaders of the House of Representatives and Senate. The President, in his message in connection with the approval of the Sugar Act of 1937, said:

> I hope that the next session of the Congress will consider repealing or shortening the clause which continues the refining monopoly to March 1, 1940; but even if Congress does not then act, the end of the monopoly is definitely in sight and I sincerely trust that nothing will be done by the domestic growers of beets and cane to perpetuate it. The monopoly costs the American housewife millions of dollars every year, and I am just as concerned for her as I am for the farmers themselves.

While I shall vote for the amendment to protect American labor I shall oppose the resolution as a whole.

The letter of the President to the chairman of the committee, on April 11, 1940, contains the following passage:

> Consequently it seems clear that no sugar legislation is necessarily required at this session of Congress, although it might be advisable to extend the life of the Sugar Act of 1937 for an additional period through a joint resolution of the Congress.

Thus he did not definitely advocate any legislation.

Mr. O'CONNOR. Mr. Speaker, will the gentleman yield?

Mr. PETERSON of Florida. No; I have only 2 minutes. This particular bill, if passed, will prevent the marketing of as much sugar as we marketed last year in the United States, because at the first threat of war they had to suspend the quotas and allow us to market part of the carryover, and it will actually result in a reduction of the acreage of cane- and beet-producing areas in the United States. A recent issue of the Sugar Journal reported a meeting of the Minnesota-Dakota Beet Development Association, which stated that the extension of the 1937 act would be a terrific blow to present beet growers, and the extension can mean a reduction of 20 to 30 percent in 1941. This rule prevents us from proposing an amendment which has the approval of the Secretary, which would prohibit the destruction of cane now growing in Louisiana and Florida. I hope you will vote down the rule. [Applause.]

Mr. LEWIS of Colorado. Mr. Speaker, I yield 2 minutes to the gentleman from Pennsylvania [Mr. SACKS].

Mr. SACKS. Mr. Speaker, in my district are located three large refineries. Those refineries employ thousands of men. At the present time they are operating on a 40-percent basis. If this restriction is not kept in the bill it will drop to about 15 percent.

I want to call the attention of the House to the fact that in these areas we help pay the taxes that give subsidies to the beet growers. We are willing to help the beet growers, but at the same time we want protection for a good old American industry that is being destroyed by products that come in as a result of cheap labor from Puerto Rico and Hawaii. The McCormack amendment will only continue in the law the quotas that existed under the last law.

The gentleman from Colorado who handled the bill the last time was willing and able and did help put in those quotas. I cannot understand his change now. If he feels the President would veto it and thereby hurt the beet industry, I want to call his attention to the fact that on this floor those who carried the bill then said the President of the United States would veto the bill if it had quotas for refined sugar. Yet, my friends, the bill was signed. I say that the President of the United States is interested in protecting American industry, and he will sign the bill if the McCormack amendment is carried by this House as a part of it. Then the result would be that the beet industry that is subsidized by taxation will be protected and the refined industries which pay for those subsidies will also be protected. American labor standards will be preserved, and American workmen will not be thrown on relief rolls.

The people of Philadelphia and other refining cities will not be discriminated against in sugar. To avoid discrimination it is absolutely essential that the Cummings bill, H. R. 9654, should be amended to restore the quotas on refined sugar from Puerto Rico and Hawaii as provided in the Sugar Act of 1937. Without such an amendment the Cummings bill should be defeated.

Philadelphia is one of the most important sugar-refining centers in the United States, and, in fact, in the whole world.

It has had a refining industry since 1789, and today three large cane-sugar refineries are located there. Thousands of Philadelphia families obtain their livelihood from the handling and refining of sugar. Millions of dollars have been invested in this industry by the people of Pennsylvania and other States.

Since 1925 the Philadelphia refining industry has declined by about 40 percent. This decline was not due to any inefficiency on the part of the industry, but came about largely from the growth after 1925 of refining in the tropical islands. The expansion in the production of beet sugar in the Western States also reduced the normal markets of the Philadelphia refining industry.

Congress in 1934 and in 1936, and again in 1937, provided in the sugar bill that there should be no further expansion of refining in the Tropics for the American market. On three separate occasions Congress decided that it was fair and equitable that there be a limitation upon refined-sugar imports as well as upon raw-sugar imports.

The Philadelphia industry cannot afford to lose any more volume of business. In the last 15 years the industry has experienced a cumulative loss of some 4,000,000 tons of business, which represents some $13,000,000 of direct pay checks and some $14,000,000 in supplies which would have been normally purchased, including municipal water and energy. In the last 15 years about 1,700,000 tons of barge and ocean freight, about 1,100,000 tons of railroad freight, and approximately 700 cargoes of ocean freight were included in the economic loss of the Philadelphia community and surrounding territory.

Jobs are one of the most difficult things in America to find at the present time, and Philadelphia workers should not be deprived of their jobs by an act of Congress. What the Cummings bill, as it is now drafted, would do is to throw men out of work in Philadelphia, because, under the quota system, if more refining is done in the Tropics, there is no possible way for the refiners to obtain an equivalent of raw sugar to fill the gap. The Cummings bill would, by law, give a monopoly to the refiners in the Tropics and would permit them to retain their supply of raw sugar necessary for the refining process in Philadelphia and other States.

Refinery workers in Philadelphia are 100 percent unionized, and they receive wages at least three times as high as those which prevail in Puerto Rico. I see no reason for continuing a sugar system under which the people of Pennsylvania and other States must pay enormous sugar subsidies unless that system gives equitable treatment to Pennsylvania. For this reason I am unalterably opposed to the enactment of the Cummings bill, H. R. 9654, unless the McCormack amendment is adopted to restore quotas upon refined sugar from Puerto Rico and Hawaii.

Congress in 1934 and in 1937 set up a quota plan, which expires this year, for the protection of all elements in the American sugar industry. By means of yearly marketing quotas on both raw and refined sugar, Congress since 1934 has divided the American sugar market among the various sugar producing and refining groups. Marketing quotas for the refining groups were assigned about as follows:

	Tons
1. The beet-sugar industry	1,400,000
2. The tropical refiners (mostly Cuba and Puerto Rico)	600,000
3. The home cane-sugar refining industry	4,300,000
The total refined sugar quota (national consumption) was therefore	6,300,000

The two families which refine sugar on their plantations in Puerto Rico, Serralles, and Roig, now object to the size of their refined sugar quotas, as established in the Sugar Acts of 1934 and 1937. They want the right to refine all of their raw sugar, and claim that any limitation upon their refining is a discrimination.

Organized labor and management in the home-refining industry claim that the shoe is on the other foot—that if there is any discrimination it is against them, not the tropics. They cite the following reasons:

First. An increase in the quota for tropical refining means an automatic decrease in the quota for home refining. The home refiners cannot buy their raw sugar except from those specific sources, and such specific amounts, as determined by Washington. Puerto Rico is one of the most important of these sources. It is obvious that if the tropical plantation refiners retained their raw sugar for refining, the sole source for the home refiners would be cut off.

Second. If the two refining families of Puerto Rico, Serralles and Roig, sincerely believe that quotas on refined sugar discriminate against them, why do they not object to quotas on raw sugar? The answer to this is simple. The two refiners in Puerto Rico are large scale producers of raw sugar. Raw sugar quotas, which are coupled with cash subsidies paid by the American consumer, make them extremely prosperous. On this point, the New York Times said editorially (August 13, 1937):

> You cannot logically approve a system of quotas for (sugar) producers, and denounce the same system of quotas for refiners.

Third. The Puerto Rican refiners want to receive cash handouts from American consumers and the American Treasury on the one hand, and then they want to create more unemployment in the States, on the other. Since 1934 Roig and Serralles (as growers) have received over $2,000,000 cash as sugar bounties, from the Federal Treasury. In addition they have received a protection on their sugar in the form of higher prices paid by American consumers, valued at about $20,000,000. Certainly Congress, under these circumstances, is not discriminating against them.

Fourth. The people of Puerto Rico receive the same treatment under the sugar plan as do the people at home. No one disputes the fact that the Puerto Rican people are citizens of the United States. But this has nothing to do with the point at issue. Labor and capital in the home refining industry is restricted by quotas—labor and capital in the Puerto Rican refining industry is likewise restricted. If Roig and Serralles want to wipe out all such quotas and restrictions, all subsidies, and all tariffs on sugar, then they should say so. The New York Times hit the nail on the head when it said:

> You cannot, as some of these spokesmen seem to imagine, provide for a system of free trade within a tight system of control.

In passing, it should be noted that the Puerto Ricans have said again and again that they want to receive the same treatment as the people in the United States. It is interesting to note that on at least one point, the Puerto Ricans want to be treated differently to wit: They do not want the Wage and Hour Act to apply to their island where, during the fiscal year 1938–39, the average actual earnings per week were reported at $5.92—average earnings per week on a full-time basis were reported at $10.59. See page 206, Report of the Governor of Puerto Rico for 1939. Mr. A. A. Roig, the second largest sugar refiner in the island, is a member of the economic delegation from Puerto Rico which, on May 31, 1939, fervently pleaded before an Interdepartmental Committee in Washington that Puerto Rico be exempted from the Wage and Hour Act—see page 6 of Delegation's "Statement."

Mr. MICHENER. Mr. Speaker, I yield 5 minutes to the gentleman from New Jersey [Mr. OSMERS].

Mr. OSMERS. Mr. Speaker, the people of my State, New Jersey, are unalterably opposed to the enactment of the Cummings sugar bill, H. R. 9654, because they sincerely believe that in its present form it is a gross discrimination against them.

The bill would continue the Sugar Act of 1937 for 1 year, but it would not restore the quota limitations upon Hawaiian and Puerto Rican refined sugar as provided for in the Sugar Acts of 1934 and 1937. Without such a restoration there will be an immediate reduction in the volume of refining in New Jersey, and with that will come an immediate reduction in employment. Certainly, the people of New Jersey cannot be asked to accept sugar legislation which would create unemployment in their State.

New Jersey has refined raw cane sugar for over 75 years, and today it has one of the largest and most efficient plants in the world, located at Edgewater, on the Hudson River. The industry makes an important contribution to the economic life of the whole community. In the last 13 years, for

example, the figures show that it has paid out over $24,000,000 in wages. It has purchased supplies and fuel of approximately $25,000,000. It gives employment directly and indirectly to thousands of persons throughout the State. Its workers are 100 percent unionized, and the wages they receive per hour are the highest of any branch of the American sugar system.

In recent years the New Jersey industry has seen a substantial loss in the volume of its business. Since 1928 it has been on the decline, and both labor and capital have suffered thereby.

The loss of pay roll alone, since 1928, has been over $8,000,000, and this important New Jersey industry cannot afford to lose more business if it is to survive.

If the Cummings sugar bill is not amended, the mainland sugar-refining industry can lose up to as much as one-third of its present business.

New Jersey is primarily an industrial State, and it is proud of the efficiency of its industry, and the skill of its workers. New Jersey wants to expand its industry—it does not want to see it contracted. And it is particularly adamant against any campaign to destroy an existing industry in favor of any area which has substandard labor conditions.

These are the basic reasons why New Jersey is in opposition to the Cummings bill unless it is properly amended. The 4,000,000 people of New Jersey do not ask Congress to enact sugar legislation which gives subsidies to tropical sugar producers. The 4,000,000 people of New Jersey are not asking that Congress place a sugar sales tax upon them. These subsidies and these taxes are requested by the people in sugar-producing States, not refining States. But if Congress is going to aid the sugar-producing States and islands, then Congress should give some protection to the refining States.

New Jersey is not asking aid in the form of cash bounties, nor is New Jersey asking that the Hawaiian and Puerto Rican refiners be prohibited from refining sugar for mainland consumption.

But my interest in sugar legislation transcends the requirements of the people of my State. The Sugar Act of 1937 and the Cummings bill both raise issues which are national in scope and importance. The Sugar Act is an elaborate and complicated scheme for the control and subsidization of the entire American sugar system. That act divides the American market between the various producing and refining groups in accordance with a formula originally adopted by Congress in 1934.

The purpose of the act is not only to protect the interests of American agriculture but to provide a stabilization for the most important industry of our overseas territories and possessions. And, finally, that act is to stabilize the employment and investment of the cane-sugar refining industry.

The interests of American farmers, plantations, and factories are involved. I do not see why Congress in 1940 should make any fundamental shift of the quota formula adopted in 1934 and reaffirmed in 1937. And especially I do not see any reason for a modification of that formula which would be prejudicial to the interests of men and women who work in factories.

A quota system means control for everyone. It does not mean expansion for anyone. And it is no defense for any sugar group to claim that they are being discriminated against if they are prevented from destroying the original quota formula.

Discrimination means one thing under an absolutely free economic system, but it has an entirely different meaning under a system of control. It is for this reason that I sincerely believe that the people in Hawaii and Puerto Rico cannot justly claim that they are being discriminated against through quotas on refined sugar.

New Jersey merely asks that the same refined quotas be applied by Congress to Hawaii and Puerto Rico as were applied in 1934, 1936, and 1937. Unless the quotas of 1937 are restored, it will be necessary for New Jersey to oppose the Cummings bill and its sugar subsidies with all its power. And such opposition will come not only now but will also come in the future. [Applause.]

[Here the gavel fell.]

Mr. MICHENER. Mr. Speaker, I yield 4 minutes to the gentleman from Minnesota [Mr. ALEXANDER].

Mr. ALEXANDER. Mr. Speaker, I am in favor of this bill (H. R. 9654) to extend for an additional year the provisions of the Sugar Act of 1937 if it is amended to provide for restrictions on the importation of sugar from outside continental United States. On the edge of my district in Minnesota we have a sugar-beet factory in the city of Chaska, which gives employment to a large number of people in that community and also makes it possible for many farmers in my district bordering on that city to utilize their very beautiful and fertile land for purposes other than for the raising of grain, which in the last few years seems to have petered out somewhat, when it comes to producing revenue sufficient to keep the farm population from going into bankruptcy.

I am directly interested in this legislation for that reason.

Also in the northern part of our State in the district represented by my colleague from Minnesota [Mr. BUCKLER], sitting here at my right, we have another factory at East Grand Forks.

Mr. BUCKLER of Minnesota. Mr. Speaker, will the gentleman yield?

Mr. ALEXANDER. I yield.

Mr. BUCKLER of Minnesota. I am glad to have an opportunity to make known that I am supporting this legislation. In my district, in my own county, we have the large sugar-beet factory to which the gentleman refers. They have 26,500 acres. We have enough applications for another factory. The farmers have come to the headquarters and even cried because they could not get more acreage. We have a big fertile country up there, which was originally a wheat country, but the farmers who are raising beets are getting along pretty nicely, and they are begging for more acreage. I am sorry we cannot amend this bill to give them more acres, but I am sure it is important and essential to pass the bill to give them again what acreage they now have.

Mr. ALEXANDER. I thank the gentleman for his contribution. I want to point out that the essence of his statement is to this effect, that we should protect our farmers in the 48 States, and I think in considering this bill we must keep in mind that it is our patriotic duty, just as essential as the building of armaments and national defense and the preparedness program which we are working on, to protect our farmers and keep them from going into bankruptcy as a result of the competition which is being allowed to come in from outside under the present set-up which we have, and will continue to have unless we reenact this Sugar Act of 1937.

UNPATRIOTIC NEW YORKERS

I feel that such statements as were made on May 3, 1940, at the conference in New York by Dr. John E. Dalton, assistant to the president of the National Sugar Refining Co. are very ill advised and unpatriotic. The statement which I have before me, and which I believe all Members of the House received, says that the Sugar Refiners Association, and I quote "without any equivocation, are unalterably opposed to an extension of the production of beet sugar." Now, Mr. Speaker, at a time when we are trying to save our farmers in this Nation from economic ruin, I call your attention to the fact that statements such as that show very little patriotism. Such statements are not conducive to the successful operation and perpetuation of our form of government. I realize that the refiners' official was looking after what he thought to be the interest of his employer, but such a statement indicates selfishness, greed, narrow-mindedness, and a lack of consideration for his fellow men in the rest of the Nation. It is a viewpoint held by all too many of the businessmen of the city of New York; and while I have many ties of blood and relationships here in the eastern section of the United States, I cannot condone or sit idly by and allow such a statement to go unchallenged.

I feel it is high time for the Congressmen and Senators from the great midcontinent area to rise in protest against the theory that we are only entitled to eat the crumbs from the overloaded tables of the eastern money barons and economic royalists.

How much longer do they think the farmers, businessmen, and industry of the Middle West can stand the strain of the constant drain of our resources to replenish the coffers of Wall Street unless we are allowed to produce with less restrictions and unless we are allowed a more fair return on our products?

These narrow-minded, cloudy-visioned Tories like the executive secretary of the Sugar Refiners' Association, who would further restrict, stifle, and destroy our budding sugar-beet industry in the Middle West, apparently are too busily engaged chasing the almighty dollar or attending to the night life on Broadway, or playing the ponies, or something else equally as inconsequential, to realize that their philosophy is entirely un-American and not at all in keeping with the traditional policy, established by our forefathers, of justice and equality for all. These benighted individuals do not seem to realize that their welfare, in the final analysis, is entirely dependent on how well they protect and preserve the rights and interests of every last individual in this Nation, even in the midmost parts thereof.

To do less will only hasten the day when the Wall Street financial grip, daily growing more odious, due to the control over money and credit, will be thrown off by the long-suffering citizenry in the hinterlands. For the protection and salvation of those in positions of power, I suggest a day off for mental introspection and for some searching after a few eternal truths which are involved in this proposition. I hope they will do this, for every day from all over the Nation I am receiving letters, pamphlets, and fervid prayers calling for money reform. In fact, it is quite likely that a popular referendum on the subject even at this time would considerably upset and disturb the blase smugness and cold indifference on the part of certain individuals. It is quite probable that the great popularity of the late Huey P. Long was not the blind following after a colorful personality, but the widespread realization that there is much rottenness in the eastern financial hierarchy, and that America needs a cleaning out, needs reform, and needs a leader to save the Nation and to unshackle the chains of bondage holding a large percentage of her population in as mean and merciless a slavery as the world has ever seen.

Oh, you hypocrites of the effete East, can you not see that our sugar-beet growers, our farmers, our 180,000 people annually engaged in that productive activity in the 17 States of the Nation where sugar beets are refined into sugar, are just as much entitled to develop and expand their little business as you are your great big monopolistic industry? Indeed, the welfare of every one of us is subject to, and dependent on, the welfare of every other person or individual in the Nation. It is much like the system of nerves emanating from the brain. When injury comes to one little nerve thread in some far extremity of the body, such as a smashed finger or toe, the shock is telegraphed to the central station, and from there the pain is transmitted sympathetically to all other parts of the body—you feel sick, or you faint away, your pores exude a cold perspiration, you cannot work, you cannot think, and you are no good for anything as long as the pain at the extremity continues to upset the rest of your nervous system.

In a great Republic such as ours all business, all production, all commercial activity, all life is so interdependent and so closely knit together, much like the nerves and brain of the human body, that we cannot neglect or destroy or injure one little far-removed business activity without having an unfavorable reaction reflected in every other part of the national system, including even the financial center.

We cannot much longer stand the inequalities in the Midwest area which have been forced on us for the past three decades in the form of robbery of our natural resources without a reciprocal return; in the form of discriminatory freight rates; in the form of labor racketeers sent from the East to disrupt our industry and manufactures; in the form of Pittsburgh-plus plans; trade barriers, and other artificial restrictions on the free flow of trade and money, and unless there is more patriotism and idealism in high places and less graft, greed, and grabbing, there can be but one answer. Which do you want—distintegration and destruction, or prosperity and progress? [Applause.]

The SPEAKER. The time of the gentleman has expired.

Mr. MICHENER. Mr. Speaker, how much time have I remaining?

The SPEAKER. The gentleman has 4 minutes remaining.

Mr. LEWIS of Colorado. Mr. Speaker, I yield 1 minute to the gentleman from California [Mr. LEA].

Mr. LEA. Mr. Speaker, I believe this bill should be enacted. The fundamental fact underlying this situation is that the American sugar industry cannot survive unless it has a shelter restricting destructive surpluses, especially as to foreign imports, and probably as between production in American territory.

Last September, when the war started in Europe, there was a release from the quota provisions of the bill. Sugar prices immediately shot up, but within a comparatively short time the price slumped, and the industry demanded a renewal of quotas, which were again placed in operation on the 1st of January.

The American sugar industry includes over 900,000 acres of beets. Last year the average amount of money received by the American beet farmer was about $83 per acre. Practically every cent of that $83 per acre on over 900,000 acres of production went for the employment of labor and in support of the other industries of the country.

The point about the whole thing is that, even though this may not be an ideal way of controlling the situation, it must be controlled either through a tariff, through an excise plan, or through the plan before us. Experience shows that this is the best plan available under present circumstances and should be adopted.

[Here the gavel fell.]

Mr. MICHENER. Mr. Speaker, I yield the remainder of my time to the gentleman from Ohio [Mr. CLEVENGER].

Mr. CLEVENGER. Mr. Speaker, somewhere between these two positions lies probably the position nearest the right. In my district in northwestern Ohio and some 24 adjoining counties, and in the district of the gentleman from Indiana [Mr. GILLIE], is an area where the production of beet sugar takes place naturally without any artificial irrigation, and it is a very important crop.

Last year we were asked to yield 9 percent, for instance, of our production of hogs. This year we are asked to yield 10 percent of our production of corn to comply with an agricultural program. We hear it charged on the one hand that there is a threat of low-cost production from Hawaii. I visited Hawaii last summer and I found that is not the fact, because the Wage and Hour Act of the continental United States is in effect in the islands of Hawaii, an integral part of the United States.

I have every sympathy with the refiners of cane sugar on the eastern seaboard of the country. Certainly we do not want Americans to lose jobs to Cubans, for instance, who have no Wage and Hour Act and no standard of labor. We have a feeling on my side of the aisle, those who are really interested in agriculture, that this is not an entirely satisfactory piece of legislation but is the best we can get because we were told it was this or nothing.

We feel that in the interest of the American sugar consumer the ideal is an increased production of American sugar within the United States. With some 900,000 tons transported from the Philippines in the case of war there is nothing at all standing between America and the 25-cent sugar of 25 years ago but just the exigencies of blockade and shipping. The ideal is an increase in the United States to the extent that both cane and beet may profitably produce.

That is a program for the future, but it certainly is the ideal from the standpoint of both the American sugar grower, the American refiner, and the American consumer.

Mr. OSMERS. Mr. Speaker, will the gentleman yield?

Mr. CLEVENGER. I yield.

Mr. OSMERS. The gentleman pointed out that the Wage and Hour Act was in effect under the American flag.

Mr. CLEVENGER. I said in Hawaii.

Mr. OSMERS. In Hawaii and also Puerto Rico. I would like to point out that while wages paid to Puerto Rico have been increased to 26 cents an hour under the law, yet in the eastern refineries, particularly in one in my district, they pay 80 cents an hour.

Mr. CLEVENGER. I expressed entire sympathy with the American refiners in the production of refined sugar, and I also expressed some alarm at the importation of Cuban sugar that has no such protection today.

Mr. CRAWFORD. Mr. Speaker, will the gentleman yield?

Mr. CLEVENGER. I yield.

Mr. CRAWFORD. Insofar as the production of beet sugar in the gentleman's territory is concerned, has the gentleman any apprehension that the inter-American trade policy which has just recently been proposed may lead to a situation where, in order to support that policy we may be forced to go to Cuba for a considerable increase in our supply of sugar and drift away from the sugar-beet fields of the United States?

Mr. CLEVENGER. I refer my colleague from Michigan to the extension of my remarks which appeared in yesterday's RECORD.

[Here the gavel fell.]

The SPEAKER. The gentleman from Colorado has 1 minute remaining.

Mr. LEWIS of Colorado. Mr. Speaker, I yield the balance of the time on this side to myself.

Mr. Speaker, I trust this rule will be promptly adopted. As I understand, there is no objection to the rule, and I believe there will be no opposition to its adoption. When the bill comes up for consideration under the rule, I am confident the same spirit of candor and good nature will prevail in the debate on the bill as has in the debate on the rule.

Mr. Speaker, I move the previous question.

The previous question was ordered.

The SPEAKER. The question is on agreeing to the resolution.

The resolution was agreed to.

Mr. CUMMINGS. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of the bill H. R. 9654, to extend, for an additional year, the provisions of the Sugar Act of 1937 and the taxes with respect to sugar.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union for the consideration of the bill H. R. 9654, with Mr. ZIMMERMAN in the chair.

The Clerk read the title of the bill.

The first reading of the bill was dispensed with.

Mr. CUMMINGS. Mr. Chairman, I yield 30 minutes to the gentleman from Kansas [Mr. HOPE].

Mr. Chairman, I yield myself such time as I may need.

Mr. Chairman, if the Members will follow carefully what I am going to say they will probably see why we have reached a parting of the road so far as the refiners and the producers of sugar in the United States is concerned.

The bill which is now before the House has no other purpose than to continue for an additional year the existing provisions of the Sugar Act of 1937. It proposes no changes whatever in the law which is currently in force. It has the approval of the administrative branches of the Government, including that of the White House. It is wholly consistent with the commitments of the United States under the Cuban trade agreement, the Philippine Independence Act, and the world sugar agreement.

Continuance of the law is not only important to the Western States in which the production of beet sugar is largely centered, but it is likewise important to consumers of this Nation. The war in Europe, particularly the action in Belgium and France, has been fought over the areas on which sugar is normally grown in those countries. The world commerce in sugar has been disrupted and no man can say what will happen in the future. Under these circumstances, and if there were no other reason, a rule should be adopted and a bill should be enacted which will give the people of the United States assurance that the present balance in that part of the sugar industry which supplies the United States will be maintained, and that adequate supplies of sugar will be available to consumers no matter what may occur in foreign countries.

The real question we must answer today is, Will the beet-sugar industry be continued in the United States?

Before answering we should probably ask, How many people would be benefited by its continuance?

I believe it is generally conceded that it cannot continue without some measure of protection and I believe this statement is true regarding any other product grown or manufactured in the United States. No manufacturer, or grower, can pay the wages that are paid in the United States and compete with the cheap labor in Europe and the breech-clout labor in the Tropics. I heard a speaker say recently that in case of war the United States could depend on Cuba for a permanent and cheap supply of sugar. Let us read the record. In 1920 Cuba was in a position to name the price of sugar in the United States. The average price for the 12 months was $19.40 per hundred; in May $25.40; in June $26.70; in July $26.50; in December, when the sugar obtained from beets was on the market, it dropped to $10.50, and in December 1921 it was $6.05. The average price for 1921 was $8. We must judge the future by the past.

There are 94 sugar-beet factories in the United States. There are 70,000 growers of sugar beets. There are 90,000 people employed in field labor. Under the present law the wages paid this labor is determined by the Secretary of Agriculture. They earn from $5 to $9 per day. Every acre of sugar beets pays the railroad $35 for freight.

About the only objection to this bill today comes from the refiners. At a conference on sugar legislation held in New York May 3, 1940, Dr. John E. Dalton, former Chief of the Sugar Division of the Agriculture Department, made the following statement:

> I want to get it into the record, Mr. Pike, without any equivocation, that the refiners are unalterably opposed to an expansion of the production of beet sugar. I repeat: I want to get it into the record that the refiners have no unholy alliance with the beet-sugar industry. At a public hearing 2 weeks ago before the House Agriculture Committee, Mr. Bunker, the chairman of the United States Cane Sugar Refiners' Association, stated that our industry does not want to have an expansion of the production of beet sugar, for the very simple and obvious reason that an expansion of beet sugar means a contraction in the consumption of cane sugar, and the more beet sugar that is produced, the less cane is going to be consumed.

Quoting Mr. Dalton further:

> Hawaii is a part of the United States, and the people in Hawaii are citizens of the United States. Hawaii is just as much a part of the United States as New York is. I want that to go into the record.
>
> Puerto Rico is a possession of the United States—an incorporated possession. The people of Puerto Rico are American citizens. They were made so, I believe, in 1917.

Quoting Mr. Dalton further:

> I am very happy to announce that the day before yesterday the House Agricultural Committee, by a vote of 13 to 9, voted down the Cummings bill, which was unalterably opposed to our industry, as well as by the Cuban industry. One group which would take business away from New York, then, is temporarily in hand.

On April 12, Mr. Bunker stated that he was chairman of the United States Cane Sugar Refiners' Association, and that his association included 9 companies, operating 14 cane-sugar refineries, which produced 70 percent of the present total continental output of 4,200,000 short tons of refined sugar. Now, please remember that those companies buy what is called raw sugar; that is, sugar of 96-degrees purity; they process, reprocess it, and make standard graded granulated sugar. He stated on page 123 of those hearings they employed 18,000 individuals, with a pay roll of $27,000,000. That would mean

the cost of refining a ton of sugar was $6.40. Then this means a cost of 32 cents per 100 pounds for labor. If the labor employed in refining sugar is paid on an average of 60 cents an hour, this would mean one-half hour labor for each 100 pounds of sugar. Each 100 pounds of beet sugar employs 8 hours of labor. This is just sixteen times as much employment as is furnished for a like amount of cane sugar. On page 126 of the hearings before the House Agriculture Committee in reply to a question asked by Mr. HOPE, Mr. Bunker said:

I said since 1925 the amount of sugar refined in the Tropics had gone up from practically zero until they were shipping here the amount of 600,000 tons. This was checked by the quota system, by the Sugar Act of 1934, which fixed the quotas of Puerto Rican and Hawaiian refined sugar at their then maximum figure and established the percentage basis for Cuban refined sugar which was later changed under the 1937 act to a flat figure of 375,000 tons.

Mr. HOPE (interposing). In all probability, then, tropical refining would have increased if we had not had the quota system.

Mr. BUNKER. It would have increased, Mr. HOPE, had there been no protection for the domestic refining industry.

Again quoting Mr. HOPE:

But to the extent that it has imposed a limitation on tropical refining, your group has benefited from the sugar legislation that has been in effect, has it not?

Mr. BUNKER. That is true. The sugar quota has prevented further expansion of the tropical refining of sugar.

On page 127, the gentleman from Nebraska [Mr. COFFEE] asked the following question:

Would you not be more seriously threatened in the event we are unable to get any sugar legislation that would provide for some restrictions on refined sugar from the Tropics?

Mr. BUNKER. Well, Mr. COFFEE, I think it is a question in my mind as to whether in the long run the industry would be better off to go back to a freer system. I think it is a question that they ought to examine very carefully. I would say this, so far as the refining industry is concerned, if there were no protection at all on sugar of any kind we could probably get along. At least we would be the last to disappear, I suppose.

Under the present law, which the bill under discussion proposes to extend for 1 year, the importation of refined sugar from Cuba is limited to 375,000 tons. Cuba furnished 642,000 tons in 1936. It also prohibits the importation of liquid sugar, a competitive production of the refiners from all countries in the world except Cuba and Santo Domingo, with restrictive quotas on those two countries. It limits the importation of sugar refined in the Philippines and other foreign countries; the marketing restrictions on all the sugar-beet companies, the principal competitors of the refiners; and the marketing restrictions on all the Louisiana sugar companies making direct-consumption sugar.

Will Hawaii increase their importation of refined sugar? Hawaii's quota for 1940 is 943,967 tons. The producers of Hawaii own a refinery at Crockett, Calif., with a capacity of 700,000 tons annually. They also own a refinery in San Francisco with a capacity of 110,000 tons. They have a small refinery in Hawaii that refines 40,000 tons, more than half of which is consumed in the islands. They are shipping to one of the eastern refineries 300,000 tons annually under contract. Their contract will not expire for 2 years. This is a total of much more than their quota.

There has been no limitation on the shipment of refined sugar from Puerto Rico since February 1929. Seventy percent of all the sugar from Puerto Rico is shipped during the first 5 months of the year. Their increased shipment of refined sugar is about 58,000 tons.

If this bill is not passed, it means there will be no restrictions whatever of either refined or raw sugar. In 1933 a meeting was held in Washington at the invitation of Secretary Wallace to discuss the establishment of quotas. This meeting was attended by representatives of the people who furnish 97 percent of all the sugar consumed in the United States. They agreed on quotas that were practically the same as those now in effect. At that time the world produced 27,241,000 tons. In 1939 it was more than 34,790,000 tons, an increase of about 27 percent. If quota restrictions were needed at that time, they are surely needed now. The truth is this is just a fight to see whether the people who refine sugar mostly produced by people who employ cheap tropical labor will control the markets of the United States, or whether the farmers who own their land, pay American wages, shall be allowed to continue in the business. Please remember that every dollar spent for the purchase of sugar grown in the Tropics stays in the Tropics or in the hands of some New York banker. Every dollar that is spent for growing beets and processing beets in the United States stays in the United States, and most of it among the hundreds of farmers and other laborers employed in the industry.

There is only one way to interpret this statement—that is, the refiners have controlled the Agriculture Committee of the House. Quite a compliment, I must say.

Again, let us refer to the record. At the bottom of page 9 of the bill he refers to is this statement:

Not more than 175,000 short tons, raw value, of the Cuban quota may be filled by direct-consumption sugar.

In 1933 Cuba imported 500,000 tons of refined sugar; and their present quota is 375,000 tons. What this bill proposed to do was to reduce the 375,000 tons to 175,000 tons—a reduction of 200,000 tons. This would have been divided as follows:

	Tons
Hawaii	50,500
Puerto Rico	42,960
Louisiana and Florida cane	2,262
American beet	83,400

This would have provided the refiners with 116,560 tons additional sugar to refine. If they wanted to increase business, why did they object to this?

Mr. HOPE. Mr. Chairman, I yield 5 minutes to the gentleman from New York [Mr. BARTON].

Mr. BARTON of New York. Mr. Chairman, the port of New York has refined sugar for 250 years, and today the sugar-refining industry there is the largest in the world.

The Cummings bill would continue a system of subsidies for raw-sugar producers, including those of Hawaii and Puerto Rico, costing the American public about $300,000,000 a year. Half of this subsidy would be paid by the 65,000,000 people who live in New York, Massachusetts, New Jersey, Pennsylvania, Maryland, Georgia, Texas, and other important refining States.

Surely the people who are to pay too large a percentage of the subsidy ought not to have their old-established industries closed down and their workers thrown out of work because Secretary Ickes wants to transfer the refining of sugar to Puerto Rico.

About 5,000 New York workers would be directly affected if the McCormack amendment is not adopted. Other thousands engaged in making refining machinery, charcoal, and other materials, and in transportation, loading, and unloading of vessels, and so forth, would suffer total or partial loss of income.

The refining business is completely organized by the A. F. of L. and the C. I. O. The wages are high, averaging 70 cents an hour—more than twice as high as the wages in Puerto Rico. Labor conditions in the industry are good and the relations between employers and workers friendly. I have letters from the New York State Federation of Labor and the New Jersey State Federation asking that this fine old-established American industry be not destroyed. I have letters also from the New York State Legislature, the New Jersey State Assembly, the New York City Council, the Brooklyn Chamber of Commerce, the New Jersey State Chamber of Commerce, the Maritime Association of the Port of New York, the Merchants' Association of New York, the New York State Federation of Women's Clubs, and others.

So much in explanation of my direct interest in the failure to reenact the quotas on refined sugar. I want to speak now for a few minutes on the injustice of the proposal to destroy the sugar-refining industry, and since this is a large subject I will confine my remarks to the argument of Secretary Ickes that the reenactment of the quotas on refined sugar would be, as he says, "an act of imperialism," since it would be a discrimination against American citizens in Puerto Rico and Hawaii.

This argument, to my mind, has no merit whatever. Congress has not prohibited the refining of sugar for local consumption in Puerto Rico and Hawaii. As a matter of fact, the refiners there have a complete monopoly of their local market, and this monopoly in Puerto Rico has been divided by a system of allotments among Puerto Rico refiners. Furthermore, the island refiners are permitted to ship a substantial excess of their output to the mainland of the United States.

The mainland refiners are not asking for the Puerto Rico and Hawaii market. We are not even asking for the entire home market. We are ready to accept the quota in the original bill, by which Puerto Rico and Hawaii have part of the home market. All we ask is that we shall not be discriminated against by losing our whole market to the islands. We claim that the citizens at home also have a right to ask not to be discriminated against. And especially when they are paying the subsidy of which so many million dollars a year goes to the islands.

Have citizens of Puerto Rico and Hawaii the only rights? Has not the resident of the mainland also the right to some protection? Must we who are paying the subsidy and the high wages give over our industry to the islands with their low wages? Must New York workmen be thrown out of work so that more Puerto Ricans can have work?

The refined quotas provided for in the Sugar Act of 1934 were fixed at the maximum quantity of refined sugar ever shipped from those islands to the mainland in any previous year.

On the other hand the mainland refiners received a residual quota about 25 percent less than their previous maximum output. In short, Congress gave the home refiners a volume of business near the all-time low for many years.

Shortly after the 1934 act was signed the Hawaiian sugar industry attacked its constitutionality in its application to Hawaii. In the case of Ewa Plantation Co. and others against Henry A. Wallace, the plaintiffs—the Hawaiian sugar industry—claimed that the entire act was a discrimination against Hawaii, not only with respect to raw-sugar quotas and other matters but also with respect to refined quotas. The charge of discrimination was discussed from every conceivable angle before the court. The Secretary of Agriculture appeared as defendant and presented a brief which, of course, was prepared by the Department of Justice. The Government's brief, in discussing the refined-sugar quotas, stated as follows—page 68:

> All of the refined sugar brought in from Hawaii is processed by the Honolulu Plantation Co. There is no evidence that its plant capacity is being enlarged or that other producers are preparing to refine sugar for export. On the other hand, as revealed by the various reports of the United States Tariff Commission, the continental refining industry has an overcapacity of more than 50 percent, and the excess capacity has been increasing year by year. It is reasonable for Congress to enact legislation maintaining the status quo so as to permit no further immediate inroads upon continental refiners.

The Government's brief went on to state that "due process of law" does not require uniformity of treatment when Congress is legislating under the Territorial powers.

Judge Bailey, of the Supreme Court of the District of Columbia, wrote a decision adverse in every particular to the Hawaiian sugar industry. The Sugar Act of 1934 was upheld as being constitutional. The quotas, both raw and refined, on Hawaii were found to be not discriminatory in any regard. The court said:

> In my opinion, therefore, Congress has the power to limit the importation of sugar from Hawaii, and that limitation in no way deprives the plaintiffs of property without due process of law.

Mr. HOPE. Mr. Chairman, I yield 5 minutes to the gentleman from New Jersey [Mr. OSMERS].

Mr. OSMERS. Mr. Chairman, in recent months spokesmen for the sugar industries of Hawaii and Puerto Rico have appeared before the committees of this House and claimed that these islands do not receive any bounties from consumers because the financing of the sugar program is on a self-liquidating basis. Hawaii and Puerto Rico claim that the $65,000,000 annual sales tax on sugar is "taken out" of the receipts which should have gone to them as sugar producers, and that, in fact, the bounties are not a burden, either upon consumers or upon the Public Treasury. The claim is made that the $17,000,000 cash bounties which go to the sugar industries of Hawaii and Puerto Rico each year are not bounties at all, but are a sort of "rebate" of funds which normally would have gone to them as producers in the absence of the sales tax.

I maintain that these claims are an affront to the intelligence of every Member of this House. Let us look at the basic facts. The sugar producers of continental United States and Hawaii and Puerto Rico have appeared for years before Congress to plead that they must be protected against the producers of raw sugar outside our tariff walls. Pages and pages of testimony given before Congress and the Tariff Commission are available which show that sugar producers under the American flag have always asked for some type of subsidy in order that they might continue to exist.

Before the Sugar Act of 1934 was enacted, the subsidies for sugar producers, which, of course, also went to Hawaii and Puerto Rico, took the form of a tariff on raw sugar. Under the Tariff Act of 1909, that duty was 1.35 cents a pounds; in 1913 it was 1 cent a pound; in 1921 it was 1.60 cents a pound; and in 1922 it was jacked up to 1.77 cents a pound; in 1930 it reached an all-time high up to that time of 2 cents a pound.

Now, unlike other agricultural commodities, the singular thing about these import duties on raw sugar was that they raised the domestic price of sugar over the world price by an amount equal to the duty. For example, in 1909, when the duty on raw sugar was 1.35 cents a pound, the Hawaiians and Puerto Ricans received a price enhancement or subsidy of 1.35 cents a pound. With each tariff schedule after 1909 these sugar subsidies became higher, until in 1930 they reached the ad valorem equivalent of 190 percent.

But in 1934 the sugar producers of Hawaii and Puerto Rico, along with the producers in continental United States, came before Congress and declared that even though they were receiving the highest protection in their history—2 cents a pound, or 190 percent ad valorem—that that protection was not sufficient to give them a fair income. They wanted more assistance. And Congress enacted an entirely new type of sugar legislation in 1934—the quota system—which has raised the subsidization from 2 cents a pound to 2.51 cents a pound, and this has raised the ad valorem equivalent protection from 190 percent to 214 percent.

While it may be well for various groups and industries to come here and speak of their selfish interests, our primary concern is with the consumer of the United States; and I contend that we are now giving the producers of sugar, all of them under the American flag, a subsidy of 2.51 cents a pound under the present regulations. I say to you that we should certainly adopt the McCormack amendment and thereby protect the one industry in the entire sugar system that is completely unionized, paying top wages—that is, paying high taxes—and that is not coming here and asking for your assistance. It is not here asking for your subsidy. It is prepared to carry on its business under a free system if that would be necessary.

Of the many Members of the House who have come before us today to speak on behalf of the sugar-beet growers and sugar-beet refiners of the United States, there has not been one that I have heard who has said one word that would prove that the adoption of the McCormack amendment would work the slightest harm upon the beet-sugar producers or beet-sugar refiners of the United States. The very men who come here today to oppose the continuance of the quotas upon Puerto Rico and Hawaii are those who came before you in 1934, 1936, and 1937, and urged that those quotas be placed in the law.

I should like to read briefly, if I may, what the Secretary of Agriculture has had to say about sugar in response to a protest in 1938 that the subsidies of the sugar producers of

the United States and of the American islands were too low. He said:

The sum of these protective devices is the equivalent of a specific tariff duty of $2.65 per 100 pounds of sugar, raw value, the equivalent of an ad valorem tariff rate of 240 percent. This is the equivalent to a tax of approximately $2.70 per capita on a population of 129,000,000 persons.

I repeat that on the average the subsidies given American sugar producers under the Sugar Acts of 1934 and 1937 are the highest that they have ever received and this applies to Hawaii and Puerto Rico. For those tropical producers, some of whom are also refiners, to appear before this House with a claim that their subsidy is self-liquidating is absurd.

Now let us analyze specifically how the Sugar Act has increased sugar subsidies. Subsidization under the Sugar Act appears in two forms—through special quota prices and through cash bounties. The quotas limit the quantities of sugar which can come to the United States each year, and by so limiting those quantities, the domestic price of sugar is pegged well above the world price. Whereas the domestic price since 1934 has averaged 3.19 cents per pound, the world price has averaged 1.17 cents per pound and the subsidization, through quotas, has been the difference or 2.02 cents per pound. In other words, since 1934, the price protection through quotas has been almost exactly the same in amount as the duty protection through the tariff existing under the tariff schedule of 1930.

But this is not all, because the Sugar Act provided that there would be a sales tax of one-half cent a pound—raw value—on sugar and that this tax should create a fund most of which would be paid back to producers. Allowing for the temporary interruption in the sugar plan, which occurred after the Supreme Court's decision relating to processing taxes, we find that since 1934 the direct bounty payments to sugar producers have averaged forty-nine one-hundredths of a cent per pound. Now, we must add the two subsidies; the first is the 2.02 cents per pound which arises because the quotas keep prices up in the United States, and the second is the forty-nine one-hundredths of a cent per pound which arises from the cash subsidies. The total subsidy, therefore, is the figure which I have mentioned above, or 2.51 cents a pound.

Now, let us assume for the moment that the sales tax on sugar has "come out of" the producer's proceeds rather than the consumer's purse. But whether the producers paid it or not has no relevance whatever to the issue involved. The net financial effect of the operations of the two kinds of subsidies under the Sugar Acts since 1934 has been to give the American producers 3.68 cents per pound for their raw sugar at a time when the actual normal value of that sugar in the world markets was 1.17 cents per pound. The difference is a subsidy of 2.51 cents per pound, which is the equivalent on an ad valorem basis of 214 percent, the highest subsidy on record for sugar producers.

Now, if there is anyone in this House who doubts the validity of these computations, I refer him to the United States Tariff Commission Report No. 73, page 36 (1934), and to the public statements repeatedly made by the Secretary of Agriculture who has administered the Sugar Act since 1934.

But let us look specifically at the statements of the Secretary of Agriculture to get the story since 1934. In 1938 the sugar producers of the United States and the American islands complained to the Secretary that their sugar subsidies were too low. These complaints were repeatedly made, and finally the Secretary, in an open letter of March 1, 1938, analyzed them fully. How much was the total subsidy arising under all of the protective features of the Sugar Act, according to the Secretary? He said:

The sum of these * * * protective devices is the equivalent of a specific tariff duty of $2.65 per 100 pounds of sugar, raw value—or on the basis of the current world price of 96° raw sugar—namely, $1.10 per 100 pounds, the equivalent of an ad valorem tariff rate of 240 percent.

The Secretary continued to point out that—

This is equivalent to a tax of approximately $2.70 per capita on a population of 129,000,000 persons.

Multiplying $2.70 by 129,000,000, I find that this places a burden upon consumers of approximately $350,000,000 a year.

Some spokesmen for Hawaii and Puerto Rico say that the quota system is nothing more than a protective device, as was established under the tariff system for sugar. This claim is groundless because, whereas the duties of the last 30 years on raw sugar ranged on an ad valorem basis between 22 and 190 percent, the Sugar Act has afforded a subsidy of some 214 percent. The truth of the matter is that the protection which has been afforded to sugar producers of Hawaii and Puerto Rico since 1934 is the highest ever given them in their history, and the total amount of money taken away from the 129,000,000 American sugar consumers in order to support the American tropics has reached all-time high levels. And still these heavily subsidized American tropical producers clamor for more subsidies, and they have complained bitterly against what they characterize as low prices for sugar in recent years.

The United States Tariff Commission in 1933 threw some light upon this problem of subsidies to sugar producers. It found that—

On the basis of a comparison of the cost of production of cane and beet sugar in continental United States and on cane sugar in Hawaii that the costs of production of cane sugar in Cuba, the principal competing country, * * * the Commission finds that the equalization of costs would require a reduction * * * from 2 to 1.5 cents per pound.

But now we find, under the Sugar Act, that instead of there being a reduction from 2 to 1.5 cents per pound in sugar protection there has been an actual increase from 2 to 2.51 cents per pound.

And I have one more final comment to make upon these enormous subsidies which go to sugar producers in the American tropics. These producers have claimed that the consumer is not burdened by a $35,000,000 a year subsidy because she now purchases her sugar at prices which are about equal to those which prevailed back in 1909–14. This camouflage does not hide the fact that consumers could be purchasing their sugar in this country not at 5½ cents a pound but at 2½ cents or 3 cents a pound. The cost of producing sugar on the plantations in Cuba and other low-cost sugar islands has been reduced greatly since the years before the last World War. There is no reason on earth why the benefits of technological improvements in the production of cane and raw sugar should not be enjoyed by the consumer. A Ford automobile back in 1910 cost $1,800. It now costs $700. A pair of silk stockings back in 1910 cost $2 or $3. They now cost 75 cents. A farm tractor cost $2,500, and it can now be purchased for $500 or $600. An automobile tire which cost $50 in 1914 can now be purchased for about $20.

Why have these reductions in prices come about? Everyone knows the answer. Ingenuity and scientific attainment in the laboratory, forest, field, and factory have cut production costs and hence price.

The American standard of living is the highest in the world because American consumers have had the opportunity to reap the benefits of industrial progress. When sugar producers state that the price of sugar at retail in 1940 is the same as it was in 1914, they are actually, in effect, acknowledging their own inefficiency.

It seems to me that Hawaii and Puerto Rico should be well satisfied with the handsome treatment that they are now receiving from American consumers. They should not be permitted by Congress to use the profits from their sugar subsidies for the purpose of expanding their refining. Congress should restore the quotas on Hawaiian and Puerto Rican refined sugar or defeat the Cummings bill.

This table shows that under the Sugar Acts of 1934 and 1937 the protection per pound for American sugar producers is the highest on record and that the ad valorem equivalent

of that protection is also highest. It destroys the claim currently made that the enormous sugar benefits are in some way self-liquidating and are not a burden upon consumers.

Average ad valorem equivalent of duty and other protection for raw-sugar producers under tariffs of 1909, 1913, 1921, 1922, 1930, and under the sugar acts since 1934 [1]

Act of—	Dutiable value of raw sugar	Protection	Rate of protection (ad valorem)
	Cents per pound	*Cents per pound*	*Percent*
1909	2.54	1.348	53.6
1913	5.51	1.005	21.9
1921	2.50	1.600	64.1
1922	2.91	1.765	68.1
1930	1.07	2.000	189.9
1934 and 1937 [2]	1.17	2.51	214.4

[1] U. S. Tariff Commission, Report No. 73 on sugar (1934), p. 36 for 1909-33.
[2] Average for 6 years, 1934-39. Detailed data for this period are given below:

Average price of raw sugar in United States, duty paid (data are for 6 years, 1934-39)	3.189
Average price of raw sugar, world market	1.170
Protection:	
(a) Through rising prices under quota system	2.019
(b) Through direct subsidies	.490
Total protection	2.509

Mr. CUMMINGS. Mr. Chairman, I yield 5 minutes to the gentleman from Massachusetts [Mr. McCORMACK].

Mr. McCORMACK. Mr. Chairman, I realize that the heart of those who have spoken and who will speak and who may vote against the amendment I shall offer is not in the position they take, either by expression or action. I know that in their own minds they would like to be with my amendment, and that they occupy a very trying and embarrassing position today. I have no controversy with them, although I sympathize with their position—one which is absolutely contrary to the positions they have consistently taken in the past. Despite the fact that they have left their loyal friends of the East and the North and the other sections of the country who will support my amendment, I want them to know that, while it is with reluctance we see them do so, it is with a profound appreciation on our part of the expediency which prompts that action, and that this debate, as far as those who favor the amendment I shall offer is concerned, will, I hope and I am confident, be conducted along a line that will not increase the embarrassment that my friend the gentleman from Colorado [Mr. CUMMINGS] and those who are with him today suffer in their outward position in opposition to the amendment I shall offer, in view of their inward feeling of support of my amendment.

I could conclude my argument on this occasion by quoting some of the statements made only a few years ago by some of those who will oppose the amendment I will offer today. I do this, not for the purposes of embarrassing them but because I think it is the best argument that could be advanced in favor of my amendment. Certainly, if the other Members of the House are not in the embarrassing position of the gentleman from Colorado and others who are similarly situated, we are justified on this occasion in weighing the utterances the same gentlemen made on other occasions for the purpose of assisting us in making up our minds in connection with the amendment I shall offer.

The gentleman from Colorado only a few years ago said, in part:

I do not want to work a hardship against anyone in the United States or anyone in the sugar business, but when you talk about people being discriminated against you must remember that Hawaii and Puerto Rico are allowed to produce all the sugar they can consume, and they are allowed to produce and sell on the world market as much as they please, but the amount they can ship to the United States is limited and the amount they can ship of refined sugar is limited, and it should be limited.

The gentleman further said, on page 8309 of the CONGRESSIONAL RECORD, in August 1937:

I do say that the people that are operating the refining industry of the United States and have been for 150 years are entitled to the same protection that the beet growers are—

That is all we ask, and the gentleman from Colorado said that in 1937. He further stated—

and they are entitled to the same protection that we grant Hawaii and Puerto Rico, and we should say to them that they can produce just as many pounds of refined sugar as they have ever produced.

Then in a colloquy with the gentleman from Texas, Mr. Maverick, the gentleman from Colorado [Mr. CUMMINGS], in reply to an inquiry, said—

It would not be a good bill for the refiners.

If the refiners' provision were stricken out. That is what Mr. Maverick was referring to. The gentleman from Colorado [Mr. CUMMINGS] said:

It would not be a good bill for the refiners. It would ruin the refiners.

Those are not JOHN McCORMACK'S words, those are the words of the gentleman from Colorado [Mr. CUMMINGS], who today opposes the amendment I am going to offer to the bill, the very thing he said would ruin the refiners if it were eliminated from the bill. Then he said—

but it would take care of the beet growers.

The argument made in 1937 by my friend the gentleman from Colorado [Mr. CUMMINGS] is the best argument that could be made in favor of the amendment that I will offer. I will speak later on other aspects of the amendment that I will offer.

There were arguments made by other Members in 1937 who now oppose outwardly my amendment, who, on that occasion strongly supported the very proposition that I will offer in my amendment, but on account of my time expiring, I will have no opportunity to make reference to such remarks.

However, it is a fact that those who oppose my amendment were its strongest supporters in 1937. Such inconsistency is hard to undertsand and appreciate.

[Here the gavel fell.]

Mr. HOPE. Mr. Chairman, I yield 10 minutes to the Delegate from Hawaii [Mr. KING].

Mr. King. Mr. Chairman——

Mr. CRAWFORD. Mr. Chairman, will the gentleman yield?

Mr. KING. Yes; I will be glad to yield to the gentleman from Michigan.

Mr. CRAWFORD. I wish to ask the gentleman, first, if he carefully listened to the free-trade speech made by our friend the gentleman from New Jersey [Mr. OSMERS] a few minutes ago?

Mr. KING. Yes; I did.

Mr. CRAWFORD. And if he detected in that language this deep-rooted philosophy, namely, that the Congress of the United States has been guilty of protecting a domestic sugar industry made up of Hawaii, Puerto Rico, the Virgin Islands, Louisiana, and Florida cane and our domestic beet. I wonder if my friend from Hawaii detected the philosophy in the speech made by the gentleman from New Jersey [Mr. OSMERS] to the effect that we must do away with all protection; that we must bring to our country raw sugar from offshore areas, which means Cuba and other foreign countries, in the absence of protection, and put it through the seacoast cane refineries, so our people will be dependent upon offshore, foreign lands for their sugar and pay whatever price may have to be paid, and so there will be no continental sugar industry or domestic sugar industry.

Mr. OSMERS. Mr. Chairman, will the gentleman yield so I may answer the question?

Mr. KING. I am sorry, but you gentlemen have got me betwixt and between here with only 10 minutes, and you will use all of my time.

I want to answer the gentleman's question by saying that the whole basis of the refiners' argument is that they must have, free of any excessive tariff—I grant you that they are willing to pay a low tariff—all sources of raw supply, and then they will sell it in the American market in competition with American sugar. The tariff is levied to protect all do-

mestic producers, and the lower tariff was offset by an excise tax that was the equivalent of the amount the tariff was reduced.

Mr. OSMERS rose.

Mr. KING. I am sorry I cannot yield to the gentleman from New Jersey, because I want to reply to the gentleman from Massachusetts, the very ablest proponent of the refiners' interests here in the Congress, a forceful speaker, and, of course, a man whose sincerity and whose concern about the workers in his district is above any question whatsoever. It happens that the Revere Refining Co. is in his district in Massachusetts.

Mr. McCORMACK. No; one of the plants of the American Refinery.

Mr. KING. I accept the correction, but I want to talk about the Revere refinery, which is in an adjacent district.

When this bill came up in 1937 I asked if the gentleman from Massachusetts knew how much sugar they got in that refinery from Hawaii. He did not know, but I did. It was 30,000 tons, and since then there has been a trade arrangement between the Hawaiian sugar industry and the National Sugar Refining Co. to assure them the whole 300,000 tons normally received in the East from Hawaii, and they will use every bit of it. It used to be scattered up and down the coast in 17 refineries. It is now concentrated in the New York area. So the great excitement of my distinguished friend the gentleman from New York [Mr. BARTON], about the displacement of labor and the concern of the gentleman from Massachusetts [Mr. McCORMACK] about the displacement of labor does not pertain now.

Mr. CELLER. Mr. Chairman, will the gentleman yield?

Mr. KING. I must refuse to yield any further because, after all, I represent about 15 percent of the total amount of sugar consumed in this country, and that is the only reason the gentleman from Kansas [Mr. HOPE] has been kind enough to give me 10 minutes time, and I am sure the gentleman will get time to ask me any question under the 5-minute rule.

Mr. Chairman, this question does not involve whether we ship 29,000 tons or whether we employ or do not employ 1,000 or more men. This goes to the basic principle of what is the responsibility of Congress toward an incorporated Territory and an insular possession.

I may also say to the membership of this House that we depend upon Congress to apply the democratic principles on which this Nation was founded, and I want to appeal to the Members that when they vote on this issue not to be so sectional but to bear in mind that they have a greater responsibility toward my constituents than they have for any other part of the United States other than their own district, for the very reason that as a Delegate from the Territory of Hawaii, I stand here without a vote.

The gentleman from Massachusetts [Mr. McCORMACK] has been attempting to convict the gentleman from Colorado out of his own mouth in a way, and yet he knows perfectly well the practical politics of the situation. I have repeatedly discussed the fact that I was here fighting for an abstract principle and one gentleman I was talking with said, "Did you ever see an abstract principle win over the realities?" Of course, we have seen abstract principles win. If abstract principles did not win there would not be any United States.

I have talked with other Congressmen and they have said to me, "Mr. KING, you are right in principle and we would like to go along with you, but, unfortunately, the people in our districts insist that we support the McCormack amendment." Then we have another angle to the matter and that is if the McCormack amendment does not carry, then the people who supported the McCormack amendment are going to defeat the legislation. They would ruin the domestic-sugar industry in order to gain their point. They demand a little additional protection against Hawaii, Virgin Islands, and Puerto Rico, the three voteless and subordinate parts of the United States, and they would ruin the whole sugar industry in order to get that protection, when they already have protection against every other source of sugar importation and every guarantee to them of a monopoly of the refining business that represents a very substantial part of the entire business they have ever done.

Certainly, there has been shrinkage in the business. There has been a shrinkage in every line of business. They have lost their export trade. There was a time when they exported refined sugar in great quantities; but other nations have gone into the business of subsidizing their own sugar producers.

Now, to get back to the tariff: There is no agricultural product that can be raised in this country, or very few of them, and very specialized products, that does not need some protection against foreign countries where they have different standards of living.

I hope I shall have time to speak under the 5-minute rule, but I do want to stress the point that a principle is involved in this legislation, aside from the material interests involved, insofar as it affects Hawaii and Puerto Rico.

I want to stress another point, and that is that I doubt the legality of this amendment that the gentleman from Massachusetts [Mr. McCORMACK] is going to sponsor. I am not an attorney and I cannot speak with authority, but I question whether it is a constitutional act to discriminate against Territories and insular possessions in a matter of this kind, in a limitation of manufacturing.

If it were proposed to make this limitation on refining for the State of Florida, would this House for a minute be willing to do it? Florida refines some sugar and ships the rest to Savannah, Ga., as I understand it. If I offered an amendment to the McCormack amendment saying that—

Provided, however, That no additional sugar shall be refined in the State of Florida than is at present being refined.

This House would not listen to it for a moment.

If the Territory of Hawaii were a contiguous part of the mainland—say we were down there in the subtropical area of Texas, down around Corpus Christi or Brownsville—would you dream for a minute of barring refined sugar from that territory? Would this Congress have passed a bill limiting the industrial development of Oklahoma, New Mexico, or Arizona when they were incorporated Territories? When we came under the American flag and were incorporated as a Territory those three States were still Territories. Twenty-nine of the sovereign States have been incorporated Territories at one time or another. I doubt if any of them ever had a restrictive law passed on their manufactured products or industrial development that singled them out and made it a special rule for the Territory and not equally applicable to the several States of the Union.

The President has expressed in the strongest possible language his disapproval of this provision. He said he only signed the Sugar Act of 1937 because the spokesmen for the domestic sugar industry assured him it never would come up again. We know that the Rules Committee had to accept this special rule in order to get this matter before the House. I am not questioning the wisdom of that. Men who are interested in the welfare of the domestic sugar industry realized that they had to have this legislation and it might be a wise thing to bring it before the House and face the issue. There is not a man speaking for the McCormack amendment who is not speaking for a specific sectional interest. I appeal to those who do not have such sectional interest, who do not have to go along under any pressure, to disregard that sectional appeal.

Unfortunately as time has gone on, because the other 29 Territories have come in as States, today we find there is new language in American history. They are now "insular possessions," "offshore areas," "noncontiguous areas," a tropical country," as if there was any difference between an American whether he lived in Hawaii or Alaska or California or any other part of the United States.

Now, the issue is not very material in my case. As a matter of fact, I am speaking for the rule which has already passed and for the bill which will come up with or without amendment, merely because Hawaii has always attempted to cooperate for the advancement and welfare and benefit of the

domestic sugar industry. If the bill fails of passage, we will not suffer, if we suffer at all, as much as the 17 beet-sugar States, but after all sugar is a commodity that we are entitled to raise in Hawaii, where we have been raising it for 100 years. We supplied the American market for 100 years.

Mr. Chairman, through Congress this huge Nation of ours expresses its will and the great American democracy applies its principles of fair play and equal justice to all its citizens. The responsibility lies upon the membership of Congress, despite the urgency of sectional demands, to keep in mind that higher duty to legislate in national matters for the whole of America, and not solely for one's own district or section.

In the matter before us I appeal to this House to take the broader view, to enact legislation that will stand the test of justice and equity. We all know that when the pending bill, H. R. 9654, is read for amendments under the 5-minute rule, an amendment will be offered to replace in section 207 of the Sugar Act of 1937 certain provisions that have now expired, which would by law forbid the Territory of Hawaii, and Puerto Rico, from marketing, in the form of direct consumption sugar, more than a small portion of the sugar those two communities produce.

I may have time to speak against that proposal and to refute the arguments made by its proponents. But I want now to urge upon my colleagues to vote that amendment down, not so much because of any material interest involved or harm done to Hawaii and Puerto Rico, but because it is bad legislation, which would put this House's stamp of approval on an invidious, an un-American discrimination between citizens.

Enacted 6 years ago as an emergency measure, extended 3 years ago as a temporary provision of what is primarily an agricultural control bill, and not a bill to limit manufacturing, it is now desired to give this iniquitous feature the sanction of Congress for a third time, to establish as a precedent that certain parts of the United States are not entitled to the same treatment accorded other parts of the country.

This is a dangerous policy, Mr. Chairman, of doubtful legality, which in this comparatively small matter changes America from a democracy to an empire, and relegates a Territory of the United States to the position of a colony. In a letter on sugar legislation, dated April 11 of this year, which President Roosevelt addressed to the gentleman from Texas [Mr. JONES], as chairman of the Committee on Agriculture, the President said, in part:

> The people of the Territory of Hawaii and the possessions of Puerto Rico and the Virgin Islands are American citizens who compose some of these minority groups in our population, with local governments that lack the protection of Statehood.
>
> If this circumstance were not given adequate consideration it would be possible to destroy by legislation the livelihood of our citizens in the insular parts of the United States through the enactment of discriminatory prohibitions against their products; and they would possess no legal power to take counter-measures in self-defense. Such a course of action, as I have pointed out on a previous occasion, would be tantamount to an imperialistic classification of citizens, and a tyrannical abuse of minority rights that is utterly contrary to the American concept of fairness and democracy. Among the cases in point is the proposal to reinstate the former discrimination against the refining of sugar in the insular parts of the United States.

On last Friday the President reaffirmed his stand.

Mr. Chairman, this is my third term in Congress. I value highly the privilege of serving in this body, and I enjoy the companionship with representatives from all parts of this great Nation. But I have been impressed during my 6 years here by two astonishing facts. First, that many Members of this House have largely forgotten what the status of an incorporated Territory of the United States is. It is a handicap that my distinguished and able friend, the gentleman from Alaska [Mr. DIMOND] shares with me in our efforts to obtain the recognition to which our constituencies are entitled.

Twenty-nine of the forty-eight sovereign States were at one time incorporated Territories. But as the mainland Territories came in as States, until only Alaska and Hawaii remained in the former category, the status of a Territory, fixed by law and precedent since the Northwest Ordinance first created a territorial form of government, has become somewhat vague in many minds. We have become noncontiguous territories, offshore areas, insular possessions, something not quite American. There is a new note in our legislation which distinguishes between continental United States and noncontinental United States.

As a natural result the position of Delegates in Congress is less well understood than formerly, when there were several Delegates here at one time. I am as often as not addressed as "Commissioner," indicating this confusion of ideas. I am under no illusions as to my place here, an honorable position, well established in American history, and graced by many great American statesmen; but nevertheless that of a voteless Member of this body—a Member of Congress but not a Representative. In all sincerity, I ask, does that not make it more incumbent upon those who do vote, especially those whose interests are not involved in the issue, to accept a greater responsibility toward my constituency, and every other community similarly handicapped? Is it not an obligation upon every Representative to lean over backward to do justice to a politically impotent part of the Nation? If this is too much to ask, then is not the natural solution to grant Hawaii a political status which would once and for all put it on an equality with the several States?

It is proposed to limit the refining of sugar in Hawaii to about 3 percent of the amount Hawaii is permitted to produce. Florida, I understand, sends all of its quota as raw sugar to a refinery in Savannah, there to be processed for the market. Would this House accept a proposal to deny Florida the right to refine its own sugar if it desired to do so, and to "freeze" through legislation the present practice? I hardly think so. If Hawaii, as a Territory, were a contiguous part of the North American Continent, would this restriction on its industrial development be tolerated? If not, then does the Pacific Ocean, which separates Hawaii from the mainland, create a barrier between us that makes us less worthy than the citizens of a mainland Territory, if there were one? Would such a law as this have been passed by Congress to restrict the growth of Oklahoma, Arizona, or New Mexico when they were Territories, a position they held when Hawaii came under the American flag and was incorporated as a Territory? If the proposed legislation is impossible for a State, or for a Territory located on the mainland, how can it be justified for Hawaii?

Curiously, even Mr. Dalton, speaking for the cane-sugar refiners, whom I quoted earlier in the day, recognizes our status, but still justifies the restrictions he demands as an offset to the quota system. I quote from his statement of May 3, 1940:

> Hawaii is a part of the United States, and the people in Hawaii are citizens of the United States. Hawaii is just as much a part of the United States as New York is. I want that to get into the record also.

The Chamber of Commerce of the United States recently held its annual meeting here in Washington. Among the resolutions it adopted as expressing the policy of American business, under the heading "Territories", is the following:

> In Federal legislation affecting the economic and other interests of the organized territories of the United States there should be no discrimination against the Territories. There should be no special limitations placed upon the utilization of their resources, and Government-directed interferences in their development should be opposed. Citizens of the United States conducting their enterprises in these Territories are entitled to equal treatment and protection in Federal legislation and in executive action with citizens in other portions of the United States.

Shall Congress be less liberal than that reputedly conservative organization? Or is the championship of the weak now a conservative principle, while a new kind of liberalism adopts the slogan of might makes right? I cannot believe this body, almost the last refuge of the democratic principles on which this Nation was founded, can so far forget the great ideals for which America stands.

Mr. Chairman, the second strong impression I shall carry back with me from my service here, when the vissitudes of politics retire me to private life, is the amazing lack of information about Hawaii that exists in Congress. Because it is so difficult to supply the information in casual conversation, or in a few minutes on the floor of the House or in committee, I have urged my colleagues on every possible occasion to visit Hawaii for themselves. I wish it were possible for every Member to become familiar with Hawaii at first hand.

Because that has been impracticable, we are an easy victim of misrepresentation, sometimes inadvertent, sometimes deliberate—the propaganda of ruthless, self-seeking interests. We are attacked from many angles, on our local economy, as though that were different from the typical American community in any essential particular, because of our racial make-up, as though the question of race can properly be raised as between fellow Americans in this Nation dedicated to the proposition that neither race, creed, nor class can be invoked by one citizen against another; on the question of cheap labor, when it has repeatedly been shown that our labor conditions meet the highest American standards.

I have never replied in kind, but have patiently tried to correct such misstatements on the floor and in committee, and occasionally in speeches and addresses later extended in the CONGRESSIONAL RECORD. But it is difficult for the truth to catch up with a lie. The same old hoary fictions about Hawaii keep bobbing up again and again. It should be noted that no one who has ever been to Hawaii credits such statements, but rather knows they are untruths through personal knowledge.

On the specific question of labor I should like to read from the statement of Mr. Otis E. Mulliken, Chief of the Labor Section of the Sugar Division of the Department of Agriculture, made before the Civil Liberties Subcommittee of the Senate Committee on Education and Labor on May 20, 1940—only a month ago—two brief but authoritative quotations:

> As a result of relatively high earnings, year-round employment opportunities, and valuable perquisites, the standard of living maintained by most Hawaiian sugarcane workers is superior to that maintained in any other sugarcane area of the United States with the possible exception of the resident laborers in Florida.

And again, in his conclusion, he says:

> The sugar workers in Florida and Hawaii constitute in many ways a privileged class of agricultural labor.

Already the propaganda machine of the refiners' lobby, against which the President inveighed in scathing terms, is at work. Members are being solicited to support the proposed amendment, and, if it fails of adoption, to vote against the bill. Organizations are sending in resolutions and petitions, often passed without consideration or understanding of the problems involved. Wires and letters from sources in their respective districts attempt to influence individual Members. Against this avalanche, what power have I, except only to beg this House to vote on the merits of the legislation, regardless of this inspired pressure, often coupled as it is with veiled threats of political retribution?

Mr. Chairman, I am sorry I have not the time nor perhaps the oratorical ability to present the facts about Hawaii to this House as they should be presented. But I would ask the Members to accept as a starting point the simple truth that we are, after all, just another community under the American flag; not an exotic, foreign South Sea island country, but a good, solid American community. We are an integral part of the American scene, of the American economy; we share all the burdens and responsibilities of our common citizenship and, in the main, enjoy all the blessings and privileges of that status.

If the Members of this body will use as their guide in arriving at a decision on the pending legislation the same considerations which they would apply if it affected their own districts or adjacent communities, I will be satisfied and will feel that Hawaii's cause has received just treatment at their hands.

The CHAIRMAN. The time of the Delegate from Hawaii has expired.

Mr. CUMMINGS. Mr. Chairman, I yield 8 minutes to the gentleman from Nebraska [Mr. COFFEE].

Mr. COFFEE of Nebraska. Mr. Chairman, the resolution now before us to continue the present sugar law for 1 year was the best compromise that could be reached in our Committee on Agriculture to protect the domestic sugar industry until further legislation could be agreed upon by the various elements in the industry.

I regret that our efforts to secure badly needed amendments to the 1937 Sugar Act for price stabilization and increased domestic quotas were unsuccessful. This was due largely to the powerful influence of the cane refiners on the eastern seaboard, who are naturally interested in refining raw sugar from Cuba and other offshore areas. Sugar legislation always has been, and probably always will be, controversial. Briefly, this is the situation.

We consume approximately six and one-half million tons of sugar annually—about 100 pounds per capita. In order to protect the domestic sugar-beet and cane growers it has been necessary to supplement the tariff with a quota system. Sugar quotas are allocated as follows: Approximately 30 percent of our domestic consumption of sugar is allocated to the continental producers of sugar beets and sugarcane; 42 percent to Hawaii, Puerto Rico, the Philippines, and the Virgin Islands; and 28 percent to Cuba, including a negligible amount to other foreign countries. The tariff affects only these imports from Cuba and other foreign countries. Consequently, in order to prevent demoralization of the domestic market from a flood of sugar from offshore areas, these quotas have been established. Naturally, in order to impose quotas on Hawaii, which is an integral part of the United States, and on our other possessions, it is necessary to provide marketing quotas for continental production.

The 17 Western States producing sugar beets have for the last 2 years produced in excess of their quota. Florida and Louisiana production also exceeds the quota. The same situation prevails in reference to Puerto Rico, Hawaii, the Virgin Islands, and the Philippines. In fact, there is a large world surplus of sugar. These marketing quotas, inadequate as they may be, are the only safeguards at present against dumping and a demoralized domestic market. All areas are demanding increased quotas for this market that can consume only so much sugar. The Philippines are guaranteed a duty-free quota in this market under the Philippine Independence Act. Therefore, if we increase domestic quotas, we must reduce the quota correspondingly from some other source. The only quotas that we could possibly reduce in order to aid domestic producers are those of Cuba and the small quota assigned to other foreign countries. Cuba has a quota of approximately 1,900,000 tons, of which 375,000 tons may be refined or direct consumption sugar. This limitation on refined is in the Sugar Act of 1937. I have been, and still am, in favor of reducing this refined quota by 200,000 tons and allocating it to the domestic growers. Suffice it to say that our efforts along this line have been stymied.

Now let me point out the conflict of interest between the sugarcane refiners and the domestic sugar-beet and sugarcane growers. The sugarcane refiners, engaged almost exclusively in refining raw sugar from the offshore areas, supply 70 percent of the sugar consumed in continental United States. They are opposed to the development of the sugar-beet industry in the United States for the simple reason that when more beet sugar is produced and sold in the United States, it tends to reduce their market for Cuban sugar, 80 percent of which they refine. The United States Cane Sugar Refining Association has enlisted the aid of their labor organizations and certain consumer groups to oppose any further sugar legislation that will be beneficial to continental sugar growers. You are all familiar with the propaganda and the methods being pursued to kill this resolution.

There are less than 18,000 employees in these cane-sugar refining plants, whereas in the beet-sugar industry alone there are 70,000 sugar-beet growers, 100,000 field workers, and more than 10,000 men employed in the beet-sugar factories

who would be directly affected if this continuing resolution failed of enactment. We cannot afford to permit these quotas to lapse and allow the continental United States to become the dumping ground of the world for sugar during this critical period. Sugar is now selling within one-tenth of a cent per pound of the all-time low price. We must maintain our internal economy as an essential element in our national-defense program.

Let me remind those of you who are particularly concerned about the cane-sugar refiners that if this continuing resolution is not enacted, Cuba, which is now restricted to 375,000 tons of refined sugar, will be able to ship in unlimited quantities of refined sugar as well as raw sugar. All other foreign countries are restricted to 26,000 tons of refined sugar under the Sugar Act, but if this resolution fails to pass, they will be able to ship in unlimited quantities.

Importations of liquid sugar are prohibited under our present Sugar Act from all countries except Cuba and Santo Domingo and they are limited to the equivalent of approximately 40,000 tons of raw sugar. If this resolution fails to pass, they and all other countries will be able to ship into this country unlimited quantities of liquid sugar, and it has been estimated that without these restrictions importations of liquid sugar would soon reach the equivalent of 200,000 tons raw value.

The seaboard refiners and their employees will also sacrifice a great deal if this resolution is not continued. Of course, if the domestic sugar-beet industry is destroyed, the cane refiners might increase their volume and regain a monopoly on the domestic market. The consumers are fully protected under the present law. [Applause.]

Mr. HOPE. Mr. Chairman, I yield 2 minutes to the gentleman from Iowa [Mr. GILCHRIST].

Mr. GILCHRIST. Mr. Chairman, Cuba ships into this country great quantities of blackstrap molasses every day. Blackstrap is refuse from the sugar-refining industry. At one time it was a menace and a hindrance and an expense to that industry and the refiners spent much time and money to get rid of it. It was like garbage that had to be dumped into the sea. Then chemistry stepped in and showed the world how to make alcohol out of this refuse matter, and the result is that today it takes the place of corn and grain and vegetables in the distillation of spirits. It is introduced into this country with scarcely any tariff and thus the market for American grain, corn, and other vegetable products in this industry is ruined.

I hold and have ever held that the American market should be preserved for the American farmer just as is done in manufacturing and industrial life. For example, if you will go to Peoria, Ill., you will find great distilling interests that manufacture and distill great quantities of alcohol, spirits, and whiskies. Peoria is only one of many places where this is done. But there come from Cuba every day into this one distilling center solid trainloads of blackstrap molasses which is converted into commercial alcohol by the distilleries. At one time this same city used every day about 35,000 bushels of corn for distillation. But now this corn has been displaced and the old blackstrap garbage is used instead; 35,000 bushels of corn a day are displaced and scarcely any tariff or duty is laid upon the blackstrap, and American agriculture in every section of the land is injured by such importations. The farmers in this country should have this market instead of the peon laborers of the West Indies.

Moreover, great banking interests in New York City are interested in the refineries in Cuba and these great banking institutions are not entitled, and the refining industry down there is not entitled, to take away the market from vegetable and grain producers and farmers of continental United States without paying custom duties. There should be adequate tariff protection given to these American growers and farmers against this importation. Commercial alcohol in the United States should be made from the products grown here.

I recognize that we have a duty to perform to Cuba, because in 1898, by our War with Spain, we liberated it from the terrible conditions which Spain had imposed there. We cannot allow Cuba to go back into the barbarous, disgraceful conditions that then existed. She was our ward and is now our ward to a certain extent. This obligation to Cuba is placed upon us by every consideration of Christianity and philanthropy, and we should always discharge that obligation faithfully and manfully. But I contend that this task should not be placed alone upon the back of farmers, as is now done. This is simply another instance of the unfair way in which agriculture is put down at the foot of the class, and how other interests, especially large financial interests, are given advantages at the expense of folks who till the soil and raise vegetables and grains for our people. We should have adequate tariffs for the introduction of blackstrap, and this tariff should be high enough to put our own grain and vegetable products on equal terms. The American market belongs to the American farmer.

Mr. HOPE. Mr. Chairman, I yield 3 minutes to the gentleman from Ohio [Mr. SMITH].

Mr. SMITH of Ohio. Mr. Chairman, I think more preference should be given to our domestically produced sugar. It is my understanding our sugar is refined to a higher degree than imported sugar. Not enough consideration is being given to the great difference in labor costs in our country and those in the places from which we are importing sugar.

[Here the gavel fell.]

Mr. HOPE. Mr. Chairman, I yield the remainder of the time on this side to the gentleman from Michigan [Mr. CRAWFORD].

Mr. CRAWFORD. Mr. Chairman, the Members of the House probably have their minds made up on this proposition and I am not very much inclined to take any of their time. I wish to make two or three observations, however; one is that the domestic sugar industry is made up of five families—Hawaii, Puerto Rico, continental beet, Louisiana and Florida cane, and the Virgin Islands. Insofar as my position is concerned, whether as a private citizen or as a public official, I stand for the domestic sugar industry when it comes to sugar, and when I say domestic sugar industry I mean exactly the domestic sugar industry which operates on the land and through factories owned by American citizens, under the American flag.

I have said to the people of my district, who represent part of the domestic sugar industry, that I do not propose to become entangled in the bulrushes of the seacoast refiners' game which has, since its inception, stood fundamentally and absolutely for the importation of sugar into this country free of duty. I hold no grudge against the seacoast refiners for taking such a position and I hope that they will be big enough and broad enough to hold no grudge against me for taking my position in the interest of the domestic sugar industry.

We are sending to Puerto Rico millions of dollars every year for the purpose of sustaining relief among American citizens under the American flag. Puerto Rico and Hawaii are not in position to supply us with our total requirements of sugar. We must depend on those two areas plus the continental beet and the continental cane, or else go to foreign lands, such as Cuba and elsewhere.

When you start breaking down the families of the domestic sugar industry and singling them out, Puerto Rico today, Hawaii tomorrow, and when you have gone, say, two-fifths of the way, the balance of the distance will be simple, because you know and I know that the continental areas, beet and cane cannot maintain protection with Puerto Rico and Hawaii out of the picture. So I am not today or at any other time going to be moved or engineered into a position where I will turn against my own nest. There is no kind of a political threat that can scare me into that proposition.

May I say to the gentleman from Massachusetts [Mr. McCORMACK] that I am not one of those from the beet areas who wants to go along with his amendment. If the Members from the other beet areas want to support it, that is their proposition. If they think they can harmonize the interests of the seacoast, free-trade refiners, who will always plead for the right to bring in raw sugar from the offshore areas free of duty, who know that Hawaii and Puerto Rico cannot supply

our sugar and thus say, "We will take it from Cuba and other foreign countries," I repeat, if my beet friends want to go along with that philosophy, well and good. I shall not travel that road today nor at any other time, and when I get home I will try to get my beet sugar growers to see the position I have taken. If they choose not to see my position and want to go along with the idea that they can harmonize the continental production with these seacoast, free-trade philosophers, then that is the choice they take.

Mr. OSMERS rose.

Mr. CRAWFORD. I have had some opportunity to observe the operations of the seacoast refiners as against the continental beet and cane producers, and as the gentleman from New Jersey, who now asks me to yield, set the fundamental philosophy before us a few minutes ago. Of course, his refining interests want free trade, and they can make more money under free trade. They can operate with less capital invested, and, of course, they want to travel the free-trade road. Under no circumstances will they now or any other time ever support a philosophy which expands the domestic, the continental sugar industry, because in doing so they would take refining tonnage from their mills; and why, in their own interest, should they support it? Of course, they will not; and of course I will not support them, on the same grounds, because I will take care of my own crowd first, if I can, and if I cannot, I will do the best I can under the circumstances. [Applause.]

[Here the gavel fell.]

Mr. CUMMINGS. Mr. Chairman, I yield such time as he may desire to the gentleman from Louisiana [Mr. MALONEY].

Mr. MALONEY. Mr. Chairman, the bill which is being considered to extend the Sugar Act of 1937, which expires this year, for another year is opposed by the sugar industry of Louisiana. After 3 years under the act, they find much dissatisfaction and would prefer no law at all, than the present act. This act does not give adequate consideration to the industry in Louisiana in either the production of cane or in another phase of the industry and that is the process of refining of raw sugar. It grants too many privileges to the offshore lands at the expense of our domestic producers.

So, on behalf of the Louisiana sugar industry, with its 17,000 farmers and the 100,000 laborers for whom the industry provides employment in the State, I wish to express a great regret and a deep disappointment that the rule to consider the extension of the Sugar Act permits no opportunity to the Members of Congress from Louisiana to propose amendments which we consider essential to the proper functioning of the Sugar Act. Without some improvement in quotas, without a more reasonable price level, and without more definiteness in the broad discretionary powers granted to the Secretary of Agriculture, the sugarcane growers of Louisiana are unable to secure and enjoy the fair and deserved participation in the benefits which Congress very evidently intended for them under the provisions of the law.

The amendments contained in H. R. 8893, which I introduced early in this session, were proposed as a result of the experience of 6 years under the Jones-Costigan Act of 1934 and the Sugar Act of 1937. We have always understood that the reason for limiting the term of the Sugar Act to 3 years has been to apply the test of experience, or trial and error, so that Congress could proceed to adopt perfecting amendments to correct inequities in the sugar program and to improve the administration of the law.

The foundation and chief causes of difficulty in the application of the Sugar Act to the Louisiana sugar industry has been an inadequate quota. The growers who were established in the business of producing sugar in Louisiana in 1934 and even in 1937 have become the victims of the policies applied and the adjustments required under an inadequate quota. The desire of the Louisiana sugar industry is unanimously that all farm lands suitable to sugarcane should have a place in the program and that the industry should be encouraged in gradual normal expansion. But new growers have been permitted in large numbers to enter the program almost entirely at the expense of established growers, who have been reduced in their acreage in order that acreage might be provided for new growers on a scale much greater than was anticipated originally by anyone.

But that is not all; the price of sugar has been depressed in the last 3 years by creating an oversupply of sugar and, as a result, the margin of profit is so limited that the highest efficiency is required to achieve the needed low-unit cost of production. Contradictorily, the cost of labor and supplies have been increased as a result of Federal laws and regulations. The overhead cost of operating sugar farms has been greatly enhanced. It is true that new varieties of sugarcane have increased the production of sugar per acre but, with diminishing returns from the sale of the product of the farm and greater costs, a successful operation of the farm depends upon the farmer's being permitted a volume of production through which he can secure a higher efficiency and thereby reduce the unit cost of production.

Consequently, the Louisiana growers who, according to the expert advice of scientists of the Department of Agriculture, should maintain a rotation of two-thirds in sugarcane acreage to one-third in legume acreage, find themselves confronted with proportionate shares under the sugar program which has reduced most of them from 66 percent of their crop land in sugarcane to between 35 percent and 50 percent. The intense cultivation required for sugarcane beginning 2 years in advance of harvest and the extremely heavy costs of sugarcane-farming operations make it impossible for the grower to suffer restrictions and reductions in acreage which completely unbalance the rotation and unnecessarily add to the cost of production. What the Louisiana sugar industry wants is to be allowed to attain and maintain the efficiency which the Secretary of Agriculture has told us we should have for the economic justification of our existence, but which the Sugar Act and its administration make impossible, unless an adequate quota is provided.

Under the circumstances, it would be preferable and to the advantage of the Louisiana sugar industry that the Sugar Act be allowed to expire according to its terms, unless essential amendments are adopted at this session of Congress so that in the next session of Congress a complete reconsideration of all sugar problems may be had on the basis of experience and primarily for the benefit of the domestic sugar industry. [Applause.]

Mr. CUMMINGS. Mr. Chairman, I yield the balance of my time to the gentleman from Utah [Mr. ROBINSON].

Mr. ROBINSON of Utah. Mr. Chairman, there should be no opposition to the bill that is now before us because it is simply continuing the law that is now in existence for an additional year. The States where sugar beets are grown do not feel that this law completely solves the problem with reference to the growing and marketing of sugar beets. In many ways it is very unsatisfactory. However, unless this bill is passed the sugar-beet industry of the United States will become demoralized and practically all sugar-beet processors will be forced to go out of business, and thousands of farmers whose very life blood depends upon the growing of sugar beets will be deprived of a livelihood and will thereby automatically be forced onto the relief rolls.

We had thought that during this session we would be able to secure the passage of a bill that would solve the sugar problem. However, due to misunderstandings, divergent ideas, and many other causes, we have been unable to report to the House a bill that would adequately solve the sugar problem. This bill is a mere stop-gap and will save the sugar industry until Congress meets again when it can take up the problem with more facts and figures before it—more experience, and an entirely better understanding of the whole sugar situation. At that time we feel sure that a satisfactory bill will be enacted.

Some 17 or 18 States are very vitally and directly interested in sugar-beet legislation. Every person in the United States is indirectly interested in this legislation because everyone uses sugar. It is one of our necessary and vital commodities. The disruption of the sugar-beet industry would have the effect of immediately raising the price of sugar because the large refiners who own and operate most of the sugarcane plantations in offshore areas would have a

monopoly on this product and the result would unquestionably be an increase in the price of sugar. Therefore, even from a selfish standpoint, every person in the United States should welcome, and, in fact, insist that the sugar-beet industry be maintained.

From a local standpoint, this is the most important crop in my State. Sugar beets are raised by nearly every farmer throughout the thickly populated farming areas in the State of Utah. Each farmer raises from 5 to 25 acres of sugar beets. They are largely cultivated and handled by his own family. The proceeds from this crop is his cash crop. This crop furnishes employment to more people per acre than most any other crop that is raised to any great extent in the State of Utah.

It was thought for some time that the sugar-beet industry could be protected by imposing a tariff on imported sugar, and for years a high tariff on imported sugar was levied. The tariff for a number of years was 2 cents per pound on refined sugar. This seemed to solve the problem for some years, but the industry grew in our offshore possessions, such as Hawaii, Philippine Islands, and Puerto Rico, with the result that a large part of our sugar was produced by these possessions of ours, and, of course, we could not impose any tariff against our own possessions, therefore, the tariff applied largely only to Cuba. Instead of increasing and stabilizing our continental production of sugar, we increased the sugar production in our offshore possessions, and thereby found ourselves where this group of States that produce sugar beets was competing with offshore producers where labor conditions were not comparable. The result was that for a number of years the sugar-beet industry declined so that in 1934 we passed the Jones-Costigan Act which fixed quotas for sugar of all producers, the theory being that there was only so much sugar used in the United States, and if this amount were allotted to the various producers under a quota system the sugar industry in the United States could become stabilized.

In my own State there are two sugar-beet processors—the Amalgamated Sugar Co. and the Utah-Idaho Sugar Co. To show just how these companies operated during the past 10 years I submit the following table:

Net income after all charges and percent return on average net equity, Amalgamated and Utah-Idaho Sugar Co.'s fiscal periods ended in 1929 to 1939

Fiscal year ended	Amalgamated Sugar Co.[1]			Utah-Idaho Sugar Co.[2]		
	Average net equity (capital stock and surplus at beginning and end of period)	Net income after all charges (amount available for dividends)	Percent return	Average net equity (capital stock and surplus at beginning and end of period)	Net income after all charges (amount available for dividends)	Percent return
1929	$10,202,048	$23,168	0.02	$18,232,940	*$143,463*	*0.79*
1930	9,755,826	*259,674*	*2.66*	18,330,896	*284,826*	*1.55*
1931	8,790,962	*595,823*	*6.78*	17,264,246	*2,095,000*	*12.13*
1932	7,788,375	*925,843*	*11.89*	16,075,637	*446,591*	*2.78*
1933	7,092,690	*427,502*	*6.03*	15,814,440	*390,314*	*2.47*
5-year average		*437,115*	*5.47*		*672,039*	*3.94*
1934	7,352,876	1,067,697	14.52	16,173,210	1,497,001	9.26
1935	7,843,252	263,546	3.36	17,032,113	1,048,504	6.16
1936	8,242,254	846,438	10.27	17,619,398	1,215,914	6.90
1937	8,653,111	[3] 1,087,230	12.56	17,955,306	1,256,318	7.00
1938	8,705,670	284,726	3.27	18,177,440	577,092	3.17
5-year average		709,927	8.80		1,118,966	6.50
1939				18,246,938	[4] 230,955	1.27

[1] Fiscal year in 1929 ended on Feb. 28. Fiscal years ended from 1930 to 1936 on Mar. 31; fiscal year changed effective 1937 to end Sept. 30; fiscal period ended in 1937 therefore covers 18 months from Apr. 1, 1936, through Sept. 30, 1937. In 1929 company reported combined daily slicing capacity for 8 plants as 8,300 tons; in 1939, 9,500 tons for 6 plants.

[2] Fiscal year ends Feb. 28. In 1929 company reported combined daily slicing capacity for 16 plants, including Raymond, Alberta, as 16,875 tons; in 1939, 20,400 tons for 16 plants, 4 plants of which were idle and which represented a combined daily capacity of 3,800 tons.

[3] Covers 18-month period from Apr. 1, 1936, through Sept. 30, 1937; net income for the year ended Mar. 31, 1936, was $713,816.

[4] Before refund on Federal income tax for prior year.

NOTE.—Italics indicate red figures.

Source: Moody's Manual of Industrials, vols. 1929 to 1939.

You will observe by this table that in the year 1929 the Amalgamated Sugar Co. made a net income of $23,168, and that the Utah-Idaho Sugar Co. during that year lost $143,463. You will observe that during the 5 years from 1929 to 1933 the Amalgamated Sugar Co. had an average loss of $437,115, and that the Utah-Idaho Sugar Co. during the same period lost annually an average of $672,039. You will also observe that during the 5-year period during the operation of the law that is now in existence as amended the Amalgamated Sugar Co. made a net average per year of $709,927, and that the Utah-Idaho Sugar Co. during the same period made a net annual average of $1,118,966. You will thus see that the sugar industry in 1934 was completely demoralized. Both companies in my home State had been losing money for 5 years, and you will also see that under the present act during the past 5 years these companies have made a small profit. You should also understand that these companies are owned by hundreds of small investors.

To look at the problem in my own State from another angle, it will be interesting to observe the price paid to the farmers for the production of sugar beets during this same term of 10 years:

	Per ton
1929	$7.50
1930	7.00
1931	5.82
1932	4.77
1933	4.80
5-year average	5.89
1934	6.15
1935	6.21
1936	6.20
1937	6.76
1938	6.25

Five-year average, $6.39 per ton during the time that the Jones-Costigan law has been enforced.

The foregoing figures, it seems to me, will show conclusively that the sugar-beet industry, so far as the State of Utah is concerned, and, of course, this is typical of all other sugar-producing States, in 1933 was in such a condition that it was necessary that some legislation be enacted that would increase the price of sugar sufficiently to give the processors a fair return on the money invested and to give the farmer some return on his money and labor invested, or the whole industry would collapse.

Now, unless this bill is passed this great industry will be in the same condition that it was in in 1933. I therefore urge you men who desire to see each section of the country treated fairly to vote for this bill. In doing this we are not imposing any undue obligations on the public. We are not asking the public to pay more for the product than is reasonable and fair.

Measured by any reasonable standards, the average retail prices of sugar which have prevailed under the Jones-Costigan Act and the Sugar Act of 1937 have been decidedly low. The annual average prices since 1934, as reported by the Bureau of Labor Statistics, are as follows:

	Cents a pound
1934	5.5
1935	5.7
1936	5.6
1937	5.3
1938	5.4
5-year average	5.51

Average retail prices during the base period 1909–14, upon which agricultural parity is usually calculated, were as follows:

	Cents a pound
1909	5.9
1910	6.0
1911	6.1
1912	6.3
1913	5.5
1914	5.9
6-year average	5.95

From the foregoing, it is clear that the average retail price of sugar during the base period was nearly half a cent

higher than during the recent year of sugar control, even if no allowance be made for the processing tax. Taking account of the tax, which amounts to 0.535 cent a pound, the net difference in price was nearly a cent a pound.

In the period 1923–25, which the Bureau of Labor Statistics uses as a basis in computing the relative prices of food, the annual average retail prices of sugar were as follows:

	Cents a pound
1923	9.9
1924	9.0
1925	7.0
3-year average	8.63

In the six years immediately preceding the approval of the Jones-Costigan Act, the average retail prices of sugar were:

	Cents a pound
1928	6.9
1929	6.4
1930	6.1
1931	5.6
1932	5.0
1933	5.3
6-year average	5.9

When, in February of 1934, the President recommended sugar-control legislation, he stated that the price and marketing situation then existing was "prejudicial to virtually everyone interested." Yet in February of 1934 the retail price of sugar was 5.4 cents a pound, and no tax was effective. If a price of 5.4 cents was prejudicial in 1934, what possible defense can be offered for prices which have prevailed within the past 2 years? From August of 1938 through August of 1939, the range of prices was as follows:

	Cents a pound
1938:	
August	5.2
September	5.1
October	5.1
November	5.2
December	5.2
1939:	
January	5.2
February	5.1
March	5.1
April	5.1
May	5.1
June	5.2
July	5.2
August	5.2

In each of these months, of course, the tax was effective and paid by the industry at the rate of 0.535 cent on every pound of sugar produced. Giving weight to the tax, the net retail price of sugar during the period mentioned ranged between 4.565 and 4.665 cents a pound. This is substantially less than the all-time low of 4.8 cents a pound which was touched in June of 1932 during the depths of the depression. The beet-sugar industry as a whole—growers and processors alike—now finds itself forced to operate on a price basis for which there is no precedent and in the face of materially increased taxes of all kinds, wage rates, and other elements entering into the costs of production.

Not only is the price of sugar extremely low in comparison with prices which have prevailed in other periods, but it is low in relationship with other food commodities. Relative food prices, as already mentioned, are measured by the Bureau of Labor Statistics on the basis of prices which prevailed during the period 1923–25, such prices being considered as 100. But since 1925 the index of retail sugar prices has never been higher than 85.1, and it has never equaled the index of all other foods. The latest bulletin of the Bureau of Labor Statistics—that for December 1939—gave sugar an index of 67.5 whereas the index of all foods was 76.9. The range of retail indexes for sugar and all foods is shown in the attached table.

Again, consumers in the United States buy sugar at prices lower than those in any first-class nation in the world; certainly at prices lower than any which prevail in nations which have living standards even remotely comparable to our own. The following table, prepared by the foodstuffs division of the Bureau of Foreign and Domestic Commerce, shows the retail prices in 38 countries of the world in May 1939:

	Retail price per pound
Exporting countries:	*United States cents*
Brazil	2.95
British Guiana	9.75
Cuba	3.84
Dominican Republic	6.00
Peru	2.40
Hungary	9.60
Australia	6.21
Philippine Islands	3.52
Netherland Indies	3.38
Union of South Africa	6.27
Principally self-supplying countries:	
Argentina	4.75
Ecuador	2.71
Guatemala	4.00
Mexico	2.88
Panama	7.50
India	6.01
Japan	5.56
Bulgaria	12.49
France	7.68
Germany	13.64
Italy	15.62
Netherlands	11.19
Rumania	10.25
Sweden	5.47
Yugoslavia	13.86
Importing countries:	
Chile	4.52
Honduras	3.92
Uruguay	3.58
China	3.70
Finland	8.43
Ireland	5.85
Norway	7.69
Portugal	8.49
Switzerland	4.74
Turkey	9.44
United Kingdom	5.36
Canada	6.30
United States	5.10

It is often argued that the beet-sugar industry in the United States must be limited in size because any expansion means a loss of the Cuban market for the corn and hog farmers of the Mississippi Valley. If more sugar is grown in the United States, so the argument runs, less will be needed from Cuba, and if Cuba's income from sugar is reduced she cannot buy Iowa's pork and lard. Thus, one is expected to visualize an economic conflict between the type of farming common to the Middle West and the agriculture of the principal beet-producing areas of the Mountain States.

No such conflict exists, for the beet-producing States are themselves large importers of Iowa's corn and hogs and lard. Cuba's total of such imports looks impressive, but Cuba benefits by what might be called an optical illusion of bookkeeping. The volume and value of all commodities which a nation exports or imports are carefully noted by customs officers, and breath-taking totals result. No such record is made of transactions among the States, and as a consequence many phases of domestic commerce must suffer by statistical comparison with foreign commerce. Nevertheless, there is evidence to support the belief that the demand for Iowa's products in the beet-producing areas is equally as important as the demands of Cuba.

The case for domestic commerce was briefly and forcefully stated in a recent report on Federal reclamation projects submitted to the Secretary of the Interior by two non-Government experts appointed to make a survey of these projects—Report on Federal Reclamation to the Secretary of the Interior by John W. Haw and F. E. Schmitt, December 1, 1934. The farm production on reclamation projects, the report said—

> Develops a substantial agricultural exchange trade between the Grain Belt and the West, which enlarges the market for the humid farm regions. Beet sugar exhibits this relation instructively. The United States is a large importer of sugar, and it is frequently said that as we replace Cuban sugar imports with our own production, we destroy the trade balance which permits Cuba to buy our pork. The fact is that irrigation projects engaged in sugar-beet production, with their supporting communities, are heavier and more certain importers of hogs and pork products. Central California

and southern Idaho, heavy beet-growing sections, are large pork importers. Reduced to simple language, the Corn and Hog Belt has a choice between a pork customer in Cuba or one in the Western States. This is but part of the story, however, for sugar-beet growing in this country brings a cycle of industrial, commercial, and transportation activities that produce wide domestic benefits and add to buying power.

Wheeler McMillen, editor in chief of the Farm Journal and Farmer's Wife and president of the National Farm Chemurgic Council, analyzed the problem in an address before the National Grange, in Peoria, November 17, 1939. Said Mr. McMillen on that occasion:

Farmers of the United States, if enabled to obtain the earning power, will buy far more goods from our manufacturers, and from each other, than the farmers of any other part of the world. Therefore, to build up the income of our own agriculture would seem to be the simplest of plain common sense.

Sugar, incidentally, contributes an illustration in this question. Despite the thousands of acres that might profitably be growing cane and beets, our continental farmers are restricted to growing less than 30 percent of the sugar Americans consume. There is a theory that Cuba, for instance, must be allowed to sell us sugar so that she may buy our products. The proponents of that theory do not bring out the fact that one good American beet-growing county spends 10 times as much for automobiles per ton of sugar produced, and owns more than 30 times as many motor cars per thousand population as is the case in Cuba.

Moreover, those who pay for foreign-trade propaganda because they are interested in exporting, in shipping, or international banking appear to overlook the fundamental fact that foreign trade flourishes best in periods of domestic prosperity. Then is when we import the largest quantities of necessities, such as manganese and rubber, and spend most freely for the foreign luxuries. The most intelligent way for these interests to stimulate foreign business would be for them first to join with the forces that want to create a sound domestic prosperity. None of us objects to a sound foreign trade; indeed, we look forward to its development. But foreign trade cannot and should not be built at the sacrifice of opportunity for America's farmers.

The demand for a larger beet-sugar quota is not a demand for expansion, for the production of beet sugar in each of the last 2 years has been substantially in excess of the quotas established under the Sugar Act of 1937. In 1938, when the beet-sugar quota was 1,584,083 short tons, raw value, the actual production was more than 1,803,000 short tons, raw value, an excess of production over quota of 219,000 tons. In 1939, before the suspension of the quotas by the President, the quota for the beet-sugar industry was 1,566,719 short tons of sugar, raw value. Production from that crop, however, was more than 1,750,000 short tons, raw value, an excess of production over quota of 183,000 tons.

Production of beet sugar even from restricted acreage thus has outgrown the present basic quota established under the Sugar Act, and unless that quota be revised to fit existing conditions there must necessarily be a further sharp limitation of acreage. This restriction must be made in the face of insistent demands of beet farmers of their right to participate in the American sugar market. In many areas of the West, particularly on reclamation projects, sugar beets are the only cash crop and its importance to farmers can scarcely be overemphasized. Moreover, the production of the crop is in harmony with sound farm economy, and it promotes and encourages the highest type of soil conservation.

RETAIL PRICE OF REFINED SUGAR AND PER CAPITA CONSUMPTION

Annual and monthly range of average retail sugar prices

[Cents a pound]

	1913	1914	1915	1916	1917	1918	1919	1920	1921	1922	1923	1924	1925	1926	1927	1928	1929	1930	1931	1932	1933	1934	1935	1936	1937	1938	1939
Annual average	5.5	5.9	6.6	8.0	9.3	9.7	11.3	19.4	8.0	7.3	9.9	9.0	7.0	6.8	7.2	6.9	6.4	6.1	5.6	5.0	5.3	5.5	5.7	5.6	5.6	5.3	5.4
January	5.8	5.2	6.0	6.7	8.0	9.5	10.8	17.8	9.7	6.2	8.1	10.0	7.9	6.5	7.4	7.0	6.6	6.5	5.8	5.3	5.0	5.4	5.4	5.7	5.6	5.5	5.2
February	5.5	5.2	6.5	6.9	8.1	10.6	10.7	18.8	8.9	6.4	8.5	10.1	7.5	6.6	7.3	7.0	6.5	6.4	5.8	5.3	4.9	5.4	5.4	5.6	5.7	5.5	5.1
March	5.4	5.1	6.6	7.5	8.8	9.2	10.6	18.7	9.7	6.5	10.0	10.2	7.4	6.5	7.3	7.0	6.3	6.3	5.7	5.2	5.0	5.4	5.4	5.5	5.7	5.5	5.1
April	5.4	5.0	6.7	8.0	9.6	9.1	10.6	20.2	9.7	6.7	10.3	9.7	7.3	6.5	7.1	7.0	6.3	6.2	5.6	5.0	5.0	5.4	5.4	5.5	5.7	5.4	5.1
May	5.4	5.0	6.8	8.6	10.1	9.1	10.6	25.4	8.4	6.6	10.9	9.0	7.0	6.6	7.1	7.1	6.3	6.2	5.5	4.9	5.2	5.4	5.6	5.6	5.7	5.4	5.1
June	5.3	5.1	6.9	8.7	9.4	9.1	10.6	26.7	7.8	7.1	10.9	8.1	6.9	6.8	7.2	7.1	6.2	6.0	5.4	4.8	5.3	5.4	5.7	5.7	5.6	5.3	5.2
July	5.5	5.2	7.0	8.8	9.2	9.2	10.9	26.5	7.1	7.6	10.3	8.2	6.8	6.8	7.2	7.1	6.3	6.0	5.5	4.9	5.4	5.7	5.8	5.7	5.5	5.4	5.2
August	5.6	7.9	6.7	8.5	10.0	9.3	11.1	22.9	7.5	8.1	9.4	8.0	6.8	6.8	7.1	6.9	6.5	5.9	5.6	5.0	5.6	5.7	5.8	5.7	5.5	5.2	[1]51.7
September	5.7	8.0	6.5	7.7	9.9	9.6	11.0	18.3	7.3	7.9	9.4	8.4	6.8	6.8	7.1	6.9	6.6	5.8	5.6	5.0	5.6	5.7	5.8	5.6	5.7	5.1	64.4
October	5.5	7.2	6.1	8.2	9.8	10.6	11.4	13.9	6.9	7.9	10.4	8.6	6.6	7.0	7.1	6.8	6.6	5.7	5.5	5.1	5.6	5.7	5.9	5.6	5.7	5.1	62.2
November	5.4	6.2	6.6	8.6	9.6	10.8	12.5	12.8	6.7	8.1	10.0	8.6	6.4	7.0	7.0	6.7	6.6	5.8	5.5	5.0	5.6	5.7	5.9	5.5	5.6	5.2	58.2
December	5.4	6.1	6.8	8.3	9.5	10.8	14.5	10.5	6.5	8.3	10.2	8.5	6.6	7.1	7.0	6.6	6.5	5.8	5.4	5.0	5.5	5.6	5.9	5.5	5.6	5.2	55.7

[1] Beginning with August 1939 the Retail Price Division began reporting the price of a 10-pound bag of sugar instead of price per pound.

Sources: 1913 through 1922, Bureau of Labor Statistics Bulletin No. 366; 1923 through 1936, Bulletin No. 635; 1937 et seq., monthly bulletins.

Indexes of retail costs of sugar and of all foods in 51 cities, 1923–39

[1923–25=100]

	1923	1924	1925	1926	1927	1928	1929	1930	1931	1932	1933	1934	1935	1936	1937	1938	1939
Annual average:																	
All foods	97.9	97.0	105.0	108.5	104.5	103.3	104.7	99.6	82.0	68.3	66.4	74.1	80.4	82.1	85.1	78.9	
Sugar	114.4	103.9	81.4	78.3	83.0	80.2	74.6	70.1	64.7	58.4	61.5	63.8	65.0	64.4	66.0	63.9	
January:																	
All foods	95.5	98.6	101.2	111.4	106.3	103.5	102.7	104.6	89.2	72.8	62.6	71.3	79.1	81.7	84.6	80.3	77.5
Sugar	93.4	115.8	91.5	75.8	85.2	80.7	76.7	74.8	67.1	61.7	58.3	62.7	62.9	64.9	64.8	66.2	62.3
February:																	
All foods	94.2	97.9	99.7	109.9	104.3	101.7	102.3	103.4	86.0	70.4	60.1	72.7	79.9	81.3	84.5	78.4	76.8
Sugar	98.3	117.5	87.4	76.4	85.1	80.9	75.4	74.4	66.8	61.0	57.1	62.5	62.6	64.1	65.6	65.9	62.0
March:																	
All foods	94.6	95.9	100.0	109.0	102.8	102.0	101.4	102.0	85.1	70.7	59.8	72.9	79.9	79.5	85.4	78.6	76.4
Sugar	115.7	118.1	86.3	75.5	84.2	80.5	73.5	72.6	65.9	59.7	57.4	62.5	62.7	63.7	65.6	65.6	61.9
April:																	
All foods	96.1	94.6	99.7	111.8	102.9	102.8	100.8	103.3	83.9	70.3	60.1	72.5	82.0	79.7	85.6	79.4	76.6
Sugar	119.9	112.6	84.5	75.1	82.4	81.2	72.8	71.9	64.5	58.1	58.1	62.7	63.1	63.8	66.0	64.9	62.0
May:																	
All foods	96.7	95.1	100.9	110.8	105.7	104.3	102.4	102.6	82.6	68.5	62.5	73.1	81.7	80.1	86.5	79.1	76.5
Sugar	126.6	104.5	81.2	76.3	82.7	81.9	72.6	71.8	63.9	56.3	60.0	62.3	64.7	64.1	66.1	64.3	62.1
June:																	
All foods	97.7	95.9	104.2	108.9	108.7	102.5	103.7	101.2	80.6	67.6	64.9	73.6	81.9	84.2	86.3	80.2	76.3
Sugar	126.2	93.9	80.5	78.3	83.4	82.5	72.3	69.8	62.9	55.7	61.0	62.1	65.1	64.7	65.7	63.8	62.3
July:																	
All foods	100.4	96.0	108.0	105.7	103.2	102.0	106.5	97.5	80.7	68.3	71.0	73.8	80.6	84.0	85.9	80.0	76.5
Sugar	119.3	94.6	79.3	78.5	83.6	82.5	72.6	69.3	63.7	56.5	62.8	66.1	66.3	64.9	65.1	63.3	62.4
August:																	
All foods	99.0	95.7	107.9	104.2	101.9	103.0	108.1	96.6	80.9	67.1	72.1	76.3	79.6	84.0	85.5	78.4	75.1
Sugar	109.2	93.0	78.4	79.1	82.6	80.4	75.0	68.7	65.0	57.7	64.6	66.1	66.4	65.0	64.8	62.9	62.3
September:																	
All foods	100.0	97.3	106.2	106.2	103.4	105.4	108.0	98.3	80.6	66.7	72.1	77.2	80.1	84.3	85.8	78.7	79.0
Sugar	108.9	97.6	78.3	79.3	82.2	80.2	75.9	67.1	64.5	58.2	65.1	66.1	66.5	65.0	66.5	62.3	77.3

Indexes of retail costs of sugar and of all foods in 51 cities, 1923–39—Continued

	1923	1924	1925	1926	1927	1928	1929	1930	1931	1932	1933	1934	1935	1936	1937	1938	1939
October:																	
All foods	100.1	98.2	108.0	107.3	105.0	104.6	107.6	97.8	79.9	66.3	71.6	76.0	80.5	82.8	84.9	78.1	78.0
Sugar	120.8	99.1	76.5	80.8	82.0	78.6	76.5	66.4	64.3	58.9	65.5	65.8	66.9	64.8	67.4	62.3	75.1
November:																	
All foods	100.5	99.0	112.6	108.5	104.8	104.3	106.7	95.2	78.2	65.6	70.9	75.6	81.5	82.5	83.6	77.8	77.9
Sugar	116.4	100.0	74.7	81.0	81.5	77.1	76.2	66.7	64.1	58.8	64.7	66.0	67.1	63.8	67.1	62.5	70.5
December:																	
All foods	99.5	99.5	111.1	108.1	104.7	103.2	105.7	92.1	76.2	64.7	70.3	74.9	82.5	82.9	82.6	78.6	----
Sugar	118.4	98.8	75.9	82.8	80.5	76.6	75.1	67.1	62.9	58.5	64.4	64.4	66.7	63.9	66.8	62.6	----

For certain periods in 1933, 1934, 1935, and 1936 indexes were published more than once a month. In such cases the highest index has been used.
Sources: 1923–26, Bulletin No. 635, Bureau of Labor Statistics, Department of Labor; 1926 to date, monthly reports of retail prices by Bureau of Labor Statistics.

The CHAIRMAN. The time of the gentleman from Utah has expired; all time has expired. The Clerk will read.

The Clerk read as follows:

Be it enacted, etc., That section 513 of the Sugar Act of 1937 (relating to termination of powers of the Secretary of Agriculture under the Sugar Act) is amended to read as follows:

"SEC. 513. The powers vested in the Secretary under this act shall terminate on December 31, 1941, except that the Secretary shall have power to make payments under title III under programs applicable to the crop year 1941 and previous crop years."

Mr. CELLER. Mr. Chairman, I offer a preferential motion.

The Clerk read as follows:

Mr. CELLER moves that the Committee do now rise and report the bill back to the House with the recommendation that the enacting clause be stricken out.

Mr. CELLER. Mr. Chairman, I offer this motion more or less in a formal way because I endeavored to get time while the rule was being considered and again during general debate on the bill, but was unable to do so.

I wish to point out to the gentlemen of the committee that this bill will most disastrously affect the port of New York, whence I come. The port of New York is one of the largest refinery centers in the world. New Yorkers have been refining sugar for centuries. Up to 1925 sugar was the second most important commodity handled in New York City.

Away back in 1797, if I may give just a bit of history, Mrs. John Adams, the wife of the President, wrote her husband that sugar cost $4 per pound and even then it was not pure. It was not the same sparkling product that we make in New York today. It could be purchased only in chunks or loaves, and had to be chipped off sparingly.

During Lincoln's administration sugar cost 31 cents per pound. Today we can buy sugar as low as 5 pounds for 24 cents, thanks to the ingenuity, the artistry, and the business acumen of New York refiners. This creates tremendous advantages to the consuming public throughout the length and breadth of the Union. This drop has been due primarily to the ingenuity, the inventive genius, and the skill and experience of those who have borne and still bear the very famous names in New York City, Havemeyer, Mollenauer, Arbuckle, and many other New Yorkers equally as famous. The accomplishments of the sugar entrepreneurs go back to the time when a public notice appeared in the New York Gazette of August 17, 1730, to the effect that—

Public notice is hereby given that Nicholas Bayard, of the city of New York, has erected a refinery house for the manufacturing of sugar and sugar candy and has secured from Europe an experienced artist in that industry.

Indeed, that was the beginning of the sugar-manufacturing industry not only in New York City, but in this country.

Now we seek to repay all that New York has done with reference to sugar by stabbing that great industry in New York in the back by this bill, a bill which should not see the light of day unless you continue the refined-sugar quotas from Hawaii and Puerto Rico, because without those quotas the New York refineries must close, with the consequent dislocation of vast business interests and the utter destruction of thousands of jobs.

During the World War the Government controlled the sugar industry. This was necessary and sugar refiners and producers rendered patriotic service under this control, including those who were responsible for the manufacture of sugar in New York City particularly. The production of sugar was greatly expanded in order to supply the needs of the Allied nations. Unfortunately, no arrangements were made by our Government after the war to hold that huge sugar trade through agreements with foreign nations. Naturally, after the war the demand for sugar, our sugar, particularly in New York, decreased. Nations, by tariffs, bounties, and other devices, actually precluded the exportation of sugar. The doors were closed practically against American refined sugar. Bounties and boosts and subsidies given by foreign nations have practically dislodged and displaced American refined sugar in all world markets.

I now want to make this statement. The members of the New York Democratic delegation and I have always stood steadfastly and faithfully on all legislation affecting the farm interests of this country. We ask those interested in the farms now to come to our rescue and help. [Applause.]

THERE IS NO DISCRIMINATION IN REFINED-SUGAR QUOTAS

The Cummings bill, H. R. 9654, proposes to continue the Sugar Act of 1937 for another year, but it does not provide for a restoration of the refined-sugar quotas on Hawaii and Puerto Rico. To the 20,000,000 people who live in and around the great port of New York, this omission is a fatal defect. They believe the Cummings bill should be defeated unless these Hawaiian and Puerto Rican quotas are reinstated.

The only reason ever brought forth for the expansion of refining in the American tropics under a quota system is that quota limitations are a discrimination against American citizens on those islands. I think that the charge of discrimination is absolutely groundless, and melts away before an inspection of the facts.

Certainly, the sugar industries of Hawaii and Puerto Rico can not claim that they have been unfairly treated under the Sugar Acts of 1934 and 1937. The fact is that the consumers of this country, through the quota system, have given the two islands a sugar protection worth $522,000,000 since 1934, and of this enormous amount $78,000,000 was in the form of direct cash bounties paid out of the Federal Treasury. And I call to your attention that these bounties were financed by a sales tax on sugar. The State of New York alone has paid a sugar sales tax since 1934 of about $40,000,000.

The truth of the matter is that Hawaii and Puerto Rico have each received more benefits out of the Sugar Act than any one State in the Union. The 2,000,000 people in those islands certainly have enjoyed better treatment than have the 20,000,000 people who live in or around the great port of New York.

I claim that the passage of the Cummings sugar bill without a restoration of the quotas on Hawaiian and Puerto Rican refined sugar would be a gross discrimination against the people of New York. The Cummings bill, as it is now written, would ask New Yorkers to continue to pay sugar bounties and, at the same time, it would create unemployment for New York workers.

It is inconceivable that the people of New York would willingly pay a tax which would afford bounties to the very tropical refiners who wish to expand their production at the expense of the New York industry.

But the Cummings sugar bill, as it is now written, not only discriminates against New York in the matter of bounties. The greatest discrimination lies in the fact that Hawaii and Puerto Rico would be given the power to exercise a monopoly over a raw material which is absolutely essential to the continuation of the New York refining industry. Let us see how this comes about.

At the present time, Puerto Rico and Hawaii supply the United States refiners with about 1,700,000 tons of raw sugar. This raw sugar, as I have stated, is absolutely essential to the continuation of the refining industry in the United States because without raw sugar, a refinery is as useless as a flour mill would be without wheat. This being the case, there must be a steady flow of raw sugar to the refiners of this country.

Under the quota system, the refiners are permitted to purchase raw sugar from Cuba and the Philippine Islands, as well as from Puerto Rico and Hawaii, with a relatively small supply coming from the cane plantations of Louisiana and Florida. With a few unimportant exceptions, the refiners are prohibited by the quota law from purchasing their raw sugar from any areas except those which I have mentioned. For example, they cannot get their sugar from Java, Santo Domingo, Mexico, or Peru because those countries do not have a quota under the Sugar Act.

Of course, this is not strictly true because the refiners can buy a few tons of sugar from these foreign countries. But of the 4,600,000 tons of raw sugar which the refiners are permitted to purchase, only some 25,000 tons are from sources other than Hawaii, Puerto Rico, Cuba, the Philippines, and our Southern States.

Now, it is clear to me that if Hawaii and Puerto Rico are permitted to retain 1,700,000 tons of raw sugar for refining, the mainland refiners will be deprived of 1,700,000 tons of raw sugar because they are prohibited under the quota system from filling the gap from any other source of supply.

I know of no other American industry which is prohibited by law from buying its raw material anywhere except where the Government specifies, and I know of no other American industry which is prohibited by law from purchasing any raw material in excess of what the Government permits.

The New York coffee industry, for example, is not limited in its purchases of coffee beans. Congress does not dictate where it can buy its coffee. The New York rubber industry can buy its rubber from any source in the world and in as large quantities as it desires. But in sugar Congress does so dictate. About 40 percent of all the raw sugar now used by the mainland refiners is obtained from the plantations of Hawaii and Puerto Rico. Is it fair, is it equitable, is it sound for Congress to permit the plantation owners of Hawaii and Puerto Rico to monopolize that 40 percent? I do not think so, and the millions of people in New York do not think so.

If Congress gives subsidies to Hawaiian and Puerto Rican refiners, who are also growers, and then permits those same refiners to withhold their raw sugar, I think the death knell of the mainland cane-sugar refining industry will be sounded.

Now, there are a few more aspects of this discrimination charge. I have looked into the record and I have found that the Hawaiian and Puerto Rican sugar industries in 1933 were very happy to go along on a sugar program which limited their refining.

At that time their raw-sugar industry was seriously depressed, and their one concern was an improvement in their raw-sugar business, which is their major industry. Refining was then, and is now, merely an adjunct of the production of raw sugar.

And I also found out that in 1934 the Hawaiian sugar industry brought suit against Henry Wallace, the Secretary of Agriculture, to enjoin him from carrying out the provisions of the Sugar Act. The Hawaiians claimed that this Congress and the Department of Agriculture had grossly discriminated against them in the enactment and administration of the Sugar Act. After a lengthy case, the Court declared—Ewa Plantation against Wallace—that there was not one iota of evidence to show any discrimination in any regard against Hawaii.

Everyone in this House wants to be fair to the people of Hawaii and Puerto Rico. They are citizens of the United States and they should be treated as such. But everyone in this House also knows that from time to time Congress has had to recognize that there are special problems in Puerto Rico and Hawaii which call for special consideration when legislation is enacted.

This is noticeably true in the case of Puerto Rico. Puerto Ricans pay no income tax to the United States—in fact, Puerto Rico has an entirely separate tax structure. The Wagner Act does not apply to Puerto Rico; nor does the social-security tax; and, although the Wage and Hour Act does apply to Puerto Rico, nevertheless, every kind of pressure was brought to bear to exempt the island.

An abstract discussion of discrimination and citizenship has no relevance whatever to the question before us. Congress clearly has the power to limit the shipment of refined sugar from Puerto Rico and Hawaii. The courts have specifically ruled that this is the case. The only question before Congress is how that power should be exercised. The only relevant question is how much quota should go to the tropical refiners and how much quota should go to the mainland refiners.

And, looking at this issue, I think that the Hawaiian and Puerto Rican refiners have been treated very well. Congress set refined sugar quotas in 1934 which equaled their maximum previous shipments. They were not forced to curtail their refining. They were merely limited as to expansion. And, of course, they were given the right to supply the very substantial refined-sugar requirements of their own islands. With their local consumption business and their generous quotas for shipment to the mainland, the refiners in the American Tropics have not had to work under any hardship. But the mainland cane refiners received a quota about 25 percent less than their previous maximum production, and since 1934 the industry has not had a quota large enough to give much-needed employment to the men and women working in the refining plants.

This country has never been imperialistic toward Hawaii and Puerto Rico. The charge of imperialism is an extremely serious one, and I think that there are many Members of this House who resent it. After all, the quotas on refined sugar from Hawaii and Puerto Rico were in effect from June 1934 until March 1940, and Congress in 1934, 1936, and again in 1937 gave very careful scrutiny to the problem.

If the Hawaiian and Puerto Rican refiners want to send all of their raw sugar to mainland United States in a refined form, then they should come before Congress and agree, first, that they will not take bounties from the Federal Government, and, second, that they will be willing to have the mainland cane refiners purchase their raw sugar from any source in the world.

As long as bounties to the refiners in the Tropics continue, and as long as the Sugar Act prohibits a free purchase of raw sugar by the mainland refiners, there can be no grounds to support a charge of discrimination. Every group in the sugar business is controlled by the Sugar Act—farms, beet factories, cane mills, refineries, and importers. The very heart of the Sugar Act is control. In fact, the act is often referred to as the Quota Control Act.

I see no reason, and the people of New York see no reason, why that control should not be exercised for the advantage of refinery workmen as well as mainland sugar farmers and plantation owners. The great industrial States and our refineries should not be discriminated against, and the quotas on Hawaiian and Puerto Rican refined sugar should be restored.

Mr. BARRY. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, I am opposed to the amendment offered by the gentleman from New York, but unless this measure is amended so as to provide for a restoration of the restrictions

on refined sugar from the offshore areas, I intend to vote against the bill.

The sugar industries of Hawaii and Puerto Rico cannot claim that they have been unfairly treated under the Sugar Acts of 1934–37. Since 1934 they have received the enormous amount of $78,000,000 in the form of direct cash bounties paid out of the Federal Treasury.

The true situation is that the home-refining industry is the only branch of the American sugar system which meets its competitors without benefit of tariff protection or other subsidies. It receives no cash subsidies, and it asks for no special favors.

If Congress today decides to wipe out all quotas, all tariffs, and all subsidies in the sugar industry, I am sure that the home-refining industry will be able to stand on its own feet.

If the status quo of the artificial set-up of the 1937 quota bill is changed it will unquestionably have a severe adverse effect on the continental refineries, and refining is an essential part of the sugar industry.

Since Congress has decided to abitrarily set up a quota system, the continental refineries are entitled to protection.

It is my understanding that in the offshore areas the plantation and refinery are owned by the same people, and therefore the subsidies indirectly benefit the refineries.

The cry of discrimination against our possessions is not a sound one. We all recognize that there are a number of differences between a Territory and a State, and in some ways the Territory is the beneficiary, and in other ways the State.

I request you to pay attention to this. Recently the House Labor Committee recognized that the rules of the wage and hour law were injuring Puerto Rico and the Virgin Islands, and stated—

It is believed that the application to the islands of the inflexible minimum-wage rates prescribed by the act will cause serious dislocation in some insular industries and curtail employment opportunities.

And the Labor Committee recommended that the provisions of the Fair Labor Standards Act be relaxed. So that as far as our insular possessions are concerned it is not a one-way street.

Just as the Labor Committee recognized that the Wage and Hour Act caused serious dislocation in some industries in Puerto Rico and the Virgin Islands, so Puerto Rico and Hawaii should recognize that the abandonment of the quotas on the importation of refined sugar into the United States would cause a serious dislocation in the continental refining industry.

I therefore urge this House to support the amendment to be offered by the gentleman from Massachusetts [Mr. McCORMACK], which will restore to this bill the offshore-area restriction on the importation of refined sugar from the offshore areas.

It is a just amendment, and not in a broad sense discriminatory at all. [Applause.]

The CHAIRMAN. The question is on the motion of the gentleman from New York [Mr. CELLER] to strike out the enacting clause.

The motion was rejected.

Mr. McCORMACK. Mr. Chairman, I offer the following amendment which I send to the desk.

The Clerk read as follows:

Amendment offered by Mr. McCORMACK: Mr. McCORMACK moves to amend by adding two new sections, reading as follows:

"SEC. 4. Subsection (b) of section 207 of the Sugar Act of 1937 (relating to direct-consumption sugar from Puerto Rico) is amended by adding at the end thereof the following new sentence: 'This subsection is hereby extended so that not more than 126,033 short tons, raw value, of the quota for Puerto Rico for any calendar year may be filled by direct-consumption sugar: *Provided, however,* That the amount of said quota which may be filled by direct-consumption sugar for the calendar year 1940 shall not be less than the quantity of direct-consumption sugar from Puerto Rico actually brought into the continental United States, for consumption therein, after December 31, 1939, and up to and including the date of the enactment of this amendatory sentence.'

"SEC. 5. Subsection (a) of section 207 of the Sugar Act of 1937 (relating to direct-consumption sugar from Hawaii) is amended by adding at the end thereof the following new sentence: 'This subsection is hereby extended so that not more than 29,616 short tons, raw value, of the quota for Hawaii for any calendar year may be filled by direct-consumption sugar: *Provided, however,* That the amount of said quota which may be filled by direct-consumption sugar for the calendar year 1940 shall not be less than the quantity of direct-consumption sugar from Hawaii actually brought into the continental United States, for consumption therein, after December 31, 1939, and up to and including the date of the enactment of this amendatory sentence.'"

Mr. McCORMACK. Mr. Chairman, this is the amendment I served notice yesterday I intended to offer. This amendment simply puts into this continuing resolution what has been the law in relation to all sugar-quota legislation since 1934. Under the law at the present time Puerto Rico can bring into the United States about 800,000 short tons of sugar. This is the over-all quota, refined and raw. Up until February 29 of this year, and since 1934, of that approximately 800,000 short tons over-all from Puerto Rico, 126,033 short tons could be brought into the United States in a refined state. That gave some protection to the American sugar-refining industry. Under the continuing resolution, unless this amendment is adopted, Puerto Rico can refine all of its 800,000 tons of sugar of the quota allocated to it, and that means that the refineries of the United States will be deprived of obtaining raw sugar in order to continue their business and to keep their employees working. Since the first of the year and for the first 5 months of this year there has been imported into the United States from Puerto Rico 139,000 short tons. That gives you an idea of what the situation is. By the end of the year, unless this amendment is adopted, it is estimated there will be about 400,000 of the 800,000-ton quota brought into the United States in a refined state, and in about a year Puerto Rico will be able to refine all of its quota. Hawaii has a base quota of 938,000 tons, of which 29,616 tons can be brought in in a refined state. We are not taking anything away from them. We are simply giving to them the same consideration that was given from 1934 to 1940, and we are asking that in addition to protecting the beet and sugarcane producers that the American refiner be considered a part of the picture, and that the employees of these refineries be given opportunity to continue their employment.

Mr. O'CONNOR. Mr. Chairman, will the gentleman yield?

Mr. McCORMACK. Yes.

Mr. O'CONNOR. Does not the gentleman feel, if his amendment is adopted, that it will go a long way toward uniting labor and the farmers of this country in this time of peril?

Mr. McCORMACK. There is no question about that, and I thank the gentleman for his contribution.

Mr. COFFEE of Nebraska. Mr. Chairman, will the gentleman yield?

Mr. McCORMACK. Yes.

Mr. COFFEE of Nebraska. Will the gentleman give us any assurance that the President will not veto this bill if his amendment is agreed to?

Mr. McCORMACK. Mr. Chairman, I am surprised at my friend asking that question. This is one of the bodies of a branch of our Government. It is our duty, and our responsibility to legislate. I do not know why the mysterious impression is created here of a veto. I am sorry that my friend, whom we have given valuable support to in the past, is taking the position in opposition because of some word or some rumor. Two years ago we heard the same thing, and there was no veto.

Mr. CELLER. Mr. Chairman, will the gentleman yield?

Mr. McCORMACK. Yes.

Mr. CELLER. We had a Barry bill, and the Barry bill provided for the continuation of quotas of refined sugar from Puerto Rico and Hawaii, and the President was in favor of that quota.

Mr. McCORMACK. I do not think this House, because of some innuendo or intimation of that kind, will let that govern its action, and I am confident the House will not.

I know my friends in the beet areas are in a disturbed state of mind. Two years ago they made arguments much stronger in favor of this amendment than I can make today. My friend the gentleman from Colorado, and my friend the gentleman from Nebraska [Mr. COFFEE] both argued strongly in

favor of this particular provision of the bill. All we ask is that in the picture that the refiners and their employees be given consideration. We are not trying to hurt the producers. We are friendly to the producers. All we are asking is that the employees of the American refineries, and the American refineries with their capital investment, be given the protection that they are entitled to receive in legislation of this kind.

Mr. COCHRAN. Mr. Chairman, will the gentleman yield?

Mr. McCORMACK. I yield.

Mr. COCHRAN. It is also a fact that the cooperage interests and the lumber interests are vitally affected by the fact that they use sacks in the shipments from the islands, whereas barrels are used in shipments from the refineries in this country.

Mr. McCORMACK. Exactly, and there is the little story that is dependent on the refineries for the money to pay salaries.

Mr. D'ALESANDRO. Will the gentleman yield?

Mr. McCORMACK. I yield.

Mr. D'ALESANDRO. What effect would this amendment have on the consuming public?

Mr. McCORMACK. No more than it had in 1933 to 1940, because this is putting into this bill what was in existence in those years.

I hope my amendment will be adopted. [Applause.]

[Here the gavel fell.]

The CHAIRMAN. The Chair recognizes the Resident Commissioner from Puerto Rico.

Mr. LEWIS of Colorado. Mr. Chairman, I ask unanimous consent that the gentleman's time may be extended to 10 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Colorado?

Mr. BRADLEY of Pennsylvania. There is going to be no move to cut off debate later?

The CHAIRMAN. Without objection, the request of the gentleman from Colorado is agreed to.

There was no objection.

The CHAIRMAN. The gentleman from Puerto Rico is recognized for 10 minutes.

Mr. PAGÁN. Mr. Chairman, I arise to oppose the amendment and to discuss briefly before the House the sugar situation of Puerto Rico. First, I should recall that the sugar industry is practically our only important industry; it yields the greater part of the total income of our island, and gives opportunity for livelihood to thousands of our nearly 2,000,000 American citizens in Puerto Rico.

I take this opportunity to set forth the facts as regards the refined-sugar situation in Puerto Rico.

Puerto Rico has always fought for equal treatment with all other areas under the American flag in the matter of sugar, as well as in all other matters pertaining to the island. Ever since the island has been under the American flag it has tried to live up to all the traditions and requirements of the Federal Government. The island has assumed all responsibilities and obligations imposed upon it and is proud of the record its people have made as citizens under the American flag. It asks for nothing to which any other area under the flag is not entitled, and seeks no discrimination against any other area or any business enterprise in any other area. At the same time, we oppose any discrimination against the American citizens in Puerto Rico, and feel that it is fair that in the sugar-refining industry no legislation is approved by Congress that would raise a wall dividing continental American industry from offshore American industry, making an undesirable discrimination, as if the American citizens of Puerto Rico were a different or inferior class of American citizens and that our industry in Puerto Rico would be considered as foreign, at the other side of said wall.

From an economic point of view the island has grown rapidly in the 42 years under the American flag. While it has its problems, just as all other areas, some of which are acute, nevertheless, the island has risen to a position in the economic life of the Nation where it ranks as one of the best customers of continental farmers and continental manufacturers. In the last few years the rank of the island has ranged as high as sixth, in comparison with all the countries of the world, as a market for the products of continental farmers and factories. As a market, it last year ranked ahead of any country in South or Central America, and is a rapidly growing market. It purchases practically everything it buys from the mainland. In fact, it buys proportionately less foreign goods on the average than does the mainland itself.

In the case of refined sugar, the island simply wants the same right as that accorded to any other area under the American flag, namely, that of selling the products of its farms and factories in whatever form is for the best interests of the island, which, at the same time, affording more purchasing power to Puerto Rico, benefits the farmers and manufacturers in the mainland to whom Puerto Rico buys yearly near $100,000,000.

The island has four refineries and two or three raw producing units which make a small amount of washed or direct-consumption sugar. The combined maximum capacity of these mills, as established by the United States Department of Agriculture, based on a 300-day run, is 445,000 tons. However, only one refinery in the island has ever operated for as much as 7 months, and if all the refineries on the island operated for the full 7 months their maximum capacity would be 265,000 tons. However, in view of the fact that the refining season must coincide with the raw-sugar producing season, which averages 4½ to 5 months, the actual capacity is somewhere between 175,000 to 265,000 tons. Of this total, 30,000 tons is used for local consumption, leaving a probable refined output of 145,000 to 235,000 tons. This is an increase of somewhere between 19,000 and 109,000 tons more than the output during the last few years.

The refining of raw sugar, as everyone knows, is largely performed by machinery. The 1937 United States Census of Manufacturers shows that there were only 14,024 people engaged in the entire refining industry on the continent in 1937. This number refined 4,500,000 tons of sugar. Accordingly, it is not likely that unlimited refining of sugar in Puerto Rico would displace any labor in continental refineries.

While the refining industry in Puerto Rico will never be important as compared with the refining industry on the continent, nevertheless the island is extremely concerned about having its rights to refine its sugar discriminated against. Once one group on the continent or elsewhere is able to set up restrictions against the way in which the island sells its farm products, other competing groups will attempt to do likewise, with the result that the island will find its economic life severely crippled by those seeking competitive advantages. The island will ever regret such unjust treatment. It is undemocratic, and, in view of the island's record under the American flag, would result in a discrimination which its self-respecting citizens could not afford to accept.

Some of the eastern seaboard refiners, in an effort to enforce discrimination against the island, have sought to convey the impression that the refiners in Puerto Rico received special consideration from the Government under the sugar program, because it so happens that some of the refiners may grow sugarcane and obtain Government refund payments under the Sugar Act. Since the refund payment to sugar producers is made through the Government, this payment is sometimes considered similar to Government subsidy payments which have been made on other agricultural products and the subsidies obtained through tariff protection. The payment made to sugar producers is simply a refund of the taxes collected on the sugar they produce, and refunded to the grower on condition that they limit production, pay wage rates as determined by the Secretary of Agriculture, eliminate child labor, and follow certain practices designed to maintain soil fertility. If the grower carries out these regulations, all of which add to his cost, he gets back the tax that he pays to sell his sugar, except that if he is a large grower he does not get back the full amount of the tax.

In the case of Puerto Rico, the island as a whole, and especially the larger growers, has not gotten back the full amount of the tax, while costs have been greatly increased, because some of the sugarcane there, as in all sugarcane-producing areas, is produced in large units. These are all ascertainable facts and are known to the sugar trade generally. No one can be confused about them except persons who may not be familiar with the sugar-control system.

These eastern seaboard refiners know that refund payments on sugar are a refund of taxes which have been paid by the producers, and they should not seek to confuse this issue by combining these payments with tariff protection which may be considered in the first instance as a subsidy.

Puerto Rico benefits by the tariff system, as do all other domestic sugar-producing areas. The island has never sought to deny this, but does want it definitely understood that the refund payment in no way is connected with the tariff.

Moreover, whatever the benefits from the tariff are, the eastern seaboard refining industry has received proportionately as much subsidy as any branch of the sugar industry. For example, in the sugar hearings in 1937, Dr. Joshua Bernhardt, Chief of the Sugar Section, in testifying before the Senate Committee on Finance, points out clearly that the refiners received a subsidy on an average of $36,934,980 per year for the 3 years 1934, 1935, and 1936. On this basis the refiners have received a subsidy from the tariff since the sugar-control program went into effect—1934 to 1939, inclusive—of $221,609,000, while all refund payments made to the entire island of Puerto Rico under the Sugar Act totaled only $32,831,227. Thus, to claim or insinuate that the 14 continental refiners have not received a subsidy under the tariff is simply sidestepping the facts.

Moreover, an average subsidy of $36,934,000 per year is equal to a subsidy of about $2,500 for each person employed by the refiners, as against an average annual wage per employee of only $1,005, according to the last census. But, never satisfied, the refiners are seeking to obtain further protection in the form of a trade barrier against Hawaii and Puerto Rico. In a period, when with our Territories and island possessions as outposts in our great national-defense program, nothing should be done to impair national unity.

Not only do the eastern seaboard refiners enjoy a full measure of subsidies, but the quota system also protects the seaboard refiners in the extraordinary form of an embargo upon shipments of refined sugar to the United States, in excess of a stated quantity, from the principal competing foreign country, which is limited under present legislation to a quota for direct-consumption sugars of 22 percent of the sugar quota. And the refiners also have protection from importations of direct consumption sugars from the Philippines under the provisions of the Philippine Independence Act. They have been given protection by quotas against increased importation of liquid sugars, which in some areas and in some industries has tended to replace ordinary commercial refiners' sugar.

Apparently what the eastern seaboard refiners want to do is to say who shall and who shall not refine sugar, and in this connection they are simply being consistent with the past record of the refiners. In a letter dated August 7, 1937, addressed to Hon. PAT HARRISON, United States Senate, Secretary of State Hon. Cordell Hull said:

> It is believed to be against the public interests for the Government to grant any further measure of protection to a group whose record repeatedly indicates it would resort to monopolistic practices and conspire to restrain trade in violation of the antitrust law. Only a little over a year ago the United States Supreme Court upheld a lower-court ruling and found the Sugar Institute guilty on 40 separate counts of engaging in a combination and conspiracy to restrain trade in sugar.

The eastern seaboard refiners have insinuated that Puerto Rico's claim for unrestricted refining is in order that the island may increase its refining output rather than upon the principle of nondiscrimination. While discrimination against American citizens in Puerto Rico may not mean anything to the eastern seaboard refiners, it is very important and dear to the hearts of every Puerto Rican. Puerto Rico tries in every way possible to live up to the rights of citizens and its people cannot understand why any other group of American citizens should seek to have Congress discriminate against the island in any connection. It is not a matter of business or economic gain but a matter of equal opportunity and justice in the Democratic process that Puerto Rico bases its claim against discrimination.

Moreover, it should be understood, as previously pointed out, that fair and equal treatment of Puerto Rico, in the matter of refined sugar, does not mean any material change in the employment situation on the continent. This is indicated by further reference to the letter previously quoted from the Secretary of State, Hon. Cordell Hull, to Senator HARRISON, which, while referring specifically to Cuba, applies equally as well to the refined situation in Puerto Rico:

> In view of the highly mechanized nature of the sugar-refining business and the small amount of labor engaged therein (around 14,000 in the whole United States), no appreciable increase in employment could be expected to take place in this country if Cuban refined sugar were cut down.

It should be further understood that Puerto Rico has no quarrel with continental cane-sugar refiners. The island has supplied continental refiners with sugar for 40 years and has taken whatever price the refiners offered, and expects to continue this relationship. The continental refiners should be Puerto Rico's best friend. But, regardless of their attitude toward Puerto Rico, the island will fight to the last ditch, as would any self-respecting area under the American flag, against the injustice that would result from allowing a few refiners to establish discrimination against the island.

I hope the House will defeat the amendment proposed. [Applause.]

[Here the gavel fell.]

The CHAIRMAN. The Chair recognizes the gentleman from Texas, a member of the committee, Mr. KLEBERG.

Mr. KLEBERG. Mr. Chairman, it so happens that as a member of the House Committee on Agriculture and as one of those who has heretofore spoken on this matter, I have neither one single refinery in my district nor one single stalk of sugarcane nor one single sugar beet in the district which I represent. In addressing myself to this subject this afternoon, I do so with much more in mind concerning this legislation than it would be possible for me to express in the brief time given in this debate.

Of course, if this is to be a continuing resolution, Mr. Chairman, it should carry with it the entire set of restrictions, quotas, and everything affecting the entire sugar industry, as affected by the Sugar Act repeatedly adopted from 1934 on down through 1937, and a part of which came to an end in 1940—the part which came to an end in March of this year, the part that is sought to be put back into this measure to make it a real continuing act, by the amendment offered by my distinguished friend from Massachusetts [Mr. MCCORMACK].

Sugar legislation and the difficulties which attend it can only be understood by those who strive and work with it. I had hoped personally, with the experience I have had in working on this matter, never to be brought again into this vexatious question. I recall my beloved friend the gentleman from Colorado, FRED CUMMINGS, once a cowboy like I was, and the way he worked on the Sugar Act of 1937, trying to bring about an agreement between the discordant elements that entered into this picture. Of course, to consider only the producing end of the sugar industry leaves out that part of the industry which makes it useful to the consumer, the finished product for consumption. Now, were this bill to provide such restrictions and such effects upon the beet-sugar mills as that which affects the cane-sugar refiners, you would find my friend the gentleman from Colorado [Mr. CUMMINGS] and my friend the gentleman from Nebraska [Mr. COFFEE] tearing their hair and gnashing their teeth over the prospects. Of course, my friends will recall the fights that have occurred heretofore between the producers and processors in different lines, but

just like the United States of America and its enterprises, all of our allied industries depend one upon the other, and in the final analysis upon the consumer, for productive returns. So in considering this picture which we have before us today, let us be fair and face the limited facts upon which this argument is based.

In the last act the question of discrimination was raised during the discussion of this question. The gentlemen who are now arguing against replacing the restrictions which existed heretofore in all the acts up to this time under the quota aimed their ideas of discrimination at Hawaii and Puerto Rico as raw-sugar producers, not as refined-sugar producers, and referred to cheap labor engaged in the production of sugar.

Today we find the question of discrimination presented from a different angle. That is one of the points, but that is not the crux of this question. It has been noised abroad, conferences have been held even like those held in 1937 when the Secretary of State and the Secretary of the Interior even went to the White House and presented a picture which reflected as they claimed a discrimination against American citizens—the citizenship of Puerto Rico and Hawaii.

As a matter of fact, however, every country, State or section of the country which produces sugar had to accept a certain compromise which could be shown to be discriminatory. This, because it is impossible to make a set of restrictions or quotas which would affect all with absolute equality. Everyone, every section, and every part of the industry under the legislative plan had to give and take, yes and expect, certain inequalities in the application and effect of the law.

My position, Mr. Chairman, is taken, however, for the benefit of all concerned and to prevent destruction of one of the vital branches of the industry.

Congress should amend the Cummings bill, H. R. 9654, to restore the quotas on refined sugar from Hawaii and Puerto Rico. In doing this, Congress will, for the fourth time, decide that under a sugar-quota system, there should be protection for home labor and industry as well as protection for tropical labor and industry.

The only argument that has ever been made for eliminating the refined quotas on Hawaii and Puerto Rico is that they are, in some way, a discrimination against these islands. Congress has heard that point argued, back and forth, for 6 years, and it has never found any merit in it.

In 1934, when the first Sugar Act was written, the charge of discrimination was raised on this floor. But it was not given serious consideration at that time by anyone, because the sugar-producing industry—including Hawaii and Puerto Rico—was anxious to have legislation drafted which would stabilize their raw-sugar production. We all know, of course, that it is raw sugar and not refined sugar which is of real importance to the people of the Tropics.

Congress passed the sugar bill in 1934 with quota limitations on refined sugar, the bill was sent to the President, and it was duly signed. And when the President signed the bill in 1934, he emphasized the importance of raw sugar but he did not even mention the quotas on refining.

In June 1936 Congress passed a joint resolution to modify and extend the Sugar Act. I stress that the joint resolution was "to modify" as well as to "extend" the act. But at that time there was no discussion or consideration regarding the quotas on tropical refined sugar. Congress simply extended the Sugar Act, and it extended that act with all of its complements, raw-sugar quotas, refined-sugar quotas, processing taxes, bounties, and so on.

In 1937 Congress, both in the House and the Senate, had a long-drawn-out discussion of this sugar issue. Congress started to consider sugar in January 1937, and it did not finish the job until September of that year. For 8 months the Members of Congress heard the arguments pro and con.

The heart of the sugar debate in 1937 was the very same issue which is before the House today; that is, whether or not there should be quota limitations on refined sugar from Hawaii and Puerto Rico. At that time the charge of discrimination was made by the Secretaries of Agriculture and the Interior. Discrimination was analyzed and discussed in great detail from every conceivable angle, not only in the committees of the House and the Senate, but on the floor of Congress.

We all recall what happened in the Committee on Agriculture when it wrote the Sugar Act of 1937. It used the Sugar Act of 1934 as a basis. When the committee came to the refined-sugar quotas it continued them as an integral part of the quota system. After the bill was reported to the House with the refined quotas included, the committee was criticized by the Departments for doing so. The committee, in order to be sure of the fairness of its position, reanalyzed the whole problem, and again voted decisively to maintain the refined quotas in the bill.

When the bill came on the floor for vote, my colleague and good friend, the gentleman from Texas, MARVIN JONES, the distinguished chairman of the Committee on Agriculture, offered an amendment to eliminate the quotas on refined sugar from Hawaii and Puerto Rico. But those of us who recall his remarks at that time remember that he was doing the job of a soldier. He did not seriously question the wisdom or propriety of his own committee's decision to keep limits on tropical refining. He even went so far as to admit that the sugar problem was an extremely complicated one and that there was a great deal to be said on both sides of the question. The only real reason that my colleague from Texas gave for eliminating the refined-sugar quotas in 1937 was that, if not eliminated, the bill might not become law. The House, by a substantial vote, decided to maintain the quotas on tropical refining in order to protect American workmen.

And when the bill went to the Senate, there were more charges of discrimination. But when the bill came up for vote, the Senate did the same thing it did in 1934 and 1936; it continued the refined-sugar quotas. And I want to quote from the RECORD what Senator HARRISON, of Mississippi, said when the bill was on the floor:

> When we write into this proposed legislation for the third time a similar provision, putting a limitation on direct-consumption sugar from Puerto Rico and Hawaii, how can it be said that the measure will be vetoed? (p. 9341).

Senator HARRISON was right. The bill, including the refined-sugar quotas, was sent to the President and it was signed.

Now, there are a lot of people who have spoken about a restoration of the refined-sugar quotas in this sugar bill. To me there is no restoration at all. What this House is going to do today is to continue the refined-sugar quotas as they were provided for in 1934, in 1936, and in 1937. It makes no difference to say that the quotas on Puerto Rican and Hawaiian refined sugar terminated on March 1, 1940, and, consequently, we are now restoring them. Actually what we are doing is continuing the Sugar Act of 1937 and, as a part of that continuation, we are continuing the refined-sugar quotas.

Senator HARRISON has explained why the quotas on refined sugar from Hawaii and Puerto Rico terminated as of March 1, 1940. He said on the floor of the Senate in 1937:

> We fixed the date March 1, 1940, in the hope that when Congress meets in 1940 we will have at least 2 months during the session of Congress which will begin in January to pass legislation that will take care of this situation (p. 9341, Aug. 19, 1937).

And he gave this further warning to the sugar industries of Hawaii and Puerto Rico:

> I do not want them (the American tropics) to make any investment (in sugar refineries) on the basis that I am going to vote a continuation of any bill without a restriction on refined sugars from those possessions or anywhere else coming into this country. They may make that argument, but they will not get anywhere with it.

Unfortunately, Congress did not have the time to enact sugar legislation before March 1, 1940, and this has brought a hardship upon the men working in our home refineries,

because refined sugar from Puerto Rico and Hawaii is not now restricted.

I firmly believe that the amendment to restore the quotas on Puerto Rican and Hawaiian refined sugar should be enacted. The only possible argument against these quotas is the fact that the Department of Interior and the Department of Agriculture have claimed that they are "discriminatory" against what we know to be a highly subsidized industry.

I cannot help but feel that the Members of this House who have joined with the Departments of Agriculture and Interior in taking this position are much more concerned about the fear of a possible veto rather than really convinced that the amendment would involve any discrimination against Puerto Rico or Hawaii. And I want to point out at this time that the original 1940 Cummings bill (H. R. 8746), which was rejected by the House Committee on Agriculture, was characterized by the administration as being discriminatory because it proposed to expand the production of beet sugar without providing for a corresponding expansion of cane sugar in Hawaii and Puerto Rico.

I repeat that it is a fear of a veto rather than an abstract principle which is behind the shift that has taken place in certain quarters regarding the propriety of imposing refined-sugar quotas on Hawaii and Puerto Rico.

My friends and colleagues on the House Committee on Agriculture, the gentleman from Colorado [Mr. CUMMINGS] and the gentleman from Nebraska [Mr. COFFEE], thought in 1937 that the charge of discrimination was a smoke screen thrown out in an attempt to expand refining by cheap tropical labor at the expense of well-paid American workmen. A review of the RECORD shows that they gave vigorous support to the 1937 Sugar Act which included the refining quotas.

If the possibility of a veto is the crux of this matter, let us face it. The President did not veto the Sugar Act in 1934 or 1936 or 1937 when Congress provided refined quotas as well as raw quotas. Certainly, if Congress decides four times in a row that there is no discrimination involved in refined-sugar quotas, this may carry some weight.

The Constitution provides that the Congress of the United States shall write the laws of this country. If fear of the veto power dominated congressional action, the legislative process would be frozen solid. No piece of legislation would ever be enacted if the President or the departments hinted that it was unacceptable. The Congress of the United States represents the people of the 48 States, and it is charged with the responsibility of considering and enacting the laws for those people. To shirk this responsibility would be a violation of the trust which the people have reposed in the Members of this House.

The approval by Congress of the refined-sugar quotas on the tropical islands for the fourth consecutive time will be evidence that Congress is determined not to discriminate against the people of continental United States or any citizen or group to a destructive degree; but, on the contrary, to be as fair and impartial as possible to all.

The CHAIRMAN. The Chair recognizes the gentleman from South Carolina [Mr. FULMER], a member of the committee.

Mr. FULMER. Mr. Chairman, you have only had a very small taste of sugar this afternoon, but during the present session before the Committee on Agriculture we have had extensive hearings on various sugar bills; in fact, we heard so much about sugar it reminded me somewhat of my trip to California last November investigating the forest problem. Everywhere I went all I heard was "ham and eggs," known as the California old-age pension plan, in fact so much so that it kept me hungry during my whole stay in that wonderful State. [Laughter.]

The gentleman from Michigan [Mr. CRAWFORD], a very distinguished Congressman, and a good friend of mine, stated that if you put the McCormack refining sugar quota amendment in we would have additional imports and it would interfere with the producers of sugar beets and sugarcane in this country. Mr. Chairman, whether this amendment is placed in the bill or left out of it will not have anything to do with increasing imports. Listen to the real purpose of this bill and you will see that the gentleman is mistaken.

The bill extends for an additional year the provisions of the Sugar Act of 1937, that is, permits the Secretary of Agriculture to make accrued payments for the crop years of 1941 and previous years. This bill also extends the quota provisions and the conditional benefit payment provisions which will expire December 31, 1940, unless the Cummings bill is passed. In other words, the McCormack amendment does not have anything to do with imports.

By means of yearly marketing quotas on both raw and refined sugar, Congress since 1934 has divided the American sugar market among the various sugar producing and refining groups. The Cummings bill leaves out refining quotas which the McCormack amendment proposes to place in the bill as follows:

	Tons
1. The beet-sugar refinery	1,400,000
2. The tropical refiners (mostly Cuba and Puerto Rico)	600,000
3. The home cane sugar refining industry	4,300,000

It is my understanding that prior to the passage of legislation in the interest of the sugar groups the beet refining people refined only about 700,000 tons, but under the refining quota program as just stated the beet-sugar refiners receive a quota of 1,400,000 tons. I cannot understand for a minute how this amendment will interfere with the beet-sugar interests of the country, either the growers or the refiners. But the passage of this bill without the inclusion of the McCormack amendment could play havoc with the refiners in the United States in that it would permit Puerto Rico and especially Hawaii to increase their refining of sugar perhaps 800,000 tons or more. This would be as stated at the expense of the refiners and the laborers who work in the refineries of the United States.

The reason the committee did not report a real sugar bill to the House was because we had before our committee about five or six different sugar groups, all of them having different views and interested in different bills. We could not, therefore, get them together, and we could not get the committee together on a real comprehensive bill.

You have heard in the discussion all about this legislation, and I need not take more of your time. I hope that the McCormack amendment will be voted in and that the bill will be passed, for the reason that it is very necessary that we pass this extension of the 1937 act.

Mr. MANSFIELD. Mr. Chairman, will the gentleman yield?

Mr. FULMER. I yield.

Mr. MANSFIELD. Is it not a fact that without the McCormack amendment the quota from Puerto Rico and Hawaii will actually be increased, for the reason that they will bring it in in the refined state, whereas if it is imported in the raw state 3 percent is lost in refining?

Mr. FULMER. I so understand.

Mr. MANSFIELD. That gives them 3 percent over what they have at the present time.

Mr. FULMER. I thank the gentleman for his observation, and I yield back the balance of my time. [Applause.]

The CHAIRMAN. The Chair recognizes the gentleman from Kansas [Mr. HOPE], a member of the committee.

Mr. HOPE. Mr. Chairman, I am opposed to the McCormack amendment because I am opposed to putting any quotas or limitations upon the manufacture of anything in any part of the United States. That is what the McCormack amendment does, it puts a limitation upon the manufacture of sugar in certain parts of the United States. If that amendment should impose a limitation upon the manufacture of sugar in Massachusetts, or New York, or New Jersey, I would be just as quick to oppose it. There is nothing in the present Sugar Act that puts any limitation upon the manufacture of sugar anywhere, and I do not believe this Congress should put itself on record as saying that there

ought to be a limitation or a quota in any State or any part of the country upon the manufacture of any legitimate product.

Mr. OSMERS. Mr. Chairman, will the gentleman yield?

Mr. HOPE. I am sorry, I do not have time to yield.

If we recognize such a doctrine, then some day somebody will come along and put a limitation upon the amount of flour we can manufacture in Kansas. I do not believe there is a Member of this House who would want to recognize the doctrine that Congress has the right to say that any part of this country must have its right to manufacture limited.

Mr. KLEBERG. Mr. Chairman, will the gentleman yield?

Mr. HOPE. I am sorry, I cannot yield. I have but 5 minutes.

There has been a great deal of camouflage in connection with the debate upon this measure. This amendment is spoken of as something designed to benefit labor. As a matter of fact, there are about 14,000 people employed in the refining of cane sugar in the United States; 14,000 people out of some 30,000,000 people gainfully employed in this country.

Mr. VAN ZANDT. Will the gentleman yield?

Mr. HOPE. I cannot yield. I will anticipate the gentleman's question by saying there are other people who are indirectly dependent upon the sugar-refining industry in the United States. There are just as many and more who are dependent, however, upon the domestic sugar industry in this country, because there are employed in the domestic sugar industry in the United States, including Hawaii and Puerto Rico, some 300,000 people, and in the continental United States there are employed something like 90,000 field workers and something like 10,000 factory workers in the manufacture of beet sugar. Beet sugar in this country offers us our greatest opportunity perhaps to use surplus agricultural acres. It is a deficit crop; and I may say to my friends from Florida and Louisiana, as well as those coming from other beet-producing sections, that I am in favor of producing in the United States all of the sugar we can, and I think if properly encouraged we can produce in the United States all of the sugar that we require. To do that, however, we must have protection.

The cane-refining industry of this country is opposed to protection. It is opposed to the beet-sugar industry—and I am not criticizing them for that attitude, because they are not served by protection, they are served by free trade—and for this reason, and because of the fact that their interests are diametrically opposite, we have ever a conflict there. I hope that none of my friends from the beet-producing sections of the country will be misled today into thinking that they should support this amendment, because fundamentally we have two different groups here who are fighting. It is too bad, but it cannot be helped. There is no interest, so far as the refiners are concerned, which is not in conflict with an increase in the production of beet sugar in this country. That conflict has always existed. It is unfortunate. I hope those of us who are interested in the beet-sugar industry will, in order to protect that industry, support the bill unamended, because it is necessary.

[Here the gavel fell.]

The CHAIRMAN. The Chair recognizes the gentleman from Maine [Mr. BREWSTER].

PROTECTION

Mr. BREWSTER. Mr. Chairman, I was very gratified to hear my friend the gentleman from Kansas stand up for the policy of protection. I recognize that this issue is very vitally involved, but any implication that those of us supporting the McCormack amendment hold any antagonism to the domestic-sugar industry is unwarranted on the record being written here today. We stand for the same protection for the domestic-sugar industry and for the refining industry as well, and most of the advocates of that policy have stood together in accomplishing the legislation which has hitherto prevailed—until it lapsed a few short months ago.

The refining industry has existed for years. As a member of the Committee on Agriculture, representing neither a refinery, a beet-sugar, or a sugarcane section, I have listened to the arguments of the various Members. I have not heard one word suggested by my friend the gentleman from Colorado as to why there is any warrant for a change in the position which he himself has hitherto held except the subtle and apparently sufficient suggestion that he feared the President would not approve.

I submit that if our legislation is to be tailor-made at the White House, then we might as well close up shop and go home. I say that as a legislative and deliberative body, it is our duty to determine our legislation in accordance with what we believe to be the best interest of the people and the constituents we represent.

If the President shall hold different views, that is his right under the Constitution, but until that measure comes back here with good and sufficient reasons why our attitude should be changed, and before we jettison the cargo, before our sugar-beet friends throw overboard the refining industry with which they have been for a long time associated, it would be well for them to stand firmly for the protection of all those concerned here in the United States.

I share the sympathies expressed by my friend from Puerto Rico. I realize the problem they have; but I submit the solution of their problem is not to be found in throwing overboard the 14,000 workers and all the others dependent upon a great industry that is here represented. We are confronted with a condition and not a theory. No fine-spun argument of American territorial rights can blind us to the fact that without the McCormack amendment we are destroying the sugar-refining industry in the United States and turning it over to the peon labor of Puerto Rico. As a Member on this side of the aisle—I will not undertake to speak for the other side—since we have taken over William Green and John L. Lewis in the past week, I hope my friends on this side will show that this newfound alliance with labor will represent something in the action of this Congress and that we will record ourselves as being in favor of protection for American labor, and do that without delay. [Applause.]

Mr. HEALEY. Will the gentleman yield?

Mr. BREWSTER. I yield to the gentleman from Massachusetts.

Mr. HEALEY. May I say that there are 18,000 workers directly employed in this industry, not 14,000.

Mr. BREWSTER. I am glad to be corrected.

Mrs. ROGERS of Massachusetts. Will the gentleman yield?

Mr. BREWSTER. I yield to the gentlewoman from Massachusetts.

Mrs. ROGERS of Massachusetts. I was interested in what Members on the majority side had to say if the McCormack amendment went in that the President might veto it; but it did not prevent their voting for a bill the other day condoning child labor. Surely he ought to veto that if he lives up to pronouncements against child labor. I hope that the President will veto it. He has protested so much against employing child labor. I do not see how he can sign a bill that condones it. It is vital to the fourteen to eighteen thousand sugar refiners that the McCormack amendment be adopted—and to the sugar industry as a whole in this country. I do not believe the President will veto the bill with the McCormack amendment in it.

Mr. MICHENER. Will the gentleman yield?

Mr. BREWSTER. I yield to the gentleman from Michigan.

Mr. MICHENER. There seems to be some question whether there are 14,000 or 18,000 refiners involved. I may say to the gentleman, if he is talking about protection, that there are 70,000 beet growers involved in addition to the dozens of beet-sugar factories employing thousands and thousands of individuals, plus the fact that this sugar for the factories is produced in America.

Mr. BREWSTER. As I tried to make clear, the advocates of the McCormack amendment are ready to accord the same consideration to beet and cane sugar domestically grown that was agreed to in 1937 and 1934. We feel there is no reason for now going back upon an arrangement that was equitable then and is equitable now.

[Here the gavel fell.]

The CHAIRMAN. The Chair recognizes a member of the committee, the gentleman from Oregon [Mr. PIERCE].

Mr. JONES of Texas. Will the gentleman yield?

Mr. PIERCE. I yield to the gentleman from Texas.

Mr. JONES of Texas. Mr. Chairman, I ask unanimous consent that all debate on this amendment and all arguments thereto close in 1 hour and 20 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Texas?

There was no objection.

The CHAIRMAN. The Chair recognizes the gentleman from Oregon [Mr. PIERCE].

Mr. PIERCE. Mr. Chairman, when we came here in 1933 the sugar-beet industry, like all agriculture, was prostrate. It was a losing game everywhere. We enacted the first law in 1934, and recovery commenced to take hold. The factories opened. Farmers commenced to raise sugar beets at a profit. The Congress reenacted that law in 1937, and business went forward. The law expires this year. We on the Committee on Agriculture found it impossible to agree on the terms of a permanent law, as we should have done, taking care of the various interests, so we come with this bill today simply extending the present act for 1 year.

Just think of what will happen if we adopt the McCormack amendment and the bill is vetoed. The sugar-beet industry would be ruined and our raw-sugar markets open to the world. Cuba can produce all the sugar we use in the United States, and the few sugar factories in New York and Philadelphia may prosper, but is the rest of the country to have no consideration?

There are almost a million acres of land in sugar beets. Much of that land cannot be planted to another crop which can be grown profitably. Almost a million people are directly interested. I am counting the sugar workers and the farmers and their dependents and I am counting the refineries out in the sugar-beet districts. If you adopt this amendment and the bill is vetoed you are destroying an industry that is today producing almost one-third of all the sugar of our country.

I recognize that our brilliant colleague from Massachusetts with his ability can almost make black look white. No man on this floor can present a proposition so plausibly. He presents his case just as if it were an ordinary question of protection for an industry. It is, in fact, to protect certain refineries which fear there will be an increased production in refined sugar in certain parts of the United States, namely, Puerto Rico, and Hawaii.

Mr. HEALEY. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. HEALEY. How many gentlemen have requested time, and how much time will be allotted to each Member speaking on this amendment?

The CHAIRMAN. The Chair has listed 32 names and, under the unanimous-consent agreement, debate is limited to 1 hour and 20 minutes.

The Chair recognizes the gentleman from Michigan [Mr. HOOK].

Mr. HOOK. Mr. Chairman, I happen to come from one of the largest beet-growing States in the Union. I have been informed that those representing the beet growers in the State of Michigan and the eastern beet area are in favor of the McCormack amendment. They do not oppose that amendment. I hear talk about its restricting beet production. I cannot understand the arguments along that line, because we have not used up the quota that was allotted to the beet growers in Michigan and I understand that is true nationally, so why worry about it?

Mr. HEALEY. Mr. Chairman, will the gentleman yield?

Mr. HOOK. I yield to the gentleman from Massachusetts.

Mr. HEALEY. How can this continuing resolution possibly affect the production of beet sugar?

Mr. HOOK. It cannot.

Mr. HEALEY. It keeps it as it has been since 1934.

Mr. O'CONNOR. Mr. Chairman, will the gentleman yield?

Mr. HOOK. I yield to the gentleman from Montana.

Mr. O'CONNOR. Is it not a fact that if we pass this bill it freezes the production of beets at present levels?

Mr. HOOK. No; it does not.

Mr. O'CONNOR. In what way does it not? You are not allowed any increase in quota for production.

Mr. HOOK. You have not even used up your quota yet.

Mr. O'CONNOR. I understand, but I am talking about the future.

Mr. HOOK. This bill continues the act only 1 year.

Mr. O'CONNOR. What I am talking about is that this bill does not provide for an increase in production in the future.

Mr. HOOK. Yes; but this is only for 1 year. This is not a permanent thing.

It is claimed that any limitation upon the refining of sugar in the American Tropics is a discrimination against American citizens down there.

Who are the Puerto Rican refiners who say that they are being discriminated against? The facts show that there are only two important refiners in Puerto Rico and that they have got 82 percent of the business down there. One is known as the Puerto Rican-American Sugar Refining Co., which is owned 100 percent by the richest family in Puerto Rico—the Serralles. The other refinery, located a few miles away, is owned by the Roig family.

Mr. HEALEY. Mr. Chairman, will the gentleman yield?

Mr. HOOK. I yield to the gentleman from Massachusetts.

Mr. HEALEY. Does either of these families pay an income tax?

Mr. HOOK. Neither one of these families pays an income tax, although they have incomes ranging from $2,000,000 to $4,000,000.

The discussion of this sugar problem, which has taken up so much time of the House, centers around these two Puerto Rican families, and whether or not they are being fairly treated.

Let us look at the Serralles family, of which the present head is one Juan Eugenio Serralles. This family owns two sugar mills with thousands of acres of sugar land. It operates a rum distillery and owns the biggest refinery on the island. The value of all of these properties is estimated at $10,000,000, and this great wealth is concentrated in one family living on an island which is one of the most wretchedly poor in the world.

What is the Roig family? They own two raw-sugar mills and thousands of acres of cane land, and they have made plenty of money on their refinery at the expense of the workmen in the refineries in the United States.

Now, both of these Puerto Rican families, Roig and Serralles, have been made rich by the sugar consumers of the United States. For many years, these families have received direct and indirect subsidies on their production of raw sugar and this, and this alone, has enabled them to build refineries to unfairly compete with the home industry. Since 1934 these two families alone, as raw-sugar producers, have received over $2,000,000 from the Federal Treasury, and about $20,000,000 more as subsidies from consumers here.

Now, no one knows how much money these two families make each year out of the sugar hand-outs. These so-called American families do not pay American income taxes, and they make no statement of their financial condition to the United States Government. However, on the basis of the earnings of other sugar companies in Puerto Rico, it can be estimated that they make a combined net income of somewhere between one and one-half and two million dollars a year.

Now the Roig and Serralles families have their sugar plantations and refineries but a few miles from the Lafayette plantation which was purchased by the United States Government in 1936 through the Puerto Rican Reconstruction Administration which operates under the Department of the Interior. When the plantation was purchased a study was made by the Government of the labor and social conditions there.

And what did this Federal agency find on this typical sugar plantation? It reports that "most of the workers' houses consist of one and two rooms and a kitchen." Rents paid run around 30 cents to 50 cents a week, and the report further shows that 87 percent of these poor workers' houses have no bathing conveniences of any kind, and none of the towns in which these sugar workers lived is equipped with any system of sewerage.

What kind of food do these workers have? The Government reports that "the staple food, of the Puerto Rican sugar peasants, consists of vegetables, mainly tubers, and codfish for lunch, and rice and beans for dinner." Thirty-five percent of the families reported that they had only black coffee for breakfast and 40 percent reported that they did not use milk in their daily diet.

And, finally, the Government reports that " the result—of the diet—is a case of general debility and malnutrition and great susceptibility to disease."

Now, I cannot understand any reason why this House should adopt sugar legislation to enlarge the profits of the Roig and Serralles families. Such an increase in profits would come about if Puerto Rico is permitted to expand its refining of sugar. Certainly, the extension of refining in Puerto Rico could not raise the Puerto Rican worker out of the terrible poverty in which he finds himself under the plantation system on that island.

I trust the McCormack amendment is adopted.

This is the amendment I offered in committee, which was defeated by a small margin, but since that time some of the members, who voted against it in committee, after further study, now favor it.

Mr. MARTIN J. KENNEDY. Mr. Chairman, as a New York City farmer, I would like to appeal to the Representatives from the 17 Western States who were here yesterday crying on our shoulders asking for our votes. It seems to me that from the time I came to Congress I have been hearing of the farmers' plight and their distressed condition and the importance of helping them. We have been giving that help throughout the years, and today we find the Representatives of the farmers that we have always helped ready to throw the sugar refiners in our part of the country to the wolves.

Those of us who come from New York City feel that unless this bill is amended, by the adoption of the McCormack amendment, that it will be an unfair bill not only to the refiners but to our city and our community. Our plight in New York City is probably worse than that of the farmers. Our mayor, about 2 weeks ago, found it necessary to appoint a committee to attract business to our city. It seems that many of our buildings are empty, factories idle, and we have to get some financial help. I hope my farmer friends will not let us down by taking this business away from our city refiners.

Mr. O'CONNOR. Mr. Chairman, will the gentleman yield?

Mr. MARTIN J. KENNEDY. I yield.

Mr. O'CONNOR. Would it be possible for the Western States, sparsely settled as they are, to get any bill through this House for reclamation purposes if we did not get the support of the industrial East?

Mr. MARTIN J. KENNEDY. The gentleman is absolutely right, and I am very glad to have his statement as he is one of few Members here who has always been mindful and appreciative of the cooperation of the East.

The American Federation of Labor adopted the following resolution in support of the McCormack amendment:

Whereas the refining of raw cane sugar in continental United States gives employment to thousands of workers affiliated with the American Federation of Labor; and

Whereas the jobs and pay rolls of the sugar-refinery workers have been reduced since 1925 by the flood of refined sugar which has been imported into this country from Cuba, Hawaii, Puerto Rico, the Philippines, and other tropical islands; and

Whereas a further loss in jobs and pay rolls will occur after 1940 unless these workers receive an adequate protection in the Sugar Act to be written in that year: Therefore be it

Resolved, That this convention, the fifty-ninth of the American Federation of Labor, go on record as recommending that an adequate protection (through tariffs, quotas, or otherwise) be provided for the sugar-refinery workers in any sugar legislation which may be developed by Congress in 1940, and under no circumstances should there be any further expansion in the importation of refined sugar made in the tropical islands for our market; and be it further

Resolved, That the American Federation of Labor does endorse and advocate protective legislation for these workers.

Your committee recommends approval of the purpose of this resolution and would refer it to the executive council for study and action.

The report of the committee was unanimously adopted.

Mr. PETERSON of Georgia. Mr. Chairman, this House should not adopt the Cummings proposal without first adopting the McCormack amendment.

We have located in my State, at Savannah, a refinery that is possibly in closer proximity to the refineries of Puerto Rico than any other refinery in continental United States. Our refinery buys its raw sugar in the raw-sugar markets of this Nation and of the world. The refineries in Puerto Rico are owned by the same group who own the raw-sugar-producing plantations of Puerto Rico. The figures from the Department of Agriculture show that two refinery groups alone receive annually under the provisions of the Cummings resolution approximately $600,000 in the form of subsidies and bounties. Now, Mr. Chairman, this means that before those two refineries in Puerto Rico have refined 1 pound of raw sugar, they have already received bounties and subsidies in the sum of $600,000 annually. Against that, our refinery has not received 1 penny. Now, you are proposing under this Cummings resolution to make our refinery go into competition with those refineries that, with $600,000 of annual subsidies, can easily undersell and put out of business our continental refineries, not only in Savannah, but those along the entire Atlantic seaboard. Now, is that fair or is that just? I believe in equality with respect to all groups, but you are not giving it under this Cummings resolution unless you modify it by protecting your refineries and those engaged in the refining industry of this country with the McCormack amendment.

Mr. COFFEE of Nebraska. Mr. Chairman, will the gentleman yield?

Mr. PETERSON of Georgia. I yield to the gentleman.

Mr. COFFEE of Nebraska. The gentleman realizes, does he not, that in the event this Sugar Act should expire, the tariff goes back to $1.50 and the processing tax comes off?

Mr. PETERSON of Georgia. Probably so, but then you are treating your refineries in all parts of the United States on an absolutely fair and equal basis, which you are not doing under the Cummings resolution unless the McCormack amendment is adopted.

The people of Georgia are opposed to the enactment of the Cummings bill, H. R. 9654, unless that bill is amended to restore the quota limitations on refined sugar shipped here from the American tropics, Puerto Rico and Hawaii. The Cummings bill is unacceptable because it would continue the Sugar Act of 1937 for 1 year without guarding the interests of American labor and capital in the sugar-refining industry.

Georgia does not have any production of sugar beets or sugarcane (for sugar) but it does have a large and important refining industry at Savannah. Savannah is one of the oldest and most important seaports in the South. What happens to Savannah and Savannah industry is of interest to everyone in Georgia. The refining of cane sugar is one of the most important industries in Savannah, and if the Cummings bill is enacted in its present form, this Savannah industry will receive a heavy blow. The people of my State do not want to see a flood of refined sugar from the tropics coming into Georgia and other States.

Down in Savannah there is one of the most modern cane-sugar refineries in the world. It has the capacity to produce over 2,500.000 pounds of refined sugar a day. Georgia's cane-sugar refinery is big enough to make five times as much sugar as is consumed in Georgia each year. At the present time the Georgia cane-sugar-refining industry has annual sales of over $20,000,000. A good part of this sum goes to pay the producers of raw sugar, and a large part of it goes to the Federal Government as taxes on that sugar. A substantial part of this $20,000,000 stays right in Georgia and creates purchasing power for local labor and local industry, which is of tremendous importance to the State. The Savannah refining industry purchases equipment, cartons, sugar bags, chemicals, and other supplies from every State in the South.

I do not see any reason why Congress should enact legislation in 1940 which will increase refining in Hawaii and Puerto Rico and decrease refining in my State. Who are the Puerto Rican refiners? The Government's records show that there are only two refineries of any size in Puerto Rico. These refineries are owned by the Roig and Serralles families. According to the reports of the Department of Agriculture, these refining families have received about $2,000,000 from the Federal Treasury since 1934 as bounties upon their production of raw sugar. At the same time these families pay, according to the Governor of Puerto Rico, some $7 or $8 a week to the refinery worker.

The Cummings bill (H. R. 9654) does not give any subsidies to the Georgia refining industry. It does not help Georgia labor. The bill does not provide any assistance to my State. On the contrary, by permitting the expansion of tropical refining, it would reduce the output of one of the most important industries in Georgia.

It is obvious under these circumstances that the people of Georgia must ask for the defeat of the Cummings bill unless it is amended to provide for the restoration of the quotas on Hawaiian and Puerto Rican refined sugar as were provided in the Sugar Acts of 1934 and 1937.

Mr. OSMERS. Mr. Chairman, I yield 1 minute of my time to the gentleman from Pennsylvania [Mr. VAN ZANDT].

The CHAIRMAN. Without objection it is so ordered.

There was no objection.

Mr. OSMERS. Mr. Chairman, the statement has been made here, probably more in facetiousness than in any other way, that in my previous remarks I advocated free trade. I made the statement that the only unit in the American sugar system that could maintain itself without protection and without subsidies is the American cane-sugar refining industry. Those of you who remember my vote on the reciprocal-trade agreements, those of you who know of the plants in my district that have been closed by the free trade we have today in many lines, know full well that I would certainly be the last Member of this House to speak in behalf of free trade. I think it would be better to say that I came here to speak and speak to you again to urge the adoption of the McCormack amendment because I want to protect an American industry that has demonstrated itself as efficient over a long period of years.

The CHAIRMAN. The time of the gentleman has expired.

Mr. VAN ZANDT. Mr. Chairman, the people in my State, Pennsylvania, vigorously oppose the enactment of the Cummings bill (H. R. 9654), unless that bill is amended to restore quota limitations upon the amount of refined sugar to be imported each year from Puerto Rico and Hawaii.

Pennsylvania has, at Philadelphia, the largest cane-sugar refining industry in the world. Three refining plants give employment to thousands of persons, and create a purchasing power for Pennsylvania commodities which is felt all over the State. It is one of those Pennsylvania commodities—coal—in which I am particularly interested.

There are millions of employees in such coal States as Pennsylvania, West Virginia, Virginia, Illinois, Ohio, and Tennessee, who want to see quotas maintained against tropical refining, because an increase in tropical refining means a decrease in their sales of coal. In this regard, thousands of men in the United Mine Workers of America have voiced their objections this year against any further expansion of tropical refining.

The home cane-sugar refining industry is a very large user of coal. Last year it paid about $2,500,000 for coal and coke, and its indirect consumption of coal, through its purchases of gas, electricity, and steam, brought the total close to $3,000,000. This enormous consumption of coal arises from the fact that the refining plants must not only have power with which to operate their elaborate refining equipment—mixers, centrifugals, granulators, packaging machinery, and so on—but they also must heat great quantities of water for the purpose of washing and purifying the raw sugar.

To the noncoal States the consumption of $3,000,000 worth of coal a year may appear to be a small quantity. But the purchases of $3,000,000 of coal mean the creation of $1,500,000 of wages in the coal mines. And it must be recognized that the coal industry in Pennsylvania has suffered severe losses of business in recent years. This decrease in the output of Pennsylvania coal has meant an increase in unemployment and a drying up of purchasing power for the industry of the State generally.

The coal industry has made every conceivable attempt to win back some of its lost markets and to stop any further shrinkage of those markets. And every worker and every coal operator recognizes that if there is an expansion of tropical refining, there will be a contraction in the volume of coal which is marketed. This follows automatically because the refineries in the Tropics do not consume coal as do the refineries at home.

I repeat that the refining of raw cane sugar in the tropical islands does not utilize coal as fuel. Practically all the refining done in Cuba, Puerto Rico, Hawaii, and the Philippines is done on plantations as an adjunct of the growing of sugarcane and the production of raw cane sugar. The fuel which is used in the production of raw sugar and in the refining of that raw sugar is bagasse. Bagasse is the dried pulp which remains after the cane juice is crushed out of the cane stalk. The burning of bagasse, rather than coal, means that with the development of tropical refining, there is an immediate loss in the market for American coal. And as I have stated before, the depressed coal industry in Pennsylvania and other important coal States cannot afford to lose any more markets.

Let us look at the facts about the losses which the coal industry has suffered from the development of tropical refining. Before 1925 there was no refining done in the Tropics for the American market. After 1925 the industry had a rapid growth, largely because there was no protection afforded American refining workers. In the last 15 years—since 1925—6,841,000 tons of refined sugar have been imported from Cuba, Puerto Rico, and other islands. This is equivalent to the output of the home cane-sugar refining industry for about 1½ years. The refining industry now uses about 600,000 tons of coal and coke a year. Therefore, since 1925 there has been a displacement, due to tropical refining, of about 900,000 tons of American coal, worth about $4,500,000.

Unless properly amended, the Cummings bill, H. R. 9654, will further reduce the output of the refining industry by a maximum of 1,500,000 tons a year, or by about 35 percent. In the next 15 years, therefore, if Hawaii and Puerto Rico refined all of their raw sugar, it would mean, as a maximum, a loss of some 22,500,000 tons, which is worth well over $100,000,000.

These figures on possible losses are maximum. But they are sizeable enough, even if reduced by one-half or two-thirds, to make every "coal-minded" person in the United States opposed to an increase in refining on the subsidized plantations of Puerto Rico and Hawaii.

And even if tropical refining did not displace a ton of Pennsylvania coal, the people in my State and district would be 100 percent against tropical refining. Workers in the coal industry have suffered from heavy losses of employment. But they remain closely knit and well organized—organized

to help one another and their Pennsylvania fellow workers. Unionized coal workers do not want to see unionized sugar-refinery workers thrown out of jobs by unorganized cheap labor in the Tropics. Pennsylvania coal workers and Pennsylvania refinery workers are 100 percent together on this proposition.

The Cummings bill, H. R. 9654, should be amended to restore quota limitations upon refining in Hawaii and Puerto Rico. Unless this safeguard for Pennsylvania industry and labor is provided, the bill should be defeated.

Mr. LEONARD W. HALL. Mr. Chairman, for the protection of the great sugar-refining industry and its thousands of employees, I hope that the committee will adopt the McCormack amendment.

There are numerous reasons why the amendment should be adopted and the quota limitations of the 1937 law continued in force.

The positions of many thousands of employees in domestic sugar refineries are in danger. With these plants now working at only 60 percent of capacity, it is not difficult to foresee what will happen if our domestic industry is put further in competition with the refineries of our offshore islands. No one objects to competition on a fair and equal basis, but when you consider that the rate of wages in our domestic refineries is 70 cents per hour and upward, and the rate of wages in our offshore islands is $10 per week, you can readily see the dire results to our domestic refineries if these quota limitations on refined sugar are not placed in the law.

Furthermore, the offshore producers and refiners are one and the same people. As producers they have received subsidies from the Government. Our domestic refiners receive no subsidy. I ask you, is this competition on a fair and equal basis?

Another question might be asked: Is there any leading industry in the United States whose source of supply is limited to particular areas, as in the case of the refining industry, so that any reduction in the available supply of raw material from these areas by processing them means just that much reduction in volume in the industry here? The answer must be "no," and yet the Cummings bill proposes to do just that to the domestic sugar refining industry.

New York is the oldest and largest cane-sugar refining State in the Union. New Yorkers are proud of that industry. It is modern, efficient, and it employs well-paid American workmen who are 100 percent unionized. Certainly, New York does not want the Cummings sugar bill enacted unless it is amended to protect the interests of the New York industry and its employees by restoring the quotas on refined sugar from Hawaii and Puerto Rico.

Mr. CALDWELL. Mr. Chairman, this has resolved itself into something of a sham battle over what is really a nonessential. Whether this amendment is agreed to or not makes no particular difference. It is just a battle whether you continue one more parasite on the body politic. The important thing however is what this bill actually does, and I shall point out a few of those phases of the bill that actually stand out.

What is this bill we have under consideration? What does it do?

In the first place it is a bill which restricts the production of an absolutely essential nonsurplus commodity—sugar. We produce in this country less than one-third the amount of sugar we consume.

In the next place it is a bill of destruction; its passage will require the destruction of thousands of acres of growing sugarcane in this country. The attention of those on the Republican side of the aisle who wept so copiously over the slain little pigs is directed to this angle.

In the next place it is a bill which denies to American labor, American agriculture, and American citizens generally the right to produce an agricultural crop which we do not now have, but which we must secure from other shores.

In the next place it is a bill which penalizes the American consumer for the benefit of the New York owned, Cuban, and other off-shore producers.

In the next place it is a bill one of the main purposes of which is to continue the payment of enormous subsidies to corporations engaged in the production of sugar. Some of those subsidies exceed one-half million dollars to individual corporations.

In the next place it is a blow at national defense. It is in connection with this phase of the question that I want to speak briefly.

Both the Army and the Navy insist that sugar is a prime essential. It is doubtless one of those essentials about which the report on a recent naval bill had the following to say:

> We should acquire stock-piles of essential raw materials, not only for our military establishments, but also for our industrial establishments, for a period of at least 2 years, and develop the necessary facilities to use the essential raw materials available on this continent and prepare for the possible use of substitutes.

Instead of restricting—subsidize what is necessary.

It is just as important for our "defenders"—whether they be soldiers or sailors—to have adequate food supplies, as it is to have guns, tanks, planes, and ammunition. If the soldier is too weak from hunger and exhaustion to pull the trigger, what use is the gun?

Sugar is the cheapest and at the same time one of the quickest sources of energy known to man. Athletes about to enter some severe test of strength and endurance are frequently given sugar to increase their strength and prolong their endurance. The same method could and should be applied to soldiers. It is said by military experts that the German troops continued their relentless drive day after day without rest, because they were supplied with a form of concentrated energy which took the place of food and sleep, and it is the consensus of those military experts that the base from which this concentrated energy is made, is sugar.

Under the present sugar law, which certain special interests are trying so hard to continue for another year, continental United States is permitted to produce only 30 percent of continental consumption of sugar. The other 70 percent is imported from offshore areas and foreign countries.

Of those offshore areas supplying the United States' market, in round numbers, a million tons comes from the Philippines and a million tons from Hawaii. Of necessity all this sugar must be transported in ships. Unfortunately for our national economy, the ships which have heretofore engaged in such transportation are owned and controlled 40 percent by Japan, 40 percent Scandinavian (now German), 10 percent Dutch (now German), and 10 percent American (United States and Canadian).

Japanese vessels have already been ordered to stay in Asiatic waters for the time being. You know without my telling you what has happened to the Scandinavian and Dutch ships. Consequently there is a serious problem now to find bottoms to bring us the sugar we have so foolishly allocated under the quota system to those far-flung outposts. The Philippines and Hawaii may be able to bring to the United States their full quotas this year, but I am reliably informed that they will in all probability fail because of inadequate shipping facilities to supply their quotas by more than 300,000 tons.

But what about next year? We may be at war—God forbid! But even if we were not actually engaged in military or naval campaigns, we will be in the midst of a most brutal and relentless economic war with the totalitarian powers. In spite of our wonderful, growing Navy, Japan or Russia could and would in the twinkling of an eye cut us off from our 2,000,000 tons of "essential" raw material—sugar—from the Philippines and Hawaii.

Other offshore areas upon which the United States depends for this essential raw material—sugar—are Puerto Rico, which in round numbers sends us a million tons, and Cuba, 2,000,000 tons. Transportation facilities from Puerto Rico and Cuba are in very nearly the same predicament as those from Hawaii and the Philippines. A large portion of the ships engaged in transporting from Cuba and Puerto Rico are Scandinavian.

The problem of transportation is serious now. What will it be this time next year, or next month? The only routes available to ships plying between Puerto Rico, Cuba, and United States ports are those which are most vulnerable to attack and which most likely would be attacked first by an enemy of the United States. Thus 4,000,000 tons of essential raw material, essential food, if you please, may easily be lost to us.

The questions to be decided are clear-cut and easily understood.

If you are against the restrictions of an essential nonsurplus crop, vote against the bill.

If you are against the destruction of growing crops, vote against the bill.

If you are for the American farmer and the American laborer and in favor of his right to work and to produce, vote against the bill. If you are for the American consumer, vote against the bill.

If you are against the payment of tremendous subsidies to paunchy corporations already gorged with taxpayers' money, vote against the bill.

If you are for national defense in its primary and fundamental form—the supply of food for American people—vote against this bill. [Applause.]

Mr. O'CONNOR. Mr. Chairman, there are two fundamental principles involved in what is before the House this afternoon. The first is whether or not we are going to give as much as we can of the American market to the American producer. It appears to me from this bill that the Committee on Agriculture is not only trying to give away the American market to foreign nations for sugar but likewise the American market for labor to our offshore possessions. I want to call the attention of this Agricultural Committee of the House to the fact that the standard of living is much lower in our offshore possessions than it is in the United States. Both the Democratic and Republican Parties pledge themselves in platforms to give to the American producer the American market which has been definitely violated in regard to the American farmers.

The second is whether or not we are going to give our American market for labor to our offshore possessions. I deeply sympathize with the people in Puerto Rico and in Hawaii in regard to unemployment, but I also sympathize more deeply with about nine or ten million unemployed people in this country, and if it comes to a question of taking care of somebody in Puerto Rico or Hawaii or taking care of somebody in Utah or Montana or Colorado, I am in favor of giving the work to the American laborer, and taking care of the unemployed in our offshore possessions, because it won't cost so much. I am going to support the McCormack amendment because I think the American market for labor should be reserved for the American laborer.

Mr. Chairman, every day—perhaps every hour—whole new chapters are being added to the history of civilization. Things of such terrific consequences to the world and to the United States are happening so swiftly it is difficult to grasp and to evaluate them.

It is clear to us here in Congress and to the American people that these are times of dire peril—these are times when there must be sincere unity of purpose and of action if we are to preserve for future generations all the ideals of America—all the cherished institutions of the American form of democracy which we hold so dear.

So great are the problems that confront Congress that I do not feel I have a right to consume much time in discussing the sugar bill that is now before the House. I do feel I should make a brief statement, however, because I was a member of the special, unofficial committee of Representatives and Senators who sought to write a new sugar bill.

In Montana—in the second district, which I represent—there are old-established sugar-beet factories. Montana has hundreds, yes, thousands, of farmers, sugar-factory workmen, railroad employees, coal-mining workers, livestock men, and others who depend for their daily living on the profitable production and sale of sugar beets. I owe to all these Montana people a clarification of my views in regard to this pending sugar bill.

When our unofficial joint committee set out to draft a sugar bill, I made it clear that, in my opinion, I felt the legislation should give the American sugar producer more of the American sugar market. This view was entirely consistent with my belief that, as far as possible, the American agricultural market belongs to the American farmer, and not to the farmers of any other country. We must not forget that our farmers pay the taxes. They are the ones who have property the assessor can find. In addition, on every other agricultural product our farmers enjoy practically 90 percent of the American market. Why discriminate against them in regard to sugar? We raise 29 percent of our consumption.

I tried to have written into the new sugar bill the proposition that the American producers of sugar, and all those thousands indirectly allied with the sugar farmers, should have the benefits that come from supplying the American market. I supported a plan that would have given the farmers of Montana and other States a larger share of the domestic market.

The bill we are considering now does not contain the provisions that I tried to get in it and which the Montana sugar farmers are insisting should be in it. Furthermore, under the parliamentary rule governing the consideration of the bill, we are not permitted to amend it so as to get such provisions in the legislation.

I had hoped that there would be an opportunity for me to offer, from the floor, the amendments that would have given the Montana sugar farmers what they are asking—and that is simply for the chance to supply a greater amount of the American market with the sugar the American people consume.

That opportunity is being denied.

I just want to continue for a few minutes to amplify my thoughts on this subject.

I feel that this is a time when the United States can ill afford to curtail any agricultural production. This is no time to freeze production of foods at the present level. It is being freely stated that the United States may quickly become the world's bread basket—that we may have to supply the refugees from war-battered Europe with whatever food they are going to have. This war is not over in Europe. I have a hunch that France is not dead yet. You know dead things crawl sometimes.

I say, and I believe it to be entirely logical, that if we are likely to become the world's bread basket then we are just as likely to become the world's sugar bowl. Sugar is an essential food. We all know that. Sugar may be stored indefinitely without any loss. It might be the part of wisdom for the Government to buy up the surplus sugar for just such an emergency as we are talking about.

If there is anything to the premise that the United States is in danger of becoming entangled in a war, then it becomes even more necessary that we do nothing here in Congress that would endanger our national supply of essential foodstuffs.

It is perfectly easy to imagine a time in the future when all the sea power this Nation has or can muster will have to be put into use for sea warfare. Such a situation would eliminate our opportunity to bring sugar from island producing areas and would leave our people entirely dependent on the sugar that could be produced right here in continental United States.

It would not be possible for us to grow enough sugar under the limiting restrictions of the quota system as it exists now and as it would operate under this proposed extension of the sugar law.

Of course, I realize the quotas could be suspended by Executive order, as has been done in the past, but that would not help much in a time of emergency. It would only produce more confusion in the sugar industry, as it has done already when such a procedure has been invoked.

When a nation is involved with an enemy in the horrors of armed conflict, that is no time to propose that the Army and the Navy and those who support them in the field and on the seas should live on Executive orders in lieu of food. You cannot grow sugar beets and you cannot raise sugarcane on a hit-or-miss basis. Like any other branch of agriculture, the production of sugar must be an orderly and systematized process to be successful.

Gentlemen, it seems to me that it is obvious that this is a time when we should urge that our agricultural resources of all kinds, particularly essential foodstuffs, be built up to the maximum. No one can say what our needs are going to be, but we know that it takes a lot of food to keep a nation of 130,000,000 people at full fighting strength.

And if our Nation has to fight again—and God knows I pray that it will not—this time it will not be any war according to the rules of international law, or according to some such regulations as a Spalding's Official Guide for War. It will be a long, cruel, and bitter conflict, with economic and agricultural resources counting as heavily as resources of armaments.

We all know that war brings higher prices for everything. The cost of living will rise, and rise rapidly. Does it seem logical, in such a circumstance, for us to deliberately enact a law that will add still more to the cost of living—a law that will prevent the maximum production and use of an essential food as sugar when we have the land, the seed, and the manpower and machinery to produce and process the crop?

Montanans, Mr. Chairman, have additional reasons for not liking the kind of sugar bill that is before us today.

They have favored, and have benefited by the resettlement program that has been worked out and put into operation in recent years. Montana farmers have geared themselves to meet the requirements of this program. They have, as far as they have been able, put their farm establishments in order so they could meet every requirement, comply with every regulation.

Think how it disrupts all this careful planning—all this effort to cooperate with the Federal Government in making the resettlement program succeed when the Government upsets the apple cart by imposing restrictions on the growing of one of the crops—sugar beets—that these farmers had been counting on heavily to meet all these requirements and regulations.

Then there is the broad-scale water-conservation program, involving many irrigation and reclamation dams and reservoirs in Montana. This highly desirable program has been worked out over a long period. Throughout the time I have been in Congress I have given my full support to this water-conservation program. I have done all I could to help foster and develop it.

The program, as the Federal Government projected it, calls for 100-percent repayment in virtually all cases of the money the Government advances for the dams and reservoirs. To meet the repayment schedules the farmers of Montana must grow cash crops. The Government demands cash, not sugar beets or any other crops, when the payments come due.

So the farmers of Montana and other Western States make plans and preparations to pay in cash and on time. And to do this means it is necessary that they be permitted to plant the crops for which they can get cash—the nonsurplus crops, such as sugar beets.

The fair thing, in my opinion, gentlemen, would have been for those in charge of the sugar program to say to the American farmer something like this:

"World affairs are in a critical stage. The picture is confused. But one thing is certain: America is going to need food. Whether we get into war or whether we do not, the American people will have to have sugar.

"As it stands now, the American beet and cane sugar growers produce only a small fraction of the sugar the American people require.

"You go ahead and produce all the sugar you can in Montana and all the other States. It will take a lot for our own people and a whole lot more for the starving millions of war refugees in other lands.

"An then, if we find that you American farmers cannot produce enough sugar for our own needs and for those who will look to us for help, then we will buy sugar from the islands that can produce it.

"But right now the American sugar market goes as far as possible to the American sugar farmer."

That is what I think should happen.

That is what I hoped to accomplish when it came time for considering the sugar law in this Congress.

Under the restrictions imposed in this body and in the bill before us, for the time being, such an accomplishment is absolutely barred.

Mr. MANSFIELD. Mr. Chairman, I represent a district that has a sugar refinery in it, which refines approximately 250,000 tons a year. The major portion of that sugar comes in a raw state from Hawaii and Puerto Rico. The producers of that raw sugar get all the benefits that the law allows in the way of subsidies. The refinery gets nothing under the present law; neither are they asking for any subsidy. They are simply asking that if this law is to be continued the same quota protection shall be given to the refiner that is given to other branches of the sugar industry.

It does not injure the beet-sugar industry to the extent of one-thousandth part of one cent. It does not injure the cane-sugar industry of Louisiana or of Florida. It does not affect them. It only provides that the larger proportion of the sugar brought in shall be in the raw state rather than in a refined state, as will be the case if this bill goes through without the McCormack amendment.

It will be one of the greatest disasters to a large industry that the Congress has ever passed in its history if this quota is not sustained as it has been in former years.

TEXAS AND REFINED SUGAR—1940

The people of Texas do not want to see the Cummings bill (H. R. 9654) enacted unless it gives their sugar-refining industry an adequate protection. This means that the Cummings bill must be amended to restore the quotas on tropical refining in Puerto Rico and Hawaii as provided in the Sugar Acts of 1934 and 1937. If not so amended, the Cummings bill should be defeated as being discriminatory not only against a great Texas industry, but against all the people of my State. In days gone by, Texas did raise sugarcane, but now her sugar industry is entirely devoted to refining.

The modern industry, located at Sugar Land, near three or four great Texas ports, unloads some 250,000 tons of overseas tropical raw sugar each year for refining and distribution. The Texas refining industry has annual sales of some $20,000,000 a year, and this creates a purchasing power in my State which benefits thousands of businessmen and workmen.

Sugar is refined in Texas and other States by well-paid American workmen, living under American standards. I do not expect that Congress will wish to harm these American workingmen.

Now, I have nothing but the highest regard for the people of Hawaii and Puerto Rico, and I know that they have many problems to solve just as we do. Their major industry is the production of sugarcane and its conversion into raw sugar. They have always sold that raw sugar in the highly profitable American markets. Each year since 1934 these islands have received on the average a protection, through their raw-sugar quotas and bounties, of some $100,000,000 a year. This protection, of course, was afforded by consumers in Texas and other States.

Hawaii and Puerto Rico did not refine raw sugar for the mainland market before 1925, and no one can contend that the expansion of refined sugar in Hawaii and Puerto Rico is going to bring any noticeable increase in the income and general welfare of the people of those islands. Their livelihood is primarily dependent on raw sugar, not on refined.

The only objection that I have ever heard to the restoration of the refined-sugar quotas on Hawaii and Puerto Rico has been that such quotas would be a discrimination against American citizens living in those islands.

I do not understand the problem that way. It seems to me that the Sugar Act limits the activities of everyone in the sugar business, whether producers, processors, or refiners. The essence of the quota system is limitation, not expansion.

The home refiners are limited because they are prohibited by law from purchasing sugar except in those quantities and from those sources specified in the act. Hawaii and Puerto Rico are two of the most important sources of the supply of raw sugar. It is obvious to me that if the tropical sugar industry is permitted to withhold its raw sugar for refining, then the home refiners will be deprived of an essential source of their raw material.

Under these circumstances, it is reasonable and fair for Congress, if it is to continue the quota system, to restore the limitations upon Puerto Rican and Hawaiian refining. [Applause.]

Mr. MURDOCK of Utah. Mr. Chairman, it seems that just at this time no speech is made on the floor of this House unless some reference is made to its relation to and bearing on the national defense. It seems that no legislation debated in the House today, regardless of its character, is not in some way beneficial to our national defense. Battleships, airplanes, motorized equipment, rifles, and all other munitions of war are, of course, absolutely indispensable in our national defense. But they are not the most important element, for after all they have to be manned by soldiers, and soldiers cannot man ships, planes, tanks, and artillery without an adequate supply of good food.

When it comes to food, there is nothing in our diet more important and more essential than sugar. This country, in my opinion, should not be dependent on any foreign nation for any part of its food supply which it can supply for itself. In speaking of foreign countries, I even include Cuba and the Philippine Islands. Cuba is a foreign country, and the Philippine Islands soon will be. I do not want, at this time, to do anything that will interfere with or injure the Philippine Islands or Cuba unless it becomes necessary in adequately taking care of Americans.

One of our big problems now, and which has been facing us for a quarter of a century, is our surplus farm crops. We have done much during the last 8 years to ameliorate and correct this difficult problem. We have made some progress, but there is still much to be done. There are some crops in the United States which may be described as deficit crops. One of those crops is sugar. Why should there be any restriction on the production of sugar, either from beets or cane, within the United States? We have proved our efficiency in the production and in the processing of sugar beets and sugarcane. It can no longer be classed as an inefficient industry. Of course, we cannot compete with tropical and breechclout labor. We do not want to—we do not have to. Seventy-five thousand farmers in the United States today are engaged in the raising of sugar beets. More than a million acres of land are planted to sugar beets. Thousands and thousands of laborers are employed in the beet fields. Other thousands and thousands of American laborers are engaged in the beet and cane refineries. Their economic security is a liability of this Government. Their social welfare is a liability of this Government. We must and we will provide for their welfare and livelihood. Why, when we have a deficit crop like sugar, would not it be good, common horse sense and sound economy to plant every acre we can in sugar beets and sugarcane, taking this acreage out of the production of wheat, corn, cotton, and other surplus crops?

As a matter of sound economy today, as a matter of national defense, as a matter of fairness and equity among all Americans, I take the position that we should raise every pound of sugar and refine every pound of sugar that we possibly can within the United States. American farmers and American labor are our first problems. Charity should begin at home. When we take care of American labor and American farmers, and not until then, should we be looking elsewhere to bestow our bounty and generosity.

Give a Utah farmer 10 acres of sugar beets and he becomes independent. It is Utah's best agricultural cash crop. We cannot exist in that State unless we raise sugar beets. We have learned to depend on this crop. It would be unfair and unjust to refuse to protect Utah farmers and Utah beet-sugar factories.

At the last meeting of the sugar bloc in Congress, Representatives and Senators from sugar-beet States were demanding an expansion of sugar-beet acreage. We did not want to hurt or injure any refinery in the United States. We did propose to decrease the Cuban quota 200,000 tons, and to allocate that quota so as to expand cane and sugar-beet production in the United States. But we were very careful and cautious in considering the matter not to injure the eastern refineries. Our recommendation was that in whatever amount the Cuban quota was decreased it should apply exclusively to refined sugar. How different our attitude was to the attitude expressed by Mr. Bunker before the Agriculture Committee, and Mr. Dalton, spokesman for the eastern refineries. Mr. Bunker was questioned by the gentleman from Nebraska [Mr. COFFEE] at the hearings before the Agriculture Committee. He admitted that the eastern refineries could not be hurt by decreasing the Cuban refined quota and permitting some expansion of continental beet and cane. But he took the "dog in the manger" attitude and said in substance, "while that would not injure us at all, we will refuse to go along with you on it, unless we get part of the expansion." I know this is not the attitude of the distinguished gentlemen from Massachusetts in this House, particularly JOHN MCCORMACK and ARTHUR HEALEY, nor is it the attitude of the gentleman from Pennsylvania [Mr. BRADLEY], and other Representatives from refinery States, but it was the expressed attitude of the people for whom they now speak and ask this amendment.

Representatives from beet-sugar States today find themselves in a precarious position. By the grapevine route and by innuendo, we have been advised that a veto is indicated if the McCormack amendment is adopted. I know it is the wish of every man from the West that he could join our good friend, JOHN MCCORMACK, in his amendment. He and his colleagues from the big industrial States have been very helpful to us in the West; in fact, they have been generous. I know that if votes from the West are cast against the McCormack amendment today, he and his colleagues from the East will understand our position. We were given to understand that the administration would not go along with us on an expansion of beet acreage at this time. We deplored this fact, and it was not until after many weeks of consideration and negotiation that we finally came to the conclusion that the best we could do at this session of Congress was to get an extension of the present Sugar Act.

Before closing, I want to devote a little time to the questions of whether there is a world market for sugar, and whether so much talk about the great subsidy to the sugar industry of the United States, by some people, is really justified.

It is my understanding, and I have given considerable study to the question and contacted many economists who are expert in this field, that there is no such thing as a world market for sugar. The great quantity of sugar produced in the world is sold in protected markets, very similar to the market in the continental United States for the sugar produced in Cuba. What Dr. Ayres referred to as "the world market" is simply the market that exists for dumping sugar, or sugar that is dumped onto the open market, particularly London, after the producer has sold nine-tenths of his product in a protected market. Not to exceed 10 percent of the world production is sold in this dump market. How can it be said that a market for such dump sugar could in any way or by any stretch of the imagination be set up or described as a world market? But Dr. Ayres and some people very prominent in the present administration, in figuring out to the public what a great subsidy the sugar industry of America is getting, use this dump market as their criterion in

comparing prices paid in America by the housewife for sugar, and what she might pay were it not for what they call this huge subsidy.

Let us analyze just what would happen if the United States had to depend upon the so-called world market for its supply of sugar. To begin with, the 10 percent of the world production which is dumped into this market amounts to about 3,000,000 tons—less than one-half enough to supply the annual consumption within the United States. So, in order to even supply the United States, it would be necessary, would it not, to increase this 3,000,000 tons by the 6,500,000 tons consumed in the United States, or making the total tonnage of sugar available in this so-called world market 10,000,000 tons? Will it be contended by anybody, if the United States had to go into this market and purchase its entire supply, that it would not immediately cause a very abrupt rise in the price of sugar on this fancied world market? Is there any reason to believe that the price under such conditions would be one cent cheaper than we are getting our sugar for under the present system?

It is necessary to turn back a decade to find a period in which the demand for sugar in the world market approached 10,000,000 tons. The demand approximated that volume in each of the years 1928 and 1929, but the average price for those years was twice the average price for 1938. To make available a supply of 10,000,000 tons in the world market would require a tremendous expansion of production in some sugar-producing areas, and it is folly to imagine that the production would be undertaken at recent or current price levels, which would guarantee the producers nothing but losses.

The false assumption that the current so-called world price would be the determining factor in domestic price is the basis on which the Secretary of Agriculture has accused the domestic industry of receiving a hand-out of $350,000,000 annually to the injury of the domestic consumers.

At current consumption levels of approximately 6,608,000 short tons, raw value, or 123,514,500 bags, refined, the $350,000,000 represents about $2.83 per hundred pounds of refined. As of March 20, 1940, the net cash price of refined cane sugar in the New York market was $4.41 per hundred pounds, including the processing tax. It is to be noted that beet sugar, constituting approximately a quarter of the total supply, is offered at 10 to 20 cents per hundred pounds refined under cane. If we deduct the asserted protection of $2.83, we have left $1.58 per hundred pounds refined. No one familiar with the sugar industry can sincerely argue that in the absence of protection the American consumer would buy sugar on a basis of $1.58 per hundred pounds. Out of this $1.58 it would be necessary to provide production costs of the raw sugar, transportation and insurance to the continent, refining costs, and loss in converting from the raw to the refined state. It is interesting to note, in connection with the imputed figure of $1.58, that the price of refined sugar in Cuba on May 1, 1939, was $3.84 per hundred pounds. Cuba is an exporting country with an unmarketable surplus, while the United States imports a substantial part of its supply.

In addition to the beet growers who will benefit by the proposed legislation are all those who are dependent on the sugar industry in Louisiana, Florida, Puerto Rico, Hawaii, Philippines, Cuba, and other foreign countries. In addition to our people who are directly dependent upon sugar are those in other industries and producers of other commodities, such as coal, transportation, cotton, and so forth, who will receive substantial increase in purchasing power.

As to corn, wheat, rice, tobacco, and other crops, the Department of Agriculture asserts and reasserts the necessity of increasing prices to restore farm purchasing power. Consistency requires the same attitude toward efforts in behalf of farmers who produce sugar beets. Small wonder that a farmer who grows both grain and sugar beets should be much puzzled by the attitude of the Secretary, who strongly favors parity prices for his grain and at the same time successfully obstructs his opportunities for parity prices for sugar beets.

Along the same line may I insert here a paragraph taken from a report submitted in 1935 by a special committee appointed by the British Parliament to study the sugar industry. This paragraph refers particularly to the character of the world market, or free market. It follows:

> The surpluses which at present form so large a part of the free market supplies are "dumped" sugar and, since in some cases they represent only a small proportion of the total production of the country concerned, the price which is obtained on the free market may be a matter of comparative indifference. In these conditions the price ruling on the free market has no necessary relation to the true economic price of sugar in the sense of the price which would prevail in conditions of free trade. Nevertheless it is this dumped sugar in the contracted free market which determines the world price.

It seems to me that what I have said quite completely refutes the theory of some people that if we would do away entirely with any protection to our domestic sugar industry and rely exclusively on the world market that we would save money for the American housewife in her purchase of sugar.

May I also say just a word, Mr. Chairman, on what appears to me to be rather an inconsistency in our agricultural program? As a Member of Congress for 8 years now, I have been voting for an agricultural program which subsidizes corn, wheat, rice, tobacco, and other agricultural crops. The purpose of our farm program has been to restore purchasing power to the American farmer. Is the American sugar-beet farmer, or the American sugarcane farmer any less entitled to protection than any other farmer? Is he not just as important in our economic and in our social set-up as the cotton farmer, the corn farmer, or any other farmer? In my opinion, we cannot make any distinction between American farmers on the basis of what they grow. Sugar is one commodity of which the United States is the No. 1 consumer. We consume annually more than six and one-half million tons. We produce about one-fourth of this amount. Is it little wonder, then, that the American farmer engaged in the production of sugar beets or sugarcane is unable to understand why he should be restricted in his production of a commodity of which we produce only one-fourth of our consumption so that some farmer in the Philippines or in Cuba, or some other foreign country can have the benefit of the American market? Give a farmer out in my State 10 acres of sugar beets at parity price and you immediately create an independent American citizen, who becomes, by reason of his independence and his economic security, one of the best spenders in the world. Take away this 10 acres of sugar beets and you put him on the relief roll.

Now, let us consider for just a moment the question of relief. If we must make a choice between putting American farmers on relief instead of allowing them to raise sugar beets or sugarcane, or a farmer in Cuba on relief, which is the best thing to do, from the standpoint of economy? It is my opinion that it would take about one-tenth as much to supply the Cuban farmer and his family on a relief status as it does to support the American farmer on a relief status. Why, then, if we must make this choice, do we not let the American farmer raise sugar beets and sugarcane and put the Cuban farmer on relief, if it is necessary for someone to be on relief? This may seem farfetched to even some members of this committee, but I still maintain that it is a point worth your consideration.

In my opinion, the most important thing in the Cummings bill is not the little expansion that it might provide for American farmers, either in cane or beets, but it is the provision of that bill which provides for a price for sugar beets, which are grown on American farms, sufficiently high to pay the cost of production with at least a little profit in it for the farmer. This, to me, is the most important aspect of this legislation. I know of no farmer in my State who wants to raise sugar beets at a loss. I know of no farmer in Utah who would rather raise 40 acres of beets at a loss than 10 acres of beets at a profit. Under the present quota system, and the other provisions of the 1937 act, we still find that the sugar-beet farmer is barely, if at all, getting out of his beets the cost of production. On this question, the Cummings bill does

not go so far as to guarantee absolute parity for sugar beets, but it does provide what is considered by all of us who favor this legislation an equitable percentage of parity. And when I say equitable, I have in mind the consumer as well as the producer of sugar beets.

It seems to be fairly well agreed today among all interested that the quota system has proved satisfactory; that it is better than the old system of a high tariff, both for the consumer and the producer. But it is also agreed by all concerned that, in addition to the quota provisions, the producers of cane and beets must be guaranteed at least a price for their produce sufficient to afford them a living and a livelihood. It is my opinion that the provision of the Cummings bill, providing for a price on a flexible percentage of parity basis, will achieve this result.

In conclusion, Mr. Chairman, I again call the attention of the Committee to the importance of the passage of this legislation to the 17 sugar-beet States. As a matter of national unity, I ask you to join us in passing this legislation.

[Here the gavel fell.]

The CHAIRMAN. Does the Delegate from Hawaii seek recognition?

Mr. KING. Mr. Chairman, I yield back the balance of my time.

Mr. PETERSON of Florida. Mr. Chairman, this particular bill will result in a decrease in the marketing of domestic sugar this year as compared with last year, because last year there was an amount which was allowed to be sold by reason of the suspension of the quotas when the war came about in Europe.

In a recent article in the Sugar Journal we find that this affects not only cane sugar but beet sugar as well, because we find at a meeting of the Minnesota-Dakota Sugar Beet Development Association they said:

> The extension of the 1937 act may be a terrific blow to the present beet growers. With the heavy carry-over of sugar from 1938 and 1939 and the almost certainty of carry-over from the 1940 crop, an extension of the act would mean a reduction in the beet acreage from 20 to 30 percent in 1941.

But most of you do not come from producing areas. All of you represent consuming areas. The President in his message called attention to the fact that we should think in terms of the interest of the housewife. The Secretary of Agriculture in a copy of a letter which he released to the press stated that it was costing the consumer in the United States more than $350,000,000 a year over and above the world market to subsidize the industry.

He broke down that figure by saying this:

> This is equivalent to a tax of approximately $2.70 per capita on a population of 129,000,000 persons. It means a levy of more than $10 per family, including the one-third of the Nation which is ill nourished, and it represents an amount of purchasing power equal to more than 50 quarts of milk or 50 loaves of bread for each family in the United States.

Every one of us represents consumers. The situation is acute and tense in the world. If you vote a sugar quota, interfere with the production of sugar, and there is a sugar shortage in this country you will be responsible and must answer to the people of the country. I know you do not want that to happen. At a time like this we should raise every bit of the necessary foodstuffs we can. [Applause.]

[Here the gavel fell.]

The CHAIRMAN. The Chair recognizes the gentleman from Florida [Mr. CANNON] for 2½ minutes.

Mr. CANNON of Florida. Mr. Chairman, my good friends from the beet-producing States have had things their own way during the several years we have been under the quota system of sugar control. In 1937 they drafted and persuaded Congress to enact sugar legislation which, according to Secretary of Agriculture Wallace, amounts to a tax of $2.70 per year on every man, woman, and child in the United States. Legislation which costs the American consumer, to again quote Secretary Wallace and Secretary of State Hull, $350,000,000 a year more than the sugar is worth in any other country in the world. My well-meaning but misguided friends from the beet States sired this "un-American" legislation—legislation which provides for the domestic sugar industry protection in the form of huge subsidies, in some cases amounting to as much as $600,000 to a single producer; a high tariff on sugar imports and last, but by far the most insidious and iniquitous of all, a quota system under which efficient, low-cost cane and beet-sugar producers who maintain the highest labor and wage standards, are heavily penalized and their production restricted to a mere fraction of their ability to produce—see Wallace's Annual Report, 1939. Some of those same efficient producers who neither need nor desire a Government subsidy have from time to time appeared before the Agriculture Committee of the House and protested against what they term "a raid on the National Treasury even though they are, according to law, entitled to membership in the raiding party." As self-respecting American businessmen they object, and rightfully so, to being in the same class as the beggar on the corner who holds out his tin cup and whines to the public for alms. It is a way of doing business which, thank God, has not yet been adopted by other American industries.

In my opinion the Sugar Act of 1937 is un-American; its continuation, particularly at this time, is indefensible. As a patriotic American, I shall vote against the rule and the Cummings bill.

Mr. Chairman, when a farmer makes a mistake he adds it to your bill. When a doctor makes a mistake he buries the patient. When Congress makes a mistake it is enacted into law. That, in my opinion, is the 1937 Sugar Act.

The CHAIRMAN. The Chair recognizes the gentleman from Louisiana [Mr. FERNANDEZ] for 2½ minutes.

Mr. FERNANDEZ. Mr. Chairman, I shall support the amendment offered by the gentleman from Massachusetts [Mr. MCCORMACK].

LOUISIANA AND THE REFINED-SUGAR PROBLEM

Mr. Chairman, the people of my State, Louisiana, have a vital interest in the refined-sugar problem. They do not want to see any increase in refining in the tropical islands. The Cummings bill (H. R. 9654) should be amended to restore the quotas on refined sugar from Puerto Rico and Hawaii as those quotas existed in the Sugar Acts of 1934 and 1937.

Louisiana is an old sugar State. It has produced cane and raw sugar for well over 100 years, and it has refined sugar for almost as long.

New Orleans, on the Mississippi River, is one of the greatest ports in this country, and the great sugar-refining industry in Louisiana is located there. The 7 refineries in Louisiana import some 350,000 tons of raw sugar each year for subsequent refining and distribution. The remainder of their raw supply, another 350,000 tons, is purchased from the Louisiana plantations.

The annual sales of the Louisiana refiners run around $75,000,000, and, excluding the cost of raw sugar, this creates a purchasing power in my State of around $15,000,000 a year. About $3,000,000 annually goes to pay the men who work in this local industry, an industry which gives all-year-round employment at high wage rates.

Louisiana is proud of her sugar-refining industry, and she wants to keep it intact.

In recent years the Louisiana refiners have had to buck the competition of refined sugar by cheap labor in the Tropics—Cuba, the Philippine Islands, Puerto Rico, and Hawaii. In 1939 over 200,000 tons of tropical refined sugar came into the southern ports to displace Louisiana refined sugar. Congress rightly stopped any further growth of this tropical refining in 1934, when quotas were put on refined sugar, just as quotas were put on tropical raw sugar. Congress gave a hand to American refining labor, just as it gave a hand to the American sugar farmer.

In in 1940 Congress does not restore the quota limitations on Puerto Rico and Hawaii refined sugar it is going to hurt the citizens of my State. There are some 20,000 people in Louisiana whose livelihood is dependent upon a continuation of the pay checks from the refineries.

More Puerto Rican refined sugar coming into the South will mean less refined sugar made in Louisiana and other Southern States. Less refining means less work, less pay, and more unemployment.

There is no sound reason why refiners in Louisiana should be forced to close their doors in order to give more profit to the refinery owners on the sugar plantations in the Tropics.

The Cummings bill (H. R. 9654) should be amended to restore the quota limitations on refined sugar in Hawaii and Puerto Rico.

[Here the gavel fell.]

The CHAIRMAN. The Chair recognizes the gentleman from New York [Mr. PFEIFER] for 2½ minutes.

Mr. PFEIFER. Mr. Chairman, the question of fear of a Presidential veto is a false issue. It was not considered in 1937 when the bill was before the House, and the bill was not vetoed. Very recently in the press the President stated that he favored the extension of the present act for another year. So, the fear of a Presidential veto is out the window.

As to harm being done to the beet-sugar industry, that is also false, for here on the floor the Members from the State of Michigan, the largest beet-sugar producing State in the Union, claimed that they are 375,000 tons still under the quota. So, forget all about the beet-sugar producers at this time and let us give at least some consideration to our home cane-sugar refineries.

I arise to inform the Committee that I am opposed to the Cummings bill which deals with the Federal regulation of the sugar industry. Because it is a discriminatory measure in that it does not yield justice to our home cane-sugar refineries who very willingly cooperated with the Federal Government in 1934 and again in 1937 by accepting the quota limit which forbade the industry to bring in sugar—needed for raw material—beyond amounts fixed by the Department of Agriculture. Due to this volume regulation the home sugarcane refineries had to curtail their operations almost to 50 percent of their normal capacity, inflicting great hardships, not only on the operators, but the employees as well. During the time the Sugar Act was in force and our home refineries were hampered in the refining of sugar, the so-called off-shore or tropical plantations not only received protective prices for their raw cane sugar, but also direct cash subsidies. Limits, however, were placed by Congress on the marketing of tropical refined sugar, about 600,000 tons.

Our home cane-sugar refineries, particularly in New York City, were operating before the Civil War. Faithful to the traditions of American policy, employing at one time thousands of employees, and paying at all times a good living wage. Many of their employees know no other occupation, having spent their whole life at the refinery.

The sugar bill of 1934 and 1937, curtailing the activity of the refineries, necessitated reduction in employment to almost one-half of the working force. Even those that are now remaining are working only a few days a week.

Consider this, gentlemen, when considering this bill. Should this bill pass as is, lifting the quota from the tropical plantations, giving them free and unlimited refining, with their cheap labor, then our home industries might just as well close their doors and force many thousands more on the relief rolls. Surely this is not what this Congress wishes to do in these crucial times when contentment and unity in action at home is an absolute necessity to overcome fear that now exists. Let us therefore reenact at least the Sugar Act of 1937 and rely on the status quo and not the Cummings bill which will undoubtedly strangle our home cane-sugar refineries.

Gentlemen, I will have to vote against the Cummings bill unless the quotas are restored on Puerto Rican and Hawaiian refined sugar, by the adoption of the McCormack amendment.

The CHAIRMAN. The Chair recognizes the gentleman from Maryland [Mr. SASSCER] for 2½ minutes.

Mr. SASSCER. Mr. Chairman, I ask unanimous consent to revise and extend my remarks and to include therein a petition from approximately 1,000 employees of the sugar refineries in Baltimore.

The CHAIRMAN. The Chair advises the gentleman that permission to include the petition will have to be secured in the House.

Mr. SASSCER. Mr. Chairman, a few moments ago, during the discussion of the pending bill, the statement was made that the so-called McCormack amendment was unfair to Hawaii and Puerto Rico. To my mind the converse of that situation is true, that this legislation, in its present form, is unfair to the sections of the country in which there are cane-sugar refineries.

BALTIMORE AND REFINED SUGAR—1940

I rise to protest the continuation of the subsidy system for sugar producers in mainland United States, and in the American Tropics, unless that subsidy system protects the interests of all the factors involved. It is grossly unfair to enact legislation which would sacrifice the industries of Baltimore, one of the most thriving industrial cities in this country, to other areas of the United States. This is especially true in regard to sugar. Not one penny of the enormous subsidies in sugar goes to benefit Baltimore. Why should the citizens of a city such as Baltimore subsidize the expansion of refining in the Tropics, and at the same time see people in their own neighborhood thrown out of work, people who, due to their special training in this particular work, would have difficulty adjusting themselves into other industry even though they might find employment?

Baltimore has refined sugar since 1784. Today it has one of the largest sugar refineries in the world. The huge modern local refinery gives employment directly and indirectly to hundreds of American workers. Since 1922 when it was established, the refinery has distributed over $50,000,000 for pay roll and supplies. It has had 290,000 cars of incoming and outgoing freight, and has paid city and State taxes of over $2,000,000. The beneficial effect of the industry is felt throughout the entire State.

The Baltimore refining industry, like those in other American cities, has suffered a decline in output in recent years. One of the chief reasons for this decrease has been the expansion of refining in the tropical islands, including Hawaii and Puerto Rico, for mainland consumption. What the Cummings bill virtually proposes is to further reduce the output of the Baltimore refinery by permitting unlimited refining in Hawaii and Puerto Rico.

The people of Baltimore and Maryland do not ask for a preferred position in sugar legislation. They do not want to discriminate against any group of American citizens. Neither do they want to receive treatment different from that which Congress gives to any other sugar area or group. All they want is fair play.

Let us see what this means from a practical point of view. The limitations on refined sugar from Hawaii and Puerto Rico expired March 1. If Baltimore refinery workers are to have any assurance at all of retaining their jobs, those quotas must be restored in any new sugar legislation. That is why Baltimore and the State of Maryland feel that the Cummings bill must be amended to include these restrictions. That the Baltimore and Maryland people take this position is easily understood when we realize that Maryland consumers alone have made a contribution since 1934 of over $20,000,000 toward sugar subsidies. Of course the plantation corporations of Hawaii and Puerto Rico have received a large part of this amount in cash.

I believe, and I speak for the people of my State, that there is no justification for a sugar system which calls on the people of Maryland to make a heavy contribution toward sugar subsidies and at the same time puts their own industry out of business. Every ton of sugar that comes into our ports from the tropical refineries displaces a ton of sugar refined at home and throws men out of work.

We in Maryland do not ask to share in the sugar subsidies. All we ask is that those subsidies not be used to cripple our industrial life. That is what I mean by a fair deal.

Congress has established a long line of precedents for tropical refining quotas under a quota system. I think Congress understands and sympathizes with the problem Maryland and other States face. Therefore I feel sure that Con-

gress will not permit the Cummings bill to pass unless it restores refined sugar quotas.

I hold in my hand a petition, which I shall present, signed by nearly 1,000 employees of the plant within my district, in which they protest against the bill unless the amendment restricting importation of cane sugar is adopted. I trust that Congress will not at this time wish to set a precedent for expanding subsidized tropical industry at the expense of nonsubsidized home industry.

The CHAIRMAN. The Chair recognizes the gentleman from Pennsylvania [Mr. BRADLEY] for 2½ minutes.

Mr. BRADLEY of Pennsylvania. Mr. Chairman, along with the gentleman from Massachusetts [Mr. HEALEY], I attended the discussions which were held over a period of several months by Members of the House and Senate under the chairmanship of the distinguished gentleman from Colorado [Mr. CUMMINGS], and we represented the point of view of workers and management in the refineries in the eastern section of the country. It was my hope—and I will say I had reason, I felt, to believe—that the gentleman from Colorado would support the restrictions that had existed on the refined quotas from Puerto Rico and from Hawaii.

May I say to my friend the gentleman from Utah [Mr. MURDOCK], with regard to the proposal to restrict refined quotas from Cuba by approximately 223,000 tons, that our point of view was that an unfair distribution was being made in favor of the beet producers. We felt a much more equitable distribution should have been made and the production should have been increased more in Florida and Louisiana so that there might be greater production of domestic cane sugar. I do not think there is any discrimination regarding Puerto Rico and Hawaii in this bill. After all, there are only 420,000 tons of cane sugar produced in the United States, and we are taking from Hawaii 900,000 tons and from Puerto Rico approximately 800,000 tons of raw and refined cane sugar. They are bringing into this country their entire supply which they could not dispose of in the world markets. We have the right to protect these industries of ours which have been in existence since the early days of this Republic. The refiners, the workers, and those who have invested their savings in the refineries of the East are entitled to a restriction being placed upon Puerto Rico and Hawaii refined sugar in return for the fact that this country—the continental United States—is absorbing their raw sugar that they could not dispose of elsewhere in the world.

I hope the Committee will support the amendment offered by the gentleman from Massachusetts [Mr. MCCORMACK] to restrict these refined imports so that we will be able to support the bill; otherwise I am fearful that we will have to oppose the legislation.

[Here the gavel fell.]

The CHAIRMAN. The Chair recognizes the gentleman from Maryland [Mr. COLE].

Mr. COLE of Maryland. Mr. Chairman, as my distinguished colleague from Maryland stated a moment ago, the city of Baltimore has enjoyed for a number of years one of the largest refineries in the world. I am very glad to take my stand today with the employees of that plant and the people who have invested their capital in it, the employees being one of the happiest groups of laboring men that I know of anywhere. I have listened to this debate all day, hoping that some reason might be assigned for this legislation. Not long ago I heard an expression from another forum about the dagger in the hands of those who could wield it stabbing a neighbor in the back. I am not so sure that that metaphor is not entitled to a very dignified place in the debate on this legislation.

It is admitted that without the McCormack amendment our big refineries, such as we have in Baltimore and other places, are going to practically close down. There is no denial of that. I do not believe the common sense of this House is going to stand for such treatment at this time. I wish, Mr. Chairman, that many Members not familiar with the large establishments we have in the industrial sections of this country, especially these refineries, might appreciate, as we do, the situation that exists today.

In my city the employees look upon this legislation as most drastic. I agree with them. I would like to see the sugar industry of this country stabilized. It has been my privilege to visit the Florida fields, also the beet-sugar section, and the fields of Louisiana. I hope that something eventually may be done to meet the problem they admittedly have, but this is not the way to do it.

Mr. Chairman, I was very much impressed today with the position taken by the distinguished gentleman from Montana [Mr. O'CONNOR]. It has been my pleasure to know fairly intimately the gentleman from Montana [Mr. O'CONNOR] not only during his service in the House but to observe the fairness and bigness which he consistently displays toward the country as a whole and especially the great industrial and taxpaying section of the Nation he represents.

His position in favor of the McCormack amendment is one that I think other Representatives from the beet-sugar section of the country should read and reread. There is much wholesome logic in what he says, and it would make statesmen of many of them, as I am glad to classify my friend from Montana. [Applause.]

[Here the gavel fell.]

The CHAIRMAN. The Chair recognizes the gentleman from Maryland [Mr. D'ALESANDRO].

Mr. D'ALESANDRO. Mr. Chairman, I am opposed to the Cummings bill and will vote for the McCormack amendment.

The people of my State, Maryland, do not want to see the Cummings bill enacted unless it is amended to restore the limitations upon Hawaiian and Puerto Rican refined sugar. Maryland obviously does not want to see any sugar legislation in 1940 which would be harmful to its local refining industry.

Some of my colleagues in the House who represent the sugar-beet States cannot understand the position of Maryland on this point. They cannot understand why the refining industry in Maryland and other States would oppose the enactment of the Cummings bill in its present form. They argue that unless the Cummings bill is enacted, there will be no limitation upon the Cuban refined sugar, and they point out that the great threat to the home refining industry lies in a possible expansion of Cuban refined sugar.

Now it is true that the refiners of Cuba are a serious threat to the home cane-sugar refining industry. Cuban refiners could substantially expand their production for the American market if the existing quotas on Cuban refined sugar were lapsed with the termination of the Sugar Act of 1937. This is especially true because under the existing tariff schedule of 1930, there is no tariff protection of any kind afforded the home cane-sugar refining industry against its chief foreign competitor—the refiners of Cuba.

But the possible expansion of Cuban refined sugar is not the greatest threat to the future of the home refining industry in Maryland and other States. The major threat to the industry is found in legislation of the type of the Cummings sugar bill. That bill would extend subsidies to the refiners in Hawaii and Puerto Rico, and it would place no limit upon the expansion of those refiners. The home refining industry fears this type of subsidization more than any other factor. And if the Cummings bill is defeated these cash subsidies will end.

It is not only with excessive subsidization that the refining industry is concerned. If Hawaii and Puerto Rico are permitted to refine all of their raw sugar they can stop the flow of a large part of the raw material necessary for the mainland refiners' existence. Under a quota system, the refiners' purchases are limited, both as to amounts and sources. The refiners are fearful that if Hawaii and Puerto Rico are given a monopoly of 1,700,000 tons of raw sugar they will use that monopoly in a manner detrimental to the home industry.

And there are many features of the quota-subsidy system which work hardships on the home refining industry. We must not forget that the home refining industry each year pays some $47,000,000 as a manufacturers' sales tax into the Federal Treasury. It is true that the refiners may collect

this tax from consumers, but in the process they must maintain enormous cash funds in order to make the payments in the first instance to the United States Government.

And, in addition, the quota system places the price of raw and refined sugar largely in the hands of the Secretary of Agriculture, who administers the act. Since the quota system went into effect prices have fluctuated widely as changes have been made from time to time in the price policy of the Department of Agriculture. These wide price fluctuations have made it extremely difficult, if not impossible, for the refiners to avoid financial losses through fluctuations in the value of their inventory.

The refiners have not profited under the quota system. The facts show that since 1934 the value of the industry has shrunk by some 40 percent, and investors have suffered heavy losses. The refiners receive no subsidies, they must pay millions of dollars to the Federal Government in taxes, they must stand the risk of widely fluctuating sugar prices, and they must operate under the quota system at a relatively low rate of output.

It is for all of these reasons that labor and capital in the home refining industry in Maryland and other States would rather see a termination of the quota-subsidy system than a continuation of that system under terms which would further depress the refining industry.

The quotas on Hawaiian and Puerto Rican refined sugar should be restored. I am in favor of the McCormack amendment because it keeps thousands of employees in the city of Baltimore and throughout the United States in their jobs.

RESOLUTION RELATIVE TO THE CUMMINGS SUGAR BILL, H. R. 9654, ADOPTED JUNE 18, 1940

Whereas the National Association of Retail Grocers has endorsed legislation opposing the entry into the continental United States of tropically produced refined sugar, we view with particular concern the Cummings sugar bill, H. R. 9654, which fails to restore the previous quotas on Puerto Rican and Hawaiian refined sugar.

By this resolution, therefore, we request the Members of Congress to vote for the amendment to this bill which will restore the previous quotas on Puerto Rican and Hawaiian refined sugar.

We also ask if this amendment is not adopted the Members of Congress vote against the bill.

NATIONAL ASSOCIATION OF RETAIL GROCERS.

The CHAIRMAN. The Chair recognizes the gentleman from Massachusetts [Mr. FLAHERTY].

Mr. FLAHERTY. Mr. Chairman, it is regretable that there has been a limitation placed on this debate because there are some of us who do not consume a great deal of the time of the House during the course of a session who would like to speak at some length when an item of this kind that is so vitally important comes up for consideration. I believe it would be logical to give everybody an opportunity to be heard to the extent they desire.

I was interested in the statement made by the gentleman from Kansas this afternoon, the ranking minority member of the committee, when he stated that the refining interests desired to throttle the beet-sugar industry. I do not think that represents the position of the Members who come from the industrial areas because if he will look at the RECORD he will find that the Members from the cities have been most cooperative in aiding the agricultural interests in passing their legislation through this Congress. He also stated that the McCormack amendment would place a limitation upon beet-sugar production, but I do not agree with him on that point, and I think he will agree to some extent that the sugar bill as it is represented by the Cummings proposal here would place a limitation on efficiency in industry and would place a limitation upon the employment of labor in those sections of the country which cannot stand such a limitation at this time.

Mr. Chairman, I want to register the strongest protest against the Cummings bill, or any other sugar-quota bill, which will not reimpose the quotas on tropical refined sugar from Puerto Rico and Hawaii.

In taking this firm stand I speak, of course, for my State, Massachusetts; but I speak even more particularly for my own district. Boston has two large cane-sugar refineries, and the people want to keep them there.

Thousands of my constituents either work in the refineries or work in other New England industries which furnish them with supplies of all kinds. All of these people receive the high American wage, and enjoy the American standard of living. All of the refinery workers are unionized, and the fine working conditions they have achieved have been established by management and labor sitting together around the conference table.

These thousands of workingmen bear no ill will whatsoever toward the workers in the Tropics—in Puerto Rico or Hawaii. In fact, they would like to see tropical labor share their own high working standards. But they know that the tropical workers have wages that are pitifully low. And they know that the refiners in Puerto Rico and Hawaii will put the Massachusetts refineries out of business if the Cummings bill is not properly amended.

Thousands of my constituents, whether they work in the refineries or not, know, too, that as consumers they are making a disproportionately large contribution toward the sugar subsidy. These citizens are just as anxious to cooperate in any national program of farm relief as those anywhere else in the country. But they are opposed to the continuation of the plan proposed in this bill to support a sugar program under which they pay the refiners of Puerto Rico and Hawaii to reduce their own volume of business, and throw them out of work.

I desire to call to the attention of the Members of this House the fact that I have received thousands of letters from the people of my district and others in Massachusetts on this issue. All of those persons writing earnestly and sincerely make the same urgent appeal. They tell me that the refinery in my district is one of the most efficient in the world. They tell me there are many skilled refinery workmen there, ready and eager for work, who cannot obtain that work because subsidized tropical sugar is pushing their own first-rate product out of the American market. None of these people want to go on relief; they want to be back on the job.

A restoration of the refined-sugar quotas will injure no one in Hawaii and Puerto Rico. It certainly will not injure the plantation corporations who receive millions of dollars of subsidy every year—where our home refineries receive no subsidy. It certainly will not injure the workers of those islands who depend for a living on raw sugar and not on refined. And it will save our nonsubsidized home refineries, and the thousands of workers employed in them from certain harm.

The people of New England in recent years have suffered from an exodus of industry. When industry leaves, jobs go with it. I do not see any reason why Congress at this time would want to enact sugar legislation which would create unemployment in New England, and to raise the tax burden which would naturally follow. The quotas on Hawaiian and Puerto Rican refined sugar should be restored.

I am heartily in accord with the McCormack amendment and urge the members of the committee to adopt it.

SUGAR WORKERS CONFERENCE,
Washington, D. C., May 22, 1940.

DEAR CONGRESSMAN: Sugar legislation, designed to replace the current law which expires this year, is pending before the Congress. The legislation, as reported by the House Committee on Agriculture, is distinctly contrary to our interests and would if enacted work great hardships on the men and women whom we represent.

Briefly, the legislation (H. R. 9654) as reported would allow unlimited imports into the mainland of sugar refined in Puerto Rico and Hawaii. We believe Hawaii and Puerto Rico already are receiving their just share of the country's sugar production. We do not believe it fair to give our jobs in the cane-sugar-refining plants to low-paid workers in the islands. Let the island workers grow the sugar. Let us continue to refine it.

We are enclosing a resolution adopted by the 1939 Cincinnati, Ohio, convention of the American Federation of Labor, with whom we are affiliated. We earnestly and respectfully ask your support in our efforts to have restrictions continued on the importation of refined sugar from the islands.

Very truly yours,

EDWARD GILLESPIE, *Chairman.*

Resolution 92

Whereas the refining of raw cane sugar in continental United States gives employment to thousands of workers affiliated with the American Federation of Labor; and

Whereas the jobs and pay rolls of the sugar-refinery workers have been reduced since 1925 by the flood of refined sugar which has been imported into this country from Cuba, Hawaii, Puerto Rico, and the Philippines and other tropical islands; and

Whereas a further loss in jobs and pay rolls will occur after 1940 unless these workers receive an adequate protection in the Sugar Act to be written in that year: Therefore, be it

Resolved, That this convention, the fifty-ninth of the American Federation of Labor, go on record as recommending that an adequate protection (through tariffs, quotas, or otherwise) be provided for the sugar-refinery workers in any sugar legislation which may be developed by Congress in 1940, and under no circumstances should there be any further expansion in the importation of refined sugar made in the tropical islands for our market; and be it further

Resolved, That the American Federation of Labor does endorse and advocate protective legislation for these workers.

Your committee recommends approval of the purpose of this resolution and would refer it to the executive council for study and action.

The report of the committee was unanimously adopted.

[From the Boston Herald, June 14, 1940]

SUGAR AMENDMENT

The sugar bill of 1937, which will expire December 31 of this year, provides quotas for the producing areas which have supplied sugar for United States consumption. It has been a pretty good bill, on the whole, for producers, distributors, and consumers. But the section of the bill setting a limit on the amount of refined sugar allowed to be imported into continental United States from Puerto Rico and Hawaii expired last March. This restriction was included in the original bill of 1937, in order to protect the interest of labor employed in our continental sugar refineries. It is the only protection of any kind that they get.

The Cummings resolution, which was recently introduced into the House, extends the life of the 1937 sugar bill, but without the refined-sugar restrictions. This resolution, reported out by the rules committee, allows only one amendment. That is an amendment for reinserting in the bill the original refined-sugar restrictions. Congressman JOHN MCCORMACK, of Boston, is to propose it.

This amendment is of direct, immediate concern to Boston and other refining centers of the United States. They have many employees, they pay large taxes, they furnish steady employment for thousands in collateral industries, and they are all well established. If the amendment should fail of passage, inevitably many men and women would lose their jobs and the sole beneficiaries would be the refinery workers of Puerto Rico and Hawaii.

The amendment deserves the warm support of everybody who is interested in protecting an excellent, established industry, and in safeguarding the employment of a great many thousands of Americans.

CHARLESTOWN, MASS., *May 8, 1940.*

Hon. THOMAS A. FLAHERTY,
House Office Building, Washington, D. C.:

Unless H. R. 9654 is amended to restore refined-sugar restrictions which existed prior to March 1, employees of local sugar refineries will suffer severely through loss of employment. Urge you use best efforts to prevent passage of this bill, unless there is restoration of such restrictions.

WILLIAM J. GALVIN,
President, Boston City Council.

CHARLESTOWN, MASS., *May 8, 1940.*

Hon. THOMAS A. FLAHERTY,
House Office Building, Washington, D. C.:

House bill 9654 should be amended to restore refined-sugar restrictions which existed prior to March 1. Also necessary that no increase in beet-sugar quota be permitted.

JOHN C. CARR,
Mayor of Medford.

CHARLESTOWN, MASS., *May 8, 1940.*

Hon. THOMAS A. FLAHERTY,
House Office Building, Washington, D. C.:

House bill 9654 should be amended to restore refined-sugar restrictions which existed prior to March 1. Also necessary that no increase in beet-sugar quota be permitted.

JOHN M. LYNCH,
Mayor of Somerville.

BOSTON, MASS., *May 9, 1940.*

Hon. THOMAS A. FLAHERTY,
House of Representatives, Washington, D. C.:

To protect sugar-refining industry in Massachusetts, I urge your careful investigation of House bill 9654, reported May 7 by House Agricultural Committee. Substantial Massachusetts sugar-refining industry will be vitally affected; also hope you will study effect of increase in beet-sugar quota. We must do everything possible to protect jobs for cur citizens in Massachusetts, which obviously will be affected by this bill if it becomes law as it now reads.

LEVERETT SALTONSTALL,
Governor of Massachusetts.

The CHAIRMAN. The Chair recognizes the gentleman from Massachusetts [Mr. HEALEY].

Mr. HEALEY. Mr. Chairman, this bill, H. R. 9654, fails to furnish the protection to American labor employed in the American sugar-refining industry that was provided in the sugar legislation of 1934 and 1937 in the form of restrictions on imports of refined sugar from Puerto Rico and Hawaii. If the bill is passed without the adoption of the McCormack amendment to provide for such restrictions, the importation of refined sugar from these insular possessions will be virtually unlimited, except by their own capacity to produce. It is estimated that, over a period of time, it will be possible for these islands, by means of cheap labor and Government subsidies, to increase their production of refined sugar by as much as 1,700,000 more tons annually.

According to the United States Department of Agriculture, the number of refineries in Puerto Rico has grown from two in 1933 to eight in 1939. Under the 1937 legislation, the annual quota of refined sugar from Puerto Rico was fixed at 126,000 tons and from Hawaii at 29,000 tons. The McCormack amendment will serve to peg these quotas at the same ratio.

It is stated on authoritative information that, since the expiration of the quota allotment in February of this year, Puerto Rico has shipped about 125,000 tons of refined sugar in a period of 4 months—an amount equal to the entire quota of last year. If the McCormack amendment is not adopted to peg these quotas, it will result in a serious blow to the American men and women who are employed in the continental cane-refining industry and disaster to an industry that dates from Colonial days. American workers have been employed in the refining of cane sugar in the United States for over 250 years and today this American industry is located at the historic seaports of Massachusetts, New York, New Jersey, Pennsylvania, Maryland, Georgia, Louisiana, Texas, and California. It is also found, on a smaller scale, in the States of Illinois, Indiana, and Wisconsin.

The No. 1 domestic problem of our Nation, still unsolved, is unemployment, and I am sure that the Members of this House will not want to deliberately take a step that will increase unemployment and jeopardize the employment of thousands of Americans. Nevertheless, unless the McCormack amendment is adopted, that will be precisely the result of this bill. If unrestricted importations of refined sugar are permitted from these insular possessions, thousands of American sugar workers will face either total loss of employment due to the shut-down of continental refineries or serious reduction in their employment, making it impossible to provide them and their families a decent American standard of living.

The men and women employed in the cane-refining industry here on the continent enjoy high labor standards and conditions of employment. The minimum hourly wage for most workers in the industry is between 63 and 70 cents for unskilled labor. A 5-day week and 8-hour working day have prevailed for several years and the degree of unionization in the refining industry here amounts to about 80 percent of the plants. In fact, in the following States the industry is 100-percent unionized: Massachusetts, New York, New Jersey, Pennsylvania, Maryland, Texas, and California—leaving only a small number of establishments in the South that are not tctally unionized.

Moreover, the persons engaged in handling the raw sugar on the docks, the longshoremen and other workers, are 100-percent unionized, and the refined sugar is moved by union truckmen and union railroad workers.

In contrast with the labor standards of the sugar workers in continental America, tropical workers in the insular sugar refineries are almost entirely without any unionization. Collective bargaining, as it is known in the United States, does not

exist there. Before the passage of the Wage and Hour Act, average earnings in the Puerto Rican refineries were placed at 17.5 cents an hour or $7.49 a week. Since its passage the Wage and Hour Act has been applied to a few industries in the island, but its application has been vigorously resisted, and a concerted attempt has been made by employers to obtain exemptions from its terms. As you will undoubtedly recall, when the Wage and Hour Act was before the Congress during this session, Puerto Rican interests sought to obtain its nullification insofar as it applied to Puerto Rican industry.

It is argued by some that the American sugar industry is not worth saving because of the small number of workers affected. Even if accurate, which it is not, the argument would be wholly unfair and unsound. I am sure that Members of Congress are interested in fair treatment for labor employed in the small industries as well as the large ones. But the true fact is that the continental cane industry is not small as compared with other American industries. Of the three-hundred-and-forty-odd American industries, the sugar-refining industry rates one hundred and sixteenth in size. The industry employs directly about 18,000 persons, including factory workers and clerical, sales, technical, and administrative help. In addition, some 2,000 persons are employed outside of the industry but on work directly connected with it, such as stevedores, truckmen, freight handlers, bringing the total employment furnished by the industry to some 20,000.

Besides the employment and pay rolls furnished by the industry, the various plants bear a very important and vital relationship to the economic welfare of the communities and States in which they are located as well as to the Federal Government. For example, there are two refineries located in Massachusetts—in the city of Boston in fact—that have a combined pay roll of approximately $2,500,000 a year. The local taxes alone paid to the city of Boston by these two refineries amounts to $260,000 annually. The two plants have an assessed valuation of $6,000,000 and represent a replacement value of ten to twelve million dollars.

In relationship to the Nation as a whole, it may be noted that the continental refining industry furnishes a total pay roll of about $27,000,000 a year, and workmen's compensation and social-security payments bring this amount in excess of $28,000,000 a year. The continental industry pays in taxes to the Federal, State, and local governments about $85,000,000 a year. This historic American industry has been maintained without tariff protection or cash subsidy of any kind. Since 1925, the continental refining industry and the labor employed has steadily and increasingly suffered from the increase in the refining of beet sugar and cane sugar in the tropical islands. Since that date American labor has had a cumulative loss of 10,000,000 tons, representing 2 full years of output and about $54,000,000 in wages.

Some 70,000 American investors, living in every State in the Union and paying taxes, have a vital interest in the enactment of equitable sugar legislation whereas the control and ownership of Puerto Rican refineries is concentrated in the hands of two families, and I understand that these families have managed to escape the payment of any income taxes on their earnings.

Mr. Chairman, organized labor in America is strongly opposed to any further encroachments on this industry by tropical interests. A partial list of organizations which have officially endorsed the protection of home refining labor is as follows: The American Federation of Labor, the Congress of Industrial Organizations, the International Longshoremen's Association, the Brotherhood of Railroad Trainmen, the teamsters, chauffeurs, stablemen, and helpers, and many others.

We now ask in the name of those persons whose jobs and livelihoods depend on this industry, and in the name of the investors, related industries, and the States and cities that will be disastrously affected that no further inroads be made by legislation on the right of this 250-year-old industry to exist. We ask that Congress consider the equities involved and that fair treatment be accorded the refining industry by the adoption of the McCormack amendment. [Applause.]

Mr. COFFEE of Nebraska. Mr. Chairman, now that all the crocodile tears have been shed over the plight of the eastern refiners let me call to your attention that the quota on Hawiian refined sugar has been only 29,660 tons. Neither in 1938 nor in 1939 did Hawaii ship in even 15,000 tons of refined sugar; in fact, Hawaii has never shipped in its quota of 29,000 tons of sugar since 1934. Is that a big threat to the eastern refiners that would necessitate the adoption of the McCormack amendment to restrict Hawaii? It is a matter of principle only so far as Hawaii is concerned in this amendment, because there is no reason to fear any increase in refined sugar from that source.

As far as Puerto Rico is concerned, Puerto Rico had a quota of 126,000 tons of refined sugar and has filled its quota each year. Puerto Rico is expected to exceed that amount this year.

Mr. FITZPATRICK. There is no quota now.

Mr. COFFEE of Nebraska. The quota, of course, expired on March 1 as to Puerto Rico and Hawaiian refined sugar.

It is expected that Puerto Rico may increase their shipments of refined sugar over and above what has been their quota by approximately 30,000 or 40,000 tons this year. To verify that statement, I inquired of Dr. Bernhardt, Chief of the Sugar Section. He advised me that he did not anticipate an amount in excess of 30,000 or 40,000 tons of refined more than Puerto Rico had been shipping to us under the restrictions.

[Here the gavel fell.]

Mr. STEFAN. Mr. Chairman, I have some time reserved, but because my colleague the gentleman from Nebraska represents so many sugar-beet growers who are anxious to expand the acreage in Nebraska and is making an effort on behalf of them, I ask that my time may be given to him.

The CHAIRMAN. Without objection, it is so ordered.

There was no objection.

Mr. COFFEE of Nebraska. I thank my colleague the gentleman from Nebraska for his kindness.

Mr. McCORMACK. Mr. Chairman, will the gentleman yield?

Mr. COFFEE of Nebraska. I yield to the gentleman from Massachusetts.

Mr. McCORMACK. Is it not a fact that in the first 5 months of this year 139,000 tons have been brought in from Puerto Rico, 13,000 more than their quota, and that the shipments this year alone will run well over 300,000 tons?

Mr. COFFEE of Nebraska. They have brought in 139,000 tons, but it is not anticipated that they will bring in much more during the rest of the year.

Mr. KING. Mr. Chairman, will the gentleman yield?

Mr. COFFEE of Nebraska. I yield to the gentleman from Hawaii.

Mr. KING. With regard to the importation of Hawaiian refined sugar, as of June 13 it amounted to 3,000 tons, not even the amount of its quota, so the question of the amount is not involved.

Mr. COFFEE of Nebraska. Let me say that in my opinion the effort to incorporate the McCormack amendment is for the purpose of sabotaging the entire sugar legislation, anticipating that with this amendment the continuing resolution will be vetoed. Then there will be no further restrictions on imports other than the tariff. The cane-sugar refiners will gain volume and the sugar-beet growers will be ruined by low prices. In that event it will mark the beginning of the end of the sugar-beet industry in the United States.

Let me also call to your attention the fact that in the event this Sugar Act should expire, those of you who are now worrying about the eastern refineries will then have something really to worry about. There will then be no restrictions whatever. In the present Sugar Act Cuba's shipments are limited to 375,000 tons, but much more refined sugar from Cuba will then come in than will ever come from Puerto Rico and Hawaii. The McCormack amendment is an indirect method of killing all sugar legislation.

I am interested in the sugar-beet growers and the sugar-beet industry. It is for the purpose of trying to continue this legislation for 1 year so that we may be able to work out some

practical method of safeguarding all the industry that I ask you to support the bill and oppose the McCormack amendment. [Applause.]

[Here the gavel fell.]

The CHAIRMAN. The Chair recognizes the gentleman from Georgia [Mr. Cox].

Mr. COX. Mr. Chairman, there is no finer man in the world than the gentleman who has just yielded the floor. He is one of the soundest thinkers of this House and I am devoted to him. I would like, however, to answer the statement he has just made with his own language as uttered when the sugar bill was before the House for debate in 1937. At that time the same report was circulated in the House that in the event these quota provisions on Puerto Rico and Hawaii were included in the bill the President would veto it. Answering that thought, the gentleman who has just yielded the floor said:

> We heard from the Departments, and we tried to exercise our legislative function as an independent branch of this Government and bring in satisfactory legislation.

The gentleman further said:

> It is necessary for all the people interested, whether from the growers' standpoint or from the standpoint of beet labor or sugar-cane labor, or from the standpoint of the refiners or those working in the refineries, to stand shoulder to shoulder in trying to pass legislation which will safeguard the industry as a whole. If you cripple the refining industry in this country, we know that sooner or later the continental growers will find themselves in a like position.

He said further, speaking of the work of his committee:

> The committee gave a great deal of consideration to the controversial question at issue. We felt there was no justification in encouraging the building of new refineries in Hawaii and Puerto Rico at this time that would jeopardize the investment in continental refineries and the jobs of the men now employed in them.

I again wish to express the hope that there may be a sufficient number of Representatives coming from these 17 States to which reference has been made that will vote for the McCormack amendment in order to dissipate the suspicion that there is a willingness on the part of this group to throw down those who have been heretofore responsible, in large part, for all of the benefits that they have derived. [Applause.]

The CHAIRMAN. The Chair now recognizes the gentleman from Louisiana [Mr. ALLEN].

Mr. ALLEN of Louisiana. Mr. Chairman, under the 1934 sugar bill, enacted before I came to Congress, the cane-producing States of Louisiana and Florida had a quota of some 260,000 tons, with Louisiana receiving approximately 224,000 tons of that. After I came to Congress we enacted the 1937 Sugar Act, which gave these two cane States a quota of 420,000 tons, of which Louisiana's part was 363,000 tons. The 1937 act, therefore, increased Louisiana's quota by 142,000 tons, or 63 percent. I cooperated fully in securing these increased benefits under the 1937 act. The sugar people of Louisiana requested me to support it, and I did so, just as I have always supported sugar legislation. I received many messages from the cane people expressing their appreciation. I wish here to read two or three of these:

SUGAR WORKERS CONFERENCE,
Washington, D. C., September 24, 1937.

Hon. A. LEONARD ALLEN,
House of Representatives, Washington, D. C.

MY DEAR CONGRESSMAN: Our organization is deeply grateful for your fine support for the sugar bill during this recent session of Congress.

By the successful enactment of this legislation thousands of American workingmen and their families are guaranteed economic security because they can continue on their jobs. Your willingness to assist American workers in the sugar industry will not be forgotten.

Very truly yours,

HAROLD J. BURK,
Secretary-Treasurer.

RESOLUTION UNANIMOUSLY ADOPTED AT THE MEETING OF THE EXECUTIVE COMMITTEE OF THE AMERICAN SUGAR CANE LEAGUE, HELD SEPTEMBER 3, 1937

Whereas the Louisiana sugar industry, as a whole, in all its branches, as represented by the 8,757 members of the American Sugar Cane League, is deeply grateful to the members of the congressional delegation of Louisiana for their indefatigable and successful efforts to bring about the enactment of the Jones-Brown sugar bill in a form acceptable to our industry: Therefore be it

Resolved by the executive committee of the American Sugar Cane League, That the appreciation of the Louisiana sugar industry be formally expressed and put on record, and this we now do; and be it further

Resolved, That a copy of this preamble and resolutions be sent to each of the Members of Congress from Louisiana.

NEW ORLEANS, LA., *April 28, 1937.*

Hon. A. LEONARD ALLEN,
House of Representatives, Washington, D. C.:

At the regular monthly meeting of the executive committee of the American Sugar Cane League held today, I was instructed to wire you in behalf of the Louisiana sugar industry and say that those engaged in it thank you from the bottom of their hearts for the sponsorship of the cause of Louisiana sugar in which the Senators and Congressmen from this State have so splendidly united. We feel full confidence that the able work being done will result in a proper legislative recognition of the right to a quota of 500,000 tons for Louisiana.

REGINALD DYKERS,
Vice President and General Manager.

But, Mr. Chairman, I felt then and I feel now that that was not the proper way to deal with this question, and I went along on the bill only because the growers requested it. I shall again do my best to go along with the growers on other bills, but I hope they insist on returning to what I think is a basic American principle. I refer to the principle of giving the American market to the American farmer.

Here in this bill we are called upon to continue a law for 1 year which drastically restricts the growing of a vital food product that this country needs and cannot possibly grow enough of to meet our demands. We are called on to do that also at a time when we are facing a world condition that may demand that we conserve every precious pound of sugar.

Of course, if this Congress is going no further than to enact a continuing resolution to keep in force the 1937 act, then I favor the amendment offered by the gentleman from Massachusetts [Mr. MCCORMACK], because I am in favor of helping American labor—and I have always stood by labor—but I also stand for American agriculture. This Congress should determine that it is going to stand first, last, and all the time for American labor and American agriculture. [Applause.] I do not know when that time is coming. It looks ridiculous to me to prevent our own people from producing a product when we cannot produce half as much as we need of that product anyway. We may face the fact that we cannot get sugar from the islands thousands of miles from us. Sugar may go to 30 or 35 cents per pound, as it did after the World War.

Mr. Chairman, I wish this House would meet this sugar issue now. Why not? We are here and probably will be here much longer. We have ample time. Why put it off? Why put up a makeshift resolution to tide us over 1 year? We are put in the position in the House here because of the closed rule that we are not even permitted to offer an amendment to increase the quota. I intend to vote against this extension of the 1937 act. To refuse to let America grow sugar for Americans is un-American. Give the American farmer the American market. [Applause.]

[Here the gavel fell.]

Mr. HARRINGTON. Mr. Chairman, I rise in support of the McCormack amendment, because; in justice to the men from States with large refinery labor populations, I think it about time that we from some of the farm areas, at least, support their position as they have so often and well supported parity payments, Federal surplus commodity purchases, and other legislation in which the bulk of midwestern farmers were vitally concerned.

There are numerous pertinent reasons why this bill should pass with the McCormack amendment, and be defeated without it. One of those reasons is the interest of the American consumer, to which interest I wish to address myself briefly.

Under no consideration should there be any expansion of the quota now assigned to the continental beet and cane producers. American farmers generally would be harmed by such an expansion.

There are only about 84,000 sugar growers in continental United States, and the total farm value of the sugar crop is less than 1 percent of the Nation's farm income. Even if this country produced all of its own sugar requirements in continental United States, it would only increase the national farm income by about 2½ percent.

Continental sugar growers are prosperous; they get full fair exchange value for their crop without any limitation on production.

Sugar growers have received disproportionate agricultural benefits. The public has contributed direct and indirect subsidies to continental sugar growers of $575,000,000 since 1934. This is a subsidy of 112 percent. All American farmers receive Federal assistance of only 8 percent.

Continental sugar production kills the American market for the American farmer. The Secretary of Agriculture has reported that with each additional acre of sugarcane or sugar beets planted there is a contraction of farm exports equivalent to the product of either 3 acres of corn, 3 acres of cotton, or 6 acres of wheat.

Continental sugar production is a burden upon the farmer as a consumer. The 32,000,000 persons living on American farms since 1934 have paid at least $400,000,000 for their sugar over what it would have cost them at the competitive world price.

American consumers since 1934 have paid $1,600,000,000 more for their sugar than they would have if they bought it at the world price. By skimming a billion six hundred million dollars off the American market, there was that much less money in the budget for the purchase of milk, meat, fruits, vegetables, cotton textiles, cotton goods, and other farm products. This country at this time should not be expanding inefficient, high-cost industries.

The CHAIRMAN. The time of the gentleman from Iowa has expired. All time has expired. The question is on agreeing to the McCormack amendment.

The question was taken; and on a division (demanded by Mr. CUMMINGS) there were—ayes 134, noes 20.

So the amendment was agreed to.

The CHAIRMAN. Under the rule the Committee will rise.

Accordingly the Committee rose, and the Speaker having resumed the Chair, Mr. ZIMMERMAN, Chairman of the Committee of the Whole House on the state of the Union, reported that that Committee had had under consideration the bill H. R. 9654, to extend, for an additional year, the provisions of the Sugar Act of 1937, and the taxes with respect to sugar, and pursuant to House Resolution 515, he reported the bill back to the House with an amendment, adopted in Committee of the Whole.

The SPEAKER. Under the rule the previous question is ordered.

The question is on agreeing to the amendment.

The amendment was agreed to.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time and was read the third time.

The SPEAKER. The question is on the passage of the bill.

The bill was passed.

A motion to reconsider was laid on the table.

FURTHER MESSAGE FROM THE SENATE

A further message from the Senate, by Mr. Baldridge, one of its clerks, announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 8202) entitled "An act making appropriations for the Department of Agriculture for the fiscal year ending June 30, 1941, and for other purposes";

That the Senate agrees to the amendments of the House to the amendments of the Senate numbered 20, 21, 39, and 43, and that it recedes from its amendment numbered 61 to said bill; and

That it further insists upon its amendments numbered 65 and 66 to said bill.

The message also announced that the Senate had ordered, that Mr. THOMAS of Utah be appointed as an additional conferee on the part of the Senate to the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 9850) entitled "An act to expedite the strengthening of the national defense."

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted as follows:

To Mr. CHIPERFIELD, for 2 days, on account of serious illness in his family.

To Mrs. BOLTON, for tomorrow, on account of the marriage of her son.

EXTENSION OF REMARKS

Mr. HART. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and to include therein an article from the Jersey Journal and an article from this morning's New York Times.

The SPEAKER. Is there objection?

There was no objection.

Mr. FLAHERTY. Mr. Speaker, in connection with the remarks I made in Committee of the Whole, I ask unanimous consent to include several telegrams and an editorial from the Boston Herald, along with another communication.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. D'ALESANDRO. Mr. Speaker, I ask unanimous concent to extend my remarks on the Cummings bill and to include a resolution from the National Retail Grocers Association.

The SPEAKER. Is there objection?

There was no objection.

RED-CEDAR SHINGLE TRADE AGREEMENT

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (H. R. 9765) to provide for exercising the right with respect to red-cedar shingles reserved in the trade agreement concluded November 17, 1938, between the United States of America and Canada, and for other purposes.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

Mr. McCORMACK. I understand there is no opposition to the bill, Mr. Speaker.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That (a) the United States Tariff Commission is hereby directed to conduct an investigation as soon as practicable after the close of the calendar year 1939 and each calendar year thereafter, for the purpose of ascertaining the quantities of red-cedar shingles shipped by producers in the United States and the quantities of imported red-cedar shingles entered for consumption, or withdrawn from warehouse for consumption, during each of the three calendar years immediately preceding any such investigation.

(b) If the Commission finds, on the basis of an investigation under subdivision (a) of this section, that in any calendar year after 1938 the quantity of imported red-cedar shingles entered for consumption, or withdrawn from warehouse for consumption, was in excess of 30 percent of the combined total for such year of the respective quantities ascertained in such investigation, it shall so report to the President. If the President approves the report of the Commission, he shall so proclaim, and on and after the day following the filing of such proclamation with the Division of the Federal Register and so long as any trade agreement entered into under the authority of section 350 of the Tariff Act of 1930, as amended, shall be in effect with respect to the importation into the United States of red-cedar shingles, there shall be a duty upon imported red-cedar shingles entered for consumption, or withdrawn from warehouse for consumption, in any calendar year in excess of 30 percent of the annual average for the preceding three calendar years of the combined total of the quantity of such shingles shipped by producers in the United States and of the quantity of such imported shingles entered for consumption, or withdrawn from warehouse for consumption. The rate of such duty shall be 25 cents per square. Any duty imposed under this act shall be treated for the purposes of all provisions of law relating to customs revenue as a duty imposed by the Tariff Act of 1930, and shall not apply to shingles entered for consumption before the duty becomes applicable.

(c) The quantity of red-cedar shingles entitled to exemption from any duty imposed pursuant to this act shall be ascertained for each quota period by the Commission and reported to the Secretary of the Treasury.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

AMENDING TARIFF ACT OF 1930

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent for the present consideration of the bill (H. R. 6328) to amend the Tariff Act of 1930, as amended by section 34 (c) of the Customs Administrative Act of 1938 (U. S. C., 1934 ed., Supp. IV, title 19, sec. 1001, par. 1529 (a)).

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

Mr. MARTIN of Massachusetts. I reserve the right to object, Mr. Speaker.

Mr. McCORMACK. Mr. Speaker, this bill simply meets a decision of the customs court of appeals. There was a 12-cent specific duty imposed on cocoa mats coming into the United States. Some importers raised the question whether or not the classification by the Treasury Department was proper. The customs court said it should have come in under another provision of the Tariff Act which imposed a lower duty. The purpose of this bill is to make plain the intent of Congress, as intended in the 1930 Tariff Act, to impose a higher duty.

Mr. MARTIN of Massachusetts. Mr. Speaker, will the gentleman yield?

Mr. McCORMACK. I yield.

Mr. MARTIN of Massachusetts. In other words, this bill, which is a unanimous report from the Committee on Ways and Means, is to comply with what Congress intended the law to be?

Mr. McCORMACK. That is absolutely true.

Mr. SCHAFER of Wisconsin. Will the gentleman yield?

Mr. McCORMACK. I yield.

Mr. SCHAFER of Wisconsin. This is a protective tariff bill to protect the blind workers of the country who are working in workshops for the blind, making cocoa mats, and if we do not pass this bill they will not have any work to do?

Mr. McCORMACK. The gentleman is absolutely correct. I have received a number of letters from the Blind Workshop of Wisconsin and from the gentleman himself and other parties from Wisconsin conveying to me their deep interest in the passage of this legislation.

The SPEAKER. Is there objection?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That paragraph 1529 (a) of the Tariff Act of 1930, as amended by section 34 (c) of the Customs Administrative Act of 1938 (U. S. C., 1934 ed., Supp. IV, title 19, sec. 1001, par. 1529 (a)), is hereby further amended by inserting "1022" after the figure "1006."

This act shall take effect on the day following its enactment.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

EXTENSION OF REMARKS

Mr. BARRY. Mr. Speaker, I ask unanimous consent to insert in the RECORD a speech entitled "War or Peace in America," by Mr. James D. Mooney, vice president of General Motors Corporation in charge of their overseas operations.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. JOHN L. McMILLAN asked and was given permission to extend his own remarks in the RECORD.

Mr. CHIPERFIELD. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD, and to include therein a brief paragraph from the Republican platform of Illinois, adopted a few days ago.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. GEARHART. Mr. Speaker, on last Monday I sought and obtained unanimous consent to extend my own remarks and to include therein an editorial by the National Commander of the American Legion. The copy was returned to me on the ground that a Member of another body had extended it. I desire to renew my request to include it in the RECORD.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. THORKELSON. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include therein letters from the Polish Embassy.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. OSMERS. Mr. Speaker, I ask unanimous consent to extend my own remarks and to include therein a table on sugar.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. COFFEE of Nebraska asked and was given permission to revise and extend his own remarks.

RELIEF BILL—CONFERENCE REPORT

Mr. RAYBURN. Mr. Speaker, I ask unanimous consent that the committee of conference may have until midnight tonight to file a report on the so-called relief bill.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

HOUR OF MEETING

Mr. RAYBURN. Mr. Speaker, I ask unanimous consent that when the House adjourns today it adjourn to meet at 11 o'clock tomorrow.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

SENATE ENROLLED BILL SIGNED

The Speaker announced his signature to an enrolled bill of the Senate of the following title:

S. 2059. An act authorizing a grant to the city of Fargo, N. Dak., of an easement in connection with the construction of water and sewer systems.

THE LATE SENATOR GIBSON

Mr. PLUMLEY. Mr. Speaker, I offer the following resolution.

The Clerk read as follows:

House Resolution 541

Resolved, That the House has heard with profound sorrow of the death of Hon. ERNEST W. GIBSON, a Senator of the United States from the State of Vermont.

Resolved, That the Clerk communicate these resolutions to the Senate and transmit a copy thereof to the family of the deceased Senator.

Resolved, That a committee of two Members be appointed on the part of the House to join the committee appointed on the part of the Senate to attend the funeral.

The resolution was agreed to.

The SPEAKER. The Chair appoints as Members on the part of the House to attend the funeral, Mr. PLUMLEY and Mr. PITTENGER.

The Clerk will report the balance of the resolution.

The Clerk read as follows:

Resolved, That as a further mark of respect to the memory of the deceased the House do now adjourn.

The resolution was agreed to.

ADJOURNMENT

Accordingly (at 5 o'clock and 15 minutes) the House, pursuant to its previous order, adjourned until tomorrow, Friday, June 21, 1940, at 11 o'clock a. m.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1788. A letter from the Secretary of War, transmitting a letter from the Chief of Engineers, United States Army, dated March 19, 1940, submitting a report, together with accompanying papers and an illustration, on a preliminary examination and survey of Fresno County stream group, California, authorized by the Flood Control Act approved

June 22, 1936 (H. Doc. No. 845); to the Committee on Flood Control and ordered to be printed, with an illustration.

1789. A letter from the Secretary of War, transmitting a letter from the Chief of Engineers, United States Army, dated January 11, 1940, submitting a report, together with accompanying papers and illustrations, on a preliminary examination and survey of Oswego, Oneida, Seneca, and Clyde Rivers, Cayuga and Keuka Lakes, and Onondaga and Seneca Creeks, N. Y., authorized by the Flood Control Acts approved April 10, 1936, and June 22, 1936 (H. Doc. No. 846); to the Committee on Flood Control and ordered to be printed, with nine illustrations.

1790. A letter from the Archivist of the United States, transmitting a list of papers, consisting of 40 items, from those submitted for disposition by the Department of the Treasury to the Congress of the United States, January 4, 1935, referred to the Joint Committee on the Disposition of Executive Papers, and by that committee referred to the Archivist of the United States for examination and report thereon; to the Committee on the Disposition of Executive Papers.

1791. A letter from the Archivist of the United States, transmitting a recommendation for the disposition of papers by the Department of the Treasury; to the Committee on the Disposition of Executive Papers.

1792. A letter from the Archivist of the United States, transmitting a recommendation for the disposition of papers by the Department of the Treasury; to the Committee on the Disposition of Executive Papers.

1793. A letter from the Archivist of the United States, transmitting a recommendation for the disposition of papers by the War Department; to the Committee on the Disposition of Executive Papers.

1794. A letter from the Archivist of the United States, transmitting a recommendation for the disposition of papers by the War Department; to the Committee on the Disposition of Executive Papers.

1795. A letter from the Archivist of the United States, transmitting a recommendation for the disposition of papers by the Alien Property Bureau with the approval of the Department of Justice; to the Committee on the Disposition of Executive Papers.

1796. A letter from the Archivist of the United States, transmitting a recommendation for the disposition of papers by the Navy Department; to the Committee on the Disposition of Executive Papers.

1797. A letter from the Archivist of the United States, transmitting a recommendation for the disposition of papers by the Department of the Interior; to the Committee on the Disposition of Executive Papers.

1798. A letter from the Archivist of the United States, transmitting a recommendation for the disposition of papers by the Department of the Interior; to the Committee on the Disposition of Executive Papers.

1799. A letter from the Archivist of the United States, transmitting a recommendation for the disposition of papers by the Department of the Interior; to the Committee on the Disposition of Executive Papers.

1800. A letter from the Archivist of the United States, transmitting a recommendation for the disposition of papers by the Department of the Interior; to the Committee on the Disposition of Executive Papers.

1801. A letter from the Archivist of the United States, transmitting a recommendation for the disposition of papers by the Department of the Interior; to the Committee on the Disposition of Executive Papers.

1802. A letter from the Archivist of the United States, transmitting a recommendation for the disposition of papers by the Department of the Interior, to the Committee on the Disposition of Executive Papers.

1803. A letter from the Archivist of the United States, transmitting a recommendation for the disposition of papers by the Department of the Interior; to the Committee on the Disposition of Executive Papers.

1804. A letter from the Archivist of the United States, transmitting a recommendation for the disposition of papers by the Board of Governors of the Federal Reserve System; to the Committee on the Disposition of Executive Papers.

1805. A letter from the Archivist of the United States, transmitting a recommendation for the disposition of papers by the Veterans' Administration; to the Committee on the Disposition of Executive Papers.

1806. A letter from the Archivist of the United States, transmitting a recommendation for the disposition of papers by the Federal Works Agency; to the Committee on the Disposition of Executive Papers.

1807. A letter from the Archivist of the United States, transmitting a recommendation for the disposition of papers by the Federal Works Agency, Work Projects Administration; to the Committee on the Disposition of Executive Papers.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII,

Mr. MANSFIELD: Committee on Rivers and Harbors. S. 3617. An act granting the consent and approval of Congress to an interstate compact relating to control and reduction of pollution in the Ohio River drainage basin; with amendment (Rept. No. 2653). Referred to the Committee of the Whole House on the state of the Union.

Mr. MANSFIELD: Committee on Rivers and Harbors. Senate Joint Resolution 222. Joint resolution granting the consent of Congress to the States of Maryland and West Virginia and the Commonwealths of Virginia and Pennsylvania and the District of Columbia as signatory bodies, to enter into a compact for the creation of a Potomac Valley Conservancy District and the establishment of the Interstate Commission on the Potomac River basin; without amendment (Rept. No. 2654). Referred to the Committee of the Whole House on the state of the Union.

Mr. HARTER of Ohio: Committee on Military Affairs. House Joint Resolution 505. Joint resolution authorizing Government employees' participation in the celebration of National Aviation Day, and for other purposes; without amendment (Rept. No. 2655). Referred to the Committee of the Whole House on the state of the Union.

Mr. CANNON of Missouri: Committee of conference on the disagreeing votes of the two Houses. House Joint Resolution 544. Joint resolution making appropriations for work relief and relief, for the fiscal year ending June 30, 1941 (Rept. No. 2681). Referred to the Committee of the Whole House on the state of the Union.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of rule XIII,

Mr. SASSCER: Committee on Claims. H. R. 1284. A bill for the relief of Sophrania Holmes; with amendment (Rept. No. 2656). Referred to the Committee of the Whole House.

Mr. GATHINGS: Committee on Claims. H. R. 5116. A bill for the relief of Thomas Miralia and Betty Miralia; with amendment (Rept. No. 2657). Referred to the Committee of the Whole House.

Mr. NICHOLS: Committee on Claims. H. R. 5562. A bill for the relief of Clyde E. Malle; with amendment (Rept. No. 2658). Referred to the Committee of the Whole House.

Mr. POAGE: Committee on Claims. H. R. 7302. A bill for the relief of Silas Young, Lillian Brown, and Nathaniel Brown; with amendment (Rept. No. 2659). Referred to the Committee of the Whole House.

Mr. NICHOLS: Committee on Claims. H. R. 7425. A bill for the relief of the parents of Charldean Finch; with amendment (Rept. No. 2660). Referred to the Committee of the Whole House.

Mr. JONKMAN: Committee on Claims. H. R. 7679. A bill for the relief of J. E. Dambach; with amendment (Rept. No. 2661). Referred to the Committee of the Whole House.

Mr. KENNEDY of Maryland: Committee on Claims. H. R. 8318. A bill for the relief of the Charles H. Amos Handle Co.; with amendment (Rept. No. 2662). Referred to the Committee of the Whole House.

Mr. KENNEDY of Maryland: Committee on Claims. H. R. 10033. A bill to provide for the acquisition of flowage rights and the payment of certain damages in connection with the operation of the Fort Hall Indian irrigation project, Idaho; with amendment (Rept. No. 2663). Referred to the Committee of the Whole House.

Mr. KENNEDY of Maryland: Committee on Claims. H. R. 10034. A bill for the relief of certain disbursing officers of the Treasury Department, the Department of the Interior, and the Army; without amendment (Rept. No. 2664). Referred to the Committee of the Whole House.

Mr. KENNEDY of Maryland: Committee on Claims. H. R. 10035. A bill to provide for the reimbursement of Philip A. Penston, pharmacist's mate, first class, United States Coast Guard, for the value of personal and household effects lost and destroyed during the hurricane of September 21, 1938, at New London, Conn.; without amendment (Rept. No. 2665). Referred to the Committee of the Whole House.

Mr. KEOGH: Committee on Claims. S. 182. An act for the relief of Edward Hagenson; with amendment (Rept. No. 2666). Referred to the Committee of the Whole House.

Mr. KENNEDY of Maryland: Committee on Claims. S. 349. An act for the relief of C. F. Cooley, administrator of the estate of Charles F. Cooley, Jr.; without amendment (Rept. No. 2667). Referred to the Committee of the Whole House.

Mr. KENNEDY of Maryland: Committee on Claims. S. 2704. An act for the relief of Mr. and Mrs. C. W. Black, and Marion Rabren; without amendment (Rept. No. 2668). Referred to the Committee of the Whole House.

Mr. KENNEDY of Maryland: Committee on Claims. S. 3021. An act for the relief of A. A. Ramsay; without amendment (Rept. No. 2669). Referred to the Committee of the Whole House.

Mr. KENNEDY of Maryland: Committee on Claims. S. 3059. An act for the relief of Velvie W. Smith, and the legal guardian of Glenn Richard Smith; without amendment (Rept. No. 2670). Referred to the Committee of the Whole House.

Mr. KENNEDY of Maryland: Committee on Claims. S. 3062. An act for the relief of the Rodgers Tile Co.; without amendment (Rept. No. 2671). Referred to the Committee of the Whole House.

Mr. KENNEDY of Maryland: Committee on Claims. S. 3111. An act for the relief of Thomas L. Gardner; without amendment (Rept. No. 2672). Referred to the Committee of the Whole House.

Mr. KENNEDY of Maryland: Committee on Claims. S. 3443. An act for the relief of William A. Wheeler; without amendment (Rept. No. 2673). Referred to the Committee of the Whole House.

Mr. KENNEDY of Maryland: Committee on Claims. S. 3456. An act to provide for the reimbursement of certain personnel or former personnel of the United States Marine Corps for the value of personal effects destroyed as a result of a fire at Raritan Arsenal, Metuchen, N. J., on October 10, 1938; without amendment (Rept. No. 2674). Referred to the Committee of the Whole House.

Mr. KENNEDY of Maryland: Committee on Claims. S. 3587. An act for the relief of Earl P. Collins; without amendment (Rept. No. 2675). Referred to the Committee of the Whole House.

Mr. KENNEDY of Maryland: Committee on Claims. S. 3597. An act for the relief of Vernon C. Brown and F. L. Copeland; without amendment (Rept. No. 2676). Referred to the Committee of the Whole House.

Mr. KENNEDY of Maryland: Committee on Claims. S. 3649. An act for the relief of Harry D. Gann; without amendment (Rept. No. 2677). Referred to the Committee of the Whole House.

Mr. KENNEDY of Maryland: Committee on Claims. S. 3748. An act for the relief of Guy F. Allen, chief disbursing officer, Division of Disbursement, Treasury Department; without amendment (Rept. No. 2678). Referred to the Committee of the Whole House.

Mr. KENNEDY of Maryland: Committee on Claims. S. 3916. An act for the relief of Lawrence T. Post, G. F. Allen, and D. Buddrus; without amendment (Rept. No. 2679). Referred to the Committee of the Whole House.

Mr. KENNEDY of Maryland: Committee on Claims. H. R. 10036. A bill for the relief of John A. Kames; with amendment (Rept. No. 2680). Referred to the Committee of the Whole House.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. BARRY:

H. R. 10121. A bill to create an Aeronautics Department; to the Committee on Expenditures in the Executive Departments.

By Mr. CASE of South Dakota:

H. R. 10122. A bill to amend an act entitled "An act authorizing construction of water conservation and utilization projects in the Great Plains and arid and semiarid areas of the United States," approved August 11, 1939 (53 Stat. 1418), and an act entitled "An act to promote conservation in the arid and semiarid areas of the United States by aiding in the development of facilities for water storage and utilization, and for other purposes," approved August 28, 1937 (50 Stat. 869); to the Committee on Irrigation and Reclamation.

By Mr. KEOGH:

H. R. 10123. A bill to repeal obsolete statutes and to improve the United States Code; to the Committee on Revision of the Laws.

By Mr. DEROUEN:

H. R. 10124 (by request). A bill to provide for a grant to the Richmond, Fredericksburg & Potomac Railroad Co. of a right-of-way across certain land owned by the United States; to the Committee on the Public Lands.

By Mr. VINSON of Georgia:

H. R. 10125. A bill to provide, in cooperation with the Port of New York Authority, for the construction in New York Harbor of a graving drydock large enough to accommodate the largest naval ships built or building; to the Committee on Naval Affairs.

H. R. 10126. A bill to provide for the disposition of certain moneys received by the United States in connection with proceedings against the Standard Oil Co. of California and others pursuant to the joint resolution of February 21, 1924 (43 Stat. 15); to the Committee on Naval Affairs.

By Mr. STEAGALL:

H. R. 10127. A bill to amend the Federal Reserve Act, and for other purposes; to the Committee on Banking and Currency.

By Mr. LEA:

H. R. 10128. A bill to authorize a preliminary examination and survey of the Petaluma Creek, Sonoma County, Calif., and its tributaries for flood control, for run-off and water-flow retardation, and for soil-erosion prevention; to the Committee on Flood Control.

By Mr. CREAL:

H. R. 10129. A bill to give tobacco growers a portion of the excise taxes collected on tobacco; to the Committee on Agriculture.

By Mr. ALLEN of Pennsylvania:

H. J. Res. 575. Joint resolution to repeal sections 7 and 8 of the Neutrality Act of 1939; to the Committee on Foreign Affairs.

By Mrs. ROGERS of Massachusetts:

H. Res. 539. Resolution requesting the President to send information to the Committee on Foreign Affairs; to the Committee on Foreign Affairs.

By Mr. VOORHIS of California:

H. Res. 540. Resolution authorizing the printing of the reports of the various committees of the House conference on unemployment as a document; to the Committee on Printing.

MEMORIALS

Under clause 3 of rule XXII, memorials were presented and referred as follows:

By the SPEAKER: Memorial of the Legislature of the State of Louisiana, memorializing the President and the Congress of the United States to consider their Senate Concurrent Resolution No. 3, concerning the national-defense program; to the Committee on Military Affairs.

Also, memorial of the Legislature of the State of Louisiana, memorializing the President and the Congress of the United States to consider their Senate Concurrent Resolution No. 9, concerning air bases in the national-defense program; to the Committee on Interstate and Foreign Commerce.

Also, memorial of the Legislature of the State of Louisiana, memorializing the President and the Congress of the United States to consider their Senate Concurrent Resolution No. 17, concerning agriculture legislation; to the Committee on Agriculture.

Also, a memorial of the Legislature of the State of Louisiana, memorializing the President and the Congress of the United States to consider their Senate Concurrent Resolution No. 19, concerning legislation of foreign affairs; to the Committtee on Foreign Affairs.

Also, a memorial of the Legislature of the State of Louisiana, memorializing the President and the Congress of the United States to consider their Senate Concurrent Resolution No. 6, concerning agriculture legislation; to the Committee on Agriculture.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII,

Mr. FERNANDEZ introduced a bill (H. R. 10130) for the relief of Ivan Petesic, Mato Uros, Nikola Posa, Bozo Buzerelo, and Philip Radovic, which was referred to the Committee on Immigration and Naturalization.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

8855. By Mr. BROOKS: Petition of Shreveport Lodge, No. 122, of the Benevolent and Protective Order of Elks, urging all proper legislation for acquisition of war equipment and for obtaining universal compulsory military training in order that this Nation may be prepared to meet any emergencies; to the Committee on Military Affairs.

8856. By Mr. HART: Memorial of the New Jersey State Legislature, pledging their cooperation to the President and Congress of the United States in all steps necessary for the prompt and energetic inception and prosecution of an adequate national-defense program; to the Committee on Military Affairs.

8857. By Mr. HILL: Petition of Rev. D. A. Elings and 75 residents of Yakima County, urging that the United States stay out of the present European war; to the Committee on Foreign Affairs.

8858. By Mr. MICHAEL J. KENNEDY: Petition of the New York College Teachers Union, Local 537, American Federation of Teachers, New York City, opposing the Reynolds amendment to the La Follette Oppressive Labor Practices Act (S. 1970); to the Committee on Labor.

8859. Also, petition of the United Neighborhood Houses of New York, Inc., expressing its wholehearted support of all necessary measures for the national defense; to the Committee on Military Affairs.

8860. Also, petition of the Newspaper Guild of New York Auxiliary, favoring enactment of House bill 7534, the Geyer poll-tax bill; to the Committee on the Judiciary.

8861. Also, petition of the National Association of Retail Grocers, representing 70,000 retail grocers, urging adoption of the amendment to the sugar bill which would restore the previous quotas on Puerto Rican and Hawaiian refined sugar; to the Committee on Agriculture.

8862. Also, petition of the Workers Alliance of Greater New York, urging adoption of certain amendments to the relief appropriation bill for 1941; to the Committee on Appropriations.

8863. Also, petition of the Department Store Employees Union, Local No. 1250, of New York City, representing more than 2,000 members, opposing any involvement in the European conflict; to the Committee on Foreign Affairs.

8864. Also, petition of the Bingham Photo Engraving Co., Inc., of New York City, opposing Senate bill 1970, the La Follette civil-liberties bill; to the Committee on Labor.

8865. Also, petition of American Farm Bureau Federation, urging adoption of the Bilbo amendment to relief bill providing $100,000,000 for disposal of agricultural surpluses in domestic and export markets; to the Committee on Agriculture.

8866. Also, petition of the National Motion Picture League, Inc., urging enactment of the Neely block-booking bill (S. 280); to the Committee on Interstate and Foreign Commerce.

8867. By Mr. KEOGH: Petition of the United Neighborhood Houses of New York, Inc., New York City, favoring national defense and immediate aid to the Allies; to the Committee on Military Affairs.

8868. By Mr. LAMBERTSON: Petition of E. L. Trompeter and 30 other grocers of Atchison County, Kans., urging the passage of House bill 1, the Patman bill; to the Committee on Ways and Means.

8869. By Mrs. NORTON: Memorial of the Legislature of the State of New Jersey, favoring adequate national defense; to the Committee on Military Affairs.

8870. By Mr. SACKS: Petition signed by sugar refinery workers of Philadelphia, petitioning Congress to restore the former limitations on Puerto Rican and Hawaiian refined sugar; to the Committee on Agriculture.

8871. By Mr. SASSCER: Petition of the sugar workers of Baltimore, Md., Vernon Jackson Carter, and others, petitioning consideration of their resolution with reference to sugar legislation; to the Committee on Agriculture.

8872. By Mr. SUTPHIN: Petition of Glendola Grange, No. 168, Patrons of Husbandry, Belmar, N. J., supporting the national defense program, and urging the United States to keep out of war; to the Committee on Military Affairs.

8873. Also, petition of the State of New Jersey, pledging cooperation to the President and Congress of the United States in the national defense program; to the Committee on Military Affairs.

8874. By Mr. TARVER: Resolution of the First Baptist Church, of Ringgold, Ga., condemning the ruthless warfare of destruction upon the democracies of Europe, urging all necessary precautions for national defense, urging that sanctuary be accorded in this country to children from England, France, Holland, and Belgium, and offering to assume the care of two or more of such children; to the Committee on Military Affairs.

8875. By Mr. TENEROWICZ: Resolution of the Jewish-American Youth Council, Detroit, Mich., condemning anti-Semitism and urging racial understanding; to the Committee on the Judiciary.

8876. Also, resolution of the Supervisors' and Timekeepers' Union, No. 21847, Detroit, Mich., pledging allegiance to the President to assist in the defense program of this Nation; to the Committee on Military Affairs.

8877. Also, resolution of the Unity Citizens Club, Detroit, Mich., urging additional Work Projects Administration funds for the purpose of preventing lay-offs and restoring workers to their jobs; to the Committee on Appropriations.

8878. By Mr. VREELAND: Petition of the Senate of the State of New Jersey, urging prompt and energetic inception

and prosecution of an adequate national-defense program; to the Committee on Military Affairs.

8879. By the SPEAKER: Petition of John F. Bach, Jr., and others of Chicago, Ill., petitioning consideration of their resolution with reference to the defense program; to the Committee on Military Affairs.

8880. Also, petition of B. Marks and others of Chicago, Ill., petitioning consideration of their resolution with reference to the defense program; to the Committee on Military Affairs.

8881. Also, petition of P. Friedrichsen and others, of San Francisco, Calif., petitioning consideration of their resolution with reference to foreign affairs; to the Committee on Foreign Affairs.

8882. Also, petition of the American Legion, Washington, D. C., petitioning consideration of their resolution with reference to immediate registration and fingerprinting of every resident of the United States and its possessions; to the Committee on the Judiciary.

8883. Also, petition of the Independent Motion Picture Exhibitors, Chicago, Ill., petitioning consideration of their resolution with reference to raising revenue to meet the existing emergency; to the Committee on Ways and Means.

8884. Also, petition of the alumni council of Wesleyan University, at Middletown, Conn., petitioning consideration of their resolution with reference to the defense program; to the Committee on Military Affairs.

8885. Also, petition of the associated alumni of Brown University, Providence, R. I., petitioning consideration of their resolution with reference to the national-defense program; to the Committee on Military Affairs.

8886. Also, petition of the Binghamton State Hospital Employees Association, Binghamton, N. Y., petitioning consideration of their resolution with reference to the national-defense program; to the Committee on Military Affairs.

SENATE

FRIDAY, JUNE 21, 1940

The Senate met at 11 o'clock a. m., on the expiration of the recess.

Rev. Duncan Fraser, assistant rector, Church of the Epiphany, Washington, D. C., offered the following prayer:

Almighty God, who alone dost offer man the hope of lasting harmony and peace: We beseech Thee to fill our hearts and minds with such a strong desire for unity and spiritual strength, that every cause of disunion may fade away like night before the rising sun, till all the peoples of this land and hemisphere are drawn together in one brotherhood, united in a common service to each other and to Thee. Through Jesus Christ, Thy Son, our Lord. Amen.

THE JOURNAL

On request of Mr. BARKLEY, and by unanimous consent, the reading of the Journal of the proceedings of the calendar day of Thursday, June 20, 1940, was dispensed with, and the Journal was approved.

CALL OF THE ROLL

Mr. BARKLEY. I suggest the absence of a quorum.

The VICE PRESIDENT. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Adams	Capper	Green	La Follette
Andrews	Caraway	Guffey	Lee
Ashurst	Chandler	Gurney	Lodge
Austin	Chavez	Hale	Lucas
Bailey	Clark, Idaho	Harrison	Lundeen
Bankhead	Clark, Mo.	Hatch	McCarran
Barkley	Connally	Hayden	McKellar
Bilbo	Danaher	Herring	McNary
Bone	Davis	Hill	Maloney
Bridges	Donahey	Holman	Mead
Brown	Downey	Holt	Miller
Bulow	Ellender	Hughes	Minton
Burke	George	Johnson, Calif.	Murray
Byrd	Gerry	Johnson Colo.	Neely
Byrnes	Gillette	King	Norris
Nye	Russell	Thomas, Idaho	Van Nuys
O'Mahoney	Schwartz	Thomas, Okla.	Wagner
Overton	Schwellenbach	Thomas, Utah	Walsh
Pepper	Sheppard	Tobey	Wheeler
Pittman	Shipstead	Townsend	White
Radcliffe	Slattery	Truman	Wiley
Reed	Smith	Tydings	
Reynolds	Taft	Vandenberg	

Mr. MINTON. I announce that the Senator from Virginia [Mr. GLASS], the Senator from New Jersey [Mr. SMATHERS], and the Senator from Tennessee [Mr. STEWART] are necessarily absent from the Senate.

Mr. AUSTIN. I announce that the Senator from North Dakota [Mr. FRAZIER] is necessarily absent.

The Senator from New Jersey [Mr. BARBOUR] is absent on official duties.

The PRESIDENT pro tempore. Ninety Senators have answered to their names. A quorum is present.

REPORT OF COMMISSION ON ENLARGING THE CAPITOL GROUNDS (S. DOC. NO. 251)

The VICE PRESIDENT laid before the Senate a letter from the Architect of the Capitol (member of the Commission on Enlarging the Capitol Grounds), transmitting, pursuant to law, the final report of the Commission on Enlarging the Capitol Grounds, which, with the accompanying report, was referred to the Committee on Public Buildings and Grounds and ordered to be printed, with illustrations.

REPORT ON AGRICULTURAL EXPERIMENT STATIONS

The VICE PRESIDENT laid before the Senate a letter from the Secretary of Agriculture, transmitting, pursuant to law, a report for the fiscal year ended June 30, 1939, covering the receipts, expenditures, and work of agricultural experiment stations in the States, Hawaii, Alaska, and Puerto Rico, etc., which, with the accompanying report, was referred to the Committee on Agriculture and Forestry.

DISPOSITION OF EXECUTIVE PAPERS

The VICE PRESIDENT laid before the Senate 18 letters from the Archivist of the United States, transmitting, pursuant to law, lists of papers and documents on the files of the Departments of the Treasury (3), of War (2), of Justice, Navy, Interior (7); Board of Governors of the Federal Reserve System; Veterans' Administration; Federal Works Agency, Work Projects Administration; and the Federal Works Agency, which are not needed in the conduct of business and have no permanent value or historical interest, and requesting action looking to their disposition, which, with the accompanying papers, were referred to a Joint Select Committee on the Disposition of Papers in the Executive Departments.

The VICE PRESIDENT appointed Mr. BARKLEY and Mr. TOBEY members of the committee on the part of the Senate.

PETITIONS AND MEMORIALS

The VICE PRESIDENT laid before the Senate a resolution adopted by a mass meeting of citizens of Fannin County, Tex., held under the auspices of the American Legion, favoring the extension of material aid to the allied nations, the strengthening of the armed forces of the United States, the speeding of production of war munitions and materials; the immediate repeal of the Johnson and Neutrality Acts; and the adoption of a form of compulsory military training, which was referred to the Committee on Foreign Relations.

Mr. VANDENBERG presented petitions of sundry citizens of the State of Michigan, praying that the United States keep out of war, which were referred to the Committee on Foreign Relations.

Mr. TYDINGS presented a petition of sundry citizens of Salisbury, Md., praying that Congress remain in session during the existing emergency, and that American boys be kept out of war, which was referred to the Committee on Foreign Relations.

He also presented a petition of sundry citizens of Baltimore, Md., praying that a full measure of material assistance be rendered to the Allies, which was referred to the Committee on Foreign Relations.

Mr. WALSH presented a petition of several citizens of Cambridge, Mass., praying that the United States avoid all steps leading to war, and also that the Monroe Doctrine be abrogated and mutual assistance pacts substituted therefor with the nations of the Western Hemisphere, which was referred to the Committee on Foreign Relations.

He also presented a statement in the nature of a petition from the Massachusetts State C. I. O. Industrial Union Council, Boston, Mass., praying that the United States keep out of war and pursue a policy of peace, which was referred to the Committee on Foreign Relations.

He also presented a petition of sundry citizens of Worcester, Mass., being members of a branch of the Committee of American Friends of France and the American Fund for Wounded in France, praying for the extension of material aid to the Allies, which was referred to the Committee on Foreign Relations.

He also presented a petition numerously signed by sundry citizens of the State of Massachusetts, praying that the United States keep out of war, and that no American boys be sent to participate in foreign wars, which was referred to the Committee on Foreign Relations.

He also presented the petitions of Everett Post No. 176, of Everett; Quincy Post, No. 95, of Quincy; South Hadley Post, No. 60, of South Hadley; and Waltham Post, No. 156, of Waltham, all of the American Legion, in the State of Massachusetts, praying that Congress remain in session during the existing international emergency, which were ordered to lie on the table.

RESOLUTION OF VETERANS OF FOREIGN WARS, NORTH CAROLINA

Mr. REYNOLDS presented a resolution of the Veterans of Foreign Wars, Department of North Carolina, which was referred to the Committee on the Judiciary and ordered to be printed in the RECORD, as follows:

Whereas the Veterans of Foreign Wars, Department of North Carolina, are duly assembled in encampment at Winston-Salem, N. C., this 20th day of May 1940, and

Whereas said Veterans of Foreign Wars are aware that the United States of America is now faced with the problem of immediately preparing itself for effective defense against any power or combination of powers, and

Whereas it is a matter of recorded history that prior to and after the entry of the United States of America into the World War of 1914–18 peace and order were threatened, and considerable sabotage occurred as a result of the activities of enemy aliens and agents of enemy powers in the United States of America, and

Whereas the investigations of the Congress of the United States of America, through a special committee for that purpose appointed, disclose the existence of organized and dangerous revolutionary groups of alien extraction operating in the United States of America, and

Whereas there is at the present time no adequate method of establishing the identity or of tracing the activity of potential enemy agents and traitors in the United States of America: Now, therefore, be it

Resolved, That the Veterans of Foreign Wars, Department of North Carolina, strongly advise and urge the Congress of the United States of America to immediately enact all necessary statutes and laws to require all persons residing or traveling within the boundaries of the United States of America or its possessions to have identity cards and to require the fingerprinting and other identification of all such persons; and be it further

Resolved, That a copy of this resolution be sent to each Senator and each Representative from North Carolina in the Congress of the United States of America, to the chairman of the special committee of the House of Representatives of said United States charged with the investigation of seditious and un-American activities in this Nation, to the national encampment for 1940 of the Veterans of Foreign Wars, and to the 1940 State convention of the American Legion of the Department of North Carolina.

RESOLUTION OF INDIANOLA (MISS.) POST NO. 2, AMERICAN LEGION

Mr. BILBO presented a resolution of Indianola Post No. 2, American Legion, Indianola, Miss., which was referred to the Committee on the Judiciary and ordered to be printed in the RECORD, as follows:

Whereas all Europe and the Far East are now engaged in a major conflict, the direct effect of which is to strike down the last vestige of freedom in those lands; and

Whereas solemn pledges of nations written into treaties are no longer recognized as anything but a "scrap of paper," used by aggressors to ensnare the unwary, so that such aggressors respect nothing but force, and are limited in their operations only by fear; and

Whereas it has come to the attention of the American people that this country is deplorably deficient in armaments and is now at the mercy of aggressor nations, and that it is apparent to all thinking Americans that the forces of greed and oppression are being held off these shores only temporarily while they solidify themselves at home, and that our day of trial by fire and steel appears to be in the near future; and

Whereas there have sprung up in this Nation large groups of people organized under the direction of nations that would destroy us by weakening us from within; and whereas there are those among us owing their allegiance to the enemies of America, who are seeking to destroy our constitutional liberties, and who hide behind our constitutional guaranties of free speech so to do; and

Whereas it is the sense of this body that it was never intended that the right of free speech be accorded to aliens who are seeking to use that privilege to destroy us, and we further believe that our Constitution contains sufficient provisions to protect itself and the citizenship of America; and

Whereas no nation can survive in this present world without being strong from within and strong from without, and it is essential that we immediately clean out all subversive elements within our country, and arm this Nation at once sufficiently to protect us from any nation or combination of nations that would destroy us: Now, therefore, be it

Resolved by Indianola Post No. 2, the American Legion, at Indianola, Miss., on the 11th day of June 1940, That we now call upon all officials in our Nation to put aside all partisan feelings and considerations, and to rally behind the President in a concerted drive to immediately and fully arm and equip this Nation, and to wipe out all un-American influences at work in this country; and we deny that aliens in our midst are entitled to the use of free speech in their efforts to destroy us, and we demand immediate deportation of every alien wrongfully in our midst or who abuses the freedom of this country, and we demand the Department of Labor to take immediate steps to deport all such alien agitators of every kind from America, and that all aliens be forthwith required to register and keep their movements and whereabouts known to the authorities, and we further demand that aliens be taken off the relief rolls of this country and from jobs that our citizens want or should hold; be it further

Resolved, That a copy of these resolutions be sent to our Congressmen and Senators in Washington, and that a copy thereof be filed with the proper committee at the ensuing department convention with a view of having the same there adopted.

RESOLUTION OF FLORA (MISS.) LIONS CLUB

Mr. BILBO also presented a resolution of the Lions Club of Flora, Miss., which was ordered to lie on the table and to be printed in the RECORD, as follows:

Whereas the slogan of the International Association of Lions Clubs is Liberty, Intelligence, Our Nation's Safety; and

Whereas the Flora Lions Club is vitally interested in and deeply concerned for the safety of the United States of America: Therefore

Resolved, That the Flora Lions Club hereby assures the President of the United States and the Congress of its approval of legislation enacted to keep the United States safe in a world consumed by war; and that we respectfully but earnestly urge further immediate and positive action to assure a degree of preparedness such as will safeguard our free democracy; and be it further

Resolved, That the Flora Lions Club stands resolutely for freedom of speech, freedom of thought, and individual liberty; that to this end we believe in adequate and substantial preparedness; that the Flora Lions Club asks a definite part in carrying out the program of preparedness and stopping the subversive activities of aliens and of all who would hamper the task of the Government in making this country fully prepared to defend its liberties and rights; and be it further

Resolved, That the Flora Lions Club urges the immediate enactment of legislation such as may be necessary to put an end to the subversive activities of foreign powers, paid or otherwise, who are plotting and working against our democracy; and that the Congress enact further legislation to inflict drastic punishment on any citizen or alien, working in the interest of any foreign power, who may willfully engage in any activity whose purpose is to defeat or overthrow our democratic form of government; and be it further

Resolved, That the Flora Lions Club hereby heartily endorses the work of the Dies congressional investigating committee and the Federal Bureau of Investigation of the Department of Justice, and emphatically urges that their powers be broadened and that ample appropriations be made to enable them to combat all subversive activities, thereby further guaranteeing our Nation's safety; and be it further

Resolved, That duly authenticated copies of this resolution be sent to the President of the United States, to the Vice President, to the Speaker of the House of Representatives, to Senators THEODORE G. BILBO and PAT HARRISON, and Hon. DAN MCGEHEE, our Representative in Congress.

REPORTS OF COMMITTEES

Mr. BONE, from the Committee on Patents, to which was referred the bill (H. R. 10058) to amend the act relating to

preventing the publication of inventions in the national interest, and for other purposes, reported it without amendment and submitted a report (No. 1911) thereon.

Mr. CONNALLY, from the Committee on Finance, to which was referred the bill (H. R. 6207) to amend section 2810 (a), Internal Revenue Code, to exclude petroleum stills from the requirement of registration, reported it without amendment and submitted a report (No. 1912) thereon.

He also, from the Committee on the Judiciary, to which was referred the bill (S. 3936) to extend the provisions of the act of May 22, 1934, known as the National Stolen Property Act, reported it without amendment.

Mr. AUSTIN, from the Committee on Immigration, to which were referred the following bills, reported them each with an amendment and submitted reports thereon:

H. R. 5641. A bill to admit Johann Rudolf Hueneberg permanently to the United States (Rept. No. 1914); and

H. R. 6056. A bill for the relief of Antal or Anthony or Tony Zaicek or Zaiczek (Rept. No. 1915).

Mr. AUSTIN also, from the Committee on Immigration, to which was referred the bill (H. R. 7563) for the relief of Salomon Georg Kaufmann; his wife, Doris Kaufmann, nee Stern; and their child John Michael Peter Kaufmann, reported it without amendment and submitted a report (No. 1916) thereon.

Mr. ANDREWS, from the Committee on Immigration, to which was referred the bill (S. 3596) to enable Eva Sofia Bildstein and her minor son, Jorg Bildstein, to remain permanently in the United States, reported it with an amendment and submitted a report (No. 1917) thereon.

He also, from the same committee, to which was referred the bill (H. R. 9651) for the relief of Meier Langermann, his wife, Friederike, and son, Joseph, reported it without amendment and submitted a report (No. 1918) thereon.

Mr. HUGHES, from the Committee on Immigration, to which was referred the bill (H. R. 8910) providing for the extension of nonquota status to Frederick Beck, reported it without amendment and submitted a report (No. 1919) thereon.

Mr. MALONEY, from the Committee on Immigration, to which was referred the bill (S. 3703) for the relief of Vasil Dimitroff Techoff, reported it with amendments and submitted a report (No. 1920) thereon.

He also, from the same committee, to which was referred the bill (H. R. 5156) for the relief of Adolph Ernest Helms, reported it without amendment and submitted a report (No. 1921) thereon.

He also, from the same committee, to which was referred the bill (H. R. 5640) to admit Richard Paul Rehn permanently to the United States, reported it with an amendment and submitted a report (No. 1922) thereon.

Mr. HERRING, from the Committee on Immigration, to which was referred the bill (S. 3248) to amend section 2, chapter 368, Forty-sixth Statutes at Large, page 1467, March 2, 1931, relating to extra compensation of inspectors and employees of the Immigration and Naturalization Service, reported it with amendments and submitted a report (No. 1923) thereon.

Mr. RUSSELL, from the Committee on Immigration, to which were referred the following bills, reported them severally without amendment and submitted reports thereon:

S. 4149. A bill to amend the Immigration Act of 1924 to require aliens admitted into the United States as officials of foreign governments either to maintain their status or to depart from the United States, with the approval of the Secretary of State (Rept. No. 1924);

H. R. 159. A bill to amend an act entitled "An act relating to the naturalization of certain women born in Hawaii," approved July 2, 1932 (Rept. No. 1925); and

H. R. 4185. A bill to repatriate native-born women residents of the United States who have heretofore lost their citizenship by marriage to an alien (Rept. No. 1926).

Mr. SCHWELLENBACH, from the Committee on Immigration, to which were referred the following bills, reported them each without amendment and submitted reports thereon:

S. 3361. A bill for the relief of Aron Pitt and Cecilia Pitt (Rept. No. 1927); and

H. R. 6443. A bill to permit certain aliens whose childhood was spent in the United States, if eligible to citizenship, to become naturalized without filing declaration of intention (Rept. No. 1928).

Mr. SLATTERY, from the Committee on Commerce, to which were referred the following bills, reported them each without amendment and submitted reports thereon:

H. R. 9509. A bill to extend the times for commencing and completing the construction of a bridge across the Ohio River at or near Shawneetown, Ill. (Rept. No. 1930); and

H. R. 9618. A bill to extend the times for commencing and completing the construction of a bridge across the Susquehanna River at or near the city of Harrisburg, Pa. (Rept. No. 1929).

Mr. McNARY, from the Committee on Commerce, to which was referred the bill (H. R. 6408) to extend the times for commencing and completing the construction of a dam and dike for preventing the flow of tidal waters into North Slough in Coos County, Oreg., reported it without amendment and submitted a report (No. 1931) thereon.

ENROLLED BILLS AND JOINT RESOLUTION PRESENTED

Mrs. CARAWAY, from the Committee on Enrolled Bills, reported that that committee presented to the President of the United States the following enrolled bills and joint resolution:

On June 18, 1940:

S. 4027. An act to transfer the active list of the Construction Corps to the line of the Navy, and for other purposes.

On June 19, 1940:

S. 2611. An act authorizing the purchase of a site and the erection of a building in the State of Massachusetts for use as a radio-monitoring station, and for other purposes;

S. 2983. An act to authorize the sale of lumber and other forest products obtained from the forests on Indian reservations by Indian enterprises;

S. 2984. An act authorizing the transfer of title of the Hayward Indian School to the State of Wisconsin;

S. 3018. An act to amend section 210 of the Communications Act of 1934, approved June 19, 1934 (48 Stat. 1073; 47 U. S. C. 210), so as to permit communication utilities to contribute free services to the national defense;

S. 3237. An act to amend section 301 (a) of the Sugar Act of 1937;

S. 3352. An act to amend the act of August 27, 1935 (49 Stat. 2194), and for other purposes;

S. 3667. An act to provide for the local delivery rate on certain first-class mail matter;

S. 3958. An act to authorize the Secretary of the Treasury to grant to the Road Department of the State of Florida an easement for a road right-of-way over the Coast Guard Reservation at Flagler Beach, Fla.; and

S. J. Res. 214. Joint resolution authorizing the recognition of the two hundredth anniversary of the founding of the University of Pennsylvania by Benjamin Franklin and the beginning of university education in the United States, and providing for the representation of the Government and people of the United States in the observance of the anniversary.

On June 20, 1940:

S. 2059. An act authorizing a grant to the city of Fargo, N. Dak., of an easement in connection with the construction of water and sewer systems.

BILLS INTRODUCED

Bills were introduced, read the first time and, by unanimous consent, the second time, and referred as follows:

(Mr. LUNDEEN introduced Senate bill 4168, which was referred to the Committee on Military Affairs, and appears under a separate heading.)

By Mr. SHIPSTEAD:

S. 4169. A bill for the relief of Irene Dial (with accompanying papers); to the Committee on Claims.

By Mr. SHEPPARD:

S. 4170. A bill to authorize the Secretary of War to acquire by donation land or to accept donation of the cost of acquiring same, for military or other public purposes; to the Committee on Military Affairs.

By Mr. WHEELER:

S. 4171. A bill for the establishment of the Fort Peck National Recreational Area, in the State of Montana, and for other purposes; to the Committee on Agriculture and Forestry.

ESTABLISHMENT OF THE CORONADO INTERNATIONAL MONUMENT, ARIZ.—AMENDMENTS

Mr. HAYDEN submitted amendments intended to be proposed by him to the bill (S. 4130) to provide for the establishment of the Coronado International Monument, in the State of Arizona, which were referred to the Committee on Public Lands and Surveys and ordered to be printed.

STATEMENT BY SENATOR VANDENBERG ON HISTORY OF BEET-SUGAR LEGISLATION

[Mr. VANDENBERG asked and obtained leave to have printed in the RECORD a statement prepared by him giving a history of beet-sugar legislation under the present administration, which appears in the Appendix.]

ELECTRIFYING RURAL AMERICA—ADDRESS BY HON. HARRY SLATTERY

[Mr. LA FOLLETTE asked and obtained leave to have printed in the RECORD a radio address by Hon. Harry Slattery, Administrator, Rural Electrification Administration, on June 3, 1940, on the subject Electrifying Rural America, which appears in the Appendix.]

ADDRESS TO GRADUATING CLASSES BY THE PRESIDENT OF THE UNIVERSITY OF MICHIGAN

[Mr. WHEELER asked and obtained leave to have printed in the RECORD an address delivered by President Alexander Ruthven to the 1940 graduating classes of the University of Michigan, which appears in the Appendix.]

POLITICS OR PATRIOTISM—EDITORIAL FROM DETROIT FREE PRESS

[Mr. NYE asked and obtained leave to have printed in the RECORD an editorial from the Detroit Free Press of June 11, 1940, entitled "Politics or Patriotism," which appears in the Appendix.]

THREE ACES VERSUS THE NEW DEAL—EDITORIAL FROM FORT WAYNE (IND.) NEWS-SENTINEL

[Mr. NYE asked and obtained leave to have printed in the RECORD an editorial from the Fort Wayne (Ind.) News-Sentinel of June 1, 1940, entitled "Three Aces Versus the New Deal," which appears in the Appendix.]

NEW DEALISM OR REAL DEFENSE—ADDRESS BY SENATOR TAFT

[Mr. DANAHER asked and obtained leave to have printed in the RECORD an address delivered by Senator TAFT on Thursday, June 20, 1940, on the subject "New Dealism or Real Defense," which appears in the Appendix.]

FRENCH COPPER MINES IN MEXICO AND PURCHASE OF SILVER THROUGH MEXICO

[Mr. TOWNSEND asked and obtained leave to have printed in the RECORD an item from the Baltimore Sun of June 20, 1940, under the heading "Mexico Reported Taking Over French Mines," and also an item from the New York Times of June 20, under the heading "Morgenthau to Sift Rumor of Sale by Nazis of Silver From Invasions," which appear in the Appendix.]

ORDER OF BUSINESS

The PRESIDENT pro tempore. The routine morning business is closed.

Mr. BARKLEY. Mr. President, yesterday I announced that, following the completion of the routine morning business, I would ask for the consideration of unobjected-to bills on the calendar. The Senator from South Carolina [Mr. BYRNES] is in charge of the unfinished business, which he thinks will not take much time, and I am perfectly willing to postpone the request for the consideration of unobjected-to bills to see if he can get his bill through.

Mr. BYRNES. Mr. President, I make that request because I should like to have the Senate act on the Commodity Credit Corporation bill.

Mr. ASHURST. Mr. President, if request is made for an order to proceed with the calendar for the consideration of unobjected-to bills only, I must object, for this reason: There are on the calendar many bills which should be considered; and if an order should be entered to consider only unobjected-to bills, obviously we may not consider certain important bills.

Mr. President, I wish to aid the able Senator from Kentucky; but there are on the calendar bills which are hotly contested. I would not attempt at this time and in these circumstances to try to get up the Walter-Logan bill, although my attitude toward that bill is well known; but there are other bills of importance, notably the so-called Boulder Dam adjustment bill, upon which the seven Colorado River Basin States have agreed. That bill is in charge of the able senior Senator from Nevada [Mr. PITTMAN]. There is the freight-forwarders bill to be considered. Moreover, there is Senate bill 4008, introduced by the Senator from Montana [Mr. MURRAY] for himself and 10 other Senators; and I do not overemphasize when I say that Senate bill 4008 is one of the most, if not the most, important of the bills pending before Congress, because it implements and equips the authority, the power, and credit to prospect for, extract, and process strategic, essential, and critical minerals now locked in the hills and mountains of our country.

Surely if we are in good faith, as we certainly are, about preparedness and rearmament for our country's defense, the Senate will not adjourn until it passes Senate bill 4008, introduced, as I said before, by the Senator from Montana [Mr. MURRAY] and 10 other Senators, and which bill was favorably reported from the Senate Committee on Banking and Currency, so that we may be equipped to secure, extract, and process these strategic, critical, and essential minerals from our own country without being required to obtain these minerals from Brazil, Russia, or other countries.

So, Mr. President, I must object unless we have assurances that that bill and bills of similar character may be considered. Under the order that will be asked by my able friend the Senator from Kentucky [Mr. BARKLEY], that bill (S. 4008), for example, might not have opportunity to be considered. Mr. President, why dehorn ourselves? Why draw our teeth, and clip our claws, and render ourselves unable to consider these bills?

I wish no order entered to consider only unobjected-to bills on the calendar. I desire both objected-to and unobjected-to bills considered.

Mr. BARKLEY. Mr. President, the Senator from Arizona knows that there are on the calendar many bills which can be passed as soon as they are called, to which there is no objection. Unless we enter an order for the consideration only of unobjected-to bills, the first bill called might take an indefinite length of time, and we never would reach the other bills.

Mr. ASHURST. Mr. President, we have 6½ months remaining.

Mr. BARKLEY. Oh, well, Mr. President; I want to be perfectly frank. Unless we can get an order for the consideration of unobjected-to bills only, I shall withdraw my request for the consideration of the calendar, and let the Senator from South Carolina go ahead with his bill.

Mr. BYRNES. Mr. President, this bill, reported from the Banking and Currency Committee——

Mr. NYE. Mr. President, will the Senator yield?

Mr. BYRNES. Yes.

Mr. NYE. Has there been consent to waive the order of last night, and take up the so-called unfinished business at this hour?

The PRESIDENT pro tempore. No order was made last night except to adjourn, so far as the Chair knows. Therefore, the regular order comes on after adjournment, which is the routine morning business.

Mr. McNARY. Mr. President, a parliamentary inquiry.

The PRESIDENT pro tempore. The Senator will state it.

Mr. McNARY. We have not completed the routine morning business, have we?

The PRESIDENT pro tempore. It has been completed.

Mr. McNARY. Has it been?

The PRESIDENT pro tempore. It was so announced by the Chair.

Mr. NYE. Mr. President——

The PRESIDENT pro tempore. The Senator from South Carolina has the floor. Does he yield?

Mr. BYRNES. I yield to the Senator from North Dakota.

Mr. NYE. A few moments ago the Senator from South Carolina made a personal request of me. I understood that his request was that I refrain from delivering the remarks I had planned to make this noon until he could bring up the unfinished business. I am sorry to have misunderstood as completely as I did his purpose. I had no knowledge that he planned to move the consideration of the unfinished business as the first order today. I had been hoping and planning to speak when the Senate convened this noon, and had assumed, when the plan was announced to take up the calendar, that as soon as the consideration of the calendar was completed the Senator from South Carolina would call up the unfinished business, and I should have a chance then to be heard.

If, now, the Senator wishes to proceed with the unfinished business, and hopes to prevent any talk aside from the business itself, I am sorry to have to disappoint him, because it seems to me this is going to be the only opportunity I shall have during the day to speak.

Mr. BYRNES. Mr. President, I did speak to the Senator, and presented to him this situation:

Here is a bill which was unanimously reported by the Banking and Currency Committee, which would make available to the Commodity Credit Corporation additional credit to make loans upon wheat, cotton, and corn under the provisions of the Agricultural Adjustment Act. It is essential that it be done; and my personal request to the Senator was that he would permit me to dispose of this matter, which I was sure could be done in a few minutes, that I might return to the Appropriations Committee, where the deficiency subcommittee is in session, of which the Senator from North Dakota is a member and I am a member, and hearings are going on.

There is no agreement about the consideration of bills on the calendar. I do not know why the Senator will not have an opportunity during the day to make the speech he desires to make. I hope he will permit this bill to be disposed of, because it is a matter of very great importance to the agricultural interests of the country.

Mr. NYE. Mr. President, a parliamentary inquiry.

The PRESIDENT pro tempore. The Senator will state it.

Mr. NYE. If the unfinished business is taken up and disposed of, will the Senate then proceed to the consideration of bills on the calendar under the 5-minute rule?

Mr. BARKLEY. Mr. President, I will say to the Senator that we have not any consent to consider bills on the calendar at all. We cannot proceed with the calendar without obtaining consent.

Mr. NYE. May I ask the leader, then, whether there will be an opportunity to be heard?

Mr. McNARY. Mr. President, a parliamentary inquiry. The Senate adjourned last evening, did it not?

The PRESIDENT pro tempore. The RECORD shows that the Senate adjourned last evening.

Mr. McNARY. Then, automatically, the calendar comes up today.

The PRESIDENT pro tempore. That is correct, under rule VIII.

Mr. McNARY. Under rule VIII. The Senator from Kentucky desires to amend the usual formula by asking unanimous consent for the consideration of unobjected-to bills; but in the absence of that agreement the calendar would come before the Senate.

The PRESIDENT pro tempore. That is true.

Mr. JOHNSON of California. Mr. President, will the Senator yield to me for a moment? The RECORD seems to me to be fairly clear in regard to the matter.

Last night the Senator from South Carolina [Mr. BYRNES] suggested, after he had presented his matter, that—

> I will do whatever the Senator from Oregon wishes. If delay is desired, I shall not ask for action on the bill today.
>
> Mr. McNARY. Why not let the bill remain the unfinished business, and let the Senate carry out its purpose to adjourn out of respect to the memory of our late colleague?
>
> Mr. BYRNES. Very well. I ask that the bill be read.
>
> The PRESIDING OFFICER. The bill will be read.
>
> The Chief Clerk read as follows:
>
> "*Be it enacted, etc.*, That the act approved March 8, 1938 (52 Stat. 107), as amended by the act of March 4, 1939 (53 Stat. 510), be amended as follows: In section 4 delete the figure '$900,000,000' and insert in lieu thereof the figure '$1,400,000,000.'"
>
> The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from South Carolina.
>
> The motion was agreed to; and the Senate proceeded to consider the bill (S. 3998) to increase the credit resources of Commodity Credit Corporation.

It seems to me we are left, then, at the close of the session with the Senate having agreed to consider this particular bill, and this particular bill comes before us this morning the first thing.

Mr. BARKLEY. That would be true if the Senate met today following a recess, but the Senate adjourned yesterday, which, of course, brings about a morning hour. In the course of considering the morning hour's business we have reached the calendar. We either have to dispense with the call of the calendar or get an agreement to consider unobjected-to bills, or proceed with the calendar until 2 o'clock, and debate the first bill or any other bill.

Mr. JOHNSON of California. After the particular exchange to which I have referred had been had, the Senator from Kentucky made a statement, and I read that statement:

> Mr. BARKLEY. Mr. President, before the Senator from Vermont [Mr. AUSTIN] makes his motion, I wish to advise the Senate that tomorrow, as soon as the routine business of the morning hour shall have been concluded, I shall ask the Senate to consider bills on the calendar to which there is no objection. There are a number of bills on the calendar which should be considered before the week is over, and I think we shall have time to do that tomorrow.

Mr. BARKLEY. That is correct.

Mr. JOHNSON of California. It seems to me it is not difficult to unravel the situation, then. But it depends now upon what is to be done by the Senate tomorrow, and if it will not be presumptuous I should like to inquire whether it is the intention of the Senator from Kentucky to ask tomorrow that we adjourn, and adjourn sine die.

Mr. BARKLEY. It is not.

Mr. JOHNSON of California. Is it the intention to ask for a recess until a day in August?

Mr. BARKLEY. That depends, I will say to the Senator. I had first thought—and I have been trying to work it out with the other body—that we could recess until the 1st of August. Whether that can happen or not I do not know. But I understand the House is now considering a suggestion to recess from tomorrow until Monday week, which would be after the Philadelphia convention; and if they adopt such a resolution as that and send it to the Senate, I think it is likely we could agree to it. Unless the House passes some resolution of that kind or some resolution with respect to a recess, I do not intend to offer any resolution on the subject either of adjournment or of recess. But if we cannot recess for a week, I think, as is customary, out of respect to our colleagues here, we will have to have an understanding that no important business shall be transacted next week—that we will recess from Monday until Thursday and from Thursday until the following Monday.

Mr. JOHNSON of California. Quite so; and I think that would be an eminently fair suggestion. But I am one of those who do not want Congress to adjourn or to recess for a definite period until August, and I am trying to ascertain the facts so that I can govern myself accordingly.

Mr. BARKLEY. I understand the Senator. I cannot tell him now what kind of a resolution the House may adopt and send to the Senate, or whether it will adopt any, but I think it is likely that they will not adopt any that will provide for a recess of more than a week.

Mr. McNARY. Mr. President, I think the able Senator from California has voiced the sentiments of the Republican Senators. We desire to remain in session constantly from day to day. However, an arrangement in accordance with the very generous statement made by the able leader of the Democratic Party in the Senate would permit us to meet Monday and recess until Thursday, and meet Thursday and recess until the following Monday, to permit those who desire to attend the Republican convention to do so.

So far as recessing to a definite time is concerned, whether it be for a week or a month or 2 months, I think it may be said, in fairness to the Democratic leader, that the Republican Members of the Senate object to that form of arrangement.

Mr. BARKLEY. I appreciate that suggestion. I understand that to be the public attitude of the minority, taken in a conference which they held. Many of them have told me that they voted for that action in the conference with so many of their fingers crossed that it made their hands look as if they had been deformed through a lifetime of rheumatism. [Laughter.] At the same time I realize that is the action they have taken.

I wish to say to the Senator from Arizona that I am for his proposed Boulder Dam bill. I think it can be passed on the call of the calendar. I am for his mineral bill, and I will cooperate with him in an effort to get that bill brought up separately before tomorrow night if we cannot pass it on the call of the calendar, if there should be objection to it.

I will say frankly that the Senator from Massachusetts [Mr. WALSH], the chairman of the Committee on Naval Affairs, has a naval bill, which is part of the defense program, which he desires to have acted on. I do not think the consideration of that bill will take long, and it is very necessary to get it through. But I have every reason to believe we can take up the bill of the Senator from Arizona if it cannot be passed on the call of the calendar.

Mr. CLARK of Missouri. Mr. President, there are other bills on the calendar in which other Senators are interested. For instance, the bill introduced by the Senator from Arizona prohibiting interstate commerce in convict-made goods is a bill which has very wide support. I do not know whether it can be passed on the call of the calendar or not, but I do not want to see others precluded. I think there should be a regular call of the calendar before the end of the session, and at the earliest possible date, not for unobjected-to bills but a regular call of the calendar, so that Senators may have opportunity to move to take up bills.

Mr. McNARY. I call for the regular order.

Mr. BARKLEY. The hope is that we may have such a call.

The PRESIDENT pro tempore. The regular order is called for. The Senator from South Carolina has the floor.

Mr. BYRNES. Mr. President, I move that the Senate proceed to the consideration of Senate bill 3998, the Commodity Credit Corporation bill.

Mr. NYE. Mr. President——

The PRESIDENT pro tempore. The motion is not debatable.

The motion was agreed to; and the Senate proceeded to consider the bill (S. 3998) to increase the credit resources of the Commodity Credit Corporation, which had been reported from the Committee on Banking and Currency without amendment.

Mr. BYRNES obtained the floor.

Mr. NYE. Mr. President, will the Senator yield?

Mr. BYRNES. I yield.

Mr. NYE. I have no desire to delay the passage of the bill which the Senator has before the Senate at the present time, but I wish to make inquiry of the majority leader whether it is his intention to ask unanimous consent, on the disposal of the unfinished business, that we proceed to consider the calendar under the 5-minute rule.

Mr. BARKLEY. That had been my purpose. I will say to the Senator, in response to his former question, that undoubtedly there will be opportunity for the Senator to address the Senate even after the call of the calendar. We have to take up the naval bill, and we will have to take up several other bills before the end of the week. I am sure the Senator will have an opportunity to address the Senate.

Mr. NYE. Mr. President, I shall seek recognition at the conclusion of the consideration of the unfinished business, and seek to make my remarks then.

Mr. BYRNES. Mr. President, the pending bill was reported from the Committee on Banking and Currency by unanimous vote. It is made necessary by reason of the fact that the Agricultural Adjustment Act provides that should the prices of certain commodities decline to 52 percent of parity, loans by the Department of Agriculture shall be mandatory.

Today the Commodity Credit Corporation has available for such loans, if the loans become necessary, a little more than $20,000,000. Because of the fact that our exports to European nations are necessarily curtailed, if not absolutely destroyed, it is evident that there will be a necessity for the department to make such loans.

The committee therefore has reported this bill, giving to the Commodity Credit Corporation an increase in its borrowing power so that should the necessity arise, they can make the loans. If the prices of wheat, corn, cotton, and tobacco, should not decline, the loans would not be made. Should those prices decline below the percentage fixed in the law, then the loans would have to be made.

It is necessary that the Commodity Credit Corporation be clothed with the power to carry out the provisions of law. That is all there is to the bill.

Mr. KING. Mr. President, will the Senator yield?

Mr. BYRNES. I yield.

Mr. KING. Assume that, by reason of convulsions throughout the world, our foreign market is practically destroyed—and, of course, the repercussions would be manifested in our domestic market—and wheat, corn, and other commodities should fall to a very low figure. Under the law would this organization be compelled to make loans?

Mr. BYRNES. They would be compelled to do so.

Mr. KING. Nevertheless, there might be enormous losses which would have to be paid by the Government?

Mr. BYRNES. The question of losses would be determined on liquidation. At present, under the law the Corporation must file a statement as of March 15, and as of March 15 last there was a paper profit of $75,000,000 because prices happened to be high. Today there would be shown to be a paper loss instead of a paper profit.

Mr. KING. Has a statement or report been made by this Corporation to Congress or to some executive agency of the Government indicating the amount they have expended by way of loans, the losses and the profits, and what they have on hand?

Mr. BYRNES. That information is contained in the hearings, two statements, not only the one of March 15, but a statement as of April 30, the date of the hearings, giving the exact information the Senator desires to secure.

Mr. KING. Would the Senator care to state the amount which has been loaned, the sources from which the money was obtained, and the amount of assets which the Corporation has at present?

Mr. BYRNES. As to the source, it is obtained from the sale of securities which the Commodity Credit Corporation borrowed from the Treasury. I shall be glad to hand the Senator the itemized statement, which is quite lengthy, but gives the detailed information. To my surprise, on the commodities which have actually been liquidated to date, there has been an actual profit. But the question of profit or loss depends, of course, upon what would be the situation if the Corporation were required to liquidate today all the commodities held as security. There would be a loss if the Corporation were forced to liquidate today. That statement differs from day to day as the price of the commodities held differs.

The Senator will find that the committee went into that matter in the hearings, which give to the Senate information as to the assets and liabilities, and as to the loans guaranteed. The loans are made through banks, and the Corporation guarantees the loans. That is necessary at this time. If there are any losses they have to be made good.

Mr. McNARY. Mr. President, will the Senator yield?

Mr. BYRNES. I yield.

Mr. McNARY. I am very greatly interested in the objective of the Commodity Credit Corporation. I think, however, it has made some unwise loans. I am curious whether the Senator has a statement of the losses sustained on the capitalization heretofore granted the Corporation by Congress.

Mr. BYRNES. I was just saying something along that line in answer to a question propounded by the Senator from Utah.

Mr. McNARY. I am sorry I did not hear that. I shall be glad to read it if the RECORD discloses it. I was obliged to leave the Chamber for a moment and failed to hear that explanation.

Mr. BYRNES. The answer is that, somewhat to my surprise, a profit was made on the commodities that have actually been liquidated. But the question of whether or not there is a profit or loss depends on the price of the commodities on the day we ask the question. For instance, the law requires that the statement be made as of March 15. On that date this year the price of wheat, corn, and cotton was much higher than it is now, and there was shown a profit—a paper profit I call it, because that is all it is—of $75,000,000, which, under another provision of the law, the Commodity Credit Corporation must pay to the Treasury out of this fund.

If we take the price as of today, because of the amount of cotton that is held, there would be a loss.

Mr. McNARY. What would be the extent of that loss?

Mr. BYRNES. Mr. President, I must say that I have not followed the price of cotton the last few days.

Mr. McNARY. The Senator will recall that when we extended the capitalization of this corporation 2 years ago there was a very great loss incident to loans made on cotton.

Mr. BYRNES. That is true.

Mr. McNARY. I am not criticizing the Corporation because of these losses, but I would probably criticize the administration of the act in the lending of more money than was justified by the price of cotton. The loans did a great service to the cotton growers. I am not objecting to that. I only mention that situation. I know of other commodities in connection with which losses have been made. I believe a miscalculation was made with respect to the price level of the products, or they were struck by the depression. In any event, losses were incurred.

What I should like to obtain, if the Senator has it, is a statement of the loans that were made on the different commodities in the order in which they were made, and the losses and profits that may accrue from these loans. Has the Senator such a record?

Mr. BYRNES. Mr. President, I will say that in order to determine that we must take the value of the cotton which is now held by the Commodity Credit Corporation. Some of it was bought at high prices. It would represent on a given date a loss. I will give to the Senator the answer of the official in charge who replied to this question. He said that if all the assets of the Commodity Credit Corporation on March 31 had been sold at the then prevailing market prices, and all its liabilities had been paid, the Corporation would have returned to the Treasury the original $100,000,000 of capital appropriated by the Congress, plus an estimated $75,000,000 of profit. There have, however, been appropriations to offset deficits in 2 earlier years. That is the situation as it stands today.

Mr. McNARY. What amount of money has the Congress appropriated to the capital stock of this Corporation in toto?

Mr. BYRNES. Outside of the $100,000,000, there was an appropriation provided to make good a deficit, as the official of the Corporation testified. The exact amount of that, I do not know, but it is set forth in a letter addressed to the Senator from Ohio [Mr. TAFT]. I think he secured a statement of the amount.

Mr. McNARY. The original capitalization was $100,000,000.

Mr. BYRNES. Yes.

Mr. McNARY. Did we not increase that by $200,000,000 in the consideration of the last model of the A. A. A. measure?

Mr. BYRNES. No; it was not increased by that legislation.

Mr. BYRD. Mr. President, will the Senator yield to me so that I may answer the question of the Senator from Oregon?

Mr. BYRNES. I yield to the Senator from Virginia.

Mr. BYRD. In 1938 there was an impairment of $96,000,000 of the capital stock of the Commodity Credit Corporation. In 1939 there was an impairment of $116,000,000. Both those items were made good by appropriations out of the Treasury.

Mr. BYRNES. Mr. President, as to the exact amount, I do not have it in mind. If the Senator from Virginia says that those two losses occurred, and that they were made good, the total represents the loss to the Treasury.

Mr. McNARY. The pending bill proposes to increase the capital stock to $1,400,000,000?

Mr. BYRNES. It raises its borrowing power from $900,000,000 to $1,400,000,000.

Mr. McNARY. Then the borrowing power today is $900,000,000?

Mr. BYRNES. Yes.

Mr. McNARY. What has been the total impairment in the amount of money advanced by the Government, through loans made by the Corporation?

Mr. BYRNES. The impairment would be the amount represented by the figures given by the Senator from Virginia. He says he has the figures at hand with respect to those two appropriations. They represent the only impairment. The statement made by the Corporation is that if the assets were sold a month ago and all liabilities paid, there would be a profit of $75,000,000; that is, the Corporation would return the $100,000,000 of capitalization, plus $75,000,000.

Mr. McNARY. I may ask the Senator what amount of cotton is the Commodity Credit Corporation now holding for liens upon the money advanced? I refer to the cotton in bales. At one time it amounted to about 12,000,000 bales.

Mr. BYRNES. That amount was greatly reduced. On April 30 the Corporation had loans outstanding of $118,000,000 on 2,500,000 bales of cotton, and on that date the Corporation owned, in addition, 6,650,000 bales of cotton.

Mr. McNARY. The Corporation owned that number of bales?

Mr. BYRNES. The Corporation owned 6,650,000 bales of cotton.

Mr. McNARY. In the loss which the Senator stated, does he take into consideration the amount of cotton held after the final disposition of the cotton impounded under loans?

Mr. BYRNES. The Corporation states that there would be no loss, taking into consideration the value of the cotton impounded, and it is stated that as of March 31, had the Corporation been liquidated, there would have been a profit of $75,000,000.

Mr. McNARY. I am happy indeed to have that information.

Mr. BYRNES. I may say I was surprised to learn of it.

Mr. McNARY. I have no objection to the bill sponsored by the Senator. Indeed, I favor it, provided the declaration of the Senator is that the Corporation is conducting its affairs in a businesslike way, and that the losses are not larger than good business would justify.

Mr. TAFT. Mr. President, will the Senator yield?

Mr. BYRNES. I yield.

Mr. TAFT. Am I to understand the Senator to say that the Corporation now owns 6,600,000 bales of cotton?

Mr. BYRNES. I was reading from the hearings. That was the statement of Mr. Robbins in the hearings.

Mr. TAFT. And then they also have loans on 2,500,000 bales of cotton?

Mr. BYRNES. Yes.

Mr. TAFT. I notice in the statement on page 10 of the hearings that the Corporation has obligations to purchase loans made by private lending agencies in an amount of $293,000,000. Is that in addition to, or is that part of the 2,500,000 bales?

Mr. BYRNES. I assumed that was part of the obligations on loans outstanding. As the Senator knows—and he was present at the hearings—all their obligations are made upon the outstanding loans.

Mr. TAFT. So in effect the Corporation owns something over 9,000,000 bales of cotton today, at a cost of perhaps $600,000,000 or so?

Mr. BYRNES. As to the figure with respect to cotton, I will say yes. As to the amount, I do not know, because the cotton was bought at different prices, and without looking at the statement I could not tell.

Mr. TAFT. I see this estimate provides for an increase in the loans on cotton of $100,000,000, or an approximate increase of 2,000,000 more bales, in addition to the 9,000,000 bales which we already have. That is a contingency that is provided for here.

Mr. BYRNES. That is correct.

Mr. TAFT. Is the Senator advised as to how much money is outstanding in loans on corn today?

Mr. BYRNES. Only from the statement which the Senator has in front of him. I have no other information. As to corn, the Corporation's obligations to purchase loans made by private lending agencies amount to $108,000,000.

Mr. TAFT. And in addition, the estimate provides for increase in loans on corn, gross without any deduction, of $150,000,000 for 260,000,000 more bushels of corn.

Mr. BYRNES. That is correct.

Mr. TAFT. And is the Senator advised as to how much is outstanding on wheat today?

Mr. BYRNES. Only as shown in the statement which the Senator has before him, $87,956,000, which was the figure as of March 15. I have no other information than was given to the committee.

Mr. TAFT. Mr. President, I wish to say only a few words. The bill, of course, authorizes an increase in the public debt of the United States of half a billion dollars in effect. We first authorized a capital stock of $100,000,000. We then authorized $400,000,000 to be borrowed on the credit of the United States. Then last year we authorized $500,000,000 more. The bill proposes to authorize $500,000,000 more, so we shall have $1,500,000,000 invested in various crops. As I understand, loans on corn are made at a price in excess of the price on corn. Many of the loans on cotton are made at a price in excess of the price on cotton. I think we have undertaken obligations which require that the bill be passed, but if we continue the policy of the Government buying surpluses, in effect at prices in excess of the market prices, it means a constant increase in the Government debt, and it seems to me that, in the long run, we stand a chance of a very large loss.

Mr. BYRD. Mr. President, will the Senator yield?

Mr. TAFT. I yield.

Mr. BYRD. The report made by the Commodity Credit Corporation as of June 30 last showed that loans to the extent of $132,441,000 were in default. I assume that when the Senator from South Carolina [Mr. BYRNES] said that there had been a profit, he did not include the losses which were made good out of the Treasury. For 1938 those losses were $96,000,000; for 1939, $116,000,000; and for 1940, no report has been made.

Mr. TAFT. The Senator is correct. On March 15, 1939, the losses were approximately $200,000,000. On March 15, 1940, the cut-off date, it happened that the price of cotton was unusually high. I think it has gone down since then, has it not?

Mr. BYRNES. It has.

Mr. TAFT. Therefore the $75,000,000 profit was simply a book profit, because the price of cotton happened to be higher on March 15, 1940. Also, in a sense, the $200,000,000 loss was a book loss. We may or may not make money; but undoubtedly the Government is in the grain business and the cotton business to a greater extent than any Government has ever been in any such commodity business.

Mr. BYRNES. Mr. President, will the Senator yield?

Mr. TAFT. Surely.

Mr. BYRNES. To me, the interesting—and I may say surprising—statement was that on the commodities actually liquidated there was an actual profit. On the basis of the figures, there would be a loss or profit, depending upon the prices of commodities on a given date. On March 13 there was a paper profit of nearly $75,000,000. There is actually no profit, because the prices of wheat and corn are now lower.

Mr. TAFT. Whether or not there is a profit depends on whether we sell the cotton we buy at a low price or at a high price. Those things are hardly determinative of what may happen in the long run. I should say that under the circumstances we are certain to suffer a loss. How large that loss may be, I cannot say.

BRIG. GEN. WILLIAM L. MITCHELL

Mr. WILEY. Mr. President, I rise today to do a job which I have wanted to do for a long time, a job which I should do, because it concerns the vindication of a famous Wisconsinite. It also concerns the matter of preparedness, which we have been discussing.

Yesterday we paid homage to one of our Members who has gone on ahead in the great journey. The great Wisconsinite to whom I refer has also gone on ahead. The job I wish to do now should be done, because in vindicating the memory of this man we may be able to make constructive contributions to our defensive philosophy. If there is anything we need to do now, it is to awake to the importance of defense.

Mr. President, I rise today to alter the epitaph which Army "brass hats" wrote more than a decade and a half ago for the military career of a great soldier. It is well that this epitaph be altered for the RECORD.

Fifteen years ago a good Milwaukeean, Brig. Gen. Billy Mitchell, blasted the Army and Navy mossbacks with a scorching broadside for "their criminal negligence and their bungling incompetency." General Mitchell, one time Chief of the Army Air Corps, was a brilliant soldier and a pioneer flier. He rebelled—and I use that word advisedly—at the criminal blindness of his superiors. Finally he publicly urged the establishment of a separate air branch for national defense.

This far-seeing man, who commanded the A. E. F. air force in France, was convinced that the airplane would be a decisive factor in all future wars. He was so far ahead of his time that he advocated aerial torpedos, parachute troops, troop transport planes, heavy-gun combat planes, and air bases in Alaska. As far back as October 17, 1918, Mitchell discussed troop transport and parachute armies with General Pershing. At that time he urged further development and greater use of the tank. That was expert pre-vision. Mitchell was a prophet. He was ahead of his time. Today he stands high in our current history as "the man who saw them coming."

His idea of the military importance of air power dates back to 1910, and he fought from that time until his death—he fought, I say, until his death, literally becoming a martyr—to have the United States lead the world with an air armada.

Billy Mitchell never "pulled his punches." He was outspoken in his criticism, but he backed his statements with facts. As early as 1920 he literally stunned officials in Washington with the statement that he could sink a battleship with airplane bombs. Rocking-chair admirals and swivel-chair generals scoffed at the idea, but they arranged a demonstration. He directed Army flyers who bombed and sank a submarine, a cruiser, a destroyer, and then a German dreadnaught. By the way, that dreadnaught was the one which the infamous von Tirpitz said could not be sunk.

As recently as 1933 Brig. Gen. William L. Mitchell was still fighting for an air force. There was one other man in the world who was waging a similar battle. His name was Hermann Goering, of Germany. Goering's advice was respected.

Mitchell's advice was not respected. Goering was given carte blanche authority to build the German air force. He built it, and today Germany is the only first-class nation in Europe. Mitchell was repudiated, and died a broken man in 1936, at almost the same time Adolf Hitler was completing his air defenses. Not a single official representative of the Army attended his funeral.

I say it is time for us to develop an air force in this country and get away from those who can see only today and yesterday, but not tomorrow. When Mitchell made his first blistering attack on our military high-caste command, what happened? He was relieved of his tour of duty and sent to the "sticks" in a Texas outpost. When the airship *Shenandoah* crashed this man dared to speak out. He issued a bitter blast against the hide-bound officials who held down the development of the air defense of this country. The sole result of this accurate indictment was what? Billy Mitchell was arrested, court-martialed, and suspended from the service for 5 years. He was "cashiered" by a packed court. One of the greatest military minds of all time was crucified under the outmoded terms of the ninety-sixth article of war.

Today we are outmoded because we would not listen to the advice of vision of Billy Mitchell, from my State of Wisconsin. Mitchell was pilloried by military martinets. His ideas were stifled and his beliefs entombed. If he were alive today he could say, "Gentlemen, I told you so." He could enjoy the last laugh, though it would be a grim one, because today, just 4 years after his death, we lay plans for an Air Corps of 50,000 planes, an even mightier air fleet than Mitchell envisioned.

Mr. President, vindication is always late. Mitchell's case may never be reopened by an Army court. Meanwhile, confession is good for the soul. It is good to know that Maj. Gen. Edwin B. Winans, a member of the court-martial board which tried Mitchell, recently publicly admitted—and I quote:

> Mitchell was right and we were wrong.

Pray God that the mistake of those who were wrong will not present America as another France to the world. The vindication came too late for Billy Mitchell; but I hope it does not come too late for us publicly to alter his epitaph as the public reads it.

Mr. President, I ask unanimous consent to have inserted in the CONGRESSIONAL RECORD at the conclusion of my remarks an article from the Milwaukee Journal of May 24, 1940. That article is entitled "Air War a Vindication of General Mitchell." I want the RECORD to be straight on the vindicated vision of Brig. Gen. William L. Mitchell, from Wisconsin.

The PRESIDENT pro tempore. Without objection, the article may be printed in the RECORD.

(See exhibit A.)

Mr. WILEY. Mr. President, a lip service of vindication is not enough. In the Holy Writ it is written, "Where there is no vision, the people perish." Some of us who listened to Petain the other day heard him tell of his beloved France going down, not because the soldiers failed but because France failed 4 or 5 years ago to see what Billy Mitchell saw.

On the floor of the Senate we now admit we are unprepared because we failed to see what he saw. The truth of the statement that without vision a nation perishes is evident to everyone. The truth of that warning is written in the trail of blood flowing across all Europe today. If we are really to vindicate Mitchell, we must erect a monument to his memory in the sacred shrine of a new concept of security; we must grasp what we are facing and meet it head-on. It is not enough for us to look backward. We have got to meet the challenge of this hour; we have got to realize that the Hitler revolution is one of the stupendous movements of history. It not only affects the geography of the world but it affects the economic picture of all life on this globe.

It will do no good to build planes and make guns if we do not use brains and vision in their design and in their use. We must eliminate any vestige of a vicious military caste system which crucifies courage and vision. That is what Petain found was the matter with France, and, perhaps, in our own land today we had better look to our own faults and shortcomings.

Have we denied men with ideas an opportunity? The best demonstration of what we have done is what was done in crucifying Billy Mitchell. We must scrap outmoded ideas, red tape, and, above all, mossback thinking. We must insist on open minds, receptive to new ideas, and we must insist on a fair hearing for such ideas.

Mr. TYDINGS. Mr. President, will the Senator yield?

Mr. WILEY. I yield.

Mr. TYDINGS. I do not know what the Senator has in mind to propose as a matter of vindication in line with his argument, but I think he might well consider, being a Senator from Wisconsin, having a bill introduced which would give to the widow and children of General Mitchell for the period of life at least the salary and allowances which he would have had if he had not been eliminated from the Army. Mere words will not do General Mitchell any good, but they will do the country good, and I am glad the Senator is speaking as he is speaking. But, for one, having a feeling that General Mitchell, as the Senator indicates, was victimized—perhaps General Mitchell was not completely right, but certainly he was not altogether wrong either. I think it might be well for the Senator to consider, as he has given some thought to the matter, a measure which would give to General Mitchell's widow and children at least the pay which he would have had during his life if he had not been court-martialed from the Army.

Mr. WILEY. I thank the distinguished Senator very much for his suggeston.

Mr. LUNDEEN. Mr. President, will the Senator yield there?

Mr. WILEY. I will yield in a few moments, but I should like to conclude the chain of thought which I started.

May I say that my speaking today is not primarily for the purpose indicated by the Senator from Maryland, though I have that purpose in mind? My purpose in addressing the Senate and taking its time goes far deeper than merely asking that General Mitchell's name be cleared. Time has cleared his name. One of my purposes in rising is to bring to the Senate and the country the significant questions, Has America become soft; has America put herself in the same position into which France and other countries fell? Are we by neglect making ourselves an open target to the new "blitzkrieg" methods developed by the brains and ingenuity of Hitler? It does not do us any good to sit back here and damn Hitler, but we can, perhaps, profit from some of the ideas he has put into effect—not to emulate such a character as he is, not to become a destructionist but, rather, to protect ourselves and all the values we have in America, the great freedoms which we never did a thing to attain but which were handed to us on a silver platter, to protect those freedoms against experiences similar to those through which France, Holland, Norway, Belgium, Poland, and other countries have gone.

Mr. President, it is necessary that we slough off all dead timber in our military system. Let me say that does not apply only to the military system. The distinguished Senator from Maryland [Mr. TYDINGS] has been showing that we have got to slough off dead timber in our economic system. He has done a great job. Largely through his efforts we, at least, passed a bill the other day which indicated not simply to this country but to the world that, if war should come, we will dig deep down in our pockets as we never dug before to the tune of raising $15,000,000,000 from incomes, and we have said to the world that, if war comes to America, we will be ready.

There are many other ways we could learn from Billy Mitchell. If necessary, we can revamp our naval and military training schools so that less emphasis would be laid on antiquated tactics and more on the vision needed to meet new emergencies.

Mr. President, when I make that statement I say what has been told to me by graduates of West Point and Annapolis. We must see to it that the mere wiping off of dust is not so significant as getting the cobwebs out of the brain. We must get men who will develop mentally to the point

where they realize that life is growth and that growth never stops in the mind of man if man would have it that way.

Mr. HOLMAN. Mr. President, will the Senator yield?

Mr. WILEY. I yield to the Senator from Oregon.

Mr. HOLMAN. Mr. President, in line with the Senator's remarks, I wish to call the attention of the Senate, of the Senator from Wisconsin, and of the country to the fact that there is right now a case, in my opinion, similar to that of the Mitchell episode. There is an inventor of a high explosive, a Mr. Barlow, who is not receiving the cooperation and encouragement from the Ordnance Department of the United States Army that should be given to him in this hour of our Nation's need. The defense of our Nation right now in this day, in my opinion, as a member of the Military Affairs Committee of the Senate, is being denied the development of an explosive more powerful than anything now known.

Mr. WILEY. I thank the distinguished Senator from Oregon for his contribution.

Now, let me say to the Senate, the things I have said we must do to vindicate ourselves and vindicate General Mitchell, we must also do to protect America; and we must do them because we cannot gamble with our American destiny.

Mr. President, to safeguard America we have to find an effective antidote for the "blitzkrieg" methods of the Hitler revolution.

(At this point Mr. WILEY yielded to Mr. LUNDEEN, who introduced Senate bill 4168, which appears under a separate heading.)

Mr. WILEY. Mr. President, when I was a youngster studying in the University of Michigan with my friend the distinguished Senator from California [Mr. DOWNEY], we took class work under the distinguished Professor Trueblood in oratory. In those days when we looked ahead to the time when we might be Senators of the United States we, in our minds, saw ourselves as Websters and Hayneses, and saw the other Senators sitting around listening with close, enraptured attention—just as they are listening now. [Laughter.] In our mind's eye we saw the chairs completely filled; we saw the Senators saying to themselves, but never speaking out loud, "Ah, he is hitting the ball"—just as they are doing now. [Laughter.] We thought, too, that in the Senate of the United States there was the quintessence of courtesy and the perfection of conduct and that every Senator listened to his fellow Senator, in rapt attention.

We have since learned, however, that the presiding officer performs an important function in doing what we never thought could be possible—calling to order the Senate, the greatest deliberative body in the United States—and only the occupants of the galleries are supposed to listen. [Laughter.]

Mr. LUNDEEN. Mr. President, I can assure the able Senator that we are listening very carefully to his remarks.

Mr. WILEY. I thank the Senator. That at least one Senator is listening, is a remarkable compliment to any speaker in the United States Senate. [Laughter.]

Mr. President, to safeguard America we have to find the effective antidote to the "blitzkrieg" methods of Hitler's revolution. I commented on what the revolution is. It is not simply another war. We are running into one of the stupendous periods of history, comparable with the period of the Renaissance and the Reformation, comparable to the period of the industrial revolution; and anyone who is "sitting by the side of the road," and does not appreciate that the world is turning over, is simply not awake. Consequently, it is up to us to realize that we cannot follow our outmoded methods of yesterday, whether in warfare or in thinking.

Billy Mitchell was the type of man who stretched out ahead, and used his imagination. Our military experts now say that the antidote to the Hitler "blitzkrieg" is to be found in bigger and better air fleets, bigger and better navies, bigger and better tanks, bigger and better mechanized military equipment, a bigger and better Army. This may be the answer; but I believe that if Billy Mitchell were alive, or if men like Billy Mitchell were permitted to use their ideas, they would seek out new ways. Billy Mitchell would not continue building battleships as they are now built. He would make them more immune to attack by torpedoes, more immune to attack by bombers. He also would use his God-given ingenuity to meet the mechanized dreadnaughts not simply with dreadnaughts but with improved methods.

Mr. President, we cannot have antiquated minds looking after America. We cannot have outmoded minds looking after America. If we do, we shall not have any America.

As I said in the Senate in another connection, it is time that the people of this country—you, and you, and you—look after your big business in Washington, and forget a little of your own little business back home; because if you do not look after your big business of Government, which spent $11,000,000,000 last year, you will not have any little business back home to look after.

I repeat, we cannot have antiquated minds looking after America. Gold braid does not make a soldier. We have here in America the best inventive minds in the world, the greatest genius for doing things, but we simply have not been utilizing the minds or the genius. The mind of a Billy Mitchell would have sought out ways of stopping these land dreadnaughts, not according to military rules but by the use of mechanical, explosive, or electrical force. He was no "rut-ist." He was an experimenter, an adventurer, an explorer. He sank ships with bombs, And then the gold-braid fellows who had control of the forces of America—air, naval, and Army—forgot his experiment.

Of course he was not a West Pointer, but he was the son of a United States Senator from Wisconsin, a Spanish War veteran, a veteran of the Philippine Insurrection, and the chief of the United States flyers at the front in 1917. He was not a swivel-chair soldier.

He had the Distinguished Service Medal, the Croix de Guerre with five palms, and other great medals, and was made a commander of the Legion of Honor.

Mr. President, my remarks today—and I am about to conclude—have a twofold purpose. First, I want to put in the CONGRESSIONAL RECORD this tribute to one of Wisconsin's greatest sons and one of America's greatest soldiers.

Second, I am hoping that these remarks will make a contribution to arouse those, who have charge of our military, naval, and air forces to take stock of them, and see that antiquated tactics, red-tape methods, caste controls, are done away with.

I am hoping that the crusading spirit of Billy Mitchell will enter our great military, naval, and air establishments. I pray God that his spirit is there to enliven, to give vision to the men who hold in their palms the safety of our America. I am hoping also that as a result partially of these remarks the subordinates in the ranks, the men of ideas, will be given an opportunity to express them, to "sell" them, to demonstrate them. I am hoping also that the establishments of the Army and the air and the Navy will not be so hide-bound that they will fail to reach out for ideas that will help this country, no matter where those ideas come from.

Why should not a farmer, ploughing in his field, be the originator, if you please, of some great defense idea? Edison was told by his teacher that he was so dumb that there was no hope for him. He never went to West Point or Annapolis, but there was something about him that made him the greatest genius of his time. So I repeat, I hope that those who have charge of the Army and the Navy and the air force will be on the receiving line to get ideas that are ready to be discovered. Damn the ostrich mind! I am also hoping that this Government will create an independent experimental laboratory to supplement the activities of our three great forces of defense. In this laboratory, ideas can be tried out and new forces can be discovered.

America must be made safe. The spirit of Wisconsin's Billy Mitchell speaks this command to all of us.

EXHIBIT A

[From the Milwaukee Journal of May 24, 1940]

AIR WAR A VINDICATION OF GENERAL MITCHELL—15 YEARS AGO FIGHTING HEAD OF A. E. F. FLIERS FORETOLD HOW NEXT CONFLICT WOULD BE FOUGHT AND WARNED THAT MASTERY OF SKIES MIGHT MEAN MASTERY OF WORLD

The brass hats kicked Milwaukee's "Billy" Mitchell out of the Army for shouting from the housetops in favor of such an Air Service

as the United States at last is to have. It took the crash of Nazi lightning in the Low Countries and northern France to awaken America's war lords, who were merely annoyed and angered by the warning voice of General Mitchell. Fifteen years after the military chiefs hung Billy Mitchell's scalp on their totem pole, 4 years after his death, the President laid before the country a plan for an air corps of 50,000 planes, and a few days later Congress moved to provide the first unit of 16,000 ships in that mighty air fleet—a greater force than Mitchell ever visioned.

Even after Norway, diehards of the military clique that sent Mitchell to Coventry were only mildly interested in expanding the Nation's air defenses. They still were beating the tom-toms for a bigger Navy of bigger ships, which would require years to build and which, even as far back as 1921, General Mitchell insisted would be impotent under attacks from the air.

When the devastating "blitzkrieg" struck, Allied defenses crumbled under the smashing attacks of wave upon wave of German airplanes. Allied troops melted under the blistering fire of machine guns and cannon and bombs from the air. All that was left for the ground troops was to mop up in the wake of the hurricane. The importance of air supremacy in modern warfare had been proven in a way to convince even the most mossbacked Tory of the Army and Navy club.

Fifteen years ago General Mitchell wrote in his book, Winged Defense: "Neither armies nor navies can exist unless the air is controlled over them. Air forces, on the other hand, are the only independent fighting units of the day.

"A new set of rules for the conduct of war will have to be devised and a whole new set of ideas of strategy learned by those charged with the conduct of war. No longer is the making of war gaged merely by land and naval forces. The air force has ceased to be a mere auxiliary service for the purpose of assisting an army or navy in the execution of its task. No missile-throwing weapons or any other devices have yet been created or thought of which can actually stop an air attack. The only defenses against aircraft are other aircraft which will contest the supremacy of the air by air battles. Great contests for control of the air will be the rule in the future. Once supremacy of the air has been established, airplanes can fly over hostile country at will.

"If a nation ambitious for universal conquest gets off to a 'flying start' in a war of the future, it may be able to control the whole world more easily than a nation has controlled a continent in the past.

"In the former conception of national defense the principle was held that to invade a nation the piercing of its lines of resistance was necessary. If the nation lay across the sea, its lines of battleships had to be pierced, destroyed, and overcome to gain access to the shores. Again, the line of the armies had to be pierced to gain access to the interior. This condition no longer exists in its entirety and is decreasing relatively every day. Aircraft do not need to pierce the line of either navies or armies. They can fly straight over them to the heart of a country and gain success in war.

"The missions of armies and navies are very greatly changed from what they were. No longer will the tedious and expensive processes of wearing down the enemy's land forces by continuous attacks be resorted to. The air forces will strike immediately at the enemy's manufacturing and food centers, railways, bridges, canals, and harbors. The losing side will have to accept without question the dominating conditions of its adversary, as he will stop entirely the manufacture of aircraft by the vanquished.

"Surface navies have entirely lost their mission of defending a coast because aircraft can destroy or sink any seacraft coming within their radius of operation. In fact, aircraft today are the only effective means of coast protection. Consequently, navies have been pushed out on the high seas. The menace of submarines from below and aircraft from above constitutes such a condition that the surface ship as an element of war is disappearing."

Those were the ideas that sent General Mitchell to the dog house, the ideas he held as an acting brigadier general and Assistant Chief of the United States Air Service under a nonflying chief. His 4-year appointment was not renewed, and in June 1925 he was sent to Texas in his permanent rank of colonel.

For 4 years the Army and Navy clique had been after his scalp. From the time of his return after the World War, Billy Mitchell had been getting in the hair of the generals and admirals with his criticism of what he considered the obsolescent concepts of war held by the older services.

"Nations nearly always go into an armed contest with the equipment and methods of a former war," he wrote. "Victory always comes to that country which has made a proper estimate of the equipment and methods that can be used in modern ways."

The real fireworks in the controversy started in the fall of 1920, when Mitchell told Congress that "we could destroy, put out of commission, and sink any battleship in existence or any that could be built." The admirals rushed to the defense of their babies. The Secretary of the Navy announced that he was willing to stand on the bridge of the ship while it was bombed. Congress, however, authorized the President to designate warships to be used as targets for the Air Service experiments.

Several German vessels had been turned over to the United States after the war under the condition that they should be destroyed within a certain time. The Navy was ordered to give the Air Service a chance to try out its bombs on some of them. It assigned a submarine, a destroyer, a cruiser, and a dreadnaught. The latter, specially designed, was considered by naval authorities the world over to be "unsinkable."

The tests started on June 21, 1921, when three lumbering old flying boats of the naval air service flew over the submarine, dropped only nine 180-pound bombs and split the sub in two. General Mitchell, who personally directed the demonstrations, gave his entire brigade a shot at the destroyer, starting out with pursuit ships dropping 50-pound bombs and ending with the heavy bombers' 300-pound charges, one blast of which sent the destroyer to the bottom. Against the cruiser, 100-pound, 300-pound, and 600-pound bombs were used, and against the "unsinkable" dreadnought 1,100- and 2,000-pounders. The tests were spread out over more than a month, efforts being made to keep the more heavily armored vessels afloat as long as possible without destroying the purpose of the demonstration, which was to prove that airplanes could sink battleships. At the end, all four of the targets were on the bottom of the sea.

General Mitchell's men flew ships with speeds of little more than 100 miles an hour and able to carry little more gasoline than was needed to make the round trip from shore base to target. They were dropping bombs little different from the ones used in the World War, which had ended only 3 years before. Their bombsights, while much improved over those of the World War, were far inferior to those being used in Europe today and were primitive compared to the accomplishments claimed for the secret new bomb sight of the United States Air Corps. And yet the demonstration was a complete success in the eyes of everyone but the admirals. It merely strengthened their furious determination to quiet this upstart, a purpose in which they found considerable support among Army bigwigs.

One reason for that, of course, was that Billy Mitchell was not a West Pointer. He was an 18-year-old freshman in George Washington University at Washington, D. C., where his father was a Senator from Wisconsin, when the Spanish-American War started. Billy Mitchell enlisted in Company M of the First Wisconsin Infantry in May 1898. He was a lieutenant before his company reached Cuba.

He served in the Philippines during the insurrection, went back to school long enough to get his degree, and then returned to the Army. After many notable accomplishments, he learned to fly in 1914, and as a major was sent to France the same year as a United States military observer.

When the United States entered the war in 1917, Mitchell was promoted to colonel, helped Gen. Mason M. Patrick build up a United States air service at the front, and later, as a brigadier general, became chief of all United States flyers at the front.

Mitchell was no swivel-chair general. He flew constantly over the front, won the Distinguished Service Cross for repeated acts of extraordinary heroism in action, a second time for bravery beyond that required by his position as chief of air service. He won also the Distinguished Service Medal, Croix de Guerre with five palms, Commander of the Legion of Honor (French), Companion of the Order of St. Michael and St. George (British), Commendatore S. S. Maurizio e Lazzaro, medal for merit, and Grand Officer of Italy.

It was lessons that he learned at the front that started General Mitchell on his crusade for a powerful, unified, and independent air service when he got back to the United States. And it was his insistence on independence for this war-proven third arm of the Nation's fighting forces, added to his showing up the vulnerability of their battleships, that added the final fuel to the flame of the admirals' and generals' wrath. They might not think much of the Air Service, but they wanted what there was of it for their own. If it had not been for the faith of General Pershing in his flying general, Mitchell's hide would have been tacked to the Army and Navy Club door long before it was. As long as Pershing was Chief of Staff, "General" Mitchell was safe. But the time came when Pershing was no longer in position to protect him, and "Colonel" Mitchell was on his way to Texas.

Mitchell was in exile, but his voice gained strength in the Texas air. He had been there only a short while when the tragic wreck of the dirigible *Shenandoah* and other naval aviation disasters elicited a real blast from him. It was that famous long statement in which he included the charge: "These accidents are the direct result of the incompetency, criminal negligence, and almost treasonable administration of the national defense by the Navy and War Departments."

Colonel Mitchell expected court martial after his article was published, and he got it. But he also got his ideas before the country. Convicted, he was suspended from the Army for 5 years without rank and without pay. President Coolidge tempered the sentence by permitting him to retain his rank and allowing him half pay. Mitchell chose to resign from the Army. But as gentleman farmer in Virginia he kept up the fight.

"The bodies of former companions and buddies molder under the soil in America, Asia, Europe, and Africa, many, yes many, sent there directly by official stupidity. We would not be keeping our trust with our departed comrades were we longer to conceal these facts."

Up to the time of his death Mitchell kept the faith, crusading for a stronger air force. As late as 5 years ago, a year before his death, he wrote on The Next War in the Air, and said an enemy air force could operate from an Alaskan base, quickly attack a triangle bounded by New York, Chicago, and Washington, put seven transcontinental railroads out of commission, destroy reservoirs, and disrupt power plants.

Two or three air cruisers, he said, attacking each of seven cities in the triangle, would make 20,000,000 persons homeless.

All of Mitchell's ideas have not been realized, but many of them have. His faith in the airplane in warfare has been tragically proven justified. The United States at long last is building the world's greatest air force. Nonfliers have been eliminated from command over fliers. All Naval Academy graduates who can pass the physical examination are instructed in flying, and only 9 of the almost 3,000 officers of the Army Air Corps are not fliers. But the United States does not yet have a unified and independent air corps similar to those of Germany, England, and France.

CLIFFORD F. BUTCHER.

During the delivery of Mr. WILEY's speech,

Mr. LUNDEEN. Mr. President——

Mr. WILEY. I now yield to the Senator from Minnesota.

Mr. LUNDEEN. Mr. President, I should like to thank the able Senator from Wisconsin for his statement concerning the able and brilliant General Mitchell. He was my personal friend and collaborated with me in drafting the first bill introduced in Congress providing for a department of the air service. I introduced this bill on February 28, 1919. With the permission of the Senate, I now send to the desk and ask to have printed in the RECORD a bill which I have prepared proposing to pay to the family of Brigadier General Mitchell the salary to which he was entitled and from which he was deprived by reason of being court martialed by a lot of brass hats and little two-by-four small potato nubbins, small men who never deserved even to be considered or mentioned in the same breath with the great general. I should like also to have printed in the RECORD a statement by the distinguished aviator, Maj. Al Williams. I thank the able Senator from Wisconsin.

The President pro tempore. Without objection, the bill will be received and appropriately referred, and the statement will be printed in the RECORD.

The bill (S. 4168) authorizing the Secretary of the Treasury to pay to the widow of Brig. Gen. William Lendrum Mitchell the amounts of Army pay and allowances of which he was deprived as a result of his conviction by a court martial in 1925 was referred to the Committee on Military Affairs.

The statement presented by Mr. LUNDEEN is as follows:

[From the Washington Daily News of June 12, 1940]

CONGRESS SHOULD RESTORE BILLY MITCHELL'S RANK

(By Maj. Al Williams)

It was a sunny afternoon at Bolling Air Field. A charming, dignified woman was leading her son from one Army plane to another.

BILLY MITCHELL, JR.

The boy—keen-eyed, straight-standing—would tarry. He nad to have answers to his questions about these sleek fighting ships. With patient enthusiasm the mother followed his gestures, as if she knew why the lad would not be satisfied with childish answers.

Enlisted mechanics passed to and fro, many of them youngsters, fresh from training schools, others grizzled old-timers. Now and again, they looked at the mother and son—and smiled. They knew the questions children ask about planes. Pilots were arriving and departing—and many of them, too, were very young.

A major and a lieutenant passed down the "line" of ships. Glancing at the mother and son, the major stopped short, turned quickly, left his companion, and strode toward the visitors. Saluting smartly, he said, "Pardon me, Madam, but aren't you Mrs. Mitchell?"

"Yes," came the reply. "Rather, I was the wife of Gen. Billy Mitchell."

The major's eyes brightened.

"I thought so," he said, "I served under the general in France, in Washington, and in the bombing off the Virginia Capes. And who is this young man?"

A warm smile lit the mother's face, and she answered simply, "This is Billy Mitchell."

The son of the "Stormy Petrel"! The son of the first flying general ranking officer of the United States. The son of that idol of every true flying man, who sacrificed everything in an effort to give the United States just what it needs so urgently today—air power. The son of that Billy Mitchell who defied, with words and burning truths, the traditions of the old Army and Navy—the same traditions that the flying legions of Germany are now destroying.

"STORMY PETREL"

Years ahead of his time, General Mitchell fell before the political machinations of the men of little vision who saw service prestige instead of American air power. He flew fearlessly at the head of his fighting formations—never to be imitated to this day by any ranking officer of the wingless breed who bitterly envied him and who maneuvered the court martial of the gallant flying general. Billy Mitchell flew fighting and racing planes, while they flew training planes for flight pay.

UNITED STATES DEBT TO GENERAL MITCHELL

The United States owes a great debt to General Mitchell. He did his part, and more, though we let our bureaucrats offer him the choice between resignation or discharge from the Army. If only he had been heeded we would have had the air power that Hitler owns today.

Is it not the duty of Congress to restore General Mitchell's name, full rank, to the Army files and present a medal of public appreciation to the son of the "Stormy Petrel"? Billy Mitchell, Sr., has passed on. His spirit and his name live in Billy, Jr. The public, not knowing that General Mitchell died in 1936, is flooding his home with mail, congratulating him on the vindication of all he said; so much of this mail that it has to be delivered in trucks.

In the name of America, Mr. President and Congress, move quickly to do official justice to the indomitable spirit that lives on in every real airman—and in his son.

Mr. WILEY. Mr. President, may I ask that the interruption and matters presented by the distinguished Senator from Minnesota may appear in the RECORD at the conclusion of my remarks?

Mr. LUNDEEN. Yes; I should like to have that done.

The PRESIDENT pro tempore. Without objection, it is so ordered.

After the conclusion of the Senator from Wisconsin's [Mr. WILEY'S] speech,

Mr. KING. Mr. President, I have listened with interest to the forceful and eloquent address of the Senator from Wisconsin, and I am happy to asscciate myself with him in paying tribute to a great American—Gen. William L. Mitchell. He, like others who have been pioneers in new fields, was misunderstood and, many believed, unjustly treated by his Government. He served with distinction in the military arm of our Government and was recognized as a man of courage and ability. However, like many great men, he encountered opposition and was thwarted in his efforts to develop a most important branch of national defense.

Without being critical, I feel constrained to say that in all branches of the Government and, for that matter, in the field of private endeavor, too many persons and groups belong to the cult of the status quo—those who are not sensitive to the progressive forces operating throughout the world. In the military branch of the Government we have discovered that there has been inertia and a rather slavish devotion to the past. Perhaps it is human nature to resist changes and to look with distrust upon policies or measures which are not in harmony with the past.

The world is not static, but dynamic. It is true civilizations rise and fall and evolutionary progress is checked and retrogressive moments developed. The triumphs of yesterday do not prescribe limitations which should arrest further progress and greater triumphs. It is true that the pages of history record retrogression and periods of intellectual darkness—periods of inertia—indeed, of retrogression—but out of the darkness emerges light; there is a renaissance and the encumbrances that have retarded progress are cast aside. In the military field there have been periods of inertia, and military leaders have been controlled by old-fashioned and, indeed, reactionary policies as a result of which they were unable to meet new developments and methods of warfare.

History records the defeat of armies and naval forces because of newer methods and techniques in the field of warfare. That fact is emphasized in the present European conflict. Mechanized armies win against the bravest military forces who oppose with weapons of yesterday. The submarine and the airplane have wrought mighty changes in the field of war. There was opposition to the development of the submarine as there was to the development and utilization of the airplane for military purposes.

For a number of years the importance of the submarine was not appreciated, and too much reliance was placed upon huge battleships and battle cruisers. Those in charge of military and naval operations in our own as well as in other countries, looked with unconcern if not suspicion upon the airplane. This new force or agency was regarded with unconcern, and there was opposition to the development of airplanes as an important part of military defense. Germany has demonstrated that the bombing plane and other aircraft are most important if not vital factors in all military operations both upon land and upon the sea. The success of

the Nazi operations, upon land and sea have been largely due to the great development of the airplane.

It has been my opinion for several years that we were too indifferent to this new factor in the field of war. I was a member of the Committee on Naval Affairs of the Senate for a number of years immediately following the World War, and I became convinced of the vital necessity of developing aviation and of constructing submarines. I reached the conclusion that there should be greater coordination of both the military and naval forces; that there should be a Department of National Defense under the control and direction of a Secretary of Defense, appointed by the President.

Bills which I offered in the Senate provided that in the Department of Defense there should be three secretaries known as the Assistant Secretary for the Army, the Assistant Secretary for the Navy, and the Assistant Secretary for the Air Force. I believed in the coordination of the various agencies of the Government connected with the national defense of our country, and I particularly emphasized the importance of the functions of the Secretary of the Air Force, and urged the development of a powerful and effective air force to operate both upon land and sea.

I became acquainted with General Mitchell when I was a member of the Committee on Naval Affairs, and my interest in aviation and the development of a powerful air force for national defense was intensified by reason of his enthusiasm and earnestness for the adoption of measures that would make for the protection of our country. I believed that he was not understood or appreciated by the country, which he so gallantly served, and I was critical of the opposition which he encountered from those in military and naval circles who should have given him support in the fight which he was making for the development of an adequate air force.

It seemed to me that those in the Army and in the Navy Departments of our Government were rather reactionary and too indifferent to the lessons of the World War and particularly to the importance which aviation and the submarine would play in modern warfare.

I recall an occasion when arrangements were made to demonstrate the importance of airplanes in military and naval operations. A ship was anchored, as I recall, off the coast of Virginia and a bomb was discharged from an airplane and the effect upon the vessel was very great and furnished convincing proof of the vulnerability of ships when attacked from the skies by airplanes. But General Mitchell was criticized, and in my opinion, unfairly dealt with because of his insistence that our Government should take cognizance of this new force imperatively required for national defense. He, like many other pioneers, met opposition and suffered at the hands of those who should have applauded him and given support to him in the development of a vital and important branch of the military service of our country. I am sure that his service to his country is receiving due recognition.

CREDIT RESOURCES OF COMMODITY CREDIT CORPORATION

The Senate resumed the consideration of the bill (S. 3998) to increase the credit resources of the Commodity Credit Corporation.

The PRESIDING OFFICER. The bill is open to amendment. If there be no amendment to be proposed, the question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Chaffee, one of its reading clerks, communicated to the Senate the resolutions of the House unanimously adopted as a tribute to the memory of Hon. Ernest W. Gibson, late a Senator from the State of Vermont.

The message announced that the Speaker had appointed the following committee on the part of the House of Representatives, acting in conjunction with the committee appointed on the part of the Senate, to attend the funeral of the deceased Senator: Mr. PLUMLEY and Mr. PITTENGER.

The message also announced that the House had passed the following bills, in which it requested the concurrence of the Senate:

H. R. 6328. An act to amend the Tariff Act of 1930, as amended by section 34 (c) of the Customs Administrative Act of 1938 (U. S. C., 1934 ed., Supp. IV., title 19, sec. 1001, par. 1529 (a));

H. R. 9654. An act to extend for an additional year the provisions of the Sugar Act of 1937 and the taxes with respect to sugar; and

H. R. 9765. An act to provide for exercising the right with respect to red-cedar shingles reserved in the trade agreement concluded November 17, 1938, between the United States of America and Canada, and for other purposes.

ENROLLED BILLS SIGNED

The message further announced that the Speaker had affixed his signature to the following enrolled bills, and they were signed by the President pro tempore:

H. R. 1827. An act to allow moving expenses to employees in the Railway Mail Service;

H. R. 5982. An act for the protection against unlawful use of the badge, medal, emblem, or other insignia of veterans' organizations incorporated by act of Congress, and providing penalties for the violation thereof;

H. R. 8668. An act making appropriations for the fiscal year ending June 30, 1941, for civil functions administered by the War Department, and for other purposes; and

H. R. 9958. An act to authorize the purchase by the Reconstruction Finance Corporation of stock of Federal home-loan banks; to amend the Reconstruction Finance Corporation Act, as amended; and for other purposes.

HOUSE BILLS REFERRED

The following bills were severally read twice by their titles and referred to the Committee on Finance:

H. R. 6328. An act to amend the Tariff Act of 1930, as amended by section 34 (c) of the Customs Administrative Act of 1938 (U. S. C., 1934 ed., Supp. IV, title 19, sec. 1001, par. 1529 (a));

H. R. 9654. An act to extend for an additional year the provisions of the Sugar Act of 1937 and the taxes with respect to sugar; and

H. R. 9765. An act to provide for exercising the right with respect to red-cedar shingles reserved in the trade agreement concluded November 17, 1938, between the United States of America and Canada, and for other purposes.

MESSAGES FROM THE PRESIDENT—APPROVAL OF BILLS AND A JOINT RESOLUTION

Messages in writing from the President of the United States were communicated to the Senate by Mr. Latta, one of his secretaries, who also announced that the President had approved and signed the following bills and joint resolution:

On June 19, 1940:

S. 2013. An act to amend the Code of the District of Columbia to provide for the organization and regulation of cooperative associations, and for other purposes.

On June 20, 1940:

S. 163. An act directing the Secretary of the Interior to issue to Albert W. Gabbey a patent to certain lands in the State of Wyoming;

S. 1326. An act for the relief of Janet Hendel, nee Judith Shapiro;

S. 1328. An act for the relief of Lena Hendel, nee Lena Goldberg;

S. 2598. An act for the relief of Kurt Wessely;

S. 3196. An act to amend the act approved May 24, 1938, entitled "An act for the relief of the Comision Mixta Demarcadora de Limites Entre Colombia y Panama" and for the relief of Jose Antonio Sossa D;

S. 3245. An act for the relief of Maria Teresa Valdes Thompson;

S. 4026. An act providing for the reorganization of the Navy Department, and for other purposes; and

S. J. Res. 214. Joint resolution authorizing the recognition of the two hundredth anniversary of the founding of the University of Pennsylvania by Benjamin Franklin and the beginning of university education in the United States, and providing for the representation of the Government and people of the United States in the observance of the anniversary.

REPORTS OF THE FINANCE COMMITTEE

Mr. WALSH, from the Committee on Finance, to which was referred the bill (H. R. 6328) to amend the Tariff Act of 1930, as amended by section 34 (c) of the Customs Administrative Act of 1938 (U. S. C., 1934 ed., Supp. IV, title 19, sec. 1001, par. 1529 (a)), reported it without amendment and submitted a report (No. 1913) thereon.

Mr. BROWN, from the Committee on Finance, to which was referred the bill (H. R. 9765) to provide for exercising the right with respect to red-cedar shingles reserved in the trade agreement concluded November 17, 1938, between the United States of America and Canada, and for other purposes, reported it without amendment and submitted a report (No. 1932) thereon.

EXPEDITION OF NAVAL SHIPBUILDING

The PRESIDENT pro tempore. Automatically, the calendar under rule VIII comes before the Senate.

Mr. WALSH. Mr. President, I move that the Senate proceed to the consideration of House bill 9822, which is a bill to expedite the national defense.

The PRESIDENT pro tempore. The bill will be read by title.

The CHIEF CLERK. A bill (H. R. 9822) to expedite naval shipbuilding, and for other purposes.

The PRESIDENT pro tempore. The question is on the motion of the Senator from Massachusetts.

Mr. KING. Mr. President——

The PRESIDENT pro tempore. The motion is not debatable.

The motion was agreed to; and the Senate proceeded to consider the bill, which had been reported from the Committee on Naval Affairs, with amendments.

Mr. WALSH. I ask unanimous consent that the formal reading of the bill be dispensed with, and that it be read for amendment, the amendments of the committee to be first considered.

The PRESIDENT pro tempore. Is there objection? The Chair hears none.

Mr. KING. Mr. President, I suggest that the chairman of the committee make an explanation of the bill, so that we may know its terms and its implications.

Mr. WALSH. Mr. President, the bill is an exceedingly important measure. It is perhaps the most important and far-sweeping bill that has been presented to the Congress at this session or any other session since the World War. The very name of the bill suggests its importance, "To expedite national defense." The bill in general either repeals or modifies or changes practically every restriction upon which the Congress through the years has legislated, for the purpose of safeguarding the Public Treasury by requiring competitive bidding upon contracts made with the Government.

Mr. TYDINGS. Mr. President, may we have order in the Chamber?

The PRESIDENT pro tempore. The Senate will be in order. An important matter is being discussed.

Mr. WALSH. Mr. President, the bill primarily modifies or repeals all those safeguards which we have set up for the purpose of protecting the Public Treasury in the expenditure of vast sums of money. It is for the purpose of expediting the building of naval vessels, and the building of the necessary aircraft for our defense, in order that with the greatest possible expedition our Navy should be enlarged, and, so far as vessels under contract are being built, this bill would provide for their completion earlier than the dates called for in the contracts.

Mr. LUNDEEN. Mr. President, will the Senator yield?

Mr. WALSH. I yield.

Mr. LUNDEEN. A question occurs to me, Is it possible to protect our Navy and our Army and our air forces so that they will not be transferred to some other power? I wish to call attention to just a short sentence I uttered 2 days ago and a news report which has just come in from Europe. Two days ago I stated:

> Anything that we sent to France a short time ago is Hitler's today. And when you saw the picture in the Star the other night showing thousands of 75-millimeter guns on the decks of a 30,000-ton French liner going over to England with our artillery—I take it, practically all our 75's—I have no assurance that that artillery will not be Hitler's in a very short time.

Now let me read the last news dispatch which has just been placed on my desk—this is a bulletin from the Times-Herald of Washington, D. C.:

> TWENTY THOUSAND UNITED STATES MOTORS REPORTED CAPTURED
>
> NEW YORK, June 21.—A Rome radio broadcast picked up in New York by Columbia Broadcasting System said today the official German News Agency, D. N. B., reported German forces "captured 400 planes which had just arrived from America and 20,000 motors, complete with plans for mounting." The broadcast said the D. N. B. dispatch came "from the front."

I certainly hope that is not correct. I hope it is a false report. If it is true, we are now engaged in arming Mr. Hitler. We sent these war munitions and war materials over there to France, and I opposed that policy. Our defenses belong to America and not to Europe. I cannot find it in my heart to vote the money of the taxpayers of the United States to build more ships, arms, and war material, and immediately transfer them to foreign flags; turn them over to Europe. We have had wars with several European powers. Why send any of them our arms and ammunition, ships, or air fleets? Where is there any Americanism in that?

Mr. TYDINGS. Mr. President, will the Senator from Massachusetts yield at that point?

Mr. WALSH. I yield.

Mr. TYDINGS. I merely wanted to say that I read the same story the Senator from Minnesota has read, and in two other papers the number of engines was given as 2,000. I think "20,000" is probably a misprint, but the principle for which the Senator is contending would be the same. I do not believe there are 20,000 American airplane engines abroad yet, because I do not believe there have been that many in the country, but I do think the 2,000 figure is probably accurate, and for whatever the correction is worth, I thought I might suggest it to the Senator.

Mr. LUNDEEN. I thank the able Senator for that possible correction, and let us hope the number is 2,000. But let those of us who are on the ramparts of the Nation guarding this America—our America, our country, our native land—protect our Navy and our Army and air force from being dispersed over the earth.

Our duty is not to arm any European nation against any other European nation—that is not our duty. Our duty is to America, our own people, our own economy, our unemployed, our own domestic problems. That is our duty. In a word, Mr. President, our duty is to keep America strong over here—here in the mighty Western Hemisphere.

Mr. WALSH. Mr. President, I think the Senator will be satisfied when the bill is explained in detail, together with the amendments offered, that the Committee on Naval Affairs has inserted in the bill every conceivable precaution against the limitation or reduction in size of our Navy. I cannot answer for the Army. The committee of which the Senator from Maryland [Mr. TYDINGS], the Senator from Iowa [Mr. GILLETTE], the Senator from Illinois [Mr. LUCAS], the Senator from Maine [Mr. HALE], the Senator from Pennsylvania [Mr. DAVIS], the Senator from California [Mr. JOHNSON], and the other gentlemen of the committee have spent 2 to 3 weeks, day and night, endeavoring not to restrict the extraordinary and unusual powers proposed to be granted, because we feel the necessity for them; but to put every possible safeguard into the bill and see that the taxpayers are not obliged to pay more than is absolutely necessary, and to see that there is not in the future any attempt made to lessen our defenses so far as the Navy is concerned.

Mr. VANDENBERG. Mr. President, will the Senator yield?

Mr. WALSH. I yield.

Mr. VANDENBERG. I think the whole Senate and the country have very profound respect for the viewpoint of the able Senator from Massachusetts with respect to any subject touching upon naval defense. He has earned that position of authority in public opinion. Before the Senator leaves the point raised by the able Senator from Minnesota I wish to submit this question to him: It seems to me that I read in the paper a few days ago a very thrillingly vigorous denunciation by the able Senator from Massachusetts against the dissipation of our new fighting facilities through transfer to others, and since the question has arisen, even though it is not directly related to the bill, I am wondering whether the Senator would be willing to say here what I think he has said elsewhere as to his viewpoint upon this fundamental matter in respect to any hope we may have of building our nucleus into an adequate defense.

Mr. WALSH. I feel it my duty, if the Senate so desires, to answer the Senator's inquiry fully and somewhat in detail.

During the consideration of the pending and other naval bills the able Senator from California [Mr. JOHNSON] sought repeatedly to get information in reference to the disposition by the Navy and by the Army of Government-owned aircraft. We found upon inquiry that the Navy had not disposed of any of its contracted-for aircraft, except in one instance, namely, to Finland. I am speaking now of information which we had up to about a month ago. Additional information became known a few days ago.

We did learn that there had been a much larger and much more extensive canceling of deliveries of contracts for aircraft to the Army. The planes which were needed in Europe by the Allies had been more largely land planes or Army planes than Navy planes, so it did not appear in the beginning to be so much of a Navy problem.

Last Thursday afternoon the able Senator from California, in the presence of a naval officer, inquired about the rumor that destroyers in our Navy were being transferred, or that negotiations were under way for the transfer of these naval vessels. We were informed by the officer of the Navy who was present, and to whom the inquiry had been directed, that nothing had been done in the way of releasing destroyers.

Thereupon I and other members of the committee—among whom was the distinguished and able Senator from Maryland [Mr. TYDINGS], who has been a tower of strength to me in the committee in this whole matter—decided by vote to make inquiry of the President as to just what property of the Navy, surplus property or other property, had been disposed of.

There was present in the room a naval officer when this executive vote was taken. The next morning, before any letter could be transmitted or information given, I was called on the telephone by the Acting Secretary of the Navy and informed that 11 motor torpedo boats and 12 motor submarine chasers, making a total of 23 vessels, had been disposed of. It is needless to say that I was shocked. It was the first intimation that had come to me or any member of my committee about this matter. I called up the chairman of the House committee and asked if he had any information, and he said he had not heard about it.

Thereupon I called the committee together and sent for the naval officer who was in the room the day before, and also for the Acting Secretary of the Navy, and the committee catechized them at length as to what property of the Navy had been disposed of, and also what contracts for speeding up the building of naval vessels or for the building of aircraft had been modified or changed so as to release these vessels and airplanes to the Allies.

We then learned for the first time that for 3 months negotiations had been going on for the transfer or release of naval property of one kind or another—and I will speak more in detail of the property—of which no Member of the Congress had the slightest information or knowledge.

We learned that the negotiations began with the release about 3 months ago of a contract with the Du Pont Powder Co. for powder for the Navy. We inquired from the Navy if they could afford to release that powder, and they said they could. They said they had a powder plant of their own now in operation, and that plant was producing sufficient powder for our naval uses.

The able Senator from Maryland made inquires as to the situation of the Army with respect to powder, and I shall now pause to have him state what he understood to be the situation with regard to powder in the Army.

Mr. TYDINGS. Mr. President, I think the Senator from Massachusetts is covering the whole thing much better than I can. The Navy has a different kind of powder than the Army has. The naval powder plant is at Indianhead, Md. The Navy requires less powder than the Army does, and there is sufficient powder on hand and available and in the process of manufacture to take care of present and future needs of the Navy.

With respect to powder in the Army, the situation is not so favorable. We have had very few powder plants in operation in this country since the World War. A large powder concern wanted to close down one of its powder plants because it was losing in the neighborhood of $300,000 a year in the manufacture of powder, but the Ordnance Department of the Army appealed to the company to keep this plant open, and the plant has been kept open, at a considerable financial loss. These figures are accurate, I may say, and are given to me by the Ordnance Department. So we have some Army powder available, but there is a shortage of powder among the Allies and in the United States. I understand the Allies are building powder plants of their own to supply that deficiency, and, under a bill brought in from the Committee on Appropriations the other day, our own powder plants will be enlarged, I think, by an appropriation of $34,000,000.

The truth is that we will not have enough powder to equip and sustain a million soldiers for 14 months. That is the situation with respect to the Army, but the Navy is pretty well equipped with powder.

I have no hesitancy in making that statement publicly on the floor because I asked the Army authorities if our lack of powder was pretty well known to foreign countries, and I was told that they knew as much about it as we did. So I do not feel that I have done anyone an injury by showing the pitiful condition of our powder supply at this time.

Mr. WALSH. Mr. President, we inquired about what material other than powder had been disposed of, and we found that various items of surplus naval material had been disposed of. Perhaps the law operates very well in normal peacetimes, but unfortunately there is a law which permits the Navy to transfer property to the Army, and there is probably a similar law which permits the Army to transfer to the Navy property that it may use. So some property has been transferred from the Navy to the Army, and later from the Army transferred elsewhere.

The next step was to learn that there had been 50 naval planes which were really in use by the Navy sold or turned in for new planes to manufacturers, who in turn were to sell them to the Allies, under an agreement or contract with the Navy Department that other planes with the latest improvements at a later date would be delivered back to the Navy. From my inquiry I learned that there was no loss financially to the Government in that transaction, but I assume—I do not know that I should assume it, but apparently the contractor or manufacturer of airplanes sold them to some foreign government, at what price I do not know, but he is bound to return an equal number to our Government, without additional cost, or just a normal amount——

Mr. TYDINGS. Ten dollars.

Mr. WALSH. Ten dollars. The value of those planes I found out from the Navy Department to be as follows:

Aircraft transferred on exchange basis:

Forty-nine SBC–4 airplanes, complete, valued at $2,281,163.19.

Ten R–1820–34 spare engines, $82,558.10.

Eleven spare propellers for SBC–4 airplanes, structural spares, $254,031.60.

A total of $3,141,104.25.

In answer to another question as to what the initial cost of the 50 airplanes was, I received these figures:

Five at $39,546.90.

Twenty-three at $46,850.79.

Twenty-two at $47,892.12.

The difference is due to the fact that the airplanes were purchased under three contracts, one considerably earlier than the others.

Mr. CLARK of Missouri. Mr. President, will the Senator yield?

Mr. WALSH. I yield.

Mr. CLARK of Missouri. While it may be true that there is no financial loss involved to the Government in this transfer, there is a considerable loss of time, is there not, involved in the matter of the planes being replaced?

Mr. WALSH. The committee inquired with respect to that, and the answer was that there would be at least 6 months' delay, extending to 9 months.

Mr. CLARK of Missouri. So if a situation were to arise in South America, or Central America, or at the Panama Canal in which we needed those planes, we would be strictly out of luck for the period within which they could not be replaced; is that not true?

Mr. WALSH. One of the reasons why I protested this matter and others was the matter of secrecy; not that it had been surreptitious, as it has been stated in the press, but because of secrecy. Second, because of the inconsistency of our asking the contractors to speed up their manufacture of planes when contracts for planes were being canceled and delays brought about accordingly. It is only fair to say that the Navy officials very strenuously insist that in the end we shall get better planes as a result of this deal, and that there will be more modern improvements. I wish to be fair about this and present their viewpoint. I think I ought to say that since this matter has become public there is a universal feeling—and I am pleased to note it, even in the Navy—that it was a mistake not to inform the committees, at least, of these transfers or changes in naval contracts.

With respect to airplanes, I ought to say that the information was given to the public, and was in the press, so it was not given at any time to our committee. I think I am correct in that statement.

Mr. TYDINGS. That is correct.

Mr. WALSH. The press had carried a story about 50 planes. So far as I know, they were the only property actually in our possession, which we were using, and for which we had pilots, which was released. Is not that correct?

Mr. TYDINGS. That is correct.

Mr. President, will the Senator yield?

Mr. WALSH. I shall be glad to yield in a moment.

With respect to the other properties which I shall discuss, there were changes in contracts, postponing the time of delivery, in order that the Allies might be helped.

Let me say that so far as I am concerned I have no objection whatever to private industries in this country, or persons of great wealth, giving their money and their goods and doing everything possible to help the Allies win the war; but my concern is, how far can our Government go in permitting war materials to go to the Allies without impairing its own defenses? I do not know of any better expression to use than one used recently in a letter to me:

> Who ever heard of a defenseless country having war surpluses?

I think that expression covers the situation. If we are fully equipped, if we have plenty of material, we may then take some action, with the full approval of Congress, to help the Allies.

I now yield to the Senator from Maryland.

Mr. TYDINGS. Mr. President, I know the Senator would want this bit of information inserted in the RECORD, with the very cogent explanation he has made as to what the Navy offered as reasons why the planes should be turned in, in order that nothing may be withheld from the Congress. Without attempting to defend the Navy Department, I should like to have the Congress know that the Navy Department officials stated that when they set up schools for the more rapid training of additional aviation personnel they had no one to fly these particular planes, because the men who had flown them had been taken as instructors in the new air school, and that therefore, as the planes were not being used at all, it seemed a good time to turn them in and obtain new and improved planes, inasmuch as it is the policy of the Navy Department to keep modernizing its planes all the time.

That was the reason given to the committee. I do not say that it is a good or bad reason. I simply offer it to supplement the remarks of the Senator from Massachusetts.

Mr. WALSH. That was not the earlier reason given.

Mr. TYDINGS. That was the last reason.

Mr. WALSH. That was the reason given yesterday. It escaped my mind.

Mr. CLARK of Missouri. Mr. President, will the Senator yield?

Mr. WALSH. I yield.

Mr. CLARK of Missouri. That alibi certainly is not advanced with regard to the sale of the latest type of naval vessels, is it?

Mr. TYDINGS. I merely wanted to clear up the matter about the planes first.

Mr. CLARK of Missouri. I understand; but the Navy Department itself does not advance that alibi with regard to the very latest type of naval vessels, which have not yet even been delivered to the United States Government.

Mr. GILLETTE. Mr. President, will the Senator yield?

Mr. WALSH. I yield.

Mr. GILLETTE. While the Senator is on the subject of the 50 naval planes, let me call attention to the fact that when the committee held hearings on this particular bill some 2 weeks ago a highly placed naval officer testified, if I correctly recall, that there was no plan or intention on the part of the Navy to make a transfer of the kind which has just taken place. Day before yesterday the same officer, in response to our inquiry as to why the transfer had taken place, informed us that he had been requested by a higher authority to make a survey of property with a view to a transaction of this kind, if the property could be spared.

Mr. LUNDEEN. Mr. President, will the Senator yield?

Mr. WALSH. I yield.

Mr. LUNDEEN. When the able Senator speaks of 6 months and 9 months, I assume he is speaking on the basis of information furnished the committee. I have taken the precaution to talk with some of our greatest experts in aviation. I have personally talked with Maj. Al Williams and others on the matter, and they tell me that these planes and other planes which we have transferred are the latest and best planes and bombers we have, and that they probably cannot be replaced within 18 months. That is not protecting our country. The Naval Affairs Committee is not to be blamed, but someone must take the responsibility for giving away our defenses. Someone in high position is surely to blame. The press gives the impression that Secretary of War Woodring has vigorously protested this policy. If this be true, he deserves great credit in sacrificing his position for his conviction.

Mr. WALSH. I did not get the impression that they were the latest and most modern planes. Representative MAAS of the House, who is a reserve officer in the Marine Corps, says they are the latest and most modern bombing planes we have in the Navy. The Senator is correct in the statement that 18 months are required to build a bombing plane, which is one of the most expensive and valuable types of planes. I obtained the impression—although I do not think we went into the details of just how valuable the planes were—that the Navy did not consider them the most valuable, or necessarily the most important military planes.

Mr. TYDINGS. Mr. President, will the Senator yield?

Mr. WALSH. I yield.

Mr. TYDINGS. As a matter of fact, the officers told the committee that in the course of time, war or no war, the planes would be turned in in exchange for more modern planes; and that inasmuch as they had nobody to fly them, there could be no better time to turn them in than right now. I, of course have not checked up on that statement.

Mr. WALSH. Mr. President, let us come now to the next important item about which the Senator from Michigan [Mr. VANDENBERG] inquired—the 23 naval vessels. The press has had much to say about them, emphasizing my own indignation and that of the committee of the attempt to surrender them.

On a certain afternoon last week we had before us a naval officer. We talked about destroyers, and he vehemently said that the Navy would never give up its destroyers; that we would not be equipped for war for two years, and that the Navy would not approve of such action. We complimented him, and said, "That is a fine spirit, and we are glad to know of it." He remained silent as to anything else. He was not asked any questions about anything else. But the next morning he reported to his superiors that the committee was uneasy about transfers of naval property and supplies of one kind and another, and that he thought the Department ought to report to the committee in reference to the mosquito-fleet vessels.

The next morning I received a call from the Acting Secretary of the Navy, Mr. Compton, in which he informed me that the day before the Navy had modified its contracts with the shipbuilding company at New Jersey, so that the 23 vessels, when completed—the first one being completed in about 2 months—could be delivered to the Allies, and that our Government would delay acceptance or delivery to it of the 23 vessels.

The committee sent for The Assistant Secretary of the Navy, and also the naval officer referred to, and we catechized them in reference to the whole matter. We then for the first time discovered that negotiations for transferring material had been going on for 3 months. Negotiations for the mosquito fleet had been in progress for 3 weeks, and we felt that it was only by the merest accident that we had made the inquiry the night before and had received this information. I think it is only fair to say that the officers of the Navy did not give to these vessels the importance and value given to them by some members of the committee.

There is a rather interesting history in that connection. It will be recalled that during the Ethiopian War it was discovered by the British Navy that Italy had a large number of small, fast-moving boats, which could speed over the water rapidly, fire a torpedo, and then disappear. It came to the attention of our Navy, the English Navy, and other authorities. In the bill of 1938 we provided $15,000,000 for experiments with small vessels having a speed of 40 knots, such as motor submarine chasers and motor torpedo boats. The Navy had put out to competition among all the builders of ships in the country requests for models of vessels of this type which would be useful. As a result we have been building 16. They are of various types. They are all experimental. Some of them are constructed partly of aluminum. Some are of wood, and some of steel. These vessels are still in process of try-out, and the Navy has not decided upon any particular type to manufacture for its fleet.

It did get from the English a model of this type of vessel, which we purchased, but rather than delay the completion of the 16 various experimental types a contract was made in December last for 24, 12 of each of these vessels of the English type, with some improvements which our own naval officers were able to suggest.

These vessels are the ones, 23 of them, which were involved in this transaction, which, I am happy to say, is now ended, and, in my opinion, the contracts for their delivery to other than our own Navy will not be changed or modified. I will make further mention concerning that in a few moments.

In my opinion, their value lies in that they are harbor defense boats. The theory of their usefulness is that there will be a large number in the harbors of Boston, Philadelphia, Baltimore, San Francisco, New York, and other ports, and they will be able to detect the presence of submarines. There is a very fine instrument on submarine chasers whereby the presence of a submarine can be detected under water, and the torpedo boat will be useful in firing torpedoes and getting away quickly from an enemy raider of the commercial type or possibly even from a warship of one kind or another. It is this type of vessel that the press reported a few days ago was used by the Italians in sinking a French cruiser.

As I have said, the contracts required a building program of from 9 months to a year or more. The first boat under this contract was to be delivered in October; so, of course, none of them could be delivered to the Allies until then, anyway. Then they are delivered in succession, and it will take, perhaps, several months more before the 24 shall be completed.

After the matter was made public, and the committee received the above information, at the committee's request, I asked the Judge Advocate General's Office of the Navy Department to inform us as to all laws relating to the disposition of naval vessels and naval surplus supplies. I have a communication from him before me, and ask that it be inserted in the RECORD at this point.

The PRESIDING OFFICER (Mr. HATCH in the chair). Without objection, it is so ordered.

The letter referred to is as follows:

NAVY DEPARTMENT,
OFFICE OF THE SECRETARY,
Washington, June 14, 1940.

MY DEAR MR. CHAIRMAN: In compliance with your request, and that of the Committee on Naval Affairs, for information as to the laws governing the sale of naval vessels and naval materials, the following brief digest of the applicable statutes is submitted below, viz:

NAVAL VESSELS

The act of August 5, 1882 (title 34, U. S. C., sec. 491), directs the Secretary of the Navy to have periodical examination made of all naval vessels by boards of naval officers, which boards shall make written report to the Secretary of the Navy as to which of said vessels are unfit for further service, stating the grounds and reasons for their opinion. If the Secretary of the Navy concurs in the opinion with said report, he is required to strike the name or names of such vessels from the Navy Register and report the same to the Congress.

The act of March 3, 1883 (title 34, U. S. C., sec. 492), authorizes the sale of vessels stricken from the Navy Register under section 491, supra, after appraisal, provided the Secretary of the Navy deems it for the best interests of the United States to sell them. After appraisal the vessels are required to be advertised for sealed proposals for a period not less than 3 months with specified requirements as to guarantee, etc. The act provides for the sale of the vessels to the person offering the highest price therefor above the appraised value, but permits a departure from the manner of the sale, and for less than the appraised value, on written authority of the President.

The act of August 29, 1916 (title 34, U. S. C., sec. 493), authorizes the sale of any or all auxiliary ships of the Navy classified as colliers, transports, tenders, supply ships, special types, and hospital ships 18 years and over in age, that the Secretary deems unsuited to present needs of the Navy at a price not less than 50 percent of their original cost.

NAVAL MATERIAL

The act of August 5, 1882, as amended by the act of June 15, 1938 (title 34, U. S. C., sec. 544, Sup. V), provides that no old material of the Navy shall, after August 5, 1882, be sold or exchanged if it can be profitably used in the construction or repair of vessels, their machinery, armor, armament, or equipment. When such old material cannot be profitably used it must be appraised and sold at public auction after public notice and advertisement shall have been given according to law under such requirements and regulations, and in such manner as the Secretary of the Navy may direct.

This act authorizes the sale of surplus scrap metals of the Navy to schools and colleges for vocational training at the prices established for issue to naval activities.

The act of June 30, 1890 (title 34, U. S. C., sec. 543), authorizes the sale of condemned naval supplies, stores, and materials by public auction or by advertisement for sealed proposals for the purchase thereof.

The act of July 9, 1918 (title 40, U. S. C., sec. 314), authorizes the President to sell by the head of any executive department war supplies acquired during the World War, including the sale to any foreign state or government engaged in war against any government with which the United States is at war. The sales of guns and ammunition under the authority of this section is limited to other departments of the Government and to foreign states or governments engaged in war against any government with which the United States is at war and to members of the National Rifle Association and other recognized associations organized in the United States for the encouragement of small-arms target practice.

House Joint Resolution 367, recently approved by both Houses of the Congress, authorized the construction of war vessels for South American republics in the United States navy yards, and the manufacture and sale of armament, equipment, and antiaircraft, artillery, and ammunition to such governments.

MOTOR TORPEDO BOATS

With reference to the question of motor torpedo boats, it is the opinion of the Navy Department that a motor torpedo boat is a

naval vessel within the purview of the laws applicable to the sale of naval vessels.

However, it is desired to invite attention to the fact that in the case of motor torpedo boat, No. 9, which has not yet been delivered, no payment thereon has been made to date, and no payment will be made until delivered to the Government. This motor torpedo boat will not become a naval vessel, of course, until such delivery.

In the case of other motor torpedo boats under contract, no delivery has been made to this Government, and under a change in the contract it is proposed to approve the deferred delivery of certain of these motor torpedo boats.

With reference to the question of the return of war supplies such as airplanes, vehicles, engines, etc., to the contractors as part payment for new material of the same character, this authority is found in title 10, United States Code, and in supplement 5, United States Code, title 10, relating to the Army, as follows:

"PAR. 1272. Motor vehicles, aircraft, etc.: Motor-propelled vehicles, airplanes, engines, and parts thereof may be exchanged in part payment for new equipment of the same or similar character to be used for the same purpose as those proposed to be exchanged (May 12, 1917, c. 12, 40 Stat. 43).

"PAR. 1271a. Same: Machines and tools pertaining to construction, etc., of ordnance to matériel: The Secretary of War is hereby authorized to exchange obsolete, unsuitable, and unserviceable machines and tools, and parts thereof, pertaining to the manufacture or repair of ordinance matériel for use in the national defense, for new machines and tools of the same or equivalent general character (May 11, 1939, c. 122, 53 Stat. 739)."

The supplies between the Army and the Navy may be interchanged under the authority of paragraph 1274, title 10, United States Code, as follows:

"PAR. 1274. Interchange of supplies between Army and Navy: The interchange without compensation therefor, of military stores, supplies, and equipment of every character, including real estate owned by the Government, is hereby authorized between the Army and the Navy upon the request of the head of one service and with the approval of the head of the other service (July 11, 1919, c. 9, 41 Stat. 132)."

Sincerely yours,

LEWIS COMPTON.

The CHAIRMAN, COMMITTEE ON NAVAL AFFAIRS,
United States Senate.

Mr. WALSH. I cannot take credit for it to myself, but a Member of the House of Representatives [Mr. CASE of South Dakota] cited the day following a law which makes illegal the act of sending naval vessels out of the country while we are a neutral and subjects to severe penalty anyone who would be a party to such an act. That law, I think, ought to be read now. It was passed on June 15, 1917, and is as follows:

SEC. 3. During a war in which the United States is a neutral nation, it shall be unlawful to send out of the jurisdiction of the United States any vessel built, armed, or equipped as a vessel of war or converted from a private vessel into a vessel of war with any intent or under any agreement or contract, written or oral, that such vessel shall be delivered to a belligerent nation, or to an agent, officer, or citizen of such nation, or with reasonable cause to believe that the said vessel shall or will be employed in the service of any such belligerent nation after its departure from the jurisdiction of the United States.

SEC. 6. Whoever in violation of any of the provisions of this title shall take or attempt or conspire to take or authorize the taking of any such vessel out of port or from the jurisdiction of the United States shall be fined not more than $10,000 or imprisoned for not more than 5 years or both, and, in addition, such vessel, her tackle, apparel, furniture, equipment, and her cargo shall be forfeited to the United States.

Upon obtaining information as to this law I asked the Judge Advocate General's Office if there had been any modification or change or repeal of this law, and he informed me there had not been and that it is in effect at the present time.

I think it is only fair to say that those who were proceeding to modify this contract for the purpose of transferring certain ships did not know of this law, and if they did, of course, they are subject to a penalty; but I am told that the Attorney General has given no opinion to the Government upon this matter.

Mr. VANDENBERG. They are subject to a penalty whether they knew about the law or not, are they not?

Mr. WALSH. Ignorance of the law excuses no man. But I think it is important to know that the discovery of this law, in my opinion, will dispose of the whole matter, and there will be no attempt made to cancel the Government's contract for these vessels.

That embraces the story in reference to the disposition of naval property. I know nothing about what has been done by the Army.

I think I should call attention to a matter to which I dislike to refer, but I am impelled to do so because of what I feel is a growing tendency that ought to be stopped; and I, as a member of the majority party, want to help to stop it rather than have the opposition party blame us or lay the charge of indifference against us. When I asked for that information in a letter there came a return letter which I should like to put in the RECORD but cannot for a reason I will state later. However, I received from the Navy Department all the information I requested. I have not given it all to the Senate. I have given that which appeared in the evidence before my committee. The return letter was marked "Confidential," which I interpret to mean that I should not disclose it, and that the Congress, and the people of America should not have this knowledge. I was shocked on another occasion in our committee by an officer of the Navy, a very intelligent and well-meaning officer—I do not make any personal charge against him—who, when I said "We want an amendment to this bill that will require reports to be made to Congress on this matter," replied to me, "My reaction to that is that it is interfering with the Executive authority." I say to you, gentlemen, no truer or more profound words of warning were ever uttered on this floor than those of the Senator from Arizona a few days ago against bureaucracy. There is something instinctive in men who get into these bureau positions, none of them answerable to the electorate, which causes them to think they are not responsible to the Congress. I believe the naval officers who have proceeded to act in the manner which has been described here really felt they had no obligation to the Congress, or the people of the United States; that the Congress exists only to put its hands into the pockets of the American people, and turn the money over to departments or bureaus, and we are to ask no questions. I think the Navy and Army have, perhaps, been less chargeable with such an attitude than some other departments of the Government; I have the highest respect for the Navy and Navy officers; but I tell you, gentlemen, I have been greatly disturbed to learn that officials of our Government entertained the feeling that we are interfering with their prerogatives; that Congress ought not to ask questions; that it is possibly impertinent for us to make inquiries—perhaps I should not say that, but I think they are surprised that any committee of Congress should do so. Their attitude seems to be "Give us the money and let us go ahead." That has made our problem in connection with this bill very much harder, because in the measure we are letting down the bars completely, though we have tried, as best we could, to provide some safeguards which will appear later, such as the condition that reports shall be made to Congress of the transactions which may take place. I do not mean to apply this statement particularly to the Navy, but I do want to protest the growing sentiment in some of the departments that Congress exists merely to provide money for various bureaus, but not to check up on them, to follow up their transactions, or to seek to challenge their expenditures or methods. They are unmindful that they are agents of the Congress; that their powers are defined by the Congress; and that Congress can strip them of their powers at any time.

Mr. CLARK of Missouri. Mr. President——

Mr. WALSH. I yield to the Senator from Missouri.

Mr. CLARK of Missouri. I do not desire to pry into matters that took place in executive session of the Naval Affairs Committee, but I should like to ask the Senator from Massachusetts, if he is at liberty to answer the question, to tell us whether he has been able to ascertain to what extent the officers of the Navy are responsible for the sale of ships and the determination of the naval policy, and to what extent they have been ordered to do so by higher authority and have simply obeyed in their capacity as officers of the Navy subject to the orders of the Commander in Chief. I should like also to ask the Senator, if he is at liberty to answer the question, whether the naval officers and naval officials who appeared before the Naval Affairs Committee stated that this was on their own initiative or on orders of the Commander in Chief.

Mr. WALSH. I will answer the question, because I feel that every Member of this body has a right to know what I know, and a right to know what the other members of the committee know, even in executive session. Had not the matter involved in the questions and the suggestions of the Senator from Michigan and the Senator from Missouri been disclosed, I would have moved an executive session so that this matter could have been discussed, but because of the fact that it has been all opened up in the press and distorted in various ways, I felt that that was not necessary.

Now I will answer the Senator from Missouri. I asked the Acting Secretary of the Navy on what authority he had taken the action he did in reference to these vessels. By the way, one naval officer questioned the use of the word "vessels." He said these were boats, not vessels. So we have boats going around with devices to detect submarines, and we have boats that are not vessels going around, equipped to discharge torpedoes.

I called this naval officers' attention to the fact that in my report to the Congress on the bill to build vessels, the Navy had enumerated among the naval vessels that were being built the very vessels to which I referred. I forgot to add that when these 23 vessels leave the country, if they do, there will not be another modern vessel of that type here in case we are engaged in war. We have not built any vessels of that type in 20 years. We would be stripped of every single vessel for doing that particular defense work, whatever its value may be.

I now come back to the Senator's question.

I asked the Acting Secretary of the Navy, "On what law did you rely to do this?" He very properly answered, on the general law that we had given them, under which the Navy Department and the War Department and practically every other department have a right to modify or change contracts. Now, Senators, see how careful we shall have to be in our legislation. They have a right to modify or change their contracts. So, all these transactions have been based, not on any legal authority—for they have none—to dispose of any property except surplus, but upon the fact that they have authority to modify or change contracts. Who in God's name, in Congress or in the country, thought, when such a power was given, that these contracts for our own protection would be modified or changed in order to assist one side or the other, or all sides, of belligerents at war?

The Acting Secretary of the Navy said that was the reason and the law. Then I asked, "Did you consult with anybody, or did anybody request you or urge you to cancel these contracts?" He said, "No." Then I said, "You yourself are taking full responsibility for this act?" "Yes, sir," he said. I said, "And you say on your own responsibility that this was done without consulting the Commander in Chief or anybody else except the Secretary of the Treasury, who is the negotiator with the representatives of the Allies in the disposition of the surplus and other property?" He said, "Yes." I must say that he took full and complete responsibility for the whole matter.

Mr. CLARK of Missouri. Mr. President, I asked the Senator the question because of the fact that a few days after this testimony of the Acting Secretary of the Navy before the Naval Affairs Committee, the secretary to the President gave out a statement in which he said that the President of the United States himself had been fully and directly responsible for this transfer, and that he had made it on the recommendation of the Navy Department and the Treasury Department. I do not know what the Treasury Department has to do with ordering the Navy Department and the War Department around, but that was the statement given out from the White House. In view of the statement of the Senator from Massachusetts, it seems to me that either the Acting Secretary of the Navy or the secretary to the President has been somewhat less than frank with the Naval Affairs Committee of the Senate and with the people of the United States on an extremely important matter.

I asked the Senator this question because it was in evidence before the Military Affairs Committee when I was a member of that committee something over a year ago that the Secretary of the Treasury had gone over the head of the War Department, and, over the protest of the Chief of Staff and the Secretary of War, had arranged for the sale of certain airplanes.

It seems to me that when we go to blaming the War Department, the General Staff of the Army, and the General Staff of the Navy for things they have done, we ought to be very certain that we are blaming them for something for which they are responsible, because, of course, we always have to remember that when the representatives of the General Staff of the Army or the General Staff of the Navy come before a committee of Congress and say, "The opinion of the General Staff is this," or "The opinion of the General Staff is that," the opinion of the General Staff is the opinion that the General Staff is told to have by the Commander in Chief of the Army, if he chooses to tell them what opinion to hold.

Mr. LA FOLLETTE. Mr. President——

Mr. WALSH. I yield to the Senator from Wisconsin.

Mr. LA FOLLETTE. I am a little confused by a statement the Senator from Massachusetts made a little while ago. I understood him to say that, in his opinion, the Senate and the country were entitled to information with regard to the disposition which is being made by the Navy Department of instrumentalities of defense. I also understood him to say that the Department took the position that this was confidential information, and that in reply to his letter of inquiry he had received a letter marked "Confidential."

I now ask the Senator whether or not he has given the Senate all the information in his possession with regard to the details of the disposition of these implements of war by the Navy Department, and, if not, to give the Senate what reasons he may have as to why the representatives of the people and the people themselves are not entitled to a full disclosure of what is happening to their instrumentalities of national defense.

Mr. WALSH. I have presented to the Senate all the information that was divulged at the committee hearings. I have not given all the information in the letter to which I referred because I did not receive it until yesterday, and I felt that before making it public I ought to write to the Secretary of the Navy, which I intend to do, and ask him why he requested that the information be kept confidential, and what is the objection, if any, to my making it public to the Senate.

I will add that I have discussed the major things that are in the letter, because they were presented to the committee. There are other items, not of the category of the airplanes or the ships to which I referred. I do not know whether or not the Senator approves of that course; but certainly I cannot use here a letter marked "Confidential."

Mr. LA FOLLETTE. I do not for a moment ask that the Senator shall violate any confidence; but I do wish to enter my vigorous protest if there is anybody in the Government who believes that the representatives of the people and the people themseslves are not entitled, as a matter of public information, at this critical time in the Nation's history, to know what disposition is being made of the instrumentalities of national defense, whether by the Army, or by the Navy, or by whatever Department or agency may have control over the instrumentalities of national defense.

It seems to me that this is a fundamental issue, an important issue; that there may be separation of powers, but certainly that separation of powers does not go to the extent of denying the legislative branch of the Government full information upon these matters, especially when we are voting additional billions of dollars to build up our national defense, and are engaged in the process of enacting tax legislation to lay that burden upon the people of the country.

Mr. WALSH. I desire to say that when our committee called before it the Acting Secretary of the Navy, he very frankly and fully answered every question asked him by the committee; but the whole thing prompted the committee to ask and have in writing from the Navy Department itself a

list of everything that had been done in this field since January 1. I shall put in the RECORD my letter making these inquiries, and I thought I would request the Secretary of the Navy to release the confidential character of his reply to me.

Mr. ELLENDER. Mr. President——

Mr. WALSH. I yield to the Senator from Louisiana.

Mr. ELLENDER. In connection with this discussion, it might be well to point out that the committee questioned the officers who appeared before us with particular reference to the sale and disposition of larger vessels—that is, submarines, subchasers, and the like—and that one of the officers distinctly stated that it was against the policy of the Navy Department to dispose of any vessel or equipment that would require in excess of 6 months to build. He made it plain to us that the Navy did not contemplate the disposition of any naval vessel now in use or that was necessary for our defense. He stated that one of the reasons that prompted the negotiation for the transfer of these small boats was because they were in the experimental stage. They are very small boats, ranging from 42 to 72 feet in length, and can be built within 6 months; and he pointed out that another reason that prompted him to agree to the disposition of 20 of these small boats was that the Department had no immediate use for them, and they could be replaced within 6 months. He also stated that the concern which built these boats in New Jersey erected a factory for the purpose of building these 22 or 24 boats, with a view of demonstrating whether or not the boats could be built on a mass-production basis.

He pointed out that after the factory was in full operation the manufacturer could build these boats and turn them out very rapidly. I repeat, it was brought out by an official of the Navy Department who appeared before us that under no conditions would the Navy agree to dispose of any vessels of any kind which would require beyond 6 months to build or replace.

Mr. HOLT. Mr. President, will the Senator from Massachusetts yield?

Mr. WALSH. Let me answer the Senator from Louisiana. I hope the Senator does not mean to insinuate that I have refrained from making a frank statement.

Mr. ELLENDER. Not at all.

Mr. WALSH. The Senator was merely amplifying my statement?

Mr. ELLENDER. I was amplifying it, with a view of bringing out facts which were probably overlooked by the able Senator from Massachusetts.

Mr. WALSH. The Senator is correct in part.

Mr. ELLENDER. I wish the Senator would correct any misstatement made by me.

Mr. TYDINGS, Mr. HOLT, and Mr. LA FOLLETTE addressed the Chair.

The PRESIDING OFFICER. Does the Senator from Massachusetts yield, and if so, to whom?

Mr. WALSH. I yield to myself. I wish I had the report of the testimony here; I have it in my office and I intended to read it. The Navy Department called the vessels "boats", first of all. They did not give the emphasis to value which I myself had, and which other members of the committee had. They did say what the Senator from Louisiana did not say—that one of the values of the sale was that it would lead to a better mass production after the 24 were built.

I wish to say, in conclusion of this matter, that I have given the Navy credit for having more sense and more patriotism than to spend $6,000,000 for 24 ships which are not of value and importance to the Navy.

Mr. ELLENDER. If the Senator will permit me——

Mr. TYDINGS. Mr. President, will the Senator yield?

Mr. WALSH. I yield to the Senator from Maryland.

Mr. TYDINGS. Mr. President, I do not think it would be fair to the chairman of the committee, now that the point has been raised, to have anyone suppose that there has been anyone on the Committee on Naval Affairs, much less the chairman, who has failed to be alive to the present situation. I am sure that I voice the sentiment of every member of the committee when I say that the chairman of the committee, the senior Senator from Massachusetts [Mr. WALSH], has been extremely diligent in seeing that the law was not evaded. On his own initiative he has explored every avenue of suspicion and of reasonable rumor to see that there was no truth in false reports, and through correspondence and instructions to witnesses and what not he has done everything in his power to see that the ships of the Navy, which we have built for defense, were not turned over to anybody so as to weaken our own forces. Indeed, he has gone far out of his way to accomplish that purpose. I think I speak for the entire committee in making this statement. During the whole progress of the naval program he has been an admirable chairman from the standpoint of defense of the public welfare and deserves the commendation of the people of the United States.

Mr. HALE. Mr. President, if the Senator will yield, I should like to say, in regard to the statement made by the Senator from Maryland, that I quite agree that the Senator from Massachusetts [Mr. WALSH] has done splendid work for the Navy, and I have a great deal of confidence in him. My recollection, however, as to what the Navy Department officials said about giving up ships of the Navy is that they stated that not with their consent would any ships be given up if it would take more than 6 months to replace them—6 months, not a year and a half.

Mr. LA FOLLETTE. Mr. President, I was about to remark, if the Senator will pardon me, that the statement of the Senator from Louisiana, namely, that the Navy would give away anything that could be replaced within 2 years' time, would be small comfort and no protection to the United States.

Mr. ELLENDER. Mr. President, I desire to say that I did not have any intention at all of criticizing the able Senator from Massachusetts [Mr. WALSH], and I cannot imagine what I said that could lead anyone to such a conclusion. I have high regard for the able Senator.

Mr. WALSH. I did not so interpret the Senator's statement.

Mr. ELLENDER. My only object was to bring out some of the facts as I understood them.

Another point was brought out by one of the naval officers who appeared before us as one which prompted him to agree to this transfer was the fact that these boats were equipped with 18-inch torpedo tubes, and that the Government desired in the future to equip all such boats with 21-inch tubes, so that they could get this additional equipment and better boats without any further outlay. I am amazed that such an incident could cause such unfavorable discussion. These small boats are in the experimental stage, are not needed at present, and can be replaced in a very short period of time. They are now in the process of construction, and the first one will not be completed until October 1940.

Mr. HOLT. Mr. President, will the Senator from Massachusetts yield?

Mr. WALSH. I yield.

Mr. HOLT. I merely want to make a brief observation along the same line. This morning I heard on the radio that a great squadron of war planes of the United States Army had left for Canada. I called up the press section of the Army, and all I asked was, "When were those planes delivered to the United States Government?" That was the only question I asked. I have a stenographic copy, I may say, of the entire conversation, both ways. I asked them when they were delivered, and they said they could not give me that information; that they were prohibited by order from so doing. I went as high as I could in the Office of the Secretary of War, and they all said that the information could not be given. One of the colonels asked me, "What do you want to use it for?" when I asked him when the planes were delivered to the United States Government. Of course, there was no answer to that.

The question is, Why should a Member of the United States Senate be prohibited from knowing whether these planes are

obsolete or not? All I asked was, "When were these planes sold and delivered to the United States Government?" I was told on the highest authority of the War Department that that information was kept secret on orders. The question is, By whose orders has it been kept secret from the people?

Mr. WALSH. Mr. President, in connection with the statements of the Senator from Louisiana and others, I should like to read a letter on this subject I received some days ago, which is not marked "confidential." The committee received it after the Secretary appeared before the committee and when I asked for certain information. The letter states:

In compliance with your request, I am submitting the following information concerning motor torpedo boats and motor submarine chasers under construction at the Elso Works, Bayonne, N. J., with contract dates of delivery of same:

(a) Eleven motor torpedo boats, $225,000 each; 12 motor submarine chasers, $212,000 each.

(b) Original contracts called for delivery of the motor submarine chasers first, the first boat to be delivered within 216 days and all 12 boats to be delivered within 300 days after the date of contract, which was December 13, 1939.

That would be 10 months.

The contract for the motor torpedo boats was signed the same date and deliveries were specified to begin within 300 days after date of contract and to be completed within 290 days.

That is over a year for those vessels.

As a result of some delay in obtaining the experimental Government-furnished sound equipment for the motor subchasers, the Department is now negotiating for a modification in the delivery of these boats which will result in the delivery of the motor torpedo boats before the motor submarine chasers. At present it is expected that the first of the motor torpedo boats will be delivered to the Government about August 1, 1940, and that deliveries will follow at the rate of one boat per week.

Sincerely yours,

LEWIS COMPTON.

Mr. SCHWARTZ. Mr. President, will the Senator yield?

Mr. WALSH. I yield.

Mr. SCHWARTZ. I could not hear very well what the Senator was saying. Did I understand him to say that none of these boats had been transferred to the Government?

Mr. WALSH. None have actually been transferred to the Government. They are all under contract, and under a law which exists the Government has the right to modify or change the contracts up to the date of delivery.

Mr. SCHWARTZ. And under a parity of reasoning, they would have a right to reject them?

Mr. WALSH. Yes.

Mr. CONNALLY. Mr. President, will the Senator yield to me to make an observation for a moment?

Mr. WALSH. I am glad to yield.

Mr. CONNALLY. I have been listening to the discussion, and I wish to express my entire confidence in and admiration for the distinguished Senator from Massachusetts, chairman of the Committee on Naval Affairs.

As to all this talk about telling the people, that we have to tell the people about everything, so far as I am concerned I am willing to trust the Committee on Naval Affairs as to any secret or executive hearings they may have, if they are satisfied. Someone on the committee will certainly find it out if there is anything wrong or crooked. I would not require that every detail as to naval administration be brought up in the Senate Chamber and chased all around over the Chamber every few minutes. I am perfectly willing to trust the Committee on Military Affairs as to the details of secret understandings of the War Department, and so long as they are attending to their job, someone will find out if there is anything crooked.

I think we are doing too much talking about our state of unpreparedness. Someone on this floor rises every day and proclaims to Mr. Hitler, Mr. Mussolini, and everyone else who wants to hear that we are unprepared, that we have no Navy, that we have no Army, that no one wants to fight, and that we will not do anything about it. I think that is absolutely hurtful to our self-defense.

Of course, our Army is not on a war basis, but it is a larger Army than we have ever had in peacetimes during the history of this republic. I believe that our Navy today is as good as any navy that floats on the sea, and we are adding to it. So far as I am concerned, I am for the Senator's two-ocean Navy bill, I am in favor of lifting the Army to 400,000 or 500,000 men, and I am in favor of calling out the National Guard for training purposes right now, if the Army authorities think they need them.

I wish to declaim against this constant yelping in the Senate, in the press, and in the House, that we are not prepared and cannot get prepared. America can be prepared, and when she is prepared no emeny on earth can land on these shores or can successfully attack the United States of America.

I want the country to know that we are arming, and we are doing it as rapidly as we can. There is no magic by which we can create a Navy by pushing a button. There is no magic by which we can create an Army by pushing a button. I want the people of the United States to know that this Navy will cost us money, it will cost us sweat, and it will cost us discomfort, and that we are going to put on them the necessary burdens to do what we want done.

I thank the Senator from Massachusetts for permitting me to interrupt him.

Mr. WALSH. I thank the Senator from Texas for his observations. I think it might have been necessary to stimulate our people to greater efforts by talking about the inadequacy of our forces and the limitation of our defense, if the time for sacrifice had come. But I agree with the Senator from Texas that we should not emphasize that inadequacy to the extent of giving comfort or courage to potential enemies, so they may believe that now is the time to strike because of our weakness. I do think it was helpful in the early stages of our program, to have the country realize the need of prompt, diligent, speedy building up of our national defenses.

Mr. VANDENBERG. Mr. President, will the Senator yield?

Mr. WALSH. I yield to the Senator from Michigan.

Mr. VANDENBERG. I wish to thank the able Senator from Massachusetts for the patience with which he has responded to the many questions which my original inquiry seems to have inspired. I do not want to keep the Senator away from a discussion of his bill too long, but now I should like to ask him one more question in his capacity as one of my most favorite experts. I want to know if we sent planes and munitions to Britain and France in our own ships, and under convoy—which I assume means convoyed by our Navy—whether the Senator thinks that would be an act of war.

Mr. WALSH. In my humble opinion it would be an act of war.

Mr. VANDENBERG. I should think there could be no other conclusion. The Senator, I assume, would not favor that sort of a suggestion at the present time.

Mr. WALSH. I certainly would not. I can conceive of nothing more dangerous or destructive to my country or its people than to undertake now a course of action such as indicated in the question, and which, in my opinion, would eventually lead to war. I can conceive of nothing more ruinous or destructive to our country than that.

I think I ought to say in this connection that it has been a source of strength to me and to the country to know of the attitude of the Congress; that the Members of Congress have not been swayed or moved by the few extremists who indirectly have been urging war.

Professor Elliott, speaking at the Harvard University commencement yesterday, said in effect:

So far as I am concerned that part of the slogan, which says "short of war" I would eliminate, and give everything to the Allies. He would strike out "short of war."

I think I ought to say also that in my conversation with the officers of the Navy and with the Chief Executive, there have been constant declarations of this program being for our defense, and not for war purposes.

Mr. VANDENBERG. I will add this to what the Senator has said. The thing which he condemns as an act of war, and which I think would have to be condemned as an act of war, is the third suggestion offered by Mr. Henry L. Stimson as his immediate program 2 days before he was appointed Secretary of War.

Mr. WALSH. Mr. President, this matter is uncomfortable. I did not seek these disclosures that have been made here, and I want to say again that I made up my mind that if such a question were to be asked me, before this matter was in the press, for I knew it last Friday, and my committee knew it Friday—of course it is impossible to keep things from the press—I would move an executive session and then let the Senate decide how much it wanted to give to the public. So I wish to relieve myself from the introduction of this discussion.

Mr. WILEY. Mr. President, will the Senator yield?

Mr. WALSH. I yield.

Mr. WILEY. I wish to express my personal appreciation for the light which the distinguished Senator from Massachusetts has been giving to his associates and also to the country.

However, I wish to say further in response to the suggestions of the distinguished Senator from Texas [Mr. CONNALLY] that it seems to me that the greatest danger we are facing now is a return to smugness and complacency in our own country. The reason I say that is because the colleague of the distinguished Senator from Massachusetts, speaking on the floor of the Senate yesterday, said that America was not getting the 400,000 soldiers sought to be obtained.

As to the question of unpreparedness, I think it was stated earlier today that all the foreign nations know our condition, so whatever is said about unpreparedness on the floor of the Senate does not give any help or aid or comfort to them. They have those facts.

What I should like to see is that the United States would become so prepared—and to that end every instrumentality we have must be kept here—that no country on earth or combination of countries would dare to tackle us.

There is only one argument in the world today—it is too bad to have to say this, but Hitler's revolution has demonstrated it—there is only one argument in the world today, and that is the argument of force. We must meet force with force, or, as the saying goes, fight fire with fire.

Mr. PEPPER. Mr. President, will the Senator yield?

Mr. WALSH. I am pleased to yield.

Mr. PEPPER. My friend could have included me, had he cared to do so—and I would have given him my approval in advance had he done so—among those who thought that the best defense of America involved some affirmative action. But I have some misgivings as to the wisdom of those in this Chamber who have indicated their sentiments today that the best and the safest and the surest way to defend America was to draw some imaginary line around this particular country, and say that we will build it so strong that nobody else can cross it, because if I have seen anything at all in the last year in Europe, I have seen that people who have adopted that policy are paying a terrible price for it. I saw the French build the best system of defenses that the world has ever seen, at an expense of $500,000,000, and settle down into a defensive psychology behind what they thought was an impregnable wall of forts and fortresses, and today, 5 weeks after an attack was made upon that supposedly impregnable system of defenses, the French Republic lies prostrate in process of being ravaged by the dictator who is anathema in the eyes of every Christian and true Democrat.

So when the French people forsook the policy of action as the policy of defense, they established a principle for which they paid with their own blood and their own sovereignty.

Mr. President, there are those in Congress who have hung to some outworn tradition of defense, and who have said that we cannot help the British to stay alive and be our first line of defense, because if we do we will violate some technical principle of defense, or we cannot help France from being destroyed as a part of our defense because we will violate some traditional concept of defense of America; we cannot help Belgium or Holland to resist this dictator who is trying to conquer the world for his own purposes because we will be going outside the scope of our legitimate defense.

All we can do in the opinion of those who would practice that sort of defense, is to sit down here on our own doorstep and wait until we see him coming around the corner of the road, and when he passes the curb and approaches the front door, then they will wonder where they left the shotgun, and if they have any shells, and if there is anything they can do about arousing their neighbors to the fact that they are about to lose their homes and their liberties and perhaps their blood.

So, Mr. President, I am glad that these debates are taken down and to be preserved, that history may look at them and observe the shortsightedness of the people's representatives about the people's defense.

There is no one in the Senate that I know of who wants to take this country to war. I just talked in the cloakroom a few minutes ago to an American boy who lives in Asheville, N. C. He lost one leg in the World War. What was he here for? He was here to try to arouse the Congress to a consciousness of danger. He told about the military tradition there was in his family and how in the Argonne he lost a leg in the war in 1918. He was not here clamoring against action. He was here saying, "I gave a member of my body for a cause that I deemed honorable in 1918."

If we sit down here supine, as some would have us do, we shall lose our own liberty. We cannot even do anything in South America. This country and that country will be taken over by Nazi spies and Nazi columns. We will sit here and say, "No, we cannot do anything because we cannot see them upon the horizon from our shores, and if we look beyond the Rio Grande, they are not there, and they are not upon the borders of Canada." And the isolationist says, "Defend America at the place where America is least capable of defense."

So, Mr. President, I advocate an affirmative form of defense, and I say that if we have even half good judgment, if we exercise even half good sense, now that all the rest of the world has collapsed, we will quit this mealymouthed quibbling over an outworn military tradition that the only way to defend yourself is to wait until the other fellow hits you, and then perhaps it is too late, and we will try to preserve the real first lines of American defense in ways that we can properly do. If we do it under a false psychology or philosophy of defense, we shall pay a terrible price for it, as have others who have followed such a philosophy.

Mr. WALSH. Mr. President, I think we all appreciate the point of view of the Senator from Florida, which is shared by some others in the country. As I understand the position of the Senator from Florida, it is that the attitude, policies, and military program of the totalitarian states are such that we ought now to anticipate that they are coming to us, and that before there is an overt act on this continent on their part we ought to send supplies—even naval and military supplies, and everything short of men—to the Allies.

Mr. PEPPER. That is correct.

Mr. WALSH. That is a position which the Senator has a right to maintain. Others in America maintain the same position.

I should like to state my position. I have not stated it in the Senate heretofore. My position is:

First, peace for America, preservation of the lives, property, resources, and institutions of America, with no overt act by our country which will invite any nation engaged in the European war to disturb that peace.

I do not anticipate that every man who has a quarrel with another is my enemy. Nations may have quarrels with other nations without quarreling with us. But if they are belligerent, if they are ruthless, if they are unreasonable, we should prepare to meet them when they come at us. But I do not believe we should invite attack, or give provocation for attack.

Second, we should build up our national defenses speedily and thoroughly, so that if any potential enemy, any military totalitarian force in Europe, seeks to attack us, we shall be

ready to meet it, combat it, and destroy it before such an enemy sets foot on this land.

Third, all the private interests in this country, all the manufacturing, business, and financial interests, may do what they please and go as far as they wish in giving aid to the Allies; but because I fear that the giving of military aid by the United States Government would be moving in the direction of war, because I fear that it would be an overt act, and an invitation to hatred which would be planted in the souls of the children of the totalitarian states for generations to come, I want my Government itself, its own property, its own finances, its own Navy and Army, to be kept clear of the European war. If that be unfair to my country, if that be treason, then I must take the consequences of it.

I repeat, the Senator has a right to his opinion. It is an opinion which is entitled to be presented and considered. However, some of us are emphatic in the belief that we must exercise caution in our governmental attitude, and in using the authority of our Government. We believe that there is a dividing line which means the difference between peace and war. I say it is too risky, too dangerous, to try to determine how far we can go in tapping the resources of our own Government and furnishing naval vessels, airplanes, powder, and bombs. It is trampling on dangerous ground. It is moving toward the edge of a precipice—a precipice of stupendous and horrifying depths. I do not want any American boy to feel that by an official act of mine I have given one iota of encouragement to the haters of democracy, the unreasonable and relentless forces unloosed in Europe, to come upon us and engage us in war.

I believe that it is possible to live in some degree of peace, even with a tyrant, or with a nation whose policies are unsound and undemocratic. We have done so for 150 years. There have been Hitlers before. In his day Napoleon's name was a stench in the nostrils of all decent people in the world. The story is told that mothers, to frighten their children mentioned the name of Napolean, insteads of ghosts. The same spirit is true today. It may be possible for even a Hitler or a Mussolini to be restrained from declaring war upon us by our unlimited resources for defense, and the passionate devotion of our people to liberty and freedom. I do not want to give Hitler or Mussolini any ground for saying, after the war is over, "France and England, you were honorable. You bared your breasts to our bayonets. You smelled the smoke of battle. You were honorable foes. But other countries, which said they were neutral and which passed neutrality laws, threw cannon balls over the neutrality fence at us. We have little respect for them."

If we are going to attempt to crush the philosophy of the totalitarian states which we hate—in order to be consistent—why not undertake also the extinction of the communistic philosophy of the Soviet Republic? Russia has already taken over part of Poland and Finland and is now threatening Lithuania.

Why not undertake the extinction of the Japanese philosophy which is based upon a determination to dominate the whole of the Orient and which now has China bleeding and prostrate?

Ah, gentlemen, if you are preparing to undertake the policing of the world in the name of justice, you are committing your country and future generations to a policy of waging endless war throughout the world.

The governments whose philosophies we detest may turn upon us but let us not invite or provoke it. Let us rather arm to the teeth to protect ourselves and our liberties.

Mr. President, if we want war, let us make an open declaration of war. Let us refrain from surreptitious acts which we like to think of as "short of war" but which all sensible people in the world know to be acts of war. There is little sentiment in this country in favor of the United States entering the war. So far as expressions in the Senate and the House are concerned, not a single Member of Congress has dared to say he would vote today to put this country into war. Therefore I say let us be careful not to provoke war, not to invite it, not to go to the point where it is inescapable. This great Nation, with its millions of people and its great resources, is the only light of democracy left in all the world, the only beacon of hope, for the preservation of civilization and humanity. To risk its destruction now, in the military condition in which we know we are, would be appalling.

It would be slaughter of the manhood of the country to put us into war today, in the light of what every Member of this body knows about the condition of our Army insofar as preparedness is concerned. I do not want to do it. I will not do it. I will walk out of this chamber and tender my resignation, if necessary, rather than put my country into a European war—a war which was provoked—falsely, if you please—upon the claim that Germany was robbed by the Allies as a result of the treaty which was made at Versailles, at the end of the last European war.

If one of the principal causes of the war in Europe is not the Versailles Treaty, it is at least a death struggle between irreconcilable systems of economy and political philosophies, engendered and promoted by mutual claims of hypocrisy, deceit, and greed.

I do not defend the ruthless, aggressive attitude of Germany. I can, however, understand that the state of mind among the German people and their officials may be explained in part by the belief that a treaty was made in which they were robbed of their possessions and of their people and the right to control them. I can understand that psychology. Not to understand it is to fail to understand the background of the war in Europe, which is not of our making, but one which is largely based on grievances, rivalries of Old World origin. If 25 years ago we had had a war with Japan and California had been taken over by Japan, would there ever have been a day or an hour when we would not have prayed for the day when we could take California back? In such a situation, if our democratic institutions should fail to act quickly, it is quite possible that another demagogue or tyrant would appear upon the horizon and say, "We want California back. The time has come. We have been and are now prepared to seize the property which was taken from us."

Mr. President, our position is not the position of Germany. In Germany there exists a spirit of revenge, a bitter determination to get back what was taken away from her. Are we forgetful of human nature? Are we unable to comprehend the difference between our position and the European belligerents? If two men quarrel and one man is severely injured and even goes to the hospital, in time the two men may shake hands and be friends. But if at the time of the quarrel the one who is responsible for the injuries to the other puts a pistol at his head and says, "Give me your pocketbook and a deed to half your lands," the other will never forgive him.

Mr. President, I am not defending such an attitude; but this war is the result of a treaty which has been denounced again and again on the floor of the Senate. Both sides claim to be the victims of injustice—one an oppressive treaty, the other deceit and gross irresponsibility of dictators.

To his dying day the brave, great, noble soul from Idaho, who sat across the aisle, denounced that treaty, and again and again he said it was provocative of war, that it would mean war. Did we sign that treaty? Have we any obligation under that treaty? Are we compelled to enforce it because those who are participants in it have reopened it by declaring war upon each other? That is what it amounts to. They have brazenly scrapped it; they have ruthlessly torn it to pieces and said, "We are not going to stop our military preparedness until we get what you took from us." Does anyone think a just treaty will be negotiated if the totalitarian states win? Most emphatically, no. The treaty of the present war will simply be the beginning of another war.

Under those circumstances, in heaven's name, why can we not keep away from their war?

When have the German Government or the German people ever done anything to us, as a nation, that should cause us to go to war? When have the Italian Government or the Italian people ever said anything against our Government or our people or usurped any of our resources or committed a

single unfriendly act against us? Our only grievance is that she did not wage war on the side with which we sympathize. Why, then, should we feel it incumbent upon us to participate in a quarrel which they have, a quarrel which we think is unjust, which we think is indefensible, and which we think is injurious to all democratic forms of government in the world? Why should we, by act or deed, officially—officially—seek to engender hatred, animosity, and hostile feeling and step by step proceed upon a course of action that might lead us into this war? Have we lost conception of the awful, awful, awful consequences of war to America?

Is there any boy or man of military age asking us to go to war or to go one degree beyond what we conceive to be the protection of our country against invasion and war?

Are the mothers of America who must send their sons to fight talking war in this country today? Whence does the agitation come? It comes from a limited number of men of property, not from the men or women who have nothing to give their country but their heart's blood, their lives—worth more than all the dollars of the affluent, all they possess—their own bodies, their own souls. Are we thinking of them? Upon them will fall the real trials and blood sacrifices. Or are we answering the call of those who seek intervention because of social attachments, international relationships, or financial obligations? I realize many are honest and sincerely believe that it would be a calamity to the world for the democracies of Europe, England and France, to fall in this great crisis. I do not hesitate to say that if this agitation from the men of property as against the men of no property continues in this country there will be developed a radical spirit which it will be very difficult to check. Many letters from men and women come to me from millionaires and multimillionaires, pleading with me in their communications to help to the limit the Allies. They are, or at least their organized leaders are, deceiving the public under the slogan "Aid to the Allies to the limit short of war." Mind you, I do not charge all who urge this as being willing, if necessary, to go to war, but certainly the leaders promoting this propaganda have in mind the developing of the war spirit.

Professor Elliott speaking at Harvard yesterday told the real story of what these leaders have subscribed to when he urged compulsory military training, and said:

> For myself, today more than ever, I ask, Why short of war?

What is meant by "short of war"? At least Professor Elliott knows what a cloak and misrepresentation it is of the real objective.

Does "Aid short of war" mean tapping to the limit the resources and productive capacity of private source here in America? To that we all subscribe. Or does "Aid short of war" mean giving away implements of defense, built and building—and imperatively needed for our own protection? Does "Aid short of war" mean that our Government should go half way into the war and then expect to stay half way out? Frankly, do not many of those who urge "Help the Allies short of war" mean what appears frequently in letters addressed to Senators, "Help the Allies by all means short of war—but even with war if necessary"? No letters from these advocates plead with Senators to desperately attempt to keep the youths of America from the slaughter pits of Europe.

Oh, the tragedy of it, that a powerful group of men of property should be challenging the peace desires of the millions of poor people who toil and labor and sacrifice and to whom war would compel them and their children for generations to come to eat the bread of poverty. Will the sons of the rich go into the trenches or will they go into the intelligence or commissary corps, where there is no real fighting? Who will bare their breasts in this fight but the plain people who have no personal friends in the Senate or in the House or in high position? I plead for them, that they be spared the awful horrors of war until it comes to our door. I protest the efforts and propaganda that is leading to their slaughter in a European war.

I repeat, the second obligation is of equal importance: Get ready, let us have speed, action, so that we will be ready if enemies are seeking to declare war upon us, an innocent people. They have not the excuse of a Versailles Treaty in warring upon us. I say, let us prepare; that is our real business.

I appreciate the fact that my fellow Senators and my countrymen have given me during the last few months the privilege and honor of shaping and forming and drafting measures to help expedite action so that we will have an impregnable navy.

If I have been sensitive and keen about the least interference with our defenses, it is because of two reasons: First, I want to have our defenses so complete and so powerful that they will prevent any violent-minded enemy from successfully attacking us; and, second, I do not want our forces deprived of one gun, or one bomb, or one ship which can aid that American boy whom you and I some day may have to draft. I want every instrument, I want every bomb, I want every shell, I want every plane, I want every boat ready and available, so that I can say when and if it becomes necessary to draft him, "Young man, you have every possible weapon of defense your Government can give you."

Excuse me; I have departed from the subject of this bill; but I thought perhaps it was an opportune time for me to express my views of what I think my country ought to do at this crisis.

If there are no questions, I will proceed to discuss the bill. Section 1 of this bill——

Mr. DOWNEY. Mr. President, if the Senator will yield, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Adams	Davis	Lee	Schwartz
Andrews	Donahey	Lodge	Schwellenbach
Ashurst	Downey	Lucas	Sheppard
Austin	Ellender	Lundeen	Shipstead
Bailey	George	McCarran	Slattery
Bankhead	Gerry	McKellar	Smith
Barkley	Gillette	McNary	Taft
Bilbo	Green	Maloney	Thomas, Idaho
Bone	Guffey	Mead	Thomas, Okla.
Bridges	Gurney	Miller	Thomas, Utah
Brown	Hale	Minton	Tobey
Bulow	Harrison	Murray	Townsend
Burke	Hatch	Neely	Truman
Byrd	Hayden	Norris	Tydings
Byrnes	Herring	Nye	Vandenberg
Capper	Hill	O'Mahoney	Van Nuys
Caraway	Holman	Overton	Wagner
Chandler	Holt	Pepper	Walsh
Chavez	Hughes	Pittman	Wheeler
Clark, Idaho	Johnson, Calif.	Radcliffe	White
Clark, Mo.	Johnson, Colo.	Reed	Wiley
Connally	King	Reynolds	
Danaher	La Follette	Russell	

The PRESIDING OFFICER (Mr. O'MAHONEY in the chair). Ninety Senators having answered to their names, a quorum is present. The Senator from Massachusetts has the floor.

Mr. VANDENBERG. Mr. President——

Mr. WALSH. I yield to the Senator from Michigan.

Mr. VANDENBERG. In the course of my colloquy with the able Senator from Massachusetts, I quoted from a statement made by Mr. Henry L. Stimson. In fairness to Mr. Stimson, I think the entire statement should be printed. I was reading from an editorial in the Wall Street Journal this morning, which, strange to say, comes to the conclusion, as to the gentleman who has just been recommended for Secretary of War, that—

> What Mr. Stimson advocates amounts to United States entrance into the war.

Mr. President, I ask unanimous consent that this editorial may be printed in the RECORD as part of my remarks. Then I express the earnest hope, in fairness to Mr. Stimson, that before the Senate Military Affairs Committee acts upon his nomination it will call him before the committee, so that the Senate itself may have a full and authentic record as to precisely what his views are in respect to these desperately important matters.

The PRESIDING OFFICER. Without objection, the editorial will be printed in the RECORD.

The editorial is as follows:

[From the Wall Street Journal of June 21, 1940]

MR. STIMSON SHOULD NOT BE SECRETARY OF WAR

On Tuesday, June 18, two days before his nomination to be Secretary of War, Henry L. Stimson made a radio address entitled "America's Interest in the British Fleet." Here follows the text of the conclusion of Mr. Stimson's address as transcribed by the National Broadcasting Co., over which the speech was transmitted:

"To put the matter concretely my recommendation would be that the following steps should immediately be taken:

"1. We should repeal the provisions of our ill-starred so-called neutrality venture which has acted as a shackle to our true interests for over 5 years.

"2. We should throw open all of our ports to the British and French naval and merchant marine for all repairs and refueling and other services.

"3. We should accelerate by every means in our power the sending of planes and other munitions to Britain and France on a scale which would be effective; sending them if necessary in our own ships and under convoy.

"4. We should refrain from being fooled by the evident bluff of Hitler's so-called "fifth column" movements in South America. They are on the face of them attempts to frighten us from sending help where it will be most effective.

"5. In order to assist the home front of Britain's defense we should open our lands as a refuge for the children and old people of Britain whose liability to suffering from air raids in Great Britain is a constant inducement to surrender to terms which she would otherwise resist.

"6. We should, every one of us, combat the defeatist arguments which are being made in this country as to the unconquerable power of Germany. I believe that if we use our brains and curb our prejudices we can, by keeping command of the sea, beat her again as we did in 1918.

"Finally, we should at once adopt a system of universal compulsory training and service which would not only be the most potent evidence that we are in earnest but which is at the present moment imperative if we are to have men ready to operate the planes and other munitions, the creation of which Congress has just authorized by a practically unanimous vote.

"In these ways, and with the old American spirit of courage and leadership behind them, I believe we should find our people ready to take their proper part in this threatened world and carry through to victory, freedom, and reconstruction."

What Mr. Stimson advocates amounts to United States entrance into the war; the assumption of an active role as a belligerent.

We stoutly affirm Mr. Stimson's right to speak for any policy in which he believes. He is an experienced and able statesman, and his views deserve respect.

However, we believe that Mr. Stimson's views, insofar as they would lead us to war, are far out of line with what the majority of the American people want.

On that ground we hold that the Senate of the United States should refuse to confirm the nomination of Mr. Stimson as Secretary of War.

We believe that it would be a calamity to put Mr. Stimson in the position where he could open this country to the danger of participation in the war which the American people oppose.

We say this with full recognition of Mr. Stimson's unquestioned integrity and fine ability.

Mr. VANDENBERG. In the same connection, I greatly hope that the ex-Secretary of War, Mr. Woodring, will be requested to appear and testify, and to explain whether the Associated Press has correctly quoted him that the reason why he was forced to resign was—

Because he opposed "stripping our defenses to aid the Allies."

Mr. President, I think it would bear somewhat upon the nature and extent of the qualifications of Mr. Woodring's successor if the reason why the successor is chosen to fit certain specifications is that his predecessor was discharged for these reasons; and I express the hope that Mr. Woodring may also be a witness.

Mr. CLARK of Missouri. Mr. President, will the Senator yield?

The PRESIDING OFFICER. The Senator from Massachusetts has the floor.

Mr. WALSH. I yield to the Senator from Missouri.

Mr. CLARK of Missouri. I desire to ask the Senator from Michigan if he does not think some of the questions posed in the Associated Press dispatch to which he has referred might be resolved if the White House were to see fit even to give out the letter of resignation of the ex-Secretary of War, which in ordinary course is done, and not hide behind the subterfuge that it is "too personal."

Mr. VANDENBERG. I agree with the Senator.

Mr. MINTON. Mr. President, will the Senator yield?

Mr. WALSH. I yield to the Senator from Indiana.

Mr. MINTON. I desire to say to the Senator from Michigan that the Military Affairs Committee met this morning, and determined to have Colonel Stimson appear before the committee after the Republican convention, because that is the earliest time at which we can have in attendance the distinguished members of the committee who belong to that party.

Mr. PEPPER. Mr. President, will the Senator from Massachusetts yield to me for a brief statement?

Mr. WALSH. If it is a brief one.

Mr. PEPPER. The chairman of the committee, instead of explaining the bill, made a fundamental declaration of policy, and I should like a brief opportunity to reply to it.

The PRESIDING OFFICER. Does the Senator from Massachusetts yield to the Senator from Florida for that purpose?

Mr. WALSH. My speech was the result of the declaration of military policy made by the Senator from Florida. He first opened the discussion of the subject.

I really should like to dispose of the bill; yet I do not want to be discourteous to the Senator. When the bill is open to discussion the Senator will have an opportunity to speak. It is not now open to discussion.

The PRESIDING OFFICER. The Senator from Massachusetts has the floor, and apparently declines to yield.

Mr. WALSH. The Senator from Florida, of course, has a right to take the floor when the first amendment is under discussion. Before I yield, I ask to have printed in the RECORD, in connection with my remarks, part of a speech delivered by A. Frank Reel, a Boston attorney, at the Thirty-sixth Annual Convention of the Maine State Federation of Labor at Portland, Maine, on June 13 of this year, on the subject Labor's Duty Is To Help Keep Us Out of War. In my opinion it is such an admirable address that I should like to have part of it printed in the RECORD in connection with my remarks.

The PRESIDING OFFICER. Without objection, the part of the address will be printed in the RECORD in connection with the remarks of the Senator from Massachusetts.

The part of the address referred to is as follows:

LABOR'S DUTY IS TO HELP KEEP US OUT OF WAR

If I were smart, I'd stop here; I'd give you a pretty peroration and sit down. And you would applaud and say, "There's a friend of ours. He's a good labor lawyer. We'd better get in touch with him to help us on our legal problems." If I were smart, I wouldn't say what I'm going to say, because it's not the popular thing and it runs counter to the hysteria of the moment.

But I can't talk about labor's future and not talk about the war. And I'm not smart, because I feel this thing too deeply. When I speak to you now I speak not merely as a labor lawyer, not merely as one who loves the labor movement and works passionately for its success, but I speak to you as a young man, single, free, untrammeled, physically fit—in short, grade A cannon fodder, even as are so many of you or so many of your sons. That's why I think I have a right to speak to you as I shall.

Labor's first duty is to help us keep out of the war in Europe in the event that it continues much longer. Today we are deluged with propaganda—radio, press, pulpit—urging us to all steps "short of war" to "defend America by aiding the Allies," etc. That's all very well, providing, of course, we realize that if we keep on taking step after step toward the shore line, we're bound to get our feet wet. The voices I'm talking about are those that are urging us to declare war on Germany and Italy. And those voices grow in number and intensity every day, and their sound will swell to a roar if and when the Nazis invade England.

Perhaps one of my troubles is that while I'm young enough to be a soldier, I'm not so young that I can't remember the last war. Ever since Abraham Lincoln immortalized the phrase in his Gettysburg address, we Americans have imbued our consciousness with the desire to feel about those who have died wearing our uniform that "these dead have not died in vain." And yet, as we ask the question about those thousands of American boys who fell in 1917 and 1918, is there any doubt as to the answer? Horrible though the thought may be, are we not now forced to say: "They did die in vain?"—they died in vain.

Why did they die? Why did we go into that last war? We still don't know, but we do remember the reasons that were given us. Did those soldiers die to save the world for democracy? Then they died in vain, for the world has seen less democracy in the past 10 years than at any time in the last ten decades. Did they die so that their war might end all war? Horrible mockery—and of course, in vain. Or did I hear President Conant of Harvard say: "Let's forget the 'moral issue' and remember only the 'realistic appraisal' "? All right. Did they die to save France and England? Then who can say that their death was justified, for if we had not gone into the last war and even if the Kaiser had won, wouldn't France and England

be better off than they are today? Or did those boys die to prevent an eventual invasion of America to save the Western Hemisphere from rule by the Kaiser's son? Then glance at our $5,000,000,000 defense program, and know that even if that was the reason, they died in vain. No, we must realize, first, that there is hardly a man of intelligence in the United States today who will not admit that our entry into the first World War in 1917, with all of Woodrow Wilson's sincere idealism, was a stupid and ghastly mistake.

I do not say that the issues of this war are exactly the same to the belligerents as they were in the last war, but I do say that rather than join in a hysterical chorus, it is well for us to realize that the arguments being fed to the American people in favor of our entry into the war bear a striking resemblance to fevered talk of the first 3 months of 1917.

Practically all of us want to see Hitler and Mussolini defeated. Almost all of us would rather see the Allies win than to let the dictators triumph in any manner. Personally, I hate Hitler and Mussolini and everything they stand for, and Heaven knows I have as much reason to hate them and their vicious systems as any American who ever lived. Yet I know that Hitler and Mussolini are not accidents. And I know that the world's present horror does not exist merely because a certain bad man moved from Austria into Germany a few years ago.

I believe that Adolf Hitler—more than any one man—is responsible for this terrible war. But if you ask me to look back—not 5 years—but 10 years—and to tell you who is responsible for Hitler, then I say the blame must be shared by the other side in this conflict. And that brings us back to the end of the last war—and to the probable end of this one, no matter who wins. For this world has not learned what it should have learned—that you cannot grind down and exterminate a strong people—whether they be Englishmen or Frenchmen or Germans—or Americans. You can drive them far, but do not be surprised if, in their desperation they give up their freedom and their destiny to a maniacal gangster.

I know that you men and women of labor reflect as much as any other group in the country the so-called change in sentiment that has come over the American people in the last few months. But why have we changed our minds? Last fall, after the war had started and after the invasion of Poland, the United States Congress strengthened our Neutrality Act by insisting on "cash and carry." There was no doubt about our repeated insistence on neutrality, and the fact that we would not go to war in Europe. What has happened since then to make us change our minds? Is there a moral reason for a change of heart? Hitler marched into Denmark, Norway, Holland, and Belgium, but these invasions were war. Hitler's crimes were committed long before war strategy directed his movements; they were committed before "cash and carry" became law. The invasion of the neutral countries this spring was frightful—but it is war—and war is hell. War means that you must kill or you will be killed—and it's not a football game that is to be played according to pretty rules. Millions of innocent people are tortured—on the other side—to save your own side. Bombs are more dramatic, but no less frightful than starvation. The Allies were fighting what they call a "war of attrition," and that means starving every man, woman, and baby in Germany; there is no "evacuation" from starvation "objectives." Make no mistake, if we go to war we're going out to try to kill—by slow horrible starvation—every man, woman, and baby in Germany and in Italy because that's the kind of bloody business that war is.

And so I say that when we analyze this "change in sentiment" we'd better realize that it's not on any moral basis. We're afraid. We're afraid Germany will win and come over here. There is reason for that fear, and so we are preparing to defend ourselves. That is as it should be. We're all in favor of the defense program. You and I would fight and die to defend America. But let's stick to defense, and let's not get hysterical.

Let me read you a few sensible lines from an editorial in yesterday's Boston Globe:

"On this earth in the year which we reckon as 1940 the creature called man has got hold of scientific forces, perhaps prematurely, which he applies through machines. These machines can create wealth and they can destroy life, which means that they can be utilized to seize the wealth already acquired by other peoples, and this is exactly what is happening—a melee among the mechanized nations for the possession of wealth and power. Mussolini as good as said so 48 hours ago when he pushed Italy into the meat grinder.

"In all this there is nothing new; it has happened often; it has been foreseen and predicted, even to the present situation of the two hungry Fascist powers attempting to plunder two big empires, the British and French.

"Alarm, which is just now very vocal, raises a practical question, whether the apparent danger were better warded off by our fighting in Europe (as we have done within a generation) or by guarding well our own hemisphere."

The editorial writer and I both say that the answer should unequivocably be the defense of our hemisphere. It is a big job, but America has never known the meaning of the word "impossible." Let there be a coalition of victorious dictators; let them even solve the problem of trying to subjugate unwilling and starving peoples; let them manage to restore their spent and wasted resources; let them cross 3,000 miles of water; give them all of these miracles; they still will find here a Nation of 140,000,000 free men, the greatest mechanics in the world, unlimited food and fuel, and a determination to keep the Americas safe for democracy.

This is labor's job—not only to prepare physical defense, but to prepare moral defense, to rebuild and strengthen our democracy. That means more labor-union members—not less. It means higher standards of living, less unemployment, a more even distribution of wealth. Yes, it means watching out for and driving out "fifth columnists." We despise "fifth columnists" because they are people whose first love is for some other country. The Communists, for instance, think first of all of Russia and follow its orders. If there ever were any doubt about that, it was dispelled when they changed their "line" coincident with the signing of the Hitler-Stalin pact, and overnight stopped shouting for "collective security" with the great democracies and adopted a spurious isolationism that will shift back again if and when Stalin signs up with Sir Stafford Cripps. The same is true of our local Nazis—whose first love is Germany. But just as dangerous, because far less obvious, is the "fifth columnist" whose allegiance runs first to the Union Jack.

I know and studied under some of the Harvard professors who have of late been sounding off in public urging us to declare war on Germany, and who, from the safety of their academic chairs, have already been questioning the courage of any inquiring student. These men live much of their lives in England; they vacation there, they teach there, and it is quite understandable that they regard an invasion of Britain with almost as much distaste as they would an invasion of the State of Maine, whereas an occupation of Ethiopia or China or Finland arouses only their pity.

Along with these "fifth columnists," go the traitors who under guise of promoting national unity, would sabotage the social gains of the New Deal—and those who impugn the patriotism of anyone who dares to fight for better living standards. These are dangerous men, for their words over the radio and in the press carry the authority due learned patriots. As Professor Zipf pointed out in a recent letter to a Boston newspaper, "The original Trojan horse that doomed Troy did not goose-step through the gates, but entered as a holy, sanctimonious offering to the gods."

Discontent is the dung that fertilizes American fields for the "fifth columns." We must defend America by aiding the Americans.

Let us remember that it is one thing to fight negatively against dictators whom we hate; it is another thing to fight affirmatively in defense of that which we love—a happy homeland and a free people. If the time must come when you and I will offer our lives in defense of these shores, I pray that it will not be in defense of a land where one-third of the people are kept ill-clad, ill-housed, and ill-fed, where ten millions of them are unable to find work, where mobs burn homes and lynch human beings, but that it will be in defense of a people who have realized the dream of Thomas Jefferson and who have justified the faith of Abraham Lincoln. That will be the future of which "the patriot's dream—who see beyond the years"—when our "alabaster cities gleam—undimmed by human tears." Perhaps when that dawn breaks our successful democracy will cast a light so dazzling that it will open the clouded eyes of those who follow the dictators. Then weary mankind will lay down its arms, really beat its swords into plowshares, and once again will start the slow upward climb toward a true Christianity.

Mr. MEAD. Mr. President——

Mr. WALSH. I yield to the Senator from New York. Then I will yield to the Senator from Florida.

Mr. MEAD. I am very much interested in the bill which is before us, and particularly the portion of it on page 4, lines 6 to 19. I ask the able chairman of the committee if those provisions limit to 7 percent the profit in the manufacture of airplanes and airplane parts.

Mr. WALSH. Mr. President, the question is an involved one. I have a substitute for those provisions which I am going to offer. In brief, though, an attempt is made in the bill to limit profits to 7 percent. I assume the Senator has no objection to that.

Mr. MEAD. I should like to have this idea considered in connection with that limitation:

In the manufacture of airplanes and airplane parts a tremendous outlay of money is necessary in the expansion, the development, the experimentation, and the engineering costs. If those costs are to be considered, and then if the higher tax imposts are to be levied, and then if 7 percent is to be the outside margin of profit, it will be most difficult for us to attract capital into the production of airplanes.

For instance, take the case of a manufacturer in my home district: In the engineering and experimentation in connection with a new model, the company spent $800,000. If we consider that outlay—and it is continuous and continuing in connection with all new models, and must be encouraged, because the airplane models of 1936 and 1937 would not be worth anything in a war in 1940—and then if we consider, in addition to that toll, the higher taxes contained in the tax bill which we have just passed, together with the fact that

the manufacturers are limited in the competition for contracts—some of the contracts, I understand, are competitive, and some are negotiated—I am a little bit fearful that we shall cut the margin so thin as to retard rather than to expedite the mass production of planes.

I am not interested in profits. I am not concerned with the manufacturers even making 7 percent. I am vitally concerned in the first place in the production of planes sufficient for our national defense; and I was wondering if the committee had that matter in mind.

Mr. WALSH. Mr. President, it would take from 10 to 20 minutes to explain those provisions. If the Senator wants me to do it now, I will; but I am anxious to do the courtesy of yielding to the Senator from Florida. I wish the Senator from New York would wait until we come to that part of the bill. It is quite an involved problem. There are in the bill three methods of contracting for airplanes, and there is a different measure on the profits of each method.

Mr. MEAD. Very well. I shall be very glad to wait until the Senator comes to that point in the bill. I will conclude by saying that I am interested only in the mass production of planes for our defense.

Mr. WALSH. I now yield to the Senator from Florida.

Mr. HATCH. Mr. President, a parliamentary inquiry. The parliamentary inquiry is prompted by the fact that for some time I presided over the Senate when the Senator from Massachusetts was ably explaining this bill and being very courteous to Senators. I happen to know that there are other Senators who have important and some of them privileged matters which they desire to have taken up.

The question is, May the Senator from Massachusetts yield to another Senator for the purpose of making a statement, or for the purpose of making a speech, as has been done quite frequently throughout the day?

The PRESIDING OFFICER. The parliamentary rule, as all Senators well know, is that a Senator may not yield the floor except for a question; but it is a rule more honored in the breach than in the observance. The Senator from Massachusetts has the floor.

Mr. WALSH. I will say to the Senator that with an amendment pending, any Senator has a right to the floor.

Mr. HATCH. Mr. President, a parliamentary inquiry. It is quite correct that with an amendment pending any Senator has a right to the floor; but has any Senator requested the floor from the Senator from Massachusetts in his own right?

The PRESIDING OFFICER. No Senator has been recognized except the Senator from Massachusetts, who still has the floor. The question is upon agreeing to the first amendment to the bill which is before the Senate.

Mr. TRUMAN. Mr. President, if the Senator intends to yield the floor, I desire to be recognized on a privileged matter.

Mr. PEPPER. Mr. President——

The PRESIDING OFFICER. Does the Senator from Massachusetts yield?

Mr. WALSH. I must yield on a privileged matter, as I understand the parliamentary rules.

Mr. TRUMAN. I have a privileged matter which I desire to have brought up.

Mr. WALSH. I yield, if it is a privileged matter.

ALTERATION OF CERTAIN BRIDGES OVER NAVIGABLE WATERS—VETO MESSAGE

Mr. TRUMAN. Mr. President, there is a veto message on the table which I desire to bring up. It relates to House bill 9381.

The PRESIDING OFFICER laid before the Senate a message from the President of the United States to the House of Representatives, and a message from the House relative thereto, which were read, as follows:

To the House of Representatives:

I am returning herewith, without my approval, H. R. 9381, a bill to provide for the alteration of certain bridges over navigable waters of the United States, for the apportionment of the cost of such alterations between the United States and the owners of such bridges, and for other purposes.

The bill contains a number of provisions that are very similar to some of those in the General Bridge Act of March 23, 1906 (34 Stat. 84). However, it would establish a new policy by which the United States would be required to bear a portion of the cost of alterations or changes in bridges over navigable waters used and operated for the purpose of carrying railroad traffic, or both railroad and highway traffic, where such alterations or changes are found to be necessary by the Secretary of War for free and unobstructed navigation. Under the new policy which the bill proposes, the bridge owner would be required to bear only such part of the cost of such alterations or changes as may be attributable to the direct and special benefits which will accrue to him, as determined by the Secretary of War; and the United States would be required to bear the remainder of such cost. The provisions of the bill are substantially the same as those contained in S. 1989 from which I withheld my approval on August 11, 1939.

As was stated in my memorandum of disapproval of S. 1989, the General Bridge Act of March 23, 1906, authorizes the Secretary of War to require the alteration of any bridge which, in his opinion, may at any time unreasonably obstruct navigation, the cost of such alteration to be borne entirely by the owner. This has been a condition precedent to the construction of bridges over the navigable waters of the United States and the owners are fully apprised of the condition before the construction work is undertaken. The Supreme Court has repeatedly held that where a bridge is an unreasonable obstruction to navigation, the removal of such obstruction may be required without compensation from the United States, and such removal cannot be regarded as a taking of private property within the meaning of the Constitution. To require the Federal Government to pay the cost of alterations which do not directly benefit the bridge owners would impose upon it heavy financial liabilities. It is the duty of the Government to preserve and protect the navigability of our navigable waters, and when any person, association, corporation, or other body is authorized to build a structure over any such stream, the United States should not be required to bear any part of the cost of alterations which are necessary to avoid obstructions to navigation.

I am, therefore, returning the bill, H. R. 9381, without my approval, as it does not appear that any adequate reason exists for imposing upon the Federal Government the additional burdens which the bill proposes.

FRANKLIN D. ROOSEVELT.

THE WHITE HOUSE, *June 10, 1940.*

IN THE HOUSE OF REPRESENTATIVES,
June 19, 1940.

The House of Representatives having proceeded to reconsider the bill (H. R. 9381) to provide for the alteration of certain bridges over navigable waters of the United States, for the apportionment of the cost of such alterations between the United States and the owners of such bridges, and for other purposes, returned by the President of the United States with his objections, to the House of Representatives, in which it originated, it was

Resolved, That the said bill pass, two-thirds of the House of Representatives agreeing to pass the same.

The PRESIDING OFFICER. The question is, Shall the bill pass, the objections of the President of the United States to the contrary notwithstanding?

Mr. TRUMAN obtained the floor.

Mr. DANAHER. Mr. President, I think this matter is of sufficient importance that we should have a quorum present, and I suggest the absence of a quorum.

The PRESIDING OFFICER. Does the Senator from Missouri yield for that purpose?

Mr. TRUMAN. I expect to call for a quorum before the vote is taken. I should like to make a statement of the situation before the Senator asks for a quorum.

Mr. DANAHER. Mr. President, I think this matter is of such importance that I suggest the absence of a quorum.

Mr. TRUMAN. I do not yield for that purpose at the present time.

Mr. DANAHER. A parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. DANAHER. Is not the suggestion of the absence of a quorum in order at any time?

The PRESIDING OFFICER. No; it cannot take a Senator off his feet.

Mr. TRUMAN. Mr. President, this is a matter which has been under consideration by this body for 2 years. Last year the Committee on Commerce of the Senate held elaborate hearings on a bill identical with that which has been vetoed. It passed the Senate by a unanimous vote after the report of the Committee on Commerce. It passed the House under the same conditions. The President vetoed the bill at the end of the session last year. It was reintroduced this year in the House of Representatives. I made a special call upon the President one Sunday at his request, and went into the details of his objections, and thought they had all been met. I sent the following letter to the House committee:

> While I may not, because of the rule of protocol against quoting the President as to exactly what he said to me, yet I can with propriety certify the clear understanding I gained from a personal interview with him. Therefore, I certify that House bill 9381 is in complete and perfect accord with my clear understanding, so gained, of just what the President wanted in this matter.

Mr. President, this is a part of the transportation policy laid down by the President's Committee of Six and Committee of Three which went into the whole railroad problem. It was included in the omnibus railroad bill which the Senator from Montana [Mr. WHEELER] and I refused to introduce. That bill was divided up into four or five parts, one of which this is.

When, in the interest of navigation, a bridge owner is required to rebuild or widen or heighten a bridge over a navigable stream, the bill requires the Federal Government to pay that part of the benefit which does not affect the owner of the bridge. The owner of the bridge is to pay all the rest of the charge against him for the benefit he may receive. If he does not receive certain benefits, then the Federal Government has to pay those benefits. If it is a new bridge, he has to pay the whole cost. If it is an obsolete bridge, one which has to be replaced in the interest of the owner, he has to pay the whole cost. It is only if a bridge owner is required to replace a bridge in the interest of navigation that the bill would apply.

I think this is an eminently fair measure. I think it is in shape so that the interests of the general public are amply protected. I do not desire to take up too much time of the Senate. If Senators will read the complete statement on the subject by Mr. LEA, chairman of the House committee, found at page 8647 of the CONGRESSIONAL RECORD, they will find that it covers every detail in regard to the bill.

I sincerely hope the Senate will vote to override the veto of the President.

Mr. REED. Mr. President, I rise to support the position taken by the junior Senator from Missouri [Mr. TRUMAN]. This bill is an eminently fair and equitable measure. The Government of the United States, which means the people of the United States, does own navigable waters. When a bridge is erected across a navigable stream, or any other navigable water, permission must be obtained to erect it. After the bridge has been built, if it is sufficient for the purposes of the builder, and there comes a change for some other reason other than the builder's reason, there is no equity in requiring the original builder of the bridge, if it is still safe, and if it is still adequate, to meet the costs of the change.

For example, it has been suggested that the so-called long bridge across the Potomac River here be raised several feet, wholly for scenic purposes. There is no substantial navigation there, although the Potomac is a navigable stream. The railroads find that bridge adequate for their use. Should they be required to pay the expenses of raising a bridge which is perfectly adequate for their purpose, the raising of which does not affect them a particle?

Mr. President, that is all there is to the bill. It has been before the committee for 2 years, as the junior Senator from Missouri has stated. It has been unanimously approved by the committee. It unanimously passed this body. The War Department made some objections which caused the President to veto the bill last year, and before the bill was passed this year every effort was made, and it was thought successfully, to meet the objections the President had raised.

Mr. ADAMS. Mr. President, will the Senator yield?

Mr. REED. I yield.

Mr. ADAMS. Will the Senator be good enough to answer a question or two merely for information? My first inquiry is as to the present law. Suppose a bridge were erected over a navigable stream with the consent of Congress. Could the War Department order the raising of that bridge, and, if so, could it throw the entire cost upon the owners of the bridge, under the present law?

Mr. REED. I wish I could give a complete answer to the distinguished Senator from Colorado as to the status under the present law, but I fear I cannot.

Mr. BARKLEY. Mr. President, will the Senator yield?

Mr. REED. I yield.

Mr. BARKLEY. Under the General Bridge Act of 1906, the Secretary of War, if a bridge turns out to be an obstruction to navigation, may require its reconstruction or removal, the entire cost to be placed on the owner.

Mr. ADAMS. Suppose a bridge had been built 30 or 40 or 50 years ago, and then, by reason of changes in the character of the use of the stream; that is, for instance, suppose there had been a navigation development, the owner of the bridge would, under the bill, be paid if he were required to adapt the bridge to the changed conditions?

Mr. BARKLEY. That is correct. I may say to the Senator that the act of 1906 was passed upon by the Supreme Court, which held that it was not a taking of property to require the removal or reconstruction of the bridge at the entire cost of the owner.

Mr. ADAMS. That is, that a crossing by a bridge is merely a revocable license, I assume.

Mr. BARKLEY. Yes; I think that is practically the case. Of course, bridges cannot be built over navigable streams without the consent of Congress and in pursuance of plans approved by the Secretary of War.

As to the Senator's question about the change in the use of the stream for navigation purposes, I think it is probably true that, with some few exceptions in certain sections of the country, the navigation of these streams has declined very largely; I mean the type of boats that used to go down the rivers and under these bridges has in many cases been entirely eliminated, and in some cases certainly lessened.

So, taking the country as a whole, and the navigable streams as a whole, certainly the inland streams, I should venture the suggestion that there is much less traffic likely to be interfered with by a bridge than there was 30, 40, or 50 years ago.

Mr. ADAMS. What is the formula for the apportionment of the cost under this bill?

Mr. BARKLEY. The formula is rather indefinite. I think the Secretary of War——

Mr. TRUMAN. May I read the formula?

Mr. BARKLEY. Yes.

Mr. TRUMAN. The bridge owner must pay—

> 1. For direct and special benefits to him;
> 2. For any benefits he receives due to a saving in the repair of the bridge, old or new;
> 3. For the maintenance cost of the bridge;
> 4. He must pay that part of the cost attributable to the requirements of traffic by rail or highway.

Mr. ADAMS. Who determines the apportionment of the cost?

Mr. TRUMAN. The Secretary of War.

Mr. ADAMS. Is the finding of the Secretary of War subject to review?

Mr. TRUMAN. Yes.

Mr. ADAMS. Does the act provide for a review?

Mr. TRUMAN. Yes.

Mr. ADAMS. Does the Senator have any idea as to what would be a practical and accurate apportionment of the cost?

Mr. TRUMAN. I have not. There has been no estimate made of that situation because it depends altogether on the size of the bridge and what is to be done about it.

Mr. REED. Mr. President, I rise only to add, in support of the junior Senator from Missouri, that there is no partisan division in connection with this matter. It is not a matter of politics. It is only a matter of equity in adjusting the present bridge conditions to the present time, and permitting improvements to be made, but not requiring the cost of improvements to be made solely at the expense of the bridge owner when the bridge owner is in nowise interested and receives no benefit.

I think the President, in vetoing the bill, was governed by advice from subordinates who were not sufficiently informed. The House very promptly passed the bill over his veto. I hope the Senate may do the same thing.

Mr. DANAHER. I wish to suggest the absence of a quorum before we proceed to the vote.

Mr. BARKLEY. Mr. President, will the Senator withhold his point of no quorum for a moment?

Mr. DANAHER. Yes.

Mr. BARKLEY. I wish merely to make a short statement. The measure is similar to a bill the President has heretofore vetoed on the ground that it will involve an obligation which is indefinite, of course, on the part of the United States, to pay a very large part of the expenses of remodeling or reconstructing railroad bridges over the navigable streams of the United States. I am not making this statement in order to influence any Senator. I make it merely to explain my own vote, and other Senators may take such attitude as they think wise.

Ever since 1906 we have been operating under the law to which reference was made a moment ago by the Senator from Colorado [Mr. ADAMS]. My information is from what I regard as authentic sources—although I imagine it is an estimate—that the passage of this bill would involve an annual cost of $15,000,000 or $20,000,000 to the United States.

Mr. TRUMAN. Mr. President, will the Senator yield?

Mr. BARKLEY. I yield.

Mr. TRUMAN. The total expenditure for razing and changing bridges over navigable streams since 1906 has been $48,000,000. It is estimated that the Federal Government's share of the cost would be about $10,000,000. Such changes may not be made again in 10 or 15 years. I think it is an equitable arrangement.

Mr. BARKLEY. No one knows in what condition these bridges are or how many of them would have to be removed or reconstructed over a period of years. It may be that many of them are on the verge of needing reconstruction now, regardless of their effect on the navigability of streams. Anyway, it is speculative. No one can be accurate as to how much it will cost. But the speculative estimate, I might say, from an authority that I regard as at least entitled to considerable weight would be an average of $15,000,000 to $20,000,000 a year. I do not know whether or not that estimate is correct.

Mr. TRUMAN. Mr. President, will the Senator yield?

Mr. BARKLEY. I yield.

Mr. TRUMAN. I think that is entirely out of line. The only two bridges in contemplation which I know anything about are one in Alabama and one at Sabine Pass in Texas.

Mr. BARKLEY. I have no information about those bridges, and I do not know how many would need attention now or in the future, but, for the reasons I have expressed and for the reason that the President has twice vetoed these bills, and that we have no very accurate information as to how much it might cost per year over an indefinite period, I do not feel that I can vote to override the veto at present.

Mr. DANAHER. Mr. President, I ask unanimous consent to be permitted to withdraw my suggestion of no quorum. The Senator from Vermont assures me that a roll call will be asked for anyway on this particular matter, and it is agreeable to me to withdraw my suggestion.

The PRESIDING OFFICER. Without objection, the suggestion of the absence of a quorum is withdrawn.

Mr. HATCH. Mr. President, a yea-and-nay vote is required. The Constitution provides for it.

The PRESIDING OFFICER. The Senator is correct. A yea-and-nay vote on the question is required.

Mr. AUSTIN. A parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. AUSTIN. Was consent given to the withdrawal of the suggestion of the absence of a quorum?

The PRESIDING OFFICER. Yes.

The question is, Shall the bill pass, the objections of the President of the United States notwithstanding?

Under the Constitution the yeas and nays must be ordered, so the Chair directs the clerk to call the roll.

The legislative clerk proceeded to call the roll.

Mr. HOLMAN (when his name was called). I have a general pair with the junior Senator from Tennessee [Mr. STEWART]. I am advised that if he were present he would vote as I shall vote. I vote "yea."

The roll call was concluded.

Mr. MINTON. I announce that the Senator from Mississippi [Mr. BILBO] is detained in one of the Government departments on matters pertaining to his State.

The Senator from South Dakota [Mr. BULOW], the Senator from Virginia [Mr. GLASS], the Senator from Iowa [Mr. HERRING], the Senators from Illinois [Mr. LUCAS and Mr. SLATTERY], and the Senator from New Jersey [Mr. SMATHERS] are necessarily absent.

Mr. McKELLAR. My colleague [Mr. STEWART] is detained on important public business. I am advised that if present and voting he would vote "yea." He has been unable to secure a special pair.

Mr. AUSTIN. The Senator from Idaho [Mr. THOMAS] has been called from the Senate on official business. If present, he would vote "yea."

The Senator from New Jersey [Mr. BARBOUR] is absent on official duties.

The Senator from New Hampshire [Mr. TOBEY] is necessarily absent on the business of the Senate.

The result was announced—yeas 65, nays 17, as follows:

YEAS—65

Andrews	Donahey	Lodge	Schwellenbach
Ashurst	Downey	Lundeen	Smith
Austin	Ellender	McCarran	Taft
Bailey	George	McKellar	Thomas, Utah
Bankhead	Gerry	McNary	Townsend
Bone	Gurney	Maloney	Truman
Brown	Hale	Mead	Tydings
Byrd	Harrison	Nye	Vandenberg
Capper	Hatch	O'Mahoney	Van Nuys
Caraway	Hayden	Overton	Wagner
Chandler	Hill	Pepper	Walsh
Chavez	Holman	Pittman	Wheeler
Clark, Idaho	Holt	Radcliffe	White
Clark, Mo.	Johnson, Calif.	Reed	Wiley
Connally	Johnson, Colo.	Reynolds	
Danaher	King	Russell	
Davis	La Follette	Schwartz	

NAYS—17

Adams	Green	Minton	Shipstead
Barkley	Guffey	Murray	Thomas, Okla.
Burke	Hughes	Neely	
Byrnes	Lee	Norris	
Gillette	Miller	Sheppard	

NOT VOTING—13

Barbour	Frazier	Lucas	Stewart
Bilbo	Glass	Slattery	Thomas, Idaho
Bridges	Herring	Smathers	Tobey
Bulow			

The PRESIDING OFFICER. On this vote the yeas are 65 and the nays are 17. Two-thirds of the Senators present having voted in the affirmative, the bill (H. R. 9381) is passed, the objections of the President of the United States to the contrary notwithstanding.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Calloway, one of its reading clerks, announced that the House had disagreed to the amendments of the Senate to the bill (H. R. 10055) making supplemental appropriations for the national defense for the fiscal year ending June 30, 1941, and for other purposes; agreed to the conference asked by the Senate on the disagreeing votes of the two Houses thereon, and that Mr. TAYLOR, Mr. WOODRUM of Virginia, Mr. CANNON

of Missouri, Mr. LUDLOW, Mr. SNYDER, Mr. O'NEAL, Mr. JOHNSON of West Virginia, Mr. TABER, Mr. WIGGLESWORTH, Mr. LAMBERTSON, and Mr. DITTER were appointed managers on the part of the House at the conference.

STRENGTHENING OF THE NATIONAL DEFENSE—CONFERENCE REPORT

Mr. SHEPPARD submitted the following report, which was ordered to lie on the table.

The committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 9850) to expedite the strengthening of the national defense, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendment of the Senate and agree to the same with an amendment as follows:

In lieu of the matter proposed to be inserted by the Senate amendment insert the following:

"That (a) in order to expedite the building up of the national defense, the Secretary of War is authorized, out of the moneys appropriated for the War Department for national defense purposes for the fiscal year ending June 30, 1941, with or without advertising, (1) to provide for the necessary construction, rehabilitation, conversion, and installation at military posts, depots, stations, or other localities, of plants, buildings, facilities, utilities, and appurtenances thereto (including Government-owned facilities at privately-owned plants and the expansion of such plants, and the acquisition of such land, and the purchase or lease of such structures, as may be necessary), for the development, manufacture, maintenance, and storage of military equipment, munitions, and supplies, and for shelter; (2) to provide for the development, purchase, manufacture, shipment, maintenance, and storage of military equipment, munitions, and supplies, and for shelter, at such places and under such conditions as he may deem necessary; and (3) to enter into such contracts (including contracts for educational orders, and for the exchange of deteriorated, unserviceable, obsolescent, or surplus military equipment, munitions, and supplies for other military equipment, munitions, and supplies of which there is a shortage), and to amend or supplement such existing contracts, as he may deem necessary to carry out the purposes specified in this section: *Provided*, That the limitations contained in sections 1136 and 3734 of the Revised Statutes, as amended, and any statutory limitation with respect to the cost of any individual project of construction, shall be suspended until and including June 30, 1942, with respect to any construction authorized by this Act: *Provided further*, That no contract entered into pursuant to the provisions of this section which would otherwise be subject to the provisions of the Act entitled "An Act to provide conditions for the purchase of supplies and the making of contracts by the United States, and for other purposes", approved June 30, 1936 (49 Stat. 2036; U. S. C., Supp. V, title 41, secs. 35–45), shall be exempt from the provisions of such Act solely because of being entered into without advertising pursuant to the provisions of this section: *Provided further*, That the cost-plus-a-percentage-of-cost system of contracting shall not be used under this section; but this proviso shall not be construed to prohibit the use of the cost-plus-a-fixed-fee form of contract when such use is deemed necessary by the Secretary of War.

"(b) The Secretary of War is further authorized, with or without advertising, to provide for the operation and maintenance of any plants, buildings, facilities, utilities, and appurtenances thereto constructed pursuant to the authorizations contained in this section and section 5, either by means of Government personnel or through the agency of selected qualified commercial manufacturers under contracts entered into with them, and, when he deems it necessary in the interest of the national defense, to lease, sell, or otherwise dispose of, any such plants, buildings, facilities, utilities, appurtenances thereto, and land, under such terms and conditions as he may deem advisable, and without regard to the provisions of section 321 of the Act of June 30, 1932 (47 Stat. 412).

"(c) Whenever, prior to July 1, 1942, the Secretary of War deems it necessary in the interest of the national defense, he is authorized, from appropriations available therefor, to advance payments to contractors for supplies or construction for the War Department in amounts not exceeding 30 per centum of the contract price of such supplies or construction. Such advances shall be made upon such terms and conditions and with such adequate security as the Secretary of War shall prescribe.

"SEC. 2. (a) During the fiscal year 1941, all existing limitations with respect to the number of flying cadets in the Army Air Corps, and with respect to the number and rank of Reserve Air Corps officers who may be ordered to extended active duty with the Air Corps, shall be suspended.

"(b) The President may, during the fiscal year 1941, assign officers and enlisted men to the various branches of the Army in such numbers as he considers necessary, irrespective of the limitations on the strength of any particular branch of the Army set forth in the National Defense Act of June 3, 1916, as amended: *Provided*, That no Negro because of race shall be excluded from enlistment in the Army for service with colored military units now organized or to be organized for such service.

"SEC. 3. All existing limitations with respect to the number of serviceable airplanes, airships, and free and captive balloons that may be equipped and maintained, shall be suspended during the fiscal year 1941.

"SEC. 4. (a) The Secretary of War is further authorized to employ such additional personnel at the seat of government and elsewhere, and to provide for such printing and binding, communication service, supplies, and travel expenses, as he may deem necessary to carry out the purposes of this Act: *Provided*, That until December 31, 1941, the Secretary of War may, if he finds it to be necessary for national defense purposes, authorize the employment of supervising or construction engineers without regard to the requirements of civil service laws, rules, or regulations: *Provided further*, That notwithstanding the provisions of section 6 of the Act of August 24, 1912 (37 Stat. 555; U. S. C., title 5, sec. 652), the Secretary of War may remove from the classified civil service of the United States any employee of the Military Establishment forthwith upon a finding that such person has been guilty of conduct inimical to the public interest in the defense program of the United States and upon the giving of notice to such person of such charges: *And provided further*, That within thirty days after such removal such person shall have an opportunity personally to answer such charges in writing and to submit affidavits in support of such answer.

"(b) Notwithstanding the provisions of any other law, the regular working hours of laborers and mechanics employed by the War Department, who are engaged in the manufacture or production of military equipment, munitions, or supplies shall be eight hours per day or forty hours per week during the period of any national emergency declared by the President to exist: *Provided*, That under such regulations as the Secretary of War may prescribe, such hours may be exceeded, but compensation for employment in excess of forty hours in any work week, computed at a rate not less than one and one-half times the regular rate, shall be paid to such laborers and mechanics.

"SEC. 5. The President is authorized, with or without advertising, through the appropriate agencies of the Government (1) to provide for emergencies affecting the national security and defense and for each and every purpose connected therewith, including all of the objects and purposes specified under any appropriation available or to be made available to the War Department for the fiscal years 1940 and 1941, (2) to provide for the furnishing of Government-owned facilities at privately owned plants, (3) to provide for the procurement and training of civilian personnel necessary in connection with the protection of critical and essential items of equipment and material and the use or operation thereof, and (4) to provide for the procurement of strategic and critical materials in accordance with the Act of June 7, 1939, but the aggregate amount to be used by the President for all such purposes shall not exceed $66,000,000. The President is further authorized, through such agencies, to enter into contracts for such purposes in an aggregate amount not exceeding $66,000,000. An account shall be kept of all expenditures made or authorized under this section, and a report thereon shall be submitted to the Congress at the beginning of each session subsequent to the third session of the Seventy-sixth Congress: *Provided*, That no contract entered into pursuant to the provisions of this section which would otherwise be subject to the provisions of the act entitled "An Act to provide conditions for the purchase of supplies and the making of contracts by the United States, and for other purposes", approved June 30, 1936 (49 Stat. 2036; U. S. C., Supp. V, title 41, secs. 35–45), shall be exempt from the provisions of such Act solely because of being entered into without advertising pursuant to the provisions of this section.

"SEC. 6. Whenever the President determines that it is necessary in the interest of national defense to prohibit or curtail the exportation of any military equipment or munitions, or component parts thereof, or machinery, tools, or material or supplies necessary for the manufacture, servicing, or operation thereof, he may by proclamation prohibit or curtail such exportation, except under such rules and regulations as he shall prescribe. Any such proclamation shall describe the articles or materials included in the prohibition or curtailment contained therein. In case of the violation of any provision of any proclamation, or of any rule or regulation, issued hereunder, such violator or violators, upon conviction, shall be punished by a fine of not more than $10,000, or by imprisonment for not more than two years, or by both such fine and imprisonment. The authority granted in this section shall terminate June 30, 1942, unless the Congress shall otherwise provide."

And the Senate agree to the same.

MORRIS SHEPPARD,
R. R. REYNOLDS,
WARREN R. AUSTIN,
ELBERT D. THOMAS,
Managers on the part of the Senate.

A. J. MAY,
EWING THOMASON,
DOW W. HARTER,
W. G. ANDREWS,
DEWEY SHORT,
Managers on the part of the House.

EXPEDITION IN NAVAL SHIPBUILDING

The Senate resumed the consideration of the bill (H. R. 9822) to expedite naval shipbuilding, and for other purposes.

AMERICAN FOREIGN POLICY

Mr. NYE. Mr. President, no one could have been within hearing of the debate which has transpired in this Chamber

since 11 o'clock this morning without feeling within him a tremendous degree of revulsion. No one could listen to so authentic a revelation of facts as came from the lips of the chairman of the Naval Affairs Committee without feeling—yea; without knowing—that this thing which we call our democracy has become quite as nothing, in the name of an emergency declared by a single American citizen.

As we listen to revelations of sales in violation of the spirit of the law, we listen to those who seem to leave the responsibility for such actions upon the doorstep of some admiral in the Navy, some general in the Army, or some member of the Cabinet, when the responsibility and the penalty—if penalty there is to be for violation of law—belongs upon one pair of shoulders alone—the shoulders of the Commander in Chief of the Army and Navy of the United States.

Let us be frank with ourselves. Any admiral, general, or member of the Cabinet who would not do what is being demanded in support of the foreign policy which has been laid down by the President of the United States, the Commander in Chief, would have happen to him precisely what happened yesterday to the Secretary of War, Harry Woodring, one of the few individuals in this Government to whom it has been grand to be able to tie during the more recent months—one who has had the temerity to stand out against the trend and to save for our own country what it had in the way of national defense.

We know what happened to the Secretary of War. We cannot, of course, yet know what immediate emergency occasioned his resignation, but if the letter of resignation written by the Secretary of War yesterday ever becomes public property, as it should, we shall know a little more of why he was required to resign—why he was forced to resign. There is some little evidence of reason to be found in this morning's newspapers. The Washington Post prints on its front page a dispatch from Topeka, Kans., under date of June 20, by the Associated Press, under the headline:

Forced out for trying to save defenses, Woodring is quoted.

The dispatch reads:

TOPEKA, KANS., June 20.—The Capital said tonight that Harry H. Woodring told friends in Topeka 3 weeks ago a "small clique of international financiers" was seeking to force him out as Secretary of War because he opposed "stripping our defenses to aid the Allies."

The Cabinet officer, who resigned suddenly today to make way for President Roosevelt's appointment of Henry L. Stimson, a Republican, made his assertion June 1 after his arrival to receive an honorary degree from Washburn College, the paper said.

It added that Woodring asked that the statement not be published until after his resignation.

Now, quoting Mr. Woodring:

"I'm an advocate of adequate defense, but I will never stand for sending American boys into Europe's shambles," the former Kansas Governor was quoted. "There is a comparatively small clique of international financiers who want the United States to declare war and get into the European mess with everything we have, including our manpower.

"I'm not going to stand for it, and I'm not going to resign until forced to do so.

"They don't like me because I'm against stripping our own defenses for the sake of trying to stop Hitler 3,000 miles away. Eventually they will force me to resign, and I'll be darned glad to come back to Kansas, where the people have their feet on the ground and are not easily swayed by demagogues and subtle propaganda."

Then in parentheses:

(The White House yesterday declined to make public Woodring's letter of resignation, declaring it was "too personal.")

Of one thing I am absolutely confident, namely, that letter of resignation recited what, in effect, is reported in this dispatch from Topeka, Kans.; and, Mr. President, when the Military Affairs Committee of this body conducts its hearings upon the candidate whose nomination has been sent here to fill Mr. Woodring's place, I shall be much surprised if Mr. Woodring and his staff, placed upon the stand and asked the proper questions, do not reveal that, among other things, the Secretary of War has been required or asked to accomplish is the surrender of national defense secret No. 1, that all-valuable bomb sight, which every Member of the Senate for months has been assured was being guarded with the utmost secrecy.

Mr. LUNDEEN. Mr. President, will the Senator yield?

The PRESIDING OFFICER (Mr. ELLENDER in the chair). Does the Senator from North Dakota yield to the Senator from Minnesota?

Mr. NYE. I yield.

Mr. LUNDEEN. I wonder if it is safe to assume that in the small clique of these international bankers there would be found Mr. Morgenthau, Secretary of the Treasury. Perhaps his guide and mentor would be Bernard M. Baruch?

Mr. NYE. It does not matter particularly who is found there. If it be Mr. Morgenthau, it should be remembered by us all that Mr. Morgenthau is only doing what the Commander in Chief has asked and required him to do. I am sure that the President of the United States will not run away from a responsibility which is his simply because it may ultimately be found that an ambassador of his choosing or a Cabinet member of his choosing has done things that finally are proved to be unpopular. But I am sick and tired of listening to attempts to place the blame upon officers in the Army and in the Navy who have only been doing what the Commander in Chief required them to do.

I share the sentiment of those who have so eloquently portrayed the need for national unity, and I will go the full route in the accomplishment of national unity if by it is meant national unity for the security and safety of these United States of America; but if "national unity" means that every one of us must stand by and support the very definite policy of this administration of intervention in Europe's war, then, I say there will not be any so-called national unity.

It is also said, with great force and conviction, that we must not permit politics to play any part in our consideration in these hours. No, not as respects national defense and national security, but if there be politicians in this country who are going to make intervention the American policy, then, I say others are entitled to speak upon that subject, even though it be a political issue.

There is not, of course, any politics in the appointment of the two gentlemen who were recently named to the Cabinet of the President of the United States. Two or three months ago there was talk of the possibility of the appointment of Colonel Knox. The appointment, I presume, was not made then because it might have been considered political. The appointment was delayed until the opening of the Republican national convention, to avoid there being any ground whatsoever for a charge that there was a political consideration involved in these appointments.

I want to join, Mr. President, with those who have already given notice of their determination to give battle to the confirmation of these particular appointments when confirmation is asked of the Senate, and, so that the record may be very clear in that regard, I desire to repeat the suggestion I have already made, that the Military Affairs Committee not overlook its duty, its responsibility, of calling the retiring Secretary of War, and, if need be, the General Staff of the Army, to ascertain whether or not the resignation of Secretary Woodring is not directly traceable to his refusal to append his signature to orders surrendering some more of our national-defense preparation, and, specifically, as to whether or not this great secret of our Military Establishment, the bomb sight, was not involved in that consideration.

Mr. President, I do not care about the political tinge, or the political label of Mr. Knox or of Mr. Stimson. Let them be Republicans or let them be Democrats. At this moment that is not a consideration that I care a hang about; but I do care that in an hour such as this there have been sent here the names of two men for places in the Cabinet of the President of the United States, the two most important military stations, the names of two men who are avowed interventionists, the names of two men whose utterances have been so definitely and directly in support of American pursuit of a policy that might most readily land us in the middle of the European war. We do have a right, Mr. President, to be concerned about those appointments. I am rather disgusted

when I hear men say "Well, if the President wants this man or that man in his Cabinet, who are we to say 'yes' or 'no' to him? He is entitled to whomever he wants."

Of course, I suppose some will argue it is in thorough keeping with the Constitution of the United States, which saw fit to give the Senate a voice in determining who should and who should not be within the President's Cabinet.

Stripping our defense, in the name of national defense, a little here and a little there. Oh, it was not going to be much to begin with, but I wish the Senate to remember that the first inkling we had of the policy which was being pursued by this administration came about by reason of an airplane crash in California when a Frenchman, secretly buying planes of American production, met up with that accident. "This is not serious," we were told at the time, "only a few planes are involved; it will not interfere with our defense; no one is going to let it stand in the way of any American orders for airplanes. Do not let this alarm you." That is what we were told then, but we have seen what has happened since; more and more and ever more, until within the ranks of our Military Establishment leaders tremble for fear of what might be our lot if a war were forced upon us on this side of one or the other of the two oceans.

Mr. LUNDEEN. Mr. President, will the Senator yield at that point?

Mr. NYE. I yield.

Mr. LUNDEEN. The Senator speaks of the French observer or expert who was in the plane which met with accident in the West. That man's activities may have some connection with the 400 completed planes reported in today's press as having fallen into the hands of Hitler's army; and there is a dispute as to whether 2,000 motors or 20,000 motors also fell into German hands; there may be a difference of a zero in the dispatches. It is, in fact, reported that at least 2,000 complete motors, with plans for installing them, fell into the hands of Hitler's army. This may all have come out of the activities of the one French expert discovered in the plane accident in California.

Mr. NYE. Mr. President, speaking for my own part, it seems to me it does not matter whether the number was 20 or 2. It all comes to the same thing; and I am very happy that the Senator from Minnesota saw fit to have incorporated in the RECORD today the evidence which he has placed there.

Does it occur to Senators what a terrific power accrues to a President of the United States who first of all will declare an emergency to be confronting the country? First of all, he, and he alone, shapes the foreign policy of these United States, which in itself is a tremendous power. It is the power—if it is desired to carry it far enough—to make war.

A very splendid work recently done by that most eminent historian of our times, Charles A. Beard, entitled "A Foreign Policy for America," in that respect has said:

> Fraught with peril in itself, official foreign policy is always conducted by a few persons. It is well within the truth to say that the lives, the liberties, and properties of countless millions are today within the keeping of 10 men. In this respect democracies may differ little from dictatorships. Of necessity, foreign affairs in all countries are usually secret. In democracies as well as dictatorships two or three men, even one man, may make decisions, magnify incidents, create situations in which the nominal power of popular legislature to declare war becomes an empty form, and the power of the press futile.

And so it is, Mr. President. While we may feel very secure, since the final power to declare war rests here with us, no one will deny that it is within the realm of possibility for a Chief Executive so to shape a foreign policy that he one day confronts the legislature with circumstances which that policy has invited, and virtually leaves the legislature with no alternative other than a response to the request of the Executive for the declaration of war to which his policies have led.

Mr. HOLT. Mr. President, will the Senator yield?

Mr. NYE. Just one moment.

Mr. President, add to that power the power of dictating our foreign policy, and add to that power the power which goes to the Commander in Chief of our Army and Navy, and let it be exercised as it has been exercised in support of a foreign policy made by one man, and who are we to stand and shudder about a dictatorship which may some day be fastened upon us?

Mr. President, I am going to say this afternoon things that I have hesitated a long time to say; but they are things that had better be said now, lest we surprisingly reach the hour when it is not going to be the smart thing to say even things approximating what ought to be said now. But in what I shall say I insist I have prepared my words with care. I am wholly unafraid of any kick-back that might result from what I am to say this afternoon; and in what I say I pray that the Members of the Senate will not let there be read into my words the least bit of sympathy for the cause of Adolf Hitler or the cause of the Italian Duce. The whole interest to which I devote myself in this hour is the interest of my own country; and if a man cannot be pro-American without being pro-British or pro-French, or pro-something else, it is a sad state of affairs.

Mr. HOLT. Mr. President——

Mr. NYE. I now yield to the Senator from West Virginia.

Mr. HOLT. History records that countries may get into war without declaring war; that it is possible for one country to provoke an incident as a result of which another country declares war on it. That is the very great danger today—in other words, provoking incidents abroad which will cause other countries to declare war on us.

Mr. NYE. Quite so. I think the Senator from West Virginia and I are in entire agreement that our country already has taken steps which have been somewhat accepted in some foreign countries as being steps of war on our part. They are inviting retaliation in the way of words and language which all but constitute declarations of war against us in retaliation.

Mr. President, this is most definitely not the time to be equipping, as some of our colleagues would equip, a ship of dictatorship for a President who has brought the United States to a perilous situation or even a crisis. The Senator from Florida [Mr. PEPPER] a few days ago rose here in his place and laid down a program, the whole program being nothing less than the assignment by the Congress of the United States of its powers into the hands of the Executive. The Senator from Florida was advocating, by his recommendations, a complete dictatorship.

This is not the time to be responding to prayers of that kind, for this is a real crisis to which the Executive has led the United States and its 130,000,000 people. To the contempt of the totalitarian states—which we already had anyway, and about which I care nothing, for I care not a continental what they may think of our way of living, which, after all, is ours, and which we intend to preserve if we can—to their contempt we have deliberately added their avowed hatred at no profit to ourselves and at less profit to those whom we talked about saving from their threatened wreckage. Worse than that, we have brought upon ourselves the suspicion and the growing hates of European democracies which the Presidential policy has sought to aid. They, too, are beginning to hate us, and they have some reason to hate us.

Rather than devote a single thought to the granting of Hitler powers to the President, we shall do exceedingly well to realize that we may have to live with a new Europe one of these days—a Europe which comes once again out of the age-long wars there for dominance; a Europe with a changed dominating power. We shall do well to realize that we have to find ways to try to get along with a new order on the other side of the world, by chance; an order we may not like, but an order which may last, like it or not, whether it lasts long or lasts only for a limited time, depending upon the will of Europe itself.

Accepting what may result in Europe, it is high time that we faced the truth. Our President, however heavily armed with dictator powers, can never, never, never hope to win for these United States the confidence which has been surrendered by him in his conduct of our foreign policy during these months of European threat of war and the conduct of the war itself. Germany and Italy hate us with a depth that

knows no bottom because of pronouncements by American officials, name calling, and helpful steps to their enemies in this war. England and France are going to hate us with equal or even greater depth unless we do now what we are not going to do—namely, adopt as our own their bankrupt war. Already there are signs of this, notably in France, where there is increasing feeling that the United States helped England and France into this war, helped them out on a weak limb, and now decline to do what they were led to believe we would do. There is feeling that we have not lived up to our commitments.

Commitments? If there have been understandings or commitments to France and England, they are to be found in the open record of Congress of the steps short of war voted by Congress to help them; and they will be found, if not there, then in the closed record of diplomacy by the President and his ambassadors. Surely the steps taken by Congress, however unfortunate they may have been, like the repeal of the arms embargo, have not at any time carried any assurance, or even an implication, that we might go to steps further than those short of war to aid them.

Mr. LUNDEEN. Mr. President, will the Senator yield?

Mr. NYE. I yield.

Mr. LUNDEEN. I regret to say that I am certain that commitments were made by the administration, by our ambassadors, and by our State Department which led these foreign countries to believe that we are going to back them up. Why did they do that? What were they thinking of, America or Europe? Are they or are they not American officials?

Mr. NYE. I think we all entertain the same feeling of regret over what we are driven to conclude and driven to see day after day, and what I am afraid we are going to see in a most humiliating light at a very early hour.

Getting back to my line of thought, if we are to be hated by those our policy has sought to help, and hated by Germany and Italy as well, we can place the blame for it only on the administration of President Roosevelt, whom some would now cloak with the powers of a dictator to combat the forces of opposition which that President himself has in large part created.

In this administration's conduct of our foreign policy the United States has been caused to abandon its policy of nonintervention and accept in its place one of any-and-all-steps-short-of-war in aid of a European cause. This departure in policy has been taken, too, by one who was elected President as a noninterventionist, even as an isolationist.

The cause of isolation is said to have been proved a failure. It has not been given a chance during this world emergency even to be tried as a policy. Even laws intended to strengthen the isolation policy have been set aside at the request of or ignored by the President. If isolation has failed, it has failed only because it has not been tried under fire. But the cause and wisdom of isolation will again be recognized, it will be honored, it will be praised as never before. Indeed, it is fast on its way back as a policy that can best save America from misfortune, perhaps from disaster.

What is isolation? It is nothing more than nonintervention in other nations' wars. President Roosevelt a few months ago, while he was still an isolationist, clearly defined isolation with these words:

> We are not isolationists except insofar as we seek to isolate ourselves completely from war.

Mr. President, it was before the last election that that definition was given. "We are not isolationists except insofar as we seek to isolate ourselves completely from war."

About the same time the President was also telling how to accomplish this isolation. He said:

> We can keep out of war if those who watch and decide have a sufficiently detailed understanding of international affairs to make certain that the small decisions of each day do not lead toward war and if, at the same time, they possess the courage to say "no" to those who selfishly or unwisely would let us go to war.

Dr. Charles A. Beard, in his very recent work on a foreign policy for America, has found and reported the clear mind of Henry Clay on the question of American foreign policy. He, too, believed in isolation. Clay had been approached in support of "material aid" for Hungary in her conflict with Austria. Clay's response was that by giving official aid to Hungary we should abandon "our ancient policy of amity and nonintervention" and that by taking such a step we would also justify European monarchs in surrendering their policy of forbearance, and in turning upon us in an hour of weakness and exhaustion for the purpose of crushing us "as the propagandists of doctrines destructive of the peace and good order of the world." Clay went on to say:

> By the policy to which we have adhered since the days of Washington * * * we have done more for the cause of liberty in the world than arms could effect; we have shown to other nations the way to greatness and happiness. * * * Far better is it for ourselves, for Hungary, and the cause of liberty, that, adhering to our pacific system and avoiding the distant wars of Europe, we should keep our lamp burning brightly on this western shore, as a light to all nations, than to hazard its utter extinction amid the ruins of fallen and falling republics in Europe.

What prophecy! What prophecy of this very hour! If ever there was reason to cling to the policy of isolation, if ever we needed to avoid hazarding the cause of liberty to "its utter extinction amid the ruins of fallen and falling republics in Europe," that time is the present, as we witness those European republics falling.

Mr. LUNDEEN. Mr. President, will the Senator yield?

Mr. NYE. I yield.

Mr. LUNDEEN. I wonder whether the Senator can recall a single outstanding statesman in American history, from the founding fathers who established this Government down to the present, who pursued any other policy than the one just quoted. The statesmen of our country stood boldly for the Washington-Jefferson-Jackson-Henry Clay policy, the policy which carried America onward to glory and greatness, to America's role of nonintervention in the quarrels and boundary disputes of Europe.

Mr. NYE. Mr. President, it would seem that a close study of our history must of necessity reveal that here and there have been real, genuine patriots who have not heartily agreed with that particular policy.

Mr. LUNDEEN. Can the Senator name one?

Mr. NYE. I cannot. I was about to say that, on the whole, I should be utterly unable to name one were I required to this afternoon.

Mr. President, this administration abandoned isolation, abandoned the cause of nonintervention—threw it out the window—departed from the policy which great Americans praised from the very beginning of the days of these United States, and adopted in its stead a foreign policy which leaves in its wake a mess, a mess for whatever part of Europe is tied to it, and a mess for our own country, if not disaster.

But this is not the time for recrimination, I dare say. It is not the time to be pointing out how the laws of the United States have been nullified, how the laws of the United States have been ignored and violated, as we have heard discussed here for hours this afternoon. This is hardly the time, perhaps, to be talking about those things. This is a time to be talking about our own danger, the danger which the acts of this administration have brought to this country. We can pass by any possible argument about any wish or any effort to get us into war. Far worse than trying to get us into war is any effort to get us into a lost war. It is not a choice between war and peace we have to worry about at the moment. It is worse; it is defeat, for it is our foreign policy that has brought disaster upon France. I repeat that it is our foreign policy that has brought disaster upon France. To continue now that same policy, directed by the same administrator, is to risk disaster ourselves.

What, after all, has been the substance of the President's policy? Simply put, it was "help as needed" for the Allies. From the very beginning it was obvious that this could work out only with a generous allowance of time. As it proved, the time was insufficient so far as France was concerned. But England still remains, and the President's policy still remains.

For that reason, if for no other, we must stay in session—not to keep peace or avoid war, dear though those causes may be to Americans. Dearer yet is our country, and we cannot see it carried by the President's policy to where he—and he above all others—has carried France.

What has really happened, not alone in these last terrible 5 weeks but in the months of war since September and in the months of nominal peace that preceded them? We do not know all the facts, of course. Many of them are the most guarded secrets of the administration. But we do know some, some that are the most vital, and we can form a shrewd estimate of the others. If we had the time and the security, we could sit back and wait for the academic analyses of the documents yet unpublished; for the military reports still to be made. But we cannot wait for the future, because the future itself will be made by what we do now.

One thing seems certain. The President promised military support to France. That, to my mind, is beyond question. I do not know in what form that promise was made. I do not know whether it was by telephone, by personal word, by letter, through Mr. Bullitt. I do not know the mechanics of the promise. I do not know its phraseology. It may have been guarded language, to use now as an escape. It may have been "weasel phrased" or "mealymouthed." But whatever it was, it convinced the French Government, and that is what counts, and at this moment it is all that counts.

How am I certain such a promise was made? By open newspaper reports and by the logic of events themselves, to begin with. Above all, I can read no other conclusion from a statement of the French Government itself on Sunday just before the new Cabinet was set up.

On Sunday the French Government's official news communique stated that in view of the changed situation brought about by the President's cable to Premier Reynaud they would have to reconsider their position and the wisdom of going on with the war. And what the President had said—the only thing he said that produced a changed situation—was that he, the President, could not himself declare war.

Mr. CLARK of Missouri. Mr. President, will the Senator yield?

Mr. NYE. I yield.

Mr. CLARK of Missouri. Does the Senator attach any importance to the fact that the American Ambassador to France, Mr. Bullitt, instead of his path of duty, which was to accompany the French Government when the French capital was moved, remained behind to burn all the diplomatic correspondence in the American Embassy, even including his code books, as reported by the public press?

Mr. NYE. I was not aware to what extent that had been practiced. The Senator from Missouri would be a most genuine authority upon that point.

Mr. CLARK of Missouri. I do not profess to be any authority on the matter. It has been reported in the public press that Mr. Bullitt burned all the papers in the American Embassy, even including the code book.

Mr. NYE. I understand there was some evidence by Mr. Bullitt that was not burned—unfortunately, perhaps.

Mr. LUNDEEN. Mr. President, I will say to the Senator, if he will permit, that there is plenty of evidence not destroyed and still existing which may soon be discussed on the floor of the Senate. Our diplomats—often referred to as diplomats—are getting all tangled up in their own cobwebs of European and world intrigue.

Mr. CHANDLER. Mr. President, it has also been reported in the public press that when the city in which they were located was about to be taken ambassadors representing other countries burned their papers also.

Mr. HATCH. Mr. President, will the Senator yield?

Mr. NYE. I yield.

Mr. HATCH. I have been listening to the Senator, but he made some remarks just now which I did not catch. He said something to the effect that something was not burned. I want to know just what the Senator said.

Mr. NYE. I remarked that I was afraid that perhaps there was some evidence that Mr. Bullitt had not burned.

Mr. BARKLEY. Mr. President, will the Senator yield?

Mr. NYE. I yield.

Mr. BARKLEY. Is that not an indication that the Senator hopes he was burned?

Mr. NYE. Oh, no, Mr. President. The Senator has misunderstood me.

Mr. BARKLEY. I thought the Senator said that he had expressed some fear that the Ambassador had not been burned. I wondered what he really meant.

Mr. NYE. No. There were some documents which had not been burned.

Mr. BARKLEY. Oh. I did not want to misunderstand the Senator.

Mr. NYE. I am sure the Senator from Kentucky did not.

Mr. President, I now go back to my line of thought. The only thing the President had said that had produced a changed situation was that he himself could not declare war. The President's statement, to begin with, was unnecessary so far as the surface of events went, but the revealing phrase was that of the French Government that "a changed situation" was causing the French Government to reconsider its whole situation with the idea in mind of determining whether or not to go on with the war.

Mr. HATCH. Mr. President, will the Senator yield?

Mr. NYE. I yield.

Mr. HATCH. I am trying to get the Senator's thought, and to find out to my satisfaction——

Mr. NYE. Mr. President, it is very difficult to hear a Senator across on the other side of the Chamber, even one who speaks with as clear a voice as does the Senator from New Mexico.

Mr. HATCH. I merely wanted to know upon what ground the Senator was basing the grave charges which he brings today. I think the things he has stated, charging almost treason against the Chief Executive of this Nation, are most grave. I wanted to ask if the Senator had not thought, in connection with what he was saying, that an appeal was made to the President by Premier Reynaud just before that cablegram was sent.

Mr. NYE. I am quite willing that the RECORD should reveal that an appeal for additional help had been made by the French Premier, to which the President responded with the message that caused the Government of France to reconsider its situation.

Mr. HATCH. Mr. President, will the Senator again yield?

Mr. NYE. I yield.

Mr. HATCH. I merely wanted to say that I also read the appeal of the Premier of France, and I thought the reply of the President was called for by that appeal, and I was very glad when he stated as he did state, that there was no power to declare war except in the Congress of the United States.

Mr. NYE. Mr. President, once again I try to get back to the thought that I was pursuing—the President's statement about his not having the power to declare war. It was quite unnecessary, so far as the surface of events went, but the revealing phrase was that of the French Government—"a changed situation" occasioned by this cablegram from the President of the United States. It was an unmistakable statement that when the President told France last week that he could give no military aid, he thereby changed a situation. Obviously, then, at some earlier time, in some manner, he had indicated that military assistance would be forthcoming from the United States.

Mr. BARKLEY rose.

Mr. NYE. I do not yield now, Mr. President. I shall yield when I finish this particular argument.

Under what circumstances and at what time we cannot know yet, but the French appeal for aid last week indicated clearly that France desired military assistance, and felt entitled to ask for it; and when that assistance was refused by the President, France found herself in "a changed situation," and felt required to surrender. Why? In my opinion, sim-

ply because a promise of military support, which the President had given her before war started, could not be kept when the terrible moment to keep it arrived.

Mr. PEPPER. Mr. President, will the Senator yield?

Mr. NYE. I yield.

Mr. PEPPER. I have always appreciated the close logic of the able Senator from North Dakota. If I understand him correctly, the message of the President of the United States advising the French that war could not be declared without the consent of the Congress was what caused the changed situation? Is that correct?

Mr. NYE. That, confronted by this reply from the President of the United States, the French Government faced a changed situation.

Mr. PEPPER. Mr. President, will the Senator yield further?

Mr. NYE. I yield.

Mr. PEPPER. That implies, I assume, of necessity, that the French did not know until that time that it took the Congress of the United States to declare war on the part of this country?

Mr. NYE. The President must have thought that they did not have such an understanding there, else he would never have been required to state in his message that he did not have power to declare war; that that rested with Congress.

Mr. PEPPER. Mr. President, will the Senator yield further?

Mr. NYE. I yield.

Mr. PEPPER. Does the Senator from North Dakota think that the French Government, with an intelligent Ambassador, and a counselor staff in this country for years, was not informed about that fact, when they sit in the galleries here day by day and hear the debate? Does the Senator think that the French Government needed that assurance from the President?

Mr. NYE. I agree with the Senator that it is preposterous that any French official could have been without knowledge that in this country of ours the power to declare war rested with the Congress and not with the President.

Mr. PEPPER. The Senator is not now talking about French public opinion, but he is saying to the country that the French Government, the Premier and the Cabinet of France—supposedly, at least, intelligent people—had to have the statement of the President to tell them that only the Congress may declare war; and yet the Senator says that it was after they received that information in that way that a changed situation took place.

Mr. NYE. The President seemed to think that that was necessary, and incorporated it in his message. For what reason I do not know.

Mr. BARKLEY. Mr. President, will the Senator yield?

Mr. NYE. I yield to the Senator from Kentucky.

Mr. BARKLEY. Does the Senator say or assume—I do not want to misunderstand him—that the mere fact that the President, in the message to which the Senator is now referring, stated that he could offer no military aid, is proof, or even an indication, that at any time previous to that the President had indicated to France that he could offer military aid?

Mr. NYE. I think it is at least an indication.

Mr. BARKLEY. Upon what does the Senator base his opinion that it is an indication?

Mr. NYE. If the Senator will allow me to go on, I shall answer that question.

Mr. BARKLEY. It might as well be said that because I say today that I am hot, it necessarily follows that yesterday I was cold. The mere fact that I make a statement of a present situation certainly does not indicate that the contrary was true at any other time. It may be that the President was not only informing the French Premier, Mr. Reynaud, that he could offer no military assistance, in addition to the fact that he could not declare war, but that he wanted to be entirely frank, not only with the Premier but with the French people, when he stated to them that he could not and did not hold out any hope that he could give them military assistance.

Mr. NYE. I hope the Senator and the Senate will permit me to conclude my argument on this particular point. Then I shall be glad to stop and argue on what was or what was not done or intended to be done.

Of course, Mr. President, the promise of military aid could not be kept when France asked for such aid last week. The President knew that not only was there little or nothing to deliver in the way of armaments, but that he could hardly get a declaration of war through Congress, at least so early as this spring or summer, if ever. He always knew that; and obviously he never intended to try for a declaration of war at this stage.

That was not on his timetable when he made his promise of military support to France something like 9 months or a year ago. The declaration of war was not to be needed from Congress until this fall or next winter, with the psychological ground properly prepared in this country. But, alas for the President, the military events took no account of his timetable; and the nation to which he had promised American military support found herself suddenly in desperate need of support months before the experts had figured she would require it. Of course the President could not deliver it. He had not even his arms organized, or a Congress willing to put through a war declaration, or a people willing to back it, fight for it, and die for it.

Mr. President, before I go further I should like to read a paragraph from the dispatch of Arthur Sears Henning of June 17, under a Washington date line:

> It already is known that Bullitt promised the French that the United States would get into the war if necessary to defeat Hitler. It was to ask the President to make good on this assurance that Lord Lothian, the British Ambassador, and Count de Saint-Quentin, the French Ambassador, called on Mr. Roosevelt last Saturday. They asked him to come through with the promised declaration of war.
>
> Mr. Roosevelt could not deliver. He was compelled to say in his cable to Premier Reynaud that only Congress can declare war.

One week ago yesterday an individual whom I shall under no circumstances compromise came to my office and wrote a memorandum. I could not doubt this man for 1 minute. In his memorandum he said:

> It was known—

Remember, this was before the French surrendered—

> It was known that France might definitely give in within 10 days, and that when it did the Government of France would release a letter from Bullitt, written on orders of Roosevelt, to Daladier, dated last August or September, stating the full support of the United States if it went to war against Germany on the basis of the Polish incident.

Three days later the editor-in-chief of a most eminent American news service, in a confidential letter to the editors who subscribe to his service, in a release of June 18, had this to say:

> Unless combined pressures are effective in changing Premier Reynaud's plans, he will drop a bomb soon with repercussions which may reach far over here. The expected separate peace to be made by the French will call for certain categorical explanations. These will include, according to a trustworthy report from France, the releasing of a letter written by Ambassador Bullitt just before the war started, giving the French assurance of our full cooperation with them if they would support the Poles.

Mr. PEPPER. Mr. President, will the Senator yield?

Mr. NYE. I shall be glad to yield in just a moment.

Mr. President, take all these things in combinations and then look back over the whole performance. Before the war started the President of the United States, by act and by innuendo, made himself the leader of the "no more Munichs" group. His Ambassador to France made a public speech to all intents pledging American aid. He was never reprimanded. Although the question of possible promises has been raised many times since, as well as the question whether Bullitt made private statements to French officials spelling out in detail what he meant by his public speeches, he himself has never answered the question, and has taken particular care to avoid having to answer it. The Senate will not

quickly forget how Mr. Bullitt made his get-away from these shores last winter when the Senator from North Carolina introduced his resolution asking the Foreign Affairs Committee to inquire of Mr. Bullitt while he was here whether or not any commitments had been made in the name of the American Government. If I am not mistaken, the very next day after the introduction of that resolution Ambassador Bullitt was on his way to Europe. Yet, Mr. President, some such commitment of military assistance was made, or the dispute over Danzig and the Corridor would have led to quite a different result than has been reached.

It was no secret that there were many men in the Government and in the Army—above all, those in France—who knew that France was woefully unprepared in comparison with Germany, and that the war would be most perilous, however difficult and humiliating surrender to Germany on the Polish question would have been. But it is now obvious that the President was adamant. He would have no more Munichs, even if neither the United States nor France nor England—nor, as it turned out, all three together—were sufficiently armed to do anything else. So it is now apparent that he threw support to the war party in France in the form of some sort of promise of military assistance if—or rather when—it would be needed. It is quite clear that this happened. We know it now from Sunday's communiqué of the French Government itself; and we must see it also perfectly and clearly in the pattern of the events of months.

I now yield to the Senator from Florida, if he wishes to delve further into this particular question. I declined to yield to him a moment ago because I wished to complete the thought I was then presenting.

Mr. PEPPER. Mr. President, I ask the Senator, if he assumes that the American Ambassador, Mr. Bullitt, made any commitment of military aid to the Republic of France at an early time, as the Senator has indicated, does the Senator think that if the French Government had taken any such assurances seriously, if made, it would not have sought some sort of confirmation in Washington, where the French Ambassador resides, where he has entree to the State Department and to the President, and where he may come and hear from the gallery such eloquent speeches on isolation as those delivered periodically by the able Senator from North Dakota and others? Does not the Senator think that the able addresses by the Senator and by others would at least have made the French Ambassador in Washington curious enough to want to have a little confirmation of the assurances which the Senator says were made?

Mr. NYE. Most definitely he would; he got it; and we afforded that confirmation, as I shall reveal to the Senator in a moment.

Mr. PEPPER. The Senator's point is like a fly that he is continually losing. He goes around slapping at it, but he seldom catches it. When is the Senator going to swat the fly? [Laughter.]

Mr. NYE. I hope the Senator from Florida will hang on to his swatter until the Senator from North Dakota lets loose the fly. [Laughter.] The Senator from Florida is anticipating, or trying to anticipate, what I am going to say; in this particular case his anticipation has been with some cause, and I tell him the fly will be over that way very shortly.

It is obvious, to begin with, that the Governments of France and Great Britain and their generals and admirals were neither completely feeble-minded nor completely ignorant. They made errors, but they alone made no such blunder as the present situation would indicate. Like the President, perhaps, they went wrong on their time scale and wrong on promises of people who had no right or power to promise.

The military leaders of France and England knew, as everyone else knew, that the Germans were superior to them in planes and tanks, and they would never have risked war, humiliating though a Polish diplomatic defeat would have been, if they had had no offset for the German superiority. They got what they thought in time would prove such an offset—American support. They were wrong, but their error was understandable.

Let us try, for a change, to forget the confusion of newspaper accounts, the distortion of mutual propagandas. Let us attempt simply to review the events, political and military, of this war to see, as a soldier might try to see, what has happened, what was planned to happen but did not, and what may still be in store for us.

When the question of war over Poland first emerged as a possibility a year ago, the Allies knew that if they chose to fight there would be hard months of apparent defeat in the opening phases of the war. But they estimated they would be able to stabilize the situation, as they themselves termed it; that is, to turn it into a war of position, where their superiority in ships, heavy artillery, and resources—above all, American resources—would gradually turn the tide. They knew they could not defeat Hitler in the field, but they figured they could hold him, and then, after he had been strangled awhile by blockade, they could take the offensive and win.

They realized, however, that there was one flaw in their position: The process of holding the Germans in the beginning might prove so costly in men and materials that they would lack the military strength to defeat the Germans even after the blockade had demoralized German economy. Was it this flaw that the President agreed to take care of? How can we conclude otherwise in the light of events?

As I have said, I do not know in what form that agreement may have been offered. It could even be of no moment whether the President himself realized he was making it—though I believe he did know. In any event, they believed he had done so, which is what counted. And, indeed, if the Allies had actually misunderstood some private communication, certainly nothing in the President's public words or in his actions could have led them to suspect it.

The program can be clearly seen now: The Allies were to go ahead and take what punishment the Germans could give them. Meantime, of course, they were to have exclusive and cooperative access to our resources. Then in 18 months or 2 years, if the strain of holding the Germans had proved too costly, American manpower was to tip the scales. And so, obviously, it was arranged, and, with the President's approval—if not, indeed, at his urging—Poland became, not another Munich but the occasion for a vast war.

I speak of the President's program and acts. Perhaps I would better speak of them as the program and acts of Ambassador Bullitt in the name of the President. But, after all, the responsibility is that of the President.

In short, we see what was to be the pattern of the World War all over again, only this time sensibly planned far in advance instead of left to the hazard of events. The President never was in sympathy with the Wilson policy of 1916. The whole thing was to be the World War, not just in political strategy but in tactics as well. The Germans were expected to attack as they did in 1914, as anyone could see that sooner or later they would have to, before they lost what military advantage they had. Then the attack was to be checked—at some cost, to be sure—and the front stabilized. Then would begin the artillery duels, in which the Allies expected to have the edge.

But events moved too fast both for the Allies and for the President. When the Germans struck, they struck with more force than the Allies had figured they could muster. Above all, they struck in a way the Allies had not expected. The Allies and the President were planning the World War, not only in relation to us but in relation to the battlefield. But the Germans were fighting this war, not the last one. The Allies expected and prepared for the famous Schlieffen plan, the great right hook to encircle Paris, with containing armies dropped off along the way to hold the still unsubdued remnants of the Dutch, Belgians, and British. Instead the Germans used a left hook. They did not, as expected, hinge in the south and swing toward Paris with their right. Instead they hinged in the north and swung for the Channel with their left, dropping off containing armies to hold the unsubdued French. They put their strong forces where the Allies were weak, and the strong forces of the Allies were flanked

before they could even start fighting. And then followed Dunkerque and the colossal military disaster.

The awful defeat in Flanders must be understood, or we miss the role of the President in this situation. No such rapid German victory was estimated, or could have been estimated. In fact, it probably could not have been attained at all merely on the basis of superiority of weapons alone. To win with such speed required even more, required the tactical factor of Allied error in the battle of Flanders, which is the stuff of war to be sure, but which could scarcely have been foreseen either by the President or by the Allied commanders.

Yet once that battle had been fought, the whole picture was changed. We felt it on every hand here in our own country. The demoralization of the Allied armies and the immense loss of supplies and weapons left the Germans in a vastly more powerful position than they enjoyed on the 10th of May, when they invaded the Low Countries. It assured that the German timetable, not that of the Allies and the President, would prevail.

I repeat, it is necessary to keep in mind the consequences of that battle. Otherwise, the President's policy appears not only illegal but idiotic. No man in his senses would figure on extending long-term aid in a war that can last only 5 weeks. It is nonsense. The only period of time over which our aid could have been effective to France was far longer than 5 weeks. So we know for certain that the term of the war was supposed to be far longer than it has been. Correspondingly, we know that the crisis in the French military situation was expected to come, if it came, far, far later than it did. So we can see that the promise of military support, to be given when that crisis arrived, seemed a safe and reasonable procedure.

Now, in fact, that promise of military support to be given at a period still in the distant future not only seemed a reasonable procedure to the President, but in fact would have been so, if only Flanders had been a victory or at worst a stalemate, if the Germans could have been knocked off their timetable and forced to use that which the Allies and we were using; for by next winter, if the French military crisis had been delayed until then, military support from us would have been entirely possible.

We have suffered a humiliation in foreign affairs the like of which has never happened in all the history of these United States.

Our President, on his own responsibility, by private assurances, may have encouraged a great and friendly power to ruin. Does France stand today in all her loss and destruction, all her black and unknowable future, because her government trusted in the word of the President of the United States—a word he had no right to utter and no power to back, a word as unlawful as any deed a President could commit?

I know we shall be told by certain columnists of the press that it is not Roosevelt who led France to her ruin. I know the pattern that will be set and repeated, to drown out in the sheer tonnage of newsprint the bitter facts of this disaster. It will be the isolationists who are to blame. They did not back the President's "stop Hitler" policy, it will be said. With what did we not back any policy the President has legally followed? Have 30 votes in the Senate paralyzed the Government of the United States? With what was the President going to stop Hitler that we have injured? Have we voted down one ship or one plane? If we had not existed at all, if he had been in fact the unchecked designer of our foreign affairs, could he have raised an army since September? Could he have had transports for it? Could he have landed it today in the shattered harbors of western Europe?

Consider again the fight on the arms embargo. What was said then, over and over? And who, as it turns out, were the friends of shattered France? Over and over it was pointed out that repeal of the embargo was a symbol, and was meant as a symbol, and would be taken as a symbol.

And was it in fact anything else? Recall the circumstances. The war in Poland was over. Peace was possible—not a favorable one for the Allies, but not such a peace as the one now available. It was at that point that the President used all his powers of persuasion and pressure to get through the repeal of the arms embargo. Why? Certainly not to send arms—not then; they were not thought to be needed—and in fact it was not until the Allied disaster in Norway that there was any substantial export of munitions to the Allies. Why, then, a repeal of the embargo at the special session? Solely as a symbol. We can easily imagine the nervousness of the French, not by any means a nation of feeble intellects, after the Polish war showed something of the power of the German Army. They had the President's assurance that we would aid them. But the French, too, can read the Constitution of the United States. They, too, know that by law only the Congress can declare war. Before they embarked their country on the risks of a total war with Germany—for the French, too, love their country—did they insist on concrete evidence that the President could make his commitment good, could show them that on foreign policy he had an obedient Congress, one that in the right time and right circumstances would declare war at least as willingly as it repealed the embargo? Did they get that evidence?

And now shall we go on, with more deception, to further disaster? Will the destruction of France be insufficient to show the American people where the policy of the President leads? Will we allow him to lead us, too, into the position of France? Or shall we recognize that we, too, have been defeated; that we utterly lack the power to carry out the President's grandiose schemes?

It is no longer necessary to discuss at all the morality or long-term wisdom of these schemes. It is not even necessary to ask the American people whether they desire to carry them out. We cannot carry them out; that is all. We have not the arms, and we cannot make the arms in time, to play any role at all in this war. It will be altogether hard enough to assemble the men and the arms that we need, and need desperately, if called upon to defend ourselves here in America against the European victors, the danger of which I believe we can ourselves reduce.

Will it now become our policy to encourage England, and cause her to believe that we shall rally for her what we could not and did not rally for France? Will the President cause that belief? If he could deliver, it might be a good idea; but he cannot. We need only to look to the facts. In a few days the whole south coast of England is apt to be as unusable for British merchant ships as the east coast now is. What seaports then will be open? Only three of any consequence—Bristol, Liverpool, and Glasgow. Aside from sinkings at sea, how long can supplies be brought in after the docks of these three ports are blown up under concentrated air raids? Will the British then land their oil and food on the beaches of Wales? And how long will the British Air Service last when the Germans turn on it the treatment they have given the French, bomb the airfields of England as they had not yet done, and count off, as they have not yet done, a definite number of their own planes to be lost in destroying the British air bases?

And the fleet: Suppose airplanes cannot sink battleships. Still, the British admit airplanes can sink cruisers and destroyers. So when the German aircraft have sunk the British cruisers and destroyers, then the German submarines and destroyers can sink the battleships. And how effective can a fleet be under those circumstances? Can it both defend England and blockade Germany? Failing to do either will surely lose the war.

I should like to see a brighter prospect for England. I hope she may be able to resist the force that has already crushed the great French forces. But we here in the United States have every right—yes, a duty—to contemplate the worst that can happen.

Shall we lose our fleet and such planes as we possess in that process too—and lose them to no gain, lose them for nothing, nothing that can now be saved—lose them only to carry to the bitter and terrible end a mistaken policy that never should have been embarked upon, a policy mistaken, not necessarily because it was wrong, but because it was

weak, because it did not have the strength and could not get the strength to succeed?

Is there anyone in this country today who seriously thinks a foreign policy can be conducted without cold-blooded calculation of the military factors involved? Is there anyone, then, who can suppose that the President's policy is anything but the most dangerous adventurism? Where is our strength?

If we are to defy powerful nations, shake our fists at them and threaten them, we must first be strong enough to make attacking us far too expensive a proposition. That, it seems to me, is pretty nearly the first sum and final substance of foreign policy. But we in this modern day do nothing of the kind. Instead, we make military commitments that we can only keep, if at all, on our own timetable or schedule, and we have found that we are sometimes not able to make that timetable or schedule stick.

We defy certain powers when about our only strength behind this defiance is words.

It all amounts to this: We are defying certain foreign powers. We rally with words to the defense of commercial advantage in South America, to republics whose only markets, generally speaking, are European, regardless of who rules Europe. At the same time we not only find ourselves rather poorly prepared to defend ourselves against those whom we defy, but we are even sending away such preparedness armament as is already ours.

Such a policy can come to but one or the other of two ends—either it brings us to a shocking national diplomatic humiliation, a Munich that will out-Munich any Munich ever thought of, or a disastrous war. Those only can be the ends of our present foreign policy, if we continue pursuit of policies which have been laid down of recent months. Surely it was not the intention of the President to lead to any such goal, we all know, any more than the disaster of Flanders and the surrender of France were his intentions. But those are consequences, nevertheless, those and those alone.

So much, then, for the disasters, those which have occurred and those which might well be considered threatened under our foreign policy.

Well, what are we to do about it? There is a thing that we can do, that we ought to do, that we must do, and do quickly. We must make clear the conviction of the United States that our architects of disaster are no longer serving the welfare and best interests of the United States by remaining in power. These architects have, by reason of their own conduct, and the conduct of Germany and Italy especially, established in those two countries a bitter hatred of the United States. We do not care about their hatred. We need not be afraid of them alone. If they in combination with other powers wish ever to be so foolish as to bring war to us over on this side of two great oceans they shall be served with a "blitzkrieg" the likes of which they never yet have administered. But that is not all. Our policy has won as well, as I have previously suggested, a growing hatred in those countries that we presumably have been trying to help, namely, England and France.

We can well wish for a new front, a new leadership, that will convey to all the world the knowledge that America as a whole has not departed from the foreign policies liked by Washington, Jefferson, Adams, Monroe, and Clay, an American foreign policy. The President himself might come to sense this, to realize that his policies have been tragic in their consequences, and that his continuance in office can no longer promote the national welfare.

I can think of no single act that would so clearly show the President's patriotism, which we all know he has in great abundance—nothing would show that patriotism quite so clearly as for him to retire from these years of arduous effort and turn over his office, as the Constitution provides, to the Vice President, JOHN NANCE GARNER. In this crisis of national disaster—for the defeat of France is surely that—there is no one but the Vice President who can now restore the national unity and national confidence in governmental leadership, and there is no one who could do it quite so well as JOHN NANCE GARNER. Under this new leadership we might hope, while adopting a purely American policy, to win back the confidence of Europe, heal some of the sores that have been opened by reason of our most recent conduct of foreign policy, and become an instrument available to the accomplishment of a more hopeful and enduring settlement of Europe's problems than otherwise seems to be in prospect after the present insanity there has run its course.

Mr. President, I am sure I can anticipate many, many words in answer, allegedly, to what I have said, but I hope those who are going to undertake the answer will confine themselves, in alleging what I have said, to what I have said. I hope there will be no effort to read in between the lines which have been mine, my thoughts and language which are not there.

I have in my heart but one wish, one cause to serve, that is, the cause of keeping my country out of this war, on the lone theory that when the war shall have ended there will be nothing of democracy, there will be nothing of stability, left for any country which permits itself to participate in the war. Just so surely as that we are in our places in the Senate today, win, lose, or draw in Europe, there will be victory in store for only one ideology, the ideology of one of the countries which has managed thus far to keep itself out of the war, a country some of whose citizens are considerably disturbed because we are not getting into it and making it another World War, bringing destruction, havoc, wreckage, wastage, to all the civilized lands, to the end that communism can have its one and only chance for victory upon the earth.

AGRICULTURAL APPROPRIATIONS—CONFERENCE REPORT

During the delivery of Mr. NYE's speech,

Mr. RUSSELL. Will the Senator from North Dakota be generous enough to yield for a moment, in order that we may conclude action on the agricultural appropriation bill? The bill is very lengthy, and it is necessary to give the enrolling clerk time to enroll it. There will be no discussion whatever, and it will take but a moment.

Mr. NYE. I worked with the Senator from Georgia upon the conference report, and, heaven helping me, if he has a final agreement ready, I shall be the last to stand in the way of securing action on the bill.

Mr. RUSSELL. I thank the Senator for yielding, as well as for his faithful and efficient aid.

Mr. President, I ask that the message from the House be laid before the Senate.

The PRESIDING OFFICER laid before the Senate a message from the House of Representatives announcing its action on certain amendments of the Senate to House bill 8202, which was read as follows:

IN THE HOUSE OF REPRESENTATIVES,
June 21, 1940.

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 65 to the bill (H. R. 8202) making appropriations for the Department of Agriculture for the fiscal year ending June 30, 1941, and for other purposes, and concur therein with an amendment as follows: In lieu of the sum inserted by said amendment insert "$5,733,217"; and

That the House recede from its disagreement to the amendment of the Senate numbered 66 to said bill and concur therein with an amendment as follows: In lieu of the sum inserted by said amendment insert "$868,458."

Mr. RUSSELL. I move that the Senate concur in the amendments of the House to the amendments of the Senate Nos. 65 and 66.

The motion was agreed to.

Mr. RUSSELL. I thank the Senator.

Mr. NYE. Mr. President, may I ask if the proceedings which have just been taken will appear in my remarks?

Mr. RUSSELL. I ask unanimous consent that they appear in the RECORD following the remarks of the Senator from North Dakota, after he shall have yielded the floor.

The PRESIDING OFFICER. That will be done.

Mr. NYE. I thank the Senator.

RATES OF INTEREST ON FEDERAL LAND BANK AND LAND BANK COMMISSIONER LOANS

Mr. BANKHEAD. Mr. President, will the Senator from North Dakota yield?

Mr. NYE. I yield.

Mr. BANKHEAD. Mr. President, there is a bill on the calendar that should have quick action. It is the bill extending for 5 additional years the reduced rate of interest, 3½ percent, on Federal land-bank and Land Bank Commissioner loans. A similar bill has passed the Senate twice. There are 200,000 notices ready to go out to mortgagors, and the mortgagors are waiting to see what the rate of interest will be. I think there is no opposition to the bill. It is Calendar No. 1730, House bill 8450. I ask unanimous consent that it be considered now. It has to go over to the House before final action may be taken on it.

The PRESIDING OFFICER. Does the Senator from North Dakota yield for that purpose?

Mr. NYE. I yield.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Alabama?

There being no objection, the Senate proceeded to consider the bill (H. R. 8450) to extend for 5 additional years the reduced rates of interest on Federal land-bank and Land Bank Commissioner loans.

The PRESIDING OFFICER. The Chair is informed that there is pending an amendment offered by the Senator from Montana [Mr. WHEELER].

Mr. BANKHEAD. The Senator from Montana [Mr. WHEELER] authorized me to withdraw the amendment.

The PRESIDING OFFICER. Without objection, the amendment is withdrawn.

The Chair is also informed that the committee amendments were all agreed to on May 29. Therefore the question is on the engrossment of the amendments and the third reading of the bill.

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

The title was amended so as to read: "A bill to extend for 2 additional years the reduced rates of interest on Federal land bank and Land Bank Commissioner loans."

After the conclusion of Mr. NYE's speech,

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Calloway, one of its reading clerks, announced that the House had passed without amendment the following bill and joint resolution of the Senate:

S. 3927. An act to provide for the administration of the Washington National Airport, and for other purposes; and

S. J. Res. 260. Joint resolution to make emergency provision for the maintenance of essential vessels affected by the Neutrality Act of 1939, and for adjustment of obligations with respect to such vessels.

The message also announced that the House had receded from its disagreement to the amendments of the Senate Nos. 65 and 66 to the bill (H. R. 8202) making appropriations for the Department of Agriculture for the fiscal year ending June 30, 1941, and for other purposes, and concurred therein each with an amendment, in which it requested the concurrence of the Senate.

The message further announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 9594) to amend section 12 (b) of the Soil Conservation and Domestic Allotment Act, as amended, by authorizing the transfer of funds to cover advances for crop insurance.

The message also announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the joint resolution (H. J. Res. 544) making appropriations for work relief and relief for the fiscal year ending June 30, 1941, and that the House had receded from its disagreement to the amendment of the Senate No. 68 to the joint resolution and concurred therein.

EXPEDITION IN NAVAL SHIPBUILDING

The Senate resumed the consideration of the bill (H. R. 9822) to expedite naval shipbuilding, and for other purposes.

AMERICAN FOREIGN POLICY

Mr. MINTON obtained the floor.

Mr. BARKLEY. Mr. President, will the Senator yield to me a moment?

Mr. MINTON. I yield.

Mr. BARKLEY. I wish to make merely a brief observation. I have no desire to get into a debate on the European war, but the Senator from North Dakota [Mr. NYE] during the early part of his remarks made the prediction, as I understood it, that whenever the letter written by Secretary of War Woodring to the President in tendering his resignation should be made public, it would disclose that the reason for Mr. Woodring's resignation was the fact that he declined to sign orders turning over to the Allies any war material under the control of the War Department, and, as I understood the Senator, he intimated that it would also disclose that Mr. Woodring had declined to reveal the secret with respect to a bomb sight. If I misunderstood the Senator, I give him an opportunity to correct me.

Mr. NYE. Mr. President, I appreciate the opportunity the Senator gives me. I am quite confident I did not say just that. I recall very vividly saying that I believed that if the letter of resignation were made available to the public, it would reveal that Mr. Woodring said his resignation was due to his inability to agree to the sales of military supplies abroad, and that if the matter were gone into thoroughly with Mr. Woodring and his staff, there undoubtedly would be revelation that his resignation was occasioned primarily by his refusal to append his signature to orders releasing more of military aid to the Allied cause.

Mr. BARKLEY. The Senator did mention the bomb sight in connection with those remarks, and I got the impression that he included in his intimation that the Secretary had refused to sign orders selling war materials, and that he had intimated also that he had refused to reveal secrets of the bomb sight.

Mr. NYE. Not in that connection.

Mr. MINTON. Mr. President, because I was very much impressed with what the Senator from North Dakota was saying at the time, I made a note, as rapidly as I could, of what he said. In substance, this is what he stated, that he was sure that when the facts became known about Mr. Woodring's resignation it would be revealed that Mr. Woodring was asked to surrender the bomb sight and that he would not do it, and so he was removed from the Cabinet.

Mr. BARKLEY. That is the impression I got from the Senator's remarks.

I wish to say that following the remarks of the Senator I took it upon myself to call General Arnold, the head of the Air Corps of the United States Army, and he authorized me to say that at no time, in any conference or in any deliberation or during the consideration of secrets of the War Department or of the United States Army, was any consideration ever given to the revelation of any secret bomb sight on the bombers of the United States Army.

It is rather unfortunate that here in the Senate of the United States, which is a sort of loud speaker, where everything that is said is broadcast, through the press and the radio, which comment upon happenings here, Senators should speculate about some dereliction of duty that is intimated by those who do not happen to agree with the policy of the present administration.

I do not know what was in the letter of Mr. Woodring to the President. I do not know that I shall ever know. I am a friend of Mr. Woodring. I served in the Senate with his father-in-law, the former Senator from Massachusetts, Mr. Coolidge. I have sufficiently high regard for Mr. Woodring to believe that he has not in anything he has said by word of mouth, or by any letter he has written to the President, been guilty of any impropriety in connection with tendering to the President his resignation as Secretary of War.

The mere fact that the President did not give the letter out because of its personal nature ought not to be used to carry any implications as to what it contains.

Frequently letters are both personal and official, and frequently there are personal allusions in official letters which

the recipients would not want to give out to the public. All of us receive letters from our constituents, for instance, on legislative or official matters. Frequently they contain some personal reference. We would not take the liberty, in fairness and justice to ourselves and to our correspondents, to make them public.

I merely wanted to say that it seems to me most unfortunate, simply because the President, in the exercise of his judgment as to the proprieties, did not see fit to give out a letter of resignation which was sent to him by the Secretary of War, a letter which was at least in part of a personal nature, and it may be of an intimate personal nature, that such a circumstance should be taken as any indication of what the letter contains or any justification for any intimation. It is unfair to the Secretary of War and to the President and to the country to use that circumstance merely to hang upon it a veiled charge or prediction as to what the letter contains or as to the reason why the Secretary of War has tendered his resignation.

It seems to me that our people are sufficiently confused, they are sufficiently worried, they are now sufficiently anxious about our situation to make it at least within the bounds of propriety that Members of the United States Senate and others in high official positions should not speak further upon mere suspicion, rumor, or intimation, to fan the imaginations of the people into flame and to cause them to wonder still more what is really happening in the Government. I believe the American people have confidence in their Government. I believe they want to continue to have that confidence in their Government. While there are honest differences of opinion among Members of this body and among all men as to wisdom of action, there could be no greater disservice performed, in my judgment, so far as the Government of the United States is concerned and so far as the people are concerned, and there could be no greater damage committed to the morale of the American people, than by innuendo and insinuation to seek to create the impression that there is something "rotten in Denmark" behind the scenes; that their agents of government, whom they have chosen and in whom they have expressed their confidence, are not worthy to perform their duties. Of course, they cannot make public everything they do. It would be preposterous to expect that in our diplomatic, military, and naval relationship everything that happens, every conversation, every memorandum, and every letter should be made public. The War Department, the Navy Department, and the State Department cannot carry on their operations in a barber shop or in a beauty parlor so that the whole world may look on and see what is happening. It is not in the interest of the welfare of our country that that should be done.

I express the earnest hope that we will not here give expression to insinuations or intimations or veiled charges of any kind unless we can substantiate them by facts. We ought not to attempt to do so until we have the facts. None of us here can obtain all the facts with respect to many of these matters. Certainly we owe it to our country and to the proprieties to wait until we have the facts before we undertake to speak with reference to them.

Mr. MINTON. Mr. President, I am sure the Senator from North Dakota [Mr. NYE] was utterly sincere when he said he wanted to keep this country out of war. I am as anxious to keep the country out of war as is the Senator from North Dakota. I am no warmonger. I learned about war the hard way. I served for 27 months in the last World War, and a year of it was overseas. I do not want war because I saw war at its worst. As the father of two boys, I do not want war. In the hands of destiny today I have two hostages for peace—my sons. So I am as anxious to keep this country out of war as the Senator from North Dakota ever could be.

I am sure that all my colleagues on the floor of the Senate are as anxious to keep this country out of war as is the Senator from North Dakota. I am sure he is ready to accord us the same sincerity of purpose that he claims for himself, and I am ready to accord it to him. I am not so sure that the Senator from North Dakota is willing to accord to the President of the United States the same sincerity of purpose and the same patriotism that he claims for himself.

I think the President of the United States is a patriotic, high-minded public servant, who has no purpose to lead this Nation into war, and will not lead this Nation into war, and the Nation will not have war if war stays away from our shores. But, Mr. President, we do not always have the choice as to whether we shall have war or shall not have war.

Of course, the recent Secretary of War, Mr. Woodring, was my friend, as he was the friend of the Senator from Kentucky [Mr. BARKLEY]. I have had occasion to speak in defense of Mr. Woodring, and I spoke up in his defense in the implied criticism heaped upon him by the Senator from North Dakota and his isolationist friends. So it seems a little odd to me to find the Senator from North Dakota coming at this time to the aid of the recent Secretary of War, Mr. Woodring. I can remember when the very circumstance to which the Senator from North Dakota referred, as to the sale of war planes to France, was brought to the attention of the country, and one of those who expressed great alarm about it was the Senator from North Dakota.

Mr. BARKLEY. Mr. President, will the Senator yield?

Mr. MINTON. I yield.

Mr. BARKLEY. I think it proper to say at this time that I have received information from the War Department since the Senator from North Dakota began his speech today that the planes referred to did not go to France—not any of them have gone to France. Therefore, of course, they are not in danger of being turned over to Hitler.

Mr. MINTON. I do not know what planes the Senator from North Dakota referred to or the Senator from Kentucky now refers to, but I am referring to the incident which occurred during, I think in 1939, when a plane fell in California and injured a Frenchman who was here on a mission to purchase planes. One of the chief objectors at that time to the procedure of selling to the French people planes manufactured in this country—not by the Government, but by private corporations—was the Senator from North Dakota, and one of those who defended that plan, one of the men who was responsible for that program—and there was nothing in law, morals, or anything else that condemned it—one of the men who were in favor of it was the Secretary of War, Mr. Woodring, whom the Senator from North Dakota commends so highly here today.

Mr. NYE. Mr. President, will the Senator yield?

Mr. MINTON. I yield.

Mr. NYE. It seems to me that there ought to be a clarifying of the facts that existed at that time. Up to the very hour of the issuance of the orders which required American industrialists to extend aid to the French mission, I might say that within the Government of the United States the most violent foe of the policy which was then being undertaken to give aid and American military supplies to France and to England was the Secretary of War, Harry Woodring.

Mr. MINTON. Mr. President, it so happens that Mr. Woodring appeared before the Military Affairs Committee, of which I happen to be a member, and said just the opposite of what the Senator from North Dakota is now saying.

Mr. NYE. Mr. President, will the Senator yield?

Mr. MINTON. I yield.

Mr. NYE. I wish the Senator would disclose whatever he has which would reveal that Mr. Woodring, up to the time the order was issued making these advantages available to the Allies, held the view which the Senator says he held.

Mr. MINTON. Let the Senator be patient. He asked me to sit around for 30 minutes and wait on him. I waited for an hour, but he never revealed the facts which he said he would reveal. The Senator will have to wait only a moment, and I shall read from the record what Mr. Woodring and General Marshall had to say about this matter. At that time the Military Affairs Committee was investigating this matter pursuant to a resolution introduced by the Senator from Wisconsin [Mr. LA FOLLETTE]. It was not investigating the particular incident of the sale of planes in the first in-

stance, but the whole question of selling planes and war materials to nations engaged in war.

Mr. NYE. Then the Senator is not arguing that Secretary Woodring was originally supporting the cause of making American military advantages available to the Allies, or to any countries abroad?

Mr. MINTON. Mr. Woodring was in favor of it, and he said so. I read from the record of the hearings:

> Mr. WOODRING. Well, it is our honest belief that the increased orders that are coming from foreign governments, both for arms, ammunition, and implements of war, and particularly aircraft, are creating a capacity that our appropriated funds could not possibly create. It would take millions and millions and billions of dollars of the taxpayers' money to create the capacity that is being created by these incoming orders, which give us a capacity that is undoubtedly in the interest of the national defense of this country.

And so on, at further length.

General Marshall, Chief of Staff, supported Mr. Woodring in that statement; and as the concluding questions in General Marshall's testimony I asked him if he agreed with Mr. Woodring in his observations and conclusions about the selling of materials to foreign governments. I asked General Marshall the following question:

> Senator MINTON. You agree, then, with the the Secretary of War that the purchase of arms, ammunition, and implements of war, including aircraft, by foreign countries is not in any way a threat to our protection?
> General MARSHALL. Yes, sir.
> Senator MINTON. You agree with the Secretary of War that no military secrets of war of any kind are being revealed to the purchasers?
> General MARSHALL. Yes, sir.
> Senator MINTON. And it is your opinion that this program that is now developing and being carried on due to the purchase of materials and supplies by foreign governments is definitely helping our program and decreasing the cost to this Government?
> General MARSHALL. Most emphatically I do, sir.

So when we look at the record and find out what Secretary Woodring had to say, his words before the Military Affairs Committee do not bear out the insinuations of the Senator from North Dakota.

Mr. NYE. Mr. President, will the Senator yield?

Mr. MINTON. I yield.

Mr. NYE. Still the Senator from Indiana does not directly answer the question as to when Mr. Woodring did favor this kind of a program and when he did not favor it. Up to the time the orders were written over his head by the Commander in Chief, Secretary Harry Woodring was a violent foe of the program of making these advantages available to foreign governments.

Mr. MINTON. The Senator has no evidence of that kind, and I challenge him to put it into the RECORD today, tomorrow, or any other day. I have put into the RECORD the statement of Secretary Woodring, made upon his responsibility as Secretary of War, when he appeared before a responsible committee of the Senate investigating the very matter about which the Senator from North Dakota has been talking. We were investigating, under a resolution submitted by the Senator from Wisconsin [Mr. LA FOLLETTE], whether or not the sale of supplies by this country to the Allies was in any way hampering the program of the United States, and whether or not the War Department was in accord with that program. Secretary Woodring appeared before the committee and testified as I have read from the record. At the conclusion of the testimony of General Marshall, who was supporting Secretary Woodring in everything he had said, I asked him the categorical questions which I have just read into the RECORD.

So we find that the record of Secretary Woodring and the record of the War Department, from the Secretary of War to the Chief of Staff himself, has always been the same. They were of one accord as to the sale to the Allies of materials, supplies, and ammunition, and especially aircraft. But the Senator from North Dakota, in his most insinuating manner, insinuates into the RECORD that the Secretary of War, Mr. Woodring, was opposed to that program, and that that was probably one of the things responsible for his retirement from the Cabinet. He insinuates into the RECORD that Mr. Woodring was opposed to sending the boys to Europe to die in the shambles of the battlefields of Europe. There is nothing in the record to show that Mr. Woodring ever said anything of the kind. The Senator insinuates into the RECORD that Mr. Woodring was probably asked to resign because he was asked to reveal to somebody the bomb sight. Yet the Senator from Kentucky called General Arnold, the head of the Air Corps, who has this secret in charge and who guards it jealously, and he told us, no longer than half an hour ago, that the secret had been revealed to no one; and yet the Senator from North Dakota insinuates it into the RECORD.

Mr. NYE. Mr. President, will the Senator yield?

Mr. MINTON. I yield.

Mr. NYE. The Senator from North Dakota did not insist that the secret had been revealed to anyone.

Mr. MINTON. Oh, no.

Mr. NYE. What I said, and what I repeat, is that in all probability the Secretary of War was asked to make the secret bomb sight available to the Allies, as other advantages have been made available.

Mr. MINTON. Again, I should like to have the Senator from North Dakota produce the evidence on that score. It is just another insinuation by the Senator from North Dakota which finds its way into the RECORD—an insinuation which is not backed by any facts or any evidence. It is just like his insinuation on the floor in a speech he made a few months ago to the effect that war would not break out in Europe unless the "go" sign were given in America.

Mr. SCHWELLENBACH. Mr. President, will the Senator yield?

Mr. MINTON. I yield.

Mr. SCHWELLENBACH. The Senator from North Dakota takes the position that probably the reason for the resignation or retirement of Secretary Woodring was that he was asked to reveal the bomb sight. The Senator from North Dakota has no more proof of that than he has of any of the other statements he has conjured out of his imagination this afternoon. He has built up a case. He has taken as his major premise the assumption that Ambassador Bullitt told the French Government that if they went to war for the protection of Poland we would come to their assistance and render military aid, even to the extent of a declaration of war. He had not one single word of evidence to submit to the Senate which would be accepted by the most remote justice of the peace in the country, to support that statement, yet he made that the major premise of his whole argument.

For most of the afternoon he has made use of his imagination, conjuring up stories, and saying that some mysterious person, whom he would not compromise by making his name public, appeared in his office and gave him a statement to that effect. He used a confidential statement which some newspaperman was supposed to have sent around the country, never once revealing the sources of his information. In the mind of the Senator from North Dakota, in this period of national and international trouble that may be the sort of statesmanship which he can accept as his type of statesmanship.

I think that this is a time when Members of the Senate of the United States and persons high in public life in this country should exhibit some restraint in their statements. Not a single word has been uttered by the Senator from North Dakota this afternoon which shows the slightest basis of evidence to prove any of the conclusions which he asks us to reach. The very argument he made when he said that probably the isolationists would be blamed for the fact that France suffered defeat, and the argument which he made in defense of himself and others whom he may include in that category, were a complete and positive answer to all the arguments he had been making up to that time. He asked, "Why should the Government of France recognize the ability of the isolationists to stop military assistance from the United States?" He said that France knew what we had in this country; that France knew our lack of war preparations; and that France was familiar with the Constitution of the United States; and yet he wants the press to spread the word

throughout the United States today, on the basis of information the source of which he says he will not reveal, that the Government of the United States, acting through the President and the Ambassador to France, led France and England into this war, and is wholly responsible for the whole situation which exists in Europe today.

I think the time has come when there is some responsibility upon the Members of this body to recognize that they must deal with facts, and deal with them upon a responsible basis, and not depend upon their imaginations or their desires for political preferment. These are critical times, and the people of the country are entitled to have these times considered in a careful and serious way by the leaders in our national life.

Mr. MINTON. I thank the Senator from Washington. Of course, the whole speech of the Senator from North Dakota was merely one insinuation after another—one insinuation piled up on top of another. He even said the President of the United States has promised England and France a declaration of war. Who was his authority? Mr. Henning, the correspondent of the Chicago Tribune? The Senator from North Dakota may take the Chicago Tribune for authority if he desires, but I shall ask to be excused from accepting that authority.

The Senator from North Dakota said that because the Senator from North Carolina [Mr. REYNOLDS] had submitted a resolution to summon the Ambassador to France, Mr. Bullitt, to appear before the Foreign Relations Committee, forsooth Mr. Bullitt flew away to Europe, when the fact is that Mr. Bullitt had had his plans made for weeks, and had his reservations made days ahead, and he went only on schedule time. But the Senator from North Dakota insinuated that Mr. Bullitt was flying away to France to evade appearing before the Foreign Relations Committee of the Senate. So it is that the Senator from North Dakota insinuates and insinuates, and tries to lead the country to believe that things which germinate only in his fertile brain are facts.

The Senator from North Dakota said the United States had led France and England into the war—led them into the war—had induced them to go into the war. What did the United States have to do with the violation of Czechoslovakia? What did the United States have to do with the "blitzkrieg" in Poland? What did the United States have to do with the invasion of Norway and Denmark? What did the United States have to do with the overrunning of Belgium and Holland? What did the United States have to do with crushing the very life out of France today? Yet the Senator from North Dakota says the United States led France and England into this war.

Mr. President, I should be ashamed to make such a charge against America as that America would lead France and England to the shambles of a great war, and to the very brink of destruction, and itself assume no responsibility in the matter. Of course America did not make any such promises. Of course, America did not lead England and France into war, and, of course, America knows that America is not going into the war of England and France until it becomes America's war; and the Senate of the United States and the President of the United States are not going to lead America into any war that is not America's war.

The Senator from North Dakota is a great isolationist. I have the utmost respect for certain sincere gentlemen who entertain views along that line; but I point out that at this juncture in the world's history isolationism has not led to peace. Certainly Holland was isolationist. Certainly Belgium was isolationist. Certainly Denmark was isolationist, and Norway, and little Luxemburg; but they were invaded, and cruelly overrun, and crushed to death. No, Mr. President; isolationism does not lead to peace. The world today knows the sad lesson that isolationism leads to war, total war; and right here on the floor of the United States Senate the greatest impetus to isolationism was given in 1919 or 1920, following the World War. Right here upon the floor of the United States Senate isolation was first sowed and nurtured and started on its way.

We went out in 1917 and 1918, 3,000,000 fellows like myself, under the cry that we were fighting a war to end war; that we were fighting to make the world safe for democracy. I believed that then. I believe it now. But I say to you, Mr. President, that while we won the victory on the battlefields of France, it was lost here in the United States Senate. Right here, Mr. President, when the League of Nations was turned down, the only constructive plan for collective security was destroyed, and right here we embarked upon a policy of isolationism, and isolationism became not only America's policy but the policy of everybody but Adolf Hitler and Mussolini and possibly Stalin, the heads of the totalitarian countries of Europe.

Today the path of isolationism has led to what? Not to peace—not even to war as we once knew it—but to total war as Hitler wages it in Europe today.

So, Mr. President, I am sure we are not to be concerned about whether Mr. Hitler would get mad if we should call him names. We certainly should not be much concerned about whether Mussolini would get mad if somebody should call him names. I do not particularly approve of the name-calling process, but I do not think it makes any difference to Hitler. I do not think it makes any difference to Mussolini. We might call them all the names in the book and we could not stop them. We could not deter them, and it would not make any difference; and we could keep our sweet mouths shut and say nothing about them, and they would pursue their own evil way in their own manner. So while it may be unbecoming of us to stand off 3,000 miles and call somebody names, I do not think it makes any difference in the international affairs of the world with Mr. Hitler or Mr. Mussolini. I do not think they were called any names in Holland. I do not think they were called any names in Belgium, or Denmark, or Norway, or Czechoslovakia, or Poland; and look at those countries today. They kept their sweet mouths shut. They even answered the Gallup poll that Mr. Hitler conducted over there to determine whether or not the little nations clustered about him were afraid of him. They all came in trembling and put their ballots in the box and said, "Oh, no, Mr. Hitler; we are not afraid of you—not much." Today we know the sad truth, that it does not make any difference what you stand for, what you believe in, what you do or do not do, if you happen to get into the path of the evil genius whose indomitable will rules a great part of the world today.

The Senator from North Dakota criticized Mr. Bullitt. He criticized this administration. He criticizes us about our preparedness, and he criticizes us about our failure to prepare. The Senator from North Dakota said that the group to which he belonged never voted down a battleship or a plane. Perhaps they did not, but it was not their fault. They voted against every one of them.

Mr. President, when Mr. Bullitt came back here in 1939, at the beginning of the year, and when Mr. Kennedy came back from the Court of St. James's and met in what was supposed to be a secret session with the Military Affairs Committees of the Senate and House, and told them of the critical situation in Europe, who was it that scoffed at Bullitt? Who was it that scorned the advice of Kennedy? The Senator from North Dakota and his colleagues who believed as he believed. Who was it that pooh-poohed the ideas of Mr. Kennedy and Mr. Bullitt that Hitler was in a position to overrun Europe and had the power to do it? The isolationists, the Senator from North Dakota and his colleagues.

Mr. President, the Senator from North Dakota criticizes Mr. Bullitt for staying on in Paris. That is just what Mr. Herrick did in 1917 and 1918 when the Government of France left Paris and moved to Bordeaux. Mr. Herrick remained in Paris. That is exactly what Brand Whitlock did in Belgium when Belgium was overrun by the Germans and took Brussels, and overran practically the whole country. Brand Whitlock remained. Yet the Senator from North Dakota insinuates again that there must have been some sinister purpose on the part of Mr. Bullitt in remaining in Paris. He also intimates that Mr. Bullitt burned all the records. I suppose

the Senator from North Dakota would not want him to turn them over to Hitler, who was knocking at the door, who was getting ready to come into Paris.

Mr. NYE. When did I cast any aspersions this afternoon regarding the burning of the records by Mr. Bullitt?

Mr. MINTON. Was I asleep? Am I walking in my sleep, too? [Laughter.]

Mr. NYE. I have very vivid recollection of the Senator from Missouri [Mr. CLARK] making a point of that kind, but it was not a part of my remarks.

Mr. MINTON. I must appeal to the RECORD. If the Senator did not say it, and if the Senator did not insinuate it, if the Senator did not make those remarks, then I apologize, but I think the RECORD will show that the Senator did.

Mr. CLARK of Missouri. Mr. President, will the Senator yield?

Mr. MINTON. I yield.

Mr. CLARK of Missouri. I do not recall what the Senator from North Dakota said, but I did call attention to the fact that the American Ambassador to France had not accompanied the French Government when the French Government left the seat of government at Paris, that he had remained in Paris and had burned all the diplomatic correspondence instead of removing it, including his code book. If the Senator from Indiana desires to make anything out of that suggestion, I shall be very glad indeed to have him do so.

Mr. MINTON. All I care to make out of it is that I think Mr. Bullitt acted wisely.

Mr. CLARK of Missouri. I do not.

Mr. MINTON. Then what is the argument about it?

Mr. CLARK of Missouri. I say I do not think the Ambassador acted wisely.

Mr. MINTON. The Senator does not think he acted wisely?

Mr. CLARK of Missouri. I do not.

Mr. MINTON. The Senator thinks he should have turned them over to Hitler?

Mr. CLARK of Missouri. I do not. I think the Ambassador to France should have pursued the course pursued by other diplomatic representatives in France and removed his diplomatic correspondence, including his code book and himself, and accompanied the French Government, to which he was accredited, instead of throwing the burden upon an American diplomatic representative accredited to another nation, Poland, to represent the United States at the seat of government of France.

Mr. MINTON. Of course, Mr. Biddle had formerly represented us at Warsaw, and was in Paris, and had been accredited secondarily there to assist Mr. Bullitt, to help him with his manifold duties there, and Mr. Biddle had retired with the Government of France, first to Tours, and I think perhaps on down to Bordeaux. But I say again that this was not without precedent. It is the same thing Mr. Myron T. Herrick did in 1917 and 1918, it is the same thing Mr. Brand Whitlock did in Belgium. So there was nothing unusual about what Mr. Bullitt did under those circumstances.

I wish to revert again to the statement of the Senator from North Dakota that he and his isolationist friends had not voted down a single ship or a single plane. No; they did not vote them down, but if they had had enough votes they would have. In 1938, when we had before us the Navy appropriation bill, to build the program which was outlined in 1938, to establish a navy in defense of the shores of the United States, and to appropriate money for that, how did the Senator from North Dakota vote on that appropriation bill? He voted "no."

In 1938, when he cast that vote, he was accompanied by all of his isolationist friends, including the Senator from Michigan [Mr. VANDENBERG], who at least has had the courage and the sincerity and the honesty to turn about and go in the other direction when he saw his country in danger. But the Senator from Michigan stood over in his place, and, with his great, booming voice, and his powerful eloquence—I hear him now, the great isolationist voice of the United States—when we were trying to enact legislation to protect the shores of the United States, no longer ago than 1938, standing on the other side of the aisle and shouting, "What are we going to do with this super, super Navy?" Will there ever cease to ring in the Halls of the United States Senate those words of the eloquent Senator from Michigan as he said, "What are we going to do with this super, super Navy?" And the Senator from North Dakota voted with him, to try to keep us from building up the Navy, the first line of defense of this country.

In 1939, when the Navy expansion bill was before the Senate, the Senator from North Dakota voted again against a navy for this country, and the only naval bill for which he has ever voted he voted for the other day, when we had the Navy bill before the Senate.

When we had before us on the 6th day of March 1938 the aviation expansion program, and we wanted to amend the bill so as to increase the number of planes from 5,000 to 6,000, was the Senator from North Dakota ready and willing to cast his vote for war planes to defend the shores of the United States? Not at all. The Senator voted against the amendment.

Mr. CLARK of Missouri. Mr. President, will the Senator yield?

Mr. MINTON. I yield.

Mr. CLARK of Missouri. I voted in exactly the same way the Senator from North Dakota voted, and both of us voted in accordance with the recommendation made to the Committee on Military Affairs, of which the Senator from Indiana was a member, by the chief of the military air force, General Arnold, when he testified that 5,500 planes, instead of 6,000, was entirely adequate for national defense at that time.

Mr. MINTON. At least the Senator from Indiana must have credit for seeing the light, when the Senator from Missouri and the Senator from North Dakota could not. I voted for more airplanes and the Senator from Missouri and the Senator from North Dakota voted for fewer.

Mr. CLARK of Missouri. Mr. President, will the Senator yield further?

Mr. MINTON. I yield.

Mr. CLARK of Missouri. That is entirely true; but I do not think the Senator from Indiana will deny that both the Senator from North Dakota and I voted in exact accordance with the recommendations of the President of the United States and the testimony of General Craig, the Chief of Staff, and General Arnold, the chief of the military air force, until the last minute, when the suggestion was made that we might just as well increase the limit without increasing the cost.

Let me say also that, as a matter of fact, under the policy of transferring planes to other nations, we have not anything like the number of planes we authorized, and which we were assured at that time we would have, either with 5,500 planes authorized or 6,000 authorized.

Mr. MINTON. I still say that I voted for more planes than the Senator from Missouri did. [Laughter.]

Mr. CLARK of Missouri. If the Senator will permit one further suggestion, merely standing here and voting for planes does not make planes, if at the same time the Senator votes to authorize the transfer to some other country of planes which we might have and might need.

Mr. MINTON. I do not think there has been any transfer of planes that has hurt this country. For every plane that has been transferred or might have been transferred we have one on the way which is a better plane than the one we transferred, which will probably cost us a little less money.

Mr. PEPPER. Mr. President, will the Senator yield?

Mr. MINTON. I yield.

Mr. PEPPER. Does the Senator know anything to the contrary of the statement that was made to the junior Senator from Florida today at noon by the junior Senator from New York [Mr. MEAD], who is acquainted with the productivity of the Curtiss Co. in Buffalo, who stated that when the program of allowing planes to go to Europe was inaugurated, they were turning out one plane a week, that thereafter they began to turn out one plane a day, and since that time they have been able to turn out five planes a day?

Mr. MINTON. Of course, that was made entirely possible because foreign governments were placing their orders for planes here. If the plane manufacturers had had to depend on the orders of the American Government alone, and of the commercial airplane users in this country, they could never have built up the airplane-producing capacity we have today. It was for that reason that Secretary of War Woodring and the Chief of Staff, General Marshall, and the head of our Air Corps, General Arnold, all approved of the plan of selling these airplanes to foreign countries.

Mr. CLARK of Missouri. Mr. President, will the Senator yield?

Mr. MINTON. I yield.

Mr. CLARK of Missouri. The Senator is a member of the Committee on Military Affairs, and he was certainly present at the meeting of the Committee of Military Affairs in which Secretary of the Treasury, Mr. Morgenthau, and the Secretary of War, Mr. Woodring, almost engaged in a fist fight about what had been the trend of the War Department's recommendations, and in which it was finally admitted that the War Department's recommendations originally made by General Craig as Acting Secretary of War had been overridden by higher authority.

While it is entirely true, as it appeared from the record at that time—and I do not know what record the Senator is reading from, because the Senator knows the record was "jimmied with" several different times—the Senator as an eyewitness and earwitness will recall that it was in the testimony that General Craig, as Acting Secretary of War, very strenuously opposed the transfers to any foreign power of planes that might be necessary or useful to the United States itself, but afterward at a meeting at the White House, at which the Secretary of War and the Secretary of the Navy were present as well as General Craig, the objections of the War Department were overruled, and therefore finally at long last the War Department officials gave in, and gave their adhesion to a principle which had been ordered by the Commander in Chief of the Army and Navy.

Mr. MINTON. Mr. President, that is not my recollection of the record, and it is certainly not the record that was made before the Military Affairs Committee.

Mr. CLARK of Missouri. Mr. President, if the Senator will recall, the record was made three or four different times. The original hearing, if the Senator will recall, was held in executive session, and, in spite of the fact that at the opening of every session, I had given notice that at the conclusion of the hearings I intended to move to make the record public, that was voted down, and it was necessary to start all over again, hold an entirely different set of hearings, allow everybody to come in and testify all over again, change their testimony if they wanted to, and then correct their testimony before it was published, and the original testimony, as I think the Senator from Indiana will recall, and I am certain every other member of the Military Affairs Committee will recall, was never published and never made public.

Mr. MINTON. Mr. President, I will certainly not join the Senator from Missouri in any insinuations with respect to the chairman of the Military Affairs Committee [Mr. SHEPPARD], who conducted those hearings.

Mr. CLARK of Missouri. No; if the Senator will permit me, I certainly do not wish to make any insinuations with respect to the chairman of the Military Affairs Committee. He acted by authority of the Military Affairs Committee in failing to make public the original testimony and in taking an entirely different set of hearings, and also in submitting to the witnesses their testimony for correction as they pleased and for deletion as they pleased. I do not think that any member of the Military Affairs Committee at that time would have accused the chairman of the Military Affairs Committee of doing anything improper, but I do say that the original testimony was never made public.

Mr. MINTON. I will say to the Senator from Missouri that my recollection does not agree with his, and that, if the original hearings were not made public, it was not because there was anything to conceal. And if they were not made public, the subsequent records were made public and the hearings were wide open, and I was in favor of wide-open hearings, as was the Senator from Missouri. So they all came in and heard the story, and the newspapermen were there and reported it, and we all know that the War Department was in one accord about the sale of this material. Secretary of War Woodring, as I read from this other hearing, in March of 1940, appeared before the committee and testified that the program had his wholehearted approval. Not only did he so testify, but General Marshall testified to the same thing.

So, Mr. President, coming back to this increase in the air program, when it came to the final passage of the bill, the Senator from North Dakota and the Senator from Missouri were among the eight who voted against it. The Senator from Missouri said a while ago that he was voting for what the War Department wanted and what the President of the United States had recommended, but when the bill came for passage he did not vote to increase the defenses of this country by a single airplane. That appears in the RECORD of March 7, 1939. There were only 8 votes cast against the bill, and 77 votes were cast in favor of it.

So, if we do not have fewer ships today than we once had, if we do not have fewer ships today than we should have now, it is not the fault of the Senator from North Dakota. He voted against every appropriation bill for the Navy since I have been in the United States Senate. If we have enough airplanes today to defend America, it is not the fault of the Senator from North Dakota or the Senator from Missouri. They voted against the airplanes to defend this country.

Mr. CLARK of Missouri. Did the Senator ever hear of my voting to transfer ships that were needed for the defense of the United States, according to the testimony, to any foreign power?

Mr. MINTON. No. The Senator voted for none. We should not have any to transfer to any foreign power, according to the way the Senator voted.

Mr. CLARK of Missouri. The Senator does not intend to make that statement?

Mr. MINTON. Here is the record.

Mr. CLARK of Missouri. Wait a minute. I offered on the floor of the Senate to vote for the recommendation of the President of the United States and of the Chief of the Air Service of the Army. When the Senator from Indiana and some other Senators undertook to take an additional bite I voted against the appropriation.

Mr. MINTON. And the Senator voted against any appropriation.

Mr. CLARK of Missouri. That statement is not correct.

Mr. MINTON. Here is the record.

Mr. CLARK of Missouri. I voted against that particular bill, Mr. President, because I realized that a lot of warmongers were attempting at every step to increase the authorization. I was willing to vote for any authorization that the War Department would come here and say was necessary for the national defense of the United States. I was not willing to let the Senator from Indiana and other members of the Military Affairs Committee increase the authorization above what the War Department said was necessary.

Mr. MINTON. All right. If that is the Senator's explanation at this late hour it satisfies me.

Mr. CLARK of Missouri. Well, it was the explanation I made at that time on the floor of the Senate.

Mr. MINTON. Yes. Well, the fact remains that the Senator from Missouri voted for no planes, not even what the War Department authorized and asked for, not what the President of the United States recommended and asked for, and what his colleagues on the floor voted for, but the Senator from Missouri was one of the eight who voted against the entire bill.

Mr. CLARK of Missouri. Wait a moment, Mr. President. Will the Senator explain what opportunity anyone had to vote for the number of planes recommended by the War Department excepting by voting against the committee amendment on that occasion?

Mr. MINTON. Now we have this picture of the Senator from Missouri who, I know, wants to defend America. He is not a warmonger. I am the warmonger, according to the Senator from Missouri. I learned about war just as the Senator from Missouri did. I am no more a warmonger than is the Senator from Missouri. I have sons who are eligible to carry the arms of their country today, and I am not a warmonger, and I am not going to vote for war that will send my boys or the Senator from Missouri's boy into war unless it is America's war; and I will turn my back upon my boys in shame if they turn their backs upon the flag of their country that my grandfather fought and died for and I offered my life for in 1917 and 1918.

Would the Senator from Missouri say the same thing?

Mr. CLARK of Missouri. If the Senator from Indiana will yield, I will say the same thing.

Mr. MINTON. I am glad. I thank the Senator.

Mr. CLARK of Missouri. Wait a minute. The Senator asked me a question. Let me answer. I will be very glad to answer. I hope never to see the day—and I know that I never will see the day when any son of mine will be the first member of my family since the days of the Revolution, and before the Revolution in this country when the United States is engaged in war, who will not engage in the war as a defender of the United States; but, Mr. President, I will never cast my vote either to get into war or to take steps leading inevitably into war, which will involve my son and other men's sons in a war, except in the defense of the United States of America. I will never cast a vote, Mr. President, that will take us along step by step, inch by inch, and put us in the situation under the guise of measures short of war, to the point where we will be engaged in a war. And I call the attention of the Senator from Indiana to this fact—that when we arrive at that point we will then not be able to say whether we will send our Army overseas or what we will do. When we have once cast the die by engaging in a war, by sending our ships, by sending our naval vessels and our air force to the attack we cannot then say, "No, no; we will stop right here at the brink and not send our men." If that situation ever occurs and the United States is precipitated into the war, it will not be by my vote; but when it happens my boys will march out, and I will march out with them.

Mr. MINTON. I will say to the Senator from Missouri that he will be accompanied by me and my boys, if that is any comfort to him.

Mr. President, I will not cast a vote to send the Senator's boys to war any more quickly than I would cast a vote to send my boy to war—and that is not at all, unless it is America's war. But, God knows, America may not have the choice.

Mr. CLARK of Missouri. Mr. President, will the Senator yield?

Mr. MINTON. I do not yield to the Senator from Missouri at the moment. I shall be glad to yield later, if the Senator wishes to interrupt me.

Belgium did not have the choice. Holland did not have the choice. Denmark did not have the choice. Norway did not have the choice. Czechoslovakia did not have the choice. Poland did not have the choice. Luxemburg did not have the choice. A man who starts out with the philosophy that all democracies are decadent and should be destroyed, and that his particular race of people are the chosen people to rule the earth becomes a challenge to democracy everywhere.

I am not going to rush into the war. I am not going to go over there and seek out Mr. Hitler on the shores of another land. I only pray God that war will not seek us out over here, on our own shores. But, Mr. President, I do not want America ever to become involved in anybody's war but America's war, for the safety, welfare, and defense of America.

I saw war in Europe. I saw how towns were leveled and made a shambles. I saw the victims of the war. They were carried down the road or trundled along in this vehicle or that vehicle. Beside them came the refugees, the wounded, the suffering, and the dying, in the shambles of war which wrecked their beautiful land and leveled the houses that they called home. I do not want to see that condition come to America. I do not want America ever to know war at all, unless it be America's war. But I hope that even such a war will never be fought upon American soil.

I make but one plea. In the light of the speech by the Senator from North Dakota, I plead that we shall not stand upon the floor of the United States Senate and make unsubstantiated statements, which are not backed by the facts, insinuating that others want to lead this country into war. I confidently believe that no Member of the Senate or the House of Representatives, and no man in the White House or in the Cabinet, wishes to lead America into war. I believe we are all patriotic. I believe we all love America above everything else, and I believe we are all ready to do what we can to defend America, standing upon America's shores, defending America to the last. My sole plea is that we accord to each other the sincerity of purpose, patriotism, and high and honorable position which we claim for ourselves. I claim it for the President of the United States, as I claim it for myself and my fellow Senators.

Mr. PEPPER. Mr. President, I know that if the spy system of Hitler is functioning today as effectively as it has been functioning every other day, by this time Hitler is pretty well aware of the debate which has occurred in the Senate thus far today.

Mr. BARKLEY. Mr. President, will the Senator yield to me for just a moment?

Mr. PEPPER. I yield.

Mr. BARKLEY. I do not know how long the Senator intends to speak.

Mr. PEPPER. Only a few minutes.

Mr. BARKLEY. I wanted to see if we could not obtain a unanimous-consent agreement to limit debate on the pending bill. We have spent the whole day discussing the European war, and I am not making any complaint of that, though I doubt whether we have accomplished much in the way of legislation. I should like to get on with the bill, and I should like to make an effort a little later to secure action on another bill. I think Senators might now adjust themselves to the possibility of a night session. I still hope that we may at least begin to call the calendar.

I ask unanimous consent that during the further consideration of the pending bill no Senator shall speak more than once or longer than 20 minutes on the bill or any amendment.

The PRESIDING OFFICER (Mr. HILL in the chair). Is there objection to the request of the Senator from Kentucky that during the further consideration of the pending bill no Senator shall speak more than once or longer than 20 minutes on the bill or any amendment?

Mr. McNARY. Mr. President, personally I have no objection to the request. I think the able Senator from Massachusetts [Mr. WALSH], who is in charge of the bill, and other Senators should be in the Chamber. I therefore suggest the absence of a quorum.

Mr. BARKLEY. Mr. President, I do not want to interfere with the Senator from Florida, but I will say to the Senator from Oregon that the Senator from Massachusetts told me that he could conclude anything further he had to say on the bill in 20 or 30 minutes. The suggested arrangement would give any Senator 40 minutes in all.

Mr. McNARY. I withdraw my suggestion of the absence of a quorum.

Mr. PEPPER. Mr. President, as one citizen and Senator of this country, I am indeed sorry that Hitler will receive information as to the remarks which have been made in this body today, because they will give him—I am sure completely beyond the intention or design of any Senator who has spoken—much consolation and considerable assurance; for his policy has always been to divide his enemies and attack one of them while he lulled into security another which he intended later to attack.

I remember the fable of Aesop, in which a lion designing to devour three bulls, finding them all together, thought he had better not attack them at that time; so he stirred up dissension among them. He got them vying with one another, until finally they separated, one in one corner of the field, another

in another corner, and the third in a third corner, and singly he devoured them. So Hitler now has considerable reason to believe that the apostles of appeasement have already begun to establish their leadership in the United States.

Senators are already saying, "We do not see any unavoidable necessity of conflict between this country and Hitler. It may be he will not attack us. It may be there will be no war with him in which we shall have to engage. It may be he will relinquish his designs upon our country and our continent. Let us see if we cannot find some method by which we can adjust our conflicts, attain some harmony of purpose between Hitler and ourselves."

Senators have not yet begun to hear the last of that argument. They will hear it day by day as the conflict grows more crucial all over the world. If the British Empire collapses and Hitler stands dominant astride four continents, with his power the superior force in all the world, with little nations cringing in their footsteps before the wicked eye he may turn upon them, we shall hear yet other apostles of appeasement say, "There is no use in our incurring his enmity. He is a powerful man. His country is successful in a marvelous 'blitzkrieg.' Let us stay on good terms with him." If that counsel prevails like a cancer that eats out one's vitals, our own will to defend ourselves is going to be destroyed by the Chamberlains of the United States Congress and the United States of America. Every argument which the able chairman of the Senate Naval Affairs Committee made here today was made in the House of Commons by Chamberlain, and by Baldwin, and by others who thought as they did.

Mr. HOLT. Mr. President, will the Senator yield?

Mr. PEPPER. No; I decline to yield.

Mr. HOLT. I want to——

The PRESIDING OFFICER. The Senator declines to yield.

Mr. PEPPER. They were just as sincere as the able Senator from Massachusetts was today; and we who admire him and love him know that he spoke from the bottom of his heart. Does anybody question Chamberlain's sincerity?

I happened to be in the House of Commons in 1938, and I saw the telegram that was handed to Chamberlain by a messenger from Lord Halifax, who sat in the Lords' gallery and looked down upon the Commons in session. At that time Chamberlain was already speaking, thinking perhaps that he would have to advise the Commons that there was no escape from war. While he spoke, the telegram was put in his hands. It was an invitation from Hitler to come to Munich the second day after that day and sit down in consultation with him.

Does anybody deny that Chamberlain was sincere? He was trying to keep war away from Great Britain. He was trying to save the fine sons of British mothers and fathers. He was trying to keep the blood of Britons from pouring like rivers around the earth. Gracious alive! Does anyone think the Prime Minister of Great Britain would have tucked his coattails behind an umbrella and, almost cowering, have gone to Hitler's castle upon a mountaintop and humbled himself before that heartless man if he had not been trying to save the blood of Englishmen?

He is not privately a coward. Chamberlain is a man of peace, willing to give almost anything for peace. When he came back from Berchtesgaden and reported to his people I was in London, and saw the newspaper headlines, and heard the radio announcements. I saw the people standing around the bulletin boards. I saw clerks in stores so nervous they could hardly wait on customers. They did not want war. They were praying, every time they got on their knees, that a just God would somehow or other bring civilization's principles to play in Hitler's heart. They were trying to believe what he told them; that all he wanted was to put Germans back into the Reich and let Germans have the right to live together.

The British are not cowards. Their history proves that. They fought when things were well and when they were ill. But old Chamberlain, honest of heart, said, when he got out of the airplane at the airport, when he held up the agreement that he and Hitler had signed, "This means peace in our time"—the peace he loved.

He believed Hitler, and he let him have Czechoslovakia; and when Hitler got Czechoslovakia, that is when the Germans broke through to Paris. When they got Czechoslovakia at Munich, when they stole it from old, trusting Chamberlain, that is when they got to Paris. That is what prostrated broken and bleeding France today.

It was Munich. Had it not been for Munich, had the democracies come together; had the people who have decent sentiments in their hearts risen up with vigorous accord, there would not have been any trampled France; there would have been no crushed Belgium, no devastated Holland, no vassal Denmark, no enslaved Norway, nor would there be now the bloody brigands of Hitler and Mussolini who are dividing up the world in a game of loot the like of which the world has never seen.

And so these other appeasement apostles were sincere. They said, "Let us get along with Hitler." Right here in this Capitol, in January of 1938, two eminent British visitors came. I happened to be one of a group that sat down to dine with them. In that conversation they said — and they were supposed to be an influential group in Great Britain—"Perhaps if we will just let Hitler have enough, his appetite will be satisfied. Perhaps our fault heretofore has been in not giving him enough as fast as he asked for it."

They wanted peace, also, when they proposed that policy; so, Mr. President, they let Hitler break through Czechoslovakia. He trampled down their defended and fortified frontier. He took over the Skoda munition works, the greatest in the world; and some of the big tanks that broke through the line of forts in France were made in the Skoda munition works which Hitler stole from Chamberlain at Munich.

That is what appeasement got Great Britain. That is what it got Czechoslovakia. That is what it got Belgium and all the other vassal states of Europe which now cringe before the sword of Hitler. Yet when I hear the chairman of the Naval Affairs Committee of the United States Senate offer a justification for Hitler today, I thought to myself, "My God! How Hitler must smile when he hears that news."

The able chairman of the Naval Affairs Committee said the Versailles Treaty was the cause of this war. Mr. President, the newspapers this afternoon tell of another armistice. It is going to be laid down in the same railroad car at Compiegne where Foch handed the terms to the German representatives in 1918. The able Senator says that those harsh terms, which later found fruition in the Treaty of Versailles, were what angered the German people, struck them to the quick, and imbedded in them an intense ambition to get revenge. If harsh treaties, harshly imposed, cause war by leading to vindictive and vengeful sentiments, let us see what an example in magnanimity, in generosity, in Christian sentiment, Adolf Hitler is going to exhibit in the terms of peace which he, with his own bloody hands, hands to the French representatives in the same railroad car, over the same table, where the Germans received those terms in 1918. Let us see how generous Adolf Hitler is, this great statesman. We shall see whether he exhibits charity or whether he does not.

But, Mr. President, let us glance at the difference between the victims of Hitler's armistice terms and the victims of Foch's armistice terms.

The Senator from Massachusetts indicated that the Germans now are just trying to right a great wrong. That is what the Germans say.

Wrongs to Germany's military honor now righted, DNB says in the afternoon paper.

DNB is the official German radio station. Well, Senators, what wrong caused Germany to march into France in 1914? Was there any old treaty of peace that had been inflicted upon the Germans by any French conqueror that gave them the cause they were trying to vindicate in 1914?

Mr. HOLT. Mr. President, will the Senator yield?

Mr. PEPPER. No; I decline to yield.

Mr. HOLT. I want to answer the Senator.

Mr. PEPPER. I decline to yield.

Mr. President, the last war between Germany and France before 1914 had been in 1871. Who imposed the terms of peace in the Palace of Versailles in 1871? It was Bismarck, the Iron Chancelor of Germany. The Germans were the victors in that war. They exacted a billion dollars in gold as an indemnity, as they occupied the heart of France.

What caused that war? Had France attacked Germany? Had Frenchmen endeavored to take some of Germany's soil? Had they taken any of her colonies? What single justification was there for the order which sent the German legions across the boundaries of Belgium and France in the summer of 1914, when citizens laughed and children played happily upon the Champs d'Elysées in Paris, unsuspecting so heinous a thing as a German attack?

Mr. President, there was no Treaty of Versailles in 1914 when the German columns crashed their way across Belgium and France. The Germans wanted something then just as they want something now. Then, after they, without justification or excuse, had trampled down a major portion of fair France, destroyed her beautiful cathedrals, killed her women and children, murdered the soldiery of the world, and driven the populations of Belgium and France as fleeing refugees into the highways and byways; after 4 long years of cruel war, after the death of nearly 10,000,000 men, men dead never to live again mortal lives, eventually the beast was beaten back to his lair, and his prey, his bloody prey, lay scattered all over the face of the earth, and the heart of humanity was wrung in anguish at what suffering the Hitler of that day had caused, then, because the victors, speaking the sentiments of retributive justice for so heinous a crime, imposed a harsh peace, now, the Germans say, "What a wrong they did us."

Mr. President, that peace was made on the soil of France. The German Army was on the soil of France when that peace was made. The war was fought on the soil of Belgium and France. Germany did not have to be rebuilt, her cathedrals were not destroyed, her children had not seen the scourge of war first-hand, her economy had not been disordered, her fields had not been drenched in blood, where the machines of war had seared every furrow with instruments of death instead of life. No, Germany had not experienced that; only France was the bleeding country which had borne the brunt of this horrible invasion.

Now Hitler is going to right the wrong, is he? I would to God he could right the wrong. I wish he could bring back the leg of that smiling boy who talked to me in the cloakroom here today. I wish he could bring back relatives and friends of mine whom I loved almost like my own life. I wish he could bring back sons of mothers who today must be wondering if we have forgotten the sacrifice they made. I wish Hitler did have the power to right the wrongs of Versailles. But the first wrong I want him to right is the wrong which sent the German soldiery, without reason, justification, or excuse, across Belgium, which Germany had sworn to save inviolate; across France, which had given him no reason to attack.

Think of the perfidy and the iniquity of his heinous effrontery, to make a spectacle in the forest of Compiegne today, as if he had any cause to complain, a beast who already has devoured millions of sons who lived in this generation. If he got justice, if other wrongs were righted, he should be drawn and quartered, and his blood spilled in every stream that runs into every ocean of the earth, so that he would be scattered as far as the orbit and the circumference of this sphere.

For men, and Senators, chairmen of committees, to stand here and talk about a nation with that creed, and leaders with that principle, actuated by that policy, as if we could grasp their bloody hand in friendship, makes me feel as if priests apostate to their faith reached out to grasp the hand of him who sold his master for 30 pieces of silver. I cannot realize that Senators could speak of the doctrine of appeasement, even in the Senate of the United States, or of making peace with Hitler. We should not make peace with Hitler if he had never even threatened our shores, if we profess to be honorable men.

Mr. President, I have a paper here in which a story is told which is of perhaps little interest to those who want to defend America. It is the Washington Post, Thursday, June 20, 1940. That was yesterday. The article reads:

REICH PUTS PRESSURE ON URUGUAY TO HALT ANTI-NAZI DRIVE—BREAK LIKELY IF GERMANS ARE DEPORTED—FEAR MONTEVIDEO MAY BE FORCED TO SUSPEND CAMPAIGN

MONTEVIDEO, June 19.—Germany is exerting tremendous political and economic pressure on the Uruguayan Government to halt what Berlin calls an unfriendly anti-German campaign, and has threatened to break off diplomatic relations if any Nazi leaders are deported.

Fear is expressed here that this pressure will force the Uruguayan Government to release Nazi leaders now under arrest and drop its plans for energetic measures against Nazi organizations.

The German Government presented a strong diplomatic protest to the Uruguayan Government Monday through German Minister Otto Langmann, demanding immediate cessation of "unfriendly agitation" against Germany. This protest is believed to have been the cause of the Government's action in urging the Chamber of Deputies to go into secret session Monday afternoon to receive a report of its investigating committee.

WOULD LEAVE AT ONCE

Minister of Interior Manuel Tiscornia told last night's secret session of the Chamber of Deputies that Julius Dalldorf, the "Little Fuehrer for Uruguay," had told him that if Dalldorf or other Nazi leaders were deported, the German minister would ask for his passports and leave the country immediately. Since Dalldorf is a member of the legation staff as press attaché it is taken for granted that this message was sent by Langmann.

Despite the Government's efforts to keep the investigating committee's report from reaching the public, the chamber voted to issue a stenographic record of the secret sessions to the newspapers.

Now listen to this:

A plot for military seizure of Uruguay, existence in the German colony here of Nazi military motorized groups operating more than 100 motorcycles, and the fact that the Nazis attribute tremendous importance to Uruguay as a base for operations in South America are three of the outstanding conclusions of the investigating committee.

One more paragraph:

The committee proved alarming Nazi penetration in Uruguayan Government offices, either by placing actual Nazi members in high positions or controlling Uruguayans who occupy positions of responsibility.

Mr. President, I shall not read the remainder of the article, but it indicates that Germany is not waiting, except for the time when she gets ready to attack the northern part of this hemisphere.

In the United States of America "fifth columnists" are exploding bombs, blowing up our defenses. I dare say they know every war plan we have, that they have seen the blueprint of every ship in one way or another. They know how long it would take to mobilize; they know all the elements of our weakness and our strength.

Are we doing that in Germany? Are we trying to set up an American Government in Germany? Are we saying, "Let the bunds live in Germany; let us wear uniforms over there and claim allegiance to the United States, and try to set up a democratic government in Germany"? How long would they last if that were tried? If we went over to one of Germany's neighbors and tried to set up propaganda machines and had a motorized cycle corps, how long would that last?

Mr. President, only democracies lie by until the hand of the avenger is ready to strike. Then we wake up and flounder around, wondering why we did not wake up earlier.

I shall not prolong this, except to say that in this week's issue of the United States News, beginning with page 7 and running through pages 8 and 9, Senators will find an illuminating discussion under the heading, "Nazis Already Invade a Latin American Nation."

A short time ago I made the statement on the floor of the Senate that Hitler had already declared war against the United States, and some Senators were shocked at that statement. The United States adopted the Monroe Doctrine, which looks to maintaining the integrity of the Western

Hemisphere. Is what I refer to interfering with the integrity of the Western Hemisphere? Is it in violation of the Monroe Doctrine? Is it a penetration by force across the boundaries of this continent? If it is, it is already a violation of the Monroe Doctrine. And what have we done about it? Senators say, "No; I do not want to send my boy to shed his blood in war." They are talking about European war. What will they do about Bolivia, Brazil, Argentina, Uruguay, or some other country in South America?

Suppose the Nazis take over the Government of Uruguay. Suppose they then begin to build there an army, to build a navy, and to build an air corps. Let us say that their planes begin to cruise over one boundary and over another boundary. Are we going to send our boys down there then? Are our appeasement Senators going to say, "Oh, that is their affair now"? Remember, Mr. President, that it is farther from New York to Buenos Aires or Montevideo than it is from New York to Moscow. Will we be willing then to send any expeditionary force down to South America? We have not sent one yet, but we know that the Nazis are already in process of penetrating South America.

The appeasement champions said, "Let us not do anything" at Munich. "That is their affair."

The appeasement champions said when the Nazis took over Austria, "Let us not do anything. It is in Europe."

When the Nazis took over Belgium the appeasement champions said, "No; let us not do anything. That is on the Continent."

When Holland was ravished, appeasement champions said "Let us not do anything. That is across the seas from us."

When the Nazis took over inoffensive Denmark the appeasement champions said, "Let us not do anything. That is outside our sphere."

When Norway fell into the grasp of the tiger's claws the appeasement champions said, "Let us not do anything. That is far beyond the seas."

When the Nazis crushed France the same champions of appeasement said, "Let us not do anything. France belongs to the Eastern Hemisphere, and we live in the Western Hemisphere."

And now, if Hitler destroys the British Empire, the same champions of appeasement will say, "Let us not do anything. That is another country."

So, Mr. President, when the Nazis come to South America these champions of appeasement will still say, "Let us not do anything." When they come to Uruguay they will say, "That country is far away. Let us not do anything." When they come to Brazil the same champions of appeasement will say, "Brazil is thousands of miles distant. Let us not do anything." When they come to Colombia and Bolivia and Paraguay and Argentina and Chile they will still say, "Let us not do anything."

When they finally cross the borders and enter into Central America, and finally begin to move their columns into Mexico, and across the Rio Grande there will still be a few isolationists left, there will still be left a few champions of appeasement, there will still be left a few so-called "defenders of America," who will not be willing to do anything until the Nazis send their tanks and their airplanes and their infantry and their motorized columns across the frontiers of our own dear country.

Already we have lost our trade. The magazine to which I referred says that one-half of all South American exports go to Europe. The President is now recommending a $200,000,000 cartel to develop trade with South America. Who is paying for the exports we have lost? The farmers and the laboring men and the businessmen of the United States. I say that Hitler has made us pay.

We have appropriated over $5,000,000,000 in the last 3 weeks. Hitler made the farmers and the laboring men and the businessmen of the United States pay for it. We have imposed additional taxes on American citizens. Hitler makes them pay for that. We are already saddling ourselves with the greatest burden we have placed on the backs of our taxpayers in all our history of peace. Hitler makes us bear that burden. And the yoke that is being placed upon the necks of our people will become more and more galling.

Hitler took our trade away from us, destroyed our Monroe Doctrine, sent "fifth columnists" into every State and city of North America, sent "fifth columnists" and Nazi troops into South America, destroyed nearly every democracy on the face of the earth, destroyed or took over their fleets; and Senators, isolationists, Chamberlains, deluded appeasement champions, will say, "Americans, be calm. There is no danger. Hitler is likely to get in a good humor in a little while. Perhaps when he has eaten up the smaller nations he will be satiated, and let us alone. Perhaps his appetite will be satisfied. Perhaps even his belly will be gorged eventually."

Mr. President, a few years from now, when our standard of living has been thrown back to that of 1835, when we have compulsory military training, when our whole economy is regimented, when freedom is lost in America, we may turn around and ask, "Who lost it for us? Who took it away? Who let this man steal it from under our noses?" And the finger of America will point at just one class of men, the men who could have seen but would not, the men who were honestly deluded—yes, Mr. President, they will eventually be recognized by the citizenry of America, by poor lone mothers of America, weeping for their sons, hoping they will come back from South America, from the jungles of the Amazon. They will be weeping, weeping, wondering if their sons will ever come back from where the real war mongers, who are now the appeasement champions, sent them to rot and to die.

So, Mr. President, let history judge who are the warmongers of this Congress and who are the defenders of this dear country of ours.

COERCION OF CAMPAIGN CONTRIBUTIONS

Mr. HATCH. Mr. President, I dislike to interrupt the debate which is going on to talk about a mere matter of legislation pending in the Congress of the United States, but I desire to read into the RECORD a bulletin which appears in the afternoon's Evening Star. I read:

> The Senate Campaign Expenditures Committee reported today that there was an abundance of evidence that many Missouri State employees had been coerced indirectly into contributing to the senatorial campaign of Gov. Lloyd C. Stark.

I know nothing about political conditions in the State of Missouri. I do know that there is a bill pending in the House of Representatives, which was passed by this body after some few weeks of debate, on the 18th day of March, if I am not incorrect in my memory, which would tend in some degree to afford relief against such conditions.

Mr. SCHWELLENBACH. Mr. President, will the Senator give the name by which that legislation is popularly known?

Mr. HATCH. I should prefer that the Senator from Washington would do that.

Mr. HATCH subsequently said: Mr. President, in connection with the legislation pending in the House of Representatives which I mentioned a moment ago, when I read the bulletin which appeared in this afternoon's Star the sole information I had on the subject was just what the newspaper stated. Since then the chairman of the Senate Committee Investigating Campaign Expenditures, who is now in the Chamber—and I was looking for him—came to me and told me that the chief trouble and difficulty the committee has in instances which he says are correctly revealed by this bulletin is that there is absolutely no legislation which will enable the committee to do anything other than to give publicity to its findings.

I am sure the Senator from Iowa [Mr. GILLETTE] will concur in that statement, and will also concur in the thought that it is necessary for the Congress, either at this session or at some other time, by adequate legislation, to go as far as it can and do as much as it possibly can under the Constitution to prevent such things as this happening.

Mr. GILLETTE. Mr. President——

Mr. HOLT. I yield to the Senator from Iowa.

Mr. GILLETTE. I am very glad to corroborate the statement just made by the distinguished Senator from New

Mexico about the bill to which he refers. The Senator who now graces the chair, presiding over the Senate (Mr. MILLER in the chair), as a member of the special committee, and the vice chairman of it, knows that it is true that we would find our work immeasurably aided if the legislation which has been fostered, introduced, and sponsored by the Senator had passed the House and were now the law of the land.

Mr. HATCH. Mr. President, will the Senator further yield?

Mr. HOLT. I yield.

Mr. HATCH. I merely wish to say to the Senator from Iowa that I had no thought of calling this special legislation to the attention of the Senate. What I wanted to call to the attention of the Senate was the evil which this bulletin reveals.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Calloway, one of its reading clerks, announced that the House had passed without amendment the following bill and joint resolution of the Senate:

S. 2047. An act to divest prize-fight films of their character as subjects of interstate or foreign commerce, and for other purposes; and

S. J. Res. 279. Joint resolution to amend section 4 of Public Resolution No. 54, approved November 4, 1939, entitled "Joint resolution to preserve the neutrality and the peace of the United States and to secure the safety of its citizens and their interests."

The message also announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 9850) to expedite the strengthening of the national defense.

The message further announced that the House still further insisted upon its disagreement to the amendments of the Senate Nos. 35, 36, 37, 38, and 39 to the bill (H. R. 9007) making appropriations for the Department of Labor, the Federal Security Agency, and related independent agencies, for the fiscal year ending June 30, 1941, and for other purposes.

The message also announced that the House had passed the following bills, in which it requested the concurrence of the Senate:

H. R. 6572. An act to amend the Merchant Marine Act, 1936, as amended, to provide for marine war-risk insurance and reinsurance and for marine risk reinsurance, and for other purposes; and

H. R. 9899. An act extending the jurisdiction of the Civil Aeronautics Authority over certain air-mail services, and for other purposes.

HOUSE BILLS REFERRED OR PLACED ON CALENDAR

The following bills were each read twice by their titles and referred, or ordered to be placed on the calendar, as indicated below:

H. R. 6572. An act to amend the Merchant Marine Act, 1936, as amended, to provide for marine war-risk insurance and reinsurance and for marine-risk reinsurance, and for other purposes; to the Committee on Commerce.

H. R. 9899. An act extending the jurisdiction of the Civil Aeronautics Authority over certain air-mail services, and for other purposes; to the calendar.

EXPEDITION IN NAVAL SHIPBUILDING

The Senate resumed the consideration of the bill (H. R. 9822) to expedite naval shipbuilding, and for other purposes.

Mr. HOLT obtained the floor.

Mr. CLARK of Missouri. Mr. President, will the Senator yield?

Mr. HOLT. I yield.

Mr. CLARK of Missouri. During the remarks of the distinguished Senator from Indiana some controversy arose as to what had actually happened in the Committee on Military Affairs during the investigation of the sale to France of planes designed for the American Army somewhat over a year ago.

I simply desire to call attention to what actually happened. The entire testimony before the Committee on Military Affairs was taken in shorthand. My motion to make that record public was voted down. Then, despite the tremendous surge of popular opinion in favor of making the record public, the record never was made public, but a new hearing was held, in which the witnesses were supposed to repeat what they had said in the first hearing. Even the second hearing did not completely and adequately report the testimony before the Military Affairs Committee.

I hold in my hand the record which was finally given out, after two or three tries, after all the witnesses had testified two or three times and two or three times had been afforded the opportunity of correcting and deleting their testimony. I hold in my hand the record of the hearings before the Committee on Military Affairs of the United States Senate, Seventy-sixth Congress, first session, on H. R. 8379. I invite any Member of the Senate or any citizen of the United States to examine that record and note the large number of instances in which stars and asterisks are printed. I happen to note one instance on page 210, two on page 211, three on page 212, one on page 213, and various other instances in which stars indicate that the essential testimony, to part of which I referred this afternoon, has been deleted in the publication of the testimony. I call to the memory of the Senator from North Dakota [Mr. NYE], the Senator from North Carolina [Mr. REYNOLDS], and the Senator from Colorado [Mr. JOHNSON], whom I happen to see sitting immediately before me, some of whom are members of that committee, certain facts and testimony of the very greatest importance, which does not appear in the published testimony.

The Senator from Indiana has referred to the attitude of the Secretary of War, the Honorable Harry H. Woodring. In my opinion, Secretary Woodring was a very able and extremely efficient Secretary of War. He worked in closest harmony with the officers of the General Staff and the officers who had responsibility for the military defense of the United States. From the testimony which I heard as a member of the Military Affairs Committee and what I read in the public press, I am of the opinion that Secretary Woodring has been sacrificed—for political purposes, of course, because a coalition Cabinet was desired—but much more fully, because of his objection to giving away instruments and weapons essential to the defense of the United States. There is no point in the Senator from Indiana, the Senator from North Dakota, myself, or anybody else expressing his opinion as to what the position of the Secretary of War was. I apprehend that his position with regard to the conduct of the War Department in the past few years may be best expressed in the letter which he wrote to the President of the United States in resigning. I have no personal knowledge of the letter, and all I know about it is what I have seen in the stories which have been printed in the newspapers, one of which was ostensibly on the authority of the Secretary of War, Mr. Woodring, some time ago.

Mr. President, I call attention to the fact that a very unusual procedure has been followed in this case. Ordinarily the whole correspondence in connection with the resignation of a Cabinet officer is given out from the White House as a matter of course. In this case the Secretary to the President stated that the letter of resignation of the Secretary of War was too personal to be made public. Personal to whom, Mr. President? Certainly the Secretary of War, if he had assigned any particular personal reason, such as illness in his family or personal illness, would have had no objection to the letter being made public. As a matter of fact, it does not appear that the Secretary of War had any objection to the letter being made public. It seems to me that possibly we can best arrive at the position of the outgoing Secretary—I will say the kicked-out Secretary, who I think was a very great Secretary—by an examination of the letter which he wrote the President when he resigned.

Something has been said by several Senators today about the desirability of making public that communication. Let me say, Mr. President, that if it is not forthcoming it is

my intention, before the Senate adjourns tonight, to introduce a resolution requesting the President of the United States, if not incompatible with the public interest, to make public the letter in which the Honorable Harry H. Woodring resigned as Secretary of War.

Mr. MINTON. Mr. President, will the Senator yield?

Mr. HOLT. I yield.

Mr. MINTON. I merely wish to add to the RECORD that while he was Chief of Staff, General Craig also agreed with the policy of selling airplanes and other materials to foreign countries. I read from General Craig's testimony before the Military Affairs Committee on the subject on the 28th of January 1939:

General GRAIG. In reply to the Senator's inquiry regarding the advantage we would derive from selling planes abroad, I think, and have thought before, that it is the soundest kind of proposition for the United States to seek the placing of its airplane products in foreign countries. It would settle the question that has been brought up about maintaining work on a permanent basis in our factories. It settles the question, which is a terrible bugaboo, of obsolescence of planes.

And so forth.

Mr. CLARK of Missouri. Mr. President, will the Senator from West Virginia yield to me to permit me to ask the Senator from Indiana a question?

Mr. HOLT. I yield.

Mr. CLARK of Missouri. The Senator from Indiana does not contend, of course, that that conversation had any reference to the sale of planes actually in the possession of the United States Army?

Mr. MINTON. Not at all.

Mr. CLARK of Missouri. I do not know whether or not the Senator was present when I asked General Craig a question before the committee, which question does not appear in the record, I freely admit, but which I am sure certain Members of the Senate who were members of the Military Affairs Committee at that time will recall. I told General Craig that I was not interested in the opinion of the General Staff; that I myself had once been a member of the General Staff, and that I knew that the opinion of the General Staff was the opinion of the Commander in Chief, which he told the General Staff to have, but that I was interested in his opinion. General Malin Craig was a great Army expert, a man for whom I had great respect, under whom I myself had served. I asked General Craig the question:

Do you believe in selling any planes to foreign powers which appear to be necessary to the defense of the United States?

General Craig leaned across the table and banged his big fist on the table, and said, "You know damned well I do not." I think certain Members of the Senate will be glad to testify to that. I do not know whether or not the Senator from Indiana was present at that committee meeting.

Mr. MINTON. Mr. President, if the Senator from West Virginia will permit me——

The PRESIDING OFFICER. Does the Senator from West Virginia yield to the Senator from Indiana?

Mr. HOLT. I do.

Mr. MINTON. I am sure I was present, as I was usually present; and the appearance of the Senator from Missouri at a Military Affairs Committee meeting was so infrequent that I am bound to remember it. I think that probably happened.

Mr. CLARK of Missouri. I will say that during the time I was a member of the Military Affairs Committee I never missed a meeting.

Mr. MINTON. Neither did I.

Mr. President, for the sake of the record, and in order to show that the Senator from Missouri [Mr. CLARK], like all the rest of us, is fallible, I read from the record before the Military Affairs Committee on February 21, 1939. The Senator from Missouri was not present. Those present, according to the reporter's record, were Senators SHEPPARD, LOGAN, MINTON, LEE, AUSTIN, GURNEY, and HOLMAN.

Mr. CLARK of Missouri. Mr. President, if the Senator from Indiana desires to go into that subject, the Senator very well knows the practice in the Military Affairs Committee of meeting right outside the Senate Chamber; and Senators walk in and walk out, depending on the condition of business on the floor. Many of those sessions were held while the Senate was in session, and at many of them I was not present at the beginning of the session; but I do not think there was a single one held during the time I was on the Military Affairs Committee which I did not attend.

Mr. HOLT. Mr. President, I did not rise to discuss this question; but, in passing, I must comment upon the talk of the Senator from Florida [Mr. PEPPER]. He said that we isolationists—and I am an isolationist, and am not afraid to say it publicly—were leading the country into war.

I fear he is badly mistaken. There is no danger from the isolationists of our entering the war. The danger is from the interventionists, these individuals who want to tear Hitler apart and scatter his blood in every stream in the world, as the Senator from Florida says. I do not want to see that happen to anybody. As despicable as Hitler may be, as terrible as he may have shown himself to the world to be, I would not want to see his blood strewn to the world. I have not reached the point of hysteria where I love to look at blood, gory blood, and take delight in seeing it spilled just because I may disagree with somebody who has done wrong and who we all admit has done wrong.

No; it is not the policy of appeasement that is going to get this country into war. It is the policy of involvement and intervention that is going to get this country into war.

I only ask that the people read the record of the speech of the Senator from Florida when he says there is not one man in Congress who would declare war. Read the speech and be your own judge.

Mr. PEPPER. Mr. President——

Mr. HOLT. I yield to the Senator from Florida.

Mr. PEPPER. The Senator is making that as a deduction, I am sure, and does not purport to quote any direct statement which the junior Senator from Florida has ever made. On the contrary, I have repeatedly stated in response to questions of the Senator from West Virginia, and I believe in a colloquy with the able Senator from Missouri [Mr. CLARK] that the junior Senator from Florida would not declare war against Germany or any other power. The Senator from Florida does advocate, as the best way to defend America, to remove America's menace by aiding the Allies in every way short of war that they can be aided to destroy Hitler in Europe, so that we shall not have to worry about him in this hemisphere.

Mr. HOLT. If aiding the Allies would require an act of war, would the Senator from Florida go along on such an act?

Mr. PEPPER. I can answer that question definitely in this way: I am willing to do everything except send American soldiers, sailors, or marines abroad.

Mr. HOLT. Would the Senator be willing to send the Navy to Europe?

Mr. PEPPER. If they could go into some other country's Navy, if that country would man the Navy, I would be willing to let some of them go, if the British would take them and use them against Hitler, but not with American boys.

Mr. HOLT. Would the Senator be willing to turn our Navy over to England?

Mr. PEPPER. I said some of the Navy.

Mr. HOLT. How much?

Mr. PEPPER. As much as I thought would crush Hitler in Europe.

Mr. HOLT. But, if it took all of the Navy to crush Hitler, would the Senator be willing to turn over all of it?

Mr. PEPPER. If I knew that all of it would crush Hitler, we would not need any Navy.

Mr. HOLT. The Senator would take the Navy and send it abroad. Then if the Senator says he is not interested in an act of war, does the Senator mean to tell the Senate that sending our Navy abroad in that way would not be an act of war and constitute our entrance into war?

Mr. PEPPER. I answered the Senator a moment ago. I am willing to do anything that the Commander in Chief of our Army and Navy, the President, with his usual advisers,

might be willing to do that would not involve sending a single American boy as a soldier, sailor, airman, or member of the Marine Corps.

Mr. HOLT. Does the Senator think we could send the Navy abroad without involving America in war?

Mr. PEPPER. I did not say send the whole Navy.

Mr. HOLT. No; I mean, send any part of it.

Mr. PEPPER. I would be very glad to do that, and think it would be a wise thing to do.

Mr. HOLT. The Senator favors, then, sending at least part of our Navy into the battle zones of Europe?

Mr. PEPPER. I did not say that. I said I would be willing to let the British have a part of our Navy which I thought the Commander in Chief, in his opinion, would permit to go, it to be manned by British sailors, and be operated as a part of the British forces, in an effort to keep Hitler from spreading outside of Europe.

Mr. HOLT. Does the Senator say that would not be an act of war?

Mr. PEPPER. It would depend on how Hitler was feeling that morning as to whether it would be an act of war. [Laughter.]

Mr. CLARK of Missouri. Mr. President, will the Senator yield?

Mr. HOLT. I yield.

Mr. CLARK of Missouri. Has anybody the slightest idea on earth that if we were to send our Navy, either the whole of our Navy or part of our Navy, or the whole of our planes, or part of our planes, they would not be surrendered in any sort of situation which might develop which involved the surrender by the nation to which we sent them? In other words, the proposition of the Senator from Florida is completely to denude the United States of its own defenses, pitiful as they may be.

Mr. PEPPER. Mr. President, the Senator states an inaccuracy there, undoubtedly unintentionally, when he says the Senator from Florida would denude this country of its naval forces. We let them have a few mosquito boats, the value of which was $3,000,000, in order to help in the defense of Great Britain, letting them be sold by private enterprise; and this morning you would have thought the world was going to collapse, to hear some of the disturbance of Senators here in this chamber.

Mr. CLARK of Missouri. Mr. President, will the Senator yield?

Mr. HOLT. I yield to the Senator from Missouri.

Mr. CLARK of Missouri. If that was done in flat contravention of a Federal penal statute, if the defenses of the United States were taken away for the purpose of defending anybody else—anybody in the world, no matter how much we may sympathize with them—I say a criminal act was performed, and I defy the Senator from Florida to tell me why a criminal act was not performed, which ought to be taken cognizance of by the Department of Justice.

Mr. WHEELER. Mr. President, will the Senator yield?

Mr. HOLT. I yield.

Mr. WHEELER. As I read the speech of the Senator from Florida a few days ago, his seven-point or five-point program——

Mr. HOLT. Seven pillars of wisdom.

Mr. PEPPER. American defense, why not call it?

Mr. WHEELER. I understood he wanted to give the President power to abolish any laws on the statute books which he thought the President might think he should abolish, and, of course, if he had that power, the Senator from Florida would set up a dictatorship in this country, and he would suspend any criminal laws, or other laws. We would do away with the Congress of the United States during that period of time—excepting, perhaps, the Senator from Florida.

Mr. HOLT. That is correct. I intend to discuss that in a moment.

Mr. PEPPER. Mr. President, will the Senator yield?

Mr. HOLT. I yield.

Mr. PEPPER. If I am not misinformed, the chairman of the Senate Committee on Naval Affairs stated this morning that the naval authorities, in allowing these boats to go to Great Britain, acted within the authority of the law.

Mr. CLARK of Missouri. Mr. President, if the Senator will permit me, he stated no such thing. He said that the naval authorities claimed that they were not apprised of the existence of that statute. Of course, the Senator from Florida being a graduate of the Harvard Law School is certainly familiar with the fundamental legal principle that ignorance of the law excuses no man. [Laughter.]

Mr. PEPPER. Mr. President, will the Senator from West Virginia yield?

Mr. HOLT. I yield.

Mr. PEPPER. As I understood the explanation of the chairman of the Committee on Naval Affairs, as more particularly adverted to by the Senator from Louisiana this morning, all the Navy had done was to alter a contract which it had with a private shipbuilding firm for the construction of certain craft. They merely altered a contract, as they had a right to do, and by the alteration of that contract they allowed the shipbuilder to retain these ships which it had been building under contract for the United States Government. Then the private shipbuilder, being released from its obligation to deliver those ships to the United States Government, sold them to the British Government. Was that not what they did?

Mr. HOLT. While the Senator is speaking, I should like to ask him a question. Does he feel we can spare any of our Navy to Britain?

Mr. PEPPER. There are two answers to that question. We can spare them upon the same principle that was spoken of by the able Senator from Louisiana, who is a member, as I recall, of the Committee on Naval Affairs, and heard the testimony offered by the Acting Secretary of the Navy to the effect that they can build these boats in 6 months, I believe he said, that they were trying by these experimental orders to develop a shipbuilding capacity which would enable them to build them in bulk, in mass.

Mr. HOLT. Those are mosquito boats, those which can be built in 6 months. I mean the big boats, which really fight.

Mr. PEPPER. I am talking about the boats which were sold and were the subject of criticism this morning.

Mr. HOLT. The Senator said he would send the Navy over. Would he send any destroyers?

Mr. PEPPER. Just a moment. I stated on the floor this afternoon that the junior Senator from New York [Mr. MEAD] told me today, being familiar with the Curtiss activities in Buffalo, that when this law was passed last year, against which the isolationists in this body voted, at that time saying that it would deplete our defenses if we let them be sold over there, the Curtiss factory was building one plane a week. Later on they began to turn out, under the impulse of those orders, one plane a day, and now they are turning out five a day. I understood the same principle to be applicable to the case of the little mosquito boats which were the subject of the debate this morning.

Now, as to the second part of the question, if in the opinion of the Commander in Chief, who is responsible to the country, under the Constitution, for our armed forces, they could be sold without impairing our naval facilities for defense here, then I would say "Yes."

Mr. HOLT. Would the Senator also agree to do that with the warships, the battleships?

Mr. PEPPER. I would apply the same principle; yes; to any craft we had.

Mr. HOLT. That answer is just exactly what I thought the Senator would say.

Mr. PEPPER. Just one moment, and I will answer another phase of it. We have some old destroyers.

Mr. HOLT. I am not talking about old ships. The Senator says he wants to whip Hitler, and you have to whip him with good boats.

Mr. PEPPER. I want to whip him with the old and the new. We have some old destroyers that have been reconditioned by the Navy.

Mr. HOLT. That is correct.

Mr. PEPPER. I would be willing directly to sell the British those destroyers if they would do them any good, and they would pay for them, and deliver them under their own head of steam.

I believe that crushing Hitler in Europe is so vital to the United States that whatever could be done with the approval of the Commander in Chief, advised by the Army and Navy authorities, I am in favor of, because I know if we destroy the danger at its source there is no danger of it spreading over here.

Mr. HOLT. The Senator even said it would take 6 months to build these boats. But listening to him today, he would have Hitler on the Panama Canal before long. First he had him in France and England, then in Uruguay, in South America and Central America, and, frankly, I am looking for him in Washington tonight. Of course, it may be the Fourth of July.

Mr. PEPPER. He has his agents in Washington tonight; the Senator need not worry about that.

Mr. HOLT. I think that is correct, I do not deny that at all, but if we are in the danger the Senator from Florida says we are, why should he strip our Navy and our Army of the defenses needed to stop Hitler, if he should come over here?

The PRESIDING OFFICER. The Chair admonishes Senators who have the floor that an enforcement of the rule has been suggested, and the rule provides that a Senator may yield only for a question, and not for a running debate. I hope no request will be made for an enforcement of the rule.

Mr. PEPPER. Mr. President, will the Senator from West Virginia yield?

Mr. HOLT. I yield.

Mr. PEPPER. How many miles is there in the coast line of the Western Hemisphere for the American Navy to defend, from the northern part of Iceland around the coast to Alaska?

Mr. HOLT. I cannot answer that. I do not know.

Mr. PEPPER. Will the Senator believe it if I say that the hydrographic service says it is more than 43,000 miles?

Mr. HOLT. I would believe that.

Mr. PEPPER. The Senator will admit that under the Monroe Doctrine we have the obligation to defend with our Navy the whole Western Hemisphere, does he not?

Mr. HOLT. That is correct.

Mr. PEPPER. What is the distance from Brazil to the coast of Africa?

Mr. HOLT. The Senator is trying to teach me geography. I cannot answer him. I do not know.

Mr. PEPPER. It is about 1,400 miles.

Mr. HOLT. The Senator from Arizona, who knows almost everything, says 1,600.

Mr. PEPPER. Very well, let us say it is 1,600 miles. Is it a shorter distance or a longer distance from the United States of America to Brazil?

Mr. HOLT. I know that if we have 43,000 miles of coast line to defend we cannot spare one destroyer, one mosquito boat, one warship, or one plane. Let us keep them to defend those 43,000 miles, and keep them on this side of the Atlantic.

Mr. PEPPER. Will the Senator yield?

Mr. HOLT. I yield.

Mr. PEPPER. Does the Senator deny the information that was quoted on this floor, that a combination of the fleets of France, Italy, and Germany would be approximately equal to the strength of the British Fleet?

Mr. HOLT. I could not say; I do not know about that.

Mr. PEPPER. If the Senator would indulge the presumption that they would be about equal——

Mr. HOLT. Yes.

Mr. PEPPER. Then if we add the Japanese Fleet as a danger to that combination——

Mr. HOLT. Why not throw in the Swiss Fleet with them? [Laughter.]

Mr. PEPPER. I do not think there is any particular danger from the Swiss Fleet, but it seems to me we have enough of the United States Fleet in the Pacific Ocean to indicate that there might be a little danger from the Japanese Fleet.

Mr. HOLT. Will the Senator really tell the Senate why the fleet is in the Pacific? Is it not to protect British interests, as well as our own?

Mr. PEPPER. Mr. President, the Senator is a Member of the United States Senate——

Mr. HOLT. And I am a member of the Committee on Naval Affairs, too.

Mr. PEPPER. Quite right. If the Senator has any evidence to that effect, I think it would be well for him to state it.

Mr. HOLT. I should be glad to state it. I should be glad to ask the Senator what Captain Ingersoll said in 1938, when he went to London and discussed the plans of cooperation between the English Navy and the United States Navy. What did they mean? Time after time the English Government officials said, "We have a parallel and coordinate policy with the United States in the Pacific." I have the document in which that is stated, and I ask permission to place it in the RECORD at this point in my remarks. I do not have it with me at the time, but I want it in the RECORD.

The PRESIDING OFFICER. Is their objection?

There being no objection, the matter was ordered to be printed in the RECORD. The statement from the Round Table as to the activities of Captain Ingersoll in the parallel policy of Great Britain and the United States in the Pacific is here printed in full as follows:

Capt. R. E. Ingersoll, Chief of the War Plans Division of the Navy Department, spent late December and early January in London, conferring with the Admiralty. His outward mission was to find out what is happening technically in British naval construction, particularly as concerns new battleships and the caliber of guns they mount. Another obvious job was to find out if the Admiralty possesses any information unknown in Washington about the rumored new Japanese battleships supposed to be of some 46,000 tons and mounting 18-inch guns. But a mission of even more importance to both Governments, it may safely be assumed, was to discuss the possibility and ways and means of naval cooperation in the Far East. Captain Ingersoll's unheralded visit suggests in essence the exchange of information in prewar days—or in the last year or two—between Paris and London, but it has no such precedent in Anglo-American relations.

When the general public comes to know of these goings on, opinion may well take fright, reasonably or not.

Also, from the book, And So to War, written by Hubert Herring, one notes this discussion of Captain Ingersoll's visit:

On the question of an agreement with Great Britain, it was revealed that Captain Ingersoll, the naval chief of war plans, had recently spent some days in London. His visit was kept a great secret, and was only accidentally revealed. Congressman BREWSTER, of Maine, and others demanded the meaning of that visit. Admiral Leahy refused to say what had transpired. He would, he said, explain only in executive session. Was there, then, some sort of arrangement with Great Britain? Secretary Hull promptly repudiated the notion. But, on February 9, Arthur Krock, Washington correspondent of the New York Times, and generally credited with unusually close relations with the White House, the State Department—and with the British Embassy—wrote that American consultations with Great Britain and France looked toward parallel actions "in the event of one of the only two days the democracies can envisage at any time in the near future." "This correspondent," says Mr. Krock, "is expertly informed that, should it at any time serve the common interests of the two great democracies, their navies would automatically complement each other in the Pacific. He is more inclined to think the complementing would be the result of a very private and common-sense understanding among experts and political realists." But, of course, there is nothing formal about such an agreement. "This is the kind of understanding," continued Mr. Krock, "that is hardly more than a wink or a nod, the sort of thing not Mr. JOHNSON (Senator HIRAM JOHNSON of California) or anyone else can extract from men's inner minds by means of a resolution. This is what irritates them, and makes them anxious, too. For these groups sincerely believe we should have a foreign and defense policy that is totally exclusive, even when it would serve our immediate interest to do otherwise; that our fleet should be no larger than sufficient to defend our coasts and possessions—not the Philippines—and that to exchange even a wink with Great Britain will surely involve us in a war * * *."

The puzzled public had all this to mull over.

Mr. Hull said that we had no agreement with Britain.

Admiral Leahy said that he wouldn't tell anything except in executive session.

Mr. Krock spoke of a nod and a wink.

The skepticism of the general public was voiced by Senator ROBERT M. LA FOLLETTE. "Millions of citizens," he insisted, "want to know what occasions this increase of naval armament and what foreign policy the Navy is intended to implement."

Mr. PEPPER. Does the Senator agree to the British statement that the United States Government and the British Empire both have interests in the Pacific?

Mr. HOLT. We both have interests there now.

Mr. PEPPER. Then it is only proper that we should be out there looking after our interests also, is it not?

Mr. HOLT. Leave the word "also" out and I will agree——

Mr. PEPPER. The Senator probably wants the British Fleet to look after Hawaii, Guam, and the western coast of the United States?

Mr. HOLT. No; we should look after them. The British Fleet should look after the British possessions.

The PRESIDING OFFICER (Mr. MILLER in the chair). Let the Chair admonish Senators that the rule will be enforced from now on in debate. The Senator may yield for a question. He may not yield for a statement in the guise of a question.

Mr. GILLETTE. Mr. President, will the Senator yield?

Mr. HOLT. I yield to the Senator from Iowa for a question.

Mr. GILLETTE. Will the Senator yield to me to read the law that has been discussed here?

Mr. HOLT. I should like to do so, but I am supposed to be a special character, and the rule is supposed to apply in respect to me. I do not hold anything against the Presiding Officer for enforcing the rule. I realize the fairness of the Presiding Officer, and do not condemn him for his ruling.

Mr. GILLETTE. Mr. President, will the Senator yield for a question?

Mr. HOLT. I yield for a question.

Mr. GILLETTE. I ask the Senator from West Virginia if this is not the law of the United States at the present time as presented in the Naval Affairs Committee——

The PRESIDING OFFICER. The Chair will say that the rule does not enable any Senator to interrupt for the purpose of asking a question which calls for an answer such as the question now asked calls for. The Senator from West Virginia may ask unanimous consent that he may yield to the Senator from Iowa for the purpose of reading the statute.

Is there objection to such request? There being no objection, the Senator from Iowa may proceed.

Mr. GILLETTE. Mr. President, in the colloquy between the distinguished Senator from West Virginia and the equally distinguished Senator from Florida, there seems to be a misapprehension on the part of the Senator from Florida as to what the present law is with reference to the possibility of the United States giving up any authority over vessels that are being constructed for the United States for the purpose of transfer to a belligerent nation. In that connection, with the permission that has been so kindly secured by the Chair, I will again read this law, which was passed June 15, 1917:

During a war in which the United States is a neutral nation, it shall be unlawful to send out of the jurisdiction of the United States any vessel built, armed, or equipped as a vessel of war, or converted from a private vessel into a vessel of war, with any intent or under any agreement or contract, written or oral, that such vessel shall be delivered to a belligerent nation, or to an agent, officer, or citizen of such nation, or with reasonable cause to believe that the said vessel shall or will be employed in the service of any such belligerent nation after its departure from the jurisdiction of the United States (June 15, 1917, ch. 30, title V, 3, 40 Stat. 222).

Whoever, in violation of any of the provisions of sections 25, 27, and 31 to 38 of this title, shall take, or attempt or conspire to take, or authorize the taking of any such vessel, out of port or from the jurisdiction of the United States, shall be fined not more than $10,000 or imprisoned not more than 5 years, or both; and, in addition, such vessel, her tackle, apparel, furniture, equipment, and her cargo shall be forfeited to the United States (June 15, 1917, ch. 30, title V, 6, 40 Stat. 222).

Mr. HOLT. I thank the Senator from Iowa. I should like to proceed and discuss the proposition of defense. I may say I have no quarrel——

Mr. CLARK of Missouri. Mr. President, before the Senator goes to that, will he yield?

Mr. HOLT. I yield.

Mr. CLARK of Missouri. I will not again interrupt him.

Mr. HOLT. I have no objection to the Senator interrupting me.

Mr. CLARK of Missouri. I am anxious to hear the speech of the Senator from West Virginia. I merely desire to ask him if, in his opinion, the Senator from Florida were created a dictator, for which he shows every temperamental qualification, and was able to turn the Navy of the United States, without personnel, over to a belligerent power, and then the United States should be attacked, assuming that Navy had been lost or been surrendered—if the United States were attacked, what would the thousands of bluejackets who had been enlisted in the United States Navy be able to do in the defense of the United States except to stand on shore and shoot at the invaders?

Mr. HOLT. I believe they could begin practicing in rowboats on the Florida ship canal.

Mr. PEPPER. Mr. President, will the Senator yield?

Mr. HOLT. I yield for a question, so that I may maintain the floor.

Mr. PEPPER. Will the Senator be kind enough to ask the able Senator from Missouri just what he meant by the statement that the Senator from Florida had exhibited a temperamental fitness to be a dictator? I should be glad to have the Senator state what he means by that statement.

Mr. HOLT. Mr. President, I shall ask unanimous consent to have the Senator from Missouri tell the Senate what he thinks about the Senator from Florida.

Mr. CLARK of Missouri. Mr. President, I can go into the matter in the form of a question.

Mr. HOLT. I yield for a question.

Mr. CLARK of Missouri. Does not the Senator from West Virginia know that the other day the Senator from Florida put into the RECORD, in a thumbnail fashion, a plan of dictatorship designed for the United States which would make Hitler blush?

Mr. PEPPER. Mr. President——

Mr. HOLT. I am going to discuss that for a moment, but I yield to the Senator from Florida first.

Mr. PEPPER. I ask unanimous consent, Mr. President, to refer to the proposal to which the Senator from Missouri adverted.

Mr. HOLT. I intend to do that in my own time, Mr. President. I shall discuss all seven of those points in order, so the people of the country can see the first blueprint of dictatorship in America.

Mr. PEPPER. Will the Senator yield for a question?

Hr. HOLT. Yes; I yield to the Senator from Florida.

Mr. PEPPER. The Senator is going to read the proposals and refer to them?

Mr. HOLT. Yes. I shall read all seven of them, and then discuss them.

Mr. PEPPER. The Senator is also going to read the language in connection with each one of those proposals that indicates that each one of them is for the defense of America, is he?

Mr. HOLT. I will not agree that they are for the defense of America.

Mr. PEPPER. But the Senator is going to read them?

Mr. HOLT. I would hardly agree with the statement of the Senator from Florida that they are for the defense of America.

Mr. PEPPER. Is the Senator going to read the language at the beginning of the seven points, as follows:

Confer upon the President full wartime power to prepare and defend America?

Mr. HOLT. Yes.

Mr. PEPPER. Very well, if the Senator does it that way——

Mr. HOLT. I intend to do it in my own time. I shall discuss each of the points.

Mr. PEPPER. Will the Senator point out very clearly in his speech that the power which the Senator from Florida proposed to confer was not upon the Senator from Florida, but upon the duly elected President of the United States, whomever he may happen to be before November and after November?

Mr. HOLT. That is correct. I intend to discuss that in a moment. Of course it does not make any difference—any placing of power in the hands of an individual is the same, whether it is here or any place else. But I was very much interested when the Senator was speaking—I listened to him with a good deal of interest—I may say with wonder, when he spoke about the fact that he wanted us to stop Hitler and just tear him apart. He just wanted to tear him apart, and he wanted to drop a drop of the blood in Ohio, he wanted to drop a drop of his blood in Mississippi, and then two drops of blood in South America. He says the reason he wants to do that is that Hitler is going to take our trade—and I wrote down the exact language—take our trade away from us. In other words, America is going to kill her soldiers, her boys because of trade.

Mr. PEPPER. Will the Senator yield for a question?

Mr. HOLT. I yield for a question.

Mr. PEPPER. Does not the Senator recall that the description that the Senator is referring to was used by the Senator from Florida after he was describing the suffering that Hitler had brought upon the world, and the deaths that he had caused by his unprovoked attack in bringing on this war?

Then I stated in substance, after describing the suffering and the deaths that he had brought upon the world by his aggression, that as retribution for what he has done, if he received his justice, that is what would happen.

Mr. HOLT. I am sorry the Senator, after an hour of thinking it over, admits the same thing—that he would tear him limb from limb, scatter his blood from one end of the world to the other. But it will not be scattered by any Member of the United States Senate. Let Senators not fool themselves about that. It will be scattered by the boys who are sent to spill their blood, not our blood.

The Senator speaks of our country spending $2,000,000,000 for the establishment of a cartel, because of Hitler. It is better to spend $2,000,000,000 for the establishment of a cartel than it is to sacrifice the boys of the United States on the battlefields of Europe. Yes; it is a great deal better to do that.

The Senator speaks about how much we are spending because of Hitler. If we get into this war, as some individuals might like to see us do, we will spend that money more quickly and more destruction will be caused. The boys will lose, not money, which is something that can be replaced, but they will lose their own lives. They will lose their lives if we continue this policy of intervention, this policy of involvement in wars abroad.

The Senator says that he is in favor of the Monroe Doctrine. And in the next breath he shows he is not in favor of the Monroe Doctrine.

What do I mean? He is in favor of one part of the Monroe Doctrine, which says to Europe, "Stay out of America." How does he feel about the other part of the Monroe Doctrine, which tells Europe that the United States will stay out of Europe? He wants to go into Europe and become involved in Europe's affairs. He does not believe in that part of the Monroe Doctrine.

Mr. PEPPER. Mr. President, will the Senator yield?

Mr. HOLT. However, he believes in defending the Monroe Doctrine over here, from the Florida ship canal down to the lower tip of South America.

Mr. PEPPER. Mr. President, will the Senator yield for a question?

Mr. HOLT. I yield to the Senator from Florida.

Mr. PEPPER. Has the United States any "fifth column" operating in Germany?

Mr. HOLT. I could not say as to that.

Mr. PEPPER. Have the Germans any "fifth column" operating in the United States?

Mr. HOLT. Yes; they have; and so have the English.

Mr. PEPPER. Have the Germans any "fifth column" operating in South America?

Mr. HOLT. Decidedly; and so have the British. The Senator does not seem to see any "fifth column" unless it has something Germanic about it.

Mr. PEPPER. Will the Senator be good enough to describe the British "fifth column," comparable to the German "fifth column" in this country and in South America?

Mr. HOLT. I shall be glad to do so by explaining who the associates of the Senator from Florida are.

Mr. PEPPER. The only trouble——

Mr. CLARK of Missouri. Mr. President, a point of order.

The PRESIDING OFFICER. The Senator will state it.

Mr. CLARK of Missouri. I must object to the Senator from West Virginia yielding for anything except a question.

Mr. PEPPER. Mr. President, will the Senator from West Virginia yield for a question?

Mr. HOLT. I yield to the Senator from Florida for a question.

Mr. PEPPER. I shall be glad if the Senator will specify any of the associates of the Senator from Florida who he says are comparable to the German "fifth column" in the United States. Name them publicly.

Mr. HOLT. I shall be glad to name them for the Senator, starting with the best one, Lord Lothian, with whom the Senator likes to have tea.

Mr. PEPPER. Will the Senator specify one time when the Senator from Florida has ever had tea with Lord Lothian?

Mr. HOLT. Yes.

Mr. PEPPER. Let the Senator name it.

Mr. HOLT. I remember the garden party, which the Senator got all "diked up" to attend.

Mr. PEPPER. Lord Lothian was not here at that time. That was at the British Embassy, at the time of the visit of the King and Queen of Great Britain. The Senator from Florida, because he was a member of the Senate Foreign Relations Committee, received an invitation, as did every other Senator who was a member of the committee. I do not believe the Senator from West Virginia received an invitation.

Mr. HOLT. Oh, yes.

Mr. PEPPER. I believe finally the list was expanded.

Mr. HOLT. That is true. I am not on the social lists around Washington.

Mr. PEPPER. Except for the occasion of the visit of the King and Queen, when the Senator from Florida attended the garden party, does the Senator know of any time when the Senator from Florida had tea with the British Ambassador?

Mr. HOLT. I shall discuss that question later.

Mr. PEPPER. The Senator has made the statement on the floor. When was it?

Mr. HOLT. I will tell the Senator, in most emphatic language, a number of instances in which the Senator has conferred. The British do not have to have propagandists. They have native American propagandists.

As to my invitation to the tea, let me discuss that with the Senator.

Mr. PEPPER. Mr. President——

Mr. HOLT. Just a moment. I have the floor, and I wish to discuss with the Senator the tea in which he was so much interested. He said that I did not receive an invitation. I admit that at first I did not receive an invitation. That was too bad. I was chagrined because I was not invited to go and kowtow before the King and Queen, and wait for 5 minutes after the King and Queen walked by so that I would not follow in their footsteps and step on the place where they had trod. Sir Ronald Lindsay, the British Ambassador at that time, said that going to the English garden party was like going to Heaven. Only a few got to go. Of course, I was not one who was entitled to go to the English heaven, as was the Senator from Florida. But let me say that finally, when the invitation was given to me, I declined because I had a great amount of work to do. If the Senator from Florida could have waited for a year, he could have gone to the same Embassy for a dollar instead of having to buy a new suit to go when the King and Queen were here. [Laughter.]

Speaking of the King and Queen, I should like to quote from Lord Lothian's magazine about how the King and Queen helped to propagandize America. He discusses the

visit of the King and Queen. I have that document somewhere among my papers.

Mr. President, I ask unanimous consent to have the document to which I refer printed in the RECORD at this point in my remarks. It deals with how the King and Queen propagandized America.

There being no objection, the document was ordered to be printed in the RECORD, as follows:

THE ROYAL VISIT

Now to a much pleasanter subject. The visit of the King and Queen is now 2 months old, but its effects remain as an important factor operating upon American public opinion toward the world problem today. Never has a ceremonial visit gone more satisfactorily, at least from the viewpoint of the visited. It must be recalled that, when the royal couple came, British policy and in a sense Great Britain itself were rather under a cloud in American eyes. The abdication crisis had never been accurately understood here, and Mr. Chamberlain's policies were the object of unrestrained criticism. The misunderstanding, of course, dated back at least to Sir John Simon's tenure of the foreign office in 1932. The composite picture was one in which the British ruling classes came off very poorly indeed.

The King and Queen almost completely reversed this picture. They typified something above passing cabinets; they typified the real British nations—all of them. First of all, Americans saw that they should amend their judgment about the abdication crisis. Viewing the queenliness of the Queen, they realized what unspoken motives had been involved in the British decision in 1937. The Queen's triumph, therefore, wiped out a very important source of misunderstanding.

It is a bit more difficult to explain how the royal visit made British policy in recent crises more comprehensible and attractive. The fact is simply this: The King and Queen were so very human and gracious and thoughtful, so altogether faithful and appealing in their impersonation of the British nation, that people said: "The good old British. They're not down yet. Yes, sir; they've got a lot of good qualities. You can depend on them. They're still pretty solid."

Similarly, the peculiar kinship between the United States and Great Britain was symbolized and recognized during the visit. Few Americans were blind to the significance of King George's wreath laid on George Washington's tomb, and few failed to comment upon it. Nothing was overdone about the trip. The itinerary was appropriately short, although it was fearfully intensive for the guests, and the absence of all outward propaganda efforts was entirely correct. All the same, Great Britain got more propaganda, more favorable publicity spread over the United States than she has had since 1918. The importance of this simple factor is not to be overlooked. In sum, the royal visit may be said to have rehabilitated British character in American eyes. And that is no small achievement.

Mr. HOLT. Mr. President, the Senator from Florida talks about the children playing on the Champs Elysees of Paris and how they did not know anything about the causes of war. I agree with him. They knew nothing in the world about the causes of the 1914–18 war, but its cruel hand actually pressed upon them. But the diplomats of France, who also were on the Champs Elysees, knew about the causes of the war.

The Senator asked what caused that war. He said that no treaties were involved. I thought the Senator from Florida was a better student of international affairs than to say that no treaties were involved in the war of 1914–17. I refer him to the book of the able former Senator from Oklahoma, Robert Owen, who showed many of the secret treaties involving Paris, London, Rome, and many, many other places in the world. Oh, yes; those treaties were there. The children did not know about them, just as the children do not know about the treaties and deals before the present war. But they paid the penalty thereof.

The Senator talked about the children of Germany, and said that they did not know anything about the suffering of war. Anyone who has read the history of Germany, and of the world, knows that those poor unfortunate children had no choice of their birthplace.

Mr. PEPPER. Mr. President, will the Senator yield?

Mr. HOLT. I should like to finish this thought, and then I shall be glad to yield to the Senator.

Those children had no choice of their birthplace. They were born in Germany, just as other children were born in France; and as a result of the terrible war thousands of those little children in Germany, some who were less than a year old, some a year or 2 years old, were starved to death. My heart goes out in pity to them, as well as to the children of all other nations.

The children of Germany were starved as a result of the terrible war. They deserve the pity of every right-thinking person. Deep in their hearts was bitterness and hatred. They are the men who are marching in Europe today. They are the children who were starved as a result of the blockade.

Mr. PEPPER. Mr. President, will the Senator yield?

Mr. HOLT. Just a moment. Those are the children who paid the price of war. I say again that my heart went out to all of them. Those children had no choice except to pay the penalty of torture for many years, and in many instances death. The children of almost all of the nations of Europe suffered then. We read in the newspapers accounts of persons killed by the bombing attacks of Germany. They are terrible, but on the back page we see a little picture of a child 9 years old, an American, born in the United States, who was killed as a result of the bombing of Germany. The Senator from Florida said nothing about that.

Mr. CHAVEZ. Mr. President, will the Senator yield?

Mr. HOLT. I yield to the Senator from New Mexico for a question.

Mr. CHAVEZ. I ask the Senator from West Virginia if it is not a fact that all wars bring horror. Is it not a fact that there are still living within the United States persons who saw the horror of the Civil War?

Mr. HOLT. That is correct.

Mr. CHAVEZ. Persons still living saw the horror that was brought about in the South by the march of Sherman from Atlanta to the sea. All wars bring horror. Is not that a fact?

Mr. HOLT. War, we are told, brings death, taxes, and widows; yes.

Mr. PEPPER. Mr. President, will the Senator yield for a question before he passes from that subject?

Mr. HOLT. I yield to the Senator from Florida for a question, but I hope to hurry on to what I intended to speak about when I got up to talk.

Mr. PEPPER. Very well. I want the Senator to be clear in his statement before he leaves the subject.

Did the German Government enter the war in 1914, and invade Belgium and France, in self-defense?

Mr. HOLT. No; they did not. Neither did England; neither did Russia; neither did France go into that war in self-defense. They went in for trade—the trade the Senator from Florida says we will lose if we do not go into war. If we must choose our trade, or our children, choose our children. The best market for America is within America, not looking across the sea to some foreign market; but the Senator from Florida defended the Treaty of Versailles when even his own tutor, Lord Lothian, will not do that. Yes; he defended the Treaty of Versailles. I stood on the floor of the Senate last year and read into the RECORD what the men who drafted the Treaty of Versailles said about it years afterward. It was one of the most vicious treaties in the history of the world; and I may say that the roots of this war, the roots of Hitlerism, go back to the Treaty of Versailles.

Why do I say that? Hitler is only a symbol of a terrible economic condition in Europe caused by war. Destroying Hitler will not do away with dictatorships. Another will follow in his place. The only way to cure dictatorship in the world is to bring about economic justice for the country so involved.

Mr. PEPPER. Mr. President, will the Senator yield?

Mr. HOLT. I yield to the Senator from Florida for a question.

Mr. PEPPER. If the Senator from West Virginia charges the Senator from Florida, because of the attitude he has taken in expressing his view as to the best way to defend America, with being the tool and the tutored one of Lord Lothian, I suppose if the effect of the policy of the able Senator from West Virginia is to give aid and comfort to Hitler, then his tutor is Herr Thompson, the German chargé d'affaires in Washington.

Mr. HOLT. I will say to the Senator from Florida that I do not know whom he is talking about. I never met him in my life; but my purpose is not to give aid to anybody except

the people of the United States. I am not pro anything except pro-American, and I am tired of these halfway Anglophiles talking about their Americanism.

Mr. PEPPER. What is the word for Germanophiles that is comparable to Anglophiles?

Mr. HOLT. I do not know. The Senator sleeps and dreams it. He should know.

Mr. PEPPER. I see enough of it here in the Senate to make me keep it in my mind, too.

Mr. HOLT. I cannot answer the Senator in his nightmares at all.

But what does the seven-point program which the Senator wants to set up provide for? He is going to set up this supposedly to save democracy somewhere else. Let me read these seven points in order, and then I may discuss them, or I may just brush them aside; but here they are as given by the Senator from Florida:

1. Confer upon the President full wartime power to prepare and defend America.
2. Universal defense service, so that every citizen may be best trained and placed for the country's defense.
3. Confer upon the President power to suspend all rules, regulations, and statutes, including Army, Navy, and departmental seniority regulations, which in his judgment interfere with the maximum speed in the production, transportation, or manufacture of defense materials.
4. Confer upon the President power to suspend the present debt limitation if in his judgment such limitation interferes with the maximum speed of the defense program.
5. Grant the President the authority to aid in material or credit those countries and nations which in his judgment at this time constitute America's first line of defense.
6. The President and the Congress to begin immediately the preparation and the adoption of a defense budget and a tax program adequate for the national defense.

I am looking for the seventh proposal.

Mr. PEPPER. Let me get the seventh while the Senator is at it. May I read it to him, or does he think he will find it there?

Mr. HOLT. I cannot find it.

Mr. PEPPER. Would the Senator mind my reading it and letting him compare it with his recollection as I read it.

Mr. HOLT. Oh, no; I have no objection.

Mr. PEPPER [reading]:

Confer on the President the power to take into custody, for the duration of the defense effort, all aliens whose freedom would in his opinion jeopardize the defense program.

Mr. HOLT. Those are the seven points. Give to one man authority to wipe out any law. Give him authority to do away with the acts that have protected labor, secured after many, many years of struggle for labor. Allow the commandeering of any plant that is necessary, just at the instance of one man. Draft everybody in the country for universal service. Repeal the Johnson Act, and give away our credits and our materials at the instance of one man—no authority other than that—and do all these things in the name of democracy. In the name of democracy, set up a dictatorship which is comparable to the Germanic and other dictatorships in the world. Give to one man power to control America, and do it in the name of democracy.

Let me say to the Senate that when we have that type of democracy, the Senator from Florida is willing to give all the reforms of a century into the hands of one man in order that democracy may be chased somewhere else in the world.

Mr. PEPPER. Mr. President, will the Senator yield for another question?

Mr. HOLT. I yield to the Senator for another question.

Mr. PEPPER. Did the Senator see that the last of the proposals was, "These powers to continue only for the duration of the emergency"?

Mr. HOLT. I saw that, yes; but the Senator, I believe, will find that we are now in the sixty-second emergency since President Roosevelt has been in power. [Laughter.] I think it is the sixty-second. I am not quite sure. He declares emergencies. Nobody else declares them under our statute. The President declares the emergency, and then takes all these powers. I want to say that no bad man should have that much power, and no good man would want it.

The question of power is what this war is supposedly being fought about, but I may say to the Senator that I shall not discuss his speech any more tonight. I want to go on to another angle which I also spoke about yesterday afternoon, and that is this:

Yesterday and today there has been much discussion about the appointment of Henry L. "Wrong Horse" Stimson. I think his nickname is "Wrong Horse," or something like that—and Frank Knox, to the Cabinet of the President of the United States. Of course, everybody knows that these war jingoists are put in as the Senator from Montana [Mr. WHEELER] said, as the result of the creation of a war Cabinet. "Oh," they say, "just brush it aside; it signifies nothing"; but I was called this morning by another Senator, who said, "Do you know that the National Defense Council has appointed Mr. Stacy May as Economist of the National Defense Council?" I said, "No; I do not even know Mr. May"; but we got on the telephone, and I called the National Defense Council, and they said Mr. Stacy May was there, but he was not in just at that time.

Who is Stacy May? He is one of the 30 men who signed the petition asking for a declaration of war on Germany. What did he ask for? I read just one paragraph, and then I shall ask for the entire statement to be printed in the RECORD. This is what Mr. May signed:

by declaring that a state of war exists between this country and Germany.

For this reason alone, and irrespective of specific uses of our resources thereafter, the United States should immediately give official recognition to the fact and to the logic of the situation

Mr. Stacy May, on June 9 of this year, signed a manifesto asking for our country to declare war on Germany, and now he is being appointed as economist of the National Defense Council.

The entire statement signed by Stacy May and others is shown in the news column, as follows:

WAR ON REICH URGED TO CRUSH THREAT TO UNITED STATES—THIRTY LAWYERS, BUSINESSMEN, EDUCATORS, AND WRITERS SEE MYTH IN NEUTRALITY

WASHINGTON, June 9.—Thirty American educators, lawyers, writers and businessmen—speaking as individuals—urged in a statement today that the United States declare war on Germany.

"In the German view," their statement said, "the American defense program means that the United States has already joined with Great Britain and France in opposing the Nazi drive for world dominion—in the American view, Nazi Germany is the mortal enemy of our ideals, our institutions, and our way of life.

"What we have, what we are, and what we hope to be can now be most effectively defended on the line in France held by General Weygand." The frontier of our national interest is now on the Somme.

"Therefore, all disposable air, naval, military, and material resources of the United States should be made available at once to help maintain our common front."

"But such resources cannot be made available fast enough to hold the German Army in check on the European continent or to prepare for the eventual attack on American interests so long as the United States remains legally neutral—Nation-wide endorsement of the defense program shows that the American people has ceased to be neutral in any other sense.

"For this reason alone, and irrespective of specific uses of our resources thereafter, the United States should immediately give official recognition to the fact and to the logic of the situation—by declaring that a state of war exists between this country and Germany.

"Only in this constitutional manner can the energies be massed which are indispensable to the successful prosecution of a program of defense."

It is said it is just another appointment. Why on earth, with all of the economists of whom we have heard for years, did the National Defense Council have to go out and pick this one individual as their economist—the man who asked for a declaration of war on Germany?

Oh, these straws in the wind point to one thing, and one thing alone. This administration is one the road to war, is getting ready for war.

As I have stated, a country does not always declare war to get in war. I have said many times on the floor of the Senate that a nation does not always declare war on a nation. It can create incidents by which another can and will declare war on it; but it kills just as many boys, it costs

just as much money, and it creates just as much havoc and disaster as the first way.

I say that any man who would deliberately create incidents of war in order to force another nation to have an overt act as an excuse for declaring war on us is taking us to war, and every instance in recent weeks has been calculated to insult and to attack nations of the world with which we are at peace; and, as the Senator from Massachusetts said, what nation in the world has done anything to the United States Government?

The individuals who are interested in war are the boys who sit back in the armchairs and tell the other boys how to win the war. If I had felt as the Senator from Florida did about Hitler and our danger, I would not have been in the Senate half as long as he has been; I would be on the way, on the clipper, to go over there and stop Hitler on the other side of the Atlantic Ocean. He wants someone else to do the stopping. Members of the Senate are exempt. We do not have to go to war. If in his heart the Senator from Florida feels that Hitler is going to do the things he has said he is going to do—that he is going to destroy our country as he says he is going to destroy it—why does he not enlist, instead of making us run to the cloakroom and get our trench helmets daily because he tells how Hitler is coming over the Potomac the next day?

I do not think the historians will devote so much time to looking over the record to see what certain individual Senators think or say, but I also am willing to let historians be the judge of what is happening here, and they will see, not a replica of 1914–17, not that, because we did not deliberately in all instances try to create that.

When I rose I wanted to discuss propaganda for my friend, the Senator from South Carolina [Mr. BYRNES], but since he is not here and has not been here, I shall not do so. I shall discuss that and other matters I had hoped to talk about at a later time.

Mr. BONE. Mr. President——

The PRESIDING OFFICER (Mr. ELLENDER in the chair). Does the Senator from West Virginia yield to the Senator from Washington?

Mr. HOLT. I yield.

Mr. BONE. I hope the Senator does not think this is a replica of 1914–17. We are going about 10 times as fast into the war as we did then. Does the Senator understand that?

Mr. HOLT. That is correct.

Mr. BONE. We are going about 10 times as fast toward war now as before and making no pretense of going in the other direction. If we go into the war, we will have no excuse to offer posterity for having done so.

Mr. HOLT. I thank the Senator from Washington. Everyone knows that step after step has been progress toward our getting into the war.

Mr. BONE. Mr. President, will the Senator yield further?

Mr. HOLT. I yield.

Mr. BONE. We will have no need to call on posterity to appraise our actions. They will do it without the aid of any Member of the Senate. History is being written here day after day, hour after hour, and it will never be unwritten, no matter what any Senator here says. The future, if there will be any future, if it has a system of schools and anything left after we get through the next war, if people are capable of appraising anything, can find anything to eat so that they will have strength to appraise what is going on, they will do the appraising.

Before the Senator concludes, in view of the fact that some reference was made by the Senator from Florida today to a soldier who had had his legs shot off, and he was very, very eager to have this country do something—God knows what it was—at this stage I should like to put something into the RECORD, if the Senator will yield.

Mr. HOLT. I shall be glad to yield to the Senator from Washington.

Mr. BONE. This little pamphlet I have in my hand is in such shape that I cannot put it into the RECORD. I wish I could have it reproduced so that everyone in the United States could read it. This is from the Quentin Roosevelt Post, Veterans of Foreign Wars. It contains seven little cartoons, besides some printed matter. The first cartoon is a picture of Uncle Sam exchanging war munitions for money with Great Britain, and under it this appears:

Nazi aggressions arouse sympathy and indignation in United States. First step, to "use every method short of war" to help Allies win. Slogans: "They are fighting our war." "Hitler must be stopped."

Mr. HOLT. Let me ask the Senator whether he knows any fellows who want Hitler stopped who are volunteering to stop him?

Mr. BONE. Oh, no. The Civil War was fought by boys, little fellows, who did not know what it was all about. My father said that after Gettysburg, when he walked over the field after Pickett's charge, the poor devils lying on the field, covering the ground, dressed in poor, nondescript, butternut coats, were boys from the State of the Senator from North Carolina [Mr. REYNOLDS] who sits before me, and other States of the South, poor, hungry devils, who did not know what it was all about. They were mere boys.

My mother had two brothers who are buried at Spottsylvania, one of them 16. Does anyone suppose that kid knew what all the momentous issues in the Civil War were? He just saw the flags waving and heard the drums beating and let the wise men, like you and me, send him out to his death. That is why we are in the fix we are in today.

Mr. HOLT. Did not the Senator say a few days ago that certain officials of business stated that it was unwise to allow them to make only 7 percent on their investments, while at the same time they are going to take the entire investment of a boy—his life?

Mr. BONE. That is the way we handle war, and that is the way we will handle it again. We will take all the boys out and have them shot to death for some vague cause or other, draft 100 percent of their bodies, and some of our businessmen will remain at home squawking their heads off because we do not let them make 50 percent profit.

If we had any sense, the moment war was declared we would draft every factory in the United States and serve notice that we would not let anyone make a profit. That is the kind of war it is going to be in any event. That is the way it is going to work out. By the time we are through paying for it there will not be any profit for anyone. That is the price of total war. But I am getting off the track. I want to put this pamphlet in the RECORD. The second little cartoon in this Veterans of Foreign Wars pamphlet is a picture of England and France carrying away munitions.

The quotation is:

Aviation and munitions industry expand to fill orders. When Allies run out of cash, United States must make loans or close factories. Slogan: "Send money—not troops." Despite huge public debt, Congress votes loan.

Where does that point now? We have to do that, and we are getting ready to do something—I do not know what it is.

Cartoon No. 3—caption:

United States has large cash investment in Allied cause. When the drain on manpower threatens Allied defeat, United States declares war, sends A. E. F. No. 2 slogan: "Save Democracy."

The fourth cartoon:

Cost of A. E. F. No. 2, plus continued Allied loans, plus original public debt, ruins United States credit. Only solution is inflation. Slogan: "Win with War Dollars." Cost of living skyrockets. Printing-press dollars depreciate.

Cartoon No. 5 shows a munitions plant with a lot of troops in front of it. The caption is:

Gap between income and living costs grows. Labor and farmers strike. Martial law declared. United States abandons democracy, becomes dictatorship. Food is rationed. Thousands sent to concentration camps.

Cartoon No. 6 shows a fire out in the woods and men standing and sitting around it. One man stands in front of it with his arms uplifted and talking. A large audience sits on the other side. The caption is:

Dictatorship drains United States of dollars and men. Hunger and casualty lists grow. United States rebellion, sick of war, gather secretly to hear patriots demand "Peace and democracy."

Cartoon No. 7 shows a number of persons, two or three women and a child and a wounded man, sitting amidst the ruins of buildings. The caption is:

Hunger and tyranny become unbearable. Mobs overcome soldiers and police. Destruction and death are rampant. Unburied dead breed plagues. United States lies in ruins.

Then comes the statement of the Lieutenant Quentin Roosevelt Post, No. 10, Veterans of Foreign Wars, Brooklyn, N. Y.:

SHALL WE HAVE PEACE AND PROSPERITY—OR WAR AND RISK DISASTER?

That is the real question we face when we decide the answer to Europe's propaganda.

We can have peace. Adequate military defense and the protection of our oceans will guarantee us against aggressors.

We can have prosperity if we devote ourselves to the solution of our domestic problems.

But we will have war if we continue to meddle in Europe's conflict. We know this is true because it happened to us in 1917. Shall we continue to follow our old footprints down the road to war?

The result of the last war should make us cautious. The sod on the graves of our dead is still fresh and the hospitals are still filled with our wounded. The curses of our ungrateful Allies still ring in our ears when we remind them of their loans. The unemployed are an unsolved problem of the depression caused by the war. The cost of the war is still written in red ink on the ledgers of our Treasury.

In spite of the insults hurled at us by the Allies for being tardy, stingy, and timid we were lucky to have entered the war so late. Our enemy collapsed before our resources of wealth and manpower had become seriously impaired. Had we our present public debt, inflation would certainly have come. At the rate at which we lost men in battle, it would not have taken long for the United States to face real disaster.

If the United States enters the war under the present handicaps, these imagined disasters may soon become reality. Then we would find ourselves living under a dictatorship, our democracy and freedom a dream, taxed to starvation to buy munitions of war. The end might be chaos and revolution.

Knowing the risk, the veteran is committed to the cause of peace for America.

Mr. CLARK of Missouri. Mr. President, will the Senator from West Virginia yield to me for the purpose of asking the Senator from Washington a question?

Mr. HOLT. I yield.

Mr. CLARK of Missouri. Do I understand this is a resolution adopted by an organization of Veterans of Foreign Wars?

Mr. BONE. It came to me this morning from the Lieutenant Quentin Roosevelt Post, No. 10, of Brooklyn, N. Y.

Mr. CLARK of Missouri. Having in mind that everyone who belongs to the Veterans of Foreign Wars must be a man or woman who has followed the flag overseas, in a combat organization, is the Senator from Washington not afraid that by reading this thing he may subject the Veterans of Foreign Wars, overseas veterans, to the suggestion that they may be members of the "fifth column"? The Senator from Florida is not on the floor, and I regret that he is not, but if he were present, I am certain that he would believe that any overseas veteran who adopted such resolutions as that were members of the "fifth column." They are probably members of the "first column."

Mr. BONE. I will say to the Senator from Missouri that I read this to the Senate because the Senator from Florida had stated on the floor that he had talked to some chap who had lost a leg in the World War, and I gathered from what he said that this soldier wanted us to go into another war and have more boys lose their legs in the noble cause of democracy across the sea, and he rather left the impression, at least I gathered it, that the veteran wanted the country to get into the war. I believe all the veterans I have met wanted us to keep out of war.

Mr. CLARK of Missouri. Neither the Senator from Washington nor anyone else would have the effrontery to say that an organization composed of men and women, all of whom had served overseas, which is a requisite for membership in the organization, had no right to express themselves in the manner referred to, without being dubbed "fifth columnists."

Mr. BONE. I will say to the Senator from Missouri and the Senator from West Virginia that I have spoken before organizations of the V. F. W. I have never found one of them that did not bitterly oppose our entry into another war. They want us to mind our own business, to take care of our domestic problems, and that, if we enter any war, it will be in the defense of the Western Hemisphere.

Mr. CLARK of Missouri. They are probably "fifth columnists," I will say to the Senator.

Mr. BONE. Well, I am quite bewildered by all the slogans. Yet we went through the same thing in 1917. The country then was full of slogans. The sloganeers were busy.

The PRESIDING OFFICER. Does the Senator from West Virginia yield to the Senator from Washington?

Mr. HOLT. I yield.

Mr. BONE. A distinguished American said the country was the victim of slogans. We have had the slogan: "Remember the Maine."

We have had the slogan "Tippecanoe and Tyler, too."

Of course, they were accompanied by much breast-beating.

The American claims he is not an emotional animal. But he is the most emotional animal on earth. When he hates he hates something venemously. When he loves, he loves passionately.

Mr. HOLT. Was the Senator here this afternoon when the Senator from Florida wanted to tear Hitler limb from limb and sprinkle his blood throughout the world?

Mr. BONE. It sounds natural.

Mr. CLARK of Missouri. Mr. President, will the Senator yield to me for a question?

Mr. HOLT. I yield for a question.

Mr. CLARK of Missouri. I should like to ask the Senator from Washington if he would want to accept the opinion of such an organization as the Veterans of Foreign Wars, every man and woman of whom must have served overseas to be a member of that organization, against the opinion of the Senator from Florida? I heard the Senator from Florida say here the other day that he had made a speech at Chicago, and I am informed that the Veterans of Foreign Wars got up and took their banners and walked out when the Senator from Florida started to speak. If the Senator from Washington wants to accept the opinions of the Veterans of Foreign Wars against the opinion of the Senator from Florida, that is his responsibility. I would not dare to do that.

Mr. BONE. No; unhappy wight that I am, I would not undertake any such task.

Mr. HOLT. Did not the Senator know that the Senator from Florida served 7 weeks in the S. A. T. C.?

Mr. BONE. I am a little vague as to what that is.

Mr. HOLT. That is the Student Army Training Corps, composed of those who went to school and got paid in 1917 and 1918 while training.

Mr. BONE. I do not know anything about it.

Mr. HOLT. I want the Senator to know that the Senator from Florida has a war record.

Mr. BONE. I assume that the Senator from West Virginia has no objection to my placing this anti-Florida document in the RECORD. It merely tells a rather pathetic story of the boys who were overseas, and indicates a little of how they view the situation. The Senator has no objection to my putting this in the RECORD on his time?

Mr. HOLT. Not at all.

Mr. BONE. I ask that the matter to which I have referred be printed in the RECORD.

There being no objection, the matter referred to was ordered to be printed in the RECORD, as follows:

PENSIONS AND PEACE

(Distributed by the Lieutenant Quentin Roosevelt Post, Veterans of Foreign Wars)

THE ROAD TO WAR

1. Nazi aggressions arouse sympathy and indignation in United States. First step, to "use every method short of war" to help Allies win. Slogans: "They are fighting our war." "Hitler must be stopped."

2. Aviation and munitions industry expand to fill orders. When Allies run out of cash, United States must make loans or close factories. Slogan, "Send money—not troops." Despite huge public debt, Congress votes loan.

3. United States has large cash investment in Allied cause. When the drain on manpower threatens Allied defeat, United States declares war, sends A. E. F. No. 2 slogan, "Save democracy."

4. Cost of A. E. F. No. 2, plus continued Allied loans, plus original public debt, ruins United States credit. Only solution is inflation. Slogan—"Win with war dollars." Cost of living skyrockets. Printing-press dollars depreciate.

5. Gap between income and living cost grows. Labor and farmers strike. Martial law declared. United States abandons democracy; becomes dictatorship. Food is rationed. Thousands sent to concentration camps.

6. Dictatorship drains United States of dollars and men. Hunger and casualty lists grow. United States, rebellious, sick of war, gather secretly to hear patriots demand peace and democracy.

7. Hunger and tyranny become unbearable. Mobs overcome soldiers and police. Destruction and death are rampant. Unburied dead breed plagues. United States lies in ruins.

SHALL WE HAVE PEACE AND PROSJERITY—OR WAR AND RISK DISASTER?

That is the real question we face when we decide the answer to Europe's propaganda.

We can have peace. Adequate military defense and the protection of our oceans will guarantee us against aggressors.

We can have prosperity if we devote ourselves to the solution of our domestic problems.

But we will have war if we continue to meddle in Europe's conflict. We know this is true because it happened to us in 1917. Shall we continue to follow our old footprints down the road to war?

The results of the last war should make us cautious. The sod on the graves of our dead is still fresh and the hospitals are still filled with our wounded. The curses of our ungrateful Allies still ring in our ears when we remind them of their loans. The unemployed are an unsolved problem of the depression caused by the war. The cost of the war is still written in red ink on the ledgers of our Treasury.

In spite of the insults hurled at us by the Allies for being tardy, stingy, and timid, we were lucky to have entered the war so late. Our enemy collapsed before our resources of wealth and manpower had become seriously impaired. Had we our present public debt, inflation would certainly have come. At the rate at which we lost men in battle it would not have taken long for the United States to face real disaster.

If the United States enters the war under the present handicaps, these imagined disasters may soon become reality. Then we would find ourselves living under a dictatorship, our democracy and freedom a dream, taxed to starvation to buy munitions for war. The end might be chaos and revolution.

Knowing the risk, the veteran is committed to the cause of peace for America.

WILL IT BE—PEACE AND PENSIONS OR—WAR AND PENCILS

That is the veterans' problem. It is their special reason for wanting the United States to remain at peace.

Veterans are reaching the limit of their employable age. Many are jobless and have little hope of future employment. Their only solution to their problem is a pension. Pensions mean money.

The tremendous cost of war would put off pensions indefinitely. It would even bring to an end present veterans' welfare benefits.

In the event of war, doctors, medicines, and beds would be drafted. The hospitals would be emptied of veterans to make way for new casualties.

The tempo of war speeds up industry beyond its peacetime rate of production with more machines, not more men; and the belt line is becoming too fast for the veteran now. It would be impossible for him to benefit by wartime jobs.

The problems of the veteran cannot be solved by war, so—

Join the Veterans of Foreign Wars and join the drive for peace and pensions.

LIEUTENANT QUENTIN ROOSEVELT POST, No. 10, V. F. W.,
Brooklyn, N. Y.

Mr. HOLT. Mr. President, yesterday we received a message that Col. Frank Knox was to be named as Secretary of the Navy. I am sure that the President of the United States would not appoint a man who was not absolutely truthful. He would appoint only a man upon whom he could depend. That would be natural. That would be expected. So I wish to read to the Senate what Colonel Knox said on the 24th day of September 1936——

Mr. CLARK of Missouri. Mr. President, will the Senator yield to me for the purpose of suggesting the absence of a quorum?

Mr. HOLT. I have no objection, but I do not particularly care.

Mr. CLARK of Missouri. Since the nomination of Colonel Knox is coming before the Senate, as I indicated yesterday, the matter of his expressions is of such importance that there ought to be a quorum of the Senate present to hear the expressions of Colonel Knox. Also, if the Senator has any expressions from Colonel Stimson, I shall later ask for a quorum to hear them.

The PRESIDING OFFICER. Does the Senator from West Virginia yield for that purpose?

Mr. HOLT. I yield for that purpose.

Mr. CLARK of Missouri. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Adams	Downey	Lodge	Russell
Andrews	Ellender	Lucas	Schwartz
Ashurst	George	Lundeen	Schwellenbach
Bailey	Gerry	McCarran	Sheppard
Bankhead	Gillette	McKellar	Shipstead
Barkley	Green	McNary	Slattery
Bilbo	Guffey	Maloney	Smith
Bone	Hale	Mead	Taft
Bridges	Harrison	Miller	Thomas, Idaho
Brown	Hatch	Minton	Thomas, Okla.
Byrd	Hayden	Murray	Thomas, Utah
Byrnes	Herring	Neely	Townsend
Capper	Hill	Norris	Truman
Caraway	Holman	Nye	Tydings
Chandler	Holt	O'Mahoney	Vandenberg
Chavez	Hughes	Overton	Van Nuys
Clark, Idaho	Johnson, Calif.	Pepper	Wagner
Clark, Mo.	Johnson, Colo.	Pittman	Walsh
Danaher	King	Radcliffe	Wheeler
Davis	La Follette	Reed	White
Donahey	Lee	Reynolds	Wiley

The PRESIDING OFFICER. Eighty-four Senators have answered to their names. A quorum is present.

Mr. HOLT. Mr. President, when I yielded to the Senator from Missouri, I was about to give the Senate the advantage of what Col. Frank Knox had said about the President. Of course, as I then said, I am sure the President would appoint a man to his Cabinet who would tell the truth. I am sure he would appoint a man in whose judgment he had confidence. I do not say that I agree with all of the statements which I am about to read. I am not discussing that point. But this is what Col. Frank Knox said on the 24th day of September 1936, in the Chicago Daily News:

New Dealers are trying to work up a war scare. They think it will help them in the campaign. The President is still our shepherd, but from still waters and green pastures he turns now to grim thoughts of foreign dangers. He does not like to leave Washington, he says, for more than 4 days at a time, because of conditions abroad. He is afraid there may be another big war almost any day. And his partisans profess to believe that we may be drawn into it—unless Roosevelt is reelected.

Of course, the people may be the judges.

This is not RUSH HOLT speaking. This is Col. Frank Knox, the man whom the President considered so important that he went into the Republican Party and took him into his official family as Secretary of the Navy.

This is what he said:

In his negotiations with foreign powers, Mr. Roosevelt has not been fortunate. He muffed his chance with France and Britain in the spring of 1933. Two months later, he laughingly broke up the London economic conference, and with it the world's hopes of speedy recovery from the depression. He has done nothing about the war debts. His off-and-on efforts at dollar-pound stabilization have got nowhere. Under him, our foreign trade, and, indeed, our foreign relations in general, have fallen to a new low. His Russian policy is a fizzle. His far-eastern policy is a naught.

I want to make it clear that this is Col. Frank Knox speaking, the man whom the President considered so valuable, and I am sure honest and courageous, or he would not have named him to his Cabinet; and this is what he says:

The State Department, under Roosevelt, is not exactly a tower of strength. Mr. Hull is honest and well meaning, but weak.

Colonel Knox will have to serve with Mr. Hull. I wonder how he will get around that.

Mr. Hull is honest and well meaning, but weak. He will never rank among our great Secretaries of State. The President's diplomatic appointments have been equally feeble. Mr. Bingham in London and Mr. Strauss in Paris have been notable chiefly for their ill health, which has incapacitated them for months on end. Mr. Bullitt, first in Moscow, now in Paris—

I think he is still there, judging from the debates this afternoon.

Is a jolly amateur, a playboy.

This is not RUSH HOLT speaking; this is the man the President named to his Cabinet. I want the Senate to know that I am sure the President would appoint only a truthful man,

and a man in whose judgment he has confidence, or he would not name him to his Cabinet. This is what he said:

Mr. Bullitt, first in Moscow, now in Paris, is a jolly amateur, a playboy. Mr. Bowers, in Madrid, spent most of his time writing books. Since the civil war broke out in Spain, with its many complications for the United States, he has been cruising safely on an American warship in the Bay of Biscay.

Let me add there that I do not know whether he was fishing or not. You know, we take cruisers to go fishing.

Mr. Roosevelt was a member of the memorable Wilson administration which, in trying to keep us out of war, got us into it. He is by nature an experimenter.

Let me make it clear that this is Col. Frank Knox talking about the President.

He is by nature an experimenter. He likes to try new things. He is no more bound by precedent than by his own statements.

I do not say that. Do not hold me responsible for that. I will read it again:

He is no more bound by precedent than by his own statements. Caution, with him, is something to be thrown to the winds. His hand on the tiller of a little sailboat may be skillful enough. But, judging by the zigzag course he has steered in the last three and a half years, his hand on the tiller of the ship of state is amazingly erratic.

It is bad enough to have for President in time of peace a man who is overconfident, incautious, self-willed, uncertain, and unreliable. In time of war it would be disastrous.

Think of that! And I am sure, again, that the man must demand good judgment for a Cabinet appointee. The President, in this critical emergency, certainly would not appoint as Secretary of the Navy a man who has no judgment and who would not tell the truth. This is a very important time in American history. Could he not find a suitable man in the Democratic Party, or did he have to go out and get this man in whom he had so much confidence; and here is what he says:

It is bad enough to have for President in time of peace a man who is overconfident, incautious, self-willed, uncertain, and unreliable. In time of war, it would be disastrous.

That is exhibit No. 1. I have a number of these, and I intend to read and comment upon them when Colonel Knox's name comes up for discussion. I want to read what Colonel Knox thinks about another member of the Cabinet, Mr. Morgenthau, because I want these fellows to know each other. They do not seem to get along very well for some reason. I am not saying these things. Let me read you the next one. This was on September 30:

When it comes to international finance, the young gentleman farmer, Henry Morgenthau, who is President Roosevelt's Secretary of the Treasury, is, as we remarked last Monday, out of his depth.

The Russian State Bank had a payment to meet last week on a bill of $6,890,700, which it owed a Swedish firm. It ordered its agent, the Chase Bank, of New York, to make the payment. At the same time, to replenish its New York account, it offered for sale 1,000,000 pounds sterling, "at the market"—an ordinary business transaction, not even large, as exchange operations go.

But Mr. Hearst had been annoying the President by telling the world why Communists were going to vote for Mr. Roosevelt.

I wish the Senator from Florida were in the Chamber. He wants to catch these "fifth columnists." Perhaps he could find out who they are.

Mr. Hearst had been annoying the President by telling the world why Communists were going to vote for Mr. Roosevelt, and France was off gold, and Mr. Morgenthau had just made a gentleman's agreement with London and Paris.

Mr. LUNDEEN. Mr. President——

The PRESIDING OFFICER. Does the Senator from West Virginia yield to the Senator from Minnesota?

Mr. HOLT. I do.

Mr. LUNDEEN. Did the Senator say "fifth columnists" or "fifth-rate columnists"?

Mr. HOLT. Well, I could not answer that now.

We do not know exactly what happened, but can readily imagine. Somebody—probably not Mr. Morgenthau—had a bright idea.

Think of that! He does not even give Henry Morgenthau enough credit to have a bright idea.

Somebody—probably not Mr. Morgenthau—had a bright idea. Why not buy the 1,000,000 pounds? It wouldn't cost much. It would show that the gentleman's agreement was working.

Now, I want you to get this. This is the new Secretary of the Navy:

It would reveal the great isolationist, Mr. Roosevelt, as a great internationalist—and by depicting him as locked in mortal combat with the Soviet ogre in a foreign-exchange battle it would refute Mr. Hearst.

There followed a remarkable scene. The newspapermen were called in. Mr. Morgenthau excitedly described to them the great Russian raid on the pound and his own valiant rush to the rescue. It was "ticklish," he said, but he did it. Furthermore, if more raids occurred, he said, he was ready to go the limit. "Q. Which is?—A. Two billion dollars."

Absurd, of course. The Russians had no reason to raid the pound. They had every reason not to; and if the wished to raid it, 1,000,000 pounds would be a mere drop in the bucket. Nevertheless, we do not think that Mr. Morgenthau was being Machiavellian. We think he just didn't know any better.

With Colonel Knox in the Cabinet, and with Henry Morgenthau there—the gentleman farmer to whom he referred as the man who did not know—of course, with Colonel Knox's advice, he may know now, and we ought to give him credit for that. Going ahead, however—and I have so much material that I do not want to detain the Senate long on this—I want to read another editorial, which appeared on October 27, because I am sure the President knows Colonel Knox and agrees with him, and that is why he calls him in in this terrible emergency. Here it is again, October 27:

"Trust me," the President seems to say. "Don't ask me what I am going to do next; just leave all that to me."

"Our best strategy," said Professor Tugwell at Los Angeles, "is to surge forward with the workers and farmers of this Nation, committed to general achievements, but trusting the genius of our leader for the disposition of our forces and the timing of our attacks. I do not need to remind you of his genius for this task, nor of his devotion to the cause."

"Our leader!' The Italians say "Il Duce," the Germans, "Unser Fuehrer."

Collectivists of every sort are supporting Mr. Roosevelt. That is natural. For at the root of his philosophy lies the view, shared alike by Communists and Fascists, that conditions have suddenly changed fundamentally, and that, in consequence, individual liberty under democracy, as hitherto practiced in this country, is no longer either desirable or feasible.

Many people are confused about Mr. Roosevelt, because his tactics are confusing, and are meant to be confusing.

That is very interesting, what the appointed Secretary of the Navy, Colonel Knox, says, speaking about the Cabinet. This is what he says:

Many people are confused about Mr. Roosevelt, because his tactics are confusing, and are meant to be confusing.

Has he changed since he accepted the appointment?

Listen to this. I want Senators to get this. This is what Colonel Knox says about the President. I am sure that when he goes into the Cabinet meeting he will wish it had not been said.

Mr. CLARK of Missouri. Mr. President, will the Senator yield?

Mr. HOLT. I yield.

Mr. CLARK of Missouri. Is this an expression from the new Secretary of the Navy about the present President of the United States, or some past President of the United States?

Mr. HOLT. It is an expression of a hopeful Secretary of the Navy to the present President of the United States.

Mr. CLARK of Missouri. Does the Senator think that the prospective Secretary of the Navy will repeat that at the first Cabinet meeting to the present President of the United States, or will he recant on it?

Mr. HOLT. In these days of national emergency you are not supposed to talk much. This is what he said:

But, as a matter of tactics, he will not avow this aim. And to reach it he is ready to nod, smile, agree, assert, evade, deny, distort—

I am not half way through—

distract, dally, retreat, startle, dazzle, juggle, sidestep, and circumvent.

[Laughter.]

I want the RECORD not to accuse the Senator from West Virginia of saying that. This is Colonel Knox's editorial on the 27th day of October 1936. He said that the President is ready to nod, smile, agree, assert, evade, deny, distort, distract, dally, retreat, startle, dazzle, juggle, sidestep, and circumvent. If he can do anything else, I do not know what it is.

Mr. CLARK of Missouri. Mr. President, which of those verbs would apply to the appointment of Col. Frank Knox as Secretary of the Navy? Possibly all of them?

Mr. HOLT. To be perfectly frank, I do not think there is a word that can apply.

Mr. LUNDEEN. I think the appointment was a "dazzling" appointment.

Mr. HOLT. The Senator thinks it is the one which says "dazzling" or "startling"? [Laughter.]

Mr. LUNDEEN. Both.

Mr. CLARK of Missouri. I suggest "circumventing."

Mr. HOLT. He may have circumvented, I do not know, but he dallied and retreated, there is no question about that.

The following is in quotes. He wanted to make it so sure:

Our leader is a showman. He likes to astonish. He likes to keep people guessing. He has a taste for the novel, the dramatic, the grandiose.

The President has a taste for the novel, the dramatic, and the grandiose.

He is strongly attracted by such vast notions as harnessing the tides at Passamaquoddy, planting a thousand-mile belt of trees in the wind-swept western prairies, digging a gigantic ship canal across Florida.

The Senator from Florida has gone. Then he says this:

In the past it has been customary for a President to gather around him, as his advisers after election, outstanding members of his party, men who helped nominate him and who fought for him in his campaign. But "our leader" has turned his party into a one-man affair. He has brushed aside the outstanding Democrats.

Get that. [Laughter.] No one knows it better than the Democrats now. This is Colonel Knox speaking:

He has brushed aside the outstanding Democrats.

And names Colonel Knox as Secretary of the Navy.

His general staff consists of Prof. Rexford Guy Tugwell, a sly social revolutionary.

He is now in molasses, so we will not pay any attention to him. Senators will remember that a moment ago I talked about Henry Morgenthau. He did not like him. He said he was not very smart. Of course, I am not going to answer that.

We will find when he comes into the Cabinet that Secretary Morgenthau has had much more to do with the Navy, particularly the transfer and sale of supplies to foreign countries, than he had when he was speaking.

Now he has gotten to Tugwell. And who is Secretary of Agriculture? It is Mr. Henry Wallace, is it not? This is what he says about Henry Wallace. He is in nice company down there at that Cabinet meeting. I have read what he said about the President, and I have read what he said about Morgenthau. This is what he thinks about Henry Wallace.

A farm journal editor with a messianic complex.

He was not satisfied to take that shot at Henry Wallace. But he has to sit with Harold Ickes—if anyone can do that. This is what he said about "Old Ick":

Harold Ickes, a reformer who imagines he is the only honest man in the world.

[Laughter.]

I do not know whether he has changed his mind or not. People do. But that is another member of the Cabinet. I want to send this to the different members of the Cabinet so that they can greet with all love and affection this new member of the Cabinet when he joins them.

Then there was Jim Farley. What does he say about Jim Farley? He said:

Jim Farley, an unscrupulous Tammany boss.

This is not RUSH HOLT speaking. I would not say that. This is the would-be new Secretary of the Navy. Henry Morgenthau is not very bright, Henry Wallace has a bad complex, Cordell Hull is weak, Harold Ickes is a reformer who thought he was the only honest man in the world, and Jim Farley is an unscrupulous Tammany boss. Colonel Knox should not go into that company. He says further:

John Lewis, a ruthless and ambitious labor leader.

But I forgot Miss Perkins, and I must not forget her. [Laughter.] Since that time Harry Hopkins has been put into the Cabinet. He is in charge of defense. He has been so important in boondoggling in America that the President wants him to do a little boondoggling in Europe. The paper said the other day that the President just could not afford to let Harry get too far away, so he is keeping him at the White House so that he can talk to him. Remember Harry?

Here is what Colonel Knox said about Miss—he did not even say "Frances"—he said "Miss Perkins." "Miss Perkins and Harry Hopkins, social workers, with a bias against businessmen." I do not know whom he has left in that Cabinet. I have been trying to think who has been left there about whom he did not make statements. Now he is going into that Cabinet, after saying all those things about the President, and the members of the President's Cabinet, of which he can consider himself a member if his nomination shall be approved by the Senate. Then he goes ahead to discuss a great deal more, but I may say that he finishes the article with this paragraph:

Meanwhile, anyone who brings him an attractive scheme to flatter the momentary hate or fears of the crowd, or to intensify class feeling, or to take money from those who are earning it and give it to those who are not, or to attract attention dramatically to "our leader," or to spend large sums under his personal direction, is assured of a sympathetic audience.

Get that. This is Colonel Knox talking about the President. When did the President change in the colonel's opinion? He says:

We are going to continue to fight. We are not going to retreat.

Colonel Knox says:

Meanwhile, anyone who brings him an attractive scheme to flatter the momentary hates or fears of the crowd, or to intensify class feeling, or to take money from those who are earning it and give it to those who are not, or to attract attention dramatically to "our leader," or to spend large sums under his personal direction, is assured of a sympathetic audience.

I wish to make myself clear, Mr. President. I would not accuse the President of naming a man to his Cabinet who would not tell the truth. I would not accuse him of naming a man to his Cabinet who did not have good judgment and farsightedness at this time of emergency. I, of course, will say no more than that.

Mr. CLARK of Missouri. Mr. President, will the Senator yield?

Mr. HOLT. Oh, yes; I yield to the Senator from Missouri.

Mr. CLARK of Missouri. Does that article contain any information as to the name of the person or persons who bunked the President into the scheme by suggesting the names of Stimson and Knox to the Cabinet?

Mr. HOLT. I am not sure that I understood the Senator's question.

Mr. CLARK of Missouri. Does that editorial which the Senator just read contain any information explaining the gullibility of the President, according to Col. Frank Knox, and any information as to the name of the person or persons who suggested to the President the appointment of Colonel Stimson and Colonel Knox as members of the Cabinet?

Mr. HOLT. No; I do not. The two men he did not talk about were the Secretary of War and the Secretary of the Navy, and both of them were kicked out, one to run for office and another for another reason.

Colonel Knox does not have any use for Harold Ickes. He does not have any use for Harry Hopkins or for Frances Perkins, or for Henry Morgenthau, or for Henry Wallace, or for Cordell Hull, or for Jim Farley, and there are not many others left in the Cabinet. Here is another editorial which I shall read, and then I believe I shall read no more tonight, because, although I am sure Colonel Knox would be willing

for me to read his words, I do not desire to delay the Senate. The title is, "All things to all men."

The editorial is:

President Roosevelt is nothing if not versatile.

Last January he was Andrew Jackson, castigating the rich and powerful in the name of the common people. The other day, in North Carolina, he was our shepherd, leading us, he said, beside the still waters. Tuesday night, at Syracuse, he was the savior of capitalism and the preserver of democracy. He was also Washington and Jefferson, Lincoln, and Wilson, a mighty leader, but, like them, opposed and misunderstood by an ungrateful citizenry.

We have talked about Colonel Knox's liberalism and here is what he said about the President.

He described himself, incidentally, as a progressive-conservative-liberal—whatever that is.

When will the President find out that he cannot indefinitely be all things to all men? He cannot effectively boast of his democracy, while at the same time reaching out for unprecedented personal powers—powers which in other hands, as he has himself ingenuously admitted, would endanger the people's liberties. He cannot, while practicing collectivism, pose as the savior of capitalism. He cannot appear one day as a radical, the next as a conservative—and expect anyone to take him seriously.

In conclusion I wish to make certain that the Senate understands that I am not saying these things. It is Colonel Knox who said these things, the man the President has named to fill the position of Secretary of the Navy.

Mr. LUNDEEN. Mr. President, will the Senator yield?

Mr. HOLT. I yield.

Mr. LUNDEEN. In that connection when the able Senator from West Virginia speaks of the Cabinet, I wonder if it would not be well to check upon the fact that when the President and the 10 Cabinet members sat down at the table we would find, if Colonel Knox shall be confirmed and Colonel Stimson shall be confirmed, that 7 members of the Cabinet come from the Empire State, and 4 come from the rest of the country. That might be worth thinking about.

Mr. HOLT. All I wish to say is that after Colonel Knox said these things about the Cabinet and about the President he had better take lessons from somebody so he can learn to do what he accused the President of doing, so that he can nod, smile, agree, assert, evade, deny, distort, distract, delay, retreat, startle, dazzle, juggle, sidestep, and circumvent, because after saying those things, Colonel Knox will have to do all those things if he is to sit with a straight face with the other members of the Cabinet and the President of the United States.

LETTER OF RESIGNATION OF HON. HARRY H. WOODRING AS SECRETARY OF WAR

Mr. CLARK of Missouri. Mr. President, I ask unanimous consent to submit a resolution and ask that it be read for the information of the Senate and lie on the table.

The PRESIDING OFFICER. Without objection, the resolution will be read.

The Chief Clerk read the resolution (S. Res. 284), as follows:

Resolved, That the President be requested, if not incompatible with the public interest, to transmit to the Senate the letter of the Honorable Harry H. Woodring resigning as Secretary of War of the United States.

The PRESIDING OFFICER. The resolution will lie on the table and be printed.

EXPEDITION IN NAVAL SHIPBUILDING

The Senate resumed the consideration of the bill (H. R. 9822) to expedite naval shipbuilding, and for other purposes.

Mr. THOMAS of Utah. Mr. President——

Mr. WALSH. Does the Senator from Utah desire the floor?

Mr. THOMAS of Utah. I was going to suggest the absence of a quorum.

Mr. WALSH. I do not think that is necessary.

Mr. President, I ask now for action on the first amendment to the pending bill.

The PRESIDING OFFICER. The first committee amendment will be stated.

The first amendment of the Committee on Naval Affairs was, on page 1, line 5, after the word "during", to strike out "any" and insert "the"; in line 6, after the name "President", to insert "on September 8, 1939"; in line 7, after the name "Navy", to insert "or the Secretary of the Treasury in the case of Coast Guard contracts,"; in line 11, after the word "as", to strike out "he" and insert "such Secretary"; in the same line, after the word "and", to strike out "he shall require"; on page 2, line 2, after the word "made", to insert "shall be required"; in line 3, before the word "is", to strike out "He" and insert "The Secretary concerned"; in line 11, after the name "Secretary", to strike out "of the Navy" and insert "concerned"; in line 12, after the word "report", to insert "every 3 months", and in line 13, after the name "Congress", to strike out "at the beginning of each regular session", so as to make the section read:

That whenever in the opinion of the President of the United States such course would be in the best interests of national defense during the national emergency declared by the President on September 8, 1939, to exist, the Secretary of the Navy, or the Secretary of the Treasury in the case of Coast Guard contracts, is authorized to advance, from appropriations available therefor, payments to contractors in amounts not exceeding 30 percent of the contract price, upon such terms as such Secretary shall prescribe, and adequate security for the protection of the Government for the payments so made shall be required. The Secretary concerned is further authorized in his discretion to make partial payments on the balance of the contract price from time to time during the progress of the work, such partial payments not to exceed the value of the work already done, but to be subject to a lien as provided by the act of August 22, 1911 (37 Stat. 32; U. S. C., title 34, sec. 582), entitled "An act authorizing the Secretary of the Navy to make partial payments for work already done under public contracts": *Provided*, That the Secretary concerned shall report every 3 months to the Congress the advance payments made under the authority of this section.

The amendment was agreed to.

The next amendment was, on page 2, line 15, before the word "That", to insert "(a)"; in line 17, after the word "during", to strike out "any" and insert "the"; in line 18, after the name "President", to insert "on September 8, 1939,"; and in line 24, after the word "other", to strike out "equipment, without competition, and all orders for such machine tools and other equipment shall, in the discretion of the President, take priority over orders for export: *Provided*, That he shall determine the price to be fair and reasonable: *Provided further*, That the Secretary of the Navy shall report to the Congress at the beginning of each regular session the contracts entered into under the authority of this section" and insert:

Similar equipment, with or without advertising or competitive bidding upon determination that the price is fair and reasonable, and deliveries of material under all orders placed pursuant to the authority of this section and all other naval contracts or orders shall, in the discretion of the President, take priority over all deliveries for private account or for export: *Provided*, That the Secretary of the Navy shall report every 3 months to the Congress the contracts entered into under the authority of this section: *Provided further*, That contracts negotiated pursuant to the provisions of this section shall not be deemed to be contracts for the purchase of such materials, supplies, articles, or equipment as may usually be bought in the open market within the meaning of section 9 of the act entitled "An act to provide conditions for the purchase of supplies and the making of contracts by the United States, and for other purposes," approved June 30, 1936 (49 Stat. 2036; U. S. C., Supp V, title 41, secs. 35–45).

(b) After the date of approval of this act no contract shall be made for the construction or manufacture of any complete naval vessel or any Army or Navy aircraft, or any portion thereof, under the provisions of this section or otherwise, unless the contractor agrees, for the purposes of section 3 of the act of March 27, 1934 (48 Stat. 505; 34 U. S. C. 496), as amended—

(1) to pay into the Treasury profit in excess of 7 percent (in lieu of the 10 percent and 12 percent specified in such section 3) of the total contract prices of such contracts within the scope of this subsection as are completed by the particular contracting party within the income taxable year;

(2) that any profit in excess of 7.53 percent of the cost of performing such contracts as are completed by the contracting party within the income taxable year shall be considered to be profit in excess of 7 percent of the total contract prices of such contracts; and

(3) that he will make no subcontract which is within the scope of such section 3, unless the subcontractor agrees to the foregoing conditions.

So as to make the section read:

SEC. 2. (a) That whenever deemed by the President of the United States to be in the best interests of the national defense during

the national emergency declared by the President on September 8, 1939, to exist, the Secretary of the Navy is hereby authorized to negotiate contracts for the acquisition, construction, repair, or alteration of complete naval vessels or aircraft, or any portion thereof, including plans, spare parts, and equipment therefor, that have been or may be authorized, and also for machine tools and other similar equipment, with or without advertising or competitive bidding upon determination that the price is fair and reasonable, and deliveries of material under all orders placed pursuant to the authority of this section and all other naval contracts or orders shall, in the discretion of the President, take priority over all deliveries for private account or for export: *Provided*, That the Secretary of the Navy shall report every 3 months to the Congress the contracts entered into under the authority of this section: *Provided further*, That contracts negotiated pursuant to the provisions of this section shall not be deemed to be contracts for the purchase of such materials, supplies, articles, or equipment as may usually be bought in the open market within the meaning of section 9 of the act entitled "An act to provide conditions for the purchase of supplies and the making of contracts by the United States, and for other purposes", approved June 30, 1936 (49 Stat. 2036; U. S. C., Supp. V, title 41, secs. 35–45).

(b) After the date of approval of this act no contract shall be made for the construction or manufacture of any complete naval vessel or any Army or Navy aircraft, or any portion thereof, under the provisions of this section or otherwise, unless the contractor agrees, for the purposes of section 3 of the act of March 27, 1934 (48 Stat. 505; 34 U. S. C. 496), as amended—

(1) To pay into the Treasury profit in excess of 7 percent (in lieu of the 10 percent and 12 percent specified in such section 3) of the total contract prices of such contracts within the scope of this subsection as are completed by the particular contracting party within the income taxable year;

(2) That any profit in excess of 7.53 percent of the cost of performing such contracts as are completed by the contracting party within the income taxable year shall be considered to be profit in excess of 7 percent of the total contract prices of such contracts; and

(3) That he will make no subcontract which is within the scope of such section 3, unless the subcontractor agrees to the foregoing conditions.

The amendment was agreed to.

The next amendment was, on page 4, line 23, after "sec. 496)", to strike out "shall", and insert "and as made applicable to contracts for aircraft or any portion thereof for the Army by such act of April 3, 1939, shall, in the case of contracts or subcontracts entered into after the date of approval of this act and"; on page 5, line 2, after the words "period of", to strike out "any" and insert "the"; and in line 3, after the name "President", to insert "on September 8, 1939", so as to make the section read:

SEC. 3. The provisions of section 3 of the act of March 27, 1934 (48 Stat. 505), as amended by the acts of June 25, 1936 (49 Stat. 1926), and April 3, 1939 (53 Stat. 560; U. S. C., Supp. V, title 34, sec. 496), and as made applicable to contracts for aircraft or any portion thereof for the Army by such act of April 3, 1939, shall, in the case of contracts or subcontracts entered into after the date of approval of this act and during the period of the national emergency declared by the President on September 8, 1939, to exist, be limited to contracts or subcontracts where the award exceeds $25,000.

The amendment was agreed to.

The next amendment was, on page 5, after line 5, to strike out:

SEC. 4. During any national emergency declared by the President to exist the decision of the Secretary of the Navy as to the necessity and the cost, including the proportion thereof to be charged against the particular contract, of special additional equipment and facilities required to facilitate the completion of any naval vessel or aircraft, or parts thereof, in private plants shall be final, subject to approval by the President and review by the Federal courts. This decision may be made at any time after the contract is awarded if in the judgment of the Secretary of the Navy sufficient data are available to permit of reasonable accuracy: *Provided*, That the Secretary of the Navy shall report to the Congress, at the beginning of each regular session, the cost of such special equipment and facilities to be borne by the Government under each contract.

And in lieu thereof to insert the following:

SEC. 4. In the case of every contract or subcontract for the construction or manufacture of any complete naval vessel or Army or Navy aircraft or any portion thereof which is entered into (whether before or after the date of approval of this act), the Secretary of War or the Secretary of the Navy, as the case may be, after agreement with the contractor or subcontractor, shall certify to the Commissioner of Internal Revenue as to (a) the necessity and cost of special additional equipment and facilities acquired to facilitate, during the national emergency declared by the President on September 8, 1939, to exist, the completion of such naval vessel or Army or Navy aircraft or portion thereof in private plants and (b) the percentage of cost of such special additional equipment and facilities to be charged against such contract or subcontract. For all purposes of section 3 of the act of March 27, 1934 (48 Stat. 505; 34 U. S. C. 496), as amended, such certification shall, subject to such regulations as the President may prescribe, be binding upon the Commissioner of Internal Revenue. The part of such cost chargeable against the contract or subcontract in pursuance of such certification, shall, for the purposes of such section 3, be considered to be a reduction of the contract price of the contract or subcontract. The amount charged against the contract or subcontract in pursuance of such certification shall, for the purposes of such section 3, be applied against and reduce the cost or other basis of such special additional equipment and facilities as of the date of installation thereof: *Provided*, That the Secretary of War or the Secretary of the Navy, as the case may be, shall report to the Congress, every 3 months, the cost of such special additional equipment and facilities to be borne by the Government under each contract.

The amendment was agreed to.

The next amendment was, on page 7, after line 2, to strike out:

SEC. 5. Notwithstanding the provisions of any other law the regular hours of labor for employees of the United States Government, and of contractors and subcontractors, when such employees are engaged in work in connection with naval vessels or aircraft or parts thereof or other work incidental thereto, shall, during the period of any national emergency declared by the President to exist, be a 5-day week of 8 hours per day and 40 hours per week: *Provided*, That these hours may be exceeded and that such employees shall receive compensation for their employment in excess of the hours above specified at a rate not less than one and one-half times the regular rate at which they are employed: *Provided further*, That such compensation for overtime shall apply only to per diem, hourly, professional and subprofessional employees and to blueprinters, photostat and rotaprint operators, inspectors, supervisory planners and estimators, and progressmen, and assistants to shop and plant superintendents of the C. A. F. service, all as defined by the Classification Act of March 4, 1923 (42 Stat. 1488; U. S. C. 5, ch. 13), as amended, and by the classification rules of the United States Civil Service Commission in the case of Government employees; and to similar classes of employees of contractors and subcontractors: *Provided further*, That in determining the overtime compensation of per annum Government employees the pay for 1 day shall be considered one three-hundred-and-sixtieth of their respective per annum salaries: *Provided further*, That the hours of labor in any one week shall not exceed 48 unless the President shall declare it necessary in the interest of the national defense: *Provided further*, That the President of the United States is authorized to suspend during the period of any national emergency declared by him to exist, the provisions of the act of March 3, 1931 (46 Stat. 1482), if in his judgment such course is necessary in the interest of the national defense: *And provided further*, That the Secretary of the Navy is authorized to modify existing contracts accordingly.

And in lieu thereof to insert the following:

SEC. 5. (a) Notwithstanding the provisions of any other law, the regular working hours of the Navy Department and the Coast Guard and their field services shall be 8 hours a day or 40 hours per week during the period of the national emergency declared by the President on September 8, 1939, to exist: *Provided*, That under such regulations as the head of the Department concerned may prescribe, and where additional employees cannot be obtained to meet the exigencies of the situation, these hours may be exceeded: *Provided further*, That compensation for employment in excess of 40 hours in any administrative workweek computed at a rate not less than 1½ times the regular rate shall be paid to per annum, per month, per diem, per hour, and piece-work employees: *Provided* further, That in determining the overtime compensation of per annum Government employees the pay for 1 day shall be considered to be one three-hundred-and-sixtieth of their respective per annum salaries: *Provided further*, That the President is authorized to suspend, in whole or in part, for the War and Navy Departments and for the Coast Guard and their field services, during the period of the national emergency declared by him on September 8, 1939, to exist, the provisions of the act of March 3, 1931 (46 Stat. 1482; U. S C. 5, 26 (a)), if in his judgment such course is necessary in the interest of national defense, and any regulations issued pursuant to the act of March 14, 1936 (49 Stat. 1161; U. S. C., Supp. V, title 5, sec. 29 (a)), may be modified accordingly: *And provided further*, That notwithstanding the provisions of any other law, the President is hereby authorized, in his discretion, to prescribe regulations to establish such uniformity among the War and Navy Departments and the Coast Guard and their field services in regard to hours of work and compensation for overtime of their civilian employees as he may deem necessary in the interest of national defense.

(b) During the national emergency declared by the President on September 8, 1939, to exist, the provisions of law prohibiting more than 8 hours' labor in any 1 day of persons engaged upon work covered by Army, Navy, and Coast Guard contracts shall be suspended.

Mr. WAGNER. Mr. President, will the Senator yield for a question?

Mr. WALSH. I yield.

Mr. WAGNER. The committee amendment which is now under consideration not only has the effect of suspending the law with reference to 8 hours of labor per day, but it also deprives the worker, if he is required to work more than 8 hours, of time and a half for overtime. I wonder why this provision is in the bill at all, because under the present law the President is authorized, under section 326 of the United States Code, title 40, to suspend certain provisions of law. Let me read that law:

In case of national emergency the President is authorized to suspend provisions of law prohibiting more than 8 hours' labor in any one day of persons engaged upon work covered by contracts with the United States: *Provided*—

And this is left out in the amendment we are now considering—

That the wages of persons employed upon such contracts shall be computed on a basic rate of 8 hours' work, with overtime rates to be paid for at not less than time and a half for all hours of work in excess of 8 hours.

If the committee amendment should be adopted, this law may be suspended, so that a wage earner may be required to work 12 hours, or whatever the hours may be above 8, without being entitled to time and a half for overtime. This is the only case I know of in all our labor laws in which the worker is deprived of time and a half for overtime.

Mr. WALSH. Mr. President, the labor provisions of the bill caused the committee to give them a considerable amount of attention; and so far as I know they are generally approved by those who represent labor, and also by the Navy Department, the Army, and the President.

I do not know that I have the point which the Senator is presenting; but, in brief, the bill seeks to establish this policy: That there shall be no overtime work of any kind by anybody, unless no one can be found in the country who can do the work except some expert who is indispensable. In other words, there is a provision in the bill which takes care of the situation. It is the desire of the committee and of the administration that the speeding up of the building of vessels and the manufacture of airplanes shall lead to an expansion of labor. For instance, there is no reason why a helper in the navy yard needs to work overtime. Anybody can learn to be a helper in a few days. There is no need for a common laborer to work overtime. What we are striving to do is to put a large number of additional employees to work in the navy yard. The bill does permit overtime over 40 hours; but, I repeat, it is the intention to limit and restrict overtime to those persons in the employ of the Navy Department who are indispensable, such as drafters of plans, skilled mechanics, and technicians of one kind or another. If they are employed overtime they are to receive for each hour of overtime one and a half times their hourly rate.

Mr. WAGNER. Mr. President, may I interrupt the Senator?

Mr. WALSH. Yes.

Mr. WAGNER. That is not the case in the amendment beginning on page 9, in line 23. In section 5 (a) it is specifically stated that if the hours of employment exceed 40 hours a week, the rate for the increased hours shall be time and a half for overtime.

Mr. WALSH. Yes.

Mr. WAGNER. I am sure that this is an oversight, because this other provision to which I have referred permits the suspension of the 8-hour law; and the employee, though he may work 12 hours a day, or any number of hours over 8 hours a day, is given only the regular per diem wage, and not time and a half for overtime. If the Senator will permit me to read the present law, and then compare it with the committee amendment, I shall appreciate it.

Mr. WALSH. What is there in this provision which denies time and a half to anyone who works overtime?

Mr. WAGNER. The committee amendment reads:

During the national emergency declared by the President on September 8, 1939, to exist, the provisions of law prohibiting more than 8 hours' labor in any one day of persons engaged upon work covered by Army, Navy, and Coast Guard contracts shall be suspended.

If that law is suspended, we suspend the limitation of 8 hours, and we suspend the other provision of law which gives the laborer time and a half for overtime. It is very clear. May I read the present law on that very question?

Mr. WALSH. Certainly.

Mr. WAGNER. The present law reads:

In case of national emergency the President is authorized to suspend provisions of law prohibiting more than 8 hours' labor in any 1 day of persons engaged upon work covered by contracts with the United States.

Thus far it reads just as the proposed amendment reads, in effect; but here is the proviso in the present law, which is omitted in the committee amendment.

Provided, That the wages of persons employed upon such contracts shall be considered on a basic rate of 8 hours' work, with overtime rates to be paid for at not less than time and a half for all hours of work in excess of 8 hours.

It is that proviso that I should like to see in this particular amendment.

Mr. WALSH. Mr. President, first of all, the administration does not want to assume the responsibility of exercising the power given in the law to which the Senator refers.

Mr. WAGNER. The very same power is given here.

Mr. WALSH. We are giving it for overtime work only, and with the limitation that it may be exercised only in the case of persons who are indispensable in order to carry out these contracts.

Mr. WAGNER. But if the proviso is put in that for all time over 8 hours per day the employee is entitled to time and a half, I have no objection to the amendment. As it is now, a representative of one of the labor organizations called my attention to the fact that we are permitting the suspension of a law without providing any time-and-a-half for overtime, which we do in every other case.

Mr. WALSH. Is the Senator talking about the labor laws with regard to overtime which apply to private concerns, or those which apply to the Government?

Mr. WAGNER. I am talking about contracts with the Army, Navy, or any other Government department.

Mr. WALSH. Therefore, the Senator means contracts with private concerns?

Mr. WAGNER. That is what this amendment refers to.

Mr. WALSH. Most of it would be with our own navy yards.

Mr. WAGNER. The amendment reads:

of persons engaged upon work covered by Army, Navy, and Coast Guard contracts.

Those are contracts by private concerns. If the Senator will look at the provision, I feel very certain that he will find that I am right.

Mr. WALSH. I am sure there was no intention to make any discrimination.

Mr. WAGNER. I am sure of that. I know the Senator is one of the great champions of labor in the Senate.

Mr. WALSH. If the Senator has any doubt about it, let us have the amendment, and we will let it go into conference.

Mr. WAGNER. Of course, my contention is that it is not necessary at all.

Mr. WALSH. But so far as the committee's intentions were concerned, they were that every person who was employed overtime, whether he was subject to the provisions of the national wage-and-hour law or whether he was subject to the Walsh-Healey law which deals with public contracts, should receive one and one-half time for every hour over 40 hours.

Mr. WAGNER. That is true, and that is shown by the other provisions of the bill. If the Senator will take this proviso and put it at the end, it will cover the matter:

Provided, That the wages of the persons employed upon such contracts shall be computed on a basic day rate of 8 hours' work, with overtime work to be paid for at not less than time and one-half for all hours of work in excess of 8 hours.

Mr. WALSH. That is perfectly acceptable if it is not already included in the language of the bill.

Mr. WAGNER. I may say that it is not there.

The PRESIDING OFFICER. If the Senator from New York will send his amendment to the desk, it will be stated.

Mr. WAGNER. I send the amendment to the desk.

The PRESIDING OFFICER. The amendment will be stated.

The CHIEF CLERK. On page 10, line 2, after the word "suspended", it is proposed to insert:

Provided, That the wages of the persons employed upon such contracts shall be computed on a basic day rate of 8 hours' work, with overtime work to be paid for at not less than time and one-half for all hours of work in excess of 8 hours.

The amendment to the amendment was agreed to.

Mr. BANKHEAD. Mr. President, the Senate met this morning at 11 o'clock. It is now 8:30. We have been in session for 9 hours and 30 minutes. I have been here practically all day, and during that time I have heard only one speech directed to the subject under consideration, which is the Navy bill. We had a very wonderful strong address by the able Senator from Massachusetts. The rest of the day has been devoted to oratory.

I send to the desk a resolution, which I ask to have read and lie on the table.

The PRESIDING OFFICER. The resolution will be read.

The resolution (S. Res. 285) was read as follows:

Resolved, That the Vice President appoint a committee of three Members of the Senate to consider and report to the Senate on the advisability of renting a hall in Washington to provide radio and other suitable facilities for public speaking by Members of this body who have the urge to address the public, and thereby permit other Members of the Senate to engage in the transaction of public business. The said committee shall also consider the advisability of closing the galleries when one-third of the Senators sign a statement that they desire to proceed to a consideration of public business without being prevented from doing so by orations not germane to the measure pending before the Senate.

[Laughter.]

Mr. BANKHEAD. I ask that the resolution lie on the table for future consideration.

The PRESIDING OFFICER. The resolution will be printed and lie on the table.

Mr. GILLETTE. Mr. President, referring to the amendment just presented by the Senator from New York and adopted, for the purpose of calling the matter to the attention of the conferees, I desire to state that I believe it will make a conflict between subsection (b) and subsection (a) when the amendment as adopted is considered. In order to call it to the attention of the conferees, I have interrupted the Senator at this time.

Mr. WALSH. I think all the members of our committee consider that the amendment is unnecessary, but, in view of the feeling of the Senator from New York, I accepted it. Let me say, before I comment upon the resolution presented by the distinguished Senator from Alabama, that it reminds me of the story of the lawyer who was making an impassioned plea to the jury and was desperately seeking to bring tears to the eyes of the jury in order that they would be sympathetic toward the case of his client. The judge called for order and said, "If this sobbing and weeping does not stop, I am going to clear the courtroom." Thereupon the lawyer said, "Your Honor, turn out the men folks if you will, but spare, oh, spare, the women and children so that they can cry!" [Laughter.]

So I am sure that the orators to whom the Senator refers would want at least the women and children to be left in the galleries, even if we turned out the men folks.

Mr. BANKHEAD. If that suggestion were carried out it would destroy the effect of the resolution, because it would not stop the speaking.

Mr. WAGNER. Mr. President, because of the statement made by the distinguished Senator from Iowa [Mr. GILLETTE], I should like to state that subdivision (a) on page 9 refers to Government employees, whereas subdivision (b) refers to employees on Government contracts with private concerns. That is a clear distinction.

The PRESIDING OFFICER. The next amendment reported by the committee will be stated.

The next amendment was, on page 10, line 8, after the word "the" where it occurs the second time, to strike out "Navy Department" and insert "War and Navy Departments"; in line 21, after the word "employment" and the colon, to strike out: *"And provided further,* That in connection with the defense program of the United States the provisions of section 6 of the act of August 24, 1912 (37 Stat. 555; U. S. C., title 5, sec. 652), may be waived in any case when approved by the Secretary of the Navy," and insert: *"Provided further,* That during the national emergency declared by the President on September 8, 1939, to exist, the provisions of section 6 of the act of August 24, 1912 (37 Stat. 555; U. S. C., title 5, sec. 652), shall not apply to any civil-service employee of the War or Navy Departments or of the Coast Guard, or their field services, whose immediate removal is, in the opinion of the Secretary concerned, warranted by the demands of national security, but nothing herein shall be construed to repeal, modify, or suspend the proviso in that section. Those persons summarily removed under the authority of this section may, if in the opinion of the Secretary concerned, subsequent investigation so warrants, be reinstated, and if so reinstated shall be allowed compensation for the period of such removal at the rate they were receiving on the date of removal: *And provided further,* That within 30 days after such removal any such person shall have an opportunity personally to appear before the official designated by the Secretary concerned and be fully informed of the reasons for such removal, and to submit, within 30 days thereafter, such statement or affidavits, or both, as he may desire to show why he should be retained and not removed;" so as to make the section read:

SEC. 6. Notwithstanding the provisions of section 2 of the act of May 29, 1930 (46 Stat. 468), and section 204 of the act of June 30, 1932 (47 Stat. 404), any person heretofore or hereafter retired under the Civil Service Retirement Act of May 29, 1930, as amended, may be reemployed in the service of the War and Navy Departments: *Provided,* That there shall be deducted and withheld from the basic salary, pay, or compensation of such person and credited to his account as provided in section 12 (a) of the act of May 29, 1930, as amended, the regular deductions prescribed by the said act: *Provided further,* That upon separation from the service for any cause such person may elect to receive a refund of the total deductions so withheld together with interest at 4 percent per annum compounded on June 30 of each year, or receive credit for the additional service in the computation of any annuity awarded thereafter: *Provided further,* That payment of the annuity of such person shall be suspended during the period of such employment: *Provided further,* That during the national emergency declared by the President on September 8, 1939, to exist, the provisions of section 6 of the act of August 24, 1912 (37 Stat. 555; U. S. C., title 5, sec. 652), shall not apply to any civil-service employee of the War or Navy Departments or of the Coast Guard, or their field services, whose immediate removal is, in the opinion of the Secretary concerned, warranted by the demands of national security, but nothing herein shall be construed to repeal, modify, or suspend the proviso in that section. Those persons summarily removed under the authority of this section may, if in the opinion of the Secretary concerned, subsequent investigation so warrants, be reinstated, and if so reinstated shall be allowed compensation for the period of such removal at the rate they were receiving on the date of removal: *And provided further,* That within 30 days after such removal any such person shall have an opportunity personally to appear before the official designated by the Secretary concerned and be fully informed of the reasons for such removal, and to submit, within 30 days thereafter, such statement or affidavits, or both, as he may desire to show why he should be retained and not removed.

The amendment was agreed to.

The next amendment was, on page 12, line 4, after the word "Establishment", to insert "and of the Coast Guard"; in line 5, after the word "of", to strike out "any" and insert "the"; in line 6, after the name "President", to insert "on September 8, 1939"; in line 13, after the word "employees", to strike out "in those trades and occupations wherein a shortage exists" and insert "whose services at the time cannot, in the judgment of the Secretary of the Navy or the Secretary of the Treasury, as the case may be, be spared without detriment to the national defense", so as to make the section read:

SEC. 7. The act of March 14, 1936, entitled An act to provide for vacations to Government employees and for other purposes" (49 Stat. 1161), is hereby amended by adding, after section 7, a new section to read as follows:

"SEC. 8. Employees of the Navy Department and the Naval Establishment and of the Coast Guard may, during the period of the

national emergency declared by the President on September 8, 1939, to exist, be employed during the time they would otherwise be on vacation without deprivation of their vacation pay for the time so worked. Employees who forego their vacations in accordance with the provisions of this section may be paid, in addition to their regular pay, the equivalent of the pay they would have drawn during the period of such vacation. The provisions of this section shall be applicable only to employees whose services at the time cannot, in the judgment of the Secretary of the Navy or the Secretary of the Treasury, as the case may be, be spared without detriment to the national defense."

The amendment was agreed to.

The next amendment was, on page 12, after line 17, to strike out:

SEC. 8. The limit of cost of the vessels authorized by the act of July 30, 1937 (50 Stat. 544), is hereby increased by an amount equal to additional costs resulting from the provisions of this act.

And in lieu thereof to insert the following:

SEC. 8. (a) The limit of cost of the vessels authorized by the act of July 30, 1937 (50 Stat. 544), and any statutory limitation with respect to the cost of any other individual project of construction are hereby increased as may be necessary to expedite national defense and otherwise effectuate the purposes of this act: *Provided*, That the monetary limitations on payments out of appropriations available to the Navy Department for employees in the Navy Department and for employees in the field service assigned to group IV (b) and those performing similar services carried under the Native and Alien Schedules of Wages of civil employees in the field services of the Navy Department shall be suspended during the limited national emergency declared by the President on September 8, 1939, to exist: *Provided further*, The Secretary of the Navy is authorized to employ such additional personnel at the seat of government and elsewhere, and to provide out of any appropriations available to the Navy Department, for their salaries and for such printing and binding, communication service, supplies, travel expenses, and for such public works projects, inclusive of buildings, facilities, utilities, and appurtenances thereto (including Government-owned facilities at privately owned plants and the expansion of such plants), and the acquisition of such land, and the purchase or lease of such structures, as he may deem necessary to carry out the purposes of this act.

(b) The Secretary of the Navy is further authorized, with or without advertising or competitive bidding, to provide out of any available naval appropriations, for the operation and maintenance of any plants, buildings, facilities, utilities, and appurtenances thereto constructed pursuant to the authorizations contained in this act, either by means of Government personnel or through the agency of selected qualified commercial manufacturers under contracts entered into with them, and when he deems it necessary in the interest of national defense, to lease, sell, or otherwise dispose of any such plants, buildings, facilities, utilities, appurtenances thereto, and land, under such terms and conditions as he may deem advisable, and without regard to the provisions of section 321 of the act of June 30, 1932 (47 Stat. 412): *Provided*, That the Secretary of the Navy shall report every 3 months to the Congress, each and every contract amounting to $100,000 and over, entered into under the authority of this section.

The amendment was agreed to.

The next amendment was, on page 14, after line 14, to strike out:

SEC. 9. As used in this act, the words "national emergency" shall be deemed to include the limited national emergency declared by the President on September 8, 1939.

And to insert in lieu thereof the following:

SEC. 9. The Secretary of the Navy and the Secretary of the Treasury are hereby authorized to modify existing contracts, including Coast Guard contracts, as the Secretary concerned may deem necessary to expedite military and naval defense, and to otherwise effectuate the purposes of this act.

The amendment was agreed to.

The next amendment was, on page 14, after line 23, to strike out:

SEC. 10. The provisions herein contained shall be effective for a period of 3 years beginning with the date of approval of this act.

And insert in lieu thereof the following:

SEC. 10. Hereafter the approval of the Secretary of the Navy, acting by direction of the President, shall constitute approval by the President as required by section 4 of the act approved April 25, 1939 (53 Stat. 590, 592), necessary to the validity of any contract entered into under authority contained in said section.

The amendment was agreed to.

The next amendment was, on page 15, after line 8, to insert:

SEC. 11. (a) No aliens employed by a contractor in the performance of secret, confidential, or restricted Government contracts shall be permitted to have access to the plans or specifications, or the work under such contracts, or to participate in the contract trials, unless the written consent of the head of the Government department concerned has first been obtained, and any person who willfully violates or through negligence permits the violation of the provisions of this subsection shall be fined not more than $10,000 or imprisoned not more than 5 years, or both.

(b) Any alien who obtains employment on secret, confidential, or restricted Government contracts by misrepresentation of his alien status, or who makes such misrepresentation while seeking such employment, shall be fined not more than $10,000 or imprisoned not more than 5 years, or both.

(c) For the purpose of this section, the term "person" shall be construed to include an individual, partnership, association, corporation, or other business enterprise.

The amendment was agreed to.

The next amendment was, on page 16, after line 3, to insert:

SEC. 12. The provisions of all preceding sections of this act shall terminate June 30, 1942, unless the Congress shall otherwise provide.

The amendment was agreed to.

The next amendment was, on page 16, after line 6, to insert:

SEC. 13. Section 6 of the act approved June 30, 1936 (49 Stat. 2036; U. S. C., Supp. V, title 41, secs. 35–45), is hereby amended by adding "*Provided*, That whenever in his judgment such course is in the public interest, the President is authorized to suspend any or all of the representations and stipulations contained in section 1 of this act."

The amendment was agreed to.

The PRESIDING OFFICER. The bill is open to further amendment.

Mr. WALSH. Mr. President, there are some additional amendments which I should like to present for the committee, and I now send to the desk the first of these important amendments.

Mr. DANAHER. Mr. President, will the Senator yield?

Mr. WALSH. I yield.

Mr. DANAHER. Since we are at this moment on this particular topic, I direct the attention of the Senator from Massachusetts to page 15, line 19, and ask him if he will not consent to the interpolation of the word "knowingly", or a word or phrase having the effect of that word, so that a person who innocently misrepresents his status may not be subjected to the enormous penalty of a possible fine of $10,000 or imprisonment of not more than 5 years?

Mr. WALSH. The Senator has called attention to subsection (b) on page 15, which reads as follows:

(b) Any alien who obtains employment on secret, confidential, or restricted Government contracts by misrepresentation of his alien status, or who makes such misrepresentation while seeking such employment, shall be fined not more than $10,000 or imprisoned not more than 5 years, or both.

I am wondering how anyone could knowingly make a misrepresentation of his alien status.

Mr. DANAHER. Let me say to the Senator from Massachusetts that within a very few months I saw a man accepted for jury service in a State which is particularly attentive to the requirements of a citizen's status for jury service, and all his life he had supposed he was a citizen, as did the jury commissioner in his town, and as did the registrar of voters in his town. It developed, from the diligence of some lawyer who chose to look the matter up, that that individual was born in Nova Scotia, and had never qualified as a citizen of this country. The gentleman, in complete good faith, thought he was a citizen.

I think that if we insert the word "knowingly," or a phrase which will have the effect of protecting against some misrepresentation which would have the effect of altering the status of an alien, such protection would be justifiable, and we should protect people against such a result.

Mr. WALSH. Of course, as the Senator knows, the purpose of this section is to prevent a person claiming to be an American citizen when he is not, and getting employment and dealing with secret confidential plans for the building of naval vessels and airplanes and similar work. When such misrepresentation is made, it permits criminal action to be taken against such a person. It is an effort to prevent sabotage and prevent the disclosure of secret plans of our

Government. I would be the last, as the Senator knows, to want anyone punished who was innocent.

Mr. DANAHER. Of course.

Mr. WALSH. I am somewhat disturbed about the word "knowingly," because of the defense which would be raised in cases where one claimed to be a citizen and was not a citizen. He could say he did not understand, that he speaks poor English, or really thought he was a citizen when he was not. I wish the Senator could use some more moderate phrase.

Mr. DANAHER. I appreciate the position of the Senator from Massachusetts and agree with him fully in the objective he seeks. I understand he has some further committee amendments to submit, and I suggest we proceed with them, and meanwhile I will prepare language I am sure will meet with his approval.

Mr. WALSH. I suggest that the Senator use the word "innocently," or "unconsciously," or "believing that he was a citizen of the country," some such language.

I now ask that the vote by which the amendment on page 2, line 24, was agreed to, be reconsidered.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and the vote is reconsidered.

Mr. WALSH. I now offer an amendment to follow this amendment of the committee.

The PRESIDING OFFICER. The clerk will state the amendment submitted by the Senator from Massachusetts.

The CHIEF CLERK. It is proposed to insert on page 3, line 23, to follow section 2 (a), the following:

Provided further, That nothing herein contained shall relieve a bidder or contractor of the obligation to furnish the bonds under the requirements of the act of August 24, 1935 (49 Stat. 793; 40 U. S. C. 270 (a) to (d)): *Provided further*, That the cost-plus-a-percentage of cost system of contracting shall not be used under the authority granted by this subsection to negotiate contracts; but this proviso shall not be construed to prohibit the use of the cost plus a fixed-fee form of contract when such use is deemed necessary by the Secretary of the Navy: *And provided further*, That the fixed fee to be paid the contractor as a result of any contract entered into under the authority of this subsection, or any War Department contract entered into in the form of cost plus a fixed fee shall not exceed 7 percent of the estimated cost of the contract (exclusive of the fee as determined by the Secretary of the Navy or the Secretary of War, as the case may be), nor more than 7.53 percent of the cost of performing such contract (exclusive of the fee).

Mr. WALSH. Mr. President, in many respects this is the most important provision in the bill. In existing law there is a provision that no contractor who enters into a contract with the United States Government for the building of a naval vessel can make more than 10-percent profit on the contract. There is also provision in existing law that no contractor entering into a contract with the United States Government to build airplanes can receive more than 12-percent profit.

In the bill we are removing the obligation for competitive bidding in the building of vessels and the building of airplanes, in the expectation and hope that quick, sudden negotiations without advertising for bids may increase the speed with which we can move in building ships and airplanes.

We are providing for private negotiation between the Navy Department and the War Department, so far as planes are concerned, and the Navy Department so far as vessels and planes are concerned, with contractors. The committee felt that under these circumstances the profit to which they are now entitled by law, of 10 percent and 12 percent, should be reduced.

We met with opposition in our effort to do this. We discovered, in the course of our investigation, that originally the profit was 10 percent under contracts with both airplane manufacturers and shipbuilders, but in some mysterious way an amendment crept into the law in 1939, in some Army bill, which gave 12 percent to airplane manufacturers. We could see no reason for a difference in the profit to a shipbuilder and an airplane manufacturer when they are negotiating without competition for a contract, and when they do not need to take the contract if they do not want to. Therefore, we have provided in the bill for a maximum profit of 7 percent. We have also provided that, even if the price is agreed to and the cost is less than the agreed price, the contractor will receive only 7.53 percent, which means that the Government would make more money by paying 7.53 percent if the cost is below the agreed price, than it would by giving the 7-percent price.

In my opinion, this provision is one of the most important and one of the best in the measure. We pointed out to the opposition that, in view of the fact that the Navy would make contracts for a billion dollars on ships, the manufacturers ought to make some sacrifice in respect to the matter of profits; that the contractors as well as the taxpayers and those in the military service of the country should make sacrifices for the good of the country. We were actuated to do this by the fact that it was disclosed to us that in the year 1938 the returns made by shipbuilders and airplane builders showed profits ranging between 14 and 24 percent. I must add that that was upon their entire business and not solely and alone upon Government business. So, if the bill is enacted and this provision is accepted in conference, it will represent an effort made by the Congress for some diminution in the amount of peacetime profits on the part of contractors who are building our ships and our airplanes.

Sooner or later, of course, if we go to war, some such provision of law for limitation of profits must be applied to every contract made by the Army and Navy.

The committee was moved to do this because in the law already there is a limitation on profits, and, therefore, this reduction was made.

I wish to take occasion to commend the members of the Committee on Naval Affairs who cooperated in insisting upon this amendment being placed in the bill.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment to the amendment was agreed to.

The amendment, as amended, was agreed to.

Mr. WALSH. I now ask that the vote by which the amendment on page 2, line 24, was agreed to, be reconsidered.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and the vote is reconsidered.

Mr. WALSH. I now offer an amendment, which I ask to have stated.

The PRESIDING OFFICER. The amendment will be stated.

The CHIEF CLERK. On page 3, line 10, after the word "orders", it is proposed to insert "and all Army contracts and orders."

Mr. WALSH. That is put in at the request of the Army, which desires that that particular provision apply to the Army as well as to the Navy.

The PRESIDING OFFICER. The question is on agreeing to the amendment to the committee amendment.

The amendment to the amendment was agreed to.

The amendment, as amended, was agreed to.

Mr. WALSH. I now ask that the vote by which the amendment on page 12, line 22, was agreed to be reconsidered.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and the vote is reconsidered.

Mr. WALSH. I send forward another amendment, which I ask to have stated.

The PRESIDING OFFICER. The amendment will be stated.

The CHIEF CLERK. On page 12, line 24, after the word "individual", it is proposed to insert the word "naval."

The PRESIDING OFFICER. The question is on agreeing to the amendment to the committee amendment.

The amendment to the amendment was agreed to.

The amendment, as amended, was agreed to.

Mr. WALSH. I now ask that the vote by which the amendment on page 8, line 14, was agreed to, be reconsidered.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and the vote is reconsidered.

Mr. WALSH. I offer another amendment which I ask to have stated.

The PRESIDING OFFICER. The amendment will be stated.

The CHIEF CLERK. On page 9, line 1, after the word "paid", it is proposed to insert the word "only", and on line 2, after the word "employees", insert the words "in the field services of the War Department, the Navy Department, and the Coast Guard."

Mr. WALSH. I wish to make a brief explanation of that amendment for the RECORD. The amendment has the effect of limiting the overtime work of those in the field service of the Navy and the Army. It is not intended that the overtime work should apply to the office staff here in Washington or in the bureaus, because practically all the work they do can be done by others. In other words, there are additional clerks and additional stenographers and additional messengers to be employed.

So we have limited the overtime work to those in the field, that is those in the munitions plants of the Government and in the navy yards, and we have limited it so far as possible to those who are indispensable.

I repeat, the purpose of the committee and the purpose of the administration is to make overtime work as negligible as possible in speeding up and the employment of two and three shifts, to give this work to people who are unemployed.

The PRESIDING OFFICER. The question is on agreeing to the amendment to the committee amendment.

The amendment to the amendment was agreed to.

The amendment, as amended, was agreed to.

Mr. WALSH. I send to the desk another amendment which I ask to have stated.

The PRESIDING OFFICER. The amendment will be stated.

The CHIEF CLERK. At the end of the bill it is proposed to add a new section 14, as follows:

SEC. 14. (a) Notwithstanding the provision of any other law, no military or naval weapon, ship, boat, aircraft, munitions, supplies, or equipment, to which the United States has title, in whole or in part, or which have been contracted for, shall hereafter be transferred, exchanged, sold, or otherwise disposed of in any manner whatsoever unless the Chief of Naval Operations, in the case of naval material, and the Chief of Staff of the Army, in the case of military material, shall first certify that such material is not essential to and cannot be used in the defense of the United States.

(b) The Secretary of War and the Secretary of the Navy as the case may be, are hereby requested and directed to furnish or cause to be furnished to the chairman of each Committee on Naval Affairs of the Congress of the United States a copy of each contract, order, or agreement covering the exchange of deteriorated, unserviceable, obsolescent, or surplus military or naval equipment, munitions, or supplies exchanged for other military or naval equipment, munitions, or supplies, and a copy of each contract, order, or agreement shall be furnished regarding any other disposition of military or naval equipment, munitions, and supplies by which the title passes, either de jure or de facto, from the United States, or by which delivery of material thereunder is deferred, where the original cost of such military or naval equipment, munitions, or supplies exceeded or exceeds $2,000. The copies of each contract, order, or agreement herein referred to shall be transmitted to the respective chairmen of the Committee on Naval Affairs not later than 24 hours after such contract, order, or agreement is made, and the chairman of each committee shall consider such contracts, orders, or agreements confidential unless a majority of the members of his committee shall direct the particular transaction to be made public.

(c) Nothing herein contained shall be construed to repeal or modify sections 3 and 6, title V of the act approved June 15, 1917 (40 Stat. 222; U. S. C., title 18, secs. 33 and 36).

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment was agreed to.

Mr. WALSH. I now ask that the vote by which the amendment on page 15, line 19, was agreed to be reconsidered.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and the vote is reconsidered.

Mr. WALSH. The Senator from Connecticut [Mr. DANAHER] made a suggestion a few minutes ago with reference to an amendment which he has now modified and which I think could properly be accepted. I send the amendment proposed by the Senator from Connecticut to the desk and ask that it be stated.

The PRESIDING OFFICER. The amendment will be stated.

The CHIEF CLERK. On page 15, line 20, after the word "by", it is proposed to insert "willful"; and, in line 21, after the word "such", it is proposed to insert "willful."

The PRESIDING OFFICER. The question is on agreeing to the amendment to the committee amendment.

The amendment to the amendment was agreed to.

The amendment, as amended, was agreed to.

Mr. WALSH. I now offer another amendment, title 2, in which the Senator from New York is interested particularly. Frankly, I have not had the opportunity to give it the study and attention it deserves. It is an amendment to permit some of the funds appropriated for the Army and Navy to be used for housing facilities for the workmen in the expanded class that may become necessary. I ask that the amendment be accepted and at least taken to conference for further study and consideration.

I send the amendment to the desk and ask that it be stated.

The PRESIDING OFFICER. The amendment will be stated.

The CHIEF CLERK. At the end of the bill it is proposed to add a new title II, as follows:

"TITLE II

"SECTION 201. In connection with the national-defense program, the Navy and War Departments and the United States Housing Authority are hereby authorized to cooperate in making necessary housing available for persons engaged in national-defense activities, as hereinafter provided. 'Persons engaged in national-defense activities' (as that term is used in this title) shall include (i) enlisted men with families, who are in the naval and military service (excluding officers) and employees of the Navy and War Departments who are assigned to duty at naval or military reservations, posts, or bases, and (ii) workers with families, who are engaged or to be engaged in industries connected with and essential to the national-defense program. No project shall be developed or assisted for the purposes of this title except with the approval of the President and upon a determination by him that there is an acute shortage of housing in the locality involved which impedes the national-defense program.

"SEC. 202. (a) Projects may be initiated hereunder by the Navy or War Department to provide dwellings on or near naval or military reservations, posts, or bases for rental to the enlisted men and employees of the Navy and War Departments described in section 201. Such projects shall be developed by the Navy or War Department or by the Authority, whichever the President determines is better suited to the fulfillment of the purposes of this title with respect to any particular project. If the development of such project is to be undertaken by the Navy or War Department, the Authority is authorized to aid the development of the project by furnishing technical assistance and by transferring to such Department the funds necessary for the development of the project. Any project developed for the purpose of this section shall be leased to the Navy or War Department by the Authority (which shall have title to such project until repayment of the cost thereof to the Authority as prescribed in such lease) upon such terms as shall be prescribed in the lease, which may be the same terms as are authorized by the United States Housing Act of 1937, as amended, with respect to leases to public-housing agencies. All the provisions of said act which apply to the development of projects by the Authority shall (insofar as applicable and not inconsistent herewith) apply to the development of projects by the Navy or War Department. Notwithstanding other provisions of this or any other law, the Department leasing a project shall have the same jurisdiction over such project as it has over the reservation, post, or base in connection with which the project is developed.

"(b) The Navy or War Department, in connection with any project developed or leased by it, and the Authority, in connection with any project developed or assisted by it, for the purposes of this title, may acquire real or personal property or any interest therein by purchase, eminent domain, gift, lease, or otherwise. The provisions of section 355 of the Revised Statutes shall not apply to the acquisition of any real property by the Navy or War Department or by the Authority for the purposes of this title or to the project developed thereon, and the provisions of section 321 of the act of June 30, 1932 (U. S. C., 1934 ed., title 40, sec. 303b), shall not apply to any lease of any project developed for the purposes of this title or of any dwelling therein. Condemnation proceedings instituted by the Authority shall be in its own name and the practice and procedure governing such proceedings by the United States shall be followed, and the Authority shall likewise be entitled to proceed in accordance with the provisions of the act of Congress approved February 26, 1931 (46 Stat. 1421), and an act of Congress approved March 1, 1929 (45 Stat. 1415). If the Authority acquires land in connection with a project to be assisted for the purposes of this title, it may convey such land to the public-housing agency involved for a consideration equal to the cost of the land to the Authority. The Navy and War Departments and the Authority may negotiate, contract, and fix such fees as they determine are reasonable for the services

of architects, engineers, surveyors, appraisers, title examiners, and real-estate negotiators in connection with specific projects developed by them under this title. The Secretaries of Navy and War are hereby authorized to make available to the Authority any land that is needed for a project to be developed by the Authority and leased to the Navy or War Department and to execute such leases, agreements, and other instruments with the Authority as may be necessary to carry out the purposes of this title.

"SEC. 203. In any localities where the President determines that there is an acute shortage of housing which impedes the national-defense program and that the necessary housing would not otherwise be provided when needed for persons engaged in national-defense activities, the Authority may undertake the development and administration of projects to assure the availability of dwellings in such localities for such persons and their families, or the Authority may extend financial assistance to public-housing agencies for the development and administration of such projects. Such financial assistance to public-housing agencies shall be extended (except as otherwise provided herein and not inconsistent herewith) under the provisions of, and in the same manner and forms as provided in, title I of the United States Housing Act of 1937, as amended, with respect to other housing projects.

"SEC. 204. Any contract made for financial assistance under the United States Housing Act of 1937, as amended, may be revised so as to provide that the project involved will be assisted for any of the purposes of this title. The Navy or War Department or the Authority, in the administration of any project developed for the purposes of this title, shall fix rentals for persons engaged in national-defense activities and their families which will be within their financial reach, and the Authority, in any contract for financial assistance or any lease of such a project, shall require the fixing of such rentals. Projects developed by the Navy or War Department, or developed or assisted by the Authority, for the purposes of this title shall not be subject to the elimination requirements of sections 10 (a) and 11 (a) of said act, or to any provisions of section 9 of said act which would require any part of the development cost thereof to be met in any manner other than from funds loaned or furnished by the Authority. Funds expended for the purposes of this title shall be excluded in determining, for the purposes of section 21 (d) of said act, the amounts expended within each State. Except as otherwise provided herein or as may be inconsistent herewith, all the provisions of title I of said act shall apply to this title. During the period when the President determines that in any locality there is an acute need for housing to assure the availability of dwellings for persons engaged in national-defense activities, dwellings in a project developed or assisted in said locality which are devoted to the purposes of providing housing for persons engaged in national-defense activities shall not be subject to sections 2 (1) and 2 (2) of the United States Housing Act of 1937, as amended, and during such period such projects shall be deemed projects of a low-rent character for the purposes of any of the applicable provisions in title I of said act.

"SEC. 205. The Authority may use for the purposes of this title any of the funds or authorizations heretofore or hereafter made available to it. The provisions of title I of this act shall not apply to this title."

The PRESIDING OFFICER. Without objection, the amendment is agreed to.

Mr. WALSH. Mr. President, in order to have the RECORD clear, I will say that the amendment just agreed to has never been submitted to the committee. It is offered on my own responsibility, in behalf of other Senators, including the Senator from New York [Mr. WAGNER], who is interested. The amendment is offered for consideration in conference.

The PRESIDING OFFICER. The bill is still before the Senate and open to further amendment.

Mr. WALSH. Mr. President, I think that completes the amendments. I wish to say only a word in addition.

The enactment of this legislation removes every barrier, every impediment the human mind can conceive of, so that our Navy and Army may proceed at once with speed and more speed to build up our national defense. The work of our committee has been directed toward what many Senators feel should be the general policy of Congress, namely, toward the Congress obtaining information in regard to important contracts and expenditures. All through the bill, thanks to the foresight and judgment of the distinguished members of our committee, there are provisions for reports to the Congress every 3 months on the agreement contracts, contracts not in competition, and other provisions seeking to keep the Congress informed as to the activities of the Navy.

I wish to take this occasion to compliment the distinguished members of the committee for the attention they have given this bill and for the long hours they have spent in trying to perfect a bill which would speed up the production of our defenses, and at the same time keep the Congress fully informed as to the speed with which we are going, and as to the method and manner in which the operations permitted under the bill are carried out.

Mr. JOHNSON of California. Mr. President, will the Senator yield?

Mr. WALSH. I yield to the Senator from California.

Mr. JOHNSON of California. Mr. President, I wish to yield my small meed of praise to the chairman of the committee. He has been industrious, able, and painstaking for many, many weeks. We who have sat by his side and listened to his exposition of the various bills which have been before us know how to prize his assiduity. I think he deserves at the hands of the members of the committee this little statement of praise for the manner in which he has fulfilled his duties. He has conducted them in a judicial fashion. He has conducted them in such fashion that no one could question his fairness, his boldness, and his desire to see that the country is protected by these bills.

The bills were difficult measures which required earnest study. He has given to them everything that was in him, and when I say that I say that he has given to them more than any one of the rest of us would have given. I compliment him, sir, upon the way in which he has presided over the Naval Affairs Committee.

The PRESIDING OFFICER. If there be no further amendments to be offered, the question is on the engrossment of the amendments and the third reading of the bill.

Mr. HILL. Mr. President, I should like to have the attention of the chairman of the committee for a moment. My attention has been called to the amendment to be added as section 14 of the bill, providing that notwithstanding the provision of any other law, no military or naval weapon shall hereafter be transferred, exchanged, sold, or otherwise disposed of in any manner whatsoever, unless the Chief of Naval Operations, in the case of naval material, or the Chief of Staff of the Army, in the case of military material, shall first certify that such material is not essential, and so forth.

Then it goes on to say that the Secretary of War or the Secretary of the Navy, as the case may be, is requested and directed to furnish or cause to be furnished to the chairman of each committee on Naval Affairs of the Congress of the United States a copy of each contract, order, and so forth.

Am I to understand from that provision that the Committee on Military Affairs is entirely left out, and that even with reference to material of the War Department, a report is to be made to the chairman of the Naval Affairs Committee? Will the Senator explain?

Mr. WALSH. I will say to the Senator that it was the intention of the committee that it be informed as to the disposition of surplus property. There is now a law which permits the Navy Department to transfer to the Army any surplus property it may have. The reason for the amendment is to have the Chief of Naval Operations certify that the material is not essential to the national defense. We do not say in what manner he shall certify. He may do so privately. When this provision was originally drawn, it was intended to have him certify, and have no action taken until Congress acted. The provision was greatly modified.

The reason why the Army is brought into the matter is because the Army also disposes of surplus property. I do not think the amendment calls for more than the Navy Department to inform the chairman of the Senate and House Naval Affairs Committees about naval property. I certainly have no intention, and no one else has any intention, to have the Army report to the chairman of the Naval Affairs Committees.

Mr. HILL. I have no objection to the Naval Affairs Committee receiving all the information it may desire, but as I read the language of the amendment, it seems to me that as the amendment is now drafted the War Department is required to make a report to the Naval Affairs Committees of the Congress. I wondered if that was the intention of the chairman or the members of the Naval Affairs Committee.

Mr. JOHNSON of California. No; only those things of which the Navy Department has jurisdiction.

Mr. WALSH. Let me read the section. Let me say that the section was one of the last drawn. In fact, it is not completed. It was submitted to me since the debate began; but the intention and purpose of it I know and the committee knew:

The Secretary of War and the Secretary of the Navy, as the case may be, are hereby requested and directed to furnish or cause to be furnished to the chairman of each Committee on Naval Affairs of the Congress of the United States a copy of each contract, order, or agreement covering the exchange of deteriorated, unserviceable, obsolescent, or surplus military or naval equipment, munitions, or supplies exchanged for other military or naval equipment, munitions, or supplies; and a copy of each contract, order, or agreement shall be furnished regarding any other disposition of military or naval equipment, munitions, and supplies by which the title passes either de jure or de facto from the United States, or by which delivery of material thereunder is deferred, where the original cost of such military or naval equipment, munitions, or supplies exceeded or exceeds $2,000. The copies of each contract, order, or agreement herein referred to shall be transmitted to the respective chairmen of the Committees on Naval Affairs not later than 24 hours after such contract, order, or agreement is made; and the chairman of each committee shall consider such contracts, orders, or agreements confidential unless a majority of the members of his committee shall direct the particular transaction to be made public.

I think—am I correct about this, Senators?—I think the law permitting the transfer of surplus to the Army applies only to the Navy. I do not think the law permits the Navy to take surplus property from the Army. Am I correct about that?

Mr. HILL. Will the Senator ask that question again?

Mr. WALSH. The general law permits or requires the transfer of surplus property from the Navy to the Army; but I do not think the law requires the Army to transfer any surplus property to the Navy.

Mr. CLARK of Missouri. Mr. President, will the Senator yield?

Mr. WALSH. I do.

Mr. CLARK of Missouri. As I understand the proposition, the reason why this provision was included is that certain property had been transferred from the Navy to the Army.

Mr. WALSH. That is correct.

Mr. CLARK of Missouri. And the Army proceeded to transfer it to somebody else, which the Naval Affairs Committee or the Senate thinks was not justified, which is the reason for this provision. I do not think there should be any suggestion on the part of anybody that the Naval Affairs Committee of the Senate should be permitted to interfere in the affairs of the War Department; but as far as the transfer of naval property is concerned I think they ought to be able to follow it through. It seems to me that this thing might be corrected by the transfer of words in the amendment.

Mr. WALSH. In the case of Army property, the chairmen of the House and Senate Committees on Military Affairs should be given the information.

Mr. CLARK of Missouri. That is correct.

Mr. WALSH. That is perfectly proper.

Mr. CLARK of Missouri. I think that meets the opinion of everyone.

Mr. WALSH. I want to repeat that the reason for action is that the law does not permit the Navy Department to dispose of any surplus. It requires the Navy to give it to the Army, and the Army disposes of it, and that is evidently what has led us to restrict the reform; but, if I may dictate an amendment now, I suggest that the words in section 14 (b), namely, "the chairman of each Committee on Naval Affairs of the Congress of the United States," be stricken out, and that the following words be inserted: "the respective chairmen of the Committees on Military Affairs and the Committee on Naval Affairs of the Senate and the House of Representatives."

Mr. CLARK of Missouri. Mr. President, will the Senator yield to me?

Mr. WALSH. Yes.

Mr. CLARK of Missouri. I think the Committee on Naval Affairs, which has shown so much initiative in this matter, ought to be permitted to follow its own material even after it has been transferred to the War Department. I think when naval matériel has been transferred to the War Department the Committee on Naval Affairs ought to be notified whenever that matériel is declared obsolete and transferred out of the War Department.

Mr. WALSH. I am in accord with that.

Mr. CLARK of Missouri. I think both committees ought to be notified. That is my opinion about the matter.

Mr. WALSH. Let me say to the distinguished Senator, who is such an able member of the Committee on Military Affairs, that all through this bill we have sought to assist the Army, and when it came to labor legislation, where there are some differences between the Army bill and our bill, we provided that the President could adjust those differences.

It is rather regrettable that there were two separate bodies dealing with the labor problems, one in the arsenals of the country and another in the navy yards of the country.

Mr. HILL. Why not let these reports to the Secretary of War and the Secretary of the Navy go to both Military Affairs Committee and Naval Affairs Committee?

Mr. WALSH. There is no objection whatever to that.

Has the amendment been transcribed, or may it be agreed that an amendment shall be prepared similar to what I have proposed?

Mr. CLARK of Missouri. Mr. President, if the Senator will permit me, I should like to suggest that since the Secretary of the Treasury apparently is the dictator of national defense, any reports from him might go to the two committees also.

The PRESIDING OFFICER. Without objection, the amendment is reconsidered and the amendment to it is agreed to; and the amendment, as amended, is agreed to.

Mr. WALSH. Let us have an understanding that in the case of all surplus or other matériel which is transferred which belonged to the Army originally, and which the Army is disposing of, the chairmen of the House and Senate Committees on Military Affairs may be informed.

Mr. HILL. Both Military and Naval Affairs Committees of both Houses of Congress.

Mr. HALE. Mr. President, I should like to ask the Senator a question. We have been talking about section 14 (b). I think the Senate should understand what section 14 (a) does. I had understood that this provision was not to be put in the bill, and that subsection (b) was to take its place, though we did have a vote in the committee adopting this particular provision, and I then voted against it.

I will read section 14 (a):

Notwithstanding the provisions of any other law, no military or naval weapon, ship, boat, aircraft, munitions, supplies, or equipment to which the United States has title in whole or in part, or which have been contracted for, shall hereafter be transferred, exchanged, sold, or otherwise disposed of in any manner whatsoever unless the Chief of Naval Operations in the case of naval material, and the Chief of Staff of the Army in the case of military material, shall first certify that such material is not essential to and cannot be used in the defense of the United States.

I think the Senate should realize that if that provision is adopted, there is an end to supplying the Allies with any planes by deferring the contract deliveries, as we have been doing.

Mr. WALSH. The section which the Senator has read asks for nothing more or less than that the Chief of Naval Operations and the Chief of Staff of the Army shall certify that the material is not needed; that is all.

Mr. HALE. Oh, no; they certify that it is not essential, and cannot be used in the defense of the United States.

Mr. WALSH. Yes; that is required. What is the objection to that?

Mr. HALE. Under that provision, not a single plane could be transferred to the Allies.

Mr. CLARK of Missouri. That is all right.

Mr. WALSH. Does the Senator object to having retained in the American Navy and Army planes that the Chief of Naval Operations says we need for our defense?

Mr. HALE. I think it is more important at the present time to see that we help out the British in their fight by

supplying them with planes and matériel than anything else that we can do.

Mr. WALSH. The Senator has forgotten to read subsection (c). Does the Senator know what subsection (c) is?

Mr. HALE. I do.

Mr. WALSH. What is it?

Mr. HALE. Subsection (c) says:

Nothing herein shall be construed to repeal or modify section 3 of title B of the act approved June 15, 1917 (40 Stat. 222, U. S. C. title 18, secs. 33 and 36).

Mr. WALSH. What is that law? Does the Senator know what that law is? That is the law now on the statute books which forbids everything that is in subsection (a). All we have added by subsection (a) is that there must be a certification.

Subsection (c) is the law now, forbidding the arming of the vessels, and the law which has been invoked now to prevent the transfer of planes.

Mr. HALE. It does not apply to airplanes, it applies to ships only.

Mr. WALSH. That is true.

Mr. HALE. I think the Senate should know what it is doing when it enacts this legislation. If it is the will of the Senate, very well.

Mr. BARKLEY. Under the law which we enacted a few days ago it seems that the law already permitted the President or the Secretary of War to transfer back certain airplanes, engines and motor vehicles, and then we amended the law, or passed another law a few days ago, authorizing the transfer of other articles, if they are returned, receiving credit for them on new products when delivered. Does this provision conflict, inasmuch as it leaves it to the Chief of Staff and the Chief of Naval Operations of the Army and Navy, respectively, with those provisions of law which we passed a few days ago, and the law under which the President had returned these articles to be credited to the United States against the day when they would receive new ones? Is there any conflict between the provisions of this subsection and the law now on the statute books with respect to articles which have been in controversy here?

Mr. WALSH. It is my opinion that there is no change in the law now which permits modification and change and extension of time as to materials being contracted for. Do I answer the Senator's question?

Mr. BARKLEY. In part. If I understand the Senator, it does not interfere with the present authority to return the properties and get credit for them on new articles of the same type, or others which might be desired by the Government. Is that true?

Mr. WALSH. I am sorry, but I was distracted and did not hear the Senator's question.

Mr. BARKLEY. The language is pretty definite, and I am wondering whether it repeals the law under which the President had the authority to act as he did with reference to planes, and the amendment we put into the bill about a week or 10 days ago authorizing him to do the same thing with other property. It authorizes the Secretary of War and the Secretary of the Navy—and I believe probably the President—to return surplus or used articles to the factories and get credit for them, and, of course, leave the factories to do as they please with them. Whether this language is broad enough to interfere with what we have already authorized, even within the last week, I do not know.

Mr. WALSH. In my opinion, it does not have such an effect. Furthermore, the bill is going to conference, and it will have the careful scrutiny of the House conferees, as well as my own, when each section of the bill is being taken up for consideration. In my opinion, the amendment simply applies a restriction or requirement for the head of the military organization to say, "These are not needed for our defense."

Mr. BARKLEY. Of course, this is not limited to property on hand. It is broad enough to cover property and articles contracted for. The Senator will recall that under the act of 1936, I believe it was, the President made it possible for certain planes, engines, and motor vehicles to be returned to the factories and the United States to receive credit. Then we passed another law permitting the same thing regarding other properties outside of motors and airplanes and their equipment.

Mr. WALSH. But there was a disposition and an intention to put in a proviso that the surplus property should be certified by the chiefs of the bureaus, that the property was not needed for national defense.

Mr. HILL. Mr. President, the distinguished chairman of the Committee on Naval Affairs I know has studied this language and is far more able to construe it or interpret its meaning than I am, but I cannot help feeling that the language would go further than to require certification either by the Chief of Staff or the Chief of Naval Operations, because it uses the words—

That such material is not essential to—

Listen to this—

and cannot be used for the defense of the United States.

Nearly anything could be used, as I construe it. That may be too literal a construction, but nearly anything might be used. Could one conceive of anything that could not be used? There might be an old musket that was very old, that was out of date, which might be classified not only as obsolete, but even as obsolescent. Yet would the Chief of Staff make certification to the fact that it could not be used? It would almost have to be so rusty or so broken or so worn that it could not be fired before any man could honestly certify that it could not be used.

Mr. WALSH. There is property now which from time to time is declared surplus. Does the Senator object to the requirement that that property be certified?

Mr. HILL. No; I think that is all right. In other words, what the Senator wishes to do is to put the direct responsibility on the highest officers in both the Army and the Navy, the Chief of Naval Operations and the Chief of Staff, to certify that the matériel is not essential to the national defense, but when we say "cannot be used," it seems to me we close the door entirely. That would apply to practically anything.

Mr. WALSH. I think the distinguished Senator has called attention to language which might well be stricken out as requiring too exacting a judgment.

I ask unanimous consent that the vote by which the amendment in section 14 (a) was agreed to be reconsidered, and that the words "and cannot be used in" be stricken out.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and the vote is reconsidered.

The question is on agreeing to the amendment of the Senator from Massachusetts to the amendment of the committee.

The amendment to the amendment was agreed to.

Mr. WALSH. When this amendment was first drafted, after the language the Senator from Alabama has just read there appeared the words "without the approval of Congress", and they were stricken from the amendment. In other words, it went so far as to require the consent of Congress, and that was stricken out, and I approved of it being stricken out, because I was content with the present law as it stands.

Mr. BARKLEY. Mr. President, I think the Senator's suggestion that the language "and cannot be used in" be stricken out, leaving it so that they will certify that it is not essential, provides a much more elastic term, and certainly improves the language.

The PRESIDING OFFICER. The question is on agreeing to the amendment as amended.

The amendment as amended was agreed to.

Mr. WALSH. I give my word to both the Senator from Kentucky and the Senator from Alabama that in the scrutiny of this amendment in conference I shall give attention to the suggestion made by them, and I have no desire or purpose to go beyond the present law, but to have some certificate filed as to whether the property is surplus or not.

Mr. HILL. I thank the Senator.

The PRESIDENT pro tempore. The bill is open to further amendment. If there be no further amendment to be offered, the question is on the engrossment of the amendments and the third reading of the bill.

The amendments were ordered to be engrossed and the bill to be read a third time, was read the third time, and passed.

The title was amended so as to read: "An act to expedite national defense, and for other purposes."

Mr. WALSH. Mr. President, I move that the Senate insist upon its amendments, ask for a conference with the House of Representatives thereon, and that the conferees on the part of the Senate be appointed by the Chair.

The motion was agreed to; and the President pro tempore appointed Mr. WALSH, Mr. TYDINGS, and Mr. HALE conferees on the part of the Senate.

ALIEN REGISTRATION BILL OF 1940—CONFERENCE REPORT

Mr. CONNALLY submitted a conference report on House bill 5138, the alien registration bill, which was ordered to lie on the table.

REVENUE BILL OF 1940—CONFERENCE REPORT

Mr. HARRISON submitted a conference report on House bill 10039, the tax bill, which was ordered to lie on the table.

THE CALENDAR

Mr. BARKLEY. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of bills on the calendar to which there is no objection, beginning with Calendar No. 1800, which will mean beginning with measures which have been reported since the last call.

The PRESIDENT pro tempore. Is there objection? The Chair hears none, and it is so ordered.

Mr. BARKLEY. Mr. President, I think we should have a quorum called so that other Senators may come in. I suggest the absence of a quorum.

The PRESIDENT pro tempore. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Adams	Downey	Lodge	Russell
Andrews	Ellender	Lucas	Schwartz
Ashurst	George	Lundeen	Schwellenbach
Bailey	Gerry	McCarran	Sheppard
Bankhead	Gillette	McKellar	Shipstead
Barkley	Green	McNary	Slattery
Bilbo	Guffey	Maloney	Smith
Bone	Hale	Mead	Taft
Bridges	Harrison	Miller	Thomas, Idaho
Brown	Hatch	Minton	Thomas, Okla.
Byrd	Hayden	Murray	Thomas, Utah
Byrnes	Herring	Neely	Townsend
Capper	Hill	Norris	Truman
Caraway	Holman	Nye	Tydings
Chandler	Holt	O'Mahoney	Vandenberg
Chavez	Hughes	Overton	Van Nuys
Clark, Idaho	Johnson, Calif.	Pepper	Wagner
Clark, Mo.	Johnson, Colo.	Pittman	Walsh
Danaher	King	Radcliffe	Wheeler
Davis	La Follette	Reed	White
Donahey	Lee	Reynolds	Wiley

Mr. WILEY. I announce that the following Senators are absent, in attendance upon the funeral of the late Senator from Vermont, Mr. GIBSON: The Senator from Vermont [Mr. AUSTIN], the Senator from Texas [Mr. CONNALLY], the Senator from South Dakota [Mr. BULOW], the Senator from Nebraska [Mr. BURKE], the Senator from South Dakota [Mr. GURNEY], and the Senator from New Hampshire [Mr. TOBEY].

The PRESIDENT pro tempore. Eighty-four Senators having answered to their names, a quorum is present.

Mr. JOHNSON of California. Mr. President, before the first bill on the calendar is called, may I ask at which bill on the calendar it is proposed to begin?

The PRESIDENT pro tempore. It was agreed that the call of the calendar would begin at Calendar No. 1800.

Mr. JOHNSON of California. I ask that the call begin with Calendar No. 1790.

Mr. BARKLEY. Mr. President, I am perfectly willing to have the call of the calendar begin with Calendar No. 1790. That is a long way back.

The PRESIDENT pro tempore. The clerk will proceed to call the calendar, beginning with Calendar No. 1790.

WORK BETWEEN YUMA PROJECT AND BOULDER DAM

The bill (H. R. 7116) to authorize defraying cost of necessary work between the Yuma project and Boulder Dam, was announced as first in order.

Mr. KING. May I inquire of the Senator from California the cost, and who pays the cost? Is it an obligation on the Treasury of the United States; and if so, why?

Mr. JOHNSON of California. No; the district pays the cost.

This bill amends the act authorizing expenditure of Federal funds for protection of the Yuma reclamation project, river front, and levees. It authorizes expenditure of such funds for the protection of communities along the Colorado River from Yuma to Boulder Dam. It was introduced at the request of the Palo Verde irrigation district because one of the results of the control of the Colorado River by the construction of Boulder and Parker Dams has been temporarily at least, to occasion increased meandering of the river, due tc the fact that the water is comparatively clear and needs a flatter grade for its bed than the muddy water which formerly flowed down the channel. Acute instances of this tendency have occurred, which has jeopardized the Palo Verde Valley. The Bureau of Reclamation is in accord with the principle that the United States should be in a position to do such emergency work as from time to time may be required for the protection of the river-front communities such as Palo Verde Valley.

Mr. KING. Mr. President, I have no objection, if the Senator from California states the obligation is to be paid by the District rather than out of the Treasury of the United States.

Mr. JOHNSON of California. I think so.

Mr. KING. As I understand the Senator his position is that it is not an obligation to be met by the Government?

Mr. JOHNSON of California. No.

The PRESIDENT pro tempore. Is there objection to the present consideration of the bill?

There being no objection, the bill (H. R. 7116) to authorize defraying the cost of necessary work between the Yuma project and Boulder Dam was considered, ordered to a third reading, read the third time and passed.

BILL PASSED OVER

The bill (S. 3426) to amend the Agricultural Adjustment Act as amended and as re-enacted by the Agricultural Marketing Act 1937, as amended, was announced as next in order.

Mr. GEORGE. I ask that the bill be passed over.

The PRESIDENT pro tempore. The bill will be passed over.

SETTLEMENT OF MONEY ACCOUNTS OF THE NATIONAL GUARD

The bill (S. 3497) to require the issuance by the General Accounting Office of a quarterly certificate of settlement of money accounts to United States property and disbursing officers of the National Guard of the several States, Territories, and the District of Columbia was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That a quarterly certificate of settlement of money accounts be issued by the General Accounting Office to United States property and disbursing officers of the National Guard of the several States, Territories, and the District of Columbia within a period not to exceed 3 years from the date of expiration of the quarter to which such certificate of settlement pertains, such certificate of settlement to be final and conclusive for such quarter, no further charges or debts to be raised after its issuance: *Provided*, That all unsettled, suspended, or disallowed items heretofore raised in the disbursing accounts of United States property and disbursing officers of the National Guard of the several States, Territories, and the District of Columbia at a date more than 3 years subsequent to the date of expiration of the quarterly accounts to which they pertain, be passed for credit by the General Accounting Office.

BILL PASSED OVER

The bill (H. R. 4097) to authorize the use of certain facilities of national parks and national monuments for school purposes was announced as next in order.

Mr. CLARK of Missouri. Mr. President, may we have an explanation? If not, I ask that the bill be passed over.

The PRESIDENT pro tempore. The bill will be passed over.

DEFINITION OF AGRICULTURAL COMMODITY

The bill (S. 3879) to amend section 15 (g) of the Agricultural Marketing Act, as amended, relating to the definition of agricultural commodity was announced as next in order.

Mr. KING. I ask for an explanation.

Mr. ELLENDER. The purpose of this bill is further to define "agricultural commodity" by adding to the present law the word "moss." Under the law as it is now on the statute books agricultural commodities are described as follows:

As used in this act, the term "agricultural commodity" includes, in addition to other agricultural commodities, crude gum (oleoresin) from a living tree, and the following products as processed by the original producer of the crude gum (oleoresin) from which derived; gum spirits of turpentine and gum resin, as defined in the Naval Stores Act approved March 3, 1923.

Mr. HATCH. What is the effect of adding this language? What is the purpose of it?

Mr. ELLENDER. The purpose of it is to permit the producers of Spanish moss to borrow from the Commodity Credit Corporation.

The PRESIDENT pro tempore. Is there objection to the present consideration of the bill?

There being no objection, the bill (S. 3879) to amend section 15 (g) of the Agricultural Marketing Act, as amended, relating to the definition of "agricultural commodity," was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That section 15 (g) of the Agricultural Marketing Act, as amended, relating to the definition of the term "agricultural commodity," is amended by inserting before the words "crude gum" where they first appear in such subsection the figure "(1)", and by inserting before the period at the end thereof a comma and the following: "(2) moss, including moss which has been through the first cleaning (ginning) process."

APPROPRIATION FOR CONSTRUCTION AT MILITARY POSTS

The bill (S. 3982) to authorize appropriations for construction at military posts, and for other purposes, was announced as next in order.

Mr. KING. Mr. President, may we have an explanation of the bill?

Mr. SHEPPARD. This measure covers authorization for a limited number of urgent construction projects at stations other than air corps which are immediately essential for the housing of the Army and for manufacturing arsenals and storage. The construction is of a permanent nature. Immediate authorization is required if the Army is to conduct a progressive building program. If this authorization is enacted, it will permit estimates to be submitted in appropriations for the fiscal year 1942.

In the Army appropriations for the fiscal year 1941, funds were included for the construction of an air base in the vicinity of Anchorage, Alaska. This base when established must be provided with a suitable ground garrison for its protection. It is estimated that this ground force will number approximately 3,000 officers and men comprising the necessary elements of all arms to protect the base against attack if necessary; to assist in the protection of naval bases in Aleutian Islands or on the Alaskan mainland.

Among the buildings to be constructed are barracks for enlisted men, quarters for officers, nurses, and enlisted men, hospital, central heating plant, maintenance shop, quartermaster warehouse and commissary quartermaster, telephone construction, railroad spur, bakery, laundry, garage, gun and motor sheds, motor repair shop, and gas and oil storage.

At Schofield Barracks the construction covers telephone building, quarters for noncommissioned officers, and an addition to the transformer. At Fort Shafter the construction covers quarters for noncommissioned officers. At Fort Clayton it covers quarters for officers and noncommissioned officers, stables, sheds, and garages and target range. At Corozal it covers quarters for officers and noncommissioned officers and barracks for enlisted men, office building, fire and guard house, and dispensary. The miscellaneous stations in Panama construction provide for civilian quarters. In Puerto Rico, at Borinquen Field, construction is provided for quarters for officers, noncommissioned officers, motor transport, repair shop, warehouses and magazines; and at the Puerto Rican general depot provision is made for a radio transmitter building. At Aberdeen Proving Ground provision is made for an ordnance school shop. At the Atlanta general depot provision is made for quarters for officers, noncommissioned officers, garage, and repair shops, maintenance shop, storehouse, gas and oil storage, and a locomotive building section for reserve and warehouses. At Fort Belvoir, Va., provision is made for a mirror plant. At Fort Benning, Ga., provision is made for an office and classroom for the tank school, warehouse and workship for the tank school, an addition to the hospital, quarters for nurses, barracks for the medical detachment, and a shop building. At Edgewood Arsenal, Md., provision is made for a wheterlite plant, a sulfur mono-chloride plant, and for two additional chemical plants.

Mr. President, I wish to make a statement concerning the item for Edgewood Arsenal, Md., because it brings into use a new word, applied to a new chemical. I wish merely to refer to it. Provision is made there for a whetlerite plant. That word does not appear in the dictionary. Whetlerite is the process whereby activated charcoal is coated with copper and other allied products in order to give it more absorbent capacity in the gas-mask canister.

At Fort Sam Houston, provision is made for an addition to the hospital, and for an office building. At Fort Knox, Ky., provision is made for an automobile shop and an artillery repair building. At Fort Lewis provision is made for an addition to the hospital and for nurses' quarters. At Fort Meyer, Va., provision is made for magazines and for a radio receiving station. At Fort Monroe, Va., provision is made for increasing the water supply. At Philadelphia Quartermaster Depot, Pa., provision is made for a warehouse. At Picatinny Arsenal, N. J., provision is made for magazines. At West Point provision is made for a laundry. At Fort Sill provision is made for an ordnance repair shop. At Fort Pickens provision is made for an ordnance repair shop. At Fort McPherson provision is made for an ordnance building. At Fort Story, Va., provision is made for a water tower.

The PRESIDENT pro tempore. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill, which had been reported from the Committee on Military Affairs, with amendments, on page 2, in the schedule for Hawaii, Schofield Barracks, to strike out "$780,000" and insert "$823,200"; in the schedule for continental United States, to strike out "Frankford Arsenal, Pa.—$175,000"; in the item for Fort Benning, Ga., to strike out "$1,280,500" and insert "$1,320,500"; in the item for Fort Knox, Ky., to strike out "$100,000" and insert "$153,124"; and in the item for Picatinny Arsenal, to strike out "$218,524" and insert "$23,000", so as to make the bill read:

Be it enacted, etc., That there is hereby authorized to be appropriated not to exceed $15,000,000 to be expended for the construction, rehabilitation, and installation at military posts of such buildings and utilities and appurtenances thereto as may be necessary, as follows:

Station and amount	
ALASKA	
Anchorage	$6,379,225
HAWAII	
Schofield Barracks	823,200
Fort Shafter	90,000
PANAMA	
Fort Clayton	512,075
Corozal	1,071,300
Panama Canal Department	365,500
PUERTO RICO	
Borinquen Field	571,700
Puerto Rican General Depot	45,000

Station and amount—Continued

CONTINENTAL UNITED STATES

Aberdeen Proving Ground, Md	$210,000
Atlanta General Depot, Ga	1,300,000
Edgewood Arsenal, Md	432,476
Fort Belvoir, Va	60,000
Fort Benning, Ga	1,320,500
Fort Sam Houston, Tex	277,200
Fort Knox, Ky	153,124
Fort Lewis, Wash	255,000
Fort McPherson, Ga	65,000
Fort Myer, Va	84,000
Fort Monroe, Va	179,500
Fort Pickens, Fla	48,200
Fort Sill, Okla	96,000
Fort Story, Va	25,000
Philadelphia Quartermaster Depot	314,000
Picatinny Arsenal	23,000
West Point	299,000
Total	15,000,000

The amendments were agreed to.

The bill was ordered to be engrossed for a third reading, was read the third time, and passed.

LOANS FOR DEVELOPMENT OF STRATEGIC AND CRITICAL MINERALS

The bill (S. 4008) to authorize the Reconstruction Finance Corporation to make loans for the development of deposits of strategic and critical minerals and other metallic and nonmetallic minerals, and to authorize the Reconstruction Finance Corporation to make more adequate loans for mineral developmental purposes was announced as next in order.

Mr. CLARK of Missouri. Mr. President, I should like to hear an eloquent explanation of this bill from the Senator from Arizona [Mr. ASHURST].

Mr. ASHURST. Mr. President, this bill was reported from the Committee on Banking and Currency by the able Senator from Arkansas [Mr. MILLER]. The bill was introduced by the Senator from Montana [Mr. MURRAY] on behalf of himself and 10 other Senators.

At this juncture I defer to the able Senator from Arkansas [Mr. MILLER], who reported the bill from the Committee on Banking and Currency.

Mr. HATCH. Mr. President, I desire to ask the Senator from Arkansas if the Reconstruction Finance Corporation now has this power?

Mr. MILLER. The Reconstruction Finance Corporation does not have authority to make loans upon strategic and critical materials, except in accordance with the bill which we enacted 3 or 4 days ago. Under existing law the Reconstruction Finance Corporation is entitled to make a loan up to $20,000 on gold, silver, tin, and some other minerals.

Mr. HATCH. That is the point. I happen to come from a mining State, and I wish to know why a limitation is put on the amount to be loaned.

Mr. MILLER. I can answer that question very easily. The present law limits loans on tin, silver, and gold to $20,000. That is the reason why the limitation is made.

Mr. HATCH. Mr. President, I object to the consideration of the bill at this time.

The PRESIDENT pro tempore. Objection is heard. The bill will be passed over.

BILL PASSED OVER

The bill (S. 71) to repeal the act entitled "An act relating to Philippine currency reserves on deposit in the United States" was announced as next in order.

Mr. CLARK of Missouri. Let the bill go over.

The PRESIDENT pro tempore. The bill will be passed over.

CLEARING OF TITLE TO CERTAIN REAL ESTATE IN MICHIGAN

The joint resolution (H. J. Res. 517) to clear title to certain real estate was considered, ordered to a third reading, read the third time, and passed.

CHARLES E. MOLSTER

The bill (S. 3329) for the relief of Charles E. Molster, former disbursing clerk for the Department of Commerce and the National Recovery Administration; J. L. Summers, deceased, former chief disbursing clerk, Division of Disbursement, Treasury Department; and Guy F. Allen, chief disbursing officer, Division of Disbursement, Treasury Department, was announced as next in order.

The PRESIDENT pro tempore. Calendar No. 1876, House bill 8414, is an identical bill. Is there objection to the substitution of the House bill for the Senate bill, and the present consideration of the House bill?

There being no objection, the bill (H. R. 8414) for the relief of Charles E. Molster, former disbursing clerk for the Department of Commerce and for National Recovery Administration was considered, ordered to a third reading, read the third time, and passed.

The PRESIDENT pro tempore. Without objection, Senate bill 3329 is indefinitely postponed.

ANTHONY BORSELLINO

The bill (H. R. 6845) for the relief of Anthony Borsellino was considered, ordered to a third reading, read the third time, and passed.

JAMES H. HEARON

The Senate proceeded to consider the bill (S. 3710) for the relief of James H. Hearon, which had been reported from the Committee on Claims with an amendment, at the end of the bill to add a proviso, so as to make the bill read:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to James H. Hearon the sum of $322.51 in full settlement of all claims arising out of his civilian hospital and medical treatment from August 27 to October 1, 1938, which treatment resulted from a disability incurred while Hearon was in an active-duty status with headquarters, One Hundred and Fifty-sixth Cavalry Brigade, San Antonio, Tex.: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

LOUIS PUCCINELLI BAIL BOND CO.

The Senate proceeded to consider the bill (S. 3962) for the relief of the Louis Puccinelli Bail Bond Co., which had been reported from the Committee on Claims with amendments, on page 1, line 7, after the words "the sum of" to strike out "$2,500. Such sum represents reimbursement for the loss", and to insert in lieu thereof "$2,000 in full settlement of all claims against the United States"; and in line 10, after the words "United States of" to strike out "a like amount under", so as to make the bill read:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to the Louis Puccinelli Bail Bond Co., San Francisco, Calif., the sum of $2,000, in full settlement of all claims against the United States sustained by such bonding company on account of the forfeiture to the United States of a bail bond executed by the Inland Bonding Co. and conditioned upon the delivery in court of one John Campagna, alias Giovanni Catalano. By reason of the nonappearance of the said John Campagna, alias Giovanni Catalano, such bail bond was declared forfeited in the southern division of the United States District Court for the Northern District of California on August 24, 1938. The amount of such bond was paid out of collateral deposited by the Puccinelli Bonding Co. Subsequently, through the efforts and at the considerable expense of the Puccinelli Bonding Co., the said John Campagna, alias Giovanni Catalano, was apprehended on October 11, 1939.

The amendments were agreed to.

Mr. CLARK of Missouri. Mr. President, may we have an explanation of the bill?

The PRESIDENT pro tempore. An explanation is requested.

Mr. JOHNSON of California. Mr. President, this is one of the infernal bail-bond bills. It has the approval of the Attorney General, and has passed the House with the amendment which the Attorney General suggested.

Mr. KING. Mr. President, what is the number?

The PRESIDENT pro tempore. Calendar 1815, Senate bill 3962.

Mr. CLARK of Missouri. Mr. President, I withdraw the request for an explanation.

The PRESIDENT pro tempore. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

GEORGE W. COON

The Senate proceeded to consider the bill (S. 3866) for the relief of George W. Coon, which had been reported from the Committee on Claims with an amendment, on page 2, at the beginning of line 4, to insert "alleged to have been", so as to make the bill read:

Be it enacted, etc., That the provisions and limitations of sections 15 to 20, both inclusive, of the act entitled "An act to provide compensation for employees of the United States suffering injuries while in the performance of their duties, and for other purposes," approved September 7, 1916, as amended and supplemented, are hereby waived in the case of George W. Coon, of Stidham, Okla.; and the United States Employees' Compensation Commission is authorized and directed to consider and act upon any claim filed with the Commission, within 1 year after the date of enactment of this act, by the said George W. Coon for compensation or other benefits under the provisions of such act of September 7, 1916, as amended and supplemented, for disability due to injuries alleged to have been sustained by him on or about July 25, 1938, in the performance of his duties as an employee of the Works Progress Administration.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

CHANDLER V. JENSEN

The Senate proceeded to consider the bill (S. 3143), for the relief of Chandler V. Jensen, which had been reported from the Committee on Claims with amendments, on page 1, line 3, after "15", to strike out "and" and to insert "to"; and in line 7, after "Chandler", to strike out "J.", so as to make the bill read:

Be it enacted, etc., That sections 15 to 20 inclusive, of the act entitled "An act to provide compensation for employees of the United States suffering injuries while in the performance of their duties, and for other purposes", approved September 7, 1916, as amended, are hereby waived in favor of Chandler V. Jensen, an employee of the United States Forest Service, Missoula, Mont., and the United States Compensation Commission is authorized and directed to consider and act upon any claim filed with the Commission, within 1 year after the date of the enactment of this act by said Chandler V. Jensen for compensation under the provisions of such act of September 7, 1916, as amended and supplemented, for compensation for disabilities due to an injury alleged to have been received by him on August 10, 1936, in the performance of his duties as forest ranger on the Deerlodge National Forest, Butte, Mont.

The amendments were agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

RAYMOND C. KNIGHT

The bill (H. R. 5930) for the relief of Raymond C. Knight was considered, ordered to a third reading, read the third time, and passed.

BILL PASSED OVER

The bill (H. R. 1857) for the relief of Nell Mullen, was announced as next in order.

Mr. KING. Let the bill go over.

The PRESIDENT pro tempore. The bill will be passed over.

ALBERT L. BARNHOLTZ

The bill (H. R. 3774) for the relief of Albert L. Barnholtz, was considered, ordered to a third reading, read the third time, and passed.

BOLINROSS CHEMICAL CO., INC.

The Senate proceeded to consider the bill (H. R. 8868) conferring jurisdiction upon the Court of Claims to hear, determine, and render judgment upon the claim of the Bolinross Chemical Co., Inc., which had been reported from the Committee on Claims with amendments, on page 1, line 7, after the words "from the" to strike out "alleged unlawful"; and on page 2, line 3, after the word "on" to insert "or about", so as to make the bill read:

Be it enacted, etc., That jurisdiction is hereby conferred upon the Court of Claims of the United States to hear, determine, and render judgment upon the claim of the Bolinross Chemical Company, Inc., of Newark, N. J., for damages or losses resulting from the raid on its chemical plant at 12–22 Orange Street, Newark, N. J., including the alleged destruction of its machinery, equipment, raw materials, and finished products, and the loss of its business, by prohibition agents of the United States, on or about February 20, 1929.

SEC. 2. Suit upon such claim may be instituted at any time within 1 year after the enactment of this act, notwithstanding the lapse of time or any statute of limitations, and proceedings for the determination of such claim, appeals therefrom, and payment of any judgment thereon shall be in the same manner as in the cases over which such court has jurisdiction under section 145 of the Judicial Code, as amended.

The amendments were agreed to.

Mr. KING. Mr. President, I should like to inquire whether the bill has the approval of the department of the Government that would have to do with the matter.

The PRESIDENT pro tempore. The Senator from Utah asks for information in regard to the bill.

Mr. KING. Let the bill go over.

The PRESIDENT pro tempore. The bill will be passed over.

MAT HENSLEY, ARNOLD BLANTON, LILLIE PRICE, CLYDE THORPE, AND D. L. MASON

The bill (H. R. 5211) conferring jurisdiction upon the United States District Court for the Eastern District of Kentucky to hear, determine, and render judgment upon the claims of Mat Hensley, Arnold Blanton, Lillie Price, Clyde Thorpe, and D. L. Mason was considered, ordered to a third reading, read the third time, and passed.

NATHAN A. BUCK

The bill (H. R. 7959) for the relief of Nathan A. Buck was considered, ordered to a third reading, read the third time, and passed.

HANNAH S. BRAY, JANE BICKERS, AND FRANCIS BICKERS

The bill (H. R. 7861) conferring jurisdiction upon the Court of Claims to hear, determine, and render judgment upon the claims of Hannah S. Bray, Jane Bickers, and Francis Bickers was announced as next in order.

Mr. KING. Let us have an explanation of the bill.

The PRESIDENT pro tempore. Information is requested.

Mr. BROWN. This bill involves an accident in the State of Virginia near Charlottesville. It is about as serious a case as I have seen come before the Claims Committee. A Government C. C. C. truck struck a car containing some three or four persons, knocked them some 90 feet off the highway, and very seriously injured all the occupants of the car.

The War Department recommends the passage of the bill and concedes full liability on the part of the Government. The damages, in my judgment, which were fixed by the House of Representatives were very moderate in amount. I had charge of the bill, and I would have been willing to allow much larger damages than the House did, but I felt, under the circumstances, it would be best to let the House bill be passed.

Mr. KING. I do not wish to disagree with the Senator except that the War Department makes no recommendation.

Mr. BROWN. I differ with the Senator. The War Department recommended, instead of referring the matter to the Court of Claims, which was provided by the original bill, that it be amended so that Congress itself would fix the damages, because there was no question about the liability of the Government.

Mr. KING. I may be in error; I thought there was a negative recommendation.

The PRESIDENT pro tempore. Is there objection to the present consideration of the bill?

There being no objection, the bill was considered, ordered to a third reading, was read the third time, and passed.

The title was amended so as to read: "A bill for the relief of Hannah S. Bray, Jane Bickers, and Frances Bickers."

GREENLEE COUNTY BOARD OF SUPERVISORS

The Senate proceeded to consider the bill (S. 2997) for the relief of the Greenlee County Board of Supervisors, which had been reported from the Committee on Claims with amendments, on page 1, at the beginning of line 7, to strike out

"$2,470.59" and insert "$1,700", and at the end of the bill to add a proviso, so as to make the bill read:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to the Greenlee County Board of Supervisors at Clifton, Ariz., the sum of $1,700 in full satisfaction of the claim of said board of supervisors against the United States arising out of damage to the Greenlee County fair grounds at Duncan, Ariz., caused by employees of the Soil Conservation Service between July 23, 1934, and March 25, 1939: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The amendments were agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

PHILIPPINE CURRENCY RESERVES ON DEPOSIT IN THE UNITED STATES

Mr. DANAHER. Mr. President, I ask unanimous consent to recur to Calendar No. 1810, Senate bill 71.

The PRESIDENT pro tempore. The title of the bill will be stated for the information of the Senate.

The CHIEF CLERK. A bill (S. 71) to repeal the act entitled "An act relating to Philippine currency reserves on deposit in the United States."

The PRESIDENT pro tempore. Is there objection to the present consideration of the bill?

Mr. KING. I understood that bill was passed.

Mr. DANAHER. No, there was objection; but the Senator who voiced objection has now withdrawn it and has authorized me so to state.

Mr. KING. I should like to have an explanation of the bill.

Mr. DANAHER. I will be happy to state what I know of it. It is a bill which was introduced by the Senator from Colorado [Mr. ADAMS]. I was on the subcommittee and rather extensive consideration was given to the bill.

In 1934 when the gold bill was passed the Commonwealth of the Philippine Islands had on deposit in some 51 banks the sum of $23,000,000. Those deposits were all out at interest; they were not gold deposits. At the same time citizens of the United States had on deposit about $40,000,000,000 in the same kind of banks, and somehow or other at some time or other in the dim, dark, distant past before I came here the Philippine Islands got through a bill that would authorize the Congress of the United States to appropriate $23,000,000 to the Philippine Islands in payment in terms of gold of their claim because of their alleged deposits. Since the time the bill of authorization was first passed on the $23,000,000 interest has accrued until today it approximates in the neighborhood of $54,000,000. The bill authorizing the payment to the Philippine Islands in the sum of $54,000,000 was passed about 4 or 5 years ago, but no appropriation has ever been made, and the bill never should have passed in the first place.

Now the Senator from Colorado has introduced this bill. It was acted on unanimously by the subcommittee of the Banking and Currency Committee and was reported unanimously by the Banking and Currency Committee. The bill reaches the calendar in that way. That is the explanation. It will repeal the original authorization.

Mr. KING. Does this bill grow out of the fact that we increased the value of gold from $20 to $35 an ounce?

Mr. DANAHER. That was the basis for the original act, but this bill does not grow out of it. This bill would repeal the original authorization.

Mr. KING. I have no objection.

The PRESIDENT pro tempore. Is there objection to the present consideration of the bill?

There being no objection, the bill was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the act entitled "An act relating to Philippine currency reserves on deposit in the United States" approved June 19, 1934, is hereby repealed.

STATUS OF CERTAIN NATIVES AND INHABITANTS OF VIRGIN ISLANDS

The Senate proceeded to consider the bill (S. 3582) relating to the status of certain natives and inhabitants of the Virgin Islands, which had been reported from the Committee on Territories and Insular Affairs with amendments, in section 1, page 2, line 4, after the word "on", to strike out "July" and insert "January"; in section 2, line 8, after "Sec.", to strike out "204b" and insert "204a"; in line 9, after the word "operative", to insert "as to natives residing in any foreign country on the effective date of this act"; and in line 10, after the numeral "2", to insert "(8 U. S. C., sec. 204b)", so as to make the bill read:

Be it enacted, etc., Subdivision (e) is hereby added to section 1 of the act entitled "An act to confer United States citizenship upon certain inhabitants of the Virgin Islands and to extend the naturalization laws thereto," approved February 25, 1927 (44 Stat. 1234; 8 U. S. C., sec. 5b), as amended, to read as follows:

"(e) All natives of the Virgin Islands of the United States who on the effective date of this subdivision (e) are residing in the continental United States or any Territory or insular possession of the United States and who are not citizens or subjects of any foreign country, regardless of their place of residence on January 17, 1917."

SEC. 2. Section 1 of an act entitled "An act relating to the immigration and naturalization of certain natives of the Virgin Islands," approved June 28, 1932 (47 Stat. 336; 8 U. S. C., sec. 204a), is hereby revived and made fully operative as to natives residing in any foreign country on the effective date of this act, and section 2 (8 U. S. C., sec. 204b) of the act cited is hereby repealed.

SEC. 3. Section 2 of the act entitled "An act to confer United States citizenship upon certain inhabitants of the Virgin Islands and to extend the naturalization laws thereto," approved February 25, 1927 (44 Stat. 1234; 8 U. S. C., sec. 377a), is hereby amended to read as follows:

"SEC. 2 All natives of the Virgin Islands of the United States who have been or are admitted to the continental United States or to any Territory of the United States, the Virgin Islands of the United States, or Puerto Rico as nonquota immigrants and who are not citizens or subjects of any foreign country, if not ineligible to citizenship, may upon petition and upon full and complete compliance with all other provisions of the naturalization laws be naturalized without making a declaration of intention."

SEC. 4. Clauses (1), (2), and (3) of subsection (a) of section 1 of the act entitled "An act to supplement the naturalization laws, and for other purposes," approved March 2, 1929 (45 Stat. 1512; 8 U. S. C., sec. 106a), as amended, are hereby amended to read as follows:

"(1) Entered the United States prior to July 1, 1924, and has resided in the United States continuously since such entry; or

"(2) Entered the Virgin Islands of the United States prior to July 1, 1938, and has resided in such islands continuously since such entry; and

"(3) Is not subject to deportation, but this clause shall not relate to admissibility at time of entry into the Virgin Islands of the United States."

SEC. 5. The first sentence of subsection (b) of section 1 of the act entitled "An act to supplement the naturalization laws, and for other purposes," approved March 2, 1929 (45 Stat. 1512; 8 U. S. C., sec. 106a), as amended, is hereby amended to read—

"For each such record of registry made as herein authorized the alien shall pay to the Commissioner of Immigration and Naturalization a fee of $10, unless he entered the Virgin Islands of the United States prior to July 1, 1938, and has resided continuously in the islands since such entry."

The amendments were agreed to.

Mr. WILEY. Mr. President, may we have an explanation, please?

The PRESIDENT pro tempore. The Senator from Wisconsin asks for an explanation of the bill.

Mr. MEAD. Mr. President, the purpose of this measure is to clarify the law, relieve hardship in a number of cases, and remove many administrative difficulties in connection with the status of certain natives and inhabitants of the Virgin Islands. Both the Secretary of Labor and the Secretary of the Interior favorably recommend this bill.

Section 1 applies to a first class of natives of the Virgin Islands, namely, those now residing in the United States, its Territories, or possessions, but not residents in the United States or the Virgin Islands as of January 17, 1917, nor in the United States or its Territories as of June 28, 1932. These were not made citizens of the United States under acts of February 25, 1927, or June 28, 1932; they have no citizenship at all. Section 1 makes them United States citizens.

Section 2 applies to a second class of natives, namely, those who now reside outside the United States, its Territories, and possessions and did not reside in the United States or the Virgin Islands January 17, 1917, or in the United States or

its Territories June 28, 1932. These were not made citizens by those statutes. They are not citizens of any country. Section 2 permits their entry into the United States, its Territories, or possessions as nonquota immigrants who can be naturalized without filing declaration of intention.

Section 3 provides that all natives entering as nonquota immigrants may be naturalized simply by petition and full compliance with all other provisions of naturalization laws.

Section 4 applies to a third class of Virgin Island inhabitants, namely, aliens who have entered islands before or since acquisition by United States, without any record of entry and also have remained there. United States immigration laws have only recently (July 1, 1938) been efficiently applied to Virgin Islands.

Section 4 extends provisions of Registration Act of March 2, 1929, to all persons who entered Virgin Islands before July 1, 1938, and have continuously resided there since then.

Section 5 exempts such aliens from the $10 registry fee prescribed by the above act—which otherwise would be a considerable hardship because of their small earnings. Furthermore, these inhabitants took up residence there without reason to believe they had to comply with immigration laws.

The PRESIDENT pro tempore. The question is on the third reading and passage of the bill.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

LOAN FOR DEVELOPMENT OF DEPOSITS OF STRATEGIC AND CRITICAL MINERALS

Mr. HATCH. Mr. President, when Calendar No. 1808, Senate bill 4008, relating to loans by the Reconstruction Finance Corporation for the development of deposits of strategic and critical minerals was called, I made objection. It was a bill with which I was not familiar. Since I made the objection I have conferred with the Senator from Arizona [Mr. ASHURST], the Senator from Utah [Mr. THOMAS], the Senator from Montana [Mr. MURRAY], and others. I find that the bill does not do that which I thought it did at the time I made the objection. It is a meritorious bill and should be passed. For that reason I withdraw my objection and ask to recur to the bill and that it be considered.

The PRESIDENT pro tempore. Is there objection?

There being no objection, the Senate proceeded to consider the bill (S. 4008) to authorize the Reconstruction Finance Corporation to make loans for the development of deposits of strategic and critical minerals and other metallic minerals, and to authorize the Reconstruction Finance Corporation to make more adequate loans for mineral-development purposes, which had been reported from the Committee on Banking and Currency with an amendment on page 2, line 12, after the word "critical", to strike out "mineral, or other metallic or nonmetallic mineral" and insert "mineral which in the opinion of the Reconstruction Finance Corporation would be of value to the United States in time of war", so as to make the bill read:

Be it enacted, etc., That section 14 of the act entitled "An act relating to direct loans for industrial purposes by Federal Reserve banks, and for other purposes," approved June 19, 1934, as amended, is amended to read as follows:

"SEC. 14. The Reconstruction Finance Corporation is authorized and empowered to make loans upon sufficient security to recognized and established corporations, individuals, and partnerships engaged in the business of mining, milling, or smelting ores. The Reconstruction Finance Corporation is authorized and empowered also to make loans to corporations, individuals, and partnerships engaged in the development of a quartz ledge, or vein, or other ore body, or placer deposit, containing gold, silver, or tin, or gold and silver, or any strategic or critical mineral, which in the opinion of the Reconstruction Finance Corporation would be of value to the United States in time of war, when, in the opinion of the Reconstruction Finance Corporation, there is sufficient reason to believe that, through the use of such loan in the development of a lode, ledge, or vein, or mineral deposit, or placer gravel deposit, there will be developed a sufficient quantity of ore, or placer deposits of a sufficient value to pay a profit upon mining operations: *Provided*, That not to exceed $20,000 shall be loaned to any corporation, individual, or partnership for such development purposes; except that not in excess of $40,000 in the aggregate may be loaned to any corporation, individual, or partnership for such purposes, if such corporation, individual, or partnership has expended funds previously obtained from the Reconstruction Finance Corporation for such purposes in such manner as to justify an additional loan for such purposes: *Provided further*, That there shall not be allocated or made available for such development loans a sum in excess of $10,000,000."

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

The title was amended so as to read: "A bill to authorize the Reconstruction Finance Corporation to make loans for the development of deposits of strategic and critical minerals which in the opinion of the Corporation would be of value to the United States in time of war, and to authorize the Reconstruction Finance Corporation to make more adequate loans for mineral developmental purposes."

Mr. ASHURST. Mr. President, before we pass from Senate bill 4008, I should like to say that I would be lost to grace if I did not say that our thanks are also due to the able Senator from Oregon [Mr. MCNARY] for the gracious and helpful cooperation he has given in securing the passage of this bill. That much ought to be said; more than that need not be said. I also thank the Senator from New Mexico [Mr. HATCH] for his assistance. Of course, I include him.

BILLS PASSED OVER

The bill (S. 2001) for the relief of the Choctaw and Chickasaw Tribes of Indians of Oklahoma was announced as next in order.

Mr. KING. Let that bill go over.

The PRESIDENT pro tempore. The bill will be passed over.

The bill (S. 4070) to provide for more uniform coverage of certain persons employed in coal-mining operations with respect to insurance benefits provided for by certain Federal acts, and for other purposes, was announced as next in order.

Mr. REED. I ask that that bill go over.

The PRESIDENT pro tempore. The bill will be passed over.

LEASING OF CERTAIN INDIAN LANDS

The Senate proceeded to consider the bill (S. 253) to authorize the leasing of certain Indian lands subject to the approval of the Secretary of the Interior which had been reported from the Committee on Indian Affairs with amendments in line 5, after the word "lease", to insert "by the Indians"; in line 8, after the word "years", to strike out "; and an option for a renewal of the lease for an additional term not exceeding 25 years may be included therein" and in lieu thereof to insert: *"Provided, however*, That such leases may provide for renewals for an additional term not exceeding 25 years, and the Secretary of the Interior is hereby authorized to prescribe such rules and regulations as may be necessary to carry out the provisions of this act", so as to make the bill read:

Be it enacted, etc., That notwithstanding any other provision of law, any Indian lands on the Port Madison and Snohomish or Tulalip Indian Reservations in the State of Washington, may be leased by the Indians with the approval of the Secretary of the Interior, and upon such terms and conditions as he may prescribe, for a term not exceeding 25 years: *Provided, however*, That such leases may provide for renewal for an additional term not exceeding 25 years, and the Secretary of the Interior is hereby authorized to prescribe such rules and regulations as may be necessary to carry out the provisions of this act.

The amendments were agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

BILL PASSED OVER

The bill (S. 3975) granting to certain claimants the preference right to purchase certain public lands in the State of Florida was announced as next in order.

Mr. REED. Let the bill go over.

The PRESIDENT pro tempore. The bill will be passed over.

METROPOLITAN WATER DISTRICT OF SOUTHERN CALIFORNIA

The Senate proceeded to consider the bill (H. R. 6831) to authorize the Secretary of the Interior to lease certain of

the public lands to the Metropolitan Water District of Southern California for the extraction of sodium chloride for water-conditioning purposes, which had been reported from the Committee on Public Lands and Surveys, with amendments.

Mr. KING. Mr. President, I should like an explanation of the bill.

The PRESIDENT pro tempore. An explanation is desired.

Mr. JOHNSON of California. Mr. President, the only thing the bill does is to permit the Metropolitan Water District to lease a small quantity of land from the Interior Department.

The Senator had better listen to my explanation. It is a very important one, and he called for it. [Laughter.]

Mr. KING. Does the bill call for a cession of public lands to the State of California?

Mr. JOHNSON of California. Yes.

Mr. KING. How much?

Mr. JOHNSON of California. It calls for the right to lease a small part, and on that small part there is a mineral which enables them to use it in clearing the water of the Colorado River.

Mr. KING. I have no objection.

The PRESIDENT pro tempore. The amendments of the committee will be stated.

The amendments were, on page 2, line 3, after the word "sodium" to insert "solely", and in line 4 to strike out "purposes." and insert "purposes: *Provided*, That nothing in this act shall be construed to empower the said district to produce sodium chloride or any other valuable deposit in said lands for commercial purposes.", so as to make the bill read:

Be it enacted, etc., That the Secretary of the Interior is hereby authorized, pursuant to the provisions of the act entitled "An act to promote the mining of coal, phosphate, oil, oil shale, gas, and sodium on the public domain," approved February 25, 1920 (41 Stat. 437), as amended, and notwithstanding any limitations contained therein with respect to the leasing of public mineral lands to municipalities, to lease to the Metropolitan Water District of Southern California public lands containing deposits of sodium solely for the extraction therefrom of sodium chloride for water-conditioning purposes: *Provided*, That nothing in this act shall be construed to empower the said district to produce sodium chloride or any other valuable deposit in said lands for commercial purposes. The use of such lands may be acquired by the said district either through the filing and issuance of prospecting permits or leases or through the assignment to it by qualified holders of such permits or leases.

SEC. 2. The leases authorized by section 1 shall be granted upon the condition that if such lands or deposits are used for purposes other than as authorized by this act, or upon the exhaustion of the deposits of sodium chloride in such lands, the permits or leases may be canceled by the Secretary of the Interior.

The amendments were agreed to.

The amendments were ordered to be engrossed, and the bill to be read a third time, read the third time and passed.

ISSUANCE OF PATENTS FOR LANDS HELD UNDER COLOR OF TITLE

The Senate proceeded to consider the bill (H. R. 7736) authorizing the Secretary of the Interior to issue patents for lands held under color of title, which had been reported from the Committee on Public Lands and Surveys, with an amendment.

Mr. CLARK of Missouri. May we have an explanation of the bill?

The PRESIDENT pro tempore. An explanation is requested.

Mr. BROWN. Mr. President, this bill involves a tract of land in Monroe County, Mich., the title to which originally came from the French Government in Montreal. It has been possessed for over 100 years by the family who now claims it. This bill will confirm title in them upon the payment of $1.25 an acre to the Government. The bill has passed the House and is a very just bill.

The PRESIDENT pro tempore. The amendment reported by the Committee will be stated.

The amendment was, on page 1, line 5, after the word "in", to insert "Monroe County in", so as to make the bill read:

Be it enacted, etc., That if within 5 years after passage of this act it shall be shown to the satisfaction of the Secretary of the Interior that a tract or tracts of public land in Monroe County in the State of Michigan, not exceeding in the aggregate 160 acres, has or have been held in good faith and in peaceable, adverse possession by a citizen of the United States, his ancestors or grantors, for more than 20 years prior to the approval of this act under claim or color of title, and that improvements have been placed on such land or some part thereof has been reduced to cultivation, the Secretary shall, upon the payment of $1.25 per acre, cause a patent or patents to issue for such land to any such citizen: *Provided*, That the term "citizen", as used herein, shall be held to include a corporation organized under the laws of the United States or any State or Territory thereof.

The amendment was agreed to.

The amendment was ordered to be engrossed, and the bill to be read a third time, read the third time and passed.

AMENDMENT OF CAPE HATTERAS NATIONAL SEASHORE ACT

The Senate proceeded to consider the bill (H. R. 9274) to amend the act entitled "An act to provide for the establishment of the Cape Hatteras National Seashore in the State of North Carolina, and for other purposes", approved August 17, 1937 (50 Stat. 669).

Mr. CLARK of Missouri. Mr. President, may we have an explanation of the bill?

Mr. HATCH. Mr. President, the chairman of the Committee on Public Lands and Surveys is absent from the floor at this time, attending a meeting of the Appropriations Committee. The bill merely changes the name of the Cape Hatteras National Seashore, as I understand. The purpose is fully set forth in the report. The passage of the bill is urged in a letter addressed by the Secretary of the Interior to the chairman of the Committee on Public Lands in the House of Representatives.

The bill was ordered to a third reading, read the third time, and passed.

SIUSLAW NATIONAL FOREST, OREG.

The Senate proceeded to consider the bill (S. 1433) to add certain lands to the Siuslaw National Forest in the State of Oregon, which had been reported from the Committee on Public Lands and Surveys with amendments, on page 2, line 3, after the word "lands", to insert "acquired under the act of March 1, 1911 (36 Stat. 961), as amended", and at the end of the bill to insert a proviso, so as to make the bill read:

Be it enacted, etc., That all lands conveyed or relinquished to the United States, under the provisions of the National Industrial Recovery Act, approved June 16, 1933 (48 Stat. 195), the Emergency Relief Appropriation Act, approved April 8, 1935 (49 Stat. 115), or the Bankhead-Jones Farm Tenant Act, approved July 22, 1937 (50 Stat. 522), within the western Oregon land project, situated in Lane, Lincoln, Tillamook, and Yamhill Counties, Oreg., are hereby added to and made parts of the Siuslaw National Forest, Oreg., and shall hereafter be subject to the rules and regulations applicable to national-forest lands acquired under the act of March 1, 1911 (36 Stat. 961), as amended, but special provisions included in conveyance of title to the United States, valid and subsisting at the date of this act and thereafter legally maintained, shall not be affected by this act: *Provided*, That this act shall not affect any revested Oregon and California railroad grant land, title to which has not passed out of the United States, or any public-domain land which is not embraced in relinquishments purchased under the acts hereinbefore mentioned.

The amendments were agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

GRAND COULEE DAM AND RESERVOIR

The bill (S. 3766) for the acquisition of Indian lands for the Grand Coulee Dam and Reservoir, and for other purposes, was announced as next in order.

Mr. REED. Let the bill go over.

Mr. THOMAS of Oklahoma. Mr. President, this bill is the same as House bill 9445, which I ask to have substituted for the Senate bill.

The PRESIDENT pro tempore. Without objection, the House bill will be substituted for the Senate bill.

The Senate proceeded to consider the bill (H. R. 9445) for the acquisition of Indian lands for the Grand Coulee Dam and Reservoir, and for other purposes.

Mr. THOMAS of Oklahoma. Mr. President, someone objected to the consideration of the bill. If the Senator who objected will withhold the objection for just a moment, I should like to explain the bill.

The Government is building the Grand Coulee Dam. The reservoir site embraces in part the town site of Klaxta. It is

necessary to purchase the land, especially that part of the land which is to be covered with water. The money to cover the cost is taken from the funds appropriated for reservoir purposes. The money is to be paid to the Indian agencies, and in turn to be paid to the individual Indians.

That is the whole import of the bill.

The PRESIDENT pro tempore. Is there objection to the present consideration of the bill?

There being no objection, the bill was considered, ordered to a third reading, read the third time, and passed.

The PRESIDENT pro tempore. Without objection, Senate bill 3766 will be indefinitely postponed.

BILL PASSED OVER

The bill (S. 3920) to amend the Railroad Unemployment Insurance Act, approved June 25, 1938, as amended June 20, 1939, and for other purposes, was announced as next in order.

Mr. WHITE. Let the bill go over.

The PRESIDENT pro tempore. The bill will be passed over.

FURNISHING OF STEAM FROM CENTRAL HEATING PLANT TO NATIONAL ACADEMY OF SCIENCES

The bill (H. R. 8076) to authorize the furnishing of steam from the Central Heating Plant to the National Academy of Sciences, and for other purposes, was considered, ordered to a third reading, read the third time, and passed.

FRANCO-AMERICAN CONSTRUCTION CO.

The Senate proceeded to consider the bill (S. 3437) for the relief of the Franco-American Construction Co., which had been reported from the Committee on Claims with amendments, on page 1, line 6, after the words "sum of" to strike out "$14,492.27" and insert "$4,258.60" and at the end of the bill to insert a proviso, so as to make the bill read:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to the Franco-American Construction Co. the sum of $4,258.60 in full settlement of its claims against the United States growing out of a certain contract it had with the Government of the United States for the construction of an extension to the power-plant building No. 41, at the navy yard, New York, N. Y., together with certain incidental work in connection therewith: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The amendments were agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

ISOBELL SHANKS

The bill (H. R. 6548) for the relief of Isobell Shanks was considered, ordered to a third reading, read the third time, and passed.

PENNSYLVANIA STATE COLLEGE

The bill (H. R. 6553) for the relief of the Pennsylvania State College was considered, ordered to a third reading, read the third time, and passed.

CHARLES H. UPTON

The bill (H. R. 6598) for the relief of Charles H. Upton was considered, order to a third reading, read the third time, and passed.

THOMAS BOYD

The bill (H. R. 6967) for the relief of Thomas Boyd was considered, ordered to a third reading, read the third time, and passed.

J. MONTROSE EDREHI

The bill (H. R. 7608) for the relief of J. Montrose Edrehi was considered, ordered to a third reading, read the third time, and passed.

MARY D. BRIGGS AND SIMEON G. RIGOR

The bill (H. R. 7858) for the relief of Mary D. Briggs and Simeon G. Rigor was considered, ordered to a third reading, read the third time, and passed.

GERALDINE ASH

The bill (H. R. 2901) conferring jurisdiction upon the United States District Court for the Middle District of Georgia to hear, determine, and render judgment upon the claim of Geraldine Ash was considered, ordered to a third reading, read the third time, and passed.

S. T. ENLOE

The bill (H. R. 2354) for the relief of S. T. Enloe was considered, ordered to a third reading, read the third time, and passed.

WILBUR P. AND JOSEPHINE RIDDLESBARGER

The bill (H. R. 6095) for the relief of Wilbur P. Riddlesbarger and Josephine Riddlesbarger was considered, ordered to a third reading, read the third time, and passed.

PHILIP A. PENSTON

The bill (S. 4032) to provide for the reimbursement of Philip A. Penston, pharmacist's mate, first class, United States Coast Guard, for the value of personal and household effects lost and destroyed during the hurricane of September 21, 1938, at New London, Conn., was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Philip A. Penston, pharmacist's mate, first class, United States Coast Guard, the sum of $1,267 in full satisfaction of his claim against the United States for the loss and destruction of his personal and household effects in the hurricane at New London, Conn., on September 21, 1938; it appearing that Philip A. Penston, having been transferred from Coast Guard headquarters to duty aboard the Coast Guard cutter *Mojave* at Miami, Fla., had pursuant to his orders and prior to such hurricane delivered his personal and household effects to a Coast Guard contractor for packing, crating, and shipment to Miami, that he had no control over such effects at the time of their loss and destruction, and that a Coast Guard board of investigation found that the amount appropriated by this act is reasonable and just: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

H. S. WAYMAN

The bill (H. R. 3964) for the relief of H. S. Wayman was considered, ordered to a third reading, read the third time, and passed.

MARY CAMASTRO, A MINOR

The bill (H. R. 4801) for the relief of Mary Camastro, a minor, was considered, ordered to a third reading, read the third time, and passed.

DON E. HICKS

The bill (H. R. 5464) for the relief of Don E. Hicks was considered, ordered to a third reading, read the third time, and passed.

MINNIE LOWERY AND WINELL LOWERY

The bill (H. R. 5571) for the relief of Minnie Lowery and Winell Lowery was considered, ordered to a third reading, read the third time, and passed.

SOLOMON BROWN

The Senate proceeded to consider the bill (H. R. 5303) for the relief of Solomon Brown, which had been reported from the Committee on Claims with amendments, on page 1, line 6, after the words "sum of", to strike out "$1,000" and insert "$50 per month in a sum not to exceed $1,000", and in line 7, after the word "such", to strike out "sum" and insert "sums", so as to make the bill read:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Solomon Brown, Walterboro, S. C., the sum of $50 per month in a sum not to exceed $1,000. Such sums shall be in full settlement of all claims against the United States arising out of the permanent disability sustained by the said Solomon Brown due to the amputation of his right hand, necessitated by severe injuries to such hand received on October 22, 1932, while the said Solomon Brown was at work in the laundry of the United States Penitentiary at Atlanta, Ga.: *Provided*, That no

part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The amendments were agreed to.

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

THOMAS M. BARNES

The Senate proceeded to consider the bill (S. 3539) for the relief of Thomas M. Barnes, which was read, as follows:

Be it enacted, etc., That in the administration of any laws conferring rights, privileges, or benefits upon honorably discharged soldiers Thomas M. Barnes shall be held and considered to have been honorably discharged as a private, Company I, Eighth Regiment United States Infantry, as of May 12, 1915: *Provided*, That no bounty, back pay, pension, or allowance shall be held to have accrued prior to the passage of this act.

Mr. KING. Mr. President, there is an adverse report by the War Department on this bill.

Mr. SHEPPARD. Mr. President, will the Senator withhold his objection? I feel it incumbent on me to state to the Senator the reasons for the favorable report of the bill by the Senate Military Affairs Committee, although the War Department reaction was unfavorable.

Barnes, the beneficiary of this bill, died some years ago. A few months ago his aged mother came into the committee room, feeble even beyond her years, and in a trembling voice stated that she wanted the injustice remedied which had been done her son. It seemed that he was charged with the theft of one shirt valued at $2.46, and was brought before a court martial and sentenced to serve 1 year at hard labor at Alcatraz, and was dishonorably discharged. He served another enlistment after that discharge and after that imprisonment, and from that enlistment he was honorably discharged. While it is true that larceny cannot be tolerated or go unpunished, no matter what the value of the stolen article, it does seem that the offense committed did not warrant the punishment awarded by the court.

Mr. KING. Mr. President, the Senator recognizes the fact that Secretary Woodring makes the following statement:

So far as this Department is able to ascertain there is no justification for the legislation, and no merit in the claim.

The War Department strongly recommends against the favorable consideration of S. 3539.

Mr. SHEPPARD. It is a question of "the letter killing and the spirit giving life." If the Senator had heard the appeal of that aged mother, I feel sure he would let this bill pass.

Mr. CLARK of Missouri. Mr. President——

Mr. KING. I will take a vote of the Senate on the matter.

Mr. SHEPPARD. I shall ask for a vote.

Mr. CLARK of Missouri. Mr. President, will the Senator yield?

Mr. SHEPPARD. Yes.

Mr. CLARK of Missouri. I wish it were as easy to get the letter of resignation of the Secretary of War into the RECORD of the Senate as it is to get into it the letter to which the Senator from Utah has just referred.

I will say that I do not believe a soldier who would not steal a shirt would be a good soldier. [Laughter.]

The PRESIDING OFFICER (Mr. CHANDLER in the chair.) The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

DISPOSITION OF ESTATES OF CITIZENS DYING ABROAD

The Senate proceeded to consider the bill (S. 4097) to provide for the disposition of estates of American citizens who die abroad, which was read as follows:

Be it enacted, etc., That sections 1709 and 1711 of the Revised Statutes, as amended (U. S. C., title 22, secs. 75 and 77), are hereby amended to read as follows:

"1709. It shall be the duty of a consular officer, or if no consular officer is present a diplomatic officer, under such procedural regulations as the Secretary of State may prescribe—

"First. To take possession and to dispose of the personal estate left by any citizen of the United States, except a seaman who is a member of the crew of an American vessel, who shall die within or is domiciled at time of death within his jurisdiction: *Provided*, That such procedure is authorized by treaty provisions or permitted by the laws or authorities of the country wherein the death occurs, or the decedent is domiciled, or that such privilege is accorded by established usage: *Provided further*, That the decedent shall leave in the country where the death occurred or where he was domiciled, no legal representative, partner in trade, or trustee by him appointed to take care of his personal estate. A consular officer or, in his absence, a diplomatic officer shall act as the provisional conservator of the personal property within his jurisdiction of a deceased citizen of the United States but, unless authorized by treaty provisions, local law, or usage, he shall not act as administrator of such personal property. He shall render assistance in guarding, collecting, and transmitting the property to the United States to be disposed of according to the law of the decedent's domicile.

"Second. After having taken possession of the personal property, as provisional conservator, to inventory and carefully appraise the effects, article by article, with the assistance of two competent persons who, together with such officer, shall sign the inventory and annex thereto an appropriate certificate as to the accuracy of the appraised value of each article.

"Third. To collect the debts due to the decedent in his jurisdiction and pay from the estate the obligations owed there by the decedent.

"Fourth. To sell at auction, after reasonable public notice, unless the amount involved does not justify such expenditure, such part of the estate as shall be of a perishable nature, and such further part, if any, as shall be necessary for the payment of the decedent's debts incurred in such country, and funeral expenses, and expenses incident to the disposition of the estate. If, at the expiration of 1 year from the date of death (or for such additional period as may be required for final settlement of the estate), no claimant shall appear, the residue of the estate, with the exception of investments of bonds, shares of stocks, notes of indebtedness, jewelry or heirlooms or other articles having a sentimental value, shall be sold.

"Fifth. To transmit to the General Accounting Office the proceeds of the sale (and any unsold effects, such as investments of bonds, shares of stocks, notes of indebtedness, jewelry or heirlooms or other articles having a sentimental value), there to be held in trust for the legal claimant. If, however, at any time prior to such transmission, the decedent's legal representative should appear and demand the proceeds and effects in the officer's hands, he shall deliver them to such representative after having collected the prescribed fee therefor.

"The Comptroller General of the United States, or such member of the General Accounting Office as he may duly empower to act as his representative for the purpose, shall act as conservator of such parts of these estates as may be received by the General Accounting Office or are in its possession, and may, when deemed to be in the interest of the estate, sell such effects, including bonds, shares of stock, notes of indebtedness, jewelry or other articles, which have heretofore or may hereafter be so received, and pay the expenses of such sale out of the proceeds: *Provided*, That application for such effects shall not have been made by the legal claimant within 6 years after their receipt. The Comptroller General is authorized, for and in behalf of the estate of the deceased, to receive any balances due to such estates, to draw therefor on banks, safe deposits, trust or loan companies, or other like institutions, to endorse all checks, bills of exchange, promissory notes, and other evidences of indebtedness due to such estates, and take such other action as may be deemed necessary for the conservation of such estates. The net proceeds of such sales, together with such other moneys as may be collected by him, shall be deposited into the Treasury to a fund in trust for the legal claimant and reported to the Secretary of State.

"If no claim to the effects the proceeds of which have been so deposited shall have been received from a legal claimant of the deceased within 6 years from the date of the receipt of the effects by the General Accounting Office, the funds so deposited, with any remaining unsold effects, less transmittal charges, shall be transmitted by that Office to the proper officer of the State or Territory of the last domicile in the United States of the deceased citizen, if known, or, if not, such funds shall be covered into the general fund of the Treasury as miscellaneous receipts on account of proceeds of deceased citizens, and any such remaining unsold effects shall be disposed of by the General Accounting Office in such manner as, in the judgment of the Comptroller General, is deemed appropriate, or they may be destroyed if considered no longer possessed of any value: *Provided*, That when the estate shall be valued in excess of $500, and no claim therefor has been presented to the General Accounting Office by a legal claimant within the period specified in this paragraph or the legal claimant is unknown, before disposition of the estate as provided herein, notice shall be given by publishing once a week for 4 consecutive weeks in a newspaper published in the county of the last-known domicile of the deceased, in the United States, the expense thereof to be deducted from the proceeds of such estate, and any lawful claim received as the result

of such advertisement shall be adjusted and settled as provided for herein."

"1711. When a citizen of the United States dies in a foreign country and leaves, by any lawful testamentary disposition, special directions for the custody and management, by the consular officer, or in his absence a diplomatic officer, within whose jurisdiction the death occurred, of the personal property in the foreign country which he possessed at the time of death, such officer shall, so far as the laws of the foreign country permit, strictly observe such directions if not contrary to the laws of the United States. If such citizen has named, by any lawful testamentary disposition, any other person than a consular officer or diplomatic officer to take charge of and manage such property, it shall be the duty of the officer, whenever required by the person so named, to give his official aid in whatever way may be practicable to facilitate the proceedings of such person in the lawful execution of his trust, and so far as the laws of the country or treaty provisions permit, to protect the property of the deceased from any interference by the authorities of the country where such citizen died. To this end it shall be the duty of the consular officer, or if no consular officer is present a diplomatic officer, to safeguard the decedent's property by placing thereon his official seal and to break and remove such seal only upon the request of the person designated by the deceased to take charge of and manage his property."

Mr. McNARY. Mr. President, I would like to have an explanation of the bill.

Mr. PITTMAN. Mr. President, this is an amendment of a law which has been on the books for many years. It is provided that consuls may take charge of the estates of citizens who die abroad until administrators or executors may be duly qualified. The amendment is to the effect that, in addition to consular officers, diplomatic officers may have the same power. There are many places where consuls are not located, but where diplomatic officers may be.

There is another amendment of the law to the effect that the funds shall go into the hands of the Comptroller General when finally returned to the United States, and the Comptroller General will turn them over to the State Department after notice as to the heirs. If heirs turn up who reside in some State, the estate is turned over to the State where the deceased lived. If there are no heirs, then the estate is turned over to the State of the deceased citizen. If it cannot be ascertained where his State citizenship was, the estate is then turned over to the Treasury of the United States.

The PRESIDING OFFICER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

EXCHANGE OF LAND ADJACENT TO SAN JUAN AND RIO GRANDE NATIONAL FORESTS, COLO.

The Senate proceeded to consider the bill (H. R. 8356) for the exchange of lands adjacent to the San Juan National Forest and the Rio Grande National Forest in Colorado, which was read, as follows:

Be it enacted, etc., That the provisions of the act of March 20, 1922 (42 Stat. L. 465; U. S. C., title 16, sec. 485), entitled "An act to consolidate national-forest lands", and the provisions of the act of February 28, 1925 (43 Stat. L., p. 1090; U. S. C., title 16, sec. 486), entitled "An act to amend an act entitled 'An act to consolidate national-forest lands' ", and acts amendatory thereto, are hereby extended to include any suitable offered lands within the boundaries of that portion of the former Mexican grant known as the Tierra Amarilla Grant, lying within the State of Colorado, adjacent to the Rio Grande or San Juan National Forests. Lands conveyed to the United States under this act shall, upon acceptance of title, become parts of the national forest nearest to which they are situated, and shall thereafter be subject to the laws, rules, and regulations applicable to said national forest.

Mr. CLARK of Missouri. Mr. President, I should like to have an explanation of the bill.

Mr. HATCH. Mr. President, this is a bill which relates solely to lands within the State of Colorado, lands formerly a part of the Tierra Amarilla grant, part of which is in a national forest. There are within claims by settlers to lands within the national forest. On the outside of the forest the Government is making claims to lands owned by the settlers. These disputes have been more or less friendly, and the parties have all agreed that they can be worked out and adjusted by an exchange of lands without any appropriation. That is the purpose of the bill, to authorize the exchange. It calls for no appropriation from the Treasury whatsoever.

Mr. CLARK of Missouri. I should like very much to hear from the junior Senator from Colorado [Mr. JOHNSON], who is on the floor, as to whether he is for or against the bill.

Mr. JOHNSON of Colorado. I am for it.

Mr. HATCH. I had not noticed the Senator from Colorado present. My only reason for making the explanation was that I am a member of the Committee on Public Lands and Surveys, and the chairman of the committee, who is the senior Senator from Colorado [Mr. ADAMS], requested that someone explain the bill during his absence in the Committee on Appropriations. I should be very happy to have the Senator from Colorado make the explanation.

Mr. JOHNSON of Colorado. The Senator from New Mexico has stated the situation. Naturally we are all in favor of the bill.

The PRESIDING OFFICER. The question is on the third reading of the bill.

The bill was ordered to a third reading, read the third time, and passed.

ATTENDANCE OF MARINE BAND AT G. A. R. CONVENTION

The bill (H. R. 9296) to authorize the attendance of the Marine Band at the convention of the Grand Army of the Republic to be held at Springfield, Ill., September 8 to 13, inclusive, 1940, was considered, ordered to a third reading, read the third time, and passed.

THEODORE R. TROENDLE FOR THE DAWSON SPRINGS CONSTRUCTION CO.

The bill (S. 4037) conferring jurisdiction upon the United States District Court for the Western District of Kentucky to hear, determine, and render judgment upon the claim of Theodore R. Troendle for the Dawson Springs Construction Co. was announced as next in order.

Mr. REED. Let the bill go over.

Mr. BARKLEY. Mr. President, will not the Senator withhold his objection?

Mr. REED. I withhold it.

Mr. BARKLEY. This is a claim growing out of the construction of the veterans' hospital at Dawson Springs, Ky., by Theodore Troendle, who is now quite an old man. The late Senator Logan introduced a bill for the payment of the claim. The Committee on Claims did not feel that it was in a position to pass on the merits of the claim, and I introduced this bill merely to allow this old gentleman to bring suit in the United States District Court to establish his claim if he can. I hope the Senator will not object, because this old gentleman is quite aged, and unless he can establish his claim and get payment within a few years, it will do him no good. I hope the Senator will permit the bill to go through.

Mr. REED. Mr. President, this is a request of Congress to waive the lapse of time and the running of the statute of limitations. Once we begin that sort of thing in relation to lawsuits, I do not know where we are going to end.

Mr. BARKLEY. It is not done often. This involves a controversy which has been running for a good many years between this gentleman and the General Accounting Office and the Veterans' Administration. It seems to me that there is nothing that can be lost by allowing him to present his case in court. If he cannot establish it, he certainly will not recover. In addition to his age, the difficulty of bringing witnesses to Washington is apparent to everyone.

I hope the Senator will not object to the bill. We have passed other bills permitting citizens to bring suits to establish their claims. I am not passing on the merits of the claim, but the right a person has to present his case certainly should not be questioned.

Mr. REED. The distinguished Senator from Kentucky is so persuasive that I withdraw my objection.

There being no objection, the Senate proceeded to consider the bill, which was ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That jurisdiction is hereby conferred upon the United States District Court for the Western District of Kentucky, notwithstanding the lapse of time or the statute of limitations, to hear, determine, and render judgment upon the claim of Theodore R. Troendle, for the Dawson Springs Construction Co., of Dawson Springs, Ky., for losses or damages arising out of a

contract dated February 2, 1920, for the construction of eight buildings for the United States Public Health Service Sanatorium at Dawson Springs, Ky.: *Provided, however,* That from any decision or judgment rendered in any suit presented under the authority of this act a writ of certiorari to the Supreme Court of the United States may be applied for by either party thereto, as is provided by law in other cases.

M. SELLER & CO.

The Senate proceeded to consider the bill (S. 2171) for the relief of M. Seller & Co., which had been reported from the Committee on Claims with an amendment, to strike out all after the enacting clause and to insert the following:

That the Secretary of the Treasury be, and he is hereby, authorized and directed to refund to M. Seller & Co., Portland, Oreg., certain penalties in the amount of $5,210.36, paid to the collectors of customs at Portland, Oreg., and Seattle, Wash., on April 28, 1927. Said penalties were incurred under the customs laws in the entry of certain merchandise from Germany at a less value than that returned upon final appraisement, such entry having been made without any intention to defraud the revenues of the United States or to conceal or misrepresent the facts of the case or to deceive the appraiser as to the value of the merchandise: *Provided,* That no part of the amount refunded in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

R. BRINSKELLE AND CHARLIE MELCHER

The Senate proceeded to consider the bill (S. 2880) conferring jurisdiction upon the Court of Claims to hear, determine, and render judgment on the claim of R. Brinskelle and Charlie Melcher, which had been reported from the Committee on Claims with an amendment, to strike out all after the enacting clause and to insert the following:

That jurisdiction is hereby conferred upon the United States Court of Claims to hear, determine, and render judgment on the claim of R. Brinskelle and Charlie Melcher for damages for loss of a fishing cabin located on Warrior River, Jefferson County, Ala., on or about March 6, 1937, because of fire allegedly caused by negligence of Government employees in connection with clearing operations along the banks of the Warrior River and its tributaries.

SEC. 2. Suit upon such claim may be instituted at any time within 1 year after enactment of this act and proceedings for the determination of such claim, appeals therefrom, and payment of any judgment thereon shall be in the same manner as in the cases over which such court has jurisdiction under section 145 of the Judicial Code, as amended.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

RALPH C. HARDY

The Senate proceeded to consider the bill (S. 3003) for the relief of Ralph C. Hardy, which had been reported from the Committee on Claims with an amendment, to strike out all after the enacting clause and to insert the following:

That the claims of the United States against Ralph C. Hardy, formerly a traffic rate examiner, National Bituminous Coal Commission, in the amount of $328.75; against William W. Addis, formerly a traffic rate examiner, National Bituminous Coal Commission, in the amount $328.75; against E. F. Goudelock, formerly a traffic rate examiner, National Bituminous Coal Commission, in the amount of $271.90; against J. T. Polk, formerly a traffic rate examiner, National Bituminous Coal Commission, in the amount of $328.75; and against C. H. Seaman, formerly a traffic rate examiner, National Bituminous Coal Commission, in the amount of $328.75, resulting from the fact that payments of per diem and other nonpersonal expenses to each of the above-named persons authorized by the National Bituminous Coal Commission in accordance with the terms of his employment were subsequently disallowed by the General Accounting Office, are hereby canceled; and the Comptroller General of the United States is hereby directed to allow credit in the accounts of the disbursing officer for the payments so made.

SEC. 2. That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to the said William W. Addis the sum of $328.75, to the said Ralph C. Hardy the sum of $125, to the said J. T. Polk the sum of $328.75, and to the said C. H. Seaman the sum of $328.75, which sums have heretofore been paid to the United States by such persons in partial or complete liquidation of the respective claims of the United States against such persons canceled by section 1 of this act, or have been deducted by the United States when making payment of other claims of said persons against the United States.

SEC. 3. No part of the amount provided for in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

Mr. KING. Let the bill go over.

Mr. GUFFEY. Mr. President, I introduced this bill originally for the Interior Department. The subcommittee presided over by the Senator from Wyoming [Mr. SCHWARTZ] held hearings and suggested certain amendments, and I think the bill before the Senate is very just, and the claim should be allowed. I am sorry the Senator from Wyoming is not present to explain the bill in detail. I hope the Senator will withdraw his objection.

Mr. KING. My recollection is, from the record, that there was an adverse report by the department having the matter in charge.

Mr. GUFFEY. There was not an adverse report. They asked me to introduce the bill.

The PRESIDING OFFICER. Is there objection?

Mr. KING. I have no objection.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

The title was amended so as to read: "A bill for the relief of Ralph C. Hardy, William W. Addis, C. H. Seaman, R. J. Polk, and E. F. Goudelock."

RANK AND TITLE OF LIEUTENANT GENERAL OF THE REGULAR ARMY

The bill (H. R. 7611) to provide for the rank and title of lieutenant general of the Regular Army, was announced as next in order.

Mr. CLARK of Missouri and Mr. REED asked that the bill go over.

Mr. SHEPPARD. Mr. President, may I briefly explain the measure?

The PRESIDING OFFICER. Will the Senators withhold their objection?

Mr. CLARK of Missouri. I withhold my objection, but I will renew it at the conclusion of the statement of the Senator from Texas.

Mr. SHEPPARD. Very well.

Mr. CLARK of Missouri. I withhold my objection, if the Senator wishes to make a statement.

Mr. BARKLEY. Mr. President, it seems that if notice is served in advance that objection is to be made afterward, we might go on with the calendar.

Mr. CLARK of Missouri. Mr. President, I shall be very glad to hear the Senator from Texas. I withhold my objection.

The PRESIDING OFFICER. Objection is heard in other places.

REGISTRATION AND REGULATION OF INVESTMENT COMPANIES

The bill (S. 4108) to provide for the registration and regulation of investment companies and investment advisers, and for other purposes, was announced as next in order.

Mr. REED and Mr. WILEY asked that the bill go over.

Mr. WAGNER. Mr. President, I should like to make an appeal to the Senators who might object to the bill.

The PRESIDING OFFICER. Will the Senators who objected withhold their objection?

Mr. REED. Mr. President, a bill of this length and importance should not be passed on the Unanimous Consent Calendar.

Mr. WAGNER. Would the Senator withhold his objection so that I may make a brief statement to him?

Mr. REED. I should be very happy to do that, but I shall renew my objection when the Senator concludes his explanation.

Mr. WAGNER. Let me say——

The PRESIDING OFFICER. The Chair would like to say to the Senator from New York that the Senator from Wisconsin also objected.

Mr. WAGNER. Will the Senator from Wisconsin withhold his objection?

Mr. WILEY. I shall be happy to hear the explanation.

Mr. WAGNER. The S. E. C. made an investigation of investment trusts and investment companies, which covered a period of 4 years. After that, legislation was prepared and introduced by me. The Committee on Banking and Currency held hearings for a period of 4 weeks during which the S. E. C. and the industry were heard.

At the conclusion of the hearings the Committee on Banking and Currency suggested to the industry affected and to the S. E. C. that they get together and see if we could not agree upon legislation, by the modern method of cooperation between industry and Government. The better elements of the industry recognized that abuses had existed because of nonregulation, and for their own protection they desired to have their industry regulated.

As the result of conferences covering a period of 3 weeks, they came before our committee and not only agreed upon a bill but urged the committee to pass a bill for the benefit of the industry. We have an opportunity here to render a service to an industry that seeks to be regulated, so as to restore the public confidence that has been impaired in the operation of investment trusts.

They have been here now for months and they think there is a great opportunity in proper regulation for attracting capital in our recovery and defense program. The provisions of the bill are intended to prevent in the future the abuses which were disclosed, not only before our committee but before the Security and Exchange Commission during its investigation. I am pleading for the industry now. A number of individual Senators have also asked, in the interest of the industry and for the protection of investors, that the Congress pass this conservative piece of legislation.

Mr. LODGE. Mr. President, will the Senator yield?

Mr. WAGNER. I yield.

Mr. LODGE. It so happens that the investment-trust business is one which very largely had its origin in Boston, and I happen to know a great many people connected with this industry. I think it is true that there have been some unfortunate happenings during the past decade which required some kind of regulatory action, and that the more responsible and more conscientious elements in the industry were anxious to see those steps taken.

This bill, as the Senator from New York has said, was agreed upon after very painstaking and careful study, in which really almost a miracle occurred, in that all the various elements in the industry were able to get together and organize themselves, and present a common basis for studying the question, and as the result of that effort an agreement which is embodied in this bill was reached between those engaged in the industry and the members of the S. E. C. I submit that that is a very unusual and a very beneficial occurrence—not only beneficial for those who were engaged in the industry, but I think very beneficial to the public, who, after all, are those who stand to gain the most by having this type of activity properly regulated.

I appreciate that it is somewhat unusual, perhaps, to seek to pass a bill of this length at a time like this, but in view of the very special circumstances, and in view of the fact that so much good can flow from the bill, I certainly would be most appreciative if Senators would withdraw their objections.

Mr. MILLER. Mr. President, will the Senator yield?

Mr. WAGNER. I yield.

Mr. MILLER. I wish to ask the Senator from New York if it is not a fact that all who testified on the original bill that was introduced, raising objections to the passage of not only the first bill but the second bill introduced, not only have withdrawn their objections but are now urging the passage of this bill?

Mr. WAGNER. Exactly.

Mr. MILLER. All the witnesses who testified—and the question was gone into thoroughly—now appear as proponents of the bill.

Mr. CLARK of Missouri. Mr. President, I was an advocate of the bill which created the Securities and Exchange Commission. I have been an advocate of most of their activities. Is it not a fact that they have themselves adopted certain rules which would fall within the purview of the so-called Logan-Walter bill?

Mr. WAGNER. There may be some criticism that may be perfectly justified with respect to other laws. But in this legislation I may say to the Senator that not only do the witnesses who appeared before us in opposition to the original bill now support this compromise measure but also it has the unanimous support, as the Senator from Massachusetts has said, of the entire industry. It is almost a miracle. I have never known it to happen in my experience as a legislator that the industry affected has sought such regulation. There was not a dissenting voice heard from the entire industry affected against the passage of this legislation.

Mr. REED. I ask that the bill be passed over.

Mr. CLARK of Missouri. Over.

The PRESIDING OFFICER. Objection is heard.

Mr. WILEY. My only reason for objecting was the importance of the legislation, and the extensiveness of the bill. Personally, after the assurances given, I should be glad to withdraw my objection.

The PRESIDING OFFICER. Objection is heard.

Mr. WAGNER. I hope that there may not be an objection to my desire to perfect the bill which is now pending by offering an amendment to it, which may lie on the table. I offer the following amendment to the bill——

The PRESIDING OFFICER. Is there objection?

Mr. CLARK of Missouri. A parlimentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. CLARK of Missouri. To what bill is the Senator offering an amendment?

Mr. WAGNER. I am asking that I may offer an amendment to the proposed legislation, and then, after the amendment is agreed to, if it shall be agreed to, I shall ask that the bill remain upon the calendar.

The PRESIDING OFFICER. Is there objection to the amendment being considered?

Mr. REED. I am not going to object to the offering of the amendment, but I think that justifies the objection I made to a bill of this length, when within 3 minutes after the objection was made an amendment was offered to the bill.

The PRESIDING OFFICER. Objection is heard.

MOUNT OF VICTORY PLOT, CYPRESS HILLS CEMETERY, BROOKLYN, N. Y.

The bill (H. R. 8258) for the marking, care, and maintenance of the Mount of Victory plot in the Cypress Hills Cemetery, in Brooklyn, N. Y., was considered, ordered to a third reading, read the third time, and passed.

FORT MIFFLIN MILITARY RESERVATION, PA.

The bill (S. 3926) to authorize the Secretary of War to provide a license for the construction of a pile dolphin and walkway at Fort Mifflin Military Reservation, and for other purposes was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the Secretary of War be, and he is hereby, authorized and empowered, under such terms and conditions as are deemed advisable by him, to grant to the Atlantic Refining Co., its successors and/or assigns, a license to construct and maintain a pile dolphin and walkway thereto in the Delaware River at the Fort Mifflin Military Reservation, in the State of Pennsylvania: *Provided*, That such license shall be granted only upon a finding by the Secretary of War that the same will be in the public interest and will not substantially injure the interest of the United States in the property affected thereby: *Provided further*, That all or any part of such license may be annulled and forfeited by the Secretary of War if the property is needed for governmental purposes or for failure to comply with the terms or conditions of any grant hereunder, or for nonuse or for abandonment of rights granted under authority hereof.

ORDER OF BUSINESS

Mr. DANAHER. Mr. President, I seize the interim while the clerk is looking for the next bill to call attention to the

fact that it is now 10:20 o'clock p. m., and some of us have been here since 8 o'clock, and all day long.

Mr. CLARK of Missouri. Regular order.

The PRESIDING OFFICER. The regular order has been called for.

Mr. DANAHER. A parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. DANAHER. The parliamentary inquiry is directed to the Chair to ascertain whether or not there is pending a motion to adjourn, or would such a motion be in order?

Mr. BARKLEY. I wish to say to the Senator that no such motion is pending. I intend to keep the Senate in session but a few more minutes. I hope we can run on until 10:30.

Mr. DANAHER. I thank the Senator.

The PRESIDING OFFICER. The Chair will say to the Senator from Connecticut that a motion to adjourn is in order, and can be made by the Senator at any time.

Mr. DANAHER. I thank the Chair for his courtesy. I appreciate it.

BILL PASSED OVER

The bill (H. R. 8124) to provide funds for cooperation with public-school districts in Mahnomen, Minn., was announced as next in order.

Mr. KING. I ask that the bill be passed over.

The PRESIDING OFFICER. The bill will be passed over.

CHARGES FOR ELECTRIC ENERGY GENERATED AT BOULDER DAM

The bill (S. 4039) authorizing the Secretary of the Interior to promulgate and put into effect charges for electrical energy generated at Boulder Dam was announced as next in order.

Mr. PITTMAN. Mr. President, I think that bill requires a brief explanation. The title would hardly indicate what it means. The bill arises by reason of the fact that in 1928, after 5 years of debate, we adopted the Boulder Canyon Act. It was quite indefinite in many particulars at that time. In fact, it was an experiment. It is now found necessary to adjust the act so that the rates may be reduced.

Under the act there could be no change in rates until 1945. There may be reductions in costs now which would justify reductions in rates. Seven States were interested in this matter. Four or five power companies were interested in it, and the United States Government was interested in it. For 2 years the Governors of the seven States, through commissions, have met with the Secretary of the Interior and with the representatives of the users of the power in an attempt to obtain an adjustment by which certain matters could be definitely settled. There were matters of uncertainty with regard to how much money should go out of surplus earnings to the upper States and how much should go to various States. A higher rate of interest was being charged on the amortization payments than on the new Government hydroelectric project. Instead of allocating so much for flood control or navigation, $25,000,000 was allocated to flood control, but the interest was required to be paid out of power earnings. It was an impossible situation.

Mr. REED. Mr. President, would the bill cost the Government anything?

Mr. PITTMAN. It would not, but it would make the payments more sure. House bill 9877 is identical with Senate bill 4039.

The PRESIDING OFFICER. Is there objection to the substitution of the House bill for the Senate bill and the present consideration of the House bill?

There being no objection, the Senate proceeded to consider the bill (H. R. 9877) authorizing the Secretary of the Interior to promulgate and to put into effect charges for electrical energy generated at Boulder Dam.

Mr. PITTMAN. Mr. President, the House and Senate bills are identical. After several weeks of hearings, one change was made by the Senate committee. To make the House bill conform to the Senate bill, I think that amendment should be adopted.

Mr. CHAVEZ. Mr. President, the House bill is identical with the Senate bill, but the Senate committee unanimously adopted three minor amendments, one on page 6, in line 24; another on page 7, in line 3; and a third on page 7, in line 12.

Mr. O'MAHONEY. Mr. President, what is the purpose of the change?

Mr. CHAVEZ. The purpose of the change is only to have each of the upper-basin States receive an equal share of whatever we might be able to save from California, Arizona, and Nevada.

Mr. O'MAHONEY. Does it have any effect upon the allocation of funds?

Mr. CHAVEZ. It will have no effect whatsoever on the allocation of funds.

Mr. O'MAHONEY. In other words, if the project is not feasible, the division of the funds equally among the States will not have the result of piling up a huge fund for a State which cannot use it.

Mr. CHAVEZ. The feasibility of any particular project will have to be passed upon by the Reclamation Bureau anyway.

Mr. O'MAHONEY. No project may be adopted until it is cleared by the Bureau of Reclamation as feasible?

Mr. CHAVEZ. That is correct.

Mr. President, I offer as amendments to the House bill certain amendments which the Senate committee has made to the identical Senate bill.

The PRESIDING OFFICER. The amendments offered by the Senator from New Mexico will be stated.

The CHIEF CLERK. On page 6, line 24, after the word "and", it is proposed to strike out the word "equitably" and insert the word "equally"; on page 7, line 3, after the word "and", it is proposed to strike out "equitably" and insert "equally"; and on page 7, in line 11, after the word "plan" and the period, it is proposed to insert: "Any moneys accruing for projects in New Mexico and appropriated pursuant to the authorizations contained in this subsection shall be available for (1) the completion by the Bureau of Reclamation of a survey of the Transmountain diversion project on the San Juan River in the State of New Mexico, and (2) for the construction of such project; and such project shall be designed so as adequately to protect the present and prospective uses of water in the State of Colorado and in San Juan County, N. Mex., including those of the Navajo Tribe of Indians, and, after providing for such needs, any water from such project remaining available for use shall be used as the State of New Mexico may determine."

Mr. O'MAHONEY. Mr. President, may I say a word in regard to the amendment on page 7, line 11? I have the text before me. After the word "project" the first time it occurs in line 18 on page 7, would the Senator object to the insertion of the words "in conformity with the Federal Reclamation law?"

Mr. CHAVEZ. I think that point is covered by the amendment which has been offered. The amendment reads as follows:

> Any moneys accruing for projects in New Mexico and appropriated pursuant to the authorizations contained in this subsection shall be available for (1) the completion by the Bureau of Reclamation of a survey of the Transmountain diversion project on the San Juan River in the State of New Mexico, and (2) for the construction of such project; and such project shall be designed so as adequately to protect the present and prospective uses of water in the State of Colorado and in San Juan County, N. Mex., including those of the Navajo Tribe of Indians, and, after providing for such needs, any water from such project remaining available for use shall be used as the State of New Mexico may determine.

Hence the Reclamation Bureau will have the decision as to whether or not any particular project in New Mexico would be feasible.

Mr. O'MAHONEY. Mr. President, that amendment merely gives the Bureau the right and the duty of making a survey, and clause (2) provides for the construction of such project. I merely desire to add, after the word "project," the phrase "in conformity with the Federal reclamation law." I will say to the Senator that the reason I make the suggestion is because the Bureau of Reclamation seems to be under the impression that it is not clear from this language that the construction would be in accordance with the Federal reclamation law. It is not certain, in other words, whether

or not the fund would be reimbursable. I am sure the Senator feels that that is the intention, and that that is what ought to be done. Furthermore, there is the question of whether or not such a project would be feasible.

Mr. CHAVEZ. That is not the information I have from the Reclamation Bureau. If we had a copy of the hearings on this particular project the Senator could see that the Reclamation Bureau is entirely satisfied.

Mr. O'MAHONEY. I was merely asking the question.

Mr. PITTMAN. Mr. President, I suggest that the Senate committee amendment with regard to labor is already in the House bill.

Mr. CHAVEZ. So far as New Mexico is concerned, we want the power to decide, rather than some Government bureau.

The PRESIDING OFFICER. The question is on agreeing to the amendments offered by the Senator from New Mexico [Mr. CHAVEZ].

The amendments were agreed to.

The amendments were ordered to be engrossed, and the bill to be read a third time.

The bill was read the third time, and passed.

The PRESIDING OFFICER. Without objection, Senate bill 4039 is indefinitely postponed.

ADDITIONAL REPORTS OF COMMITTEES

Mr. SHEPPARD, from the Committee on Military Affairs, to which was referred the bill (S. 4107) to transfer the jurisdiction of the Arlington Farm, Va., to the jurisdiction of the War Department and the Department of the Interior, and for other purposes, reported it without amendment and submitted a report (No. 1933) thereon.

Mr. O'MAHONEY, from the Committee on the Judiciary, to which was referred the bill (H. R. 4587) to give the Supreme Court of the United States authority to prescribe rules of pleading, practice, and procedure with respect to proceedings in criminal cases prior to and including verdict, or finding or plea of guilty, reported it without amendment and submitted a report (No. 1934) thereon.

Mr. MALONEY, from the Committee on Immigration, to which was referred the bill (H. R. 7955) for the relief of Louis Rosenstone, reported it without amendment and submitted a report (No. 1935) thereon.

Mr. KING, from the Committee on the District of Columbia, to which was referred the bill (S. 4161) to amend the District of Columbia Revenue Act of 1939, reported it without amendment and submitted a report (No. 1936) thereon.

Mr. ADAMS, from the Committee on Appropriations, to which was referred the bill (H. R. 10104) making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1940, and prior fiscal years, to provide supplemental appropriations for the fiscal years ending June 30, 1940, and June 30, 1941, and for other purposes, reported it with amendments and submitted a report (No. 1937) thereon.

WORK RELIEF AND RELIEF APPROPRIATIONS—CONFERENCE REPORT

Mr. ADAMS. I submit the conference report on House Joint Resolution 544, and ask for its immediate consideration.

The PRESIDING OFFICER. The report will be read.

The Chief Clerk read as follows:

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to (H. J. Res. 544) making appropriations for work relief and relief for the fiscal year ending June 30, 1941, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendments numbered 2, 3, 4, 35, 41, 43, 44, 51, 57, 58, 62, and 63.

That the House recede from its disagreement to the amendments of the Senate numbered 1, 5, 19, 20, 22, 23, 24, 25, 27, 29, 31, 32, 33, 34, 36, 37, 38, 39, 40, 46, 49, 53, 54, 64, 65, 66, and 67; and agree to the same.

Amendment numbered 6: That the House recede from its disagreement to the amendment of the Senate numbered 6, and agree to the same with an amendment, as follows: In lieu of the matter inserted by said amendment insert the following: ": *Provided further*, That not to exceed $25,000,000 of funds herein appropriated to the Work Projects Administration may be used by the Commissioner to supplement the amounts so authorized for other than labor costs in any State, Territory, possession, or the District of Columbia in connection with the prosecution of projects which have been certified by the Secretary of War and the Secretary of the Navy, respectively, as being important for military or naval purposes"; and the Senate agree to the same.

Amendment numbered 7: That the House recede from its disagreement to the amendment of the Senate numbered 7, and agree to the same with an amendment, as follows: In lieu of the matter inserted by said amendment insert the following: ": *Provided*, That the provisions of this subsection shall not apply to projects (1) which have been certified by the Secretary of War and the Secretary of the Navy, respectively, as being important for military or naval purposes, or (2) which authorize necessary temporary measures to avert danger to life, property, or health in the event of disaster or grave emergency caused by flood, storm, fire, earthquake, drought, or similar cause"; and the Senate agree to the same.

Amendment numbered 8: That the House recede from its disagreement to the amendment of the Senate numbered 8, and agree to the same with an amendment, as follows: In lieu of the sum proposed insert "$41,534,000"; and the Senate agree to the same.

Amendment numbered 9: That the House recede from its disagreement to the amendment of the Senate numbered 9, and agree to the same with an amendment, as follows: In lieu of the sum proposed insert "$34,105,000"; and the Senate agree to the same.

Amendment numbered 10: That the House recede from its disagreement to the amendment of the Senate numbered 10, and agree to the same with an amendment, as follows: In lieu of the sum proposed insert "$612,750"; and the Senate agree to the same.

Amendment numbered 11: That the House recede from its disagreement to the amendment of the Senate numbered 11, and agree to the same with an amendment, as follows: In lieu of the sum proposed insert "$3,610,000"; and the Senate agree to the same.

Amendment numbered 12: That the House recede from its disagreement to the amendment of the Senate numbered 12, and agree to the same with an amendment, as follows: In lieu of the sum proposed insert "$437,000"; and the Senate agree to the same.

Amendment numbered 13: That the House recede from its disagreement to the amendment of the Senate numbered 13, and agree to the same with an amendment, as follows: In lieu of the sum proposed insert "$30,875,000"; and the Senate agree to the same.

Amendment numbered 14: That the House recede from its disagreement to the amendment of the Senate numbered 14, and agree to the same with an amendment, as follows: In lieu of the sum proposed insert "$25,626,250"; and the Senate agree to the same.

Amendment numbered 15: That the House recede from its disagreement to the amendment of the Senate numbered 15, and agree to the same with an amendment, as follows: In lieu of the sum proposed insert "$418,000"; and the Senate agree to the same.

Amendment numbered 16: That the House recede from its disagreement to the amendment of the Senate numbered 16, and agree to the same with an amendment, as follows: In lieu of the sum proposed insert "$2,536,500"; and the Senate agree to the same.

Amendment numbered 17: That the House recede from its disagreement to the amendment of the Senate numbered 17, and agree to the same with an amendment, as follows: In lieu of the sum proposed insert "$323,000"; and the Senate agree to the same.

Amendment numbered 18: That the House recede from its disagreement to the amendment of the Senate numbered 18, and agree to the same with an amendment, as follows: In lieu of the sum proposed insert "$59,000,000"; and the Senate agree to the same.

Amendment numbered 21: That the House recede from its disagreement to the amendment of the Senate numbered 21, and agree to the same with an amendment as follows: In lieu of the matter inserted by said amendment, insert the following:

"(c) In order to furnish the Secretary of Agriculture with additional funds for the purpose of making rural rehabilitation loans to needy farmers, the Reconstruction Finance Corporation is authorized and directed, until June 30, 1941, to make advances to the Secretary of Agriculture upon his request in an aggregate amount of not to exceed $125,000,000. Such advances shall be made: (1) with interest at the rate of 3 per centum per annum payable semiannually; (2) upon the security of obligations acceptable to the Corporation heretofore or hereafter acquired by the Secretary pursuant to law; (3) in amounts which shall not exceed 75 per centum of the then unpaid principal amount of the obligations securing such advances; and (4) upon such other terms and conditions, and with such maturities, as the Corporation may determine. The Secretary of Agriculture shall pay to the Corporation, currently as received by him, all moneys collected as payments of principal and interest on the loans made from the amounts so advanced, or collected upon any obligations held by the Corporation as security for such advances, until such amounts are fully repaid. The amount of notes, debentures, bonds, or other such obligations which the Corporation is authorized and empowered to issue and to have outstanding at any one time under the provisions of law in force on the date of this subsection takes effect is hereby increased by an amount sufficient to carry out the provisions of this subsection."

And the Senate agree to the same.

Amendment numbered 26: That the House recede from its disagreement to the amendment of the Senate numbered 26, and agree to the same with an amendment, as follows: Restore the matter stricken out by said amendment to read as follows:

"No loan shall be made under this section to any person to enable him to subscribe or pay for stock or membership in any cooperative

association or branch thereof not organized or in existence on the date of enactment of this joint resolution."

And the Senate agree to the same.

Amendment numbered 28: That the House recede from its disagreement to the amendment of the Senate numbered 28, and agree to the same with an amendment, as follows: In lieu of the sum proposed insert "$4,000,000"; and the Senate agree to the same.

Amendment numbered 30: That the House recede from its disagreement to the amendment of the Senate numbered 30, and agree to the same with an amendment, as follows: In lieu of the matter inserted by said amendment insert the following: "; and (4) subject to the approval of the President, for projects involving rural rehabilitation of needy persons: *Provided*, That the cost (including all overhead expenses) of any dwelling or any other building the construction of which is hereafter undertaken in connection with such rural rehabilitation shall not exceed $750 and $400, respectively; and the Senate agree to the same.

Amendment numbered 42: That the House recede from its disagreement to the amendment of the Senate numbered 42, and agree to the same with an amendment, as follows: In lieu of the sum proposed insert "$750,000"; and the Senate agree to the same.

Amendment numbered 45: That the House recede from its disagreement to the amendment of the Senate numbered 45, and agree to the same with an amendment as follows: In lieu of the matter inserted by said amendment insert the following:

"SEC. 11. None of the funds made available by this joint resolution shall be expended on the construction of any building (1) the total estimated cost of which, in the case of a Federal building, exceeds $100,000, or (2) the portion of the total estimated cost of which payable from Federal funds, in the case of a non-Federal building, exceeds $100,000, unless the building is one (a) for which the project has been approved by the President on or prior to May 15, 1940, or for which an issue of bonds has been approved at an election held on or prior to such date, or for which a State legislature has made an appropriation on or prior to such date, or (b) for the completion of which funds have been allocated and irrevocably set aside under prior relief appropriation Acts: *Provided*, That the provisions of this section shall not apply to any projects which have been certified by the Secretary of War and the Secretary of the Navy, respectively, as being important for military or naval purposes."

And the Senate agree to the same.

Amendment numbered 47: That the House recede from its disagreement to the amendment of the Senate numbered 47, and agree to the same with an amendment as follows: In lieu of the matter inserted by said amendment insert the following: "on projects certified as hereinbefore provided as being important for military or naval purposes"; and the Senate agree to the same.

Amendment numbered 48: That the House recede from its disagreement to the amendment of the Senate numbered 48, and agree to the same with an amendment, as follows: In lieu of the matter inserted by said amendment insert the following:

"SEC. 15. (a) In employing or retaining in employment on Work Projects Administration work projects, preference shall be determined, as far as practicable, on the basis of relative needs and shall, where the relative needs are found to be the same, be given in the following order: (1) Veterans of the World War and the Spanish-American War and veterans of any campaign or expedition in which the United States has been engaged (as determined on the basis of the laws administered by the Veterans' Administration except that discharged draft enrollees other than those with service-connected disability shall not be considered as veterans for the purposes of this subsection) and unmarried widows of such veterans and the wives of such veterans as are unemployable who are in need and are American citizens; and (2) other American citizens, Indians and other persons owing allegiance to the United States who are in need."

And the Senate agree to the same.

Amendment numbered 50: That the House recede from its disagreement to the amendment of the Senate numbered 50, and agree to the same with an amendment, as follows: Omit the matter stricken out and omit the matter inserted by said amendment; and the Senate agree to the same.

Amendment numbered 52: That the House recede from its disagreement to the amendment of the Senate numbered 52, and agree to the same with an amendment, as follows: In lieu of the matter inserted by said amendment insert the following: "(e)"; and the Senate agree to the same.

Amendment numbered 55: That the House recede from its disagreement to the amendment of the Senate numbered 55, and agree to the same with an amendment, as follows: In lieu of the matter inserted by said amendment insert the following: "(f)"; and the Senate agree to the same.

Amendment numbered 56: That the House recede from its disagreement to the amendment of the Senate numbered 56, and agree to the same with an amendment, as follows: In lieu of the matter inserted by said amendment insert the following: "(g)"; and the Senate agree to the same.

Amendment numbered 59: That the House recede from its disagreement to the amendment of the Senate numbered 59, and agree to the same with an amendment, as follows: In lieu of the matter inserted by said amendment insert the following: "in an amount exceeding $100,000"; and the Senate agree to the same.

Amendment numbered 60: That the House recede from its disagreement to the amendment of the Senate numbered 60, and agree to the same with an amendment, as follows: In lieu of the matter inserted by said amendment insert the following: "(except as provided in section 15 (f))"; and the Senate agree to the same.

Amendment numbered 61: That the House recede from its disagreement to the amendment of the Senate numbered 61, and agree to the same with an amendment, as follows: In lieu of the matter inserted by said amendment insert the following: "section 15 (f) and"; and the Senate agree to the same.

Amendment numbered 69: That the House recede from its disagreement to the amendment of the Senate numbered 69, and agree to the same with an amendment, as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert the following:

"SEC. 40 (a) The President is hereby authorized through such agency or agencies as he may designate to purchase exclusively in the United States and to transport, and to distribute as hereinafter provided, agricultural, medical, and other supplies for the relief of refugee men, women, and children, who have been driven from their homes or otherwise rendered destitute by hostilities or invasion. When so purchased, such materials and supplies are hereby authorized to be distributed by the President through the American Red Cross or such governmental or other agencies as he may designate.

"(b) There is hereby appropriated, out of any money in the Treasury not otherwise appropriated, the sum of $50,000,000, to be available until June 30, 1941, for carrying out the purposes of this section including the cost of such purchases, the transportation to point of distribution, and distribution, administrative and other costs, but not including any administrative expense incurred by any non-governmental agency.

"(c) Any governmental agency so designated to aid in the purchase, transportation or distribution of any such materials and supplies may expend any sums allocated to it for such designated purposes without regard to the provisions of any other Act.

"(d) On or before June 30, 1941, the President shall submit to the Congress an itemized and detailed report of the expenditures and activities made and conducted under the authority contained in this section."

And the Senate agree to the same.

Amendment numbered 70: That the House recede from its disagreement to the amendment of the Senate numbered 70, and agree to the same with an amendment, as follows: In lieu of the matter inserted by said amendment insert the following:

"SEC. 41. There is hereby appropriated, out of any money in the Treasury not otherwise appropriated, for the fiscal year 1941, the sum of $50,000,000, to be used by the Secretary of Agriculture for the purpose of effectuating the provisions of section 32 of the act entitled 'An act to amend the Agricultural Adjustment Act, and for other purposes,' approved August 24, 1935, as amended, such sum to be in addition to any funds appropriated by such section 32 and to be subject to all the provisions of law relating to the expenditure of such funds."

And the Senate agree to the same.

The committee of conference report in disagreement amendment numbered 68.

ALVA B. ADAMS,
KENNETH MCKELLAR,
CARL HAYDEN,
JAMES F. BYRNES,
FREDERICK HALE,
JOHN G. TOWNSEND, JR.,
Managers on the part of the Senate.

EDWARD T. TAYLOR,
CLARENCE CANNON,
C. A. WOODRUM,
LOUIS LUDLOW,
J. BUELL SNYDER,
EMMET O'NEAL,
GEO. W. JOHNSON,
Managers on the part of the House.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Colorado for the immediate consideration of the conference report?

Mr. LA FOLLETTE. Mr. President, as I understand, this is the conference report on the relief bill?

Mr. ADAMS. That is correct.

Mr. LA FOLLETTE. Has the House acted on it?

Mr. ADAMS. Yes; the House has acted on it.

Mr. LA FOLLETTE. Then, in view of the fact that the Senator from Kentucky intends to take a recess, I suggest that the report go over until tomorrow morning. There are one or two important amendments in the report, and I think the Senate should not take it up for consideration at this hour of the night.

Mr. ADAMS. It is a question of the situation, in which we find ourselves; that is all.

The PRESIDING OFFICER. Is there objection to the immediate consideration of the report?

Mr. LA FOLLETTE. I object.

The PRESIDING OFFICER. Objection is heard.

Mr. ADAMS. It is not subject to objection; I will state to the Presiding Officer that I have a right to have it considered.

The PRESIDING OFFICER. The Senator asked unanimous consent.

Mr. ADAMS. I withdraw that, and simply submit the conference report.

Mr. LA FOLLETTE. I am not at all sure the Senator is right about that. We had an agreement for a call of the calendar. That call has not as yet been concluded.

Mr. ADAMS. I think the Senator knows that a conference report is always in order.

Mr. McKELLAR. A conference report is always in order.

Mr. LA FOLLETTE. If the Senator wants to go on with it, I will stay with him here as long as he wants to stay.

Mr. ADAMS. Just a moment. Nobody has any disposition to crowd anybody else. The only question is whether or not the majority leader and the Members of the Senate want to go ahead. I am submitting a conference report on the relief bill, which must be passed before this session recesses. If it can be taken up tomorrow and disposed of, well and good, but we have had some experiences recently which lead us to hesitate about leaving ourselves absolutely at the disposal of what may happen in 1 day. So far as I am concerned—and I think I speak for the committee—I am perfectly willing to take it up at any time at the convenience of the Senator from Wisconsin; there is no disposition to crowd it; but the Senator from Wisconsin is just as much concerned in the passage of the relief bill as is any other Senator.

Mr. LA FOLLETTE. Mr. President, I think I have the floor.

Mr. ADAMS. I think the Senator does not have the floor.

The PRESIDING OFFICER. The Senator from Colorado has the floor. The Senator yielded to the Senator from Wisconsin. The Senator from Colorado asked unanimous consent. The Chair said "Objection is heard." The Senator from Colorado then withdrew his request. Does the Senator ask for immediate consideration?

Mr. ADAMS. I submitted the conference report.

The PRESIDING OFFICER. That is in order.

Mr. LA FOLLETTE. Mr. President——

The PRESIDING OFFICER. Does the Senator from Colorado yield to the Senator from Wisconsin?

Mr. ADAMS. I am glad to yield.

Mr. LA FOLLETTE. The Senator from Colorado cannot hold the floor while such consent is being obtained, and the RECORD will show that the Chair recognized the Senator from Wisconsin.

Mr. ADAMS. I have not the slightest inclination to hold the floor over the Senator from Wisconsin, but am trying to accommodate the Senator from Wisconsin, who made the objection, and suggested that he would like to have the matter go over. It is merely a question whether or not the welfare of the Senate and of those on relief would be furthered by proceeding tonight or going on tomorrow. It is not my convenience or that of the Senator from Wisconsin which is the primary consideration. So far as I am concerned, of course, I would rather go home and go to bed.

Mr. LA FOLLETTE. Then, Mr. President——

The PRESIDING OFFICER. The Senator from Wisconsin.

Mr. BARKLEY. Mr. President——

Mr. LA FOLLETTE. I have the floor in my own right, and I do not yield to anyone. I desire to make a statement.

In the first place, unanimous consent was obtained for a call of the calendar, and it is my contention that until the call of the calendar is completed that order cannot be upset, except by a recess or an adjournment or unanimous consent granted for another purpose.

In the second place, I understood from the Senator from Oregon, the minority leader, that the Senator from Kentucky had stated that he was going to move a recess of the Senate at 10:30 o'clock.

Mr. President, there are some important issues involved in this conference report, and I merely suggested, if it was the desire and the intention of the majority leader to take a recess in a few moments, that the report should not be disposed of, in my opinion, in so short a time. If the Senate wants to stay here and dispose of it, so far as the Senator from Wisconsin is concerned, I am willing to stay; but I think, in view of the long session which the Senate has had today, that it is not in the interest of orderly procedure or in the interest of sound legislation for the Senate to take up this important conference report at 25 minutes to 11 o'clock, after the Senate has been in session since 11 a. m. this morning.

The PRESIDING OFFICER. The Chair would like to say to the Senator from Wisconsin with respect to his objection—the Chair would like to cite paragraph 1 of rule XXVII. After reading that rule, the Chair thinks the Senator is in error, and the conference report, under the circumstances, would be in order. But the Senator from Colorado has now modified his request. What is the pleasure of the Senate?

Mr. ADAMS. I submitted the conference report for consideration by the Senate.

The PRESIDING OFFICER. That is in order.

Mr. BARKLEY. Mr. President——

The PRESIDING OFFICER. Does the Senator from Colorado yield to the Senator from Kentucky?

Mr. ADAMS. Certainly.

Mr. BARKLEY. I had announced before the Senator from Colorado came up from the Appropriations Committee, where he and other Senators have been considering the deficiency bill, that we would recess at 10:30. I did not anticipate or know that the conference report was to be filed. It is my understanding that the conference report is a privileged matter and can be taken up during the call of the calendar. We are planning to meet at 11 o'clock tomorrow morning. I think there will be ample opportunity to consider the conference report.

Mr. ADAMS. Mr. President, I want to make it clear that your committee, in charge of the deficiency bill, has had upon its shoulders for the past few days an almost unbearable task. We have had the relief bill upon our hands and hearings on it and its consideration upon the floor. We have had conferences, 1, 2, 3, 4, lasting until midnight. We have had the supplemental Army and Navy bill to consider, with hearings before the subcommittee, full committee and consideration upon the floor. We have just come tonight from the consideration of the second deficiency bill. We have been holding hearings for 2 days, and just this moment concluded the bill. So the members of that committee have been giving every ounce of energy they had, and their strength and their time, and it does seem that when we come in here, in an effort merely to accommodate the Senate, in order that it might recess, we are entitled to some little courtesy and consideration.

Mr. BARKLEY. Mr. President——

Mr. ADAMS. I do not refer to the Senator from Kentucky.

Mr. BARKLEY. I think we all agree that there is no committee in the Senate or any other legislative body that has worked more diligently and more consistently and conscientiously than has the Appropriations Committee on these measures.

Mr. ADAMS. When we come in and try to carry forward the business of the Senate, and we are short of time, then we are "jumped on" as if we were trying to crowd something. As a matter of fact, we are the ones who have been crowded trying to find time to do the business of the Senate.

Mr. BARKLEY. The Senator is correct about that, and we all appreciate the strain under which the Appropriations Committee has been working. I am perfectly willing to stay here tonight to consider the conference report.

Mr. ADAMS. I am putting it up to the Senator from Kentucky. He is in charge of this program.

Mr. BARKLEY. I said I had agreed to recess; I am going to move to recess, until 11 o'clock a. m. tomorrow, and it is my belief that, the conference report being privileged, we can consider it at any time then.

Mr. ADAMS. I want to call the Senator's attention to the fact that there is to be a meeting of the Banking and Currency Committee at 10:30 in the morning on a very important matter.

Mr. BARKLEY. I am a member of that committee.

Mr. ADAMS. I am simply saying that we are working on a 24-hour basis trying to do a week's work.

Mr. BARKLEY. I know that we are all anxious to get the appropriation bills disposed of before tomorrow night, conference reports and everything else, and I hope we can do so, regardless of our wishes in reference to a recess.

The PRESIDING OFFICER. Does the Senator from Colorado withhold his motion?

Mr. ADAMS. No; I want the conference report made the unfinished business of the Senate, and it is the unfinished business; I have submitted it.

Mr. BARKLEY. It is a privileged matter, and it is not necessary to make it the unfinished business.

Mr. ADAMS. It becomes the unfinished business.

Mr. BYRNES. Mr. President——

The PRESIDING OFFICER. The Senator from Colorado has the floor.

Mr. BYRNES. If the Senator from Colorado will yield——

Mr. ADAMS. I yield.

Mr. BYRNES. I want to say, in support of what the Senator from Colorado has said, that, as the Senator from Colorado knows, the deficiency bill, which has just been reported, is the result of hearings that have been going on since early morning, and the Appropriations Committee know that it is going to take some time for the consideration of that bill.

Then, it must go to conference; it must go to the House, for a number of items have been added to the bill. If the Senate really wants to recess tomorrow night, it must get rid of some of the bills that are pending. It has got to get rid of this conference report, and what will occur is that when we take the conference report up in the morning, before we have an opportunity to act on it, the war will again be the subject of discussion; the good Lord only knows when the conference report will be disposed of, and when the Senator from Colorado will get a chance to have the deficiency bill considered.

Mr. ADAMS. And the tax bill has to come in from conference.

Mr. BARKLEY. If what the Senator is saying indicates a desire to go on with the conference report tonight, it is entirely agreeable to me to do so.

Mr. BYRNES. I should like to say to the Senator from Wisconsin, who raised the question, that if he would submit to the Senator from Colorado the inquiry he desires to make and received his reply, possibly he would have no objection to the report being considered at this time.

Mr. LA FOLLETTE. Mr. President, I have already examined the report. I think it is absolutely unnecessary to force the Senate to consider this matter tonight. I do not see any reason why the Senator from Kentucky cannot carry out his original intention and let the matter go over until tomorrow. I have no disposition unnecessarily to delay the report.

Mr. BYRNES. I know the Senator has not.

Mr. LA FOLLETTE. I am fully aware of the importance of the legislation involved; but the Senator from South Carolina knows that the Senate has been in session now for 11¾ hours.

Mr. BARKLEY. Mr. President, will the Senator yield at that point?

Mr. LA FOLLETTE. Yes.

Mr. BARKLEY. Will the Senator agree that we shall vote on the conference report not later than 12 o'clock tomorrow?

Mr. LA FOLLETTE. So far as I am concerned I should be willing to agree to that, provided we could have a unanimous-consent agreement which would enable us to consider the conference report during the hours between 11 and 12. If other matters are going to be discussed for an hour tomorrow, I should not like to make the agreement.

Mr. BARKLEY. I realize that. I ask unanimous consent that when the Senate concludes its duties tonight, it recess until 11 o'clock tomorrow.

The PRESIDING OFFICER. Is there objection? None is heard, and it is so ordered.

Mr. BARKLEY. I also ask unanimous consent that the conference report on the relief joint resolution be taken up at once, and that not later than 12 o'clock noon tomorrow a final vote be had upon it, and that debate during the hour from 11 to 12—if that much is required—be confined to the conference report.

The PRESIDING OFFICER. Is there objection?

Mr. McNARY. Mr. President, I am sorry that the able Senator made the request. There may be some debate from Senators who are not here tonight. I do not see why we cannot carry out the original intention to recess at half-past 10. We shall be here all summer, probably most of the fall, and part of the winter.

Mr. McKELLAR. But the bill will have to be passed before the first of the fiscal year.

Mr. McNARY. I appreciate that; but the calendar can well remain here until Monday, or a week from Monday. Tomorrow we can vote on the conference report. There are two measures to be considered. I think, under the circumstances, we should carry out the program, start tomorrow at 11 o'clock on this matter, and we shall get through all right.

I must object at this time to a limitation to an hour's debate, because I am not certain that that would provide a convenient length of time for all those who might want to discuss the subject.

The PRESIDING OFFICER. Objection is heard.

Mr. BONE. Mr. President, as chairman of the Patents Committee, I received a very urgent request from the War Department, the Navy Department, the Department of Justice, the Department of Commerce, and the Commissioner of Patents for the immediate consideration of a very important bill, the report on which was filed this morning. It has already passed the House. It deals exclusively with the control of information concerning patents during this emergency, and it is deemed so vital that in my judgment it should be immediately considered; and I ask unanimous consent that it may be so considered. It contains only a paragraph or two. It is merely a restatement of the legislation on the books during the war. It has been on the books ever since, and the bill merely extends it to the emergency declared by the President. It permits the Commissioner of Patents to withhold from publication vital information about patents affecting our national defense.

The PRESIDING OFFICER. What is the calendar number of the bill?

Mr. BONE. There is no calendar number. I filed the report this morning, and it is on the desk in the hands of the clerk; and I am asking that it be considered at this time.

The PRESIDING OFFICER. Is there objection?

Mr. ADAMS. Mr. President, I do not want to have the conference report on the relief joint resolution displaced.

Mr. BONE. Then, if we cannot consider it in a moment here, I ask that that measure be displaced long enough to consider it.

The PRESIDING OFFICER. Is there objection to the request?

Mr. ADAMS. There is objection. I want to find out what we are going to do about the conference report.

ADDITIONAL BILL AND JOINT RESOLUTION INTRODUCED

An additional bill and joint resolution were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. KING:

S. 4172. A bill for the relief of Friedl Pfeifer; to the Committee on Immigration.

By Mr. BARKLEY (for Mr. BAILEY):

S. J. Res. 283. Joint resolution authorizing Col. Donald H. Connolly to hold the office of Administrator of Civil Aeronautics in the Department of Commerce; to the Committee on Commerce.

EXECUTIVE REPORTS OF COMMITTEES

As in executive session,

Mr. McCARRAN, from the Committee on the Judiciary, reported favorably the nomination of Benjamin Harrison, of

California, to be United States district judge for the southern district of California to fill a new position.

Mr. BAILEY, from the Committee on Commerce, reported favorably the nomination of Robert H. Hinckley, of Utah, to be Assistant Secretary of Commerce, vice John Monroe Johnson.

Mr. McKELLAR, from the Committee on Post Offices and Post Roads, reported favorably the nominations of sundry postmasters.

Mr. SHEPPARD, from the Committee on Military Affairs, reported favorably the nominations of several officers for appointment in the Regular Army, under the provisions of law.

He also, from the same committee, reported favorably the nominations of sundry officers for appointment, by transfer, in the Regular Army.

He also, from the same committee, reported favorably the nominations of sundry Reserve dental officers to be first lieutenants in the Dental Corps, Regular Army.

He also, from the same committee, reported favorably the nomination of First Lt. Edwin Joseph Sunderville, Veterinary Corps Reserve, to be first lieutenant, Veterinary Corps, Regular Army, under the provisions of law.

EXECUTIVE MESSAGES REFERRED

The PRESIDING OFFICER (Mr. CHANDLER in the chair), as in executive session, laid before the Senate messages from the President of the United States submitting sundry nominations, which were referred to the appropriate committees.

(For nominations this day received, see the end of Senate proceedings.)

RECESS

Mr. BARKLEY. Mr. President, the agreement to recess was made; was it not?

The PRESIDING OFFICER. It was. The Senate has agreed, when it concludes its session, to recess until 11 o'clock tomorrow morning.

Mr. BARKLEY. I think I will take chances on recessing at this time, because evidently we can dispose of the conference report tomorrow.

I move that the Senate recess at this time.

The PRESIDING OFFICER. The question is on the motion of the Senator from Kentucky.

The motion was agreed to; and (at 10 o'clock and 45 minutes p. m.) the Senate, under the order previously entered, took a recess until tomorrow, Saturday, June 22, 1940, at 11 o'clock a. m.

NOMINATIONS

Executive nominations received by the Senate June 21, 1940

FEDERAL HOME LOAN BANK BOARD

William H. Husband, of Ohio, to be a member of the Federal Home Loan Bank Board for a term of 6 years from July 22, 1940 (reappointment).

APPOINTMENTS IN THE REGULAR ARMY

MEDICAL CORPS

To be first lieutenants with rank from date of appointment

Jerome Dudley Textor
Joseph Michael Barker
Fratis L. Duff
George Arthur Peck
Robert Glenn Thompson
William Charles Burry
John Marshall Salyer
Hayden Waldo Withers
Kermit Hudson Anderson
William Wilmerding Moir, Jr.
Robert Christian Rauscher
Bronko Peter Lelich
Samuel Sherman Spicer
Fred Albert Heimstra
John Randolph Hall, Jr.
William Harris Curry
Josephus Bartow Talley, Jr.
Jesse Douglas Harris
Edwin Emmons Corcoran
Manah Robert Halbouty
Allen Dale Smith
Russell Burton Watson
William Stanley Bagnall
John Van Eman Berger, Jr.
Walter Robbins deForest
Norman Clemm Veale
Joseph Anthony Resch
Thomas Henry Crouch
George Arack
Edward Philip Drescher
Max Wendell Carver
Jack Thomas Rush
Charles Arthur Woerner
Aaron Louis Kaminsky
Hubert Lynn Binkley
Richard Stanton Fraser
Willard Ferguson Angen
William Gunton Budington
John Roscoe Grunwell, Jr.
Eli Blair Harter
Stuart Irvin Draper
Glen Elden Ogden
John Gardiner
Joseph Nagle
Jack Bollerud
Sanford William French, Jr.
Hilbert Adolph Peter Leininger

CHAPLAIN

First Lt. Emil William Geitner, Chaplains' Reserve, to be chaplain with the rank of first lieutenant, with rank from date of appointment.

APPOINTMENTS, BY TRANSFER, IN THE REGULAR ARMY

TO QUARTERMASTER CORPS

Maj. Tryon Mason Shepherd, Infantry, with rank from August 1, 1935.

TO COAST ARTILLERY CORPS

First Lt. Lawrence Kent Meade, Field Artillery, with rank from June 12, 1937.

PROMOTIONS IN THE REGULAR ARMY

TO BE COLONEL

Lt. Col. Thomas Jonathan Jackson Christian, Field Artillery, from June 17, 1940.

TO BE LIEUTENANT COLONEL

Maj. Rex. Webb Beasley, Field Artillery, with rank from June 17, 1940.

TO BE MAJORS

Capt. Edward Michael Powers, Air Corps (temporary major, Air Corps), from June 17, 1940.

Capt. Maurice Edgar Jennings, Chemical Warfare Service, from June 17, 1940.

Capt. Howell Harrell, Quartermaster Corps, from June 18, 1940.

TO BE FIRST LIEUTENANTS, WITH RANK FROM JULY 3, 1940

Second Lt. Carroll Thompson Newton, Corps of Engineers.
Second Lt. Donald Clinton Clayman, Infantry.
Second Lt. Joseph Warren Sisson, Jr., Infantry.
Second Lt. David Greene Hammond, Corps of Engineers.
Second Lt. Joseph Russel Groves, Infantry.
Second Lt. Robert Whitsett van de Velde, Field Artillery.
Second Lt. Arthur George Christensen, Infantry.
Second Lt. Harry Gantcliffe Benion, Infantry.
Second Lt. Arthur Howland Baker, Jr., Field Artillery.
Second Lt. Arthur Charles Harris, Jr., Infantry.
Second Lt. Linwood Eugene Funchess, Corps of Engineers.
Second Lt. Laurence Clifford Brown, Infantry.
Second Lt. Jesse Mechem, Infantry.
Second Lt. Walter Ward Davis, Infantry.
Second Lt. William Andrew Enemark, Field Artillery.
Second Lt. Merten Kenneth Heimstead, Infantry.
Second Lt. Thaddeus Ronsaville Dulin, Infantry.
Second Lt. Leon John de Penne Rouge, Infantry.
Second Lt. Gaylord Walton Fraser, Infantry.
Second Lt. William Sherbourne McCrea, Infantry.
Second Lt. Donald Frederick Thompson, Infantry.
Second Lt. John Gordon Nelson, Coast Artillery Corps.
Second Lt. Chester Martin Beaver, Infantry.
Second Lt. Edward Wallace McLain, Coast Artillery Corps.
Second Lt. John Unsworth Allen, Corps of Engineers.
Second Lt. Byron William Ladd, Infantry.
Second Lt. Lyman Hodges Ripley, Coast Artillery Corps.
Second Lt. Francis Carlton Truesdale, Infantry.
Second Lt. William Shepherd Humphries, Infantry.
Second Lt. Donald Washington, Infantry.
Second Lt. Charles Robert Etzler, Infantry.
Second Lt. Philip Cochran Tinley, Infantry.
Second Lt. Charles Murray Henley, Infantry.
Second Lt. John Brockway Rippere, Corps of Engineers.
Second Lt. Steve Archie Chappuis, Infantry.
Second Lt. Elmer Bolton Kennedy, Field Artillery, subject to examination required by law.
Second Lt. James Jackson Stewart, Jr., Infantry.

Second Lt. Thomas Brownbridge Simpson, Corps of Engineers.
Second Lt. Paul Thomas Boleyn, Infantry.
Second Lt. Frederick William Nagle, Infantry.
Second Lt. Otho Anthony Moomaw, Coast Artillery Corps.
Second Lt. Jabus Willie Rawls, Jr., Coast Artillery Corps.
Second Lt. Andrew Buchler Zwaska, Infantry.
Second Lt. Jack Leslie Coan, Corps of Engineers.
Second Lt. Edward Francis Kent, Infantry.
Second Lt. George William Croker, Coast Artillery Corps.
Second Lt. Willard Wright Lazarus, Air Corps.
Second Lt. William Hart Hanson, Air Corps.
Second Lt. John Willis Paddock, Infantry.
Second Lt. Joe Stallings Lawrie, Infantry.

APPOINTMENTS TO TEMPORARY RANK IN THE AIR CORPS IN THE REGULAR ARMY

TO BE COLONEL

Lt. Col. Donald Patrick Muse, Air Corps, from June 17, 1940.

TO BE LIEUTENANT COLONELS

Maj. Leo Fred Post, Air Corps, from June 23, 1940.
Maj. John Carroll Kennedy, Air Corps, vice Lt. Col. Donald P. Muse, Air Corps, nominated for appointment as temporary colonel, Air Corps.

TO BE MAJOR

Capt. Charles Pearre Cabell, Air Corps, vice Maj. John C. Kennedy, Air Corps, nominated for appointment as temporary lieutenant colonel, Air Corps.

APPOINTMENTS AND PROMOTIONS IN THE NAVY

Rear Admiral Samuel M. Robinson to be Chief of the Bureau of Ships, in the Department of the Navy, with the rank of rear admiral, for a term of 4 years.

Commander Norman C. Gillette to be a captain in the Navy, to rank from the 1st day of June 1940.

The following-named lieutenant commanders to be commanders in the Navy to rank from the date stated opposite their names:
Walter H. Roberts, September 23, 1939.
Lewis Corman, September 23, 1939.
Charles B. McVay, 3d, December 29, 1939.

The following-named lieutenants to be lieutenant commanders in the Navy, to rank from the date stated opposite their names:
William L. Messmer, August 1, 1939.
John J. Laffan, September 23, 1939.
George A. Leahey, Jr., September 23, 1939.
John G. Johns, May 1, 1940.

The following-named lieutenants (junior grade) to be lieutenants in the Navy, to rank from the date stated opposite their names:
Francis M. Douglass, September 1, 1939.
Charles C. Gold, September 23, 1939.
Robert H. Kerr, September 23, 1939.
Archibald W. Greenlee, December 8, 1939.
William Outerson, January 1, 1940.

The following-named ensigns to be lieutenants (junior grade) in the Navy, to rank from the 3d day of June 1940:

Jack A. Obermeyer	John M. Ballinger
Emery A. Grantham	Parkman B. Moore
Richard E. Ball	Herbert J. Hartman
Mark H. Jordan	Frank F. Menefee

Medical Inspector Virgil H. Carson to be a medical director in the Navy, with the rank of captain, from the 1st day of August 1939.

Surg. Jacob W. Troxell to be a medical inspector in the Navy, with the rank of commander, from the 1st day of July 1939.

William N. McGibony to be an assistant paymaster in the Navy, with the rank of ensign, from the 15th day of June 1940.

Naval Constructor Walter F. Christmas to be a naval constructor in the Navy, with the rank of commander, from the 1st day of July 1939.

Civil Engineer Gaylord Church to be a civil engineer in the Navy, with the rank of captain, from the 1st day of June 1937.

Lt. (Jr. Gr.) Joseph H. Barker, Jr., to be an assistant civil engineer in the Navy, with the rank of lieutenant (junior grade), from the 4th day of June 1939.

The following-named lieutenant commanders to be lieutenant commanders in the Navy from the date stated opposite their names, to correct the date of rank as previously nominated and confirmed:
Cameron Briggs, August 1, 1939.
Clement R. Criddle, August 1, 1939.
William L. Wright, September 1, 1939.
Rex S. Caldwell, September 1, 1939.
Russell S. Smith, September 1, 1939.
George J. Dufek, September 23, 1939.
Edward L. Beck, September 23, 1939.
William A. New, September 23, 1939.
William H. Standley, Jr., September 23, 1939.
Frank P. Tibbitts, September 23, 1939.
Everett E. Mann, September 23, 1939.

The following-named lieutenants to be lieutenants in the Navy from the date stated opposite their names, to correct the date of rank as previously nominated and confirmed:
Joseph H. Kuhl, August 1, 1939.
Howard R. Prince, August 1, 1939.
Leon S. Kintberger, September 1, 1939.
John R. Leeds, September 1, 1939.
Max Silverstein, September 23, 1939.
Robert E. Vandling, September 23, 1939.
Ray M. Pitts, September 23, 1939.

The following-named commanders to be captains in the Navy, to rank from the date stated opposite their names:
Elmer L. Woodside, April 13, 1940.
Glenn B. Davis, May 1, 1940.

The following-named lieutenants to be lientenant commanders in the Navy, to rank from the 1st day of June 1940:
William E. Hank.
Thomas J. Hickey.

Lieutenant (junior grade) Max C. Mather to be a lieutenant in the Navy, to rank from the 1st day of June 1940.

HOUSE OF REPRESENTATIVES

FRIDAY, JUNE 21, 1940

The House met at 11 o'clock a. m., and was called to order by the Speaker.

Rev. Bernard Braskamp, D. D., pastor of Gunton Temple Memorial Presbyterian Church, Washington, D. C., offered the following prayer:

O Thou sovereign God of the universe, as we bow in the hush and joy of Thy presence, may we be conscious of the need of Thy revealing grace.

We pray that we may be responsive to the guidance of Thy spirit. Thou knowest our infirmities; let Thy strength be made perfect in our weakness. Our duties are far beyond our own power; let divine wisdom be manifested in an abundant measure.

Grant in these days of tribulation and evil tidings, when we are mobilizing our material resources for the defense of our sacred liberties, that we may not fail to mobilize our faith in the abiding reality of God, our faith in the inexhaustible resources of God, our faith in the omnipotent rule of the Lord God of Hosts, and our faith in the final triumph of truth and righteousness. Help us to weave out of the loom of life's trials and hard experiences a character that is worthy of being perpetuated by posterity and worthy of receiving Thy benediction.

As Thou hast opened Thy hand of blessing upon our beloved country, so wilt Thou enlarge our hearts with a sincere desire to minister unto needy humanity and all the children of sorrow and affliction.

In the name of the compassionate Christ we pray. Amen.

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Frazier, its legislative clerk, announced that the Senate had adopted the following resolution:

Senate Resolution 283

IN THE SENATE OF THE UNITED STATES,
June 20 (legislative day, May 28), 1940.

Resolved, That the Senate has heard with profound sorrow and deep regret the announcement of the death of Hon. ERNEST W. GIBSON, late a Senator from the State of Vermont.

Resolved, That a committee of six Senators be appointed by the President of the Senate to take order for superintending the funeral of the deceased Senator.

Resolved, That the Secretary communicate these resolutions to the House of Representatives and transmit a copy thereof to the family of the deceased.

Resolved, That as a further mark of respect to the memory of the deceased the Senate do now adourn until 11 o'clock antemeridian tomorrow.

The message also announced that pursuant to the foregoing resolution the Presiding Officer had appointed Mr. AUSTIN, Mr. CONNALLY, Mr. BULOW, Mr. BURKE, Mr. GURNEY, and Mr. TOBEY as members of the said committee on the part of the Senate.

The message also announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 9594) entitled "An act to amend section 12 (b) of the Soil Conservation and Domestic Allotment Act, as amended, by authorizing the transfer of funds to cover advances for crop insurance."

The message also announced that the Senate had passed a joint resolution of the following title, in which the concurrence of the House is requested:

S. J. Res. 279. Joint resolution to amend section 4 of Public Resolution No. 54, approved November 4, 1939, entitled "Joint resolution to preserve the neutrality and the peace of the United States and to secure the safety of its citizens and their interests."

The message also announced that the Senate had passed, with amendments in which the concurrence of the House is requested, a bill of the House of the following title:

H. R. 10055. An act making supplemental appropriations for the national defense for the fiscal year ending June 30, 1941, and for other purposes.

The message also announced that the Senate insists upon its amendments to the foregoing bill, requests a conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. ADAMS, Mr. GLASS, Mr. MCKELLAR, Mr. HAYDEN, Mr. BYRNES, Mr. HALE, and Mr. TOWNSEND to be the conferees on the part of the Senate.

SUPPLEMENTAL APPROPRIATIONS FOR NATIONAL DEFENSE, 1941

Mr. WOODRUM of Virginia. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 10055) making supplemental appropriations for the national defense for the fiscal year ending June 30, 1941, and for other purposes, with Senate amendments thereto, disagree to the Senate amendments, and agree to the conference requested.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Virginia [Mr. WOODRUM]?

There was no objection, and the Speaker appointed the following conferees on the part of the House: Messrs. TAYLOR, WOODRUM of Virginia, CANNON of Missouri, LUDLOW, SNYDER, O'NEAL, JOHNSON of West Virginia, TABER, WIGGLESWORTH, LAMBERTSON, and DITTER.

PERMISSION TO ADDRESS THE HOUSE

Mr. RAYBURN. Mr. Speaker, I ask unanimous consent to proceed briefly.

The SPEAKER. Is there objection to the request of the gentleman from Texas [Mr. RAYBURN]?

There was no objection.

SELECTION OF KEYNOTE SPEAKER AND PERMANENT CHAIRMAN OF DEMOCRATIC AND REPUBLICAN CONVENTIONS

Mr. RAYBURN. Mr. Speaker, I know that all Members on both sides of the House are deeply gratified when a Member of the House is paid a high compliment, and especially is that true when the compliment is paid our popular and beloved Speaker the gentleman from Alabama [Mr. BANKHEAD]. [Applause.]

On yesterday at Chicago the arrangements committee for the Democratic National Convention did themselves proud when they conferred upon him a great honor by naming the gentleman from Alabama, Mr. BANKHEAD, temporary chairman of the convention and keynoter. [Applause.] Many great speeches have been made on occasions such as that will be. The party banner has been upheld in a grand fashion by many men on those numerous occasions, but those of us who will be members of that convention and others in radioland who will listen to that address will, in my opinion, in sound sentiment, in party defense, and in oratory hear as great, if not the greatest, speech that was ever made on an occasion such as that will be. [Applause.]

Mr. MARTIN of Massachusetts. Will the gentleman yield?

Mr. RAYBURN. I yield to the gentleman from Massachusetts.

Mr. MARTIN of Massachusetts. Mr. Speaker, on behalf of the Republican side of the House I am sure I express the sentiments of everyone when I say that we, too, are delighted at the high honor that has come to our beloved Speaker. He is a man whom we all hold in the highest esteem. While I could not go so far as to expect the views he may present will appeal to all of us, I am sure he will present the Democratic case most thoroughly and completely. [Applause.]

Mr. Speaker, if the wishes of the Members on this side of the House were consummated, he would receive even a higher honor than keynoter for his party. [Applause.] I am happy to join in these felicitations and to extend my personal good wishes. It is a distinct honor to the House and it is a choice which will receive universal approval.

Mr. RAYBURN. I thank the minority leader for his splendid compliment and contribution.

Mr. FISH. Will the gentleman yield?

Mr. RAYBURN. I yield to the gentleman from New York.

Mr. FISH. Mr. Speaker, this House often suffers from comparison with the Senate without any justification whatever. I believe there is just as much ability or more, just as many orators in the House as there are in the Senate, and I am proud of the fact that the great Democratic Party has chosen one of their most distinguished Members, Speaker BANKHEAD, to be temporary chairman to make their keynote speech. I know he will do credit to his party and to the House of Representatives.

I have risen, Mr. Speaker, to point out also that the great Republican Party has chosen a Member of this House, a very distinguished Member of this House, the Republican floor leader, the gentleman from Massachusetts [Mr. MARTIN], to be its permanent chairman and I know he, too, will be a credit to his party and to the House and that he will deliver a great, ringing, sound, American speech. [Applause.]

Mr. WARREN. Will the gentleman yield?

Mr. RAYBURN. I yield to the gentleman from North Carolina.

Mr. WARREN. Mr. Speaker, I, too, share with all the House the satisfaction that comes to this body in having the one who presides over us selected as the keynote speaker of the Democratic National Convention. It is a tribute to one for whom we hold the deepest friendship and attachment and who truly may be called a great American.

The House of Representatives is the fairest body on earth in its appraisal of its membership. It is generous in overlooking for a long time our frailties, it is quick to recognize force and character and ability, and it is always with reluctance when it is finally forced to place its seal of disapproval on anyone. True greatness is never achieved by accident in this body. It is a long road from the time a man enters here to the time he is elevated by his fellows to the greatest of all honors that they may bestow, for whoever presides over the House holds a position second only to the Presidency. There

have been only a few weak ones to reach it and only a few have attained it through political exigencies or sectional location. The cornerstone to a man's rise to the Speakership is confidence.

From the day I entered this body I have cherished the friendship of the gentleman from Alabama, WILLIAM B. BANKHEAD. Over 15 years ago he was rated as one of the strong men of the House and since then I have watched with pride his onward career. When the present majority party first organized the House in the Seventy-second Congress, the gentleman from Alabama [Mr. BANKHEAD] was still a private in the ranks. But although he was chairman of no committee in that Congress or during most of the succeeding Congresses he was nonetheless regarded as a commanding figure solely because of his sheer ability and the confidence in which he was held.

Late in the Seventy-third Congress he succeeded the beloved Edward W. Pou, of North Carolina, as chairman of the powerful Rules Committee. At the beginning of the Seventy-fourth Congress he was made majority leader, and when the post of Speaker became vacant in that Congress he was unanimously chosen to fill it and in each Congress since has been reelected.

In all of these high positions he has displayed the same characteristics of a truly winning personality, real force, power in debate, calmness under stress, and unvarying fairness which have marked him since he first became a Member of Congress 24 years ago. History will record him as one of the really great Speakers.

I am happy to join in this tribute to my devoted friend. [Applause.]

Mr. RAYBURN. Mr. Speaker, I yield to the gentleman from North Carolina [Mr. DOUGHTON].

Mr. DOUGHTON. Mr. Speaker, any laudable movement or venture is well along the road to success when wisely and properly begun.

It is with the utmost degree of pride and genuine heartfelt satisfaction that I note the selection by the Democratic National Committee of our loved Speaker to be temporary chairman and to deliver the keynote address at the forthcoming Democratic convention at Chicago. This choice is another demonstration of the wisdom and acumen of Chairman Farley and the other members of our national committee.

Certainly no better choice could possibly be made than the selection of the gentleman from Alabama [Mr. BANKHEAD]. It gives every assurance that our convention, from the very outset, will be saturated with the essence of democracy in its fullness, its purity, and its effectiveness.

Few people are so thoroughly versed in the fundamental philosophy of the Democratic Party and few are so familiar with its record of outstanding achievements. Certainly, no one is more worthy or deserving of honor at the hands of his party than the gentleman from Alabama [Mr. BANKHEAD].

His great natural ability, cultivated by years of intense study and assiduous devotion to duty and tempered by long service and experience, qualify him as an outstanding exponent and teacher of the creed and doctrine of pure democracy.

The scholarly achievements, the eloquence, the patriotism, and the statesmanship of the gentleman from Alabama [Mr. BANKHEAD] are unexcelled by anyone.

Certainly there is no position in our Government so high and exalted that he could not fill it with signal honor and unsurpassed distinction.

The Democratic National Committee is to be thanked and congratulated upon its choice, and I can assure those who attend our convention that under the eloquent and logical keynote address of the gentleman from Alabama, Speaker BANKHEAD, the inspiring spirit of democracy will hover over the convention like a gentle benediction. [Applause.]

I cannot close my remarks without stating also that the Republican Party has shown equally good judgment and wisdom in its choice for permanent chairman of its national convention, the gentleman from Massachusetts, the Honorable JOE MARTIN. [Applause.] He has in the highest degree the respect, the confidence, the admiration, and the real affection of the entire membership of this House. There is no one more able to preach and teach the doctrine of Republicanism than the gentleman from Massachusetts, JOE MARTIN, and I congratulate his committee and his party in his selection. They have made a wise choice. [Applause.]

Mr. RAYBURN. Mr. Speaker, I yield to the gentleman from Minnesota [Mr. KNUTSON].

Mr. KNUTSON. Mr. Speaker, the House has been signally honored by both of the great political parties in the selection of the gentleman from Alabama, Speaker BANKHEAD, to deliver the keynote address at the Democratic Convention and in the selection of our beloved minority leader, the gentleman from Massachusetts [Mr. MARTIN], as the permanent chairman of the great Republican Party. The selection of the gentleman from Alabama [Mr. BANKHEAD] as the keynoter is peculiarly pleasing to those of us who came to this body with him in the Sixty-fifth Congress. Of that large class there are only seven of us left. The Speaker is easily the most distinguished and beloved member of that group.

Speaker BANKHEAD has made a great Speaker, always fair, always good-natured, always courteous. He is a great American whom I am proud to call friend. In my opinion—and I am sure I voice the sentiment of both sides when I say this—the gentleman from Alabama, Speaker BANKHEAD, is big enough to be President of the United States. [Applause.] So is the gentleman from Massachusetts, JOE MARTIN. [Applause.] I do not hope to see you people nominate the gentleman from Alabama [Mr. BANKHEAD]. You could go further and do worse, and you probably will. [Laughter.] I am not so sure that the Republican Party will not display the good sense of making the gentleman from Massachusetts [Mr. MARTIN] its standard bearer. He also is a great American who commands the respect and affection of our membership. [Applause.]

Mr. RAYBURN. Mr. Speaker, I yield to the gentleman from Missouri [Mr. CANNON].

Mr. CANNON of Missouri. Mr. Speaker, there was no action taken by the committee yesterday in arranging for the convention that met with such unanimous accord and with such hearty applause as the selection of our Speaker for this important position. He is qualified for the place by his unerring and sagacious judgment, by his long and eventful political experience, and by his great ability as an orator. No more persuasive and eloquent advocate could have been selected.

But there is one objection to his being chosen for this distinguished duty. There is an unwritten law, a tradition long observed in the convention, that the man who is to be selected as the standard bearer of the party shall not appear on the platform previous to his nomination by the convention.

However, we live in a day in which we are both making and breaking precedents—in an age that is discarding tradition and ceremony where out of keeping with the practical trend of the times. And in the iconoclastic readjustments of the hour there is no rule of procedure that could be more easily or more happily dispensed with than this one. [Applause.] Judging by the general acclaim given the suggestion made by my friend, the distinguished gentleman from Minnesota [Mr. KNUTSON] just now, there is every reason to believe that if the Speaker were nominated he would have the unanimous support of his colleagues in the House of Representatives on both sides of the aisle. [Laughter and applause.]

Therefore, Mr. Speaker, in anticipation of a consummation so devoutly to be wished, I congratulate the committee, the party, and the Speaker on this great and distinguished honor which has come to him and through him to every Member of the House of Representatives. [Applause.]

Mr. RAYBURN. Mr. Speaker, I yield to the gentleman from Massachusetts [Mr. MCCORMACK].

Mr. MCCORMACK. Mr. Speaker, it is only fitting and proper that the two leaders of the House, our beloved Speaker and our equally beloved minority leader, should receive the recognition they have from their respective parties. It is not

only a credit to the two great political parties of the country but it is an honor which both of them richly and properly deserve, because they have both earned it. Both of them have evidenced leadership in the House which has commanded the respect and the attention of the entire country. [Applause.] Their leadership has always commanded the respect of their colleagues.

Naturally I am proud of the selection of the gentleman from Massachusetts, JOE MARTIN, not only because he comes from Massachusetts but because there is a close personal friendship between us. I am particularly proud of the selection of our Speaker as the temporary chairman and the keynoter of the Democratic convention. I am proud not only because of the friendship I have for him personally but because of the respect that is so universally extended to him by all who know him or know of him.

The one thing that has impressed me about the gentleman from Alabama, Speaker BANKHEAD, in my 12 years of contact with him is his broadness of character and of mind, his intense love of country, his fairness in his dealings with his fellow men, and the great capacity and courage that he possesses as a legislator. Another thing that has impressed me is the fact that he looks at things from a national angle. The gentleman from Alabama, Speaker BANKHEAD, has earned the position which he occupies because of his ability and because of the confidence, as the gentleman from North Carolina [Mr. WARREN] so ably stated, that we, his colleagues, have in him; but over and above that, the gentleman from Alabama, Speaker BANKHEAD, is an American in every sense of the word. [Applause.] He does not think in terms of Alabama; he does not think in terms of sectionalism; he thinks in terms of the welfare of the Nation and of the entire 48 States, a man whose very actions and expressions are permeated with tolerance and love of his fellow man; a man who symbolizes to the highest extent humanly possible the great ideals for which our Government stands. [Applause.] He fittingly occupies the position that he now holds, and he is well equipped to fill any position within the power of the people of this country, and I predict with confidence that the public positions that he will occupy will not be confined to that of Speaker of the House of Representatives. [Applause.]

Mr. RAYBURN. Mr. Speaker, I yield to the gentleman from Mississippi [Mr. RANKIN].

Mr. RANKIN. Mr. Speaker, of course, I am delighted that my distinguished friend and my nearest neighbor in this House, our illustrious Speaker, the gentleman from Alabama, WILL BANKHEAD, has been selected as the keynote speaker at the Democratic national convention. I am also delighted to know that our friend the gentleman from Massachusetts, JOE MARTIN, has been selected to preside over the Republican convention. I wish he had been selected to deliver the keynote address.

If American institutions are to endure, it will be because of the strength, the ability, the courage and statesmanship manifested by the membership of this House. We are the only people on the Federal pay roll, with the lone exception of the Vice President of the United States, who can gain our positions only by a vote of the people. A President may come from the Vice Presidency or the Cabinet, a Senator may be appointed by the Governor; but no man or woman can occupy a seat in this House until he or she has received a majority of the votes of the people voting in that particular district. This House truly represents the voice of the American people.

There have been 10 Presidents who had never occupied a seat in either House, if you take into consideration the Continental Congress in which George Washington, Thomas Jefferson, and John Adams all served. Only 10 men have ever been elevated to the Presidency who had never occupied a seat in either House of Congress.

If by any chance our present great leader, our present President, should decline the nomination, the Democratic Party could not do better than to select as his successor our distinguished Speaker, the gentleman from Alabama, WILL BANKHEAD. [Applause.] And if the Republican Party should exercise its wisdom, it could not do better than to select as its standard bearer the distinguished gentleman from Massachusetts [Mr. MARTIN]. [Applause.]

Then we would have two great leaders of the two great parties trained in this, the greatest of all governmental schools, battling on the great fundamental principles that separate the two great parties in this country. Then, indeed, would we have a battle, pitched on the highest plane and based entirely upon fundamental American principles; and if they are not selected for those places, then it would behoove the two great parties to select them for the next highest places on the two tickets. [Applause.]

Mr. RAYBURN. Mr. Speaker, I yield to the gentleman from Virginia [Mr. WOODRUM].

Mr. WOODRUM of Virginia. Mr. Speaker, when the two great parties cast about to find men to serve in important capacities in their respective conventions, it was most natural that they turned to the House of Represenatives, that in these recent years is deservedly looked upon as the conservative and safe legislative branch of the Government [applause]; and when they came to this body it was quite natural that they turned to the distinguished gentleman from Massachusetts [Mr. MARTIN], who will acquit himself with honor, and, I am sure, with delight and entire satisfaction to the Republicans, and, perhaps, with considerable discomfort to we Democrats [laughter and applause]; and it was equally natural that they turn to the great Speaker of the House of Representatives. [Applause.]

When I came to this body 18 or 19 years ago, I seized upon the gentleman from Alabama, BILL BANKHEAD, as my ideal of a Congressman; and while I do not want to dwell at length upon his many personal charms and virtues as a man and a citizen and a legislator, I do want to mention one or two things that in my judgment stand in bold relief today in his character and equipment for any honor that the American people would wish to give him. And, Mr. Speaker, there is no honor that the American people could give the gentleman from Alabama, BILL BANKHEAD, that he would not fill with distinction because of his splendid qualifications and equipment. In the first place, with his intimate knowledge of parliamentary rules and procedure, the gentleman from Alabama, BILL BANKHEAD, in my judgment, is without a peer in this or the other body as a parliamentarian. He likewise possesses an intimate understanding of the various and devious ways of governmental routine and procedure, an indispensable qualification for a man who is going to serve today in the legislative branch of the Government. As a Democrat he is deeply ingrained and steeped in the sound, safe, and conservative philosophies of the Democratic Party. He will make a great speech, I am sure. In addition to these qualifications I should comment upon the fact that while I have seen the speaker in this body, upon many occasions when he was in the heat of the fight, when influences and passion were sweeping down upon him, I have never yet seen the gentleman from Alabama, BILL BANKHEAD, caught off balance or lose his head. If there is one thing that America needs today in men in high office, whether in the legislative branch or the executive branch of the Government, it is men who have the great virtue of being able to stop, look, and listen, and act deliberately and without impulse. [Applause.]

I have seen the Speaker under trying circumstances. I have always found that calm, inquiring, judicious attitude of being able to stop and take a situation or proposition and weigh it upon its merits and try to come to a conclusion that is justified. I am very glad, Mr. Speaker, to pay my personal tribute to the Speaker of the House, and it is my great satisfaction that he is to make the keynote speech at the Chicago convention.

Mr. RAYBURN. Mr. Speaker, I yield now to the gentleman from Alabama [Mr. STEAGALL].

Mr. STEAGALL. Mr. Speaker, I desire to thank the membership of the House for the splendid tributes that have just been paid to our beloved Speaker. Speaker BANKHEAD is Alabama's first citizen. He is first in our confidence, first

in our esteem, and first in our affections; and the people of Alabama share with you, without qualification, the judgment expressed here this morning that he is worthy of any honor and fit for any trust within the gift of the people of the Nation. [Applause.]

Mr. BANKHEAD. Mr. Speaker, I ask recognition for a few moments.

The SPEAKER pro tempore. The Chair recognizes the Speaker of the House of Representatives.

Mr. BANKHEAD. Mr. Speaker, I shall detain you for only a moment. I would be less than a human being if I did not confess to you that I have been almost overwhelmed and overcome with sentiments of gratitude and appreciation for the very kindly and very complimentary things that have been said by friends on both sides of the aisle this morning in connection with my selection as the temporary chairman of the National Democratic Convention. And I join most deeply and affectionately in the praise that has been bestowed upon the great minority leader in this House, the gentleman from Massachusetts, JOE MARTIN, in the very fine compliment that has been paid him by his party in making him the permanent chairman of the Republican National Convention. [Applause.]

I have served in this House now for practically a quarter of a century. It is a long, long time. I have naturally striven to give the best years of my life and whatever poor talents I may have possessed and to undertake in humble positions, and in more elevated positions, that have been accorded me through the confidence of my associates, the duties of a Representative of an average congressional district of Alabama, and I have always endeavored, as has been suggested by my beloved friend the gentleman from Massachusetts [Mr. MCCORMACK], not only to regard or attempt to regard the local economic conditions of my home district but also to envision at large the best interests of the American people everywhere, regardless of section.

I have asked for this moment merely to express to you my deep and heartfelt appreciation of these rather noble expressions on the part of my colleagues out of their affectionate partiality for me, and to assure you that it has been a great comfort and privilege for me to have served with so many men who have passed out of the scene of action in this House, and to have served with all of you gentlemen who are still here; and regardless of the sharp issues that may arise in the coming Presidential election, I think I am justified in expressing a sentiment of regret that probably it may be unfortunate for the unity and solidarity and best judgment of the American people in the great crisis with which we are confronted that a Presidential election is to come on this year—and, although I am a Democrat, of course, loyal to my party traditions and principles, and have been fighting its battles for more than 40 years, I feel and know that, regardless of these temporary political passions that excite us—the desire to obtain positions of power and control of the Government—all of us in trying times like this, deep down in our hearts are going to do our dead level best to preserve the great liberties and freedom which are the cherished heritage handed down to us by our forefathers, and dedicate our real services to those fundamental and pressing things which make for the preservation of those great ideals that we worship and cherish. [Applause.]

FILING OF CONFERENCE REPORT ON REVENUE BILL

Mr. DOUGHTON. Mr. Speaker, I ask unanimous consent that the Committee on Ways and Means may have until midnight tonight to file a conference report upon the revenue bill.

The SPEAKER. Is there objection?

There was no objection.

EXTENSION OF REMARKS

Mr. LESINSKI. Mr. Speaker, I ask unanimous consent to place in the RECORD a short editorial on the National Labor Relations Act.

The SPEAKER. Is there objection?

There was no objection.

Mr. FULMER. Mr. Speaker, I ask unanimous consent to extend my remarks and insert therein a short editorial.

The SPEAKER. Is there objection?

There was no objection.

LEAVE OF ABSENCE

Mr. LUDLOW. Mr. Speaker, my colleague the gentleman from Indiana [Mr. BOEHNE] is unavoidably absent. I ask unanimous consent that he may be excused from attending the session of the House today.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

PERMISSION TO ADDRESS THE HOUSE

Mr. MAHON. Mr. Speaker, I ask unanimous consent that after the disposition of the legislative business of the day I may be permitted to address the House for 10 minutes.

The SPEAKER. Is there objection?

There was no objection.

EXTENSION OF REMARKS

Mr. ELLIS. Mr. Speaker, I ask unanimous consent to extend my remarks and include therein a poem by S. Johnson.

The SPEAKER. Is there objection?

There was no objection.

By unanimous consent Mr. Cox was granted permission to extend his own remarks.

Mr. CELLER. Mr. Speaker, I ask unanimous consent to extend my remarks and include a joint discussion on the subject of national defense.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. VOORHIS of California. Mr. Speaker, I ask unanimous consent to extend my remarks and include therein the prize-winning essay in the American Legion contest on What it Means to Me To Be an American, which was won by a young high-school student in my own district.

The SPEAKER. Is there objection?

There was no objection.

Mr. BROOKS. Mr. Speaker, I ask unanimous consent to extend my remarks and include therein a short editorial on adjournment.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

EXPLANATION

Mr. BYRNE of New York. Mr. Speaker, I was unavoidably absent on roll call 156. Had I been present, I would have voted "aye."

EXTENSION OF REMARKS

Mr. LEAVY. Mr. Speaker, I ask unanimous consent to extend my remarks and include therein a short article and editorial from the Spokesman Review of Spokane, Wash., on the subject of Father's Day.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. WHITE of Idaho. Mr. Speaker, I ask unanimous consent to extend my remarks and include therein an article One Woman's Opinion, by Mrs. Walter Ferguson.

The SPEAKER. Is there objection?

There was no objection.

Mr. WIGGLESWORTH. Mr. Speaker, I ask unanimous consent for two extensions of remarks and to include an editorial in each instance.

The SPEAKER. Is there objection?

There was no objection.

Mr. MASON. Mr. Speaker, I have two unanimous-consent requests: First, to extend my remarks in the Appendix on the subject If Let Alone; and, second, to extend my remarks in the Appendix on the subject High Pressure Advertising, and include therein a short editorial.

The SPEAKER. Is there objection?

There was no objection.

Mr. SPRINGER. Mr. Speaker, I ask unanimous consent to extend my remarks and include therein a brief editorial appearing in the Washington Post.

The SPEAKER. Is there objection?

There was no objection.

COMPULSORY MILITARY TRAINING

Mr. ALEXANDER. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection?

There was no objection.

[Mr. ALEXANDER addressed the House. His remarks appear in the Appendix of the RECORD.]

SUBVERSIVE ACTIVITIES—CONFERENCE REPORT

Mr. HOBBS presented a conference report and statement on the bill (H. R. 5138) to make unlawful attempts to interfere with the discipline of the Army, the Navy, and the Coast Guard; to require the deportation of certain classes of aliens; to require the fingerprinting of aliens seeking to enter the United States; and for other purposes, which was ordered to be printed.

THE RESIGNATION OF SECRETARY WOODRING

Mr. RICH. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. RICH. Mr. Speaker, headlines in this morning's Post read: "Forced out for trying to save defenses, Secretary Woodring is quoted." Secretary Woodring told friends in Topeka 3 weeks ago, a small clique of international financiers was seeking to force him out as Secretary of War, because he opposed stripping our defenses to aid the Allies.

I am an advocate of adequate defense—

Said Woodring—

but I will never stand for sending American boys into Europe's shambles. There is a comparatively small clique of international financiers who want the United States to declare war and get into the European mess with everything we have, including our manpower.

I'm not going to stand for it, and I'm not going to resign until forced to do so.

They don't like me because I'm against stripping our own defenses for the sake of trying to stop Hitler, 3,000 miles away. Eventually they will force me to resign, and I'll be darned glad to come back to Kansas where the people have their feet on the ground, and are not easily swayed by demagoges and subtle propaganda.

We are about to see a coalition cabinet an accomplished fact. A war cabinet, if you please. Watch this cabinet, I warn you—watch the President I warn you. If the President gets us into war at this time it would be the greatest disgrace and calamity that could come upon America. We Members of Congress must keep our feet on the ground and not permit anybody to get us into war at this time. Where is our Neutrality Act? Where is the peace of American people to be preserved? In the Congress.

I am not going to vote to go into the European war under any condition. No reason can be given for such a course at such a terrible cost. I am against war when peace can prevail. [Applause.]

[Here the gavel fell.]

EXTENSION OF REMARKS

Mr. LELAND M. FORD. Mr. Speaker, I ask unanimous consent to extend my own remarks in the Appendix pertaining to Harry Bridges and my appearance before the Committee on Immigration and Naturalization, and before the Committee on Rules.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

RESIGNATION OF SECRETARY WOODRING

Mr. CARLSON. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. CARLSON. Mr. Speaker, yesterday the President removed Hon. Harry H. Woodring as Secretary of War. News dispatches this morning indicate that there may have been an ulterior motive in his removal. As a Kansan and a friend of the Secretary I am today introducing a resolution for the appointment of a joint committee of the Senate and House to make a thorough investigation. These questions should be answered:

Was Mr. Woodring removed because he cooperated with the Chief of Staff and our Army officials instead of Harry Hopkins and Secretary Morgenthau?

Was he removed because he opposed the sale and transfer of military supplies that we need ourselves?

Was he removed because he favored a program of national defense for our Nation instead of intervention in Europe?

Was he removed in the interest of the third-term movement, or was it because the international bankers could not control him?

This is no time to deceive the people. They are entitled to the truth. [Applause.]

[Here the gavel fell.]

EXTENSION OF REMARKS

Mr. SECCOMBE. Mr. Speaker, I ask unanimous consent to extend my own remarks and to include therein a radio address given by Frank T. Bow on the subject Labor Versus "Fifth Column."

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. HOFFMAN. Mr. Speaker, I ask unanimous consent to extend my remarks in two particulars: One, permission to extend my own remarks; and the other to extend my own remarks and to include therein a letter and a list of names.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

TENNESSEE VALLEY AUTHORITY

Mr. McLEAN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. McLEAN. Mr. Speaker, it is stated with confidence by one of the Directors of the Tennessee Valley Authority that when the deficiency bill comes back here there will be an authorization for a new $65,000,000 project, $25,000,000 to be immediately available to build a new dam and a steam generating plant, all under the cloak of national defense.

In the tempo and anxiety of the times opportunities for leakage, wastefulness, and extravagance are unlimited. Against the plea of national defense resistance is difficult. In fact, any proposal labeled national defense is a signal for affirmative action. The T. V. A. has been quick to take advantage of such a situation. Until we know more about this project and until our committees investigate it, this request ought not to be granted. If experience proves anything, it is that T. V. A. proposals will bear examination.

The generosity of the Congress to the Tennessee Valley Authority prompts me to say that in times like these when financial stability is the first line of the national defense, the Tennessee Valley Authority ought not to make this request; but having made it, and having by its customary cupidity had it inserted into this bill in another body, it seems to me it is our obligation as patriotic Americans to refuse it. [Applause.]

[Here the gavel fell.]

EXTENSION OF REMARKS

Mr. VAN ZANDT. Mr. Speaker, I ask unanimous consent to extend my own remarks in the Appendix and to include therein a letter from the president of the National Coal Association.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. PITTENGER. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include therein a short quotation.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. HAWKS. Mr. Speaker, I have two requests, one to extend my own remarks in the RECORD and to include an editorial appearing in the New York Herald Tribune entitled, "Our Galloping President," and the other request is to extend my own remarks in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Wisconsin [Mr. HAWKS]?

There was no objection.

Mr. JOHNSON of Indiana. Mr. Speaker, I ask unanimous consent for two extensions of my remarks in the RECORD and to include certain tables from the Department of Commerce.

The SPEAKER. Is there objection to the request of the gentleman from Indiana [Mr. JOHNSON]?

There was no objection.

Mr. WILLIAMS of Delaware asked and was given permission to extend his own remarks in the RECORD.

Mr. MUNDT. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include an editorial from my home-town newspaper.

The SPEAKER. Is there objection to the request of the gentleman from South Dakota [Mr. MUNDT]?

There was no objection.

PERMISSION TO ADDRESS THE HOUSE

Mr. FISH. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from New York [Mr. FISH]

There was no objection.

Mr. FISH. Mr. Speaker, in listening to the recent laudatory remarks I was almost persuaded that the war between the Republicans and Democrats was off. Perhaps that was the result of the recent coalition Cabinet. I want to say to my Republican friends, however, that it is only when there is great sickness, a desperate sickness, that there is a call for a transfusion of blood. Further, I want to say to my Republican friends that when Colonel Knox and Colonel Stimson, the two leading interventionists in the Republican Party, go into the Cabinet of the Democratic administration all it will do is confirm in the minds of the people that the Democratic Party is the interventionist party and under President Roosevelt is actually the war party in the United States. [Applause.]

[Here the gavel fell.]

Mr. RAYBURN. Mr. Speaker, I ask unanimous consent to proceed for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Texas [Mr. RAYBURN]?

There was no objection.

Mr. RAYBURN. Mr. Speaker, gentlemen on the Republican side, especially the gentleman from New York [Mr. FISH], have been groping for many months for an issue. They think for a moment that they have an issue, then within a fortnight it usually vanishes into thin air.

They now have seized upon the slogan or want to seize upon the slogan that the Republican Party is the peace party. Of course, if the Republican Party wants to be a peace-at-any-price party, it may have that plank with no contest. The members of the Republican Party are trying to create the impression upon the American people that in all probability the Democratic Party may be the war party.

The Democratic Party is not a peace-at-any-price party and never has been, nor have the people of the United States. [Applause.] The Democratic party at this time is not the war party, it will not be the war party, but it intends to be, wishes to be, and it will be the party for the defense of America and its great institutions. [Applause.]

[Here the gavel fell.]

EXTENSION OF REMARKS

Mr. THILL. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include two short newspaper articles.

The SPEAKER. Is there objection to the request of the gentleman from Wisconsin [Mr. THILL]?

There was no objection.

Mr. GEARHART. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include a brief Flag Day address delivered by the former national commander of the American Legion.

The SPEAKER. Is there objection to the request of the gentleman from California [Mr. GEARHART]?

There was no objection.

Mr. SHAFER of Michigan. Mr. Speaker, I ask unanimous consent for two extensions of remarks, in one to include an editorial and the other to merely extend my own remarks in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Michigan [Mr. SHAFER]?

There was no objection.

Mr. TIBBOTT asked and was given permission to extend his own remarks in the RECORD.

Mr. SMITH of Illinois. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include an article by the Librarian of Congress.

The SPEAKER. Is there objection to the request of the gentleman from Illinois [Mr. SMITH]?

There was no objection.

REVENUE BILL OF 1940

Mr. CELLER. Mr. Speaker, I ask unanimous consent to proceed for 1 minute.

The SPEAKER. Is there objection?

There was no objection.

Mr. CELLER. Mr. Speaker, the House passed a sensible tax bill. The Senate Finance Committee reported a sensible tax bill. But on yesterday or the day before, the Senate added on to that bill two very serious and highly detrimental amendments. Reading from the New York Times editorial may I say that one introduced by Senator LA FOLLETTE would impose in addition to the regular corporation income tax a surtax ranging up to 40 percent against profits in excess of 20 percent on invested capital. The editorial goes on to say that an amendment of that sort would keep invested capital or dollars that want to be invested in a sort of cyclone cellar, it would depreciate the value of the dollar, and it would to that extent injure national defense.

TAX MISTAKES MADE BY THE OTHER BODY

The Senate bill would interfere indirectly with the financial equilibrium of the Nation. The House bill generally and appropriately advanced taxes 10 percent. The Nation is perfectly willing to accept this additional tax burden. It does this for the sake of defense. It is unwilling, however, to accept an improper and unjust tax burden. The so-called La Follette amendment provides a thoroughly unfair tax burden. It seeks to impose, in addition to the regular corporate-income tax, a heavy surtax ranging as high as 40 percent against profits that might exceed 20 percent on invested capital. This so-called excess-profits tax is on a parity as far as unfairness and injustice is concerned with the now dead undistributed-profits tax. We "kicked" that tax "out of the window." We should "kick" this new proposition likewise "out of the window."

What is invested capital? I defy any man here to define it or determine it. Furthermore, if we cannot define it logically and justly and must leave it to the arbitrary definitions of tax gatherers, see what havoc will be created.

Furthermore, this tax bill is a bill to aid national defense. What in thunder connection can there be between earnings in invested capital and defense? There is no relation whatsoever.

Amendments of this character discourage the Nation in putting money into old or even into new enterprises. It is very easy for a corporation to lose vast sums of money in any one year. To be successful it must set aside reserves yearly from its profits. It cannot set aside adequate reserves to offset huge and unpredicted losses in any one year if you have taxes of the type to be covered by the La Follette amendment. This is the kind of tax that kills the goose that lays the golden egg. To paraphrase the simile, it takes the powder out of national defense.

There was another amendment offered by the gentleman from Texas, Senator CONNALLY, which was just as obnoxious as the La Follette amendment. It would impose a long and harsh set of taxes, effective automatically upon the declara-

tion of war. "It would," and I again quote the New York Times editorial—

Increase corporation taxes and jump the normal income tax rate to 10 percent and surtaxes on individual incomes in the higher brackets to 80 percent. It is not necessary to raise the question now whether this would be a good war-tax measure or not. But it is clearly unwise to adopt in advance any hypothetical measure to go into effect automatically on a declaration of war. A war-tax measure could be passed quickly enough if war should actually come. But a "when and if" tax measure of this sort, passed in advance, is not taken seriously enough at the time of its passage to get the study it demands. The Senate, in fact, passed this measure without thinking it worth while to study it at all. Defense calls for drastic taxation; but it also calls for careful taxation; for what is most important in war is maximum production for its prosecution, and any tax that imperils that end defeats its own purpose.

[Here the gavel fell.]

RELIEF AND WORK RELIEF APPROPRIATION BILL, 1941—CONFERENCE REPORT

Mr. CANNON of Missouri. Mr. Speaker, I call up the conference report on the joint resolution (H. J. Res. 544) making appropriations for work relief and relief for the fiscal year ending June 30, 1941, and ask unanimous consent that the statement be read in lieu of the report.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

Mr. CANNON of Missouri. Pending the reading of the statement, Mr. Speaker, may I say that there is only one amendment in disagreement. I believe there is little difference of opinion on the conference report itself, so it is my hope, if it is agreeable to the gentlemen on the other side, that we can debate the conference report for a few minutes, after which I will move the previous question on the conference report, and then give one full hour to debate on the amendment in disagreement. I wonder if that would be agreeable to the gentleman from New York.

Mr. TABER. Does not the gentleman believe we perhaps ought to extend that hour on the amendment a little?

Mr. CANNON of Missouri. All the applications for time I have had from both sides up to this time aggregate 55 minutes.

Mr. TABER. If that is so, that is all right.

The Clerk read the statement.

The conference report and statement are as follows:

CONFERENCE REPORT

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to (H. J. Res. 544) making appropriations for work relief and relief for the fiscal year ending June 30, 1941, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendments numbered 2, 3, 4, 35, 41, 43, 44, 51, 57, 58, 62, and 63.

That the House recede from its disagreement to the amendments of the Senate numbered 1, 5, 19, 20, 22, 23, 24, 25, 27, 29, 31, 32, 33, 34, 36, 37, 38, 39, 40, 46, 49, 53, 54, 64, 65, 66, and 67; and agree to the same.

Amendment numbered 6: That the House recede from its disagreement to the amendment of the Senate numbered 6, and agree to the same with an amendment, as follows: In lieu of the matter inserted by said amendment insert the following: " : *Provided further*, That not to exceed $25,000,000 of funds herein appropriated to the Work Projects Administration may be used by the Commissioner to supplement the amounts so authorized for other than labor costs in any State, Territory, possession, or the District of Columbia in connection with the prosecution of projects which have been certified by the Secretary of War and the Secretary of the Navy, respectively, as being important for military or naval purposes"; and the Senate agree to the same.

Amendment numbered 7: That the House recede from its disagreement to the amendment of the Senate numbered 7, and agree to the same with an amendment, as follows: In lieu of the matter inserted by said amendment insert the following: ": *Provided*, That the provisions of this subsection shall not apply to projects (1) which have been certified by the Secretary of War and the Secretary of the Navy, respectively, as being important for military or naval purposes, or (2) which authorize necessary temporary measures to avert danger to life, property, or health in the event of disaster or grave emergency caused by flood, storm, fire, earthquake, drought, or similar cause"; and the Senate agree to the same.

Amendment numbered 8: That the House recede from its disagreement to the amendment of the Senate numbered 8, and agree to the same with an amendment, as follows: In lieu of the sum proposed insert "$41,534,000"; and the Senate agree to the same.

Amendment numbered 9: That the House recede from its disagreement to the amendment of the Senate numbered 9, and agree to the same with an amendment, as follows: In lieu of the sum proposed insert "$34,105,000"; and the Senate agree to the same.

Amendment numbered 10: That the House recede from its disagreement to the amendment of the Senate numbered 10, and agree to the same with an amendment, as follows: In lieu of the sum proposed insert "$612,750"; and the Senate agree to the same.

Amendment numbered 11: That the House recede from its disagreement to the amendment of the Senate numbered 11, and agree to the same with an amendment, as follows: In lieu of the sum proposed insert "$3,610,000"; and the Senate agree to the same.

Amendment numbered 12: That the House recede from its disagreement to the amendment of the Senate numbered 12, and agree to the same with an amendment, as follows: In lieu of the sum proposed insert "$437,000"; and the Senate agree to the same.

Amendment numbered 13: That the House recede from its disagreement to the amendment of the Senate numbered 13, and agree to the same with an amendment as follows: In lieu of the sum proposed insert "$30,875,000"; and the Senate agree to the same.

Amendment numbered 14: That the House recede from its disagreement to the amendment of the Senate numbered 14, and agree to the same with an amendment as follows: In lieu of the sum proposed insert "$25,626,250"; and the Senate agree to the same.

Amendment numbered 15: That the House recede from its disagreement to the amendment of the Senate numbered 15, and agree to the same with an amendment as follows: In lieu of the sum proposed insert "$418,000"; and the Senate agree to the same.

Amendment numbered 16: That the House recede from its disagreement to the amendment of the Senate numbered 16, and agree to the same with an amendment as follows: In lieu of the sum proposed insert "$2,536,500"; and the Senate agree to the same.

Amendment numbered 17: That the House recede from its disagreement to the amendment of the Senate numbered 17, and agree to the same with an amendment as follows: In lieu of the sum proposed insert "$323,000"; and the Senate agree to the same.

Amendment numbered 18: That the House recede from its disagreement to the amendment of the Senate numbered 18, and agree to the same with an amendment, as follows: In lieu of the sum proposed insert "$59,000,000"; and the Senate agree to the same.

Amendment numbered 21: That the Hoouse recede from its disagreement to the amendment of the Senate numbered 21, and agree to the same with an amendment, as follows: In lieu of the matter inserted by said amendment, insert the following:

"(c) In order to furnish the Secretary of Agriculture with additional funds for the purpose of making rural rehabilitation loans to needy farmers, the Reconstruction Finance Corporation is authorized and directed, until June 30, 1941, to make advances to the Secretary of Agriculture upon his request in an aggregate amount of not to exceed $125,000,000. Such advances shall be made: (1) with interest at the rate of 3 per centum per annum payable semiannually; (2) upon the security of obligations acceptable to the Corporation heretofore or hereafter acquired by the Secretary pursuant to law; (3) in amounts which shall not exceed 75 per centum of the then unpaid principal amount of the obligations securing such advances; and (4) upon such other terms and conditions, and with such maturities, as the Corporation may determine. The Secretary of Agriculture shall pay to the Corporation, currently as received by him, all moneys collected as payments of principal and interest on the loans made from the amounts so advanced, or collected upon any obligations held by the Corporation as security for such advances, until such amounts are fully repaid. The amount of notes, debentures, bonds, or other such obligations which the Corporation is authorized and empowered to issue and to have outstanding at any one time under the provisions of law in force on the date this subsection takes effect is hereby increased by an amount sufficient to carry out the provisions of this subsection."

And the Senate agree to the same.

Amendment numbered 21: That the House recede from its disagreement to the amendment of the Senate numbered 26, and agree to the same with an amendment, as follows: Restore the matter stricken out by said amendment to read as follows:

"No loan shall be made under this section to any person to enable him to subscribe or pay for stock or membership in any cooperative association or branch thereof not organized or in existence on the date of enactment of this joint resolution."

And the Senate agree to the same.

Amendment numbered 28: That the House recede from its disagreement to the amendment of the Senate numbered 28, and agree to the same with an amendment, as follows: In lieu of the sum proposed insert "$4,000,000"; and the Senate agree to the same.

Amendment numbered 30: That the House recede from its disagreement to the amendment of the Senate numbered 30, and agree to the same with an amendment, as follows: In lieu of the matter inserted by said amendment insert the following: "; and (4) subject to the approval of the President, for projects involving rural rehabilitation of needy persons: *Provided*, That the cost (including all overhead expenses) of any dwelling or any other building the construction of which is hereafter undertaken in

connection with such rural rehabilitation shall not exceed $750 and $400, respectively"; and the Senate agree to the same.

Amendment numbered 42: That the House recede from its disagreement to the amendment of the Senate numbered 42, and agree to the same with an amendment, as follows: In lieu of the sum proposed insert: "$750,000"; and the Senate agree to the same.

Amendment numbered 45: That the House recede from its disagreement to the amendment of the Senate numbered 45, and agree to the same with an amendment, as follows: In lieu of the matter inserted by said amendment insert the following:

"SEC. 11. None of the funds made available by this joint resolution shall be expended on the construction of any building (1) the total estimated cost of which, in the case of a Federal building, exceeds $100,000, or (2) the portion of the total estimated cost of which payable from Federal funds, in the case of a non-Federal building, exceeds $100,000, unless the building is one (a) for which the project has been approved by the President on or prior to May 15, 1940, or for which an issue of bonds has been approved at an election held on or prior to such date, or for which a State legislature has made an appropriation on or prior to such date, or (b) for the completion of which funds have been allocated and irrevocably set aside under prior relief appropriation Acts: *Provided*, That the provisions of this section shall not apply to any projects which have been certified by the Secretary of War and the Secretary of the Navy, respectively, as being important for military or naval purposes."

And the Senate agree to the same.

Amendment numbered 47: That the House recede from its disagreement to the amendment of the Senate numbered 47, and agree to the same with an amendment, as follows: In lieu of the matter inserted by said amendment insert the following: "on projects certified as hereinbefore provided as being important for military or naval purposes"; and the Senate agree to the same.

Amendment numbered 48: That the House recede from its disagreement to the amendment of the Senate numbered 48, and agree to the same with an amendment, as follows: In lieu of the matter inserted by said amendment insert the following:

"SEC. 15. (a) In employing or retaining in employment on Work Projects Administration work projects, preference shall be determined, as far as practicable, on the basis of relative needs and shall, where the relative needs are found to be the same, be given in the following order: (1) Veterans of the World War and the Spanish-American War and veterans of any campaign or expedition in which the United States has been engaged (as determined on the basis of the laws administered by the Veterans' Administration except that discharged draft enrollees other than those with service-connected disability shall not be considered as veterans for the purposes of this subsection) and unmarried widows of such veterans and the wives of such veterans as are unemployable who are in need and are American citizens; and (2) other American citizens, Indians, and other persons owing allegiance to the United States who are in need."

And the Senate agree to the same.

Amendment numbered 50: That the House recede from its disagreement to the amendment of the Senate numbered 50, and agree to the same with an amendment, as follows: Omit the matter stricken out and omit the matter inserted by said amendment; and the Senate agree to the same.

Amendment numbered 52: That the House recede from its disagreement to the amendment of the Senate numbered 52, and agree to the same with an amendment, as follows: In lieu of the matter inserted by said amendment insert the following: "(e)"; and the Senate agree to the same.

Amendment numbered 55: That the House recede from its disagreement to the amendment of the Senate numbered 55, and agree to the same with an amendment, as follows: In lieu of the matter inserted by said amendment insert the following: "(f)"; and the Senate agree to the same.

Amendment numbered 56: That the House recede from its disagreement to the amendment of the Senate numbered 56, and agree to the same with an amendment, as follows: In lieu of the matter inserted by said amendment insert the following: "(g)"; and the Senate agree to the same.

Amendment numbered 59: That the House recede from its disagreement to the amendment of the Senate numbered 59, and agree to the same with an amendment, as follows: In lieu of the matter inserted by said amendment insert the following: "in an amount exceeding $100,000"; and the Senate agree to the same.

Amendment numbered 60: That the House recede from its disagreement to the amendment of the Senate numbered 60, and agree to the same with an amendment, as follows: In lieu of the matter inserted by said amendment insert the following: "(except as provided in section 15 (f)"; and the Senate agree to the same.

Amendment numbered 61: That the House recede from its disagreement to the amendment of the Senate numbered 61, and agree to the same with an amendment, as follows: In lieu of the matter inserted by said amendment insert the following: "section 15 (f) and"; and the Senate agree to the same.

Amendment numbered 69: That the House recede from its disagreement to the amendment of the Senate numbered 69, and agree to the same with an amendment, as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert the following:

"SEC. 40. (a) The President is hereby authorized through such agency or agencies as he may designate to purchase exclusively in the United States and to transport, and to distribute as hereinafter provided, agricultural, medical, and other supplies for the relief of refugee men, women, and children, who have been driven from their homes or otherwise rendered destitute by hostilities or invasion. When so purchased, such materials and supplies are hereby authorized to be distributed by the President through the American Red Cross or such governmental or other agencies as he may designate.

"(b) There is hereby appropriated, out of any money in the Treasury not otherwise appropriated, the sum of $50,000,000, to be available until June 30, 1941, for carrying out the purposes of this section, including the cost of such purchases, the transportation to point of distribution, and distribution, administrative and other costs, but not including any administrative expense incurred by any nongovernmental agency.

"(c) Any governmental agency so designated to aid in the purchase, transportation or distribution of any such materials and supplies may expend any sums allocated to it for such designated purposes without regard to the provisions of any other act.

"(d) On or before June 30, 1941, the President shall submit to the Congress an itemized and detailed report of the expenditures and activities made and conducted under the authority contained in this section."

And the Senate agree to the same.

Amendment numbered 70: That the House recede from its disagreement to the amendment of the Senate numbered 70, and agree to the same with an amendment, as follows: In lieu of the matter inserted by said amendment insert the following:

"SEC. 41. There is hereby appropriated, out of any money in the Treasury not otherwise appropriated, for the fiscal year 1941, the sum of $50,000,000 to be used by the Secretary of Agriculture for the purpose of effectuating the provisions of section 32 of the Act entitled 'An act to amend the Agricultural Adjustment Act, and for other purposes', approved August 24, 1935, as amended, such sum to be in addition to any funds appropriated by such section 32 and to be subject to all the provisions of law relating to the expenditure of such funds."

And the Senate agree to the same.

The committee of conference report in disagreement amendment numbered 68.

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CLARENCE CANNON,
C. A. WOODRUM,
LOUIS LUDLOW,
J. BUELL SNYDER,
EMMET O'NEAL,
GEORGE W. JOHNSON,
Managers on the part of the House.

ALVA B. ADAMS,
KENNETH MCKELLAR,
CARL HAYDEN,
JAMES F. BYRNES,
FREDERICK HALE,
JOHN G. TOWNSEND, JR.,
Managers on the part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendments of the Senate to the joint resolution (H. J. Res. 544) entitled "Joint resolution making appropriations for work relief and relief, for the fiscal year ending June 30, 1941," submit the following statement in explanation of the effect of the action agreed upon and recommended in the accompanying conference report as to each of such amendments, namely:

On No. 1: This amendment eliminates the provision of the House bill which established a schedule of average monthly employment of relief workers for the months of July, August, September, October, and November, 1940, in the event that the President, under the authority contained in section 1 (a) of the bill, apportions the funds appropriated by such section over a period of less than 12 months. The House recedes.

On No. 2: This amendment includes refrigerated cold-storage plants within the enumeration of the types of projects for which funds appropriated to the Work Projects Administration under section 1 (a) are to be available. The Senate recedes.

On No. 3: This amendment provides that the funds appropriated to the Work Projects Administration under section 1 (a) of the bill may be used to furnish office quarters in connection with projects for refrigerated cold-storage plants and electric transmission and distribution lines or systems enumerated in section 1 (b). The Senate recedes.

On No. 4: This amendment includes within the enumeration of the projects under section 1 (b) training for manual occupations in industries engaged in production for national-defense purposes. The Senate recedes.

On No. 5: The House bill included within the enumeration of projects in section 1 (b) "miscellaneous projects, which shall include drought conditions." The Senate amendment strikes out "which shall include drought conditions." The House recedes.

On No. 6: This amendment provides that not to exceed $25,000,000 of the funds appropriated to the Work Projects Administration may be used to supplement the amounts authorized to be expended for other than labor costs in any State, Territory, possession, or the District of Columbia in connection with projects certified by the Secretary of War or the Secretary of the Navy

as being "important to the national defense." The conference agreement accepts this provision and modifies it so that it relates to projects certified as being "important for military or naval purposes."

On No. 7: Section 1 (d) of the House bill provides that on and after January 1, 1940, in administering funds for the Work Projects Administration not to exceed three-fourths of the total cost of all non-Federal projects approved after such date which are undertaken within any State, Territory, possession, or the District of Columbia shall be borne by the United States and not less than one-fourth of such total cost shall be borne by the State and its political subdivisions or by the Territory, possession, or the District of Columbia, as the case may be. This Senate amendment exempts from this requirement projects which have been certified by the Secretary of War or by the Secretary of the Navy as being "important to the national defense" and projects which authorized necessary temporary measures to avert danger to life, property, or health in the event of disaster or grave emergency caused by flood, storms, fire, earthquake, drought, or similar cause. The conference agreement adopts the provision of the Senate amendment with clarifying changes and the modification that the projects with respect to which such certification is required shall be those certified as being "important for military or naval purposes."

On Nos. 8, 9, 10, 11, 12, 13, 14, 15, 16, and 17: Amendment No. 8 increases the aggregate amount which may be obligated for administrative expenses of the Work Projects Administration in the District of Columbia and in the field from $39,348,000 to $43,720,000. Amendments Nos. 9 to 12, inclusive, provide for increasing the specific items for which the amount provided by amendment No. 8 is to be used as follows: Salaries, from $32,310,000 to $35,900,000; communication service, $580,500 to $645,000; travel, $3,420,000 to $3,800,000; and printing and binding, $414,000 to $460,000. In the event that the President apportions the funds appropriated by section 1 (a) over a period of less than 12 months, amendment No. 13 provides that the amount which may be obligated for such administrative expenses is not to exceed $32,500,000 in lieu of $29,250,000; and amendments Nos. 14, 15, 16, and 17 provide for the following increases: Salaries, from $24,277,500 to $26,975,000; communication service, $396,000 to $440,000; travel, $2,403,000 to $2,670,000; and printing and binding, $306,000 to $340,000. The conference agreement reduces the amount of the increases made by these Senate amendments by 50 percent in each case.

On Nos. 18 and 21: The House bill appropriated $115,000,000 to the Department of Agriculture for assistance through rural rehabilitation to needy farmers and relief to other needy persons. The Senate amendment No. 18 reduces this appropriation to $75,000,000, but amendment No. 21 provides additional funds for rehabilitation loans to needy farmers by directing the Reconstruction Finance Corporation to make advances for such purpose to the Secretary of Agriculture until June 30, 1941, in an aggregate amount of not to exceed $125,000,000. The conference agreement reduces the amount provided in amendment No. 18 to $59,000,000, but retains the provisions of amendment No. 21 with clarifying changes.

On Nos. 19, 53, and 54: These are clarifying amendments. The House recedes.

On No. 20: This amendment increases from $6,000,000 to $7,500,000 the maximum amount of the appropriation to the Department of Agriculture under section 2 (a) that may be used for administration. The House recedes.

On Nos. 22 and 23: These amendments are clerical changes in subsection letters. The House recedes.

On Nos. 24 and 25: These Senate amendments make certain clarifying changes in the provisions of the House bill relating to loans by the Secretary of Agriculture, and impose a penalty for willful violation of such provisions which corresponds to that in other statutes providing for agricultural loans by agencies in the Department of Agriculture. The House recedes.

No. 26: The Senate struck out the House provision prohibiting any loan from being made by the Secretary of Agriculture to any person to enable such person to subscribe or pay for stock or membership in any cooperative association. The conference agreement restores the House provision modified so that the prohibition only extends to loans for the procurement of membership in any cooperative association or branch thereof not organized or in existence on the date of the enactment of the joint resolution.

On Nos. 27 and 30: These amendments add to the enumeration of projects for which the appropriation to the Puerto Rico Reconstruction Administration may be used, projects approved by the President involving rural rehabilitation for needy persons. The House recedes on amendment No. 27, and the conference agreement retains the provisions of amendment No. 30 with a limitation that the total cost of any dwelling or other building hereafter constructed in connection with rural rehabilitation should not exceed $750 and $400, respectively.

On No. 28: This amendment increases from $3,500,000 to $5,000,000 the amount appropriated to the Puerto Rico Reconstruction Administration. The conference agreement fixes the amount at $4,000,000.

On No. 29: This is a technical amendment made necessary by amendment No. 30.

On Nos. 31, 32, 33, and 34: These amendments provide for establishing special or separate industry committees to recommend the minimum rate or rates of wages to be paid under the Fair Labor Standards Act of 1938 to employees (including home workers and piece workers) in Puerto Rico or the Virgin Islands, or both, who are engaged in commerce or in the production of goods for commerce. They also provide that wage orders issued by the Administrator pursuant to the recommendation of any such committee are to supersede orders under existing law. There is also a limitation that no minimum-wage rate may be recommended or approved which will give any industry in Puerto Rico or the Virgin Islands a competitive advantage over any industry in the United States. The House recedes.

On No. 35: This statement provides that the appropriation of $1,700,000 for the Bureau of Indian Affairs may be apportioned by the President for a lesser period than 12 months (but not less than 8 months) if in his judgment such action is required to meet unemployment conditions during such lesser period. The Senate recedes.

On Nos. 36, 37, 38, 39, and 40, relating to administrative agencies: These amendments increase the amounts for bureaus of the Treasury Department for administrative expenses in connection with carrying out the provisions of the joint resolution as follows: Procurement Division, from $3,225,000 to $3,400,000; Division of Disbursement, from $1,724,516 to $1,954,516; and Office of Commissioner of Accounts and Deposits from $3,827,400 to 4,628,841; they also preserve the existing State geographical distribution of field offices engaged under these appropriations in the functions of procurement, disbursing, and accounting for relief activities. The House recedes.

On No. 41: Makes a technical correction in connection with an administrative agency. The Senate recedes.

On No. 42: The Senate appropriated $830,000 for the Office of Government Reports, and the House bill carries $500,000. The conference agreement recommends $750,000.

On No. 43: The House bill carried authority for the Commissioner of Work Projects to allocate from Work Projects Administration funds not to exceed $40,000,000 for Federal projects. The Senate reduced this amount to $20,000,000. The Senate recedes.

On No. 44: The House bill carries a provision in connection with sponsors' contributions to Work Projects Administration projects requiring that the rules and regulations for carrying such sponsorship requirements into effect shall allow credit in the valuation of sponsors' contributions in kind only to the extent that such contributions represent a financial burden which is undertaken by the sponsor on account of W. P. A. sponsored projects. The Senate struck this provision out and the Senate recedes.

On No. 45: This amendment limits the amount that may be expended on any Federal building project to $100,000, and the amount for any non-Federal building project to $100,000 from Federal funds, but exempts from such prohibition projects approved by the President prior to May 15, 1940, those for which an issue of bonds has been approved at an election held on or prior to such date, those for which funds have been allocated and set aside under prior relief appropriation acts and those which the Secretary of War and the Secretary of the Navy have certified as being important to the national defense. The conference agreement accepts the Senate amendment modified so as to add to the exemptions from the cost limitation, projects for which a State legislature has made an appropriation on or prior to May 15, 1940, and to define projects "important to the national defense" as those which are important for "military or naval purposes."

On No. 46: The House section dealing with hours of work and the earning schedule of W. P. A. workers contains provision that the Commissioner of Work Projects shall reduce the required 130 hours of work per month of W. P. A. workers to not to exceed 65 hours in the case of relief workers with no dependents and shall correspondingly reduce their earnings. The Senate struck out this provision and restored the authority in the current law, making it permissive for the Commissioner to require a lesser number of hours per month for such workers and reduce their pay accordingly. The House recedes.

On No. 47: This amendment authorizes the Commissioner to make exemptions from the limitations of section 14 (a) on monthly earnings and hours of work on projects determined to be of "value to the national defense." The conference agreement authorizes such exemptions on projects certified by the Secretary of War or the Secretary of the Navy as being "important for military or naval purposes."

On No. 48: The House provision in section 15 (a) requires that the determination of employment or retention in employment on W. P. A. work projects shall be on the basis of relative need, establishes the order of preference on that basis, and follows closely the provision of the current law dealing with the same subject, except that it gives to the unmarried widows of veterans and to the wives of such veterans as are unemployable the same status as veterans and is also designed to exclude from a status as veterans the World War discharged draft enrollees; the House provision also includes a requirement that W. P. A. employment shall be given on a part-time basis to veterans, their widows, or wives, sufficient to make their income equal to the income from a full-time W. P. A. employment if their income from other governmental sources should be less than income from a full-time W. P. A. employment.

The Senate struck out the House provision and inserted a substitute which gives, without regard to their respective relative needs as between themselves or in relation to others, preference to veterans, their wives, or widows; the Senate provision does not include the House provision relative to part-time employment for those in the veterans' classification, but includes the veterans' status for discharged draft enrollees who were excluded from that

classification by the House bill; the Senate provision also requires that employment shall be given by regions so far as practicable and feasible.

The conference agreement recommends a substitute for both House and Senate language; it restores the current law on this subject which provides that employment and retention in employment shall be given on the basis of relative need, and shall, where the relative needs are found to be the same, be given first to veterans and then to others; the substitute provision modifies the current law, however, to include the features of the House and Senate provisions giving to the unmarried widows of veterans and the wives of such veterans as are unemployable the same status as veterans, and to exclude discharged draft enrollees from a status as veterans, except such draftees as have a service-connected disability.

On No. 49: This is a technical amendment. The House recedes.

On No. 50: This amendment eliminates the provision of the House bill which exempted from the requirements relating to removal from the relief rolls of heads of families 45 years of age or older with either a dependent spouse or one or more dependent parents or minor children. It added to the exempt classes relief workers who have made reasonable effort and have not been able to secure private employment. The conference agreement eliminates both provisions.

On No. 51: This amendment makes available $5,000,000 of the appropriation for prosecution of public projects for use by the Commissioner in aiding in investigating and certifying employable persons for employment on Work Projects Administration projects. The Commissioner is also to approve the methods or plans for such service in each case, and there is a limitation that the aid to any State or agency is not to exceed one-third of the estimated cost of such service. The determinations of the Commissioner are to be final. The Senate recedes.

On Nos. 52, 55, and 56: These amendments are clerical changes in subsection letters. The conference agreement makes further changes made necessary by the Senate recession on amendment numbered 51.

On Nos. 57 and 58: These amendments strike out the limitation in the House bill that none of the funds made available shall be used for the operation of any theater project, and make a clerical change. The Senate recedes.

On No. 59: This amendment qualifies the limitation of the House bill that no part of the funds made available shall be used for radio broadcasting so that the limitation applies to radio broadcasting "time." The conference agreement limits the amount which may be used for radio broadcasting to $100,000, and eliminates the word "time."

On Nos. 60 and 61: These are technical amendments made necessary by amendment numbered 51. The conference agreement makes the necessary changes resulting from the action on such amendment.

On Nos. 62, 63, 64, and 65: Section 33 of the House bill prohibits the use of the funds in the joint resolution, either by Federal or non-Federal agencies, for purchasing, establishing, relocating, or expanding mills, factories, stores, or plants which would manufacture, handle, process, or produce articles, commodities, or products (other than those derived from the first processing of sweetpotatoes) in competition with existing industries. The Senate amended the House provision so as to eliminate "stores" from the category of establishments enumerated, to eliminate "handle" and "process" from the category of enumerated operations of the establishments, inserted the words "for sale" which changed the meaning of the House provision from one of prohibition against "manufacturing, handling, processing, or producing" in competition with existing industries to one of "manufacturing or producing for sale" in competition with existing industries; and also included the first processing of naval-stores products among the exemptions.

As a result of the conference agreement, the words "stores", "handle", and "process", stricken out by the Senate, are placed back in the bill, the words "for sale" inserted by the Senate are retained, and naval-stores products are added to the exemption from the operation of the section.

The section as agreed upon will, therefore, prohibit the use of the funds in the joint resolution, either by Federal or non-Federal agencies, for purchasing, establishing, relocating, or expanding mills, factories, stores, or plants which would manufacture, handle, process, or produce articles, commodities, or products for sale in competition with existing industries but would not prohibit such use of the funds, if otherwise lawful under the terms of the joint resolution, and the articles, commodities, or products are not for sale in competition with existing industries.

On No. 66: The Senate amendment provides for the appointment by the President, by and with the advice and consent of the Senate, of any administrator or other officer named to have general supervision at the seat of Government over the work and program contemplated under the appropriations if the salary received under the appropriations is $5,000 or more per annum; and for the appointment of any State or regional administrator receiving such a salary, except those now serving as such under other law. Section 1761 of the Revised Statutes is not to apply to such an appointee. His salary may not be increased within a period of 6 months after confirmation. The House accepts the Senate amendment.

On No. 67: Section 38, inserted by the Senate, authorizes the President to provide such training within the Civilian Conservation Corps for enrollees thereof in noncombatant subjects essential to the operation of the Military and Naval Establishments as he considers may contribute materially to the national defense. The House recedes.

On No. 69: This amendment appropriates $50,000,000 to be expended by the President, through such agencies as he may designate, for the purchase in the United States of agricultural, medical, and other supplies for the relief of war refugees. Distribution is to be made through the American Red Cross or such governmental or other agencies as the President may designate, and the costs of such distribution are to be paid out of the appropriation. The President is to make an itemized report to the Congress on or before January 3, 1941. The conference agreement adopts the provisions of the Senate amendment with clarifying changes, provides that administrative costs and costs of purchases, distribution, and transportation to the point of distribution are to be paid out of the appropriation (exclusive of administrative expenses of any nongovernmental agency), makes the appropriation available to June 30, 1941, and requires the report of the President to be made on or before such date, and provides that any governmental agency so designated by the President may expend any sums allocated to it for the purposes of the section without regard to the provisions of any other act.

On No. 70: The Senate amendment appropriates an additional $100,000,000 for disposal of surplus agricultural commodities in accordance with the provisions of section 32 of the Agricultural Adjustment Act, as amended. The conference agreement recommends an appropriation of $50,000,000, and modifies the Senate language so that the appropriation of $50,000,000 will be subject to all of the provisions of law relating to the expenditure of the funds appropriated by section 32.

Amendment in disagreement

The committee of conference report in disagreement Senate Amendment No. 68 relating to the Tennessee Valley Authority.

EDWARD T. TAYLOR,
CLARENCE CANNON,
C. A. WOODRUM,
LOUIS LUDLOW,
J. BUELL SNYDER,
EMMET O'NEAL,
GEO. W. JOHNSON,
Managers on the Part of the House.

Mr. CANNON of Missouri. Mr. Speaker, with this conference report we present one of the most satisfactory relief bills ever submitted to the House. Notwithstanding the fact that it contains some of the most controversial subjects that have come before the House at this session, the conferees have reached agreement on every item in the bill with the single exception of the one item on the T. V. A. We bring that back because we feel that in view of its long consideration by the legislative committee having jurisdiction in the House, there should be opportunity for consideration and debate before final action is taken on its disposition in a bill of this character.

The bill as it passed the House aggregated $1,111,000,000. As it passed the Senate it had been increased to $1,224,000,000, and as recommended for final action in this conference report it totals $1,157,000,000. In other words, while the conference report recommends an increase to $45,000,000 over the House figures, that is $67,000,000 less than the figure proposed by the Senate. This, of course, is exclusive of the $125,000,000 authorized for rehabilitation loans from Reconstruction Finance Corporation funds. With these modifications, as agreed to by the managers on the part of the two Houses, we trust the bill will be generally satisfactory to the Members of the House.

By way of brief recapitulation of the salient features of the report, as agreed to in conference, we struck from the bill the provision for monthly apportionment. This was done on the theory that the provisions of the bill for administration should be more elastic and more readily adjustable to the emergency needs of the country, and in the hope that the number of men absorbed by private industry would increase to a point where it would not be necessary to employ the full quota as apportioned in the House provision. There is every reason to believe that the relief burden throughout the country will be greatly lightened by the fact that we are providing at this session of Congress more than $5,000,000,000 in cash and in contract authorizations to carry out the defense program. This ought to take up large quantities of surplus labor and to that extent reduce the number of men for whom provision must be made from the funds carried in the relief bill.

We also give preferment for projects certified by the Secretary of War and the Secretary of the Navy for national defense, $25,000,000 to be available for other than labor costs in important projects for naval and military purposes; such projects to be exempt from the 25-percent requirement on sponsor's contributions; and in such national emergencies as flood, fire, drought, and similar disasters.

With regard to the limit of cost on buildings constructed by W. P. A., the conference report imposes a limitation of $100,000 on the construction costs of all buildings. The current law places a cost limit of $50,000 on such Federal projects and $52,000 on non-Federal projects. Under the provisions of the bill as modified in conference, the limit is now $100,000 on both Federal and non-Federal projects.

To the relative-need provision, which was subjected to amendment in the House, we restore in the conference report the provisions of the current law with the exception that we include in the exemption widows of veterans and the wives of unemployable veterans. Otherwise the bill follows the current law.

The 18-month clause, which was variously amended in both the House and the Senate, is reported by the conferees after considerable consideration in the form in which it was sent by the House to the Senate, with the single exception that the amendment added in the House exempting heads of families over 45 years of age is eliminated.

On farm security it will be recalled that the House appropriated $115,000,000 cash, and the Senate provided authorization for loans of $125,000,000 from the Reconstruction Finance Corporation. As finally written, the House appropriation is reduced to the Budget estimate of $59,000,000 cash, and the authorization for loans of $125,000,000 from the Reconstruction Finance Corporation is retained, making a total provision for farm security of $184,000,000.

In view of the fact that some apprehension was expressed when the item was up for consideration on the floor of the House that provision for this purpose would be inadequate, it may be noted that the $184,000,000 is in lieu of an item of $161,500,000 for the year 1940, the current year, and $180,000,000 for the year 1939—last year. In other words, we provide in the bill, as amended by the conference report, $23,000,000 more for 1941 than for the current year and $4,000,000 more than for the year 1939.

The provision relative to the purchasing of memberships in cooperatives—a prohibition which was inserted by amendment in the House and which the Senate struck from the bill—was retained, with the limitation that the funds should not be provided for the purchase of membership in any cooperatives which might be established in the future, but the prohibition would not apply to cooperatives now in existence.

On the Fair Labor Standards Act, as applied to Puerto Rico and the Virgin Islands, an agreement was reached which seems to meet the needs of the situation. You will recall that there was general agreement that there was need for some sort of readjustment with respect to Puerto Rico and the Virgin Islands, but it was generally conceded that these readjustments ought not to interfere with the law as administered in the United States. I will read from the statement on the conference report the paragraph on that provision involving amendments Nos. 31, 32, 33, and 34:

These amendments provide for establishing special or separate industry committees to recommend the minimum rate or rates of wages to be paid under the Fair Labor Standards Act of 1938 to employees (including home workers and piece workers) in Puerto Rico or the Virgin Islands, or both, who are engaged in commerce or in the production of goods for commerce. They also provide that wage orders issued by the administrator pursuant to the recommendation of any such committee are to supersede orders under existing law. There is also a limitation that no minimum wage rate may be recommended or approved which will give any industry in Puerto Rico or the Virgin Islands a competitive advantage over any industry in the United States.

A subject which has been under general recent discussion and which has been much discussed in the newspapers in the last 3 or 4 days is that of noncombatant training for C. C. C. enrollees. The conference report recommends a provision under which C. C. C. enrollees shall receive training in cooking, baking, engineering, communcations, and similar subjects which would be of advantage in peacetime pursuits after discharge from the camps and which, at the same time, would, if unexpectedly it should be necessary to call them to service in the Army, be of great service both to the men and to the Nation in time of war. There is no provision here which would induct them into military service in time of war and, of course, as a matter of fact, they could not be inducted into the service unless Congress should so enact or unless they volunteered, and there is no implication or requirement of any kind whatsoever that the boys receiving this training shall occupy any different status in time of war or in time of peace as result of this legislation.

Mr. MURDOCK of Arizona. Mr. Speaker, will the gentleman yield?

Mr. CANNON of Missouri. I yield to the distinguished gentleman from Arizona.

Mr. MURDOCK of Arizona. I did not quite understand the gentleman's statement just made as to how much money was to be furnished to the C. C. C. for that particular training. I am very much interested in the nature of that training also. Was that made clear?

Mr. CANNON of Missouri. The idea has gone abroad that any reference to the "training" of C. C. C. boys means military training, such training as is given in countries which invoke compulsory military training. This training is in no sense military training, but is merely basic training which will fit these boys for a profession in industry when they leave the C. C. C. and go back into civilian life. No especial amount of money is provided for the purpose and none is needed. It is in connection with the other work of the camps and is out of funds already provided, with facilities already furnished, and under the direction of personnel already in the service.

Mr. MURDOCK of Arizona. This basic training is to give impetus to the training they have already been receiving by way of tractor and truck driving, care and repair, and all that sort of thing of a mechanical nature?

Mr. CANNON of Missouri. This is simply supplemental and without additional cost, and there is no additional appropriation and no earmarking of funds of any kind.

Mr. MURDOCK of Arizona. I approve of that part of the program. I know something of the practical educational benefits many C. C. C. enrollees have received and am proud of it. Within the limits of the material equipment those camps have, these young men should get much basic vocational, mechanical training fitting them for usefulness in peace or war. And many more should get it.

Mr. CANNON of Missouri. I think everyone who is sincerely interested in these boys and who wants not only to provide work for the boys and relief for their families, but who also wants to make this service a stepping stone for the future of these boys, will approve of this idea.

Mr. MARCANTONIO. Mr. Speaker, will the gentleman yield?

Mr. CANNON of Missouri. I yield to the gentleman from New York.

Mr. MARCANTONIO. The gentleman assures us that this training is not military in character?

Mr. CANNON of Missouri. It is not. It is to all effects the usual vocational training provided in the average high school.

Mr. RABAUT. Mr. Speaker, will the gentleman yield?

Mr. CANNON of Missouri. I yield to the distinguished gentleman from Michigan.

Mr. RABAUT. I want to ask my colleague the chairman of this committee, how it is that on two occasions, last year and this year, first in the Committee of the Whole House on the state of the Union and then in the full Committee on Appropriations, the House both times approved the language exempting heads of families 45 years of age or older, with either a dependent spouse or one or more dependent parents or minor children, from the lay-off provision of the bill, but the humanitarian provision has been stricken out in conference.

Mr. CANNON of Missouri. May I say to the gentleman from Michigan [Mr. RABAUT] that the House committee insisted strenuously on that provision, a very salutary provision, which was inserted in the bill by the gentleman from Michigan, and one of the very few amendments adopted after the bill was on the floor. It is one of the last amendments on which the House receded. The gentleman understands that necessarily in a conference we must both give and take. We can understand how tenaciously the House conferees insisted on adherence to the House provisions when we note that while the House receded on only $45,000,000, the Senate receded on $67,000,000. I may add that I think every Member of the House committee would have kept this provision in the bill had it been possible to do it.

Mr. RABAUT. Then it was impossible to hold it?

Mr. CANNON of Missouri. As wholeheartedly as we approved it, we just could not do it.

Mr. RABAUT. I feel some relief, so far as the treatment of the House is concerned, but I do not feel it is proper treatment for these older workers who cannot find a place in industry. The W. P. A. ought to be a port in a storm for young men who are without employment, but for people actually denied employment in industry because of their age, the W. P. A. ought to be a place to which they may go for steady employment.

Mr. CANNON of Missouri. I am in hearty accord with the gentleman, and I think every member of the committee of conference felt the same way.

Mr. VOORHIS of California. Mr. Speaker, will the gentleman yield?

Mr. CANNON of Missouri. I yield to the gentleman from California.

Mr. VOORHIS of California. Just to ask the gentleman in connection with this 18 months' rule which the gentleman from Michigan [Mr. RABAUT] asked about. As I read the statement here on page 12, amendment No. 50, do I understand that the bill as finally agreed upon by the conference committee provides that workers who have made reasonable effort and have been unable to secure private employment are exempt from the 18 months' provision?

Mr. CANNON of Missouri. Both provisions were stricken out. The Senate insisted on one and the House insisted on the other, and in the end both had to recede to avoid a stalemate.

Mr. VOORHIS of California. Therefore, all we have is the hard-and-fast 18-month provision.

Mr. CANNON of Missouri. Exactly the proposition as submitted by the House, with the exception of the 45-year provision.

Mr. LEAVY. Mr. Speaker, will the gentleman yield?

Mr. CANNON of Missouri. I yield to my colleague on the committee, the gentleman from Washington.

Mr. LEAVY. I refer to Senate amendment No. 43, which has to do with the $40,000,000 and the $20,000,000 items for Federal agencies.

Mr. CANNON of Missouri. I am very glad to say that we were able to go along with the gentleman. The Senate finally yielded and we were able to retain the House figure.

Mr. VAN ZANDT. Mr. Speaker, will the gentleman yield?

Mr. CANNON of Missouri. Briefly. I yield to the gentleman from Pennsylvania.

Mr. VAN ZANDT. During the debate on this measure we reached an agreement between the National Park Service and the W. P. A. concerning recreation areas. Does the gentleman know whether or not in the Senate any change was made?

Mr. CANNON of Missouri. No change was made. I am glad to apprise the gentleman and the House that ample provision is made for that Service.

Mr. Speaker, I yield 5 minutes to the gentleman from New York [Mr. TABER].

Mr. TABER. Mr. Speaker, this bill as it left the House provided for $1,111,764,916. As it comes back from the conference, including the funds provided for out of the R. F. C., it carries $1,282,000,000, about $171,000,000 more than it did when it left the House. The amendments that have been adopted have all been to make the bill a little worse. The limitations which were put on on pages 2 and 3, of the number who might be employed monthly through the month of November have been removed so that it could be more of a political racket than a relief bill. An addition of better than $70,000,000 has been provided for loans under the Farm Security Administration, when the only thing they do that should in any way be permitted to continue is in the matter of direct grants to farmers in distress.

Amendments have been adopted, in Puerto Rico, increasing the amount $500,000 for the Puerto Rican Reconstruction Administration, and permitting them to go into activities, which the House did not permit. This made it a little worse. On top of that, without regard to the interest of those workers in the United States who are embarrassed by the Wages and Hours Act, we have waived its provisions with reference to Puerto Rico—all for the benefit of a group of a certain type of racketeers in New York City, according to what I understand; and I think that is bad.

Mr. MARCANTONIO. And this same gang of racketeers has been one of the active lobbies right from the Washington Hotel, in order to get this exemption.

Mr. TABER. I am surprised that the other body should be so susceptible. They have added $250,000 for the political propaganda bureau under Lowell Mellett, which should not be done. About the only thing we saved was an amendment prohibiting the theater racket—$50,000,000 has been added for the relief of those who have been rendered homeless or in distress as the result of military operations abroad. They have added $50,000,000 to the Surplus Commodity Corporation for the purchase of surplus commodities, which makes about $50,000,000 more than was available this current year. I have been unable to see any excuse for any of these things.

There will be presented to you in disagreement of the Senate authorizing payments up to 10 percent of the total revenues of the T. V. A. to different States in lieu of taxes. Under the organic act 5 percent was to be allowed. This is an outright hand-out where those folks are getting rates which costs 2¼ mills under reclamation projects, where they say that is the lowest they can allow and get by, and here they are selling it for an average of 1.69 mills. Lower rates; and they want the Government of the United States to pay the taxes.

[Here the gavel fell.]

Mr. CANNON of Missouri. Mr. Speaker, I yield the gentleman 1 additional minute.

Mr. AUGUST H. ANDRESEN. Will the gentleman yield?

Mr. TABER. I yield.

Mr. AUGUST H. ANDRESEN. Under section 7, amendment No. 42, appropriations for the Executive Office of the President, there is an appropriation of $330,000 to take care of efficiency and savings under Reorganization Plan No. II. I thought we were going to have some efficiency in Government and savings as a result of the President's reorganization, but here is an increase in the appropriation.

Mr. TABER. The conference report calls for an increase of $250,000. This is that racket that has been going on in the President's office, writing political speeches during campaigns. It is absolutely useless and inefficient. The salary roll is away up in the air, and in my opinion it is without authority of law.

Personally I cannot go along with this report myself.

[Here the gavel fell.]

EMERGENCY DEFENSE APPROPRIATION

Mr. WOODRUM of Virginia. Mr. Speaker, I ask unanimous consent that the Committee on Appropriations may have until midnight tonight to file a conference report on the emergency defense bill.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

WORK RELIEF AND RELIEF APPROPRIATION BILL, 1941—CONFERENCE REPORT

Mr. CANNON of Missouri. Mr. Speaker, I yield 5 minutes to the gentleman from Virginia [Mr. WOODRUM].

Mr. WOODRUM of Virginia. Mr. Speaker, I am going to take just 5 minutes in order to keep the record straight; not to comment in detail on the conference report.

I voted against the relief bill, as it may be recalled, when it passed the House. I expect to vote for this conference report, not because I have changed my attitude in any way on the fundamental question involved in the relief bill, but because if we must have this kind of relief bill, and apparently we do at the present time, I think the conferees have worked out the situation about as well as it could be done.

The bill is much more than it was when it passed the House, as bills always are. Gentlemen at the other end of the Capitol proceed to load up appropriation bills that come over there with everything they can think of. After they do that they go into a huddle to see if there is not somebody who can take it out of the bill again. There is only one way to cut down appropriations and that is to quit appropriating money. All this business of resurveying and cutting off after we put it into the bill is nothing but a lot of hot air and gestures. If we do not stop these appropriations when they go through here they will not be stopped anywhere.

Mr. AUGUST H. ANDRESEN. Will the gentleman yield?

Mr. WOODRUM of Virginia. Yes, I yield.

Mr. AUGUST H. ANDRESEN. I know the gentleman does not intend to cast any reflections upon the other body, but it is my opinion that under the Constitution they were to be a check on the House of Representatives. What kind of a check does the gentleman think they have been?

Mr. WOODRUM of Virginia. It has been a sort of blank check most of the way down the line. [Laughter and applause.]

Mr. Speaker, in January the Budget estimate for W. P. A. was $1,000,000,000. Some of us had high hopes that the time had come when we were going to try to pull in on the relief burden, but those hopes were shortly dissipated when the estimate came back requesting permission to use that $1,000,000,000 in 8 months. In other words, a 33⅓ percent "hike" in the relief expenditures. The reason given for it was that there had been a slight drop in the production index and a slight recession in business, and therefore there should be a 33⅓-percent increase in the relief bill. Since the House passed that bill we have appropriated more than $5,000,000,000 for a defense program, speeding up industry everywhere. There is no earthly justification in sound logic or reason for this relief load costing this Government a billion and a half dollars in the next fiscal year. I want to express the very earnest hope and prayer that the President and the W. P. A. will spread this $975,000,000 over the full fiscal year and not come back to Congress for another appropriation.

The morning paper carries the news that 1,000 W. P. A. workers in Washington, in the District of Columbia, which is not an industrial city—you would not expect this industrial upswing on account of this to affect Washington—yet in the city of Washington 1,000 W. P. A. workers are taken off of W. P. A. rolls and put on the defense program.

That should, and indeed will, happen all over the length and breadth of this country. There is no excuse today for an able-bodied man not going to work in private employment, in private industry; and private industry in conjunction with this defense program should see to it that every able-bodied, competent person is employed and taken off W. P. A. I want to express the hope that in carrying out this program during the coming year, while Congress has permitted the use of these funds in 8 months, those in charge will take advantage of these substantial sums we are spending for defense and make the W. P. A. program less so they will not come back for more money.

We are spending a great deal preparing this country against invasion from foreign countries, but we are woefully lacking in an economic defense right here in our own country. We have already appropriated more than $5,000,000,000 for national defense and another $4,000,000,000 program is yet to come. We ought to have under consideration right now ways and means of raising the revenue to pay for the cost of this defense of America and the Western Hemisphere. The American people are willing to do it. They know they have got to meet this proposition some time or other, and that they will have to pay the bill. But at the time we are preparing our boundary defenses we must at the same time not overlook the economic and fiscal defenses of this country.

I hope the W. P. A. program will be spread over the year and that we shall not be asked for a deficiency. [Applause.]

[Here the gavel fell.]

Mr. CANNON of Missouri. Mr. Speaker, I yield 5 minutes to the gentleman from Massachusetts [Mr. WIGGLESWORTH].

Mr. WIGGLESWORTH. Mr. Speaker, I rise in opposition to the conference report.

The Senate added 70 amendments to the bill as passed by the House. I think it is a fair statement to say that almost without exception the House conferees have surrendered on every amendment of importance. I call your attention to the first amendment in this bill.

Colonel Harrington assured the House committee that he wanted to take politics out of W. P. A. He voluntarily gave us figures for maximum employment in the months of July to November, inclusive. The House inserted these figures in the bill with a view to the elimination of politics. The Senate struck the figures out of the bill, and the House conferees yielded to the Senate. Why? Mr. Speaker, I submit there is no logical reason in the world for that action except the desire to place the funds provided for those in need in a position to be utilized for political purposes in the campaign of 1940 as they were in the campaigns of 1938 and 1936. Actions speak louder than words.

I call your attention to amendments 31 to 34. The House conferees again yielded to the Senate. As a result, a precedent is established for undermining the national wage and hour legislation on our books at this time. The provisions of that law insofar as they apply to Puerto Rico and the Virgin Islands are eliminated.

I call your attention to amendment No. 50 which eliminates the liberalization which the House provided in respect to the 18 months' provision. Under the House liberalization, those 45 years of age or more with dependents were excluded from the terms of the 18 months' provision. The Senate eliminated the liberalization. The House conferees again yielded.

Amendments 6 and 7 undermine materially the principle of local contribution and provide that $25,000,000 may be taken away from those in need and applied to costs other than labor costs. The House conferees again yielded.

The bill when it passed the House carried appropriations totaling about $1,111,755,916. It returns to the House as a result of concessions by the House conferees carrying approximately $171,000,000 more than when it went to the Senate.

The bill carries an additional $69,000,000 for relief and rehabilitation loans, bringing the total up to $184,000,000. It carries an additional $50,000,000 for surplus commodities on top of the $185,000,000 already appropriated for that purpose. It carries an increase of $500,000 for the Puerto Rico Reconstruction Administration in the face of testimony before your committee indicating most scandalous conditions in Puerto Rico under that Administration. It carries an increase of $250,000 for the office of Government Reports in spite of the lamentably weak justification of that agency before your committee. It takes $100,000 away from those in need and makes it available for broadcasting purposes. It takes another $2,200,000 away from those in need and makes it available for increased administrative expenditure. It carries an increase of $1,200,000 for expenses of the administrative agencies under this program other than W. P. A. All this due to surrender by the House conferees.

Time does not permit going into the T. V. A. amendment, which is in dispute, and which will be taken up separately on

its own merits. I am opposed to that amendment and shall vote against it.

I am also opposed, Mr. Speaker, to this conference report. It is not possible for me to go along with it. I shall vote against its adoption. [Applause.]

[Here the gavel fell.]

Mr. CANNON of Missouri. Mr. Speaker, I yield 5 minutes to the gentleman from Pennsylvania [Mr. DITTER].

Mr. DITTER. Mr. Speaker, I was very much interested in the statement made by our distinguished majority leader just a short time ago in which he made the declaration that the Republican Party was trying to make the Democratic Party the war party of the country. May I say to the distinguished majority leader that the present administration is doing that so effectively itself that any efforts on our part are entirely unnecessary. I feel that the Republicans in no way need give aid or assistance to the methods of the present administration to impress upon the country that the administration now in power is the war-minded administration and that the party responsible for the administration is the war party of the country.

If anything were needed to confirm this declaration, the appointments of yesterday are certainly complete confirmation. The distinguished majority leader said that the Republican Party had been hunting for issues. I want to correct that statement. The Democratic Party has given us all the issues that a party might need, and no better issue could be had than the conference report that is now before us.

I want to remind the majority leader that the management of relief is certainly a real issue today. I want to remind the majority that from the majority side and under the direction of the majority investigating committee, the management of the relief has been branded with political corruption, with extravagance, and with admitted inefficiency. Instead of those who were in need receiving relief which they should have, they have been exploited in a most shameless manner. That is an issue made for us by the Democratic Party.

I want to remind the distinguished majority leader that the Republican Party has an issue in the continued war that has been carried on by the present administration against private enterprise. I want to remind the majority that the difficulties which appear as industry must be geared to a preparedness machine are due entirely to the continued warfare carried on by the present administration against private enterprise, private capital, and private industry. That is an issue made for us by the Democratic Party.

I want to remind the distinguished majority leader that all of the collectivist tendencies of this present administration in power is a real issue that the Republican Party accepts today. No better evidence of those collectivist tendencies could be presented than appear at this time in connection with the Puerto Rican program, which is a part of this relief bill. Lip service to constitutional government is what we have had in the last 7 years. Collectivism and constitutional representative government have nothing in common. The one is the antithesis of the other. Collectivism is the product of totalitarianism. Defending democracy cannot contemplate a series of experiments in collectivism such as the present administration has resorted to in the last 7 years. That is an issue made for us by the Democratic Party.

I want to remind the majority leader that the spend-for-prosperity program of the administration is an issue which concerns the welfare and security of the American people. Day by day it is becoming increasingly evident to people in all walks of life that the pay day for the profligacy of the last 7 years is at hand. With the boosting of the debt limit, and the increasing of an already heavy tax burden, the people are painfully conscious that the more abundant life has turned out to be the deadening despair of debt and disillusionment. Day by day it is becoming increasingly evident, as the startling disclosures of unpreparedness are made, that the wealth of the Nation has been wasted in the wildest orgy of spending we have ever known, an orgy of spending which has been frowned upon by many outstanding Democrats and denounced by every Republican. Billions have been spent with an eye on ballots which might well be used today for battleships. I feel, Mr. Speaker, that I need not dwell at length on the details of the financial fallacies of the last 7 years, nor attempt to emphasize the perilous position in which we find ourselves as a result of those fallacies. The figures speak for themselves. The majority might well examine the costs of a multitude of projects—Florida ship canal, harnessing the tides at Passamaquody, the experiments in resettlements, the wide variety of extended W. P. A. excursion, and many, many more, and then figure for itself what the cost of these expenditures might buy today in the shape of instruments of preparedness. No one could state more forcefully the peril of our financial position today than did the Secretary of the Treasury in his appearance before the Congress in connection with the new tax measure.

None of the explanations or excuses that debts are not debts and that spending is a new streamlined system of saving will pay for 1 hour's work on a battleship or buy 1 pound of metal for an airplane. The American people know that, and know it only too well. As they are faced with the necessity of providing a national defense, they realize fully and in a very practical way that extravagant social experiments, wasteful political excursions, and unsound financial practices have seriously impaired our strength. That is an issue made for us by the Democratic Party.

I want to remind the distinguished majority leader that the policy of a party purge is a real issue; in fact, an issue in which some of his own party stalwarts may still be much interested. To many of them, it is probably a very delicate issue. To many it is undoubtedly a taunting memory. To the American people generally it smacks of foreign philosophies not altogether democratic. Its victims have not likely endorsed it. Its survivors can hardly be said to be reconciled to it. The American people reject it. That is an issue made for us by the Democratic Party.

I want to remind the distinguished majority leader that the Court-packing program of the administration is still a live issue with the American people. They have not forgotten the attack on the independence of the judiciary. They still remember the tactics resorted to and the stern commands which were issued to ride roughshod over judicial strongholds. Even the emphasis on foreign affairs has not blotted out the memory of the attempted ruthless ravage of Court interpretations. The defense of the independence of the Court is a very fundamental part of the defense of democracy.

And, Mr. Speaker, by the same token, that which would destroy such independence must inevitably weaken one of the foundations, and a most important foundation, upon which the whole citadel of free institutions is built. Need I remind the majority leader of the denunciation of the purposes of that program so eloquently voiced by an able and fearless son of Texas here in this House? Can it be that the distinguished majority leader has forgotten that memorable occasion? Is it possible that the courageous stand of his colleague from Texas made no impression upon him? It cannot be. Surely my suggestion is all that is needed to refresh the mind of the distinguished majority leader of the method of attack and the necessity of defense at that time. The court-packing program failed, but the purposes have not been forgotten. That is an issue made for us by the Democratic Party.

I might go on, Mr. Speaker, for an extended time reciting live issues made for the minority by the practices, the policies, the purposes of the party in power. No good could come of such a recital at this time. It inevitably would tend to embarrass my friends on the majority side who have sponsored, supported, and defended the philosophy responsible for the whole program. I have no such purpose in mind. Had not the majority leader suggested the absence of issues I would have refrained from even this casual reminder of things which may be painful to many.

Let me assure my friend for whom I have a real respect, the able and distinguished majority leader, that the Republican Party welcomes the opportunity to meet the issues made for it by the Democratic Party—issues which we believe are fundamental, issues which go to the heart of our system of government and our way of life, issues that are of vital importance today as the Nation faces the sterner tasks of tomorrow, issues that will determine the destiny of the substantial spirit even more than the superficial form of democracy, issues which will command the attention, inspire the zeal, and challenge the devotion of men and women throughout the land—men and women committed to the cause of constitutional government and enlisted for the defense of the heritages which they treasure. [Applause.]

[Here the gavel fell.]

Mr. CANNON of Missouri. Mr. Speaker, I yield 3 minutes to the gentleman from New York [Mr. MARCANTONIO].

Mr. MARCANTONIO. Mr. Speaker, in these 3 short minutes there are two protests I would like to register with regard to this conference report. The first is that through appropriations and authorizations there will have been taken out of the Treasury by our action this year over $10,000,000,000 for war purposes. For relief and for the unemployed we appropriate only $975,650,000. This conference report still retains the 18 months' clause, discriminates against the foreign-born, continues the drastic wage cuts, violates the Bill of Rights, does not restore the prevailing wage, and in general crucifies the W. P. A. worker. The workers throughout the country are receiving discharge notices every day. However, as the program is uniforms and not overalls, this conference report is in line with it.

The second protest I now register against this conference report is the manner in which they put over the amendment exempting labor exploiters in Puerto Rico from the provisions of the wage-hour law. After we committed the wage-hour amendments in this House, Senator KING, of Utah, took a District of Columbia bill, providing for the hospitalization of Virgin Islanders in the District of Columbia, and added to that bill this amendment exempting labor exploiters in Puerto Rico from the provisions of the wage-hour law. Failing to get action over here on that bill, he then takes this relief bill and he adds the same amendment excluding the Puerto Rican workers from the protection of the wage-hour law. It is most unfortunate, and I certainly deplore the fact that the majority of the House conferees permitted the amendment to go into this conference report without any protest and without any fight.

The fact that this unusual and inordinate procedure was resorted to demonstrates conclusively the weakness of the case of the labor exploiters who were behind this amendment. Before the present session is over I shall introduce a resolution to investigate the vicious lobby that put this thing over on the Congress of the United States by this most fantastic procedure. In my investigation request I shall reveal all of the facts. I am going to state who is who and what is what, and give the details of the vicious lobby that operated to put this thing over.

Mr. TABER. Will the gentleman yield?

Mr. MARCANTONIO. I yield to the gentleman from New York.

Mr. TABER. This Puerto Rican situation has been terrible for a long time. The Puerto Rican Reconstruction Administration and the way it has been operated has been awful. This latest performance of discriminating between the people down there and the people up here is ridiculous.

Mr. MARCANTONIO. We are not doing anything for the people of Puerto Rico. By this amendment we are aiding and abetting their exploiters, a gang of chiselers who are unscrupulous and parasitical. The leader of this needle-industry lobby was a Mr. Schweitzer, who was assisted by a Mr. James Lanzetta, who received $10,000 a year from the treasury of Puerto Rico and at the same time comes down here and lobbys against the best interests of the Puerto Rican people.

What consideration are we giving to the people of Puerto Rico? In this relief bill we have cut Puerto Rico from $7,000,000 to $5,000,000 for relief purposes. On the other hand, we give the vilest gang of labor exploiters from New York City, who exploit those women and children in Puerto Rico, particularly in the needle trade, by virtue of this relief bill, relief from the provisions of the wage-hour law. What a mockery. There is dirty business behind this thing and I am going to prove it to the Congress before we adjourn. [Applause.]

[Here the gavel fell.]

Mr. CANNON of Missouri. Mr. Speaker, I yield 5 minutes to the gentleman from New York [Mr. FISH].

Mr. FISH. Mr. Speaker, I want to confine my remarks to section 40 on page 47, which provides for an appropriation of $50,000,000 for purposes of relief. It practically turns this money over to the President to distribute through the American Red Cross or any other agency he designates.

I am in favor of the amendment and the proposal, but I wish to make the prediction that this is just the start of what America will probably have to do in the next few years. As most Members of the House know, I am an isolationist from foreign wars, but I am not an isolationist from arbitration and peaceful methods, and particularly from humanitarian efforts on the part of the United States of America. I believe we have a great moral duty toward the world, first, to keep out of European and Asiatic wars; and, second, because we are the richest nation in the world, with great surpluses of wheat, corn, and cotton, that we will have either to give or loan those farm surpluses for the next 2 or 3 years to these war-ridden countries. In my judgment, we should not loan them but give them outright and ask nothing in return and expect nothing in return; not even thanks.

Mr. Speaker, we may even have to revise our whole agricultural program. Why give the farmers a billion dollars a year to destroy their crops of wheat, corn, and cotton, and so on? We may have to let the farmers grow all they want and buy those crops for a billion dollars, and then give this surplus to the European countries which have been invaded, and where women and children will be starving to death within 6 months' time, or by next winter.

This $50,000,000 contribution originated in the Committee on Foreign Affairs, when we authorized the $15,000,000 loan to Poland, which was reported almost unanimously. I said at that time—and I offered an amendment to that effect—that it ought to apply to similarly afflicted nations. It should now apply not only to Poland but to Norway, Denmark, Belgium, Holland, and France, because if this European war continues for the next 6 months or so and into the next winter there will be 50,000,000 people starving in Europe.

We cannot hold up our heads if we destroy our crops and destroy foodstuffs and let these people starve to death, when we could have a surplus by letting our farmers grow what they have a right to grow, and take the same amount of money and buy those crops from the farmers and give them to these destitute nations for their starving women and children.

So I submit, Mr. Speaker, this $50,000,000 is just a drop in the bucket. It is not meant merely for the Red Cross, because the Red Cross only distributes medical supplies, not foodstuffs. These foodstuffs must go through a separate agency, an agency such as we created during the World War under Herbert Hoover for the relief of the Belgians. Seven hundred million dollars was spent in 4 years to keep the Belgian people alive. I predict that we will have to spend a billion dollars within the next few years to keep the people of Europe alive. I believe this great country of ours has that moral obligation.

Some may say to me as they have in the past that I am an isolationist, but I am only an isolationist from war, not from peace, not from good will, not from arbitration, and not from feeding starving people in foreign lands. I believe that is exactly what we will have to do. This $50,000,000 is the first step. It may have to be duplicated within 6 months, but in the meanwhile, we may have to change our whole program of scarcity and have a program of abundance for the farmers of this country. [Applause.]

[Here the gavel fell.]

NATIONAL DEFENSE

Mr. MAY submitted a conference report and statement on the bill (H. R. 9850) to expedite the strengthening of the national defense.

RELIEF AND WORK RELIEF APPROPRIATION BILL, 1941—CONFERENCE REPORT

Mr. CANNON of Missouri. Mr. Speaker, I yield 3½ minutes to the gentleman from California [Mr. VOORHIS].

Mr. VOORHIS of California. Mr. Speaker, I like what the gentleman from New York said about making constructive use of everything that America can produce. And I agree with him about our doing everything we can for peace and for the relief of suffering everywhere. We should certainly encourage our farmers to produce all they can and, of course, the way to do that is to assure them that what they produce will be purchased from them at a fair price. To purchase it and relieve suffering abroad is one good thing to do. I should like to point out, however, that we already have a program for the constructive use of our farm products by our own people. That program, which should be expanded, is in the form of the stamp plan of the Surplus Commodities Corporation. I am very much in favor of its use to get food into the hands of the American people who are in need of it, as they are today, as well as to relieve the needs of other nations. There is added to this bill $50,000,000 for that purpose. I wish it had been $100,000,000. I wish the conferees had agreed on the Senate figure in that respect, especially in view of the loss of foreign markets for so many of our farm commodities and in view of the great importance of having a well-nourished Nation as we face these trying times.

I also wish that we could find out what the true relationship is between money as entitlement to buy and wealth produced as real purchasing power. It is not necessary to go into debt in order to provide the means of putting that wealth produced into the hands of the people who are in need of it. As long as the price level for farm commodities is below parity we should be purchasing from the farmer, or enabling our needy people to purchase from him with new money or credit created for that purpose.

Mr. Speaker, I ask unanimous consent to insert at this point in the RECORD a very brief paragraph from an article by Mr. Willis Overholser appearing in the Waukegan News-Sun, that illustrates the point I have just made.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

The matter referred to follows:

We develop surpluses and then, instead of paying pensions and relief wages with those surpluses, we plow them under, destroy them, and shut down factories until the surpluses disappear. Instead of just asking the question, "Where are we going to get the money?" we should ask ourselves, "How are we going to make adjustments in our outmoded financial system which will enable us to pay pensions, relief needs, etc., with these so-called surpluses and the potential products of closed-down factories?"

Thus we should quit trying to cut down our badly needed production to the size of an outmoded pocketbook. We should get rid of some of our stubbornness and should develop enough imagination and ingenuity to modernize the pocketbook.

Mr. VOORHIS of California. Mr. Speaker, in the next place, I am extremely regretful that the conferees were not able to hold the provision we put into this bill to protect people 45 years of age and older who are heads of families from the application of the 18-month rule. I think it works an injustice on those people to have that rule applied to them. I do not think it should be applied to them. They are the people to whom a W. P. A. job means the difference between self-respecting work and direct relief.

In the next place, it is important for us to consider just as carefully, if not more so, than we ever have, our public works employment program, provided for in part in this bill. America needs every person in this country to be at work at things she needs to get done. We cannot afford to have people unemployed in this country now. We need to make constructive use of the labor of everybody. When you consider the amount of money we have appropriated for defense—and I voted for every dollar of it—it seems to me that we must realize that to provide funds as we are doing in this conference report for the purpose of putting our people to work at constructive jobs is a matter of certainly equal importance from the standpoint of national defense. Our Nation will be strong to the extent that all of us are at work.

I should also like to see the program for preventing farm tenancy broadened more than it is now. I only ask you to consider the difference in feeling and attitude between the man who owns his modest acres of good American soil and the man who must see his family driven from pillar to post in search of an odd job here and there. Now, we have $1,682,000,000 of silver seigniorage lying idle in the Treasury of the United States right now. You could turn back the tide of increasing farm tenancy, and you can help solve this urgent problem if you would make use of some of that, for the purpose of making it possible for these migrant people, farm labor, and farm tenants, to become owners of farms. Rome fell because she did not do that very thing. May I say that America's strength is increased every time that is done. At this point, I want to call attention of the House to a very simple, one-page bill which I have introduced on this very matter of turning our tenants and migrant farm laborers into farm owners. The text of that bill is as follows:

Be it enacted, etc., That the Secretary of the Treasury is hereby authorized and directed to make available to the Secretary of Agriculture for the purposes set forth in section 2 of this act the sum of $1,000,000,000 by the issue of silver certificates in the aggregate amount of $1,000,000,000 pursuant to section 5 of the Silver Purchase Act of 1934.

SEC. 2. The amounts appropriated to the Secretary of Agriculture (hereinafter referred to as the Secretary) by section 1 of this act shall be available for the making of loans to farm tenants, farm laborers, and sharecroppers for the acquisition of farms under the terms and provisions of title I of the Bankhead-Jones Farm Tenant Act, approved July 22, 1937 (7 U. S. C. 1000–1006): *Provided*, That if as to any county the Secretary shall find that individual family-sized farms meeting the requirements of said act are not available for purchase by individual borrowers and that the purposes of said act can best be effectuated by the purchase and subdivision of large tracts, the Secretary shall be authorized to acquire such tracts, to make necessary repairs and improvements thereon, and to enter into contracts for the sale thereof to such applicants as are certified by the county committee established under said act as being eligible for the benefits thereof and upon terms conforming with the conditions set forth in said act.

America's strength for national-defense purposes is increased to the extent that the people of this country know that their Congress is going to see to it that every person in this country has the best possible stake in the ideals this country stands for.

TRIBUTE TO THE SPEAKER

May I say in conclusion on quite a different subject that a new Member of this House, and a young Member, operates under certain disabilities. I did not believe I ever felt that disability quite so much as I did today, when I wanted so badly, although I knew it was not in place for me to do so, to ask for at least a minute in which I might have had an opportunity to pay tribute to the Speaker of the House, as was done so beautifully by some of the older Members. I should just like to say that to me he has been a real inspiration, and that the years I have spent under his Speakership will be something I will cherish as long as I live, whatever the future may hold.

[Here the gavel fell.]

Mr. VOORHIS of California. Mr. Speaker, I ask unanimous consent that in connection with my remarks I may be permitted to include the text of a very short bill.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. CANNON of Missouri. Mr. Speaker, I yield 5 minutes to the gentleman from Tennessee [Mr. REECE].

Mr. REECE of Tennessee. Mr. Speaker, I am taking this opportunity to address the House with reference to amendment No. 68, which proposes to amend section 13 of the Tennessee Valley Act. Section 13 of this act is the section in

which provision is made to pay to the States of Alabama and Tennessee 5 percent of the gross proceeds of the T. V. A. for tax-replacement purposes. This amendment now proposes to amend section 13 for two purposes: First, to provide an equitable distribution of the money which is now authorized by this provision, and, then to increase the amount for a period of 8 years, at the end of which time it would be reduced to the 5 percent now provided in section 13, so as to take care of the requirements of the counties which are so seriously affected by the power property which has been acquired by the T. V. A. and thereby removed from taxation. Some of the counties affected have lost as much as 70 percent of their revenue. Seventy of the ninety-five counties in Tennessee are affected. Some of these counties have lost as much as 42 percent of their revenue, and there is no provision in the constitution of the State of Tennessee by which any of this 5 percent now being paid may be redistributed to the counties of the State. Unless some provision is made for these counties, they will default upon their bonds and other obligations, and will be forced to close their school.

The Tennessee Valley Authority has placed in the rate base 12½ percent for tax purposes, which is added to the cost of the power to the consumers and which is held as a trust fund for the purpose of repaying these taxes to the counties involved, but it is without authority to make the payment to the counties unless this amendment is adopted.

It is a matter of the gravest concern to the people of Tennessee and the other States affected that this amendment be adopted, and I think it is in accordance with sound principles of legislation that it be adopted. When the Federal Government goes into a private operation in competition with private enterprise, I think there should be a provision for payment of taxes or payment of money in lieu of taxes, and, in keeping with that policy, the T. V. A. has included in its rate base 12½ percent for this purpose, and unless we give it authority to disburse this money to the counties involved, these counties are going into liquidation, their schools will be closed, and it is almost a matter of life and death to these counties and the people who live in them. A great injustice will be done unless this provision is included in the bill, and, since the money for these payments is received from an increase in wholesale power rates for this purpose, it will not cost the United States Treasury one cent.

[Here the gavel fell.]

Mr. CANNON of Missouri. Mr. Speaker, I move the previous question on the conference report.

The previous question was ordered.

The SPEAKER pro tempore (Mr. THOMASON). The question is on agreeing to the conference report.

The question was taken; and on a division (demanded by Mr. DWORSHAK) there were—ayes 76, noes 46.

So the conference report was agreed to.

Mr. CANNON of Missouri. Mr. Speaker, I ask unanimous consent that all who have spoken on the conference report and all who will speak on the one amendment in disagreement may have 5 legislative days within which to extend their own remarks in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Missouri?

There was no objection.

Mr. O'BRIEN. Mr. Speaker, I make a point of order that a quorum is not present.

The SPEAKER pro tempore. The Chair will count. (After counting.) One hundred and seventy-nine Members are present, not a quorum.

Mr. CANNON of Missouri. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, when the following Members failed to answer to their names:

[Roll No. 159]

Blackney	Drewry	Lemke	Sheridan
Boehne	Durham	Maas	South
Bolton	Halleck	Merritt	Thomas of N. J.
Burgin	Harter of Ohio	Mitchell	White of Idaho
Chiperfield	Horton	Monroney	Wood
Cluett	Keller	Mundt	
Darrow	Kirwan	Romjue	

The SPEAKER pro tempore. Three hundred and ninety-six Members have answered to their names, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

EXTENSION OF REMARKS

Mr. SMITH of Ohio. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and to include therein figures relating to the Treasury general-fund balance, supplied me by the General Accounting Office and the Treasury Department.

The SPEAKER pro tempore. Is there objection?

There was no objection.

WORK RELIEF AND RELIEF APPROPRIATION BILL, 1941—CONFERENCE REPORT

The SPEAKER pro tempore. The Clerk will report the Senate amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 68: Page 42, after line 23, insert:

"SEC. 39. Section 13 of the Tennessee Valley Authority Act of 1933 is hereby amended to read as follows:

" 'SEC. 13. In order to render financial assistance to those States and local governments in which the power operations of the Corporation are carried on and in which the Corporation has acquired properties previously subject to State and local taxation, the board is authorized and directed to pay to said States and the counties therein, for each fiscal year, beginning July 1, 1940, the following percentages of the gross proceeds derived from the sale of power by the Corporation for the preceding fiscal year as hereinafter provided, together with such additional amounts as may be payable pursuant to the provisions hereinafter set forth, said payments to constitute a charge against the power operations of the Corporation: For the fiscal year (beginning July 1) 1940, 10 percent; 1941, 9 percent; 1942, 8 percent; 1943, 7½ percent; 1944, 7 percent; 1945, 6½ percent; 1946, 6 percent; 1947, 5½ percent; 1948 and each fiscal year thereafter, 5 percent. "Gross proceeds," as used in this section, is defined as the total gross proceeds derived by the Corporation from the sale of power for the preceding fiscal year, excluding power used by the Corporation or sold or delivered to any other department or agency of the Government of the United States for any purpose other than the resale thereof. The payments herein authorized are in lieu of taxation, and the Corporation, its property, franchises, and income are hereby expressly exempted from taxation in any manner or form by any State, county, municipality, or any subdivision or district thereof.

" 'The payment for each fiscal year shall be apportioned among said States in the following manner: One-half of said payment shall be apportioned by paying to each State the percentage thereof which the gross proceeds of the power sales by the Corporation within said State during the preceding fiscal year bears to the total gross proceeds from all power sales by the Corporation during the preceding fiscal year; the remaining one-half of said payment shall be apportioned by paying to each State the percentage thereof which the book value of the power property held by the Corporation within said State at the end of the preceding fiscal year bears to the total book value of all such property held by the Corporation on the same date. The book value of power property shall include that portion of the investment allocated or estimated to be allocable to power: *Provided*, That the minimum annual payment to each State (including payments to counties therein) shall not be less than an amount equal to the 2-year average of the State and local ad valorem property taxes levied against power property purchased and operated by the Corporation in said State and against that portion of reservoir lands related to dams constructed by or on behalf of the United States Government and held or operated by the Corporation and allocated or estimated to be allocable to power. The said 2-year average shall be calculated for the last 2 tax years during which said property was privately owned and operated or said land was privately owned: *Provided further*, That the minimum annual payment to each State in which the Corporation owns and operates power property (including payments to counties therein) shall not be less than $10,000 in any case: *Provided further*, That the Corporation shall pay directly to the respective counties the 2-year average of county ad valorem property taxes (including taxes levied by taxing districts within the respective counties) upon power property and reservoir lands allocable to power, determined as above provided, and all payments to any such county within a State shall be deducted from the payment otherwise due to such State under the provisions of this section. The determination of the board of the amounts due hereunder to the respective States and counties shall be final.

" 'The payments above provided shall in each case be made to the State or county in equal monthly installments beginning not later than July 31, 1940.

" 'Nothing herein shall be construed to limit the authority of the Corporation in its contracts for the sale of power to municipalities, to permit or provide for the resale of power at rates which may include an amount to cover tax-equivalent payments to the municipality in lieu of State, county, and municipal taxes upon any distribution system or property owned by the municipality, or any agency thereof, conditioned upon a proper distribution by the municipality

of any amounts collected by it in lieu of State or county taxes upon any such distribution system or property; it being the intention of Congress that either the municipality or the State in which the municipality is situated shall provide for the proper distribution to the State and county of any portion of tax equivalent so collected by the municipality in lieu of State or county taxes upon any such distribution system or property.

" 'The Corporation shall, not later than January 1, 1945, submit to the Congress a report on the operation of the provisions of this section, including a statement of the distribution to the various States and counties hereunder; the effect of the operation of the provisions of this section on State and local finances; an appraisal of the benefits of the program of the Corporation to the States and counties receiving payments hereunder, and the effect of such benefits in increasing taxable values within such States and counties; and such other data, information, and recommendations as may be pertinent to future legislation.' "

Mr. CANNON of Missouri. Mr. Speaker, I move that the House recede from its disagreement to the Senate amendment and concur in the same.

The SPEAKER pro tempore. The Clerk will report the motion.

The Clerk read as follows:

Mr. CANNON of Missouri moves that the House recede from its disagreement to Senate amendment numbered 68 and concur in the same.

Mr. CANNON of Missouri. Mr. Speaker, I yield 5 minutes to the gentleman from Alabama [Mr. SPARKMAN].

Mr. SPARKMAN. Mr. Speaker, in the short time allotted me I shall endeavor to explain briefly what this proposition is. This is commonly known as the T. V. A. tax amendment, and it has been put on as a rider in the Senate. All of you are probably aware of the fact that in the T. V. A. Act as originally passed, and as it stands today, in section 13 provision is made for the payment of 5 percent of the revenues from power to the States of Alabama and Tennessee, based upon the amount of power generated in each one of those States. This bill simply seeks to change this section 13 in two respects. First, it changes the amount immediately to 10 percent of the power revenues for the first year and then drops to 9 percent, and continues to drop until 1948, when it gets back to the present level of 5 percent, and then it levels it off at 5 percent for all time thereafter; and in that connection let me say that under the section as it exists now the 5 percent is not fixed by statute. The Board may at 5-year intervals, with the approval of the President, change that amount upward. While this bill would give a temporary increase, at the end of the time during which that temporary increase works it would level it off and thereafter there would be no flexibility in it. The other respect in which it is changed is the method of distribution.

The present 5 percent is payable to only two States, Alabama and Tennessee, but dams have been built and waters impounded in the States of North Carolina, Georgia, Tennessee, Alabama, Mississippi, and Kentucky, making six States that are vitally concerned. About a year ago we bought considerable properties from the Tennessee Electric Power Co. That has produced an acute tax situation. This bill would change the provision regarding payments to be made to two States and permit payments to all six States. Then, instead of making payments based upon the place where the power is generated, it would set up a formula so that one-half of the amount to be paid would be paid to these States according to the amount of power sales in those respective States and the other half in accordance with the amount of property owned by the T. V. A. in that State allocated to power. When I say payments to the States I mean to the States and the counties thereof, because the bill does carry a provision to allow payments directly to the counties up to the amount of the ad valorem tax loss from the property allotted to power.

Mr. TABER. Mr. Speaker, will the gentleman yield?

Mr. SPARKMAN. Yes.

Mr. TABER. The amendment as proposed instead of carrying 5 percent of the gross revenue carries 10 percent, with a gradual scaling down over a period of years.

Mr. SPARKMAN. Yes. I have just explained that—until 1948 when it goes back to 5 percent.

Mr. FITZPATRICK. Could the gentleman give us the assessed valuation of counties that will benefit under this, previous to the enactment of the clause, and at the time the public utilities were taken out of taxation. That would be the fair basis to find out the loss.

Mr. SPARKMAN. I have only about a minute left and I could not do it in that time.

Mr. FITZPATRICK. I asked the chairman of the committee to furnish me that. I am sympathetic with the idea. I wanted that information and they promised to send it to me.

Mr. SPARKMAN. It is available, and I hope it will be put in the RECORD. May I go on for a minute to say something to you about the reason this comes up in this form? I realize that this is irregular. This bill was introduced in the House in July 1939. We started hearings on the 23d of January of this year and continued them through the 20th of February.

I have here the printed hearings on this bill—544 pages—without one single word of opposition to it. The plan was worked out by the Tennessee Valley Authority, the Governors of the States concerned, with tax experts, and it came in and there was not one single word of opposition to it. Yet when the vote was taken in our committee the vote stood 12 to 12 on a motion to table the bill. Finally it was tabled by a vote of 12 to 10, with 2 members absent and the chairman not voting. So the vote in the committee really stood 13 to 12 to table this bill. It became necessary, in order for the House to have the privilege of voting on it, to bring it in as a rider on this report. [Applause.]

[Here the gavel fell.]

Mr. CANNON of Missouri. Mr. Speaker, I yield 5 minutes to the gentleman from Pennsylvania [Mr. FADDIS].

Mr. FADDIS. Mr. Speaker, I am amazed, astounded, and indeed alarmed to see a matter as revolutionary and far-reaching as this injected into a bill in this fashion. I am quite sure that if the American people were aware of what is going on they would be alarmed also to see one of the great bodies of this Congress, which is popularly supposed to be deliberative in its actions, try to inject a far-reaching change in our legislative procedure in a bill of this kind.

Here is a matter that reverses our entire system of administering Federal property injected into a relief bill; injected into it in a manner which, if the relief bill were before the House, could not by any stretch of the imagination be considered as being germane.

Now what are the facts in connection with this matter? They are simply these: After the Tennessee Valley Authority purchased the Tennessee Electric Power Co. they removed from the field of taxation throughout the State of Tennessee the properties of that corporation. They took from counties anywhere from 42 to 70 percent of their taxable assets. Now they have come to realize that they cannot have their cake and eat it, too. They are back to the Congress asking us to take from the General Treasury of the United States money to reimburse them for the taxes they have lost. I feel genuinely sorry for these small counties in Tennessee, but I submit to this House in all fairness that the General Treasury of the United States should not be penalized because four localities in the State of Tennessee are benefiting greatly at the expense of some 70 other counties. If this matter is to be adjusted, certainly in all fairness, both to the counties concerned and to the taxpayers of the United States, these 4 municipalities, 4 large centers in Tennessee—Knoxville, Chattanooga, Memphis, and Nashville—should make up the deficiency in the small counties, because those localities alone are securing the benefit. They are benefiting in excess of $4,000,000 each year through the retail of power purchased from the Tennessee Valley Authority wholesale.

Mr. WALTER. Mr. Speaker, will the gentleman yield?

Mr. FADDIS. I yield.

Mr. WALTER. Will the gentleman explain to me why it is these four particular localities are benefited at the expense of other counties in the State?

Mr. FADDIS. I just explained it. They are purchasing power from the Tennessee Valley Authority at wholesale rates,

and they are retailing it to their subscribers in other localities and making over $4,000,000 a year by doing so.

Mr. BRADLEY of Michigan. Will the gentleman yield?

Mr. FADDIS. I yield.

Mr. BRADLEY of Michigan. Does not the gentleman realize that there are many counties in northern Michigan and Wisconsin that have had their lands taken for national-forest purposes and thereby lost a great deal of revenue?

Mr. FADDIS. That is quite true. There are many examples of the same kind all over the United States. In the city of Hoboken, N. J., the Federal Government took the docks of the North German Lloyd Steamship Co. during the World War, which has taken that property out of the field of taxation. This municipality has lost a great deal of revenue from this source. There are many places throughout the United States that are laboring under just such disadvantage because the Federal Government has acquired properties which have been subject to taxation by localities, and in no case have those localities come to Washington asking that the Congress of the United States take from the Federal Treasury money to reimburse them for the taxes lost.

Mr. SPARKMAN. Mr. Speaker, will the gentleman yield?

Mr. FADDIS. I yield.

Mr. SPARKMAN. The gentleman referred to the taking of land for forest purposes. Does not the gentleman know that under a statute that has been passed by the Congress these many years, 25 percent of the revenues from the sale of public lands devoted to forest purposes is paid to the States from which the land is taken?

Mr. FADDIS. That is not a comparable case. The Federal ownership and control of these forest lands does not bring direct financial assistance to the localities in which these lands are located. Neither has such ownership resulted in lower utility rates or enabled populous centers to make considerable revenue from the retailing of power.

Mr. Speaker, the acceptance of this Senate amendment to this appropriation bill will create a dangerous precedent, and I hope the House will refuse to accept it. [Applause.]

Mr. CANNON of Missouri. Mr. Speaker, I yield 3 minutes to the gentleman from Tennessee [Mr. JENNINGS].

Mr. JENNINGS. Mr. Speaker, this amendment to section 13 of the original Tennessee Valley Authority Act——

Mr. BRADLEY of Michigan. Will the gentleman yield?

Mr. JENNINGS. I yield, but I do not want this taken out of my time.

Mr. BRADLEY of Michigan. It will just take a second. I just want to call attention to the fact that none of those counties will get revenue from the forests after 25 years.

T. V. A. TAX REPLACEMENT

Mr. JENNINGS. Mr. Speaker, this bill does not make an appropriation out of the Federal Treasury for the relief of these counties in Tennessee or for any of the counties in other States where the Tennessee Valley Authority is operating, which have lost taxes by virtue of the T. V. A. purchases of reservoir lands and utility properties therein.

This amendment simply provides that from the gross receipts from the sale of electricity made by the Tennessee Valley Authority in these various States there shall be paid back to the States and counties in which property has been acquired by the Tennessee Valley Authority and which is thereby withdrawn from taxation a certain amount in lieu of the taxes these States and counties have lost. The money this amendment proposes to pay to these States and counties is included within the wholesale rates at which the Tennessee Valley Authority sells this power. In the original act 5 percent of the gross proceeds of the sale of power by the Tennessee Valley Authority goes wholly to the States of Tennessee and Alabama. The States of Georgia, Kentucky, North Carolina, and Mississippi now get nothing. The counties in these States receive no replacement for the taxes they have lost and will continue to lose. In my congressional district alone the Tennessee Valley Authority has acquired rich farming lands and power-company properties that formerly paid taxes to these counties in the amount of more than $250,000. Thus, by these properties being purchased by the United States Government they have been withdrawn from the taxing power of the counties in which they are located..

If this amendment is not adopted, many counties in my State, and especially those in my congressional district, will default in their bonded indebtedness and in the payment of interest thereon. They will not be able to maintain their schools and roads.

Mr. RANKIN. Mr. Speaker, will the gentleman yield?

Mr. JENNINGS. I yield.

Mr. RANKIN. Twelve and one-half percent is added to a wholesale rate for this purpose. This does not take a penny out of the Federal Treasury. If this amendment fails, that 12½ percent will be taken off and it will go to these big cities instead of the small counties.

Mr. JENNINGS. In other words, if this amendment is not adopted, there is frozen in the original act 5 percent of the gross income. This year the 5 percent amounted to $560,000. This sum is divided between the States of Alabama and Tennessee. None of it goes to the counties. This amendment distributes among the States affected and among the counties affected a percent of the gross revenues of the Tennessee Valley Authority from the sale of power as follows: For the fiscal year 1940, 10 percent; 1941, 9 percent; 1942, 8 percent; 1943, 7¼ percent; 1944, 7 percent; 1945, 6½ percent; 1946, 6 percent; 1947, 5½ percent; 1948 and each fiscal year thereafter, 5 percent.

These payments are included in the rates at which the Authority is now selling power. In law, in equity, and in good conscience these payments that are to be made under this amendment belong to the people of these States and counties. The Government has acquired title to these properties, it has withdrawn them from taxation, and it should make this provision for the relief of these States and counties.

I ask my Republican friends to remember that the people for whom I speak have sent a Republican to this House since 1858, and that the failure to adopt this amendment means their ruin and the ruin of 58 other counties in Tennessee. [Applause.]

[Here the gavel fell.]

Mr. CANNON of Missouri. Mr. Speaker, I yield to the gentleman from California [Mr. HINSHAW] 5 minutes.

Mr. HINSHAW. Mr. Speaker, in these few remarks on this important amendment I should like to call attention to a few fundamental facts that are easily overlooked because they are right under our respective noses. When you stop to consider it, you must acknowledge that in a sense every business is a tax-collecting agency for Government and its multitudinous subdivisions. Business collects taxes from the people in the price of sales to the people, and then, in turn, pays them to governments and their subdivisions.

Taxes go into the cost of manufacture, the cost of sales, and the cost of transportation and all of the myriad of costs that make up the total price which the consumer pays. In fact, taxes constitute a prior lien against earnings and against the physical assets of every business. Taxes must be paid. They cannot be avoided. Every business, in figuring its overhead, adds in the taxes that must be paid to cities, counties, and States; and the Federal income tax is generally allowed for in the percent of profit added to the final cost. At least, one may safely say that every business hopes that it will make a profit, and expects to pay a Federal income tax if it does so—and in many States a State income tax, too.

Therefore, Mr. Speaker, it may truthfully be said that every business is a tax-collecting agency for government, whether it wills it or no.

In the case of a utility property, taxes are paid based upon the value of its real, its tangible, property and other assets. Taxes are paid upon or for its franchise, its right to do business, and to use public alleys, streets, and so forth, and to have the exclusive privilege of doing so, and taxes are paid for its privilege of being a body corporate, for the privilege of dividing its ownership through shares of stock, and so

forth. Taxes are paid upon the value of the product sold; and, finally, if anything is left, it pays a tax upon the interest paid on its bonds and then it pays income taxes if a profit remains.

Where do these taxes go? They go to support county and city governments and to States to help pay the firemen, policemen, school teachers, and public hospitals, and for roads and bridges and armies and navies, and all those things our people have come to look upon as the necessary services of government.

Where do the tax moneys come from? They come from the pockets of the people who use the electric light, heat, and power, the gas or water or telephone service furnished by the utility. If, by any miracle the utilities were relieved of the obligation, for such it really is, to collect these taxes from the people and pay them to municipalities, counties, and States, then these subdivisions of Government would have to either seek other means of raising that revenue from the people or abandon many of the services their citizens demand.

If the utilities were relieved of collecting these sums and paying them in the form of taxes, it would be possible for them to reduce their rates for electricity, gas, water, or telephone service by from 12 to 20 percent, according to the tax load they bear. But the people would have to raise that revenue from some other source. So they continue to tax the utilities which in turn must pass the burden right back to them in their monthly bills. However, in the case of utilities, those who pay these taxes in their monthly bills, and not many of them realize it, are those who use the services, and it is considered right and just that those who use the services should so contribute to taxes in their proportion of the services used. It amounts to a flock of hidden sales taxes.

Now, Mr. Speaker, in the pending amendment, it is provided that the Tennessee Valley Authority, a Government-owned utility, shall pay out of its gross revenues a modest proportion to counties and States in lieu of the ad valorum and other taxes which the Tennessee Valley Authority would have to pay were it privately owned. These percentages, on the whole, are a lot lower than the percent of its gross revenue that is ordinarily paid by a privately owned utility. A privately owned public utility would pay twice as much, at least, and more if corporate and security owners' income taxes were to be added.

Therefore, let me say right here to my colleagues who may be foes of Government ownership of utilities: If you want to see Tennessee Valley Authority rates established that are comparable to private-utility rates, you should not only vote for this amendment, but you should be in favor of doubling the amounts to be paid to the counties and States, in lieu of taxes, in order that Tennessee Valley Authority rates may be forced into a comparative and competitive condition. To vote this amendment down would defeat your own purpose.

I have no personal interest in this amendment whatever, but I think it would be a shame to deprive these counties of the revenue which some of them need to avoid bankruptcy. After all, the people pay the rates and the Tennessee Valley Authority will pay it back to them through their local government services.

I therefore suggest to my colleagues that whatever may be said against the T. V. A. as a project, this amendment should be supported in fairness to the people of the T. V. A. area, for they are not responsible for historical acts of the Congress. I have read a good part of the hearings on this question, and while I agree that the T. V. A. Act is very loose in certain important respects, that is the fault of the act itself. These amendments intend to correct one of the faults.

Mr. RICH. Mr. Speaker, will the gentleman yield?

Mr. HINSHAW. I yield.

Mr. RICH. If the Government gets into all kinds of business——

Mr. HINSHAW. I am making no support of that thesis, as the gentleman knows.

Mr. RICH. If the Government goes into business because the people of the States want them to get in, does the gentleman think it is right to tax the people of California to pay for losses by such Government operations?

Mr. HINSHAW. The people of California are not being taxed through this amendment, but the people of my district are paying enough for Boulder Canyon power so that a portion of it is paid to certain other States in lieu of taxes, in almost the same way as is provided in this amendment for the T. V. A. to pay in lieu of taxes.

Mr. RICH. Indeed they are paying for T. V. A. because their expenses are greater than their receipts, considering capital invested and amortization. This is socialism in my judgment.

Mr. HINSHAW. These taxes come out of the original charge by T. V. A. for electric energy which is paid by the electric consumers. [Applause.]

[Here the gavel fell.]

Mr. CANNON of Missouri. Mr. Speaker, I yield 2 minutes to the gentleman from Massachusetts [Mr. LUCE].

Mr. LUCE. Mr. Speaker, I wish to take these 2 minutes to record my protest against the Government's giving $50,000,000 to the American Red Cross to expend in Europe.

I was a member of the Committee on the Library for 14 years, and part of that time was its chairman. Our committee considered all matters relating to the American Red Cross. In that time, with the exception, if it can be called such, of money for another headquarters building, which was outside the scope of charity, it never asked the Government for a dollar. Indeed, in 1931, Chairman John Barton Payne, of the Red Cross, went before subcommittees of the Committee on Appropriations and stoutly objected to receiving from the Government any money for the drought-stricken areas, and said the central committee could not accept the administration of funds for general relief purposes. He read the vote of the 11 members of that committee to such effect.

Further he said it was his conviction this would to a large extent destroy voluntary giving.

There lies the great danger of the proposal that we give $50,000,000 to the Red Cross for the terrible need abroad. Knowing that this money has been given by the Government, many thousands of our people will decline to make any direct contribution. Public charity will replace private charity. The values of personal sacrifice will disappear.

I cannot find that the American Red Cross has ever been willing to receive any money from the Government for purposes of charity. Why? Because it would mean the destruction of the American Red Cross.

A few days ago I sent to my own home chapter a check several times larger than will be the increase in my income tax if this bill becomes law unamended. I was happier that night. I sent it without being asked to send it. It was not a large check, but it was at least 10 times as much as I would give by taxation.

Let the precedent be established that we will here dispense charity and there will be no end to the demand for giving out of the Public Treasury. Private benevolence will wane. All the benefit that comes to each one of us by following the example of the good Samaritan will in the end disappear.

Therefore I object to ruining the American Red Cross. [Applause.]

[Here the gavel fell.]

Mr. CANNON of Missouri. Mr. Speaker, I yield 5 minutes to the gentleman from Illinois [Mr. DIRKSEN].

Mr. DIRKSEN. Mr. Speaker, we are approving more than an amount of money today in the amendment that is before us. If this is approved, it will be approval for a principle that is going to plague us for a long time. The theory is that where government makes a venture into a proprietary field as distinguished from a field that is absolutely essential to articulating the functions of government, and we adopt this principle, it can well be applied to every proprietary activity of the Government.

Mr. PEARSON. Mr. Speaker, will the gentleman yield?

Mr. DIRKSEN. I am sorry; I have only 5 minutes.

That might be true in the case of the acquisition of forest lands when the lands are eliminated as revenue producers. That might be true of the merchant marine if any tax problem were involved. Once the precedent is established it will eventually be established to every proprietary function in years hence. We are going to be plagued by the brigade that will come and ask for reimbursement after the largesse and generosity of the Federal Government has been enjoyed.

The best instance in point is that after the expenditure of $7,000,000 to eradicate and control the Mediterranean fruitfly in the orange groves of Florida, there was an estimate made by a special board only a year ago for $7,000,000 in damages by those who sprayed the trees—who went down there to conduct the control program in the tangerine and fruit groves. There was reported out of the Rules Committee a rule that now exists and will be brought before the attention of this House seeking indemnification after the Government has been so generous to the people down there and preserved their groves and incidentally made them more fruitful in producing a better kind of fruit. If you are going to establish this principle, make up your mind that in every proprietary field, States, counties, and cities will be back here when taxes are lost, when revenues are dissipated, or damage has been done asking for reimbursement. I do not know how big the burden will be upon the Federal Treasury, but it will certainly reach staggering proportions.

It has been said that this is not an appropriation out of the Treasury. That is quite true. They provide for an increase in the gross rates of T. V. A. All the users of electricity who have been promised rock-bottom rates will be apprised of the fact that to meet these situations now arising as a result all T. V. A. rates must go up 12½ percent. If that 12½ percent were available for the purposes contemplated in the original act, we could more speedily amortize the navigation and flood-control expenditures of T. V. A., thereby more speedily benefiting the taxpayers of the country.

So do not be deluded by that chimerical and tenuous argument that this is not an appropriation, because in one way or another the taxpayers of the country must pay the bill. And finally this principle must logically be extended and applied to Bonneville, Fort Peck, Grand Coulee, Boulder Canyon, and to all the other proprietary electrical undertakings of the Government and wherever private distribution lines have been placed, wherever revenues have been lost. I do not say in all cases there will be loss of revenue, but wherever there are losses how can the Congress in all conscience then refuse to deal with those situations even as it is proposed to deal with them here today? Truly we assume a tremendous and continuing responsibility in the provision before us.

Finally, I want to say this. I was here in 1933, when the T. V. A. Act was passed. I heard all these plausible representations about rates. I heard them say how the T. V. A. was going to amortize itself. I heard them say how that country would be made to blossom as the rose and that ultimately, in fact in a short period of time, the whole project would be amortized. By raising rates, there are possible revenues that, instead of being devoted to amortization, will be devoted to reimbursing the treasuries of counties, States, school districts, and States where the benefits are already enormous. Let us not forget that $505,000,000 of the American taxpayers' money has been invested there for localized benefits. Most people receive none of it. So we look at this as the establishment of a principle that, like the ghost of Banquo, may one day rise to smite the conscience of every Member of this House.

[Here the gavel fell.]

Mr. CANNON of Missouri. Mr. Speaker, I yield 5 minutes to the gentleman from Ohio [Mr. ELSTON].

Mr. ELSTON. Mr. Speaker, in appearance this amendment is innocent enough. Actually it is one of the most far-reaching pieces of legislation this Congress has considered. It is repetition of a bill which passed the Senate almost 2 months ago. It was then known as the Norris bill and bore the number S. 2925. After passing the Senate on April 30 of this year it was considered by the House Military Affairs Committee along with an identical bill which had been introduced in the House known as the Sparkman bill. Hearings upon these bills before the full committee occupied 10 days and the reported hearings cover 544 pages. In addition to the open hearings the bills, together with all suggested amendments, were considered by the committee in executive session with the result that all proposed legislation on the subject was tabled.

Notwithstanding the unusual amount of consideration given this matter by the Military Affairs Committee, we now find the original bill tacked on to a relief appropriation bill and we are limited in its consideration to a period of 1 hour. Although that type of procedure may be technically proper, does anyone believe it would be advisable with only 1 hour's discussion to pass upon a subject which occupied the attention of a House committee for a period of more than 10 days? In the limited time I have I could not hope to more than begin a discussion of the provisions of the bill.

Last year you will recall this Congress authorized the issuance by T. V. A. of bonds in the sum of $61,500,000 to buy out the properties of the private utilities with which T. V. A. had been competing in the Tennessee Valley area. By reason of the purchase of these properties by T. V. A. the property of the private utilities was no longer taxable in the jurisdictions in which it was located. Immediately the affected States and counties turned to Congress for relief and the bills to which I have referred constituted their appeal. In some instances it was discovered that more than half of all of the taxes of the county had been derived from the private utilities that had been driven out of business by T. V. A.

Section 13 of the original act provided that 5 percent of the gross revenue of T. V. A. should be paid to the States of Tennessee and Alabama. It may be argued to you that this 5 percent was in lieu of taxes but that is not the case. It is the fundamental law of the land that a State has a property right in its natural resources. In this case it was the Tennessee River and the 5 percent was to compensate the States for the use of the river by T. V. A. for power purposes. This percent is now sought to be stepped up to 10 percent of the gross proceeds of T. V. A. for the year 1940. Thereafter it is to be gradually reduced until it again reaches 5 percent in 1949. Out of the revenue thus derived, both the cities and the affected counties will be paid something in lieu of taxes. For the first time we find these payments referred to as being in lieu of taxes and for the first time we find an effort being made to make payments direct to the counties. This, I submit, is without precedent, and is violative of that very fundamental principle that Federal instrumentalities cannot and should not be taxed. In other words, the amendment before us today is purely a tax-replacement measure.

It will be contended that on other occasions the Federal Government has made payment to States in lieu of taxes, but you will find that in each and every one of those instances payments were made to the States only, and they were made because of the fact that the State had a property right in the natural resources which had been taken over by the Federal Government—for example, in the case of forestry and grazing lands. A county, of course, has no such property right, and I am sure no one will point out to you a single case in which payments have ever been made by the Federal Government to a county; yet we find that this bill provides for direct payments to counties and no attempt is made to even make it appear that the payments are anything but taxes. Let me direct your attention to this language, on page 45, beginning on line 10:

Provided further, That the Corporation shall pay directly to the respective counties the 2-year average of county ad valorem property taxes (including taxes levied by taxing districts within the respective counties) upon power property and reservoir lands allocable to power, determined as above provided, and all payments to any such county within a State shall be deducted from the payment otherwise due to such State under the provisions of this section. The determination of the board of the amounts due hereunder to the respective States and counties shall be final.

In passing, you will notice that the tax is upon reservoir lands, as well as upon power property.

Let us consider for a moment the far-reaching effect of legislation of this type even if we were to assume, for the sake of argument, that it is constitutional. If a county in Tennessee is entitled to taxes from the Federal Government because of the location within the county of a Government-owned generating plant, dam or reservoir lands, why is not every county in the United States entitled to taxes upon post-office property, upon lands used in connection with flood dams, Army posts, and the like? In this connection we might also include the vast properties that have been taken from the tax rolls in recent years by housing projects.

You will probably hear it said that a distinction should be made where the Government instrumentality is engaged in business for profit. I am sure you will find no exception in the lawbooks. Theoretically, I suppose, the Post Office Department is run for profit, or, at least, it endeavors to meet expenses. As a matter of fact, if a Government agency is engaged for profit, there is less reason to make payments in lieu of taxes to local communities. A flood dam, for example, brings no benefits to those who live near it. T. V. A., on the other hand, has brought great benefits to those who live within its area of operation in the form of reduced electric-power rates. The fact that they are made possible by Government subsidies, which means contributions from those who receive none of the benefits, is beside the point. In the hearings before the Military Affairs Committee it was testified by the Governor of Tennessee that the benefits derived by the people of that State through reduced electric-power rates were double the tax losses occasioned by the purchase of the properties of private utilities.

The point is made that the benefits are largely received by those who live in the larger cities, whereas the tax losses are more noticeable in the smaller counties. If that is true, I submit it is the problem of the State to adjust it through a consumer's tax on the users of the electric power or otherwise. I do not believe that the taxpayers in other States who can never receive any of the benefits of T. V. A. rates are going to be impressed with the argument that the constitution of the State would require the distribution of a consumers' tax to all counties of the State on the basis of population.

If you will refer to the amendment we have been asked to rush through in this eleventh-hour fashion, you will find other things which call for its defeat. For example, the percentages of payments provided for by the act are based upon gross proceeds—not net proceeds but gross proceeds. Therefore, whether T. V. A. makes any money or not, tax losses will be paid as provided for in this amendment, meaning that if net earnings are insufficient the loss will have to fall upon the Federal Treasury and Mr. Taxpayer, who may live thousands of miles away from the Tennessee Valley area, will be bearing his proportionate share of such tax losses.

If you had the time to examine the hearings before the Military Affairs Committee, and, of course, you have not in so short a space of time, you would find that some of the counties that will sustain the greatest losses, taxed the private utilities for all the traffic would bear when they had the opportunity to do so. A neighboring county, in which none of the property of the private utility was located, had to get along on much less. The passage of this amendment would perpetuate that inequality and injustice.

Through the press we are advised this morning that the National Defense Commission has approved plans for a $65,000,000 expansion in electric power-producing facilities of the T. V. A. to permit increased production in defense industries centered in Tennessee. Lest we forget, T. V. A. was created on the theory that it was a national-defense project. Hundreds of millions of dollars have been poured into the project and now that we need electric power-producing facilities in the interest of national defense, we will be asked to appropriate at least $65,000,000 more in order to build new plants. According to press accounts it will require 20 months to complete these plants after the funds become available. In other words, we build a project for national defense, but when we need it for national defense we have to appropriate billions of dollars for a new project and wait at least 20 months before the same can be used. Apparently the only contribution T. V. A. has made to national defense is a yardstick and there seems to be some doubt about the yardstick.

Perhaps we might summarize the purpose of this amendment by the question, Shall the taxpayers of the United States who do not live in the Tennessee Valley area and who receive none of the benefits of this huge Government subsidy, pay the taxes of those who receive the benefits? If we pass this amendment, that is what will occur. In the light of these facts you can readily understand why the Military Affairs Committee conducted hearings for more than 10 days on this proposed legislation. By the same token you can realize how unwise it would be to reverse that committee after only 1 hour of discussion.

Mr. CANNON of Missouri. Mr. Speaker, I yield one-half minute to the gentleman from Arizona [Mr. MURDOCK].

Mr. MURDOCK of Arizona. Mr. Speaker, while I think it would have been better had this amendment been placed on some other bill, and while I know some Members have a fear that a far-reaching new policy is implied in this amendment which if adopted might plague us afterward, I have made up my own mind to vote for the amendment. It pertains to communities 2,000 miles from my home, and I have no other interest in it except that which every Member of this body should have, but its passage seems to me only a matter of fairness to all those States and communities immediately affected by the Tennessee Valley Authority. I think it very proper and generous of the representatives of Alabama and of the State of Tennessee that they are willing to support this measure which will deprive them of something according to the present provision of law and spread those payments around to several other States and communities.

As I understand it, the law originally provided that 5 percent of the revenue derived from the sale of T. V. A. power should be paid to the States of Alabama and Tennessee, and that considerable revenue has already been collected. This revenue was payable to the States in lieu of taxes on such property as might be destroyed by inundation or private property taken off the tax rolls. I further understand that schools and other public functions have been seriously handicapped because of a reduction in tax revenue and to which payments in lieu of taxes have not been distributed by the present law. This amendment, if passed, takes no money out of the United States Treasury, because the consumers pay the whole bill, and if what they pay is not distributed to the half dozen States concerned by the adoption of this amendment, these benefits will be paid to the original States in a manifestly unequal proportion. I want the schools and other local functions of government in a half dozen States to receive their due share of benefits.

A few days ago when a bill to readjust power rates at Boulder Dam was being considered by the House Committee on Irrigation and Reclamation, a change was made in the bill by which the States of Arizona and Nevada were to receive a fixed cash payment annually for a definite time in lieu of the provision in the present law of 18¾ percent of the surplus revenue derived from the sale of power. During the hearings the question arose concerning the payment of part of that sum annually to Mohave County, Ariz., and to Clark County, Nev., in which Boulder Dam is actually located. Although it was impossible to fix that matter rigidly, I had the feeling that justice requires the law to be so worded that Mohave County should receive special consideration in the division of the annual payment going to the State of Arizona. The same thing would apply to special consideration to Clark County, Nev., for a special portion of that revenue going to the State of Nevada because of sale of Boulder Dam power.

Is this a dangerous precedent? I think not, because of the fact that we are not appropriating money out of the Federal Treasury to make such payments. We are actually doing something like that in the far West in connection with the national forests and the grazing domain. A fraction, 25 percent I believe, of the revenue derived from the national

forests and also the revenue derived from the grazing districts, although collected as Federal revenue, is paid in due proportions to the counties in which the same is located.

I think the same thing could be done with regard to the revenue derived from national parks and monuments. For instance, we have almost a score of national parks and monuments in Arizona; admission to them is charged and some revenue thus accumulated. I think it only fair that counties containing these parks and monuments should get, say, 25 percent of the revenue collected in such parks and monuments. Of course, opponents point out that the counties and towns and the State receive certain benefits from such parks and monuments and that they at the present time raise less revenue than it takes to support them. This may be true, but in addition there are some heavy local expenses incurred in road building and policing and the like because of the presence of these parks and monuments.

To my mind the T. V. A. represents a great conquest of Nature by the hydraulic engineer. However, I think that as this great work comes to maturity and more nearly completion we shall find it is a marvelous social experiment, more hopeful and significant in its meaning for human progress than it is wonderful as an accomplishment of science. In the T. V. A., man is conquering Nature and making a better region for millions of our citizens. It would be too bad, it would be a shame, if schools and good government in those communities touching the T. V. A. should be financially starved through lack of tax revenue because of this material progress. The consumers of T. V. A. power are paying and repaying the cost of its construction. Therefore the consumers of the power, not the United States Government, should also foot the bill in appropriate fashion for suitable schools and proper local costs of government in all those communities reached by T. V. A. power.

Mr. CANNON of Missouri. Mr. Speaker, I yield 3 minutes to the gentleman from Massachusetts [Mr. McCORMACK].

Mr. McCORMACK. Mr. Speaker, in supporting the motion of the gentleman from Missouri that the House recede and concur in the Senate amendment, I do so with the strong conviction and feeling that the equities involved warrant such action being taken. We have a situation where rural counties in the States affected have had a large part of their taxable area taken away for purposes in connection with the carrying out of the T. V. A. program. Whether or not one opposed originally the T. V. A. program, it seems to me, should not determine his mind as far as this particular question is concerned. This question should be decided by us upon the merits of the facts involved in the question itself without regard to our own feeling about whether or not the T. V. A. legislation should have been enacted into law. I have examined the evidence in this case, and the testimony shown by the report of the joint committee investigating the Tennessee Valley Authority shows that in fixing the Authority's wholesale rates 12½ percent of the Authority's wholesale revenue was included in order to produce an amount which, when added to the taxes actually paid by the Authority's distributors, would result in a percentage equivalent to that which was paid by private companies engaged in a similar operation. All these counties ask is the consideration that equity and justice call for under the circumstances.

In 3 minutes it is impossible to go into any detailed statement as to the effect of the taking away of such a large portion of the taxable area of the counties. They have to continue their responsibilities with respect to schools, roads, and the other responsibilities that devolve upon counties. The 5 percent as provided by present law should be increased to 10 percent in order to accomplish the objective which the provisions of the pending bill will accomplish if enacted into law. The counties are not receiving consideration now. Two States are, and four other States should. The cities are capable of obtaining compensation by way of taxation for that portion of the city property that is utilized in connection with the carrying out of the T. V. A. activities, but the rural counties are not. In all equity and justice, I respectfully submit that they are entitled to the consideration that is called for in the provisions in the pending bill. [Applause.]

[Here the gavel fell.]

Mr. HARNESS. Mr. Speaker, this back-door raid upon the Federal Treasury in which administration forces and T. V. A. advocates have tacked this measure upon a relief appropriation bill is, to say the least, extraordinary. I must admit, however, that it is not without an ironic sense of fitness. It is the studied judgment of the House Committee on Military Affairs, reached after 10 weeks of exhaustive hearings, that the measure is unsound and without merit. If this dole is to be granted, therefore, it is fitting that it should be tacked onto this relief appropriation bill, where it may properly stand as still another example of pauperization of a sovereign State by the Federal Government.

The gentlemen who have addressed the House in its favor have failed to advance a single argument today which has not been painstakingly examined by the committee. Neither have they altered the several reasons why this measure should not be enacted. To attempt to drive the measure through under circumstances which permit only 1 hour of consideration and debate is simply to flout the committee which has given its earnest efforts and much of its time before rejecting the proposal.

This is not a problem of the Federal Government. This Government has already lavished gifts out of all proper proportion upon the State of Tennessee and the T. V. A. area. The equitable distribution of those gifts is the problem solely of the State of Tennessee, which that State can solve if she wills to do it. We are told that the State is helpless because she has no right under the constitution to reimburse those few counties which have been ruined by the T. V. A. If that is the case, and if the State of Tennessee accepts this largess from the Federal Government, it is the clear responsibility of that State to amend its constitution and enact legislation which will enable it to rescue these ruined counties.

All the arguments presented to the committee and now briefed in this short debate do not convince me that there is justice and equity in this Treasury raid to reimburse a few counties which have been ruined by tax losses while other counties are reaping profits to the extent of $4,000,000 a year through the generosity of T. V. A. The cities of Chattanooga, Knoxville, Nashville, and Memphis are, so we are told, actually reaping this reward on the resale of power.

If such profits are accruing to favored communities, they obviously come at the expense of those counties which T. V. A. has forced into bankruptcy by the inundation of land, or by the purchase of private utilities properties, thus robbing these counties of tax revenues.

But if you will listen to the evidence, these are by no means the only profits accruing as a result of Federal generosity in the T. V. A. area. Read the report of Gordon R. Clapp, general manager of T. V. A., appearing at page 531 of the printed hearings on this subject before the House Committee on Military Affairs. Note this statement over Mr. Clapp's signature:

> The Authority has made no field check of new industries located in the valley. The list is therefore based upon secondary sources, * * * and is necessarily incomplete. * * * The list has been limited to industries having 10 or more employees. According to the Census of Manufactures, there was a net increase of 543 in the total number of manufacturing establishments in the valley counties in the period 1933–37.

Immediately following there is a partial list of 128 new industries, roughly two-fifths of the total, showing the mere new construction investment of some $15,000,000, and new employment estimates of some 15,000. Multiply that by 2½ and you have a rough idea of another source of huge profits to Tennessee accruing from T. V. A. largess to the State. Scan that list of industries new to the valley and you will not find a single new source of investment and employment in the lot. When I point out to you that this is not a net addition to our national production and employment, I do not begrudge the valley this improvement. In fact, I congratulate the country and the valley in this addition to our productive capacity. The fact remains that this additional huge profit to Tennessee comes largely at the expense of other industrial

States just as surely as the profits to favored Tennessee communities come at the expense of the State's own ruined counties.

Look at T. V. A.'s own set of books for another interesting source of profit. If Tennessee has thus profited by T. V. A. power, think how Tennessee has profited by flood control and navigation. Since more than half of T. V. A. appropriations have gone for these purposes, then obviously the benefits to this area from flood control and improvements in navigation have even exceeded the direct profits from T. V. A. power.

Listen to the T. V. A. advocates still a moment longer. Listen to them extoll the recreational benefits accruing from this tremendous Federal largess. I am sure there are no dependable statistics on the subject, but at least let us consider these benefits real.

With these things in mind, is it not fair now to suggest that the State of Tennessee should find the means to distribute these benefits in a manner to meet its obvious responsibilities to its comparatively few ruined counties? Is it fair to the taxpayers of Indiana and the rest of the Nation to ask them to dig deeper into their pockets to discharge the responsibilities which this already overfavored State of Tennessee is shirking?

Although I am challenged on this question, there is grave doubt in my mind that this measure is even constitutional. This is the first time in our history, so I am informed, that the Congress has appropriated money for, or authorized money to be paid directly to counties. Certainly there is no way otherwise to force the State to distribute this money to its ruined counties.

I must remind you, also, of the future liabilities of the Federal Government implicit in the approval of this measure. There are literally hundreds of instances in which the Federal Government has taken millions of dollars of taxpaying property off of local and State tax duplicates. Our Federal housing projects are a notable example. If Tennessee counties, broken by T. V. A., may look for rescue by the Federal Treasury, then is it not fair and consistent for cities and counties all over the country to ask this Congress for full compensation for every cent of revenue of which this Federal Government has deprived them?

The question involved here is much larger than a mere dole in Tennessee, as important as that single question is. Even if this could be isolated as a single Treasury raid for the benefit of Tennessee, it could not be justified after a casual examination of the balance sheet. But the matter cannot be so isolated. If this measure is approved, the precedent will arise to plague and embarrass this body time after time in the future. If Tennessee ignores its immediate responsibilities in this instance on the shallow pretext of State constitutional limitations, why should not 47 other States find an equally shallow pretext for laying additional State burdens in the lap of Congress? Why should not the taxing units in my own State of Indiana find some pretext for asking Congress to reimburse them for the losses they have suffered at the hands of the United States Housing Authority, or some other New Deal agency which has complicated the local revenue problem by making serious inroads upon local sources of tax revenue?

The question is just that broad in its implications, and just that serious in its possibilities. Yet we are asked, during this utterly unthinking and shortsighted Treasury raid, in a single hour to approve a proposal which a competent committee has already rejected after hours and days of serious deliberation. I hope—I sincerely hope that this House will not be duped into approval of this measure at least until it has had an opportunity, certainly not available in this 1 hour, to understand fully the implications in the proposal.

Mr. CANNON of Missouri. Mr. Speaker, I yield one-half minute to the gentleman from Tennessee [Mr. KEFAUVER].

Mr. KEFAUVER. Mr. Speaker, my district is the hardest hit of any in the Tennessee Valley by virtue of this acquirement of power-company properties. A large part of the property of the Tennessee Electric Power Co. was located in the 12 counties of my district. The power company paid from 12 to 42 percent of the taxes in these various counties. This Congress in its wisdom saw fit to authorize the purchase of this property by the Tennessee Valley Authority. If this amendment is not passed many counties in my district will be unable to carry on their schools and will default in the payment of bonds. They have for years collected taxes on this power-company property, which they had a right to expect to continue to remain there subject to taxation. Certainly no Member of this House will want to inflict this punishment upon the people, and especially the school children of these various counties, who through no fault of their own are placed in this pitiful plight.

The record shows—and there is no word of testimony to the contrary—that the Tennessee Valley Authority has added 12½ percent to its power rates as a tax fund. So the consumers of electricity are paying an additional amount which is in excess of the percentage that will be taken from the sales of electricity to replace county taxes. This payment is in the nature of a trust fund, and certainly an amount should be taken from it sufficient to at least meet the acute situation that these counties are confronted with.

I hope that no Member of the House thinks that this is full tax replacement. As a matter of fact, the State of Tennessee will still lose almost all of its business taxes on power utilities, and the counties will lose some taxes on personal property. I also want to call attention to the fact that in the counties having land covered by reservoirs resulting from dams built by the Tennessee Valley Authority, that the counties will receive replacement on only that part of the land allocated to power. The allocation now set up by the Tennessee Valley Authority on such land is 40 percent of its value. I feel that the whole tax loss on this land should be replaced and presented an amendment to the Military Affairs Committee for that purpose, but, of course, the Senate amendment under parliamentary procedure cannot be amended. So that, even if this bill is passed, the counties, unfortunately, will have to suffer that substantial loss.

The Tennessee Valley Authority is of great value in the national-defense program. It is earning, and will earn, enough money to amortize the power investment in 47 years, and in addition restore the taxes to the counties. Whether or not you agree with the Tennessee Valley Authority is not the issue now presented. The Tennessee Valley Authority is a reality and certainly you do not want to penalize the counties and people in the valley. The very fair attitude of Alabama demonstrates conclusively the justice of this proposal. The enactment of this legislation will reduce the amount that goes to Alabama, but the Representatives from Alabama, being statesmen and wanting to do the fair thing, favor this bill. I think it is a commendable attitude on their part.

I urge you, my colleagues, to place yourselves in the situation of the people of these counties. They are not responsible for the plight they are in. This amendment is fair, reasonable, and just. I hope that you will support it. [Applause.]

Mr. CANNON of Missouri. Mr. Speaker, I yield 3 minutes to the gentleman from Texas [Mr. RAYBURN].

Mr. RAYBURN. Mr. Speaker, it matters not whether some of us ever agreed that the Tennessee Valley Authority should be set up to do the work it is doing or not. The Congress by its action did set up the Tennessee Valley Authority. Congress did approve the building of these dams. Congress did appropriate the money to build them. They are there, and whether the individual community wanted the dam to cover up its property or not, the dam has been built and the property, so far as taxable purposes are concerned, has been destroyed to the local communities.

This is not a matter of the State of Tennessee alone; it is a matter of the little communities that are trying to survive in the counties that have had a great deal of their taxable values taken away from them by an agency that is making money out of having destroyed their taxable values.

It seems to me, after reading this proposed amendment or compromise that is now before the House, that it is nothing less than fair, nothing less than right, that for a

few years to come this contribution to these communities to support their schools and their other institutions is not an unfair thing for them to ask or for the Congress of the United States to grant.

Mr. RANKIN. Mr. Speaker, will the gentleman yield?

Mr. RAYBURN. If I have the time; yes.

Mr. RANKIN. This money is already collected from these consumers. There is 12½ percent added to the wholesale rate for this purpose, and if you kill this provision they will simply reduce the wholesale rate for the benefit of the whole area, and these little communities whose lands were flooded will be the ones that will have to suffer.

Mr. RAYBURN. That is correct, I think, and that is an added reason why these communities should be granted the relief sought by the amendment pending in the House at the present time. [Applause.]

Mr. CANNON of Missouri. Mr. Speaker, I yield to the gentleman from Mississippi [Mr. RANKIN] such time as he may require.

Mr. RANKIN. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD at this point.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

Mr. RANKIN. Mr. Speaker, if the Members on the other side of the House who have been clamoring for these consumers to pay taxes, have been sincere, they cannot afford to vote against this provision. Their vote will demonstrate just how serious they are in their demands for the consumers of T. V. A. power to pay taxes, because if this provision is defeated the T. V. A. will then reduce the wholesale rates by taking off the extra charge now collected to take care of these items. That would benefit the power consumers of the whole area at the expense of these small areas whose lands have been flooded and removed from the tax rolls.

This is a just proposition, and I hope it will be sustained by an overwhelming majority. [Applause.]

Mr. CANNON of Missouri. Mr. Speaker, I yield 10 minutes to the gentleman from Kentucky [Mr. MAY].

Mr. DONDERO. Mr. Speaker, will the gentleman yield?

Mr. MAY. I yield.

Mr. DONDERO. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD on this subject at this point.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. DONDERO. Mr. Speaker, amendment No. 68 of the pending relief bill, House Joint Resolution 544, in disagreement before the House seeks to amend section 13 of the Tennessee Valley Authority Act of 1933 to provide that a part of the revenue received from the sale of power in the States invaded by the T. V. A. shall be returned and paid back to the school districts, cities, counties, and municipalities for taxable property lost or destroyed by the operations of the T. V. A.

This would establish one of the most dangerous precedents in the history of this Government. If the principle involved in the pending amendment was carried out and extended to all the operations of the Federal Government, it would mean that every municipality, every taxing unit, and every State in the Union ought to demand from the Government of the United States reimbursement for property taken in order to carry out the necessary functions of Federal authority. Every city that has a post office, every State that has a Federal highway, every water course that has a navigable channel which has been dredged from taxable property, should immediately file a claim with Congress to be reimbursed for taxable property taken from the tax rolls of such taxing units.

I have opposed the establishment of the T. V. A. from its very inception on the ground that it was extending the hand of the Federal Government into private business and in competition with private enterprise. Its plain import is nothing less than national socialism.

The T. V. A. is one of the greatest swindles ever perpetrated upon the American people and some day, when the full and complete truth becomes known and the ultimate results are made apparent to the people, those results will rival the Mississippi Bubble of more than two centuries ago.

Every good engineer in this country knows that with very few exceptions it costs less to generate electric energy by steam than by hydroelectric power. In order that the people might not know, and in order to deceive the American public, the program of the T. V. A. is to shift $215,000,000 of this gigantic scheme out of an estimated cost of more than $500,000,000 to flood control and navigation.

It is known that navigation on the Tennessee River costs twice as much as transportation by rail, and not including taxes.

Nearly 1,000,000 acres of the best agricultural land in Tennessee have actually been destroyed by this gigantic scheme, which represents an area double the acreage ever destroyed by floods by natural causes.

Strip this whole deceptive program of its trick bookkeeping and window dressing and the net result is a waste of public money, a destruction of free enterprise, thwarting of individual ownership, and a staggering blow to the economic system of the United States.

In 1933 the estimated value of the entire T. V. A. was $132,000,000. At the present time approximately $375,000,000 has been expended on the Tennessee River in furthering and expanding this national socialism. It was only spent as a power project and has very little use either for flood control or navigation. Commerce on the Tennessee River is negligible and the building of the vast dams for flood control is sheer hypocrisy, for if the dams are empty they cannot be used for power; if they are full, they are useless for flood control.

The actual income of the T. V. A. from the sale of power in 1937 was less than $2,000,000. The greater part of the huge investment of $375,000,000 has been expended for the purpose of developing hydroelectric power. The return on this enormous investment is less than one-half of 1 cent.

If the T. V. A. desired to present to the American people an honest picture of this foolish investment and tried to make income justify the enormous expenditure, it would have to increase its present rate nearly 2 cents per kilowatt-hour. That rate then would be higher than the average cost of electric energy throughout the entire country as now furnished by private enterprise.

For over 7 years I have listened to absurd and exaggerated statements made on this floor of the great possibilities of the T. V. A. I have, also, listened to the unbelievable and ridiculous statements made in this House that the American user of electric energy was being overcharged $1,000,000,000 annually by private enterprise.

If the reports of the Federal Power Commission are correct, and no one has ever challenged their accuracy, the total amount of electric energy, according to the latest report, used and paid for by the people of this Nation amounted to $2,000,000,000, from which private utilities were compelled to pay in taxes, cost of maintenance and operating, approximately $1,400,000,000, leaving $600,000,000 for other purposes.

The absurdity of the claim made that utilities are overcharging the users of electric energy $1,000,000,000 annually needs no further explanation from me.

The pending amendment should be defeated and the municipal tax units in the States affected, who clamored for this glorified project, should meet the problems which they themselves invited. The Federal Government has been a Santa Claus. Gentlemen, this amendment seeks another bag of gifts to be paid for by the taxpayers of my congressional district and throughout all the States in order to continue the expensive luxury of a Federal enterprise that cannot justify its economic position.

I hope, Mr. Speaker, that this amendment will be voted down and the people of the Nation spared the further humiliation of paying for a white elephant that should never have been born.

Mr. MAY. Mr. Speaker, I have felt the vital importance of this matter so keenly that I regret exceedingly there is not opportunity for greater and more lengthy discussions. As

said by the gentleman from Illinois [Mr. DIRKSEN], we are proposing here something altogether new in the system or form of the American Government under which we live.

Mr. KEFAUVER. Mr. Speaker, will the gentleman yield?

Mr. MAY. I am sorry I cannot yield just now, and I hope my colleague will not interrupt me, for this is too important.

Let me say to begin with that this is a permanent tax. It is not only a permanent tax but it is a tax that will spread out over the country wherever the T. V. A. shall extend its operations, and it is now admitted that it is in seven States already, and probably, with the national-defense move under way and a Budget estimate and proposal sent here today to the Congress for $65,000,000 for the T. V. A. for the construction of dams and powerhouses, there is no telling where it will spread and there is no telling in what communities it will destroy tax values and schools and other governmental activities all over the country.

There is another vital matter involved here that I want to call to the attention of the House. The House itself is on trial in this matter. One of the major committees of the House is being tried today, because this is nothing more or less than a back-door form of effort on the part of another body to disregard and override the Military Affairs Committee of the House of Representatives, which it has already done on three different occasions. I am here today defending the jurisdiction and rights of a major committee of this House against the overriding and roundabout way of telling the House of Representatives that its committee cannot write legislation after 6 or 8 or 10 weeks of hearings, and then after many hours and weeks of consideration in executive session.

Mr. THOMASON. Mr. Speaker, will the gentleman yield?

Mr. MAY. I am sorry, but I cannot yield at this time. There is another thing about it that I want you to catch, and that is this. The bill upon its face tells you that it ought to be defeated. Why? It starts out and says to you that it takes 10 percent of the gross receipts in 1940 to pay these tax bills, and then it tells you that 5 percent of them 8 years from now is enough. Why? Because there is going to be such an increase in business enterprise and manufacturing plants, 785 of which have already entered that valley, that they will have revenue enough to pay with a 5-percent tax.

Mr. REECE of Tennessee. Mr. Speaker, will the gentleman yield on the question of tax?

Mr. MAY. I cannot yield at this time.

Mr. REECE of Tennessee. I want to give the gentleman some facts about the matter.

Mr. MAY. I am sorry, I cannot yield. I know five times as much about this as the gentleman does. The proof before our committee shows that the people of Tennessee alone have made a saving of $7,600,000 in the rates, and their whole tax bill is only $3,500,000. In addition to that, when that good-looking, handsome, little Governor of Tennessee came before our committee and spent 3 hours on the witness stand singing the praises of the T. V. A. and we asked him about levying a sales tax in Tennessee to take care of this thing, he wilted and almost fainted, because he is a candidate for reelection and a sales tax is not popular. What else have they got? They have navigation for 650 miles on that river, and they have erosion prevention, and cheap fertilizer distributed all over that valley at cost, and yet the gentleman from Texas [Mr. RAYBURN], the floor leader, talks about the equity of this thing, and the whole story is just like saying, Now we will build a great highway from the north to the south and we will improve the properties and the values of everything in every State, every county, and every municipality through which it goes, and because Uncle Sam, out of his Treasury and out of the pockets of his taxpayers all over America, does that he must be penalized to a further extent of creating a tax for all time to come, with business increasing and coming there every week and every day.

Someone said that there was not a man that ever appeared to oppose this measure. That is correct; and why? Because everybody in that area is getting something out of it, and that is the reason why nobody appeared in opposition to it.

Mr. SPARKMAN. Mr. Speaker, will the gentleman yield?

Mr. MAY. No; I cannot yield.

Mr. SPARKMAN. The gentleman will not say that Alabama is getting anything out of it.

Mr. MAY. I will say that Alabama is going to be hurt by it, because it will take away from Alabama some things she has now, and there are some little taxing districts and school districts and other organizations in that country that will suffer. But if we are going to have Government ownership, and Government operation of utilities, and Government competition with private industry, we might as well get our lesson now, so we will know hereafter what it is going to be. These people are getting a taste of it, and we might as well have a taste here and now and let us see what it is going to be. [Applause.] It is going to be a bitter dose in a vile form of state socialism like Russia and Germany.

In addition to that, I have a letter here from a man named John M. Carmody, Administrator of the Work Projects Administration and of the Public Works Administration, and he tells me that the States of Tennessee, Alabama, Mississippi, and Georgia, only four of the seven, have received already grants and gifts amounting to $46,000,000, and loans for $113,000,000. Stick that up on top of the hundreds of millions of dollars already spent, and then wait until under the name of national defense, under the cloak of defense of this country, Mr. Lilienthal comes to Washington and goes into conference with Mr. Stettinius, of the Defense Committee, and they talk of the necessity for another steam plant and another dam the Congress has not yet authorized, and want $65,000,000 for that. In the name of God, you men of the North and the South and the East and the West, how are you going to go home to your constituents and say that, in the face of a great peril that hangs over American liberty and freedom, in the face of a military despotism threatening over our heads, you voted to take money out of the Federal Treasury and give it to a group of people that has already had everything in the world that heart could wish? I have great sympathy for the suffering communities in that great section.

Do you know they have 8,000 miles of water shore lines when this thing is completed? They have millions of acres of playgrounds. They have flood control and navigation of the river. They have soil-erosion prevention. There have been planted millions of trees in the the State of Tennessee alone. They have soil-erosion prevention until the hillsides have been terraced, fertilized, and graded; until they are a green carpet, while in your State and my State soil erosion goes on with its vicious process of deterioration, destroying our farms. All paid from revenues contributed by American taxpayers.

Now, if you can justify further invasion of private industry, and allow the T. V. A. directors and other of their representatives to go out and say to the people of any and every community, whose schools and other public functions are paid for by the owner of private property of any kind, "The T. V. A. will pay your taxes. Do not worry about them. They will be paid by T. V. A." You thereby disarm every private owner of the last defense they have against being absorbed and taken over. You may rest assured that this thing will surely return to haunt this body. [Applause.]

Mr. CANNON of Missouri. Mr. Speaker, I yield to the gentleman from Texas [Mr. THOMASON] 2 minutes.

Mr. THOMASON. Mr. Speaker, I regret that, along with the feeling and prejudice that my good friend the gentleman from Kentucky [Mr. MAY] manifests, he refused to yield for at least one or two questions, because I remember there is an old adage that "consistency is a jewel." The gentleman says he wishes we had more time to discuss this very important bill. That would have been very easy if, after several months of careful deliberation by the House Military Affairs Committee, that committee had not, by a tie vote, with the gentleman from Kentucky [Mr. MAY] voting against the bill, refused to even let the bill or anything akin to it come out here on the floor for full and fair discussion.

As the majority leader [Mr. RAYBURN] said, to my mind this is a question of justice and equity and of doing the right and fair thing by some innocent people and communities. It is not a question of how you felt when the T. V. A. was

established, because my good friend from Kentucky helped to establish it and he now condemns the thing for which he voted. It is his child along with the balance of us. As the gentleman from Texas said, the dams are there; T. V. A. is a reality and we ought to do justice.

Last year when the question of the sale of the properties of the Commonwealth & Southern Electric Co. came up for consideration in this body, a man about whom we hear much now, Mr. Wendell Willkie, came here and urged the passage of that act. As a result of it, he sold the private companies of the Commonwealth & Southern in the State of Tennessee for a very handsome sum, as everybody admits, and to the satisfaction of every stockholder of that great company. As the result of that, every little county in the State of Tennessee where that company operated or had a plant has lost from its tax rolls its largest taxpayer. They were represented here at that time and begged for protection or replacement of taxes concurrent with the sale of the properties. One of the grandest men who ever sat in this House, Hon. Sam McReynolds, was then on his deathbed. He sent for me and pleaded for equity and justice for these small counties and communities. That bill had to come here as this one has done, as a rider on a Senate bill. That is not the proper way to legislate, but there is nothing else to be done when the appropriate committee refuses to report out anything so that we may have full and fair discussion. This will be no precedent. The Boulder Dam bill, passed by a Republican House, replaces taxes. The same is done in national forests and under the Taylor Grazing Act. Let us do justice in this matter.

I also rejoice that the National Defense Committee, headed by Mr. Stettinius and a great utility executive have asked for more money for T. V. A. The time is coming when T. V. A. will be one of our greatest assets for national defense. [Applause.]

[Here the gavel fell.]

Mr. CANNON of Missouri. Mr. Speaker, I yield to the gentleman from Tennessee [Mr. Pearson] 2 minutes.

Mr. PEARSON. Mr. Speaker, I wish I could have the especial attention of my friends on the Republican side, who evidenced so much enthusiasm at the conclusion of the remarks of the gentleman from Illinois [Mr. DIRKSEN], and the gentleman from Kentucky [Mr. MAY], particularly those of the gentleman from Illinois [Mr. DIRKSEN] with reference to the principle which is being established in this bill. The gentleman from Illinois insists that this legislation will establish a new principle in taxation. I want to call their attention to the fact that there is no new principle involved in this measure, but that the principle was established when the Tennessee Valley Authority was created. At that time Senator VANDENBERG, of Michigan, on the floor of the Senate, moved to strike section 13 from the original act because it carried a provision for 5 percent to reimburse the States of Tennessee and Alabama for their lost revenues. At that time Senator NORRIS, who is the author of the act creating the Tennessee Valley Authority, fully and explicitly explained to the Senate and to the Congress that that 5 percent was being carried in the act for the express purpose of taking care of lost revenues brought about by acquisition of properties by the Tennessee Valley Authority, and which would work a hardship and injustice against the people of those States unless they were taken care of. After that explanation Congress deliberately approved of an assessment of 5 percent to cover tax losses.

This bill follows that principle. The only difference is that it provides for an increase of 5 percent, to be graduated over a period of 8 years and finally reduced to the original 5 percent. This increase is necessary because the tax losses are now far in excess of the amount contemplated when the Authority was created.

There is a great deal of misunderstanding about this measure and it seems to be in the minds of some that this is money which will come from the Federal Treasury, money which your constituents and mine will have to pay, when the truth of the matter is the entire sum comes from the pockets of the consumers of power in the Tennessee Valley area. They are paying it now. This bill is for the purpose of giving the Authority the legal right to pay this money which the consumers are paying now, back to the States and counties in order to preserve their very existence.

We urge and beg the Members of this House to give us this right, to the end that the 8,000,000 people of that area may have their rights, despite the fact that the chairman of the Military Affairs Committee of this House feels that the prerogatives of his committee are being invaded. Such an invasion is an insignificant incident when compared to the distress of the States and counties affected by this legislation. Past experience convinces us beyond question that we can expect no relief no matter how badly needed at the hands of the Committee on Military Affairs. [Applause.]

[Here the gavel fell.]

Mr. CANNON of Missouri. Mr. Speaker, I yield to the gentleman from Massachusetts [Mr. GIFFORD] one-quarter of a minute.

Mr. GIFFORD. Mr. Speaker, a further quotation from Senator NORRIS:

> If the T. V. A. shall be subject to local taxation it would be out of business in 3 months (CONGRESSIONAL RECORD, April 13, 1939).

Beautiful yardstick! Nakedness exposed! [Laughter and applause.]

[Here the gavel fell.]

Mr. CANNON of Missouri. Mr. Speaker, I yield to the last speaker on the amendment, the gentleman from Tennessee [Mr. COOPER], the 3 remaining minutes.

Mr. COOPER. The question here presented is not the general T. V. A. issue. This provision included in the bill now under consideration is based upon the essential elements of fairness and equity. I want to emphasize the point made by those who have preceded me by saying that this question simply presents this issue to the House today, whether the people of the Tennessee Valley area who are now paying this money that is included in the rate structure of the Tennessee Valley Authority shall receive some of it back in the form of tax replacement. The only purpose of this provision is to take that money paid in by these users of electrical energy and pay it to these counties and local subdivisions of government.

The original Tennessee Valley Authority Act provided, in section 13, that 5 percent of the gross proceeds from power should go to the States of Tennessee and Alabama. Now this has spread over four other States to some extent. The States of North Carolina, Mississippi, Kentucky, and Georgia do not get anything at all under the act as it now stands. This amendment will make it possible for them to receive their proportionate share of this amount of money that is paid in by the consumers of electrical energy and can be distributed to the counties and the local subdivisions to provide some of the tax replacement necessary for them to maintain their solvency.

This is based upon the essential elements of fairness and equity and should receive the overwhelming approval of the House.

Mr. KEFAUVER. Mr. Speaker, will the gentleman yield?

Mr. COOPER. I yield.

Mr. KEFAUVER. Does not the State of Alabama actually lose considerable revenue by the enactment of this amendment?

Mr. COOPER. That is true; there is no question about that.

Mr. LEAVY. Mr. Speaker, will the gentleman yield?

Mr. COOPER. I yield.

Mr. LEAVY. As I understand this legislation, it does not even delay the retirement of the Tennessee Valley's obligation to the Federal Treasury because gross receipts have increased substantially beyond original calculations, and no money comes out of the Federal Treasury.

Mr. COOPER. That is absolutely true. Not one dollar of it comes out of the Federal Treasury.

Mr. TABER. Mr. Speaker, will the gentleman yield?

Mr. COOPER. I regret I cannot yield.

There is not one dollar that comes out of the Federal Treasury. All this money is paid in by the consumers of the electrical energy they purchase from the T. V. A. This amendment is simply to make it possible for the money that is paid in by the people themselves to be paid back to the counties or local taxing subdivisions to protect their school systems and provide for other expenses that they have to incur to maintain their local government. [Applause.]

[Here the gavel fell.]

Mr. CANNON of Missouri. Mr. Speaker, I move the previous question on the motion to recede and concur.

Mr. MAY. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. MAY. As I understand the parliamentary situation, a vote "aye" on the motion to recede and concur means that the amendment will be agreed to and the vote "no" is a vote against the amendment.

The SPEAKER. That is a correct statement of the parliamentary situation.

Without objection, the previous question will be ordered.

There was no objection.

The SPEAKER. The question is on the motion to recede and concur.

The question was taken; and on a division (demanded by Mr. CANNON of Missouri) there were—ayes 154, noes 155.

Mr. CANNON of Missouri. Mr. Speaker, I ask for the yeas and nays.

The yeas and nays were ordered.

The question was taken; and there were—yeas 205, nays 179, answered "present" 1, not voting 46, as follows:

[Roll No. 160]

YEAS—205

Alexander	Eberharter	Kennedy, Md.	Pierce
Allen, La.	Edelstein	Kennedy, Michael	Poage
Anderson, Mo.	Elliott	Keogh	Polk
Angell	Ellis	Kerr	Rabaut
Barden, N. C.	Evans	Kilday	Ramspeck
Bates, Ky.	Fay	Kirwan	Rankin
Beckworth	Ferguson	Kitchens	Rayburn
Bland	Fernandez	Kleberg	Reece, Tenn.
Bloom	Fitzpatrick	Kocialkowski	Richards
Boland	Flaherty	Kramer	Robinson, Utah
Boren	Flannagan	Lanham	Robsion, Ky.
Boykin	Flannery	Larrabee	Ryan
Bradley, Pa.	Folger	Leavy	Sacks
Brooks	Ford, Miss.	Lesinski	Sasscer
Brown, Ga.	Ford, Thomas F.	Lewis, Colo.	Schulte
Bryson	Fries	Ludlow	Schwert
Buck	Fulmer	Lynch	Scrugham
Buckler, Minn.	Garrett	McAndrews	Shanley
Bulwinkle	Gathings	McCormack	Shannon
Burdick	Gavagan	McGehee	Sheppard
Byrne, N. Y.	Gehrmann	McGranery	Smith, Conn.
Byrns, Tenn.	Geyer, Calif.	McKeough	Smith, Ill.
Byron	Gibbs	McMillan, Clara	Smith, Wash.
Camp	Gore	McMillan, John L.	Snyder
Cannon, Fla.	Gossett	Magnuson	Somers, N. Y.
Cannon, Mo.	Grant, Ala.	Mahon	Sparkman
Chapman	Green	Maloney	Spence
Clark	Gregory	Mansfield	Starnes, Ala.
Cochran	Griffith	Marcantonio	Steagall
Coffee, Wash.	Hare	Massingale	Sumners, Tex.
Colmer	Hart	Mills, Ark.	Sweeney
Connery	Havenner	Mills, La.	Tarver
Cooley	Healey	Mott	Tenerowicz
Cooper	Hendricks	Mouton	Terry
Costello	Hennings	Murdock, Ariz.	Thomas, Tex.
Courtney	Hill	Murdock, Utah	Thomason
Cox	Hinshaw	Myers	Tolan
Creal	Hobbs	Nelson	Vinson, Ga.
Crosser	Hook	Nichols	Voorhis, Calif.
Crowe	Hull	Norrell	Wallgren
Cullen	Hunter	Norton	Walter
Cummings	Izac	O'Connor	Ward
Davis	Jacobsen	O'Day	Warren
Delaney	Jarman	O'Leary	Weaver
Dempsey	Jennings	O'Toole	West
Dies	Johnson, Luther A.	Pace	Whelchel
Dingell	Johnson, Lyndon	Patman	Whittington
Doughton	Johnson, Okla.	Patrick	Williams, Mo.
Doxey	Jones, Tex.	Patton	Zimmerman
Duncan	Kefauver	Pearson	
Dunn	Keller	Peterson, Fla.	
Durham	Kennedy, Martin	Peterson, Ga.	

NAYS—179

Allen, Ill.	Arends	Barton, N. Y.	Bolles
Allen, Pa.	Arnold	Bates, Mass.	Bradley, Mich.
Andersen, H. Carl	Austin	Beam	Brewster
Anderson, Calif.	Ball	Bell	Brown, Ohio
Andresen, A. H.	Barnes	Bender	Burch
Andrews	Barry	Blackney	Carlson
Carter	Grant, Ind.	McGregor	Schuetz
Case, S. Dak.	Gross	McLaughlin	Seccombe
Church	Gwynne	McLean	Secrest
Clason	Guyer, Kans.	McLeod	Seger
Claypool	Hall, Edwin A.	Maciejewski	Shafer, Mich.
Clevenger	Hall, Leonard W.	Marshall	Short
Cluett	Hancock	Martin, Ill.	Simpson
Coffee, Nebr.	Harness	Martin, Iowa	Smith, Maine
Cole, Md.	Harter, N. Y.	Martin, Mass.	Smith, Ohio
Cole, N. Y.	Hartley	Mason	Smith, Va.
Corbett	Hess	May	Smith, W. Va.
Cravens	Hoffman	Michener	Springer
Crawford	Holmes	Miller	Stearns, N. H.
Crowther	Hope	Monkiewicz	Stefan
Culkin	Houston	Moser	Sumner, Ill.
Curtis	Jarrett	Mundt	Sutphin
D'Alesandro	Jeffries	Murray	Sweet
Darden, Va.	Jenks, N. H.	O'Brien	Taber
Dirksen	Jensen	Oliver	Talle
Ditter	Johns	O'Neal	Thill
Dondero	Johnson, Ill.	Osmers	Thorkelson
Douglas	Johnson, Ind.	Parsons	Tibbott
Dworshak	Jones, Ohio	Pittenger	Tinkham
Eaton	Jonkman	Powers	Treadway
Edmiston	Kean	Reed, Ill.	Van Zandt
Elston	Keefe	Reed, N. Y.	Vincent, Ky.
Engel	Kelly	Rees, Kans.	Vorys, Ohio
Faddis	Kilburn	Rich	Vreeland
Fenton	Kinzer	Robertson	Wadsworth
Fish	Knutson	Rockefeller	Wheat
Ford, Leland M.	Kunkel	Rodgers, Pa.	White, Ohio
Gamble	Lambertson	Rogers, Mass.	Wigglesworth
Gartner	Landis	Routzohn	Winter
Gerlach	Lea	Rutherford	Wolcott
Gifford	LeCompte	Sandager	Wolfenden, Pa.
Gilchrist	Lewis, Ohio	Satterfield	Woodruff, Mich.
Gillie	Luce	Schaefer, Ill.	Woodrum, Va.
Goodwin	McArdle	Schafer, Wis.	Youngdahl
Graham	McDowell	Schiffler	

ANSWERED "PRESENT"—1

Gearhart

NOT VOTING—46

Boehne	Dickstein	Lemke	Sheridan
Bolton	Disney	Maas	South
Buckley, N. Y.	Drewry	Merritt	Sullivan
Burgin	Englebright	Mitchell	Taylor
Caldwell	Halleck	Monroney	Thomas, N. J.
Cartwright	Harrington	Pfeifer	Welch
Casey, Mass.	Harter, Ohio	Plumley	White, Idaho
Celler	Hawks	Randolph	Williams, Del.
Chiperfield	Horton	Risk	Wolverton, N. J.
Collins	Jenkins, Ohio	Rogers, Okla.	Wood
Darrow	Johnson, W. Va.	Romjue	
DeRouen	Kee	Sabath	

So the motion was agreed to.

The Clerk announced the following pairs:

On this vote:

Mr. Caldwell (for) with Mr. Wolverton of New Jersey (against).
Mr. Sullivan (for) with Mr. Jenkins of Ohio (against).
Mr. Lemke (for) with Mr. Thomas of New Jersey (against).
Mr. Celler (for) with Mr. Plumley (against).
Mr. Buckley of New York (for) with Mr. Halleck (against).
Mr. Gearhart (for) with Mrs. Bolton (against).
Mr. Dickstein (for) with Mr. Chiperfield (against).
Mr. Merritt (for) with Mr. Maas (against).

General pairs:

Mr. Burgin with Mr. Risk.
Mr. Collins with Mr. Horton.
Mr. Drewry with Mr. Englebright.
Mr. South with Mr. Williams of Delaware.
Mr. Boehne with Mr. Hawks.
Mr. DeRouen with Mr. Darrow.
Mr. Cartwright with Mr. Welch.
Mr. Rogers of Oklahoma with Mr. Casey of Massachusetts.
Mr. Sheridan with Mr. Disney.
Mr. Harrington with Mr. Randolph.
Mr. Monroney with Mr. Harter of Ohio.
Mr. Romjue with Mr. Kee.
Mr. Johnson of West Virginia with Mr. Taylor.
Mr. White of Idaho with Mr. Mitchell.

Messrs. EBERHARTER and SCHWERT changed their vote from "nay" to "yea."

Mr. GEARHART. Mr. Speaker, I have an active pair with the gentlewoman from Ohio, Mrs. BOLTON, which I am under obligation to respect. I ask that I may be permitted to withdraw my vote "yea" and to be recorded as voting "present."

The result of the vote was announced as above recorded.

On motion of Mr. CANNON of Missouri, a motion to reconsider the votes by which action was taken on the various motions was laid on the table.

PERMISSION TO ADDRESS THE HOUSE

Mr. WOODRUFF of Michigan. Mr. Speaker, I ask unanimous consent to proceed for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Michigan [Mr. WOODRUFF]?

There was no objection.

Mr. WOODRUFF of Michigan. Mr. Speaker, I take this time in order to announce to the House that at 4 o'clock, in the Ways and Means Committee room of the new House Office Building, there will be moving pictures of the recent experiments of the new explosive glmite shown for the benefit of the Members. I may say I have known Mr. Lester P. Barlow for 20 years. He is the gentleman who has perfected this explosive.

I understand the Bureau of Standards has pronounced glmite to be 30 percent more powerful than TNT. With that in mind, and also having in mind the reluctance of the War Department to proceed further with these experiments, I ask the Members of the House to go to the Ways and Means Committee room at 4 o'clock and see for themselves just what this explosive is and what it can do to help meet the serious condition now confronting the country in its efforts to provide a proper national defense.

[Here the gavel fell.]

DEPARTMENT OF AGRICULTURE APPROPRIATION BILL, 1941—CONFERENCE REPORT

Mr. CANNON of Missouri. Mr. Speaker, I call up H. R. 8202, making appropriations for the Department of Agriculture for the fiscal year ending June 30, 1941, and for other purposes, and ask for the immediate consideration of the Senate amendments.

The Clerk read the title of the bill.

The Clerk read the Senate amendments, as follows:

Senate amendment No. 65: Page 60, line 18, strike out "$5,644,801" and insert "$6,773,093."

Senate amendment No. 66: Page 58, line 16, strike out "$867,648" and insert "$878,168."

Mr. CANNON of Missouri. Mr. Speaker, I move that the House recede from its disagreement to the Senate amendments and agree to the same severally with an amendment, which I send to the Clerk's desk.

The Clerk read as follows:

Mr. CANNON of Missouri moves that the House recede from its disagreement to the amendments of the Senate Nos. 65 and 66 and agree to the same severally with amendments as follows: In lieu of the sum proposed by said amendment No. 65, insert "$5,733,217"; and in lieu of the sum proposed by said amendment No. 66 insert "$868,458."

Mr. CANNON of Missouri. Mr. Speaker, this merely corrects totals in the bill. When the bill passed the Senate there still remained two totals to which the House had not agreed.

Mr. TABER. May I ask whether there is anything in here except a correction of totals?

Mr. CANNON of Missouri. Nothing at all except the correction of two totals.

Mr. TABER. Does this conclude the consideration of the Department of Agriculture appropriation bill?

Mr. CANNON of Missouri. This is the final action on the bill.

Mr. Speaker, I move the previous question.

The previous question was ordered.

The motion was agreed to.

A motion to reconsider was laid on the table.

AUTHORIZING TRANSFER OF FUNDS TO COVER ADVANCES FOR CROP INSURANCE

Mr. JONES of Texas. Mr. Speaker, I call up the conference report on the bill (H. R. 9594) to amend section 12 (b) of the Soil Conservation and Domestic Allotment Act, as amended, by authorizing the transfer of funds to cover advances for crop insurance.

The Clerk read the title of the bill.

The conference report and statement are as follows:

CONFERENCE REPORT

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 9594) to amend section 12 (b) of the Soil Conservation and Domestic Allotment Act, as amended, by authorizing the transfer of funds to cover advances for crop insurance, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendments of the Senate numbered 1, 2, 3, 4, 5, 6, and 8, and agree to the same.

That the House recede from its disagreement to the amendment of the Senate numbered 7 and agree to the same with an amendment as follows: Strike out "to make grants of aid" in such amendment and insert in lieu thereof "to make advances"; and the Senate agree to the same.

That the House recede from its disagreement to the amendment of the Senate to the title of the bill.

MARVIN JONES,
H. P. FULMER,
WALL DOXEY,
CLIFFORD R. HOPE,
J. ROLAND KINZER,
Managers on the part of the House.

J. H. BANKHEAD,
CARL A. HATCH,
ALEXANDER WILEY,
Managers on the part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 9594) to amend section 12 (b) of the Soil Conservation and Domestic Allotment Act, as amended, by authorizing the transfer of funds to cover advances for crop insurance, submit the following statement in explanation of the effect of the action agreed upon by the conferees and recommended in the accompanying conference report:

The House bill amends section 12 (b) of the Soil Conservation and Domestic Allotment Act, as amended, by authorizing the Secretary to transfer to the Federal Crop Insurance Corporation, prior to the execution of applications for insurance or requests for advances by producers, the funds estimated as necessary to cover advances which will be requested for the payment of premiums under the crop-insurance program. Any portion of such funds not used for advances to producers under such program is to be returned to the Secretary by the Federal Crop Insurance Corporation. The amendments of the Senate add to the provisions of the House bill nine new sections:

On Senate amendment No. 1: Amends section 8 (c) (5) of the Soil Conservation and Domestic Allotment Act to provide that normal yield per acre for any county in the case of corn or wheat need be redetermined only when the actual average yield for the 10 calendar years immediately preceding the calendar year in which such yield is being reconsidered differs by at least 5 percent from the actual average yield for the 10 years upon which the existing normal yield per acre for the county was based. The House recedes.

On Senate amendment No. 2: Amends section 301 (b) (6) of the Agricultural Adjustment Act of 1938 to redefine the term "market" so as to have a general definition of this term applicable to all of the commodities to which such act applies and to include involuntary sales and gifts inter vivos within the meaning of such term; and, in the case of wheat as well as corn to include feeding to poultry or livestock. In the case of all the commodities to which such act applies, the disposing of any such commodity as premium to the Federal Crop Insurance Corporation is not deemed marketing. The House recedes.

On Senate amendment No. 3: Amends section 301 (b) (13) (A) of the Agricultural Adjustment Act of 1938 to make the definition of "normal yield" for any county, in the case of corn or wheat, in such act conform to the definition thereof in section 8 (c) (5) of the Soil Conservation and Domestic Allotment Act, as amended by Senate amendment No. 1. The House recedes.

On Senate amendment No. 4: Amends section 301 (b) (13) (B) of the Agricultural Adjustment Act of 1938 so as to limit the definition of "normal yield" for any county, as defined therein, to cotton. This is a technical amendment made necessary by the preceding amendment. The House recedes.

On Senate amendment No. 5: Amends section 372 (c) of the Agricultural Adjustment Act of 1938 to extend from 1 to 2 years the time within which claims may be filed with the Secretary for the refund of penalties for excess marketings wrongfully collected, and by limiting the refund thereof to claimants who bore the burden of the payment of such penalty. It also provides that receipts of penalties may be handled on a farm basis rather than on the basis of individual producers, in order to save expense and simplify procedure in the collection of refund or penalties. The House recedes.

On Senate amendment No. 6: Amends section 385 of the Agricultural Adjustment Act of 1938 by providing that in case any person who is entitled to receive any payment referred to in such section dies, becomes incompetent, or disappears before receiving such payment, or is succeeded by another who renders or completes the required performance, the payment shall, without regard to any other provisions of law, be made as the Secretary of Agriculture may determine to be fair and reasonable in all the circumstances and provide by regulations. The House recedes.

On Senate amendment No. 7: Amends section 391 of the Agricultural Adjustment Act of 1938 by authorizing the Commodity Credit Corporation to loan to the Secretary in each fiscal year such sums, not to exceed $50,000,000, as he estimates will be required during such fiscal year to make crop-insurance-premium advances and to make grants of aid pursuant to the applicable provisions of sections 8 and 12 of the Soil Conservation and Domestic Allotment Act, as amended, in connection with programs applicable to crops harvested in the calendar year in which such fiscal year ends, and to pay administrative expenses of county

agricultural conservation associations for the calendar year in which such fiscal year ends. Provision is made for interest, and for repayment from the appropriation for the succeeding fiscal year or from any unobligated balance of the appropriation for any other year. The conference report recommends the striking out of the words "to make grants of aid" and inserting in lieu thereof "to make advances." The "grants of aid" to which the Senate amendment has reference is the furnishing of lime, fertilizer, seed, and other farming materials to farmers for use in accordance with the soil-conservation program. Inasmuch as these materials are furnished as advances on and are deducted from the soil-conservation payments, it was thought that "advances" more accurately describes what was contemplated in the Senate amendment.

On Senate amendment No. 8: Makes it possible, where the United States has demanded and collected the refund of any agricultural adjustment or conservation payment for any year prior to 1940 because the performance on account of which such payment was made was rendered in whole or in part by another person, to repay the amount so refunded to the person who rendered such performance. It also provides that where the person who did not render the whole performance has turned over to the person who did render the whole or part of the performance a share of the payment earned, refund thereof will not be required. The House recedes.

The Senate amendment to the title amends the title of the bill so as to read: "An act to amend the Soil Conservation and Domestic Allotment Act, as amended, the Agricultural Adjustment Act of 1938, as amended, and for other purposes." The House recedes.

MARVIN JONES,
H. P. FULMER,
WALL DOXEY,
CLIFFORD R. HOPE,
J. ROLAND KINZER,
Managers on the part of the House.

Mr. JONES of Texas. Mr. Speaker, the Senate amendment involved here is intended primarily to simplify the administration of some of the A. A. A. program.

For instance, in making payments in cases where the beneficiaries have died, some of the payments are small, and under the present law they are required to institute administration proceedings and determine according to the laws of the State the distribution of the estate. Frequently the proceedings are more expensive than the amount of the payment. This simply permits the payment to be adjusted in a natural and normal way.

It also permits the payments to be made earlier by virtue of permitting the Commodity Credit Corporation to advance the payments before the funds are available.

It also provides that unless there is a change in allotment to any county of more than 5 percent, it is not necessary to rerate and reschedule the county allotments. This saves considerable time in making out the allotments each year and saves a good deal of irritation that the continuing changes cause.

We have eliminated from the amendments all the controversial items, and this is a unanimous report of the conference groups of both the House and the Senate.

Mr. HOPE. Mr. Speaker, will the gentleman yield?

Mr. JONES of Texas. I yield to the gentleman from Kansas.

Mr. HOPE. Is it not correct to say that none of the provisions that were added by the Senate add any more control to the agricultural program?

Mr. JONES of Texas. That is correct. They do not add any control, nor do they add any expense. They simply, in practically all the instances except the one I mentioned about the case of death, simplify the administration. As a matter of fact, as the gentleman knows, I have never been very strong on the penalty provisions anyway, and think they should be simplified to meet more nearly the soil-conservation program.

The SPEAKER. The question is on agreeing to the conference report.

The conference report was agreed to.

A motion to reconsider was laid on the table.

EMERGENCY PROVISION FOR VESSELS AFFECTED BY NEUTRALITY ACT OF 1939

Mr. BLAND. Mr. Speaker, I ask unanimous consent that the joint resolution (S. J. Res. 260) to make emergency provision for the maintenance of essential vessels affected by the Neutrality Act of 1939, and for adjustment of obligations with respect to such vessels, be considered in the House as in Committee of the Whole.

The Clerk read the title of the joint resolution.

The SPEAKER. Is there objection to the request of the gentleman from Virginia?

Mr. MARTIN of Massachusetts. Reserving the right to object, Mr. Speaker, will the gentleman explain the bill?

Mr. BLAND. The bill grows out of the conditions existing by reason of the Neutrality Act and the proclamations thereunder whereby ships cannot enter combat areas. It endeavors to preserve for use and make available those ships that are deemed to be essential so that they may be available at any minute. It gives the Maritime Commission the right to place them in routes. I may say that the joint resolution comes here with a unanimous report and has the endorsement of both sides of the committee.

Any vessel is an essential vessel which is security for any mortgage indebtedness to the United States or constructed under the Merchant Marine Act of 1936 or required by the terms of a contract under such act to be operated on a certain essential foreign trade route, and which it is necessary in the interests of commerce and national defense to maintain in condition for prompt use.

May I cite as examples particularly of vessels that would be affected the *America*, which has just been constructed and is ready for delivery, the *Washington* and the *Manhattan*, which have been operating first to the British Isles and then to the Mediterranean. These and other vessels are now taken out of those areas by reason of the neutrality proclamations of the President. It is desired that arrangements may be made whereby those vessels can be preserved, possibly by operation or possibly lay-up, and their condition looked after by the Maritime Commission so that they may be available at all times. There is no intent of using them in any way in violation or in contravention of the Neutrality Act.

Mr. SCHAFER of Wisconsin. Mr. Speaker, will the gentleman yield?

Mr. BLAND. I yield to the gentleman from Wisconsin.

Mr. SCHAFER of Wisconsin. Is there any intent and any provision in the bill whereby some administrative brain truster may be able to place these ships in the service of foreign belligerent countries, in the same manner the Navy Department has placed the mosquito boats of our Navy in the service of a belligerent nation in violation of the law of the land?

Mr. BLAND. There is no authority for any person to do any such thing, but it is entirely contemplated and provided that they shall be otherwise used.

Mrs. ROGERS of Massachusetts. Mr. Speaker, will the gentleman yield?

Mr. BLAND. I yield to the gentlewoman from Massachusetts.

Mrs. ROGERS of Massachusetts. This does not insure foreign ships?

Mr. BLAND. No; it does not. If the gentlewoman will pardon me, she has reference to another bill that I have here dealing with marine insurance. That is an entirely different bill. This is an emergency bill that deals with conditions where contracts have been entered into with certain companies for the operation of these ships in particular routes where they cannot be operated now. It gives the Maritime Commission an opportunity to lay them up in such a way that they may be available at any minute for use or, if by reason of change of conditions they can be otherwise used, to be then used in commerce.

Mrs. ROGERS of Massachusetts. I thank the gentleman.

Mr. VAN ZANDT. Mr. Speaker, will the gentleman yield?

Mr. BLAND. I yield to the gentleman from Pennsylvania.

Mr. VAN ZANDT. If this joint resolution is placed on the statute books, will it not permit the use of these vessels in intercoastal trade?

Mr. BLAND. It will permit the use of the vessels in any trade in which they may now be used. Of course, men engaged in the intercoastal trade and men engaged on the high

seas must necessarily expect if the commerce should be so great that it cannot be met by those vessels that are now being used there, that they, too, must accommodate themselves to the emergency that is contemplated by this act.

Mr. VAN ZANDT. Is it not true that these Government-subsidized vessels will compete with private shipping interests as well as the transcontinental railroads?

Mr. BLAND. There will be no subsidy paid when in this domestic service. They will only be used where the commerce is sufficient to justify it. No man knows now what the commerce will be if present conditions continue.

Mr. MARTIN J. KENNEDY. Mr. Speaker, will the gentleman yield?

Mr. BLAND. I yield.

Mr. MARTIN J. KENNEDY. Will the gentleman tell us whether or not the interests of the American Federation of Labor and the C. I. O. and the other labor unions have been considered in connection with this proposed legislation?

Mr. BLAND. They have known about it, and there has been no objection. Yesterday I had the American Federation of Labor and the C. I. O. in my office dealing with the marine-insurance bill as to some objections they had, and I expect to offer on that bill an amendment today to take care of their objections.

They are all agreed, and they have raised no objection to this measure, because this, to some extent, helps them, in that it preserves an opportunity for their men.

Mr. MARTIN J. KENNEDY. It will continue these boats in service?

Mr. BLAND. Yes.

Mr. MARTIN J. KENNEDY. Is it not a fact that our Government has a substantial interest in these ships now by virtue of subsidies or mortgages?

Mr. BLAND. In a substantial manner, but that is not the question here. The question here is that there is a condition attached that these vessels that will be needed or may be needed for national defense shall be preserved in such a way that they shall be available at any instant for national defense, and if you tie a vessel up and allow it to deteriorate, you may be unable to get it out and use it just when you want it. That is the essential and crucial point in this emergency legislation.

Mr. O'LEARY. Mr. Speaker, will the gentleman yield?

Mr. BLAND. I yield.

Mr. O'LEARY. As a matter of fact, this bill simply gives the Maritime Commission discretionary power to work out this situation during an emergency.

Mr. BLAND. In the interest of the contractors and in the interest of the people of the United States.

Mr. O'LEARY. And it does not in any way affect the Neutrality Act as it is now?

Mr. BLAND. Not in the slightest.

Mr. O'BRIEN. Mr. Speaker, will the gentleman yield?

Mr. BLAND. I yield.

Mr. O'BRIEN. Is it not a fact that the Maritime Commission will put these vessels in operation where they lack an excess of tonnage at this time?

Mr. BLAND. That is contemplated; yes.

Mr. MARTIN of Massachusetts. Mr. Speaker, will the gentleman yield?

Mr. BLAND. I yield.

Mr. MARTIN of Massachusetts. I understand there is an amendment to be offered and, as I understand, the gentleman will have an opportunity to offer that amendment.

Mr. BLAND. The bill is called up in this way in order to give the gentleman an opportunity to offer his amendment which, of course, will be opposed by me.

The SPEAKER. Is there objection to the request of the gentleman from Virginia?

There was no objection.

The Clerk read the joint resolution, as follows:

Resolved, etc., That (a) when used in this joint resolution the term "essential vessel" means any vessel (1) which is (A) security for any mortgage indebtedness to the United States or (B) constructed under the Merchant Marine Act, 1936, or required by the terms of a contract under such act to be operated on a certain essential foreign trade route, and (2) which it is necessary in the interests of commerce and national defense to maintain in condition for prompt use.

(b) For the purposes of preserving in the national interest the full availability and usefulness of essential vessels, which, under the provisions of the Neutrality Act of 1939 (or any proclamation issued thereunder), or compatibly with the national interest, cannot be operated in the service, route, or line to which such vessels are assigned pursuant to the Merchant Marine Act, 1936, or in which they would otherwise be operated, the United States Maritime Commission is authorized to make adjustments of obligations in respect of such vessels and to make arrangements for the maintenance of such vessels, subject to the provisions of this joint resolution and to such rules and regulations as the Commission shall prescribe as necessary or appropriate for carrying out the purposes and provisions of this joint resolution. If the Commission, upon written application in respect of any essential vessel, determines after such examination, investigation, and proceedings as it deems desirable that (1) the operation of such vessel in the service, route, or line to which such vessel is assigned pursuant to the Merchant Marine Act, 1936, or in which it would otherwise be operated, is either (A) not lawful under the Neutrality Act of 1939 (or any proclamation issued thereunder), or (B) not compatible with the maintenance of availability of such vessel for purposes of national defense and commerce, (2) it is not feasible under existing law to employ such vessel in any other service or operation in either the foreign or domestic trades (except temporary or emergency operation under subsection (c) (5) hereof, and (3) the applicant, by reason of the restrictions of the Neutrality Act of 1939, or the withdrawal of vessels for national-defense purposes under clause (1) hereof, is not earning or will not earn a fair and reasonable return on the capital necessarily employed in its business, the Commission may make adjustments and arrangements with the applicant as provided in subsection (c) hereof, which shall continue in effect only during the circumstances above described.

(c) Such adjustments and arrangements shall include suspension of the requirement to operate such vessel in foreign trade under the applicable operating-differential or construction-differential subsidy contract or mortgage or other agreement, and of the right to operating-differential subsidy in respect of such vessel, and may include any one or more of the following provisions, in whole or in part, as, and to the extent that, the Commission may deem to be necessary or appropriate to carry out the purposes of the Merchant Marine Act, 1936, or the purposes and provisions of this joint resolution:

(1) Lay-up of the vessel by the owner or, at the option of the Commission, in the custody of the Commission, with payment or reimbursement by the Commission of necessary and proper expenses thereof (including reasonable overhead and insurance), or in lieu of such payment or reimbursement, a fixed periodic allowance therefor;

(2) Postponement, for a period not in excess of the period or periods of lay-up, of the maturity date of each installment on account of the principal of obligations to the United States in respect of the vessel (whether or not such maturity date shall fall within such period or periods), or rearrangement of such maturities;

(3) Postponement or cancelation of interest accruing on such obligations during such period or periods of lay-up;

(4) Extension for a period not in excess of the period or periods of lay-up, of the 20-year life limitation in respect of the vessel, and of the period or periods of other limitations and provisions of the Merchant Marine Act, 1936, insofar as they are based upon a 20-year life;

(5) Provisions for such temporary or emergency employment of the vessel in lieu of lay-up as may be practicable, with such arrangements for management of the vessel, payment of expenses, and application of the proceeds of such employment, as the Commission may approve, the period or periods of such operation being included as part of the period or periods of lay-up;

(6) The payment to the Commission, upon termination of the arrangements with the applicant hereunder, out of the applicant's net profits, earned while such arrangements were in effect, in excess of 10 percent per annum on the capital necessarily employed in the applicant's business, in reimbursement, to the extent that the Commission shall deem it necessary to carry out the purposes of this joint resolution, on account of obligations postponed or canceled and expenses incurred or paid by the Commission under this subsection. For the purposes of this paragraph capital of the applicant represented by vessels of the applicant laid up or operated under this joint resolution shall not be excluded from capital necessarily employed in the applicant's business. The Commission may require that the vessels so laid up or operated be security for reimbursement hereunder.

(d) The adjustments and arrangements made under subsection (c) in respect of any vessel shall be subject to such readjustment or modification from time to time as may be deemed necessary by the Commission to carry out the purposes and provisions of this joint resolution.

(e) Moneys in the construction fund of the Commission shall be available for expenses of the Commission incurred in adjustments or arrangements made under this joint resolution.

Mr. VAN ZANDT. Mr. Speaker, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. VAN ZANDT: On page 5, line 22, after the word "resolution," add a new paragraph, as follows:

"(f) No vessel to which this resolution relates shall be operated at Government expense or with Government aid, in competition in interstate commerce with privately owned, unsubsidized water carriers engaged in such commerce."

Mr. VAN ZANDT. Mr. Speaker, the sale of Government ships after the World War for operation in domestic commerce at prices representing a small fraction of the cost of construction created substantial additional competition not only for privately owned steamship lines operating in these trades, but also for rail transportation. Most of the war-built vessels sold by the Government for domestic operation have operated in the trade between the Pacific and Atlantic coasts of the United States. As a result of the competition thus created, intercoastal rates were demoralized, and substantial losses were inflicted on intercoastal lines whose vessels had been built and paid for by private enterprise. It has also resulted in the lowering of the transcontinental and other related rail rates to meet this unregulated competition, so that rail transportation has likewise suffered severely from competition with transportation, most of whose cost was absorbed as a public expense by the Federal Government.

Seeking to prevent a repetition of the losses inflicted on private shipowners through the sale of Government tonnage, at low prices, and hoping to create conditions which would encourage the replacement of existing fleets, the United States Maritime Commission recommended the enactment of legislation in 1938:

First. To prohibit the sale or charter of new ships for domestic operation except at prices based upon the full domestic construction cost.

Second. To prohibit the use for commercial operation of vessels over 20 years of age in the Commission's laid-up fleet except during an emergency declared by the President.

These provisions were enacted into law as recommended by the Commission as amendments to the Merchant Marine Act, 1936, and are relied upon by those who have invested in domestic transportation facilities to protect their investment from unfair competition from publicly owned facilities.

House Joint Resolution 519 and Senate Joint Resolution 260 would suspend the prohibition against commercial operation of the vessels in the Government laid-up fleet during the period of the present European war. In other words, if this resolution is adopted the Commission would be authorized to sell or charter all of the vessels in its laid-up fleet for operation in the domestic trades without any determination that an emergency requiring their use in these trades existed. Ample authority is vested in the President and in the United States Maritime Commission under existing law to deal with any emergency that might arise. This resolution, however, permits the Commission to sell or charter for commercial operation, in competition with existing steamship lines and the railroads, ship tonnage equaling about two-thirds that now employed in the intercoastal trade, without any determination that existing transportation facilities are inadequate or that an emergency requiring the use of these facilities exists. The adoption of this resolution under these circumstances can only be construed by the Commission as an expression of the desire by Congress that these ships be thus sold or chartered.

Why is the adoption of this resolution sought at this time? The answer seems clear that large shipper interests hope in this way to continue to enjoy the use of water-transportation facilities at less than the reasonable cost of such transportation based upon the cost of construction of such facilities in American yards with American labor. The sponsors of this legislation attempt to create the impression that an emergency exists in domestic transportation. If this were the case the authority vested by existing law would be ample. However, the Commission in its report on this resolution makes it clear that no such emergency exists. In this connection Chairman Land's letter of April 19, 1940, to Chairman BLAND of the House Committee on Merchant Marine and Fisheries states as follows:

While the net diversion to tonnage from the intercoastal trade is considerable on the basis of tonnage figures alone, it must be remembered that up to the beginning of the war the tonnage was definitely in excess of needs. From the available data it does not appear that any emergency exists in the intercoastal trade so far as available space is concerned at this time. Insofar as there exist increased demands for cargo space in the intercoastal trade, this increase in considerable part is based on an anticipation of increased rates, possibly of shortage of space, and the desire to protect against possibilities of the future rather than present conditions. There has been a considerable amount of advanced booking, some for the protection against increased rates on future sales and some of which is wholly speculative in character. The complaint as to lack of cargo space must also, to some extent, be attributed to lack of space at the rates existing, rather than to an absolute lack of space. To offset possible adverse effects of the reduction in tonnage, the cargo-carrying capacity of the vessels remaining in the trade and the earning capacity of these vessels may well be increased by rearrangement and speeding up of schedules and by carrying fuller cargoes at remunerative rates. Steps to this end have been taken by some of the operators.

[Here the gavel fell.]

Mr. VAN ZANDT. Mr. Speaker, I ask unanimous consent to proceed for 3 additional minutes.

Mr. O'LEARY. Mr. Speaker, I object; the gentleman would not yield to me.

Mr. VAN ZANDT. I did not have the time.

Mr. O'LEARY. I withdraw the objection, Mr. Speaker.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. VAN ZANDT. Mr. Speaker, it should also be borne in mind that while the sponsors of this resolution ostensibly request relief only during the war emergency, as a matter of practical effect the additional facilities will undoubtedly be used principally after the war has terminated. It is recognized that because of the large amount of repairs needed by most of the units in the laid-up fleet the chartering of these ships for use only during the period of the war—the duration of which is highly uncertain—is impractical, and that the result which will more probably ensue from the adoption of the resolution, will be the sale of these ships for domestic use where they will compete with existing transportation facilities for many years to come.

The real issue presented by this resolution is therefore whether additional transportation facilities should be put into operation by the Government, to compete with existing water and rail facilities, so that certain large shipper interests might continue to receive the benefit of such transportation at less than the full cost thereof, without establishing the inadequacy of existing rail and water facilities and without demonstrating the existence of an emergency as is properly required under existing laws so as to afford reasonable protection to privately owned and operated facilities from unjustified Government competition.

I now yield to the gentleman from New York.

Mr. O'LEARY. The gentleman will agree that all we are asking in this resolution is to give the Maritime Commission discretionary power to work out a solution of this problem.

Mr. VAN ZANDT. I agree with the gentleman; but, at the same time, I feel it is necessary to protect the private shipping interests of this country as well as the transcontinental railroads.

Mr. O'LEARY. Are any intercoastal lines or railroads affected by this legislation?

Mr. VAN ZANDT. They are.

Mr. O'LEARY. In what way?

Mr. VAN ZANDT. Some few years ago long express and freight trains moved from coast to coast loaded with merchandise. Today Government subsidized intercoastal ships offering greatly reduced rates have taken this business from the railroads, which results in the loss of hundreds of railroaders' jobs.

Mr. O'LEARY. But there is nothing in this resolution that states that they are going into competition. The gentleman

wants to tie the hands of the Maritime Commission, does he not?

Mr. VAN ZANDT. In reply to my friend the gentleman from New York [Mr. O'LEARY], it is not my intention to tie the hands of the merchant marine. I am simply trying to protect the interest of thousands of railroad employees.

Mr. WELCH. Does the gentleman know of any railroad in the United States that has entered an objection to this resolution?

Mr. VAN ZANDT. The Association of American Railroads and the railway labor organizations always oppose legislation of this type.

Mr. WELCH. But no objection has been made to it, and I know the committee has not received any protest from the railroads.

Mr. VAN ZANDT. As a former railroad man, far be it for me to speak for all the railroads or railroad men of this country. However, I do insist it is legislation of this type which is destroying the jobs of railroad men.

Mr. O'BRIEN. Mr. Speaker, will the gentleman yield?

Mr. VAN ZANDT. I yield to the gentleman from New York [Mr. O'BRIEN].

Mr. O'BRIEN. I realize the gentleman is a railroad man, and so am I; and I have never received a protest from any railroad in regard to this. In fact, I have received a slight amount of encouragement, inasmuch as it will loosen up some of these things.

Mr. BLAND. Mr. Speaker, I rise in opposition to the amendment. I ask that the amendment be voted down. In the beginning of the gentleman's speech he showed that he is dealing with a situation that is not applicable here, because he dealt with sale and charter. Let us see what the Commission is to determine. First, that the operation of any such vessel in the service, route, or line in which such vessel is assigned pursuant to the Merchant Marine Act of 1936, or in which it would be otherwise operated is either (a) not lawful under the Neutrality Act of 1939 (or any proclamation issued thereunder), or (b) not compatible with the maintenance of availability of such vessel for purposes of national defense and commerce; (2) that it is not feasible under existing law to employ such vessel in any other service or operation under subsection (c) (5) hereof; and (3) that the applicant, by reason of the restrictions of the Neutrality Act of 1939, or the withdrawal of vessels for national defense purposes under clause (1) hereof, is not earning or will not earn a fair and reasonable return on capital necessarily employed in its business, and the Commission may make adjustments and arrangements with the applicant as provided in subsection (c) hereof, which shall continue in effect only during the circumstances above described.

There is not a provision for sale, there is not a provision for long-time charter, it is only to deal with the ships during the lay-up period when they cannot serve on the lines where they are contracted to serve.

What can they do? They can lay up the ships, which may be by the owner or, at the option of the Commission, in the custody of the Commission, with payment or reimbursement by the Commission of necessary and proper expenses thereof, or in lieu of such payment or reimbursement, a fixed periodic allowance therefor. They may postpone the maturity date for each installment on account of principal, the postponement not to be in excess of the period or periods of lay-up, but they may not cancel any of the obligations, they may extend, postpone, or cancel the interest during the lay-up period, they may extend the 20-year limitation beyond the lay-up period, and now, what about the use of the ship? They expressly provided in the statute temporary or emergency employment in lieu of lay-up with such arrangement for management of vessel, payment of expenses, and application of the proceeds of such employment as the Commission may approve, the period of operation being part of the period of lay-up. Then if the company with which the contract is made makes on other operations more than a reasonable return, that company may be required to pay the expenses to the Maritime Commission. The bill provides that upon termination of arrangements payment out of applicant's net profits, earned while such arrangements were in effect, in excess of 10 percent per annum on the capital necessarily employed in the applicant's business, in reimbursement, to the extent that the Commission shall deem it necessary to carry out the purposes of this joint resolution, on account of obligations postponed or canceled and expenses incurred or paid by the Commission under subsection (c).

Mr. Speaker, the condition before the country is such that we do not know what is going to happen, and ships may be taken off in other services. These ships ought to be used and these ships are being retained so that if we need them in an emergency we can use them. That is all it is, and I ask that the amendment be voted down.

Mr. WELCH. Mr. Speaker, I rise in opposition to the amendment.

Mr. Speaker, this bill was very carefully considered and unanimously reported by the Committee on Merchant Marine and Fisheries. It is safe to say there is a railroad in every congressional district in the United States; but regardless of that fact I feel sure that not a Member of this body has received a protest from any railroad in the United States against the pending resolution.

Mr. VAN ZANDT. Mr. Speaker, will the gentleman yield?

Mr. WELCH. In a moment I will yield.

It is the right of any Member to object to legislation which, in his opinion, is detrimental to certain private interests located in his district; but, Mr. Speaker, this is emergency legislation, and it applies to the security of our country and, therefore, should transcend private interests. The Navy is the first line of our national defense. The merchant marine is the right arm of the Navy, and the Commission in charge of our merchant marine should not be handicapped by restrictive legislation. The purpose of this bill is to remove certain minor restrictions giving the Maritime Commission a free hand in this time of national emergency to move our merchant marine, a great portion of which is now lying at anchor. Everyone knows that nothing deteriorates faster than a ship lying at anchor. This will permit the Maritime Commission to assign these ships to essential trade routes, where they will be kept in shape, so that if an emergency arises they will be ready for immediate use instead of having to be reconditioned when laid up for long periods. I sincerely hope the House will not give serious consideration to the pending amendment.

[Here the gavel fell.]

Mr. CULKIN. Mr. Speaker, I rise in opposition to the amendment.

Mr. Speaker, the distinguished gentleman from Pennsylvania [Mr. VAN ZANDT] is seeing ghosts, not only one ghost but a multitude of ghosts. The gentleman said in response to a question that he was a railroad man. I have such a high regard for his intelligence and tried-and-true patriotism that I know he would not let that fact intervene between himself and his constitutional oath.

I repeat, Mr. Speaker, that this amendment comes almost within the category of being facetious. There is no actual competition between railroads and steamships. The interoceanic carriers are in the bulk line, and that is their exclusive line. Steamships carry these bulk commodities sometimes for one-twentieth what the railroads carry them for. The two types of transportation are not competitive. That is the answer to that question.

Mr. VAN ZANDT. Will the gentleman yield?

Mr. CULKIN. May I say, Mr. Speaker, that that fact is said to be recognized in detail in the Wheeler-Lea bill, beloved by the gentleman from Pennsylvania [Mr. VAN ZANDT] but which I trust is now sleeping its last sleep in conference. Bulk commodities in any effective civilization are always carried by water when that is possible. The savings that come from that go direct to the consumer and to the American producer. There can be no question about that.

Mr. VAN ZANDT. Mr. Speaker, will the gentleman yield?

Mr. CULKIN. I yield to the very patriotic and distinguished gentleman from Pennsylvania.

Mr. VAN ZANDT. My distinguished friend of course is recognized not as a friend of the railroads. He is recognized as a friend of the inland waterway people.

Mr. CULKIN. I am a friend of both groups. I represent the people of the United States here and you represent the railroads. [Laughter.] That is the difference between you and me.

Mr. VAN ZANDT. May I say to the gentleman that a moment ago he mentioned the difference in rates. It is true the difference in rates does exist, but who pays the difference? The taxpayers of the country.

Mr. CULKIN. Now, that is a pure fiction. The two types of transportation are as distinct as the sun and the moon. Bulk commodities are carried by water at one-twentieth of the rail cost and these savings are passed back to the people. Each type of transportation is entitled to its place in the sun. I am eternally for that. I repeat that the usually able gentleman from Pennsylvania [Mr. VAN ZANDT] is in this case seeing a multitude of ghosts. [Laughter and applause.]

[Here the gavel fell.]

Mr. CASE of South Dakota rose.

The SPEAKER. Debate on this amendment has been closed. The question is on agreeing to the amendment offered by the gentleman from Pennsylvania [Mr. VAN ZANDT].

The amendment was rejected.

The SPEAKER. The Chair recognizes the gentleman from Virginia [Mr. BLAND].

Mr. BLAND. Mr. Speaker, I move the previous question on the passage of the bill.

Mr. CASE of South Dakota. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. CASE of South Dakota. Are we not proceeding in the House as in Committee of the Whole?

The SPEAKER. We are.

Mr. CASE of South Dakota. Am I not entitled to recognition for a pro forma amendment? I was on my feet, as I think the Chair knows.

The SPEAKER. We are operating under the 5-minute rule, and there had been several speeches for and against the amendment. The Chair will recognize the gentleman to strike out the last word.

Mr. CASE of South Dakota. That is the motion I wanted to offer, Mr. Speaker.

TRANSFER OF SHIPS TO BELLIGERENTS WOULD VIOLATE LONG-STANDING LAWS AND TREATIES

Mr. Speaker, in view of the fact that this bill provides for the assignment or transfer of vessels, and in view of the fact that it has been demonstrated there has been a great deal of ignorance of the law in regard to the transfer of vessels, it seems to me appropriate at this time that there should be read into this debate the section of a long-standing law with regard to the transfer of vessels.

I understand that this afternoon the distinguished chairman of the Senate Committee on Naval Affairs has announced that the proposed sale of the mosquito ships has been stopped because of the law to which I called attention in a 1-minute remark on the floor the other day.

As I think is well known, the discovery that 23 fighting boats that could not be replaced for many months or years were about to be transferred to a belligerent in a war where the United States is officially not engaged alarmed the Senate committee, as it did, indeed, people all over the country who had been told that we needed more boats and needed them badly and that it took years to build vessels of war.

If anyone has any doubt as to the alarm of the members of the Naval Affairs Committees, I trust he will read the remarks that have been made in another body this afternoon by the chairman of the Senate committee.

I understand Senator WALSH said that he was advised that those who were arranging the transfer were unaware of the law. He observed, however, that ignorance of the law does not excuse anybody, least of all those whose oath of office binds them to uphold the law.

I am not a lawyer and I make no claim to be particularly versed in the law. It simply happens that I read the statutes on neutrality during the debates on the question in the special session last fall, and went over this particular statute and its history in my remarks in the House, October 26, 1939. My remarks were not circulated particularly and I am not offended that they went unnoticed in certain quarters; yet, since the subject is so important at this time, for the purpose of the record in consideration of this bill, and for the related subject of the mosquito boats, I wish to read pertinent sections from chapter 2 on offenses against neutrality as given in title 18 of the Code of the United States—Criminal Code and Criminal Procedure:

SEC. 33. Sending out armed vessels with intent to deliver to belligerent nation: During a war in which the United States is a neutral Nation, it shall be unlawful to send out of the jurisdiction of the United States any vessel built, armed, or equipped as a vessel of war, or converted from a private vessel into a vessel of war, with any intent or under any agreement or contract, written or oral, that such vessel shall be delivered to a belligerent nation, or to an agent, officer, or citizen of such nation, or with reasonable cause to believe that the said vessel shall or will be employed in the service of any such belligerent nation after its departure from the jurisdiction of the United States.

That law was approved on June 15, 1917. It was a reenactment of a section in the law of 1915, which was a reenactment of the 1909 law, which was based upon the Articles of Convention at The Hague in 1907.

In this connection I also call attention to the penalty section, which is section 36, chapter 2, title 18 of the Criminal Code and Criminal Procedure, which reads as follows:

Unlawful taking of vessel out of port. Whoever, in violation of any of the provisions of sections 25, 27, and 31 to 38 of this title, shall take, or attempt or conspire to take, or authorize the taking of any such vessel, out of port or from the jurisdiction of the United States, shall be fined not more than $10,000 or imprisoned not more than 5 years, or both; and in addition, such vessel, her tackle, apparel, furniture, equipment, and her cargo shall be forfeited to the United States.

It is important to note in that connection that this section contemplates that it would be a private vessel; apparently no one ever thought the time would come when the Government itself would transfer a vessel of war to a belligerent directly or indirectly. The language of the two sections I have read and of the other sections in this chapter of the Code is broad, however, and covers every conceivable case. Not only those who take or transfer but those who conspire to take or send a vessel out of the jurisdiction of the United States for purposes of war are subject to the provisions of the penalty section and the vessel itself is forfeited to the United States. The penalty is a fine of not to exceed $10,000 or imprisonment for not more than 5 years.

The statutory definition of a vessel in the code is:

Any contrivance capable of transportation on water.

Now this was no accidental legislation. It was passed as title V of the Espionage Act of 1917, adopted more than a month after we entered the World War, and was substantially identical with the acts of 1915 and 1909, and I call attention to the fact that the statute goes back even further than The Hague Conventions of 1907. Article VIII of the Conventions on Naval War adopted by The Hague International Conference said:

A neutral government is bound to use the means at its disposal to prevent, within its jurisdiction, the equipping or arming of any vessel which it has any reasonable suspicion of being destined to act as a cruiser or to join in hostile operations against a power with which it is at peace.

And further:

It is also bound to exercise the same surveillance to prevent the departure out of its jurisdiction of any vessel intending to act as a cruiser or take part in hostile operations, and which, within the said jurisdiction, may have been adapted wholly or in part to warlike purposes.

That principle goes back to the Treaty of Washington made in 1871 between the United States and Great Britain which, among other things, bound both parties to prevent—

The departure from their jurisdiction of any vessel having been especially adapted in whole or in part within such jurisdiction to warlike uses.

That in turn goes back to the Foreign Enlistment Act of August 9, 1870, a revision of the British Foreign Enlistment Act of 1819, which was minute in its provisions to prevent the enlisting or recruiting of men or the building or the equipping of vessels for the military service "of a foreign state at war with a friendly state."

Hence, Mr. Speaker, here we have a statute which runs back in our own history to a treaty adopted 70 years ago, and in principles of international law recognized for 120 years, between the two countries, presumably, who would now be conspiring to violate it. The principles of the statute, indeed, its very words have been enacted and reenacted and are the law of the land today.

[Here the gavel fell.]

Mr. BLAND. Mr. Speaker, I rise in opposition to the amendment.

Mr. Speaker, the bill by its express provisions provides that after lay-up the time may be extended. It does not provide for any sales, but expressly contemplates the continuance under regular and usual circumstances of the original contract.

Mr. SCHAFER of Wisconsin. Mr. Speaker, I rise in opposition to the pro forma amendment.

The SPEAKER. The gentleman from Wisconsin is recognized for 5 minutes.

Mr. CASE of South Dakota. Mr. Speaker, will the gentleman yield?

Mr. SCHAFER of Wisconsin. I yield briefly.

Mr. CASE of South Dakota. I merely wish to say that I read the excerpts I did for the purpose of getting them in the RECORD, but I am not opposed to the adoption of this resolution.

Mr. SCHAFER of Wisconsin. Mr. Speaker, I am opposed to the Van Zandt amendment and shall support the bill as reported and championed on the floor of the House by the very distinguished gentleman from Virginia [Mr. BLAND]. I am, however, very pleased that the law with reference to the illegal sale and transfer of our American Navy vessels to foreign belligerents has been read into the CONGRESSIONAL RECORD by the gentleman from South Dakota [Mr. CASE]. I sincerely hope that a grand jury in the District of Columbia will take cognizance of the violations of these laws by those who would sabotage the defense of our country.

Our former Acting Secretary of the Navy, Mr. Henry Morgenthau, who is also Secretary of the Treasury, who approved of the sale and transfer and was responsible for the sale and transfer of the Navy's new mosquito boats to the British apparently did not know about or wilifully ignored the laws mentioned by the gentleman from South Dakota [Mr. CASE].

The Washington Post of June 19, 1940, quotes another New Deal Acting Secretary of the Navy, Mr. Louis Compton, as stating that the New Deal Secretary of the Treasury, Mr. Henry Morgenthau, was the man behind the transfer, the illegal sale and transfer, of the Navy's new mosquito boats to the British Government. Now, in view of this willful violation of the law and sabotage of our country's national defense, I ask our New Deal President to practice what he preached about driving the money changers from the temple of the Government. We should call for the immediate resignation of Secretary of the Treasury Morgenthau, who also appears to have been Acting Secretary of the Navy as well.

Mr. Speaker, the President of the United States should call for the immediate resignation of all Government officials who took part in the "fifth column" activity to place ships of our Navy in the hands of a foreign belligerent nation in violation of the laws of our land. Our New Deal President should demand that his Attorney General, Mr. Jackson, immediately place the case of these "fifth column" members before a grand jury. Let us have more action and less talk, Mr. President. As the late President Theodore Roosevelt said: "Speak softly but carry a big stick."

Mr. Speaker, the June 19, 1940, issue of the Washington Post states:

NAVY'S NEW MOSQUITO BOATS TO BE TRANSFERRED TO BRITISH

The Government is in process of releasing to the British 20 high-speed vessels now under construction on order for the United States Navy, it was learned yesterday.

This information was elicited from Louis Compton, Acting Secretary of the Navy, by members of the Senate Naval Affairs Committee in a stormy executive session of the committee last Friday.

Compton, when asked by what right this was done, under what law, and by whose instruction, took most of the responsibility himself, although saying that the transfer had been favored by Henry Morgenthau, Jr., Secretary of the Treasury. He denied that President Roosevelt had been consulted.

This paper also states:

Apparently taking into consideration that point, Compton estimated that the release of the unfinished boats for delivery to the British would not delay the delivery of the 24 originally ordered by the United States Navy by more than 6 months.

Mr. Speaker, in view of the fact that our Navy is now inadequate and the taxpayers are being called upon for billions of dollars to increase it, the illegal sale of 20 of our warships to the British is indefensible. This is particularly so in view of world conditions and the fact that these ships cannot be replaced within 6 months.

Mr. Speaker, I note pseudo-Republicans have now been appointed to the positions of Secretary of War and Secretary of the Navy by our New Deal President. They will no doubt take orders from Mr. Morgenthau. The American people are indebted to Mr. Woodring for refusing to follow the directions of international bankers and foreign war interventionists and strip our own national defense and send its equipment abroad to foreign belligerent nations.

Mr. Speaker, our New Deal President said that "we cannot have our cake and eat it, too." This we were told by the President when he appeared before Congress to deliver a national-defense message. The President said: "You cannot have your cake and eat it, too." Our New Deal President and his New Deal Secretary of the Treasury, Mr. Morgenthau, who up to a few days ago was the Acting Secretary of the Navy, apparently believe that we can have an adequate national defense, and also sell and send its implements 3,000 miles across the sea to foreign belligerent nations.

Mr. Speaker, the American people now know what is going on. With reference to national defense and peace the President's position reminds us of Isaac of old, who said: "The voice is Jacob's voice, but the hands are the hands of Esau." The American people now realize that the New Deal is moving rapidly toward war, particularly since the President announced his universal compulsory military training program under which American boys and girls are to be regimented and put into New Deal concentration camps to goose step under the direction of Sidney Hillman, the notorious un-American, anti-Christian Communist, a main cog of the New Deal political machine. [Applause.]

[Here the gavel fell.]

Mr. BLAND. Mr. Speaker, I move the previous question.

The previous question was ordered.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

The SPEAKER. Without objection, House Resolution 523, providing for the consideration of the bill just passed will be laid on the table.

There was no objection.

MARINE WAR-RISK INSURANCE

Mr. BLAND. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill, H. R. 6572, to amend the Merchant Marine Act, 1936, as amended, to provide for marine war-risk insurance and reinsurance and for marine risk reinsurance, and for other purposes, and I ask that the bill be considered in the House as in the Committee of the Whole.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Virginia [Mr. BLAND]?

Mr. MARTIN of Massachusetts. Mr. Speaker, reserving the right to object, and I am sorry I must object. I understand the gentleman has a rule for the consideration of this bill. There are quite a number of Members who want to speak on this bill, therefore I am obliged to object to the unanimous-consent request.

Mr. BLAND. Mr. Speaker, I think if the gentleman will give us time, if there are any objections which have been previously urged, they have been removed from the bill. I may say that we have taken out all provisions that would insure foreign ships. We have also met the wishes of the two great labor organizations, the American Federation of Labor and the National Maritime Union. I sat down with them yesterday around the table after we held a committee meeting and we agreed upon amendments that would meet their wishes.

Mrs. ROGERS of Massachusetts. Will the gentleman yield?

Mr. BLAND. I yield to the gentlewoman from Massachusetts.

Mrs. ROGERS of Massachusetts. You have taken out the amendment I objected to which would insure foreign vessels?

Mr. BLAND. That is an amendment to the bill. We do not insure foreign vessels under this bill.

Mrs. ROGERS of Massachusetts. I objected very strongly to that.

Mr. BLAND. We do not insure anything but American vessels and cargoes in American vessels, with provision for reinsurance.

Mrs. ROGERS of Massachusetts. The gentleman did not like that provision himself.

The SPEAKER. Is there objection to the request of the gentleman from Virginia [Mr. BLAND]?

Mr. MARTIN of Massachusetts. Mr. Speaker, I must object.

AMENDMENT TO MERCHANT MARINE ACT, 1936

Mr. CLARK. Mr. Speaker, I call up House Resolution 522 and ask for its immediate consideration.

Mr. MARTIN of Massachusetts. Mr. Speaker, I make the point of order there is not a quorum present.

The SPEAKER. Will the gentleman from Massachusetts [Mr. MARTIN] withhold that for a minute?

Mr. MARTIN of Massachusetts. Surely.

Mr. CLARK. Mr. Speaker, I withdraw the calling up of House Resolution 522 at this time.

The SPEAKER. Does the gentleman from Massachusetts [Mr. MARTIN] withdraw his point of no quorum?

Mr. MARTIN of Massachusetts. Mr. Speaker, I withdraw the point of order that there is not a quorum present.

ADMINISTRATION OF THE WASHINGTON NATIONAL AIRPORT

Mr. LEA. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill, S. 3927, to provide for the administration of the Washington National Airport, and for other purposes.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from California [Mr. LEA]?

Mr. MARTIN of Massachusetts. Mr. Speaker, reserving the right to object, will the gentleman explain the bill?

Mr. LEA. Mr. Speaker, this is a bill that was on the calendar the other day and objected to. I am advised that those Members who objected have withdrawn their objections.

The principal object of the bill is to authorize the Administrator in the Civil Aeronautics Authority to make leases for the Washington Airport. The airport is expected to be opened in November and it is necessary to have this authority for leasing before it is opened.

The SPEAKER. Is there objection to the request of the gentleman from California [Mr. LEA]?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That for the purposes of this act—

(a) "Administrator" means the Administrator of the Civil Aeronautics Authority.

(b) "Airport" means the Washington National Airport, which shall consist of, and include, the tract of land, together with all structures, improvements, and other facilities located thereon, lying partly in the District of Columbia and partly in the State of Virginia, particularly described as follows:

Commencing at a point of beginning, said point being the intersection of the property line of property owned by the Richmond, Fredericksburg and Potomac Railroad Company, and dredging base line at station 0+18.99 referenced south 6,808.21, west 9,078.82, running in a southeasterly direction on a bearing of south 22°51'18" east a distance of 6,270.91 feet, more or less, to station 62+89.90 of said dredging base line. Thence 13°30' right on a bearing of south 9°21'18" east a distance of 1,332.29 feet, more or less, to station 76+22.19 of said base line. Thence 11°04'19" right on a bearing of south 1°43'01" west a distance of 1,231.20 feet, more or less, to station 88+53.39 of said base line. Thence 12°40'41" right on a bearing of south 14°23'42" west a distance of 2,409.32 feet, more or less, to station 112+62.71 on said base line. Thence 1°15'44.3" right on a bearing of south 15°39'26.3" west a distance of 4,938.38 feet, more or less, to United States Coast and Geodetic Survey Station Water, referenced south 22,220.86, west 8,395.54. Thence 17°09'25.6" left on a bearing of south 1°29'59.3" east a distance of 85.58 feet, more or less, to a corner of the property line between the United States of America and Smoot Sand and Gravel Corporation. Thence 85°59'59.3" right on a bearing of south 84°30'00" west a distance of 1,516.41 feet, more or less, to a monument located at a corner on the property line of the Richmond, Fredericksburg and Potomac Railroad Co., said monument being referenced south 22,451.75, west 9,902.73. Thence 85°50'06.7" right on a bearing of north 8°09'54" west a distance of 442.68 feet, more or less. Thence 5°00'12" left on a bearing of north 13°10'06" west a distance of 578.64 feet, more or less. Thence 4°57'25" left on a bearing of north 18°07'31" west a distance of 462.94 feet, more or less. Thence 1°34'50" left on a bearing of north 19°42'21" west a distance of 943.56 feet, more or less, to the point of a curve having an angle of 27°52'45" right radius 1,241.15 feet, long chord 597.98 feet, on a bearing of north 5°45'58" west. Thence along the arc of said curve a distance of 603.92 feet, more or less, to the point of tangency of said curve. Thence along a tangent to said curve on a bearing of north 8°10'24" east a distance of 232.33 feet, more or less, to the point of a curve having an angle of 36°59'09" left, radius 1,046 feet, long chord 663.56 feet on a bearing of north 10°19'10.5" west. Thence along the arc of said curve a distance of 675.22 feet, more or less, to the point of tangency of said curve. Thence along a tangent to said curve on a bearing of north 28°48'45" west a distance of 256.75 feet, more or less. Thence 30°33'10" left on a bearing of north 59°21'55" west a distance of 287.84 feet, more or less. Thence 40°45'20" right on a bearing of north 18°36'35" west a distance of 1,142.08 feet, more or less. Thence 5°43'29" right on a bearing of north 12°53'06" west a distance of 118.02 feet, more or less, to the point of a curve having an angle of 26°20'50" right, radius 3,665.71 feet, long chord 1,670.85 feet on a bearing of north 0°17'19" east. Thence along the arc of said curve a distance of 1,685.66 feet, more or less, to the point of tangency of said curve. Thence along a tangent to said curve on a bearing of north 13°27'44" east a distance of 2,002.11 feet, more or less, to the point of a curve having an angle of 10°36'25" left, radius 2,864.79 feet, long chord of 529.59 feet on a bearing of north 8°09'31.5" east. Thence along the arc of said curve a distance of 530.25 feet, more or less, to the point of tangency of said curve. Thence along a tangent to said curve on a bearing of north 2°51'19" east a distance of 124.53 feet, more or less. Thence 6°57'52" left on a bearing of north 4°06'33" west a distance of 571.33 feet, more or less. Thence 7°22'39" left on a bearing of north 11°29'12" west a distance of 811.63 feet, more or less. Thence 8°16'52" right on a bearing of north 3°12'20" east a distance of 70.41 feet, more or less, to the point of a curve having an angle of 7°43'12" right, radius 5,479.58 feet, long chord 737.75 feet on a bearing of north 7°03'56" east. Thence along the arc of said curve a distance of 738.31 feet more or less, to the point of tangency of said curve, said point being on the old property line between Mary E. Cullinane and Milton Hopfenmaier property. Thence along said property line on a bearing of north 75°11'50" east a distance of 204.72 feet, more or less, to a monument marked U. S. D. 1–N. P. S., reference south 18,419.16, west 10,829.26. Thence along the same bearing of north 75°11'50" east a distance of 215 feet, more or less. Thence 34°36'06" left on a bearing of north 40°35'44" east a distance of 1,509 feet, more or less, to the point of a curve having an angle of 5°45' left, radius 7,239.41 feet, long chord of 723.20 feet, on a bearing of north 37°53'14" east. Thence along the arc of said curve a distance of 726.51 feet, more or less, to the point of a compound curve having an angle of 6°00' left, radius 2,217.01 feet, long chord of 232.06 feet on a bearing of north 32°10'44" east. Thence along the arc of said curve a distance of 232.15 feet, more or less, to the point of a compound curve having an angle of 57°01'20" left, radius 1,303.74, long chord 1,244.62, on a bearing of north 0°40'04" east. Thence along the arc of said curve a distance of 1,297.22 feet, more or less, to the point of a compound curve having an angle of 7°59'54.3" left, radius 2,217.01 feet, long chord 309.23 feet on a bearing of north 31°49'33" west. Thence along the arc of said curve a distance of 310 feet, more or less, to the intersection of said curve with the property line of the Richmond, Fredericksburg and Potomac Railroad Co. and the United States of America. Thence in a northeasterly direction along a bearing of north 34°30'00" east a distance of 340 feet, more or less, to the point of beginning;

excepting, however, such portion thereof as the President may, by Executive order or orders, prescribe, which portion shall be added to, and administered as part of, the Mount Vernon Memorial High-

way, authorized by the act approved May 23, 1928 (45 Stat. 721), as amended.

SEC. 2. The Administrator shall have control over, and responsibility for, the care, operation, maintenance, and protection of the airport, together with the power to make and amend such rules and regulations as he may deem necessary to the proper exercise thereof.

SEC. 3. The Administrator is empowered to lease, upon such terms as he may deem proper, space or property within or upon the airport for purposes essential or appropriate to the operation of the airport.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

CIVIL AERONAUTICS AUTHORITY

Mr. LEA. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (H. R. 9899) extending the jurisdiction of the Civil Aeronautics Authority over certain air-mail services, and for other purposes.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from California?

Mr. MARTIN of Massachusetts. Reserving the right to object, Mr. Speaker, will the gentleman explain the bill?

Mr. LEA. The practical purpose of this bill is to clarify the existing law. The Civil Aeronautics Act gives the Civil Aeronautics Authority authority to grant certificates of convenience and necessity for air transportation. A question arose as to whether or not the pick-up service by airplane is air transportation within the meaning of the Civil Aeronautics Act. The attorney's of the different departments disagreed about the question, so this is to clarify the situation so as to give unquestioned authority to the Civil Aeronautics Authority to grant certificates of convenience and necessity for the pick-up service.

Mr. MARTIN of Massachusetts. Does this have a unanimous report from the committee?

Mr. LEA. It has a unanimous report by the committee.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That subsection (1) of section 405 of the Civil Aeronautics Act of 1938 is amended to read as follows:

"(1) Nothing contained in this act shall be construed to repeal in whole or in part the provisions of section 6 of the act entitled 'An act to provide for experimental air-mail service, to further develop safety, efficiency, economy, and for other purposes', approved April 15, 1938. The transportation of mail under contracts entered into under such section shall not, except for sections 401 (1) and 416 (b), be deemed to be 'air transportation' as used in this act, and the rates of compensation for such transportation of mail shall not be fixed under such act."

SEC. 2. Sections 1 and 2 of the act entitled "An act to provide for experimental air-mail service, to further develop safety, efficiency, economy, and for other purposes", approved April 15, 1938, are hereby repealed.

With the following committee amendment:

Page 2, line 4, strike out "such" and insert "this."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

ALIENS ADMITTED TO UNITED STATES AS OFFICIALS OF FOREIGN GOVERNMENTS

Mr. LESINSKI. Mr. Speaker, I ask unanimous consent for the present consideration of the bill (H. R. 10112) to amend the Immigration Act of 1924 to require aliens admitted into the United States as officials of foreign governments either to maintain their status or to depart from the United States, with the approval of the Secretary of State.

The Clerk read the title of the bill.

Mr. TABER. Mr. Speaker, may the bill be reported?

The SPEAKER. The Clerk will report the bill.

The Clerk read the bill, as follows:

Be it enacted, etc., That the first subdivision of section 3 of the Immigration Act approved May 26, 1924 (43 Stat. 153; U. S. C. Annotated, title 8, sec. 203), is hereby amended to read as follows: "(1) an accredited official of a foreign government recognized by the Government of the United States, his family, attendants, servants, and employees."

SEC. 2. That the first parenthetical clause in section 15 of the Immigration Act approved May 26, 1924 (U. S. C. Annotated, title 8, sec. 215), which reads "(except a Government official and his family)", is hereby repealed, and section 15 is hereby amended to read as follows: "The admission to the United States of an alien excepted from the class of immigrants by clause (1), (2), (3), (4), (5), or (6) of section 3, or declared to be a nonquota immigrant by subdivision (e) of section 4, shall be for such time and under such conditions as may be by regulations prescribed (including, when deemed necessary for the classes mentioned in clause (2), (3), (4), or (6) of section 3 and subdivision (e) of section 4, the giving of bond with sufficient surety, in such sum and containing such conditions as may be by regulations prescribed) to insure that, at the expiration of such time or upon failure to maintain the status under which admitted, he will depart from the United States: *Provided*, That no alien who has been, or who may hereafter be, admitted into the United States under clause (1) of section 3, as an official of a foreign government, or as a member of the family of such official, shall be required to depart from the United States without the approval of the Secretary of State."

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

Mr. MARCANTONIO. Reserving the right to object, Mr. Speaker, may we have this bill explained? It is a long bill and it mentions various sections of the law. I should like to know what it accomplishes.

Mr. LESINSKI. The purpose of the bill is to require aliens who are admitted to the United States as officials of foreign governments to maintain their status or depart from the United States. That is all there is to the bill.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

BELA KARLOVITZ

Mr. LESINSKI. Mr. Speaker, I ask unanimous consent for the present consideration of the bill (H. R. 9840) for the relief of Bela Karlovitz.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

Mr. MARTIN of Massachusetts. Reserving the right to object, Mr. Speaker, will the gentleman explain the bill?

Mr. LESINSKI. This gentleman is an inventor who was brought into this country by the Westinghouse Co. from Hungary. There is no fraud involved in the case. He is here on a regular visa, but his time is expiring. This gentleman is working on an invention to conserve fuel. The report reads as follows:

This alien is a native and citizen of Hungary and he has a wife and three children residing in that country. He is an electrical engineer and is working on the development of an invention for the generation of power. A large electrical manufacting company, having received information with reference to his work, sent a representative to Budapest, Hungary, and purchased from this alien the rights to the patent when it is perfected. They persuaded this alien to come to the United States and to their plant for the purpose of completing his invention. This company has already expended in the neighborhood of $50,000 in experiments and there was testimony to the effect that they are quite certain that this invention will prove successful.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That for the purposes of the immigration and naturalization laws Bela Karlovitz, of Wilkinsburg, Pa., a research engineer temporarily in the United States as a visitor, shall be considered to have been lawfully admitted, at New York, N. Y., on September 1, 1938, to the United States for permanent residence.

With the following committee amendment:

Page 1, at the end of the bill add a new paragraph, as follows:

"Upon the enactment of this act the Secretary of State shall instruct the proper quota-control officer to deduct one number from the Hungarian quota for the first year that the said Hungarian quota is available."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

AMERICAN RED CROSS VESSELS

Mr. BLOOM. Mr. Speaker, I ask unanimous consent for the immediate consideration of the joint resolution (S. J. Res. 279) to amend section 4 of Public Resolution No. 54, approved November 4, 1939, entitled "Joint resolution to preserve the neutrality and the peace of the United States and to secure the safety of its citizens and their interests."

The Clerk read the title of the joint resolution.

The SPEAKER. Is there objection to the request of the gentleman from New York?

Mr. MARTIN of Massachusetts. Mr. Speaker, reserving the right to object, will the gentleman explain the joint resolution?

Mr. BLOOM. Mr. Speaker, this joint resolution is an amendment of the Neutrality Act which permits Red Cross vessels to go into certain areas. I can explain the resolution better by reading what Secretary Hull says about it in this letter:

The Red Cross has dispatched to Europe the ship *McKeesport*, which it chartered for the purpose of carrying Red Cross supplies to France. The supplies were to be landed in Bordeaux. Under the neutrality law it was necessary to obtain safe conduct from the belligerent governments. This safe conduct was not forthcoming from all the necessary governments, and consequently the vessel was dispatched to Bilbao, Spain, with the expectation that its cargo might be landed there and transported into France. There seem to be pratical difficulties as far as that procedure is concerned, and the question now arises as to whether the vessel ought not be diverted from its course to one of the belligerent ports where the need is paramount.

This raises the question of the general applicability of the neutrality law to Red Cross shipments and has put the matter in the forefront of the Department's thought. After consultation with Mr. Norman Davis, of the Red Cross, we have come to the conclusion that it would be infinitely better if the Neutrality Act were amended to permit Red Cross ships on voyages of mercy to proceed simply after notification to belligerents that the specific vessel will go to a named port, it now being demonstrated that it is impracticable to operate under the present provisions of the law. Consequently we have thought that you might be willing to introduce a bill amending the Neutrality Act to that extent. A draft is enclosed for your consideration. If you feel that you can support this measure, I should be very glad if you would introduce it and expedite its passage to whatever extent possible, because it seems desirable in view of the unsettled situation in Europe to divert the *McKeesport*, which is now at sea, from its present run, to Bordeaux or some other belligerent port as conditions render advisable or expedient and where there is very great need for the cargo.

Mr. MARTIN of Massachusetts. This joint resolution is applicable only to Red Cross vessels?

Mr. BLOOM. It is applicable only to Red Cross vessels, under charter or otherwise, and gives the Red Cross an opportunity to transport personnel and supplies for the relief of human suffering to Europe.

This joint resolution was considered in the Senate yesterday, and an amendment was added to clarify the situation and make it absolutely positive that such shipments would in no way involve this country. The joint resolution, containing this amendment, was considered by the Committee on Foreign Affairs this morning and reported unanimously. The amendment is as follows:

Provided, That where permission has not been given by the blockading power, no American Red Cross vessel shall enter a port where a blockade by aircraft, surface vessel, or submarine is being attempted through the destruction of vessels, or into a port of any country where such blockade of the whole country is being so attempted: *Provided further*, That such American Red Cross vessel shall be on a mission of mercy only and carrying only Red Cross materials and personnel.

This is the amendment adopted yesterday in the Senate, in addition to a small amendment adopted the other day, and it has the unanimous approval of the Foreign Affairs Committee.

Mrs. ROGERS of Massachusetts. Mr. Speaker, will the gentleman yield?

Mr. BLOOM. I yield.

Mrs. ROGERS of Massachusetts. The gentleman feels this would not involve us in war in any way because the amendment safeguards the bill. It is a very very humane movement.

Mr. BLOOM. It is a humane provision that will permit the Red Cross vessels to go on their missions of mercy.

Mr. MARCANTONIO. Mr. Speaker, will the gentleman yield?

Mr. BLOOM. I yield.

Mr. MARCANTONIO. I am in entire sympathy with the objective of the bill, but what I am concerned about is this: Are we going to have naval escorts for these ships?

Mr. BLOOM. There will be no escorts. They will not be convoyed, and they will not be escorted, and they have no right to go anywhere where there is even any kind of blockade attempted—not only a blockade but an attempted blockade.

Mr. MARCANTONIO. And that would include an aerial blockade as well?

Mr. BLOOM. An aerial blockade or a submarine blockade or any other kind of blockade.

Mr. SCHAFER of Wisconsin. Mr. Speaker, will the gentleman yield?

Mr. BLOOM. I yield.

Mr. SCHAFER of Wisconsin. We understand that none of our American ships will act as an escort.

Mr. BLOOM. No.

Mr. SCHAFER of Wisconsin. Will it be possible for the Red Cross ships covered by this bill to be escorted as part of a convoy of another belligerent nation?

Mr. BLOOM. No; that is absolutely forbidden.

Mr. CULKIN. Mr. Speaker, will the gentleman yield?

Mr. BLOOM. I yield to the gentleman from New York.

Mr. CULKIN. I would like to inquire if arrangements have been made with the State Department to notify the several combatants of the progress of the ship and the route of the ship?

Mr. BLOOM. Not only that, but the Red Cross is in direct communication with all the countries so as to be sure about it.

Mr. CULKIN. I am talking about the State Department.

Mr. BLOOM. I just read the letter of the State Department which covers that point very clearly.

Mr. CULKIN. The route will not be changed as it was in another instance; that is, in the case of the *Washington?*

Mr. BLOOM. If the ship should leave an American port and was on its way over there and it should then be found there was any kind of blockade at that point, the ship would be notified immediately and they would have to change their course.

Mr. CULKIN. The gentleman misses my point. I am wondering if the State Department is going to keep in touch with the governments of the several combatants as to the route or any change of route.

Mr. BLOOM. I do not know about the State Department.

Mr. CULKIN. I think that is very important.

Mr. BLOOM. May I answer the gentleman by stating that the proper departments of the Government will be in communication. If it is the State Department——

Mr. CULKIN. The gentleman is not going to have the Labor Department, under Miss Perkins, communicate with Germany or England?

Mr. BLOOM. No.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There being no objection, the Clerk read the joint resolution (S. J. Res. 279), as follows:

Resolved, etc., That section 4 of Public Resolution No. 54, approved November 4, 1939, entitled "Joint resolution to preserve the neutrality and the peace of the United States and to secure the safety of its citizens and their interests" be, and is hereby, amended to read as follows:

"SEC. 4. The provisions of section 2 (a) shall not prohibit the transportation by vessels, unarmed and not under convoy, under charter or other direction and control of the American Red Cross of officers and American Red Cross personnel, medical personnel, and medical supplies, food, and clothing, for the relief of human suffering: *Provided*, That where permission has not been given by the blockading power, no American Red Cross vessel shall enter a port where a blockade by aircraft, surface vessel, or submarine is being attempted through the destruction of vessels, or into a port of any country where such blockade of the whole country is being so attempted: *Provided further*, That such American Red Cross vessel shall be on a mission of mercy only and carrying only Red Cross materials and personnel."

Mr. FISH. Mr. Speaker, I move to strike out the last word.

Mr. Speaker, I objected, or rather held up consideration of this bill a few days ago, because I thought there should be an amendment of this kind. This is a Senate amendment and evidently they thought likewise.

I want the House to realize that this is an amendment to the Neutrality Act and I think a very proper one, because I believe all the American people want our Red Cross ships to go on errands of mercy and on humanitarian errands to the other side. It has been the custom in the past to get safe conducts from the belligerent nations. There are so many belligerent nations, it is very difficult to get safe conducts from them all and therefore it was proposed in the original bill to send these ships over without such safe conducts. I thought it was a very dangerous procedure because these Red Cross ships might be torpedoed in the night or in a fog by being mistaken for other vessels and in this way we might become involved in war.

The amendment which the Senate has adopted and which the chairman of the committee, the gentleman from New York [Mr. BLOOM], has just offered here is very drastic. It may in some respects go too far, if that is possible, because it states that when a blockade is attempted of any country the Red Cross vessels cannot go to that country. Certainly every Member of this House knows that within 48 hours, as soon as peace terms are arranged between Germany and France, Germany will proclaim a blockade of England, or attempt to proclaim a blockade of England. This bill contains words "attempted blockade," so that a Red Cross vessel could not go to England without getting safe conduct from Germany. This is a very, very drastic amendment. I had proposed an amendment that the Red Cross ships should go at their own risk, which is more flexible, but would also keep us from being involved in war.

In view of this amendment, which goes even further than that, I am willing to accept it and support it, but I think the House ought to know all the facts, first, that this is an amendment to the Neutrality Act, and that it is a proper amendment, that the bill originally came in without any of those safeguards, and that is why we held it up, and the Senate amended it by the amendment referred to.

Mr. MARCANTONIO. Mr. Speaker, will the gentleman yield?

Mr. FISH. Yes.

Mr. MARCANTONIO. Who is to determine whether a blockade exists? Our State Department?

Mr. FISH. No; the wording of the bill is comprehensive. It says even when a blockade is attempted—not to one port, but it goes even further and says when a blockade is attempted of a whole country.

Mr. BLOOM. Mr. Speaker, will the gentleman yield?

Mr. FISH. Yes.

Mr. BLOOM. I forgot to mention this—that it is in the resolution that the boat must be unarmed and not under convoy.

Mr. FISH. I think the gentleman mentioned that.

Mr. BLOOM. I did not say unarmed.

Mr. FISH. They must be unarmed, and not under convoy; and I say to my colleague the gentleman from New York [Mr. CULKIN] that they must radio all belligerent governments exactly where they are during practically every hour of the day, otherwise they would be guilty of criminal negligence, and during the night they will have an American flag and a Red Cross flag with a spotlight. There will be no risk taken as far as that is concerned.

Mr. MILLER. Did the gentleman figure it would be safer to put in the bill the language that the ships must travel at their own risk?

Mr. FISH. I offered that amendment myself, that American Red Cross ships should make the trip at their own risk. I thought that would be a good amendment, but this is more drastic as it goes much further, and they will not even be permitted to go to those nations if there is an attempted blockade. I think my amendment, perhaps, would be more sensible and more flexible, that they should make the trip at their own risk. That would not involve us in war. This amendment is much more drastic. Mine would have been more flexible. I am sorry that I was not in the committee at the time, but someone offered the amendment for me and the committee decided on the Senate amendment.

The SPEAKER. The question now is on agreeing to the Senate joint resolution.

The Senate joint resolution was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

CONTINENTAL AEROSURVEYS CORPORATION

Mr. SOMERS of New York. Mr. Speaker, I ask unanimous consent for the present consideration of the bill (H. R. 10087) for the relief of the Continental Aerosurveys Corporation, which I send to the desk.

The Clerk read as follows:

Be it enacted, etc., That the time for the completion by the Continental Aerosurveys Corporation, 90 Broad Street, New York City, N. Y., of its contract with the Department of Agriculture, dated June 29, 1938, for the furnishing by such corporation to such Department of aerial photographs of lands within certain counties in northwestern Pennsylvania, is hereby extended to and including November 15, 1940. Such contract expires by its terms on June 30, 1940, performance by the corporation under it has been virtually completed, and irreparable loss will result both to the corporation and the Department of Agriculture unless the time for its completion is extended.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. MARTIN of Massachusetts. Mr. Speaker, as I understand it, this is merely extending the time for the completion of the work?

Mr. SOMERS of New York. Yes.

Mr. MARTIN of Massachusetts. And there is no additional expense involved?

Mr. SOMERS of New York. No.

The SPEAKER. Is there objection?

There was no objection.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

MARINE WAR-RISK INSURANCE

Mr. CLARK. Mr. Speaker, I call up House Resolution 522, which I send to the desk and ask to have read.

The Clerk read as follows:

House Resolution 522

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of H. R. 6572, a bill to amend the Merchant Marine Act, 1936, as amended, to provide for marine war-risk insurance and reinsurance and for marine-risk reinsurance, and for other purposes. That after general debate, which shall be confined to the bill and continue not to exceed 1 hour, to be equally divided and controlled between the chairman and ranking minority member of the Committee on Merchant Marine and Fisheries, the bill shall be read for amendment under the 5-minute rule. At the conclusion of the consideration of the bill for amendment the Committee shall rise and report the same to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit with or without instructions.

Mr. CLARK. Mr. Speaker, I yield 30 minutes to the gentleman from New York [Mr. FISH].

Mr. Speaker, there is nothing unusual about this rule. It is an open rule. It is for the consideration of H. R. 6572, to amend the Merchant Marine Act, 1936, to provide for marine war-risk insurance and reinsurance and for marine reinsurance, and for other purposes. I yield 10 minutes to the gentleman from Virginia [Mr. BLAND].

Mr. BLAND. Mr. Speaker, the purpose of this bill is well expressed in the report in these words:

The purpose of the legislation is to make sure that American water-borne commerce will be kept moving. The inability—which may arise overnight—to secure from the usual sources the necessary protection of insurance against marine perils and marine war risks for American ships and their cargoes and the crews thereon would seriously jeopardize that commerce. Under existing

war conditions, such inability may arise on short notice without adequate opportunity for necessary readjustments because the American marine insurance market normally relies on support from the world insurance market. Under present international conditions it is doubtful whether any private national insurance market has sufficient capacity to protect the high values which may be exposed concurrently to war perils. While the American insurance market has been strengthened and increased since the World War and particularly since the outbreak of the present European war, the fact still obtains that the general or world insurance market may at any time under present conditions become inadequate or undesirable as a support for the American market, and then American shipping would lose the support of that market which has heretofore carried approximately one-half of the insurance necessary for American vessels and their cargoes. In fact, the American insurance market has been reinsuring in the world market part of the risks assumed by it. Under the circumstances, American commerce may be deprived overnight of part of the insurance protection needed to keep American commerce moving.

I wish to say to the House that marine insurance and war-risk insurance is the lifeblood of water transportation. When it stops, water-borne commerce will not move. When hearings were had on the original bill by the committee there was considerable opposition in which I shared. I felt that we should not insure foreign vessels and cargoes on foreign vessels. If you will refer to the bill you will find that every provision that was contained in the original bill providing for insurance of foreign vessels and cargoes in foreign vessels has been stricken from the bill. Those are the amendments that are contained in the original bill as it was reported to the House. I call attention to these words stricken from the bill:

Masters, officers, and crews of foreign vessels referred to in subsection (c) hereof against loss of life, personal injury, or detention by any government, except that the nation of the vessel or of the United States, following capture.

And so forth. I call attention to the following words:

Vessels of any foreign country not an enemy of the United States engaged in the foreign or domestic trade of the United States.

In the original bill foreign vessels and cargoes thereon would have been covered by insurance, but those features are now stricken from this bill. The bill we bring to you contains carefully drawn amendments expressly excluding all insurance of foreign vessels and cargoes in foreign vessels.

Mr. OLIVER. Mr. Speaker, will the gentleman yield?

Mr. BLAND. I yield.

Mr. OLIVER. Is it not a fact that a number of representatives of private insurance businesses appeared before the committee and approved of the enactment of this bill?

Mr. BLAND. Yes; that is the fact.

Now, something was said about American insurance. This bill will help to build up American insurance. After we built up our merchant marine in 1916, and when we considered the Merchant Marine Act, 1920, there were on the Committee on Merchant Marine and Fisheries two members who are now here, the Speaker of the House and the gentleman from New York, Dr. CROWTHER. There was a careful study made then. We did not have much insurance in this country but with the building up of the American merchant marine there has been built up also marine insurance in this country, and those companies are taking a large part of the insurance now. Those companies have not reached the point where they can take all of the insurance, and, as a result, large coverages of marine insurance are reinsured in the markets of the world. Let the world market fail, and these companies have nowhere to go. The Government then steps in. If the competition that heretofore existed is destroyed, and the rates of an insurance company advance so that adequate insurance is not provided at reasonable rates, then the Government is able to take care of that situation and insure direct.

Mr. CROWE. Mr. Speaker, will the gentleman yield?

Mr. BLAND. I yield to the gentleman.

Mr. CROWE. Is it not a fact that there is need for this insurance, and the proof of that is that part of the insurance has been reinsured or carried in other markets, London and elsewhere, and now there is a possibility that that insurance may not be available?

Mr. BLAND. Yes; and this is the finest opportunity to get the business for America that I have ever known, because it is provided that only in event it is necessary to do so does the Government come in and insure these risks. This does help to build up marine insurance by private companies.

Let me tell you this: When we had the hearings before our committee, in May 1939, there did not exist adequate protection in the American market for insurance on the seamen—casualty insurance—but it developed at the hearing that we held yesterday that that market has been materially increased since our hearings in May of last year. There is being made an effort to build up the insurance market in the United States. Please remember that Great Britain has been a maritime nation for years and these other nations of the world as well for years—yea, for centuries—and they have gradually gotten the marine-insurance business. Now we are getting it.

It has been shown in the past that one of the most important factors in practicing discriminations against American transportation has been through marine insurance. It was so shown by a study that was made in 1920. We have found that it was necessary to get marine insurance here. It has been pretty well covered, but all has not been covered, and if the markets in which we reinsure should fail, our commerce may stop; surely we do not care to have our steamers lying at the docks, to have our cargoes upon the wharves and to be unable to send our goods upon the high seas, not to combat zones but to other areas simply because we cannot insure the hulls and the cargoes and the lives of the officers and crews on the ships.

Again I say marine insurance is the lifeblood of water-borne transportation.

Mrs. ROGERS of Massachusetts. Mr. Speaker, will the gentleman yield?

Mr. BLAND. I yield.

Mrs. ROGERS of Massachusetts. Has the gentleman any statement that he can give from an insurance company regarding this sort of insurance—this Government marine insurance?

Mr. BLAND. No. I have no statement from them. They have not opposed it.

They have all been in favor of it. They want us to reinsure, to be prepared to take care of this situation; and we want them to build up their business. The more they can build it up the better we shall like it. This bill will help private business.

Mrs. ROGERS of Massachusetts. I am very glad the gentleman took out the provision with reference to insuring foreign vessels, whether belligerents or not.

Mr. BLAND. That is absolutely out. That was in the original bill, but it has been stricken out to meet objections. I am not so sure that possibly later, if we should not have the ships to carry our cargoes, but that we may need to do that. However, this bill will not permit it, and if that condition arises, we shall have to come back here.

[Here the gavel fell.]

Mr. CLARK. Mr. Speaker, I yield five additional minutes to the gentleman from Virginia.

Mr. MILLER. Mr. Speaker, will the gentleman yield?

Mr. BLAND. I yield.

Mr. MILLER. I am not as well informed on this bill as I should be, but I have had inquiries from Hartford insurance companies. Is this bill similar to S. 2566?

Mr. BLAND. I think it is, but I am not sure about the number.

Mr. MILLER. The question that has been asked me and which seems to be disturbing some people is the condition under which the Commission will take insurance. Under the terms of the bill the corporation or commission will take insurance only where it cannot be obtained at reasonable rates.

Mr. BLAND. That is true.

Mr. MILLER. The question that has been asked is, Who will determine the reasonableness of the rates?

Mr. BLAND. The Maritime Commission. The Commission determines that from the rates that are charged. There are no fixed rates that are controlled by the Commission or anything of that kind. London and the world markets have been the competitors. If those competitors are lost there may be a possibility that someone else would have to provide the reinsurance. It is the desire of the human heart, you know, to make money.

Mr. MILLER. I want to say that the letters I received from both these marine-insurance companies expressed confidence in the chairman of the committee who is now presenting this bill, and their question was for information and not in criticism. They indicated a desire to cooperate with the gentleman.

Mr. BLAND. I thank the gentleman. That was the only reason for putting the language in there—to provide against the possible removal of competitors that might lead to insurance rates going too high.

Mr. BRADLEY of Michigan. Mr. Speaker, will the gentleman yield?

Mr. BLAND. I yield.

Mr. BRADLEY of Michigan. When we considered this bill in committee we assumed that the Neutrality Act of 1939 would remain on the books. Since then articles have appeared in the papers which state that perhaps the Neutrality Act might be suspended, and very recently we heard a statement made by the gentleman who has just been nominated to be Secretary of the Navy to the effect that he would advocate the shipment of munitions and other contraband of war to the Allies in their own ships if they had them available, or in American ships if they were not available even if he perhaps had to send a naval convoy with them. Now, I ask the gentleman, Does he not think it would be worth while to cover that eventuality in this bill? Or does the gentleman think we should insure those cargoes if they went deliberately into the danger zone?

Mr. BLAND. I do not think we should extend it to them. I do not think this bill ought to deal with insurance of that kind.

Mr. BRADLEY of Michigan. Transportation of contraband by water should be without insurance if neutrality is suspended.

Mr. BLAND. That is probably true, but that question has never risen.

Mr. BRADLEY of Michigan. Would the gentleman accept such an amendment?

Mr. BLAND. I do not want to delay the bill. I would have to see the amendment first.

Mr. Speaker, may I explain a few other amendments that have been prepared? When the first section of the bill is read I am going to offer an amendment to strike out all after the enacting clause and insert a substitute, to make it a clean bill. I am going to tell you what amendments there are here. I want you to listen to this, because the only change that has been made since the bill was reported arises from the fact that when the bill was considered by the committee, for some reason the labor organizations did not appear either for or against it. In the bill as originally prepared is a provision that the maximum insurance for the death of a seaman would be $5,000 and the minimum $2,000, with certain percentages. Last Sunday I saw that the labor organizations had taken exception to that and said they wanted to come down and present their objections. I told them I would call the committee together and let them present their objections. They appeared, and the committee and I felt that there was some merit in the objections they presented. After the hearings yesterday morning the members of the committee asked us to sit around the table and see if we could not work out amendments that would be agreeable. They asked us to cut out any direct insurance, just to reinsure the usual rates. We found out that the insurance companies had materially increased their business in the United States on that kind of insurance, so we told them we would do that, that we would cut out direct insurance, but still we felt that there might not be sufficient business available in the United States to provide ample coverage. So we added this amendment, which appears in the clean draft. We first cut out any direct insurance and then to protect against any eventuality whereby there might be no opportunity to insure these seamen, the masters, and the crews, we put a new section 224 in, and this meets with their approval.

The new section 224 reads as follows:

> Whenever the Commission determines that insurance for masters, officers, and crews of American vessels against loss of life, personal injury, or detention by any government except that of the United States following capture, arising from risks of war, cannot, with the aid of reinsurance provided for under this subtitle, be obtained on reasonable terms and conditions from companies authorized to do an insurance business in a State of the United States, the Commission is authorized to provide such insurance on a basis corresponding to the war-risk insurance protection supplied, prior to such determination, for such personnel for companies authorized to do business in a State of the United States.

Mr. Standard, of the National Maritime Union, the C. I. O. members, the marine engineers, Mr. Scharenberg, representing the American Federation of Labor, all accepted this as satisfactory.

Then they had another fear. They were afraid that something in this bill might be designed to take away from them some of their rights under other laws of the United States. I do not think so. I could not see how it would. But if it did not and it was intended not to do so, I could not see how it would do any harm to say expressly that which we meant. So we added the following section:

> Nothing in this subtitle shall be deemed to affect the rights of seamen under any provision of existing law.

Under the circumstances I feel that with the one amendment I am going to offer which only makes these changes, that we have met all of the objections that have been interposed by Members of the House and by labor organizations. Though they came at the last minute we were willing to sit down with them around a table and they showed a splendid spirit in trying to reach an agreement.

Mr. MILLER. Is it the contemplation of the committee that the rates set up under this bill will at the outset be lower than the prevailing rates? The domestic and foreign rates run just about the same.

Mr. BLAND. Does the gentleman mean insurance rates?

Mr. MILLER. Insurance rates.

Mr. BLAND. That is not contemplated. It is desired to have a stopgap there in the event we cannot move the commerce. I have not heard any suggestion up to the present time that there are unreasonable rates.

Mr. MILLER. This is to deal with an emergency. It is not contemplated to try to get any marine business today?

Mr. BLAND. That is correct. It is purely a stopgap.

Mr. Speaker, I believe that covers my explanation of the bill and this is also intended to cover my explanation if the rule is adopted.

[Here the gavel fell.]

Mr. FISH. Mr. Speaker, I yield myself 5 minutes.

Mr. Speaker, I desire to commend the members of the committee for their diligence, their intelligence, their sound common sense, and their careful action in the interest of the American people in rewriting this bill, because when it came to the committee from the administration the bill was a vicious proposal and one that would have involved us in war. It provided originally for the insurance of foreign vessels and for war material on foreign vessels. Many of those ships have already been sunk. We would have had an interest in the ships on account of having insured them and an interest in the war material. We would have been a party to the loss. But the committee carrying out the general good sense of the Congress, both on the Republican and Democratic side, has rendered a service to the country by repudiating this vicious proposal that came from some of the crackpots and brain trusters of the administration who would be only too glad to have us intervene and become involved in the present war overseas.

This is a very important bill and that is the reason I asked for consideration of it under a rule. There may

be some amendments offered. We want to expedite debate. It is an American bill today. Originally it was a foreign bill. Now it is aimed to protect American interests. The private insurance companies are for the bill, I am informed. It makes it possible to cover the marine insurance in the American market. Hitherto we have been dependent for our marine insurance very largely on Lloyds in London, England. This provides the mechanism so that we can get adequate marine insurance in America for American vessels; therefore it is a sound American proposition instead of being a foreign proposal which it was originally and one that would have led us to war. It is now a measure for peace and Americanism.

Mr. Speaker, I believe an amendment will be offered to make sure that if the Neutrality Act is repealed or any part of it, and I do not believe it will be, it will not again provide for insurance on foreign vessels and war materials. If this bill had gone through in its original form we would have been involved in all kinds of difficulties by this time. I do not believe it would have carried insurance into foreign lands, but I see in the newspaper today that 400 brand new American airplanes were seized in France by the German armed forces. Whether we would have had insurance on those airplanes or not under the original bill I do not know.

Mr. Speaker, Colonel Stimson and Colonel Knox, the proposed new members of the Cabinet, have given voice to certain interventionist views recently. Mr. Stimson, who is about to be made Secretary of War, says that we should permit American vessels, in fact we should use all American vessels, to carry contraband to the belligerents. If this bill had come here in its original form it would be in accordance with that gentleman's views today. This former Republican, this interventionist, and internationalist, who has left our ranks, and you are welcome to him as you are welcome to all our interventionists. They do not belong to our party, but to the Democratic Party under President Roosevelt, which is now the war party in the United States.

Mr. CULKIN. Will the gentleman yield?

Mr. FISH. I yield to the gentleman from New York [Mr. CULKIN].

Mr. CULKIN. I heard a statement this morning, I may say to the gentleman from New York, that Colonel Knox's speeches in 1936 cost the Republican Party 4,000,000 votes. I wonder if the gentleman would comment on that.

[Here the gavel fell.]

Mr. FISH. Mr. Speaker, I yield myself 5 additional minutes.

Mr. Speaker, I believe the gentleman underestimates it. I think that if these two distinguished and able gentlemen, Colonel Knox and Colonel Stimson, internationalists and interventionists—and they are entitled to their views—who have just gone over to the party where they belong, had stayed in the Republican Party and we had followed their advice and written an internationalist and interventionist plank for our foreign policy, the Republicans would have had even less votes than in 1936. I do not believe the Republican Party would even carry Maine and Vermont. It is a godsend to the Republican Party that they have gone over where they belong, which assures our having an antiwar platform.

Mr. CLARK. Mr. Speaker, will the gentleman yield?

Mr. FISH. I yield to the gentleman from North Carolina.

Mr. CLARK. I just want to inquire if the gentleman is still speaking on the rule.

Mr. FISH. I will come back to that rule in due course.

Mr. SCHAFER of Wisconsin. Mr. Speaker, will the gentleman yield?

Mr. FISH. I yield to the gentleman from Wisconsin.

Mr. SCHAFER of Wisconsin. The Republican party has not lost anything because these two pseudo Republicans, these foreign-war interventionists have enlisted in the New Deal forces. They had already strayed in New Deal pastures, and their appointment merely gives the New Deal an absolute title to them, and they will no longer be able to fool Republicans who believe in preserving our American constitutional democracy and are opposed to New Deal-Soviet autocracy.

Mr. FISH. I may say to the gentleman that, in my humble opinion, I believe it is the most fortunate thing and the best thing that could happen to the Republican Party that these internationalist and interventionist termites, able and distinguished men though they be, have left our party. I believe now that we will be able to elect a Republican President this fall on an antiwar platform.

Mr. SCHAFER of Wisconsin. They have now deserted our party and have joined the hosts of third "term-ites," who are moving forward into the new European war under the smoke screen which covers the Roosevelt third-term "blitzkrieg."

Mr. FISH. Does the gentleman mean the war party?

Mr. SCHAFER of Wisconsin. Yes. The New Deal is the war party. They have now shown their hand.

Mr. FISH. We should take that issue right to the people on the basis of "'peace or war, which will you have?"

Mr. MILLER. Mr. Speaker, will the gentleman yield?

Mr. FISH. I yield to the gentleman from Connecticut.

Mr. MILLER. Do I correctly understand the gentleman to say that the private insurance companies are satisfied with this bill?

Mr. FISH. Do not take my word for that, but I was told by a member of the committee that the private insurance companies are satisfied with it. It extends our American market to cover the kind of insurance we hitherto could not obtain in this country and had to go to Lloyds for. I think that is the purpose of the bill.

Mr. MASSINGALE. Mr. Speaker, will the gentleman yield?

Mr. FISH. I yield to my distinguished friend from Oklahoma.

Mr. MASSINGALE. I am just wondering, inasmuch as the gentleman is now speaking of riddances from the Republican Party, if he feels much elated over the prospect of getting the platform which John L. Lewis is going to write for the gentleman's party.

Mr. FISH. I am talking not about the labor planks, I am talking about the program of peace or war. I want that issue taken to the American public, that is all. I would even like to have it decided in the Democratic State of Oklahoma, and I know what the result would be.

Mr. OLIVER and Mr. BENDER rose.

Mr. FISH. I would rather not have too much politics. I would rather talk about the bill.

Mr. OLIVER. Will the gentleman yield for a statement on the question asked by the gentleman from Connecticut?

Mr. FISH. I yield to the gentleman from Maine.

Mr. OLIVER. With reference to the endorsement which has been given this legislation by representatives of private insurance interests, I would call the attention of the gentleman to the hearings on this bill as of last year, which carry a statement by Hendon Chubb, of the firm of Chubb & Son, of New York City, who endorses the bill.

Mr. FISH. That is one of the best firms in the country.

Mr. OLIVER. The hearings also contain the statement of William R. Hedge, president of the Boston Insurance Co., of Boston, Mass., a large underwriter of marine risks, who also endorses the bill. Other individuals representing private interests also appeared before the committee and made a similar endorsement.

Mr. FISH. I am very glad the gentleman has made that statement. This is an important measure. It is a good bill, and an American bill. It started out to be a vicious proposal, a foreign and an un-American bill.

I want to be sure that it has all the safeguards that will protect us from these former Republicans and interventionists who are about to go into the Cabinet, and who are not satisfied with turning over our American Merchant Marine to be used to carry contraband to the belligerent nations but even want to turn our Navy and our navy yards over to be used by belligerent nations. I think you Democrats had better be watchful of some of these former Republicans who are now in your ranks as they are the most ardent interventionists in this country. [Applause.]

[Here the gavel fell.]

Mr. CLARK. Mr. Speaker, I yield 5 minutes to the gentleman from New York [Mr. MARTIN J. KENNEDY].

Mr. MARTIN J. KENNEDY. Mr. Speaker, I rise to congratulate the committee for reporting this bill. It will be the beginning of a service we have needed in this country for many years. No one who has read the story, Lloyds of London, or has visited that institution in London can help but appreciate that marine insurance has been inseparable from commerce since the beginning of 1687. There is more romance and background to this form of insurance, dating back to 1687, than any other known type of insurance. With the organization of Lloyds in Lloyds Coffee House began the extension of the British merchant marine, circumventing the seven seas. Even to the present day the focal point of Lloyds is the "room," preserving in a remarkable degree the old traditions brought into conformity with modern requirements.

In the middle of the "room" is the world-famous rostrum, the successor of the old pulpit from which the coffee-house waiter used to read out the news of the day to the clients, and from which, subsequently, announcements of ships overdue or of sea disasters have been given out. Here is hung the world-renowned "Lutine Bell" which is sounded when one of these unhappy notices is made. The tolling of the bell, while bearing news of loss of vessel and/or cargo, also meant that any financial loss to ship or cargo would be paid by the underwriters at Lloyds, and as well—the successful expansion of the British merchant marine. Everything on a vessel may be covered. All sorts of hazards are underwritten. We know that in wartime the rates go skyrocketing because of the extra hazard involved.

Throughout the years the principal market for marine insurance has been in London and Japan. Other countries have groups but in those countries were located the two principal markets. It was rather interesting a short time ago, when Japan and England seemd to be at odds politically they were engaged in reinsuring each other's marine risks. The business interests of these countries had to set up a new insurance program to meet the situation. In our country vessels are worth millions of dollars, and until a few years ago it was practically impossible for the American underwriters to assume risks of such proportion. The laws of the various States have been amended so that more capital is now available in the marine market and as a result, we now operate a marine insurance pool in this country similar to the foreign pool known as Lloyd's of London. Our shipowners found it almost impossible to obtain a sufficient amount of coverage in the domestic market and were therefore compelled to use foreign markets. With present conditions, that foreign market will not be available. A great many of our American liners are now carrying their insurance with Lloyd's because of lower rates and those lower rates were possible by reason of taxation and other charges with which we are all familiar.

I believe that our Government, as suggested by the gentleman from Virginia [Mr. BLAND], will offer substantial encouragement to our marine companies if this bill is passed. Our companies have long needed the encouragement and moral support that this bill will provide, because it will eliminate any possibility of an inadequate marine-insurance market.

For years Italy has required its shipowners to procure their insurance in the Italian market which is subsidized by the Government. Considerable of our premiums have been sent abroad, and this bill will keep a market open, stabilize rates, and retain the funds in the United States.

Mr. CULKIN. Mr. Speaker, will the gentleman yield?

Mr. MARTIN J. KENNEDY. I yield to my colleague from New York.

Mr. CULKIN. I simply wish to observe that I think the gentleman is making a very valuable contribution here, and it is especially valuable because he is one of the real intelligentsia and one of the seagoing figures in the insurance world.

Mr. MARTIN J. KENNEDY. I thank the gentleman for his compliment.

I believe we should adopt this rule and vote for the bill because, in my opinion, based on an experience in the insurance business of more than 25 years, this bill will provide a much-needed safeguard for shipowners and operators flying the American flag.

If we need any further reason for the passage of this bill we can find it in the following letter from President Roosevelt to the President of the Senate:

THE WHITE HOUSE,
Washington, June 20, 1940.

THE PRESIDENT OF THE SENATE.

SIR: There is a bill, S. 2566, now pending before the Committee of Commerce of the Senate, which I consider to be of such importance to the American merchant marine and to the national defense that its enactment at this session of Congress is highly desirable in the national public interest. An identical bill, H. R. 6572, is pending on the Union Calendar of the House of Representatives.

The bill (S. 2566) to amend the Merchant Marine Act, 1936, as amended, to provide for marine war-risk insurance and reinsurance and for marine risk reinsurance, and for other purposes, would make emergency provision for Government insurance against marine and marine war risks for American vessels, cargoes thereon, and crews thereof, when insurance protection cannot be supplied in the American insurance market on a basis adequate for the needs of such shipping. Marine insurance is an essential factor in our water-borne commerce. Under existing conditions such commerce may suddenly, by reason of the unavailability or undesirability of the world insurance market now resorted to, be unable to procure such protection on reasonable terms. The Government therefore must be in a position to supply the insurance protection necessary to keep American water-borne commerce moving in any such emergencies. I emphasize the need for prompt enactment of this legislation because the need therefor may become acute at any time, particularly in the cases of certain American vessels of such high value that the American insurance market is inadequate to cover the risks involved.

I believe you will agree with me that the prompt consideration and enactment of this measure is essential to the maintenance of our domestic and foreign commerce, and to our national economy. I will appreciate whatever steps you may deem it advisable to take in order to expedite the consideration of this measure by the Senate.

Sincerely,

FRANKLIN D. ROOSEVELT.

[Applause.]

[Here the gavel fell.]

Mr. FISH. Mr. Speaker, I yield 5 minutes to the distinguished gentleman from New York [Mr. CULKIN].

Mr. CULKIN. Mr. Speaker, you give either a girl or a dog—and I do not mean to put them on the same intellectual plane—but give either one of them a bad name, and it is very difficult for them to live it down.

This bill, as has already been suggested here, had some malformations at birth. Those have already been referred to by the distinguished gentleman from New York [Mr. FISH]. It purported to cover foreign ships and foreign sailors. May I say to the House that very early in the consideration of the bill little birds began to whisper to the members of the committee on this side of the aisle that there were some phases of this bill that were mistaken, unfortunate, and ill-timed. It was claimed that they had in themselves the seeds of intervention with resulting war. May I emphasize the fact that all those provisions over which there was so much stir and ado in the beginning have all been eliminated. Today, this bill is naked of any provision which would give comfort to any interventionist. It would not give comfort in any respect even to the new Secretary of War, Mr. Stimson, or the new Secretary of the Navy, Colonel Knox, both of whom are ardent interventionists. Nor is there anything in this bill that should give pause to any nationalist. Some people call them isolationists, but I am pleased to call them nationalists.

This bill is a sound, rational bill, rational in every respect. It simply enables the American marine to keep on the sea. By reason of the tremendous overhead and overcharge or insurance charges incident to transportation on the sea in these troubled days, this type of insurance is necessary.

May I say also to certain gentlemen who were apprehensive about its effect on the Treasury, that in the World War the operation of this insurance after the corporation or the division was wound up, turned into the Treasury in good, round, American dollars, $17,500,000. I think it was the only branch of Government that actually paid a profit. This bill is necessary to implement our merchant marine.

As the distinguished chairman said, it is actually the lifeblood of our commerce. The passage of this bill is test of our ability to keep our ships on the sea. The committee is unanimously for it and I trust the House will pass it by a voice vote. The committee has gone over it with a fine-tooth comb. The committee heard these whisperings that came to us. We considered them, and as the bill is written, with the amendment that will be offered by the chairman, it will be a constructive law, with no phase of intervention or anything that will in any way limit or qualify the existing Neutrality Act.

Mr. BRADLEY of Michigan. Mr. Speaker, will the gentlemen yield?

Mr. CULKIN. Yes.

Mr. BRADLEY of Michigan. Does the gentleman not agree that we ought to protect ourselves against the possible suspension of the Neutrality Act? I propose to offer an amendment when in Committee of the Whole to protect us against possible suspension of the Neutrality Act so that we will not insure cargoes of vessels that carry contraband.

Mr. CULKIN. I am not going to oppose that amendment. But there may be some ministerial phases of this insurance that might be complicated.

Mr. BRADLEY of Michigan. I feel certain that there would not be.

Mr. CULKIN. I mean phases of administration.

Mr. BRADLEY of Michigan. I am sure there would not.

Mr. CULKIN. I will be glad to support the amendment.

The SPEAKER. The time of the gentleman from New York has expired.

Mr. FISH. Mr. Speaker, I yield 5 minutes to the gentleman from California [Mr. WELCH].

Mr. WELCH. Mr. Speaker, this bill was carefully considered and unanimously reported by the Committee on Merchant Marine and Fisheries. Its purpose may be defined by two brief sections:

SEC. 221. (a) For the purpose of protecting the water-borne commerce of the United States from the impediments and burdens arising from the lack of adequate facilities for the insurance of such commerce. the Commission is authorized to provide marine insurance and reinsurance against loss or damage by the risks of war and reinsurance against loss or damage by marine risks, as prescribed in this subtitle, whenever it appears to the Commission that such insurance adequate for the needs of the water-borne commerce of the United States cannot be obtained on reasonable terms and conditions frcm companies authorized to do an insurance business in a State of the United States.

This section has been approved by the insurance interests of the country that appeared before our Committee on Merchant Marine and Fisheries. The second important section reads as follows:

SEC. 224. Whenever the Commission determines that insurance for masters, officers, and crews of American vessels against loss of life, personal injury, or detention by any government except that of the United States following capture, arising from risks of war, cannot, with the aid of reinsurance provided for under this subtitle, be obtained on reasonable terms and conditions from companies authorized to do an insurance business in a State of the United States, the Commission is authorized to provide such insurance on a basis corresponding to the war-risk insurance protection supplied, prior to such determination, for such personnel by companies authorized to do business in a State of the United States.

This section, covering the seamen, was approved by the groups representing the seamen. In order to remove any possible doubt as to their rights under what is known as the Jones Act of 1920, this concluding section was written into the proposed bill:

SEC. 227. Nothing in this subtitle shall be deemed to affect the rights of seamen under any provision of existing law.

Therefore, Mr. Speaker, both the seamen and those who insure ships and cargoes are satisfied with the provisions of this bill, as amended. I yield back the remainder of my time.

Mr. FISH. Mr. Speaker, I yield 5 minutes to the gentleman from Wisconsin [Mr. KEEFE].

Mr. KEEFE. Mr. Speaker, the only reason I take this time is because I had the honor of being a member of the Committee on Merchant Marine and Fisheries when this bill in its original form came before the committee last May, and I was privileged to direct the attention not only of the committee but of the country to the very dangerous provisions found in that bill, which, in the face of threatened repeal of the arms embargo, would have permitted the insurance of not only American vessels but the insurance of foreign ships and their crews carrying contraband. The committee has done a fine job in striking out all of the obnoxious provisions of this bill, so that the bill as it now comes before the committee should not receive the adverse vote of any Member of this House. There is only one thing to which I want to direct the attention of the Committee, and that is the amendment which will be offered by my colleague the gentleman from Michigan [Mr. BRADLEY]. If you will refer to this bill, you will see that it authorizes the Commission to insure against loss or damage by risk of war. property, and person, as follows:

(1) American vessels, including vessels under construction, (2) cargoes shipped or to be shipped therein.

In view of the fact that the new Secretary of War who has recently been placed in the Cabinet and his interventionist partner, who has recently been made Secretary of the Navy, have been openly advocating the use of American ships in transportation of contraband abroad——

Mr. BLAND. Mr. Speaker, will the gentleman yield?

Mr. KEEFE. I yield.

Mr. BLAND. The gentleman wants that amendment accepted, does he?

Mr. KEEFE. Yes; I want it accepted. I understand the chairman of the committee will be pleased to accept such an amendment?

Mr. BLAND. I will.

Mr. KEEFE. That will definitely prohibit the insurance of ships or crews, in the event of a suspension or abandonment of the Neutrality Act, which are engaged in the business of carrying contraband. [Applause.]

Mr. BATES of Massachusetts. Mr. Speaker, will the gentleman yield?

Mr. KEEFE. I yield.

Mr. BATES of Massachusetts. In respect to the question of the use of shipping facilities of this country I am in possession of a letter from the United States Maritime Commission in which they cite an article in the New York Journal of Commerce of May 27, 1940, in which they say:

It would appear from the above that the Allies have sufficient merchant tonnage to move whatever war supplies, foodstuffs, and other essential materials that they may require from the United States.

So there is no occasion for lifting the ban and permitting our own ships to carry this stuff across the water.

Mr. KEEFE. Well, I know that the press have carried stories repeatedly, day after day, that ultimately there would be a proposal to suspend those provisions of the present Neutrality Act which prohibit the shipment of munitions of war in American bottoms, and if that is true I do not want the United States Government to be engaged in the business of insuring bottoms and crews and cargoes which are to be used for the shipment of munitions of war.

The chairman of the committee has indicated he is willing to accept the amendment that will be offered, and I do not care to take any more time on the subject.

The SPEAKER. The time of the gentleman has expired.

Mr. FISH. Mr. Speaker, I yield the balance of my time to the gentleman from Wisconsin [Mr. SCHAFER].

Mr. SCHAFER of Wisconsin. Mr. Speaker, I am opposed to this bill, notwithstanding the claim that it is emergency legislation.

I note that this so-called emergency legislation, H. R. 6572, was introduced in the House on May 31, 1939. At that time it included United States Government insurance for cargoes, vessels, and crews of foreign governments as well as our own. The overburdened taxpayers of the United States were going to hold the bag and foot the bill for this New Deal, socialistic Government in the insurance-business program.

It has been stated in debate on this bill that the bill was a reinsurance proposition. Subsection (a) of section 221, appearing at the top of page 2, reads as follows:

The Commission is authorized to provide marine insurance and reinsurance.

So this is not merely a reinsurance bill. This is a socialistic Government insurance program. The Government of the United States is going into subsidized competition with the private insurance corporations of the United States. This insurance underwriting Government agency will be subsidized from our almost bankrupt Federal Treasury, notwithstanding the fact that the hearings, which I hold in my hand, page 8, indicate that Mr. B. K. Ogden, Insurance Director of the United States Maritime Commission, testified that our American insurance market had ample facilities to insure 95 percent of all our American vessels and all of our American cargoes.

Mr. MARTIN J. KENNEDY. Mr. Speaker, will the gentleman yield?

Mr. SCHAFER of Wisconsin. I yield for a brief question.

Mr. MARTIN J. KENNEDY. This measure is purely permissive. In the event the market is not available, the Maritime Commission may provide for the insurance.

Mr. SCHAFER of Wisconsin. I admit that, but when you give these New Deal bureaucrats authority to spend unlimited sums of public money to enter Government competition with private business institutions in the United States you and I know that they will operate in a big way. The sky is the limit, insofar as the amount of money which they can obtain and spend from our almost bankrupt Treasury, under subsection B of section 221 of this bill. Mr. Speaker, I ask the Members of the House to hesitate before you vote for this socialistic bill, which has no doubt been imported direct from Moscow by our New Deal brethren, who believe that the Government should own and operate all business. Government subsidized competition with private business is unfair and destructive, and contrary to the principles of our American constitutional system of government.

Remember that there is no limitation on the amount of public funds which can be expended for this Government in the insurance-business program. Subsection B of section 221 of this bill authorizes the funds—an unlimited amount—for these New Deal bureaucrats to play with. There is no provision in this bill which sets up a yardstick for insurance-premium rates. The proponents of this bill tell us that nearly all of the private insurance underwriters in the country favor this bill. This notwithstanding the fact that the only persons who testified at the hearings in favor of this bill as representatives of insurance underwriters were William R. Hedge, president of the Boston Insurance Co., and Hendon Chubb, who represents foreign insurance corporations in the United States. Roosevelt & Sargeant, who now carry a great deal of the insurance on our American merchant marine, which is heavily subsidized from the Federal Treasury, and who also represent foreign insurance corporations, did not even appear, although this bill will be very helpful to them, as it will be to Mr. Hendon Chubb. [Applause.]

Mr. Speaker, I sincerely hope that this un-American, socialistic Government in the insurance business bill will be defeated.

[Here the gavel fell.]

EXTENSION OF REMARKS

By unanimous consent Mr. THOMASON was granted permission to revise and extend his own remarks.

MARINE WAR-RISK INSURANCE

Mr. BLAND. Mr. Speaker, I move the previous question.

The previous question was ordered.

The SPEAKER. The question is on agreeing to the resolution.

The resolution was agreed to.

TO AMEND THE FEDERAL RESERVE ACT

Mr. SMITH of Virginia, from the Committee on Rules, submitted the following resolution (H. Res. 543, Rept. No. 2693), which was referred to the House Calendar and ordered printed:

House Resolution 543

Resolved, That immediately upon adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the state of the Union for consideration of H. R. 10127, a bill to amend the Federal Reserve Act, and for other purposes. That after general debate, which shall be confined to the bill and shall continue not to exceed 1 hour, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Banking and Currency, the bill shall be read for amendment under the 5-minute rule. At the conclusion of the reading of the bill for amendment, the Committee shall rise and report the same to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

MARINE WAR-RISK INSURANCE

Mr. BLAND. Mr. Speaker, I ask unanimous consent that this bill may be considered in the House as in Committee of the Whole.

The SPEAKER. Is there objection?

Mr. MARTIN of Massachusetts. Reserving the right to object, I understand 10 minutes is required for general debate on this side. Will the gentleman agree to that?

Mr. BLAND. I have no objection.

The SPEAKER. The Chair will recognize Members under the 5-minute rule for that amount of time.

Is there objection?

There was no objection.

The Clerk read as follows:

Be it enacted, etc., That title II of the Merchant Marine Act, 1936, as amended, is amended by adding at the end thereof a subtitle, to read as follows:

Mr. BLAND. Mr. Speaker, I desire—and this will be subject to amendment—to strike out the first section and to substitute with notice that I will strike out all other sections of the bill and ask that there be considered the amended bill which I send to the desk and which I will explain.

The Clerk read as follows:

That title II of the Merchant Marine Act, 1936, as amended, is amended by adding at the end thereof a subtitle, to read as follows:

"SUBTITLE—INSURANCE

"SEC. 221. (a) For the purpose of protecting the water-borne commerce of the United States from the impediments and burdens arising from the lack of adequate facilities for the insurance of such commerce, the Commission is authorized to provide marine insurance and reinsurance against loss or damage by the risks of war and reinsurance against loss or damage by marine risks, as prescribed in this subtitle, whenever it appears to the Commission that such insurance adequate for the needs of the water-borne commerce of the United States cannot be obtained on reasonable terms and conditions from companies authorized to do an insurance business in a State of the United States.

"(b) There shall be in the Treasury of the United States a revolving fund to be known as the marine and war-risk insurance fund (hereinafter referred to as the fund), to be used for carrying out the provisions of this subtitle, and to be constituted of such sums as may be appropriated to such fund and of moneys and receipts credited thereto as herein provided. There are hereby authorized to be appropriated to such fund such sums as may be necessary to carry out the provisions of this subtitle. All moneys received from premiums and from salvage or other recoveries, and all receipts in connection with this subtitle shall be deposited to the credit of such fund. Payments of return premiums, losses, settlements, judgments, and all liabilities incurred by the United States under this subtitle shall be made from such fund.

"SEC. 222. The Commission may insure against loss or damage by the risks of war property, as follows:

"(a) (1) American vessels (including vessels under construction), (2) cargoes shipped or to be shipped therein, (3) their disbursements, and freight and passage moneys, and (4) personal effects of the masters, officers, and crews of such vessels.

"(b) (1) Commercial vessels (including vessels under construction) owned or controlled by the United States or any department or agency thereof, (2) cargoes owned by the Government or in which the Government has an insurable interest, to the extent of such interest, (3) their disbursements, and freight and passage moneys, and (4) personal effects of the masters, officers, and crews thereof.

"SEC. 223. (a) The Commission may reinsure any company authorized to do an insurance business in any State of the United States on account of marine and marine war risks, including protection and indemnity risks, assumed by any such company, on (1) property or interests as set forth in section 222 (a) and (b) of this subtitle, and (2) masters, officers, and crews of American

vessels (including any such vessel owned or controlled by or chartered to the Commission) against loss of life, personal injury, or detention by any government except that of the United States following capture.

"(b) The Commission may reinsure, in whole or in part, with companies authorized to do an insurance business in a State of the United States, war risks assumed by the Commission under this subtitle.

"(c) Any department or agency of the United States is hereby authorized to procure insurance from the Commission as provided for in section 222 (b) of this subtitle, except as provided in the Government Losses in Shipment Act, approved July 8, 1937 (50 Stat. 479).

"SEC. 224. Whenever the Commission determines that insurance for masters, officers, and crews of American vessels against loss of life, personal injury, or detention by any government except that of the United States following capture, arising from risks of war, cannot, with the aid of reinsurance provided for under this subtitle, be obtained on reasonable terms and conditions from companies authorized to do an insurance business in a State of the United States, the Commission is authorized to provide such insurance on a basis corresponding to the war risk insurance protection supplied, prior to such determination, for such personnel by companies authorized to do business in a State of the United States.

"SEC. 226. (a) The Commission in the administration of this subtitle is authorized to adjust and pay losses, compromise and settle claims whether in favor of or against the Government, and to pay the amount of any judgment rendered in respect of any suit or settlement agreed upon in respect of any claim. The determinations of the Commission with respect to adjustments, compromises, settlements, and payments hereunder shall not be subject to review by any other executive or accounting officer of the Government.

"(b) The Commission is authorized to prescribe such forms and policies, to change or modify such forms and policies as may be necessary or appropriate under the circumstances, and to fix and adjust, as may be required by circumstances, the rates and changes of rates of insurance provided for in this subtitle.

"(c) The Commission is authorized and directed to prescribe such rules and regulations as may be necessary or appropriate to carry out the provisions of this subtitle. The Commission is authorized, in administering the provisions of this subtitle, to exercise its powers, perform its duties and functions, and make its expenditures, in accordance with commercial practice in the marine insurance business.

"(d) The Commission, without regard to the laws, rules, or regulations relating to the employment of employees of the United States, may appoint and prescribe the duties of such number of experts in marine insurance as the Commission may deem necessary in carrying out the provisions of this subtitle. The Commission, with the consent of any executive department, independent establishment, or other agency of the Government, including any field service thereof, may avail itself of the use of information, services, facilities, officers, and employees thereof in carrying out the provisions of this subtitle.

"(e) The Commission shall include in the annual report to Congress a detailed statement of all activities and of all expenditures and receipts under this subtitle for the period covered by such report.

"(f) When used in this subtitle the term 'American vessels' means vessels registered, enrolled, or licensed under the laws of the United States.

"SEC. 227. Nothing in this subtitle shall be deemed to affect the rights of seamen under any provision of existing law.

The SPEAKER. The gentleman from Virginia is recognized for 5 minutes.

Mr. BLAND. Mr. Speaker, there has been no change in this bill which I have sent to the Clerk's desk in section 221 of the original bill.

Section 222 of the bill which I have sent to the Clerk's desk strikes out the words "and persons," in line 2. This was desired by the labor people.

This is the place, I think, where the amendment proposed by the gentleman from Michigan [Mr. BRADLEY] should come. Then it reads as follows:

(a) (1) American vessels (including vessels under construction), (2) cargoes shipped or to be shipped therein, (3) their disbursements, and freight and passage moneys, and (4) personal effects of the masters, officers, and crews of such vessels.

We struck out lines 8 to 13 which were objected to by the labor people; and there had already been stricken out the remainder of the bill down to and including line 24.

Mr. BRADLEY of Michigan. Mr. Speaker, will the gentleman yield there?

Mr. BLAND. I yield.

Mr. BRADLEY of Michigan. The amendment I propose to offer should go in at the end of line 4, after the word "therein", as the bill now appears.

Mr. BLAND. That will be line 21, page 2, of the amendment. Here is the way it reads. Line 20:

(a) (1) American vessels (including vessels under construction), (2) cargoes shipped or to be shipped therein—

And so forth. So the gentleman's amendment will come on page 2, line 21.

Mr. BRADLEY of Michigan. I thank the gentleman.

Mr. BLAND. Then comes the provision with reference to commercial vessels, including vessels under construction, owned or controlled by the United States or any department or agency thereof; and there was stricken out any seamen's insurance for the masters, officers, and crews of such vessels subject to the provisions of section 224 of this subtitle. That was agreed to with the labor organizations yesterday. I think that explains the entire subsection 222, and the gentleman's amendment would be in order.

Mr. BRADLEY of Michigan. Mr. Speaker, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. BRADLEY of Michigan: On page 2, line 21 of the amendment, after the word "therein", strike out the comma and insert: "*Provided*, That in the event of the suspension of the present neutrality law no vessel, or officers, or crew carrying contraband, and no cargo of contraband shall be insured under any provision of this act."

The SPEAKER. Without objection, the amendment will be agreed to.

There was no objection.

Mr. BLAND. As to section 223 of the original bill the only change in the amended bill is by inserting after subtitle (c):

And (2), masters, officers, and crews of American vessels including any such vessel owned or controlled by or chartered to the Commission against loss of life, personal injury, or detention by any government except that of the United States following capture.

That is inserted, and the reason for that is that it was desired by the labor organizations. They felt it would be well to have reinsurance by the Government in the event that the insurance companies needed it.

Mr. VORYS of Ohio. Mr. Speaker, I move to strike out the last word.

The SPEAKER. The gentleman from Ohio is recognized for 5 minutes.

Mr. VORYS of Ohio. Mr. Speaker, I have a high regard for the members of the Merchant Marine Committee and for Admiral Land, yet I cannot see how I can support this legislation which is war legislation rather than peace or neutrality legislation.

In 1914 when we had similar legislation we were demanding freedom of the seas, and we finally went into a war over that issue among others. Last year we adopted a Neutrality Act which gave the President power to create or destroy combat areas and to permit shipping to go under just such circumstances as he desired any place on earth or to keep out of any place on earth. If he is exercising that power as he has so far, then I cannot see how there is any war risk for American shipping. The committee report does not say that any of this legislation or this insurance is needed at the present time. It merely says that it may be needed. I can conceive of no circumstance under which it would be needed except that the President, without repeal of any neutrality law, would simply do as he has the power to do, change entirely his idea of combat areas and permit our ships to go places where they would actually be subject to war risks. We have in this bill on page 6, for instance, reference to paying the wages of the crew during detention following capture. Peaceful, neutral ships are not captured. Ships are captured when a nation is at war or when they are going into dangerous places.

This insurance does not go into effect except when such insurance cannot be obtained from private sources or when the Commission thinks private insurance is not adequate, so that unless it is contemplated strictly as a war measure, or there is contemplated a change in our neutrality policy, this is not needed.

We have had open announcements, however, that our neutrality policy is being changed by the President. Of course, if that is the object of this bill, that would be a reason for its going into effect; otherwise, it goes into effect when the Commission thinks that the rates which are available are not adequate. This would then put the Government into competition, not as a substitute for private insurance when private insurance is not available, but would permit the Government to go into competition whenever the Government thought that private insurance was inadequate.

Colonel Knox, in 1936, during the campaign, made a statement in which he said that if the New Deal were reelected insurance would not be safe in this country. That was embarrassing to both Republicans and Democrats at that time because it was felt the statement was not true. I wonder if the new Secretary of the Navy feels that if the New Deal goes in for 4 more years marine insurance will not be safe?

This report states that there is no present need for the insurance, merely that private insurance may be unavailable or inadequate. Therefore, feeling as I do, that this can only be necessary in case of an entire change in the policy of administering our neutrality law—and it can be done without any repeal of the law—I cannot see how I could support this legislation.

Mr. OLIVER. Will the gentleman yield?

Mr. VORYS of Ohio. I yield to the gentleman from Maine.

Mr. OLIVER. Can the gentleman conceive of any situation arising from military developments where the London market may not be available for reinsurance?

Mr. VORYS of Ohio. Yes.

Mr. OLIVER. Should not some means be established whereby the situation can be taken care of?

Mr. VORYS of Ohio. That is not a governmental affair over there. Lloyds is a private institution and I think we should continue to have insurance from private sources.

[Here the gavel fell.]

Mr. BLAND. Mr. Speaker, section 224 of the present bill is entirely stricken and there is substituted for section 224 the section, which I read when I addressed the House before, as follows:

SEC. 224. Whenever the Commission determines that insurance for masters, officers, and crews of American vessels against loss of life, personal injury, or detention by any government except that of the United States following capture, arising from risks of war, cannot, with the aid of reinsurance provided for under this subtitle, be obtained on reasonable terms and conditions from companies authorized to do an insurance business in a State of the United States, the Commission is authorized to provide such insurance on a basis corresponding to the war-risk insurance protection supplied, prior to such determination, for such personnel by companies authorized to do business in a State of the United States.

The labor people want it. They feel there may be such a condition, though very remote, and I felt so, too. That is to be taken care of by this amendment.

In section 226 the only change is at the bottom of page 9, where the quotation marks are stricken out because there has been added a new section, section (f). Then after that there is a new section added, No. 227, requested by the labor people, as follows:

SEC. 227. Nothing in this subtitle shall be deemed to affect the rights of seamen under any provision of exiting law.

Mr. Speaker, those are all the changes that have been made.

The SPEAKER. The question is on the amendment offered by the gentleman from Virginia.

The amendment as amended was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

FURTHER MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Frazier, its legislative clerk, announced that the Senate having proceeded to reconsider the bill (H. R. 9381) entitled "An act to provide for the alteration of certain bridges over navigable waters of the United States, for the apportionment of the cost of such alterations between the United States and the owners of such bridges, and for other purposes," returned by the President of the United States to the House of Representatives, in which it originated, with his objections, and passed by the House on a reconsideration of the same, it was

Resolved, That the said bill pass, two-thirds of the Senators present having voted in the affirmative.

The message also announced that the Senate agrees to the amendments of the House to the amendments of the Senate numbered 65 and 66 to the bill (H. R. 8202) entitled "An act making appropriations for the Department of Agriculture for the fiscal year ending June 30, 1941, and for other purposes."

The message also announced that the Vice President had appointed Mr. BARKLEY and Mr. TOBEY members of the Joint Select Committee on the Disposition of Executive Papers on the part of the Senate, as provided for in the act of February 16, 1889, as amended by the act of March 2, 1895, entitled "An act to authorize and provide for the disposition of useless papers in the executive departments," for the disposition of executive papers in the following departments and agencies:

1. Department of the Interior.
2. Department of Justice.
3. Department of the Navy.
4. Department of the Treasury.
5. Department of War.
6. Federal Reserve System.
7. Federal Works Agency.
8. Veterans' Administration.

TO DIVEST PRIZE-FIGHT FILMS OF THEIR CHARACTER AS SUBJECTS OF INTERSTATE COMMERCE

Mr. PEARSON. Mr. Speaker, I call up the bill S. 2047, to divest prize-fight films of their character as subjects of interstate or foreign commerce, and for other purposes, and ask for its immediate consideration.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Tennessee [Mr. PEARSON]?

Mr. MARTIN of Massachusetts. Mr. Speaker, reserving the right to object, will the gentleman explain the bill?

Mr. PEARSON. Mr. Speaker, this bill repeals existing law which prohibits the transportation in interstate commerce of prize-fight films. It has the approval of the Attorney General, and it is deemed advisable at this time because the newspapers carry pictures of prize fights and frequently they are shipped in interstate commerce with impunity. The radio also broadcasts prize fights, and it is felt that all this has made unnecessary the statute which prohibits the shipment of films in interstate commerce.

Mr. MARTIN of Massachusetts. The present law prohibits the shipment of prize-fight films from one State to another?

Mr. PEARSON. That is right.

Mr. MARTIN of Massachusetts. How have they been shipped?

Mr. PEARSON. It has been done in violation of the law, but apparently with impunity, because so far as I know, no indictments have been brought to prohibit transportation of the films. In other words, it is a law which does not have the support of the public and, as I say, the broadcasting of prize fights has really made this law an innocuous thing.

Mr. MARTIN of Massachusetts. Has the committee reported this unanimously?

Mr. PEARSON. This has the unanimous report of the Committee on Interstate and Foreign Commerce.

The SPEAKER. Is there objection to the request of the gentleman from Tennessee [Mr. PEARSON]?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That every film or other pictorial representation of any prize fight or encounter of pugilists, under whatever name, transported into any State, Territory, or possession, for use, sale, storage, exhibition, or other disposition therein is hereby divested of its character as a subject of interstate or foreign commerce to the extent that it shall upon crossing the boundary of such State, Territory, or possession, be subject to the operation and effect of the laws of such State, Territory, or possession enacted in the exercise of its police power.

SEC. 2. The act entitled "An act to prohibit the importation and the interstate transportation of films or other pictorial representations of prize fights, and for other purposes", approved July 31, 1912 (U. S. C., title 18, secs. 405–407), is hereby repealed.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

The SPEAKER. Without objection, House Resolution 524 will be laid on the table. This provided for the consideration of the bill just passed.

There was no objection.

EXTENSION OF REMARKS

Mr. GRANT of Indiana. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and include therein a short newspaper article.

The SPEAKER. Is there objection to the request of the gentleman from Indiana?

There was no objection.

LABOR-FEDERAL SECURITY APPROPRIATION BILL, 1941—CONFERENCE REPORT

Mr. TARVER submitted the following conference report on the bill (H. R. 9007) making appropriations for the Department of Labor, the Federal Security Agency, and related independent agencies, for the fiscal year ending June 30, 1941, and for other purposes.

CONFERENCE REPORT

The committee of conference on the disagreeing votes of the two Houses on certain amendments of the Senate to the bill (H. R. 9007) making appropriations for the Department of Labor, the Federal Security Agency, and related independent agencies, for the fiscal year ending June 30, 1941, and for other purposes, having met, after full and free conference, have been unable to agree.

M. C. TARVER,
JOHN M. HOUSTON,
HARRY R. SHEPPARD,
BUTLER B. HARE,
ALBERT J. ENGEL,
FRANK B. KEEFE,
Managers on the part of the House.

KENNETH MCKELLAR,
RICHARD B. RUSSELL,
PAT MCCARRAN,
JOHN H. BANKHEAD,
JOSEPH C. O'MAHONEY,
H. C. LODGE, JR.
Managers on the part of the Senate.

Mr. TARVER. Mr. Speaker, I ask for the present consideration of the conference report on the bill H. R. 9007, the Labor-Federal Security appropriation bill, 1941.

The Clerk read the title of the bill.

The Clerk read the conference report.

Mr. TARVER. Mr. Speaker, I ask unanimous consent that Senate amendments Nos. 35, 36, 37, 38, and 39, which are the only amendments remaining in disagreement, be considered together.

The SPEAKER. Is there objection to the request of the gentleman from Georgia?

There was no objection.

The SPEAKER. The Clerk will report the amendments referred to.

The Clerk read as follows:

Amendment No. 35: Page 63, line 3, strike out all of section 702.

Amendment No. 36: Page 63, line 14, strike out "703" and insert "702."

Amendment No. 37: Page 63, line 23, strike out "704" and insert "703."

Amendment No. 38: Page 64, line 4, strike out "705" and insert "704."

Amendment No. 39: Page 64, line 20, strike out "706" and insert "705."

Mr. TARVER. Mr. Speaker, I move that the House further insist on its disagreement to the amendments of the Senate numbered 35, 36, 37, 38, and 39.

Mr. Speaker, I yield myself 5 minutes.

Mr. Speaker, this is the Labor-Federal Security Agency appropriation bill, and, of course, it is highly important that this bill be enacted into law prior to any recess that may occur tomorrow night, as I understand is contemplated.

There is only one item in disagreement, the conference report on all the other items having been agreed to several days ago. The one substantial item in disagreement is Senate amendment No. 35, which struck out section 702 of the bill. I desire to read that section for your information in the event you do not have a copy of the bill before you:

None of the funds appropriated in this act shall be used to pay the salary of any person appointed to a non-civil-service position, under the appropriations in the respective titles in this act, if the effect of such appointment is to increase the number of non-civil-service employees from the State of residence of any such non-civil-service appointee beyond the number of non-civil-service employees to which such State is entitled, under the appropriations in the respective titles of this act, on a basis of population: *Provided*, That this section shall not apply to any position, the appointment of which is made by the President.

You will note that the language in question, which has been stricken out by the Senate, does not affect the tenure of service of any present employee of any of the several agencies whose activities are provided for in this bill. It simply provides that in making future appointments, appointments shall not be made from States which now have more than their quota upon the basis of population until appointments from other States which are under their quota shall have them brought up to their proportionate quota level.

The manifest justice of this provision was so apparent upon the consideration of the bill in the House that when the amendment offering this language for insertion in the bill was offered no single objection was made to its insertion.

There are 41 States which would be benefited by the language contained in this section. There are seven States which would be adversely affected, States which have more than their quota according to population of non-civil-service employees in these various organizations. The District of Columbia would also be adversely affected. In the National Labor Relations Board alone it appears that of 66 attorneys in the legal division 21 came from 1 State, and some States were not so fortunate as to have even a single appointee.

Mrs. ROGERS of Massachusetts. Mr. Speaker, will the gentleman yield?

Mr. TARVER. I yield to the gentlewoman from Massachusetts.

Mrs. ROGERS of Massachusetts. Will the gentleman name the State that has the 21 appointees?

Mr. TARVER. The State is the State of New York.

The Senate conferees, or at least a majority of them, in my judgment, have recognized the wisdom of the provision contained in section 702. This being true, of course, you will be interested to know why the Senate has not agreed to recede from its amendment striking this language out of the bill. I think it my duty to be perfectly frank with you about that matter. The Senate conferees have expressed a reluctance to recede from their amendment, not so much because of any meritorious objection to the provision, but because to do so would not be satisfactory to a certain distinguished Senator who is not a member of the conference committee and whose State would be adversely affected by the adoption of the language contained in section 702.

The conferees on the part of the House have been perfectly willing to listen to any objection which might be urged upon the basis of justice and merit, to any objection based on principle to the language contained in this section, but I feel that my fellow conferees will support me in the statement that no such objection has been urged. Under these circumstances the six conferees on the part of the House, four Democrats and two Republicans, are unanimous in the opinion that the House ought not to recede from its position.

Mr. MARTIN J. KENNEDY. Mr. Speaker, will the gentleman yield?

Mr. TARVER. I yield to the gentleman from New York.

[Here the gavel fell.]

Mr. TARVER. Mr. Speaker, I yield myself 2 additional minutes in order to answer the gentleman's question.

Mr. MARTIN J. KENNEDY. As I understand the gentleman's position, it is that we ought to insist on the language

that is in the bill that would limit the number of appointees coming from the different States?

Mr. TARVER. It is my position that we ought to insist upon disagreement to the Senate amendment, which struck out section 702 of the bill.

Mr. MARTIN J. KENNEDY. The gentleman's claim is that we ought to insist on it?

Mr. TARVER. That is right.

Mr. MARTIN J. KENNEDY. Does not the gentleman believe that in view of the national emergency it is unwise for us to insist at this time on that sort of provision, because the Civil Service Commission will be called upon for all sorts of things and with this limitation in the bill they may not be able to supply the people necessary. I believe that if the gentleman will submit that to the House, the House will be inclined to recede and allow that proposition to go over to the next year. I do not believe this is a matter of life and death.

Mr. TARVER. I believe the gentleman's statement indicates that he has not clearly understood the language of the section. It has no reference whatever to civil-service employees. It has reference entirely to non-civil-service employees. It does not have any reference to any employees who are already in the service. It has reference only to the appointment of future employees.

And may I say to the gentleman that in a time of national emergency when numerous employees are to be selected, undoubtedly, not under civil service, for various departments of the Government, I do not think it would be inappropriate for the Congress to serve notice upon administrative authorities that they feel that such employees should be selected, as nearly as possible, upon a proportionate basis of population and therefore I cannot see any basis for the objection urged by the gentleman.

Mr. MARTIN J. KENNEDY. Mr. Speaker, will the gentleman yield further?

Mr. TARVER. Yes; I will be glad to yield to the gentleman.

Mr. MARTIN J. KENNEDY. Does not the gentleman think it would be possible to work out this difficulty, if there is a difficulty, with the executive departments? I think they know our attitude, and they will be glad to comply. I know that if you refer to my State, while I do not know the gentlemen who are working there any more than the gentleman does, yet we have these big centers of population and a number of workers there, and it seems a logical thing to go to those places for these men.

Mr. TARVER. The gentleman is correct in stating that he has the big centers of population. Therefore, on the basis of population, his State is entitled to a far greater number of these employees than would be one of the smaller States of the Union; but what the gentleman is insisting upon is a greater number, a far greater number, than he would be entitled to or his State would be entitled to even upon the basis of its very much larger population, and that, in my judgment, is unfair.

The SPEAKER. The time of the gentleman from Georgia has expired.

Mr. TARVER. Mr. Speaker, I move the previous question on the motion.

The previous question was ordered.

Mr. MARTIN J. KENNEDY. A parliamentary inquiry, Mr. Speaker.

The SPEAKER. The gentleman will state it.

Mr. MARTIN J. KENNEDY. Do I understand by the pending motion of the gentleman from Georgia that we are to vote upon the question of insisting upon the House language at this time?

The SPEAKER. Insisting on disagreement to the Senate amendment.

The question is on the motion of the gentleman from Georgia [Mr. TARVER].

The question was taken; and on a division (demanded by Mr. TARVER) there were—ayes 142, noes 5.

Mr. MARTIN J. KENNEDY. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. MARTIN J. KENNEDY. Under the rules may I object to the vote on the ground there is no quorum present at this time; if so, I would like to object on that ground.

The SPEAKER. Does the gentleman insist on his point of order that there is no quorum present?

Mr. MARTIN J. KENNEDY. I withdraw that, Mr. Speaker.

So the motion was agreed to.

A motion to reconsider was laid on the table.

NATIONALITY ACT OF 1940

Mr. SABATH, from the Committee on Rules, submitted the following privileged report (Rept. No. 2695), which was referred to the House Calendar and ordered printed:

House Resolution 544

Resolved, That immediately, upon adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the state of the Union for consideration of H. R. 9980, a bill to revise and codify the nationality laws of the United States into a comprehensive nationality code. That, after general debate, which shall be confined to the bill and shall continue not to exceed 1 hour to be equally divided and controlled by the chairman and ranking minority member of the Committee on Immigration and Naturalization, the bill shall be read for amendment under the 5-minute rule. At the conclusion of the reading of the bill for amendment, the Committee shall rise and report the same to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

Mr. KEOGH. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. KEOGH. Mr. Speaker, I understand the bill upon which a rule has just been filed is a bill to recodify certain laws. The bill comes from a standing committee of the House, but not from the Committee on the Revision of the Laws, which is charged with the responsibility of codifying the laws that are enacted. My parliamentary inquiry is whether a point of order is in order with reference to the reference of this bill to the Committee on Immigration and Naturalization.

The SPEAKER. It is too late to raise that point of order. If the question had been raised in timely fashion, it could have been considered by the House, but it has been waived by failure to raise the question at the proper time.

Mr. KEOGH. May I submit a further parliamentary inquiry as to when such a point of order would be timely?

The SPEAKER. It is always up to the committees, of course, to make a motion to change the reference of bills if they are improperly referred under the provisions of the rule.

STRENGTHENING NATIONAL DEFENSE

Mr. MAY. Mr. Speaker, I submit a conference report upon the bill (H. R. 9850) to expedite the strengthening of the national defense, and ask unanimous consent for its present consideration.

The SPEAKER. Is there objection?

There was no objection.

The SPEAKER. The Clerk will report the conference report.

The Clerk read the conference report.

The conference report and statement are as follows:

CONFERENCE REPORT

The committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 9850) to expedite the strengthening of the national defense, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendment of the Senate and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert the following:

"That (a) in order to expedite the building up of the national defense, the Secretary of War is authorized, out of the moneys appropriated for the War Department for national-defense purposes for the fiscal year ending June 30, 1941, with or without advertising, (1) to provide for the necessary construction, rehabilitation, conversion, and installation at military posts, depots, stations, or other localities, of plants, buildings, facilities, utilities, and appurtenances thereto (including Government-owned facilities at privately owned

plants and the expansion of such plants, and the acquisition of such land, and the purchase or lease of such structures, as may be necessary), for the development, manufacture, maintenance, and storage of military equipment, munitions, and supplies, and for shelter; (2) to provide for the development, purchase, manufacture, shipment, maintenance, and storage of military equipment, munitions, and supplies, and for shelter, at such places and under such conditions as he may deem necessary; and (3) to enter into such contracts (including contracts for educational orders, and for the exchange of deteriorated, unserviceable, obsolescent, or surplus military equipment, munitions, and supplies for other military equipment, munitions, and supplies of which there is a shortage), and to amend or supplement such existing contracts, as he may deem necessary to carry out the purposes specified in this section: *Provided*, That the limitations contained in sections 1136 and 3734 of the Revised Statutes, as amended, and any statutory limitation with respect to the cost of any individual project of construction, shall be suspended until and including June 30, 1942, with respect to any construction authorized by this Act: *Provided further*, That no contract entered into pursuant to the provisions of this section which would otherwise be subject to the provisions of the Act entitled 'An Act to provide conditions for the purchase of supplies and the making of contracts by the United States, and for other purposes', approved June 30, 1936 (49 Stat. 2036; U. S. C., Supp. V, title 41, secs. 35–45), shall be exempt from the provisions of such act solely because of being entered into without advertising pursuant to the provisions of this section: *Provided further*, That the cost-plus-a-percentage-of-cost system of contracting shall not be used under this section; but this proviso shall not be construed to prohibit the use of the cost-plus-a-fixed-fee form of contract when such use is deemed necessary by the Secretary of War.

"(b) The Secretary of War is further authorized, with or without advertising, to provide for the operation and maintenance of any plants, buildings, facilities, utilities, and appurtenances thereto constructed pursuant to the authorizations contained in this section and section 5, either by means of Government personnel or through the agency of selected qualified commercial manufacturers under contracts entered into with them, and, when he deems it necessary in the interest of the national defense, to lease, sell, or otherwise dispose of, any such plants, buildings, facilities, utilities, appurtenances thereto, and land, under such terms and conditions as he may deem advisable, and without regard to the provisions of section 321 of the act of June 30, 1932 (47 Stat. 412).

"(c) Whenever, prior to July 1, 1942, the Secretary of War deems it necessary in the interest of the national defense, he is authorized, from appropriations available therefor, to advance payments to contractors for supplies or construction for the War Department in amounts not exceeding 30 percent of the contract price of such supplies or construction. Such advances shall be made upon such terms and conditions and with such adequate security as the Secretary of War shall prescribe.

"SEC. 2. (a) During the fiscal year 1941, all existing limitations with respect to the number of flying cadets in the Army Air Corps, and with respect to the number and rank of Reserve Air Corps officers who may be ordered to extended active duty with the Air Corps, shall be suspended.

"(b) The President may, during the fiscal year 1941, assign officers and enlisted men to the various branches of the Army in such numbers as he considers necessary, irrespective of the limitations on the strength of any particular branch of the Army set forth in the National Defense Act of June 3, 1916, as amended: *Provided*, That no Negro, because of race, shall be excluded from enlistment in the Army for service with colored military units now organized or to be organized for such service.

"SEC. 3. All existing limitations with respect to the number of serviceable airplanes, airships, and free and captive balloons that may be equipped and maintained shall be suspended during the fiscal year 1941.

"SEC. 4. (a) The Secretary of War is further authorized to employ such additional personnel at the seat of government and elsewhere, and to provide for such printing and binding, communication service, supplies, and travel expenses, as he may deem necessary to carry out the purposes of this act: *Provided*, That until December 31, 1941, the Secretary of War may, if he finds it to be necessary for national-defense purposes, authorize the employment of supervising or construction engineers without regard to the requirements of civil-service laws, rules, or regulations: *Provided further*, That notwithstanding the provisions of section 6 of the act of August 24, 1912 (37 Stat. 555; U. S. C. title 5, sec. 652), the Secretary of War may remove from the classified civil service of the United States any employee of the Military Establishment forthwith upon a finding that such person has been guilty of conduct inimical to the public interest in the defense program of the United States and upon the giving of notice to such person of such charges: *And provided further*, That within 30 days after such removal such person shall have an opportunity personally to answer such charges in writing and to submit affidavits in support of such answer.

"(b) Notwithstanding the provisions of any other law, the regular working hours of laborers and mechanics employed by the War Department, who are engaged in the manufacture or production of military equipment, munitions, or supplies shall be 8 hours per day or 40 hours per week during the period of any national emergency declared by the President to exist: *Provided*, That under such regulations as the Secretary of War may prescribe, such hours may be exceeded, but compensation for employment in excess of 40 hours in any workweek, computed at a rate not less than one and one-half times the regular rate, shall be paid to such laborers and mechanics.

"SEC. 5. The President is authorized, with or without advertising, through the appropriate agencies of the Government (1) to provide for emergencies affecting the national security and defense and for each and every purpose connected therewith, including all of the objects and purposes specified under any appropriation available or to be made available to the War Department for the fiscal years 1940 and 1941; (2) to provide for the furnishing of Government-owned facilities at privately owned plants; (3) to provide for the procurement and training of civilian personnel necessary in connection with the protection of critical and essential items of equipment and material and the use or operation thereof; and (4) to provide for the procurement of strategic and critical materials in accordance with the act of June 7, 1939, but the aggregate amount to be used by the President for all such purposes shall not exceed $66,000,000. The President is further authorized, through such agencies, to enter into contracts for such purposes in an aggregate amount not exceeding $66,000,000. An account shall be kept of all expenditures made or authorized under this section, and a report thereon shall be submitted to the Congress at the beginning of each session subsequent to the third session of the Seventy-sixth Congress: *Provided*, That no contract entered into pursuant to the provisions of this section which would otherwise be subject to the provisions of the act entitled "An act to provide conditions for the purchase of supplies and the making of contracts by the United States, and for other purposes," approved June 30, 1936 (49 Stat. 2036; U. S. C., Supp. V, title 41, secs. 35–45), shall be exempt from the provisions of such act solely because of being entered into without advertising pursuant to the provisions of this section.

"SEC. 6. Whenever the President determines that it is necessary in the interest of national defense to prohibit or curtail the exportation of any military equipment or munitions, or component parts thereof, or machinery, tools, or material, or supplies necessary for the manufacture, servicing, or operation thereof, he may by proclamation prohibit or curtail such exportation, except under such rules and regulations as he shall prescribe. Any such proclamation shall describe the articles or materials included in the prohibition or curtailment contained therein. In case of the violation of any provision of any proclamation, or of any rule or regulation, issued hereunder, such violator or violators, upon conviction, shall be punished by a fine of not more than $10,000, or by imprisonment for not more than 2 years, or by both such fine and imprisonment. The authority granted in this section shall terminate June 30, 1942, unless the Congress shall otherwise provide."

And the Senate agree to the same.

A. J. MAY,
EWING THOMASON,
W. G. ANDREWS,
DEWEY SHORT,
Managers on the part of the House.

MORRIS SHEPPARD,
R. R. REYNOLDS,
ELBERT D. THOMAS,
WARREN R. AUSTIN,
Managers on the part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two houses on the amendment of the Senate to the bill (H. R. 9850) to expedite the strengthening of the national defense, submit the following statement in explanation of the effect of the action agreed upon by the conferees and recommended in the accompanying conference report:

Section 1 of the House bill provided for expediting the national-defense program by authorizing the Secretary of War to provide necessary construction, rehabilitation, and installation of military posts, depots, stations, and other localities of plants, buildings, facilities, utilities, and appurtenances thereto, including the acquisition of land for the manufacture, maintenance, and storage of military equipment, munitions, and supplies. This section also provided for suspending until June 30, 1942, the provisions of any statute imposing a monetary limitation on any individual construction project.

Section 1 of the Senate amendment expanded this authority of the Secretary of War so as to include the making of contracts, with or without advertising, for the purposes outlined in the House bill, extended the authority so as to include the conversion of such plants, buildings, etc., and the installation of Government-owned facilities at privately owned plants and the expansion of such plants, the acquisition of such land, and the purchase or lease of such structures as may be necessary for the purposes specified in the House bill. This section also authorized the Secretary of War, with or without advertising, to provide for the development, purchase, manufacture, shipment, maintenance, and storage of military equipment, munitions, and supplies, and for shelter, at such places and under such conditions as he may deem necessary and to enter into such contracts (including contracts for educational orders and for the exchange of certain surplus military equipment, munitions, and supplies for other such equipment, munitions, and supplies of which there is a shortage). The

limitations of sections 1136 and 3734 of the Revised Statutes and any statutory limitation with respect to the cost of any individual project of construction were suspended until June 30, 1942, with respect to any construction authorized by the act and it was provided in substance that all contracts entered into by the Secretary of War under the section should be subject to the provisions of the Walsh-Healey Act of June 30, 1936.

The Secretary of War was prohibited under the Senate amendment from using what is known as the cost-plus system of contract but the Secretary of War was authorized with or without advertising, to provide for the operation and maintenance of any plants, buildings, facilities, utilities, and appurtenances constructed pursuant to the authority conferred upon the Secretary of War (or the President under sec. 5 of the Senate amendment) by Government personnel or through the agency of selecting qualified manufacturers under contracts and to provide for leasing of any such plants, etc., under such terms and conditions as the Secretary of War deemed advisable and without regard to the provisions of section 321 of the act of June 30, 1932. The Secretary of War was further authorized to make advance payments to contractors for supplies or construction in amounts not exceeding 30 percent of the contract price, such advances to be made upon such terms and conditions and with such adequate security as the Secretary of War prescribes.

The conference agreement adopts the provisions of the Senate amendment with certain clarifying changes, authorizes the Secretary of War to sell or otherwise dispose of any such plants, buildings, etc., as well as to lease them and substitutes for the limitation upon the use of the cost-plus system of contracting a provision which bars the use of the cost-plus-a-percentage-of-cost system but allows the Secretary of War, when he deems it necessary, to use the cost-plus-a-fixed-fee form of contract. The conference agreement also provides that instead of all contracts under the section being subject to the provisions of the Walsh-Healey Act, no such contract which would otherwise be subject to such act should be exempt from its provisions solely because it was entered into without advertising.

The second proviso of section 1 of the House bill provided that during the fiscal year 1941 the average number of flying cadets should not exceed 8,500 and that an average of 6,000 Reserve Air Corps officers might be ordered to extended active duty with the Air Corps. Section 2 (a) of the Senate amendment provided that during the fiscal year 1941 all existing limitations with respect to the number of flying cadets and with respect to the number and rank of Reserve Air Corps officers who may be ordered to extended active duty with the Air Corps should be suspended. The conference agreement adopts the Senate provision.

Section 2 (b) of the Senate amendment provided that the President during the fiscal year 1941 might assign officers and enlisted men to the various branches of the Army in such numbers as he considers necessary and contained a limitation that no person was to be excluded from enlistment in any branch of the Military Establishment on account of race, creed, or color. The sixth proviso of section 1 of the House bill provided for the assignment of enlisted men only and did not contain the limitation in the Senate amendment with respect to enlistment. The conference agreement retains the Senate provision with respect to assignment of officers and enlisted men, but modifies the limitation in the Senate amendment with respect to enlistment so as to provide that no Negro because of race shall be excluded from enlistment in the Army for service with colored military units now or hereafter organized for such service.

The third proviso of section 1 of the House bill provided that during the fiscal year 1941 all existing limitations as to the number of serviceable airplanes, airships, and free and captive balloons that may be equipped and maintained should be suspended. Section 3 of the Senate amendment contained a similar provision which the conference agreement adopts. The fourth and fifth provisos of section 1 of the House bill authorized the Secretary of War to employ such additional personnel at the seat of government and elsewhere and to provide for such printing and binding, etc., as he may deem necessary to carry out the purposes of the act, and authorized him to waive the provisions of section 6 of the act of August 24, 1912, in connection with the defense program of the United States in any case. Section 4 (a) of the Senate amendment contained a similar provision with respect to employment of personnel, but modified the provision authorizing the Secretary to waive the provisions of such section 6 so as to provide that the Secretary of War might remove from the classified civil service, notwithstanding the provisions of such section 6, any employee of the Military Establishment upon a finding that such person has been guilty of conduct inimical to the public interest in the defense program and upon giving notice to such person. An opportunity was also to be afforded any person so removed to answer the charges against him in writing and to submit affidavits in support of the answer within 30 days after such removal. This section of the Senate amendment also provided that the Secretary of War, until December 31, 1941, might employ supervising and construction engineers without regard to the civil-service laws if he found it to be necessary for national-defense purposes. The conference agreement adopts the provisions of section 4 (a) of the Senate amendment.

Section 4 (b) of the Senate amendment provided that the regular working hours of employees of the War Department and field service should be 8 hours a day and 40 hours per week during the period of any national emergency declared by the President and made provision for overtime payment in excess of 40 hours in any administrative workweek at a rate not less than one and one-half times the regular rate. There was no corresponding provision in the House bill. The conference agreement retains the Senate provision but modifies it so that it is applicable only to laborers and mechanics employed by the War Department who are engaged in the manufacture or production of military equipment, munitions, or supplies.

Section 2 of the House bill contained authority for the President to use $132,000,000 during the fiscal years 1941 and 1942 in emergencies affecting the national security and defense for the objects and purposes specified in any appropriation for the War Department for military purposes for the fiscal years 1940 and 1941, for furnishing Government-owned facilities at privately owned plants, for procuring and training civilian personnel necessary in connection with the production of critical and essential items of equipment and material and the use and operation thereof, and for the procurement of strategic and critical materials in accordance with the act of June 7, 1939. It was also provided that an account should be kept of all such expenditures and that reports should be submitted to Congress at the beginning of each session subsequent to the third session of the Seventy-sixth Congress. There was also a limitation that none of the money so authorized should be used to pay salaries to any Communist, Nazi, or Fascist. Section 5 of the Senate amendment contained a similar authorization but did not have the limitation last mentioned. A report of expenditures was to be submitted to Congress on or before June 30, 1942, under the Senate amendment, and there was also a provision that all contracts entered into under the section should be subject to the provisions of the Walsh-Healey Act of June 30, 1936. The conference agreement retains the provisions of section 5 of the Senate amendment with certain clarifying changes and provides for submitting a report of the expenditures under the section at the beginning of each session subsequent to the third session of the Seventy-sixth Congress, as provided in the House bill. The conference agreement also provides that instead of all contracts under the section being subject to the provisions of the Walsh-Healey Act, no such contract which would otherwise be subject to such act should be exempt from its provisions solely because it was entered into without advertising.

Section 3 of the House bill and section 6 of the Senate amendment both authorized the President by proclamation to prohibit or curtail the exportation of military equipment and munitions and certain machinery and material necessary for their manufacture or servicing wherever he determines that it was necessary in the interest of national defense. The Senate amendment included operation as well as maintenance and servicing of such machinery. Under the House bill the authority granted under the section was to terminate on June 30, 1942, unless the Congress otherwise provided, but under the Senate amendment it was provided that the authority granted under the act should so terminate. The conference agreement adopts the provisions of the Senate bill with a clarifying change.

A. J. MAY,
EWING THOMASON,
W. G. ANDREWS,
DEWEY SHORT,
Managers on the part of the House.

Mr. MAY. Mr. Speaker, I yield myself 5 minutes for the purpose of making any explanation of the report and bill that any gentleman desires. This is the report on the national defense expansion bill, you might call it, which authorizes the Secretary of War under section 1 to provide for the operation and maintenance of any plants, buildings, facilities, utilities, and appurtenances thereto constructed pursuant to the authorization contained in the act, and to provide for the use of any and all other means including Government personnel through any agency selected or qualified to execute any contract entered into with them. That is the general provision of section 1 of the act.

The Senate amended the bill by an amendment which prohibits entering into any contract for purchases of supplies except under and pursuant to provisions of the section of the act of June 30, 1936, which is known as the public advertising section of existing law. The Senate receded on that amendment and agreed to a further proviso that no contract entered into pursuant to the provisions of this section which would otherwise be subject to the provisions of the act of June 30, 1936, shall be exempt from the provisions of such act solely because of being entered into without advertising pursuant to the provisions of the section. In other words, where the War Department finds it necessary to build barracks or enter into some contract under the provisions of the original statute as it now is, they would be required to present, before starting construction, an itemized and detailed statement of the cost of every little item regardless of the size of it, even down to $500.

Mr. VINSON of Georgia. Mr. Speaker, will the gentleman yield?

Mr. MAY. Yes.

Mr. VINSON of Georgia. That is the present law.

Mr. MAY. Yes; that is right. That authorizes that to be done without regard to advertising, but we prohibit in a subsequent provision the cost-plus idea that we know so much about, and which has been resorted to in the past, and authorize the letting of these contracts on a basis of cost plus a fixed fee.

Mr. VINSON of Georgia. Mr. Speaker, will the gentleman yield?

Mr. MAY. Yes.

Mr. VINSON of Georgia. Under the language submitted in a conference report a few days ago, under the act, the gentleman from Kentucky has just now read they have the authority to go out and take charge of any manufacturing plant in the United States, and to put a representative of the Government in charge of that plant.

Mr. MAY. No; I do not so understand it. They may make a contract for the lease of those plants.

Mr. VINSON of Georgia. And for the Government to operate them?

Mr. MAY. If necessary, and if the private plants do not have available employees, they can require the employment of Government employees, such as inspectors, special mechanics, and supervisors, to see, for instance, in some plant where they are manufacturing detailed and certain technical equipment according to specifications that the specifications are complied with.

Mr. VINSON of Georgia. Does it not go further than that? It did the other day in the RECORD, and I am uncertain about that now, because the Naval Affairs Committee of the Senate has incorporated practically the same idea in the Navy bill. As I understand it, it permits the Secretary of War to go out and commandeer or take over industrial plants and put a representative in there to make whatever the Army is asking to be manufactured.

Mr. RABAUT. Under what conditions?

Mr. VINSON of Georgia. I have not before me the RECORD of the other day, but that is exactly what has been submitted.

Mr. ANDREWS. Here is a copy of the RECORD.

Mr. VINSON of Georgia. It says this:

(b) The Secretary of War is further authorized, with or without advertising, to provide for the operation and maintenance of any plants, buildings, facilities, utilities, and appurtenances thereto constructed pursuant to the authorizations contained in this section and section 5, either by means of Government personnel or through the agency of selected qualified commercial manufacturers under contracts entered into with them, and, when he deems it necessary in the interest of the national defense, to lease, sell, or otherwise dispose of, any such plants, buildings, facilities, utilities, appurtenances thereto, and land, under such terms and conditions as he may deem advisable, and without regard to the provisions of section 321 of the act of June 30, 1932 (47 Stat. 412).

Mr. MAY. That is the provision that is in the report now. The intention is that the Government may have supervision and not control. If the Government builds or furnishes the money with which to build a plant alongside a private plant and after the emergency has ended desires to dispose of it to the private owner it may do so.

Mr. VINSON of Georgia. If that is the provision in the report now it certainly confers upon the Secretary of War the absolute authority to go out into the country and to take any manufacturing plant that he may see fit to take, and to manufacture for the Government, under Government supervision, any article that he deems necessary to procure.

Mr. DINGELL. If it is in the interest of national defense.

Mr. MAY. It does not authorize him to take over. It merely authorizes the Secretary of War, in the event it becomes necessary and he cannot lease the property, to require that the owner shall accept the supervision of experts who are qualified in carrying out blueprints, specifications, and requirements needed to manufacture technical equipment for the War Department. It could not be done otherwise. As I have already stated, if the Government in aid of industry makes improvements suitable to the use of the private owner and has no further use for such improvements, the Government should be enabled to salvage some of the investment by sale to the private owners. That is all this section means, and I would be the last man in the world to allow Government to dominate private investments.

[Here the gavel fell.]

Mr. MAY. Mr. Speaker, I yield myself 5 additional minutes.

Mr. VINSON of Georgia. Would the gentleman state to the House what disposition was made with reference to time and a half for overtime?

Mr. MAY. Yes; I will be glad to do that. Under the Senate bill the provision required that all employees in the War Department, without regard to civil service or without regard to classification, should be paid for 8 hours' work, and for any overtime they were to be paid time and a half for such overtime. The conference report, as agreed to by the conferees, now provides that that shall apply only to those employees, including mechanics and experts actually engaged in the production of war materials and supplies in the plants, and it would not apply to thousands of civilian employees who work for the War Department that would be claiming overtime, on a fixed per annum basis or what is known as a fixed salary basis.

Mr. VINSON of Georgia. I just want to understand it does not apply to stenographers and clerks in the War Department either here or out in the field?

Mr. MAY. That is right. It is intended to allow wage earners and not salaried persons the benefit of overtime allowances.

Mr. VINSON of Georgia. But only to the people who do actual labor?

Mr. MAY. Only to the people who do actual labor. It does not apply to the civilian employees of the Corps of Engineers.

Mr. MARTIN of Massachusetts. Will the gentleman yield?

Mr. MAY. I yield.

Mr. MARTIN of Massachusetts. I understand you said "We set aside the cost-plus system and substituted a fee system." What about that fee system? Are there any restrictions to that?

Mr. MAY. It is a fee to be agreed upon in advance of the letting of the contract.

Mr. MARTIN of Massachusetts. It can be larger than cost-plus if the Secretary wishes?

Mr. VINSON of Georgia. If the gentleman will yield, I will state that as far as the Navy is concerned and as far as the appropriation bill is concerned, it cannot be over 6 percent. There is a provision in another bill pending in the Senate to permit the President to bring both together if there is any conflict.

Mr. MARTIN of Massachusetts. Does this suspend those restrictions?

Mr. VINSON of Georgia. No. It will adhere to what the House has already done with reference to the Naval Establishment.

Mr. RABAUT. Will the gentleman yield?

Mr. MAY. I yield.

Mr. RABAUT. Does this also hold to the 7 percent provision?

Mr. MAY. Yes, sir. It was 10 percent. It is reduced to 7 percent.

Mr. RABAUT. It is a reduction of war profits, then?

Mr. MAY. Yes. We thought in these times, which require many sacrifices of us all for the common cause, profits should be small.

Mr. MARTIN of Massachusetts. There was a part of this bill objected to by the Negroes of the country.

Mr. MAY. Yes.

Mr. MARTIN of Massachusetts. What has been done about that?

Mr. MAY. I will be glad to state that the Senate provision was stricken out and in lieu of the Senate provision it was provided that no Negro, because of race, should be excluded from enlistment in the Army for service with colored military units now organized or to be organized for such service.

Mr. MARTIN of Massachusetts. Then that takes care of that objection?

Mr. MAY. That is satisfactory, I understand, to the representative of the Negro race.

Mr. DINGELL. Will the gentleman yield?

Mr. MAY. I yield.

Mr. DINGELL. Now, is that satisfactory? This applies only to enlisted personnel. What about officer personnel for some of the Negro units?

Mr. MAY. The understanding is that the War Department is setting up skeleton regiments to take care of this question. Our colleague the gentleman from Indiana, Mr. LEWIS LUDLOW, has been quite interested to know that the colored people have been given full protection and equal opportunity with all other troops, officers and men alike. The gentleman from Indiana [Mr. LUDLOW] is at this very moment absent from the floor of the House engaged as a conferee on one of the appropriation bills. He came to me only a few minutes before this matter was called up and urged me to see that the colored people were surely protected, and I have assured him I would do so. May I also give due credit to the gentleman from New York [Mr. ANDREWS], a member of the conference and ranking minority member on the Military Affairs Committee. He is really the author of this protective provision and urged it strongly in the committee.

Mr. ANDREWS. Mr. Speaker, will the gentleman yield?

Mr. MAY. I yield.

Mr. ANDREWS. In that connection I may say that the General Staff of the War Department contemplates—in fact, they have planned—to organize five or six colored regiments. Yes; upon the special insistence of yourself.

Mr. DINGELL. I may say to my friend that I have no intention to precipitate any lengthy discussion of it, but I would like to have an understanding that the Negro citizens of this country are satisfied with what has been worked out. Certainly, no discrimination ought to appear in a bill of this kind.

Mr. MAY. The gentleman from Indiana [Mr. LUDLOW], as I have already stated, asked me to make reference to this particular amendment, and to state whether or not it took care of the question raised by the Negro people. It does fully. It was discussed by them, and they are satisfied.

Mr. DINGELL. I thank my friend for the information.

Mr. MAY. Mr. Speaker, I yield 2 minutes to the gentleman from New York [Mr. REED].

Mr. REED of New York. Mr. Speaker, the public mind, I believe, is very agitated over the attempt to transfer what is known as the mosquito fleet to foreign nations. I hold in my hand a clipping which appeared in today's paper. I cannot vouch for the authenticity of it, but, if it be true, it is very, very disturbing. It reads as follows:

55 UNITED STATES PLANES LEAVE EN ROUTE TO BRITAIN

MITCHEL FIELD, N. J., June 21.—Fifty-five Army bombing planes, "traded in" by the Government and sold to Britain, left today for Halifax, Nova Scotia.

It was the largest mass flight thus far in the plan to send to Britain all available planes not in immediate use.

The planes were piloted by civilians, some of whom are Army Reserve officers who had volunteered to fly the ships across the Canadian border.

Below that is this item:

NEW YORK, June 21.—Columbia Broadcasting Co. picked up an Italian short-wave radio newscast today, quoting the German news agency as saying the Germans had captured 400 airplanes, which had just arrived from America, and 2,000 motors complete with plans for mounting.

I think a matter of this kind should be examined into at this time. [Applause.]

Mr. MILLER. Mr. Speaker, will the gentleman yield for a question?

Mr. MAY. I yield.

Mr. MILLER. I wish to clear up in my mind a little more about this 7 percent. I am sure no Member of Congress would say that 7 percent was too small a profit, but I am wondering about these negotiated contracts; for example, a concern may have several negotiated contracts. We know from past experience that it is possible to lose money on a negotiated contract. Will companies taking several of these negotiated contracts be permitted to average their losses or consider their losses on a negotiated contract?

Mr. MAY. I think that any contractor entering into a series of contracts would have them considered as a whole, and if there were a loss on one or excessive profit on the other they would be averaged so they did not exceed 7 percent.

Mr. MILLER. I thank the gentleman.

Mr. MAY. Now, Mr. Speaker, if there are no other questions as to the bill or report, I move the previous question.

Mr. Speaker, I move the previous question on the conference report.

The previous question was ordered.

The conference report was agreed to.

A motion to reconsider was laid on the table.

CONSTRUCTION AT MILITARY POSTS

Mr. MAY. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (H. R. 9896) to authorize appropriations for construction at military posts, and for other purposes.

The Clerk read the title of the bill.

Mr. MARTIN of Massachusetts. Mr. Speaker, reserving the right to object, will the gentleman explain the bill?

Mr. MAY. This is one of two bills. I expect momentarily to call up H. R. 9897. This bill (H. R. 9896) provides needed construction at several different Army posts. The War Department presented evidence to our committee which showed very clearly that there was an imminent necessity for this work. The bill merely authorizes the appropriation of money for this purpose. The money has already been appropriated in last week's appropriation bill.

The SPEAKER. Is there objection to the present consideration of the bill?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That there is hereby authorized to be appropriated not to exceed $15,000,000 to be expended for the construction, rehabilitation, and installation at military posts of such buildings and utilities and appurtenances thereto as may be necessary, as follows:

Station and amount	
ALASKA	
Anchorage	$6,379,225
HAWAII	
Schofield Barracks	780,000
Fort Shafter	90,000
PANAMA	
Fort Clayton	512,075
Corozal	1,071,300
Panama Canal Department	365,500
PUERTO RICO	
Borinquen Field	571,700
Puerto Rican General Depot	45,000
CONTINENTAL UNITED STATES	
Aberdeen Proving Ground, Md	210,000
Atlanta General Depot, Ga	1,300,000
Fort Belvoir, Va	60,000
Fort Benning, Ga	1,280,500
Edgewood Arsenal, Md	432,476
Frankford Arsenal, Pa	175,000
Fort Sam Houston, Tex	277,200
Fort Knox, Ky	100,000
Fort Lewis, Wash	255,000
Fort Myer, Va	84,000
Fort Monroe, Va	179,500
Philadelphia Quartermaster Depot	314,000
Picatinny Arsenal	218,524
West Point	299,000
Total	15,000,000

With the following committee amendments:

Page 2, opposite Schofield Barracks, strike out "$780,000" and insert "$823,200."

Opposite Fort Benning, Ga., strike out "$1,280,500" and insert "$1,320,500."

Strike out "Frankford Arsenal, Pa., $175,000."

Opposite Fort Knox, Ky., strike out "$100,000" and insert "$153,124."

After Fort Lewis, Wash., add "Fort McPherson, Fla., $65,000."

Opposite Picatinny Arsenal, strike out "$218,524" and insert in lieu thereof "$23,000."

After Picatinny Arsenal add "Fort Pickins, Fla., $48,200; Fort Sill, Okla., $96,000; Fort Story, Va., $25,000."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

ACQUISITION OF ADDITIONAL LAND FOR MILITARY PURPOSES

Mr. MAY. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (H. R. 9897) to authorize the acquisition of additional land for military purposes.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Kentucky [Mr. MAY]?

There was no objection.

Mr. MAY. Mr. Speaker, I may say this bill is one which provides for the acquisition of some additional land around our Army posts.

The Clerk read the bill as follows:

Be it enacted, etc., That the Secretary of War is hereby authorized to acquire, in such order of priority as he may determine, title to additional land, or interest therein, or right pertaining thereto, to the extent of the approximate areas hereinafter set forth, for the establishment, enlargement, and essential improvement of the following military reservations, posts, and facilities:

Antiaircraft Training and Firing Center, Savannah, Ga., 525,000 acres.

Big Bethel water development, Fort Monroe, Va., 41 acres.

Camp Custer, Mich., 6,126 acres.

Great Salt Lake Basin, Utah, 3,000 acres.

Fort Sill, Okla., 13,788 acres.

SEC. 2. In order to accomplish the purpose of this act there is hereby authorized to be appropriated, out of any money in the Treasury not otherwise appropriated, the sum of $3,500,000, to be expended under the direction of the Secretary of War.

With the following committee amendments:

Page 2, line 5, strike out all of the line and insert "Fort Dix, N. J., 16,346 acres."

Page 2, strike out lines 8 and 9 and insert the following: "Fort Lewis, Wash., 5,061 acres.

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

SPECIAL ORDER

The SPEAKER. Under a special order heretofore made, the gentleman from Texas [Mr. MAHON] is entitled to recognition for 10 minutes.

Mr. MAHON. Mr. Speaker, during this momentous session of Congress, I have had the privilege of addressing the House on many of the problems which have come before us. Today there is in the forefront of everyone's thinking the question of national defense. A few days ago I had the privilege of speaking to you on that subject. Let me reiterate that in my judgment the destiny of this Nation may well depend upon the speed and efficiency with which we put into operation our gigantic national-defense plans. Hand in hand with that program must go our program of annihilation of every influence in America, call it "fifth column" or what you will, which aims at the destruction of our institutions and our Government. To that program we must give our full measure of devotion. On these programs there is little time left for words; the demand is for action—action now.

Moreover, let me say again that it is my conviction that Members of Congress should remain in Washington at their post of duty, regardless of considerations, political or otherwise, as long as we can contribute to the defense and security of America. In this view I have every confidence that the people of my district and the Nation concur.

Today I hope I may be pardoned for speaking briefly in a more personal way. I should like to make reference to my service in Congress, the legislative procedure here, and the Nineteenth Congressional District of Texas, which I have the honor to represent.

SENIORITY

On January 3, 1935—about 5½ years ago—I took the oath of office in this Chamber. This is but a short period of time as service in Congress goes. Many Members of the House have been here for 20 years or more. I find that 178 Members of the present House of Representatives have been here longer than I, and that 193 Members have been here for a lesser time than I. There are 64 Members of the present House with whom I took the oath of office in 1935. Inasmuch as 178 Members of the House have been here longer than I, I could make no pretensions to being near the top in seniority.

Every new Member of the House is promptly impressed with the value and force of seniority. As former Speaker Champ Clark, who served in this House for 26 years and who was one of the most distinguished men ever to serve in Congress, once said:

A new Congressman must begin at the foot of the class and spell up. Of course, the more brains, tact, energy, courage, and industry he has, the quicker he will get up. If he possesses these qualities and if his constituents will keep him in the House, he is as certain to rise as the sparks are to fly upward.

He has also said:

It is a high honor to be a Representative in Congress, if for only one term, and with the number of terms the honor increases in geometrical rather than in arithmetical proportion. A Member's usefulness to his country should increase in the same proportion. A man has to learn to be a Representative just as he must learn to be a blacksmith, a carpenter, a farmer, an engineer, a lawyer, or a doctor.

Every true Member of Congress wishes to grow in knowledge of the Government and knowledge of the problems of the country, in power, and in influence, in order that he may the better serve his Nation and his own constituents. This is a natural ambition—one which the people approve.

COMMITTEE SERVICE

Hard work, seniority, and a favorable committee assignment, it has been said, are necessary to progress in Congress. No Member can attain the chairmanship of any committee except through the process of seniority. When I came to Congress, I was appointed to the Committees on Insular Affairs, Civil Service, Census, and Elections. I would not want to disparage the work of these committees, because they are essential to the work of the House, but I aspired to membership on one of the mort important committees. Under present procedure a Democrat Member who is on a major committee is not permitted to serve on other regular committees of the House.

The opportunity for a favorable committee assignment has now come to me, and I am serving my second year as a member of the Committee on Appropriations, which handles all appropriations for the far-flung activities of the Federal Government, including national defense and all other Federal expenditures. The Appropriations Committee and the Ways and Means Committee are universally considered the most important committees in Congress. On the Appropriations Committee there are 25 Democrats and 15 Republicans, I being the only member from Texas. Since the Civil War 7 Texans have served on this committee, 2 of whom, Gov. Joe Sayers and James P. Buchanan, became chairmen. I deeply appreciate the honor of serving on this committee, where I have the privilege of working with some of the most able and most influential Members of the House. The significance of committee service and the force of seniority on a particular committee is well illustrated by the fact that a great majority of the bills reported to the House and which become the law bear the name of the chairman of the committee reporting the bills. In almost every instance when a man's name has become popularly associated with a bill or an act of Congress, it is because he occupied the chairmanship of the particular committee handling that measure.

LEGISLATION A RESULT OF COMPROMISE

All of us realize that no one man, no Member of Congress, can pass legislation alone. Legislation is accomplished by the joint efforts of the 435 Members of the House and the 96 Senators. No Member of the House could dominate all of his colleagues, and, if he could, he still would have no control

over the Senate. All legislation is therefore a result of compromise among the 531 Members of Congress. Since this is true, rarely is a Member of Congress satisfied completely with any bill that is finally agreed upon by the House and Senate and sent to the President for his approval or disapproval.

Most legislation for which I have voted has not been perfect. Much of the legislation for which I have voted has not suited me exactly. After a bill has been amended and changed in one way or the other by the various votes of Members of the House and Senate, it eventually comes down to a final vote. A majority of the Members must either vote for it or no legislation at all is passed on the subject. If there seems to be more good in a bill than bad, and if it is the only hope of getting anything passed, a Member of Congress will usually vote for the bill. In a democracy this is the only way legislation can be passed.

THE DUAL NATURE OF CONGRESSIONAL SERVICE

The work of a Member of Congress is divided into two principal categories: First, those duties pertaining to legislation, and, second, those duties which arise from the numerous requests of individuals and localities for cooperation in matters affecting their relationship with the Federal Government. One cannot enumerate in a few pages of writing nor in the short space of a few minutes what has been done over a period of more than 5 years.

SOME IMPORTANT LEGISLATION OF THE LAST 5½ YEARS

Everyone realizes that mistakes have been made from time to time by this administration. There has been no perfect era in our history. However, much worth-while legislation has been adopted during the past 5½ years in which I am proud to have had a part. Time affords opportunity for only brief reference to some of this legislation.

I voted for the soldiers' bonus and have voted for many other worth-while measures written for the benefit of our veterans, their widows and dependents. I have had a part in providing for the Public Works Administration and Work Projects Administration programs through which my district has received numerous projects of worth-while and lasting value. In the P. W. A. program the Nineteenth Texas District received more projects—not more money—than any other Texas district. Numerous school buildings, hospitals, and so forth, testify to the value of this program.

I have had a part in our Soil Conservation Service program, and I have supported legislation in behalf of the C. C. C., important for its conservation of the human resources of our youth and important for the work which it has done. The Nineteenth District of Texas has received its share of C. C. C. camps engaged in the work of the Soil Conservation Service and the State park service. When I think of what we have done for the C. C. C. boys, I think of the expanded program of vocational training in agriculture and home economics which Congress has made possible during recent years. In the schools of the Nineteenth Texas District there are now 55 vocational agriculture units and 54 home-economics units partially supported by the Federal Government. The importance of this work cannot be overemphasized.

CIVIL PILOT-TRAINING PROGRAM

I introduced the first bill calling for the civil pilot-training program under the Civil Aeronautics Authority, which is now of such great importance that it is being correlated with the national-defense program. Of course, the bill which passed Congress bore the name of the chairman of the appropriate committee.

FARM-TENANCY LEGISLATION

I am glad to have had a part in the program designed to enable the farm tenant to become a home owner. We have made some headway and we will make more. Legislation which we have already passed is helpful. Pending legislation which I discussed in the House on May 14, 1940, would provide a much broader program. I have joined with my colleagues here in every effort to provide for a more comprehensive farm-ownership program and in every effort to repel the destructive tendencies toward farm-family displacement. We have also provided for the more unfortunate of the farm group through the assistance of the Farm Security Administration in its program of rehabilitation and service.

FARM LOAN INTEREST RATE REDUCTIONS

During my service the Congress has constantly reduced interest rates to the farmer through the Federal land bank and otherwise. Thousands of farmers in the Nineteeth Texas District, which is perhaps the greatest agricultural district in Texas, have profited by this procedure. Legislation is now pending providing for an extension of the period of these reduced interest rates.

SOCIAL-SECURITY PROGRAM

The social-security program has been enacted during my period of service here. It has been a considerable disappointment in many respects, but before we scoff at the humanitarian efforts which have been made, let us remember that Congress in 1935 put an old-age pension and a broad social-security program into operation, and while it was and is far from perfect, it was the first time in 150 years under our Constitution that there had been any old-age pension or social-security program of any kind. It can and will be improved. In old-age pensions we have provided for a maximum pension of $40 per month, the State sharing $20 and the Federal Government sharing $20. In view of the inequalities between the States, many of us have thought all of the time, and still think, that the proper system would be a straight Federal pension. Then every individual in every State would share in Federal funds on a basis of equality.

FARM LEGISLATION

My principal interest in Congress has been in farm legislation. I have been in the fight with all those who have been fighting the battles of the farmer in Congress. As long as industry is protected by the tariff, the farmer who buys the products of industry must have the benefit of a subsidy—a tariff equivalent in one form or another. And there must always be a soil-conservation program to save the soil from further destruction. On frequent occasions I have pointed out the inadequacies of the farm program on this floor, and I shall continue to do so until the program insures the farmer an adequate farm income and until the program encourages the maximum practicable utilization of people on the farm and not the displacement of people from the farm. Legislation in which I have had a part has brought farm payments to the Nineteenth District of Texas in the sum of more than $43,000,000 in the period from 1935 to 1940. I am cooperating with the farmers of my district. In letters, in personal conversations, and in public meetings we have discussed the problems which confront us. We will not relax our efforts in behalf of a better program, and we will not willingly destroy the one we have until we have a better one.

RURAL ELECTRIFICATION

Nothing has inspired my interest more than the rural electrification program. To have a part in bringing electric lights and power to the farm homes of America has been the high privilege of the recent Congresses of which I have been a Member. The program is in its infancy, but already 21 out of the 25 counties of the Nineteenth District of Texas have a part in this great program for the farm family. As the Honorable Harry Slattery, Administrator of the Rural Electrification Administration, said recently—

> The lights of peace and liberty are going out all over the world today, but the R. E. A. is bringing the lights of progress to the farm homes of America.

Of course, it would be impossible in a short time to refer to the many problems which have arisen in Congress during the eventful years since 1935. Upon hundreds of occasions I have cast the vote of the people whom I have the honor to represent in this Chamber. I have answered the roll call more than 1,000 times. The people whom I have represented have honored me with their confidence, and it is my belief that they have approved the overwhelming majority of the votes which I have cast.

INDIVIDUAL SERVICES

The second category into which a Congressman's work falls is that of serving to the best of his ability those individuals and those representing communities, towns, and

cities who call upon him in regard to a particular proposition or problem involving the Federal Government in some way. I have received more than 15,000 letters a year from the people whom I represent. They dealt with a host of individual and community problems. I could not now, of course, enumerate what has been done in these many instances, but those who have called upon me know that I have made a conscientious effort to be helpful. I consider this part of my work to be a vitally important part of my duty as a Representative in Congress. These thousands of individual efforts do not become a part of the written record of a Congressman's service; they usually do not appear in the press as a matter of public interest. Nonetheless, each was important to someone who called upon me as his Representative, and I have done the best I could in honest respect for the confidence which these individuals have placed in me. I shall always prefer the silent trust of those steadfast friends to the public notoriety accorded the demagogue.

THE NINETEENTH DISTRICT OF TEXAS

I am proud of the district which I represent in Congress—the Nineteenth Congressional District of Texas. I have the honor to be its first Representative. It is a new area in west Texas. Its growth and development has been phenomenal. Its people are in every sense of the word pioneers. They have carved out of the heart of the old cattle kingdom a vast agricultural empire, now being supplemented by development of the oil industry. As I said here on the floor on an occasion in 1936:

> The development of this section has been wrought by the strong determination and perseverance of a people with one purpose in their hearts—to build a new home for themselves. In this task they have not been unmindful of those community projects which are so vitally important to the individual home. In the short space of years hundreds of churches have been erected, hundreds of schools have been built, hundreds of miles of good roads have been constructed, and Texas Technological College, at Lubbock, has been born and is rapidly achieving national recognition. It is true that the climatic characteristics of this area have brought drought with their hardships, disappointments, and financial reverses. Yet the people have always been sustained by a faith that has endured through the severest losses and have written their record of progress in an economic and social order, the stability of which is no longer questioned. The predominance of real American stock and the solidarity of the people are not surpassed in any other section of the United States. To represent in Congress such a great people would challenge the fidelity and efforts of any man.

DEMOCRACY MUST BE MADE TO WORK FROM WITHIN

I began this speech with a reference to the all-important question of national defense. Before I conclude, I should like to point out in that connection that it is well for us to keep also in mind those legislative gains for which Congress and the people have been responsible and to continue to work toward the improvement of conditions at home and the solution of our important and perplexing problems. I hope that we may continue to remember that democracy must be made to work from within as well as defended from without. Certainly the bulwarks of our defense are as much in the hearts of our people as in the ramparts of our Army and the battleships of our Navy. We cannot forget that it is the function of the Government in a democracy to contribute to the general welfare of the people in every way possible. Our people are ready to assume the burdens and responsibilities of the defense program, ready to "pay the bill," if I may use that term. However, we must not presume that the glory of our Nation shall ever rest alone in an invincible Army and Navy. These must protect and maintain the real glory of the Nation reflected in the privileges and liberties of our people. In our present grave emergency I am anxious to serve in every possible way as a private citizen of the world's greatest Nation and as a representative of a great people who stand ready to defend those privileges and liberties which we under Heaven have come to enjoy.

EXTENSION OF REMARKS

Mr. SABATH. Mr. Speaker, I ask unanimous consent to revise and extend my own remarks in the RECORD and to include several letters which I have received from several organizations.

The SPEAKER. Is there objection to the request of the gentleman from Illinois [Mr. SABATH]?

There was no objection.

Mr. HOOK. Mr. Speaker, I ask unanimous consent to revise and extend my own remarks in the RECORD and to include a speech I gave over the radio.

The SPEAKER. Is there objection to the request of the gentleman from Michigan [Mr. HOOK]?

There was no objection.

Mr. MOUTON. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include therein some timely observations on the importance of agriculture in national defense and to substantiate my position in support of an adequate sugar quota.

The SPEAKER. Is there objection to the request of the gentleman from Louisiana [Mr. MOUTON]?

There was no objection.

Mr. GRIFFITH. Mr. Speaker, I ask unanimous consent to have printed in the Appendix of the RECORD resolutions passed by veterans' organizations in my district.

The SPEAKER. Is there objection to the request of the gentleman from Louisiana [Mr. GRIFFITH]?

There was no objection.

Mr. HILL. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include an article on Spray Residues, by Ira D. Cardiff.

The SPEAKER. Is there objection to the request of the gentleman from Washington [Mr. HILL]?

There was no objection.

Mr. FADDIS. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include a statement by the National Rifle Association.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania [Mr. FADDIS]?

There was no objection.

Mr. SABATH. Mr. Speaker, I ask unanimous consent to insert in my remarks a short editorial appearing in the Chicago Times.

The SPEAKER. Is there obection to the request of the gentleman from Illinois [Mr. SABATH]?

There was no obection.

HOUR OF MEETING

Mr. RAYBURN. Mr. Speaker, I ask unanimous consent that when the House adjourns today it adjourn to meet at 11 a. m. tomorrow.

The SPEAKER. Is there objection to the request of the gentleman from Texas [Mr. RAYBURN]?

There was no objection.

WAIVING OF CLAUSE 2, RULE XXVIII

Mr. RAYBURN. Mr. Speaker, I ask unanimous consent that on tomorrow it may be in order to consider conference reports notwithstanding the provisions of clause 2 of rule XXVIII.

The SPEAKER. Is there objection to the request of the gentleman from Texas [Mr. RAYBURN]?

There was no objection.

EXTENSION OF REMARKS

Mr. SCHAFER of Wisconsin. Mr. Speaker, I ask unanimous consent to extend the remarks I made today in the House and to include a few brief excerpts from the Washington Post.

The SPEAKER. Is there objection to the request of the gentleman from Wisconsin [Mr. SCHAFER]?

There was no objection.

Mr. SCHAFER of Wisconsin. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include therein copy of a statement of the ownership of the Chicago Daily News, dated October 1, 1938, edited and published by Frank Knox.

The SPEAKER. Is there objection to the request of the gentleman from Wisconsin [Mr. SCHAFER]?

There was no objection.

Mr. SPRINGER. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and include therein a letter from one of my constituents.

The SPEAKER. Is there objection to the request of the gentleman from Indiana?

There was no objection.

Mr. BENDER and Mr. STEFAN asked and were given permission to extend their own remarks in the RECORD.

Mr. TINKHAM. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD by inserting certain statements appearing in a publication called Uncensored.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. BLACKNEY. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and include therein certain brief quotations.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. CRAWFORD. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and include therein a statement by Dr. Dorsey, professor of jurisprudence at the Washington College of Law.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

ENROLLED BILLS SIGNED

Mr. PARSONS, from the Committee on Enrolled Bills, reported that that committee had examined and found truly enrolled bills of the House of the following titles, which were thereupon signed by the Speaker:

H. R. 1827. An act to allow moving expenses to employees in the Railway Mail Service;

H. R. 5982. An act for the protection against unlawful use of the badge, medal, emblem, or other insignia of veterans' organizations incorporated by act of Congress, and providing penalties for the violation thereof;

H. R. 8668. An act making appropriations for the fiscal year ending June 30, 1941, for civil functions administered by the War Department, and for other purposes; and

H. R. 9958. An act to authorize the purchase by the Reconstruction Finance Corporation of stock of Federal home-loan banks; to amend the Reconstruction Finance Corporation Act, as amended, and for other purposes.

BILLS PRESENTED TO THE PRESIDENT

Mr. PARSONS, from the Committee on Enrolled Bills, reported that that committee did on this day present to the President, for his approval, bills of the House of the following titles:

H. R. 1827. An act to allow moving expenses to employees in the Railway Mail Service;

H. R. 5982. An act for the protection against unlawful use of the badge, medal, emblem, or other insignia of veterans' organizations incorporated by act of Congress, and providing penalties for the violation thereof;

H. R. 8668. An act making appropriations for the fiscal year ending June 30, 1941, for civil functions administered by the War Department, and for other purposes; and

H. R. 9958. An act to authorize the purchase by the Reconstruction Finance Corporation of stock of Federal home-loan banks; to amend the Reconstruction Finance Corporation Act, as amended, and for other purposes.

ADJOURNMENT

Mr. RAYBURN. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 6 o'clock and 11 minutes p. m.), under its previous order, the House adjourned until tomorrow, Saturday, June 22, 1940, at 11 o'clock a. m.

EXECUTIVE COMMUNICATIONS, ETC.

1808. Under clause 2 of rule XXIV a letter from the Acting Secretary of the Navy, transmitting a list of cases of relief granted under the authority of the act of July 11, 1919 (41 Stat. 132; 31 U. S. Code, sec. 105), was taken from the Speaker's table and referred to the Committee on Expenditures in the Executive Departments.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII,

Mr. SUMNERS of Texas: Committee of conference on the disagreeing votes of the two Houses. H. R. 5138. An act for the registration of aliens; without amendment (Rept. No. 2683). Referred to the House Calendar.

Mr. MURDOCK of Arizona: Committee on Indian Affairs. H. R. 9707. A bill for the acquisition of Indian lands for the Parker Dam and Reservoir project, and for other purposes; with amendment (Rept. No. 2684). Referred to the Committee of the Whole House on the state of the Union.

Mr. MAY: Committee of conference on the disagreeing votes of the two Houses. H. R. 9850. An act to expedite the strengthening of the national defense (Rept. No. 2685). Referred to the Committee of the Whole House on the state of the Union.

Mr. COCHRAN: Committee on Expenditures in the Executive Departments. S. 3899. An act to defray the cost of returning to the United States the remains, families, and effects of officers and employees dying abroad, and for other purposes; without amendment (Rept. No. 2688). Referred to the Committee of the Whole House on the state of the Union.

Mr. STEAGALL: Committee on Banking and Currency. H. R. 10127. A bill to amend the Federal Reserve Act, and for other purposes; with amendment (Rept. No. 2689). Referred to the Committee of the Whole House on the state of the Union.

Mr. SMITH of Virginia: Committee on Rules. House Resolution 543. Resolution for consideration of H. R. 10127, a bill to amend the Federal Reserve Act, and for other purposes; without amendment (Rept. No. 2693). Referred to the House Calendar.

Mr. TARVER: Committee of conference on the disagreeing votes of the two Houses. H. R. 9007. An act making appropriations for the Department of Labor, the Federal Security Agency, and related independent agencies, for the fiscal year ending June 30, 1941, and for other purposes (Rept. No. 2694). Referred to the Committee of the Whole House on the state of the Union.

Mr. SABATH: Committee on Rules. House Resolution 544. Resolution for consideration of H. R. 9980, a bill to revise and codify the nationality laws of the United States into a comprehensive nationality code; without amendment (Rept. No. 2695). Referred to the House Calendar.

Mr. DOUGHTON: Committee of conference on the disagreeing votes of the two Houses. H. R. 10039. An act to provide for the expenses of national preparedness by raising revenue and issuing bonds, to provide a method for paying for such bonds, and for other purposes (Rept. No. 2697). Referred to the Committee of the Whole House on the state of the Union.

Mr. WOODRUM of Virginia: Committee of conference on the disagreeing votes of the two Houses. H. R. 10055. An act making supplemental appropriations for the national defense for the fiscal year ending June 30, 1941, and for other purposes (Rept. No. 2698). Referred to the Committee of the Whole House on the state of the Union.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of rule XIII,

Mr. VAN ZANDT: Committee on Immigration and Naturalization. H. R. 10086. A bill for the relief of David Jacobson; without amendment (Rept. No. 2682). Referred to the Committee of the Whole House.

Mr. MACIEJEWSKI: Committee on Immigration and Naturalization. S. 2757. An act for the relief of Bonifacio Suso; without amendment (Rept. No. 2686). Referred to the Committee of the Whole House.

Mr. MACIEJEWSKI: Committee on Claims. H. R. 9033. A bill for the relief of Angelo Carlino; without amendment (Rept. No. 2687). Referred to the Committee of the Whole House.

Mr. LESINSKI: Committee on Immigration and Naturalization. H. R. 5559. A bill for the relief of Laszlo Vadnai and his wife, Clara; with amendment (Rept. No. 2690). Referred to the Committee of the Whole House.

Mr. LESINSKI: Committee on Immigration and Naturalization. H. R. 9938. A bill for the relief of Dr. Michel Konne and Pauline Lucia Konne; with amendment (Rept. No. 2696). Referred to the Committee of the Whole House.

ADVERSE REPORTS

Under clause 2 of rule XIII,

Mr. HARTLEY: Committee on Patents. H. R. 9341. A bill to revive certain patents (Rept. No. 2691). Laid on the table.

Mr. EDELSTEIN: Committee on Patents. H. R. 7685. A bill for the relief of Steve Kalisz and Stella Lakomski (Rept. No. 2692). Laid on the table.

CHANGE OF REFERENCE

Under clause 2 of rule XXII, committees were discharged from the consideration of the following bills, which were referred as follows:

A bill (H. R. 8777) to permit suit to be brought upon the yearly renewable term insurance of Oscar W. Wiley, deceased; Committee on Claims discharged, and referred to the Committee on War Claims.

A bill (H. R. 9855) for the relief of John F. Cantiene; Committee on Claims discharged, and referred to the Committee on War Claims.

A bill (H. R. 9607) for the relief of Maxie Smallwood Chapman; Committee on Claims discharged, and referred to the Committee on War Claims.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. KEOGH:

H. R. 10131. A bill to repeal obsolete statutes and improve the United States Code; to the Committee on Revision of the Laws.

By Mr. WADSWORTH:

H. R. 10132. A bill to protect the integrity and institutions of the United States through a system of selective compulsory military training and service; to the Committee on Military Affairs.

By Mr. ENGLEBRIGHT:

H. R. 10133. A bill to provide for the acquisition for national-park purposes of privately owned land located within the boundaries of the Lassen Volcanic National Park; to the Committee on the Public Lands.

By Mr. GREEN:

H. R. 10134. A bill extending the time within which certain applications for insurance may be made under section 300 of the World War Veterans' Act, 1924; to the Committee on World War Veterans' Legislation.

By Mr. HARRINGTON:

H. R. 10135. A bill to authorize a preliminary examination and survey of the Soldier River and the watershed thereof, in the State of Iowa, for flood control, for run-off and waterflow retardation, and for soil-erosion prevention; to the Committee on Flood Control.

By Mr. KEOGH:

H. R. 10136. A bill to amend the Internal Revenue Code; to the Committee on Ways and Means.

By Mr. ROBINSON of Utah:

H. R. 10137. A bill relating to conservation operations of the Department of the Interior pursuant to Reorganization Plan No. IV; to the Committee on the Public Lands.

By Mr. ELLIOTT:

H. R. 10138. A bill to amend the act entitled "An act for the establishment of marine schools, and for other purposes," approved March 4, 1911, as amended, with respect to the location of the nautical schools; to the Committee on Merchant Marine and Fisheries.

By Mr. HAWKS:

H. Con. Res. 79. Concurrent resolution establishing a joint committee on national defense and foreign policy; to the Committee on Rules.

By Mr. CARLSON:

H. Con. Res. 80. Concurrent resolution creating a special joint committee of the House and Senate to investigate the circumstances surrounding the resignation of the Honorable Harry H. Woodring; to the Committee on Rules.

By Mr. EDWIN A. HALL:

H. Res. 542. Resolution requesting the President to transmit to the House a report with respect to the progress which is being made in carrying on the national-defense program; to the Committee on Military Affairs.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. MARCANTONIO:

H. R. 10139. A bill for the relief of Juan Celeiro y Carro or Juan Celeiro; to the Committee on Immigration and Naturalization.

H. R. 10140. A bill for the relief of Abdul Hoke; to the Committee on Immigration and Naturalization.

By Mr. BARNES:

H. R. 10141. A bill for the relief of the First National Steamship Co., the Second National Steamship Co., and the Third National Steamship Co.; to the Committee on Claims.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

8887. By Mr. BALL: Resolution adopted by the National Guard Association of Connecticut, favoring expansion of our national-defense program; to the Committee on Military Affairs.

8888. By Mr. KRAMER: Resolution of the American Legion, department of California, relative to the deportation of Harry Bridges; to the Committee on Immigration and Naturalization.

8889. By Mr. LYNCH: Petition of United Neighborhood Houses of New York, urging strong support of all necessary measures for national defense; to the Committee on Military Affairs.

8890. Also, petition of the May special grand jury of the southern district of New York, urging that section 605, title 47, of the United States Code, be amended to permit the use of wire tapping by law-enforcement officers of the Federal Government in connection with their official duties; to the Committee on the Judiciary.

8891. Also, petition of the Bronx County Society for the Prevention of Cruelty to Children, opposing entry of the United States into the European war, unless an act of aggression is made against us; to the Committee on Foreign Affairs.

8892. By Mr. MERRITT: Resolution of the Association of Competitive Employees, department of sanitation, city of New York, endorsing the sentiments as expressed in the "Stop Hitler Now" advertisement now appearing in the newspapers throughout the country; to the Committee on Foreign Affairs.

8893. Also, resolution of the Laurelton-Rosedale Post No. 766, Veterans of Foreign Wars, demanding Congress to remain in session until the present international crisis has passed; to the Committee on the Judiciary.

8894. Mr. SANDAGER: Petition of the Associated Alumni of Brown University, Providence, R. I., urging the Government of the United States to adopt immediately a system of compulsory selective military training; to the Committee on Military Affairs.

8895. By Mr. SCHIFFLER: Petition of James Cooper and other citizens of Wheeling, W. Va., urging all aid possible to the Allies; to the Committee on Foreign Affairs.

8896. Also, petition of Walter H. Evans and other citizens of Follansbee, W. Va., urging that we supply immediately to

the Allies material assistance—namely, planes, food, munitions, etc., but not manpower; to the Committee on Foreign Affairs.

8897. By Mr. VORYS of Ohio: Petition of Mr. and Mrs. L. M. Phinney, Rev. J. Otis Young, Mr. and Mrs. L. A. Wood, C. R. Hutchinson, H. A. Aleshire, C. J. Cummins, R. O. Nelson, G. T. Shepherd, and H. P. Warner, protesting against the traffic in war materials with Japan; to the Committee on Foreign Affairs.

8898. By the SPEAKER: Petition of S. I. Cole, of Chicago, Ill., and others, petitioning consideration of their resolution with reference to national-defense program; to the Committee on Military Affairs.

8899. Also, petition of F. G. Schreiler, of Madison, Wis., and others, petitioning consideration of their resolution with reference to national-defense program; to the Committee on Military Affairs.

8900. Also, petition of the Lions International, Miami, Fla., petitioning consideration of their resolution with reference to the national-defense program; to the Committee on Military Affairs.

8901. Also, petition of the United Federal Workers of America, Washington, D. C., petitioning consideration of their resolution with reference to immigration legislation; to the Committee on Immigration and Naturalization.

8902. Also, petition of the Jewish Peoples Committee of the East Side Council, petitioning consideration of their resolution with reference to House bill 9858 and immigration legislation; to the Committee on Immigration and Naturalization.

8903. Also, petition of B. P. Hawes, of Spokane, Wash., and others, petitioning consideration of their resolution with reference to election laws; to the Committee on the Judiciary.

SENATE

SATURDAY, JUNE 22, 1940

(Legislative day of Friday, June 21, 1940)

The Senate met at 11 o'clock a. m., on the expiration of the recess.

Rev. Duncan Fraser, assistant rector, Church of the Epiphany, Washington, D. C., offered the following prayer:

O Lord, our Heavenly Father, almighty and everlasting God, who hast brought us to the beginning of this day: Defend us in the same with Thy mighty power; and grant that this day we fall into no sin, neither run into any kind of danger, but that all our doings, being ordered by Thy governance, may be righteous in Thy sight and salutary to Thy people in this Nation. Through Jesus Christ, our Lord. Amen.

THE JOURNAL

On request of Mr. BARKLEY, and by unanimous consent, the reading of the Journal of the proceedings of the calendar day of Friday, June 21, 1940, was dispensed with, and the Journal was approved.

MESSAGES FROM THE PRESIDENT

Messages in writing from the President of the United States were communicated to the Senate by Mr. Latta, one of his secretaries.

CALL OF THE ROLL

Mr. BARKLEY. I suggest the absence of a quorum.

The VICE PRESIDENT. The clerk will call the roll.

The CHIEF CLERK called the roll, and the following Senators answered to their names:

Adams	Byrnes	Ellender	Hill
Andrews	Capper	George	Holman
Ashurst	Caraway	Gerry	Holt
Bailey	Chandler	Gillette	Hughes
Bankhead	Chavez	Green	Johnson, Calif.
Barbour	Clark, Idaho	Guffey	Johnson, Colo.
Barkley	Clark, Mo.	Hale	King
Bilbo	Danaher	Harrison	La Follette
Bone	Davis	Hatch	Lee
Brown	Donahey	Hayden	Lodge
Byrd	Downey	Herring	Lundeen
McCarran	Norris	Russell	Truman
McKellar	Nye	Schwartz	Tydings
McNary	O'Mahoney	Schwellenbach	Vandenberg
Maloney	Overton	Sheppard	Van Nuys
Mead	Pepper	Shipstead	Wagner
Miller	Pittman	Smith	Walsh
Minton	Radcliffe	Thomas, Okla.	Wheeler
Murray	Reed	Thomas, Utah	White
Neely	Reynolds	Townsend	Wiley

Mr. MINTON. I announce that the Senator from Virginia [Mr. GLASS], the Senators from Illinois [Mr. LUCAS and Mr. SLATTERY], the Senator from New Jersey [Mr. SMATHERS], and the Senator from Tennessee [Mr. STEWART] are necessarily absent from the Senate.

The Senator from Texas [Mr. CONNALLY], the Senator from South Dakota [Mr. BULOW], and the Senator from Nebraska [Mr. BURKE] are attending the funeral of the late Senator GIBSON, and are therefore necessarily absent.

Mr. MCNARY. The Senator from Vermont [Mr. AUSTIN], the Senator from South Dakota [Mr. GURNEY], and the Senator from New Hampshire [Mr. TOBEY] are members of the Senate committee attending the funeral of the late Senator GIBSON.

The Senator from North Dakota [Mr. FRAZIER] and the Senator from Idaho [Mr. THOMAS] are necessarily absent.

The VICE PRESIDENT. Eighty Senators have answered to their names. A quorum is present.

AMOS B. COLE—VETO MESSAGE (S. DOC. NO. 252)

The VICE PRESIDENT laid before the Senate a message from the President of the United States, which was read, referred to the Committee on the District of Columbia, and ordered to be printed, as follows:

To the Senate:

I return herewith, without my approval, the bill (S. 1560) for the relief of Amos B. Cole.

It appears that Amos B. Cole was a member of the Metropolitan Police Department of the District of Columbia. After a trial by the police trial board he was dismissed from the force. Subsequently, he became incapacitated. The instant bill would, however, entitle him to the same retirement privileges that would be extended to him had he become permanently incapacitated in line of duty while in the service.

In my opinion, the enactment of this legislation would not only create an undesirable precedent, but would not be conducive to the maintenance of morale and discipline in the local police force. The District Commissioners and the head of the Police Department can hardly be held responsible for the proper administration of the department, and for its effectiveness in maintaining law and order if disciplinary action taken by them in individual cases is to be subject to reversal by legislative action.

I may add that I am informed that Mr. Cole is receiving adequate hospital care in a veterans' hospital, at Government expense, and is also receiving a pension based on his service in the United States Army prior to his becoming a member of the police force.

In view of the considerations discussed above, I am constrained to return the bill without my approval.

FRANKLIN D. ROOSEVELT.

THE WHITE HOUSE, *June 21, 1940.*

RELIEF OF DISBURSING OFFICERS OF THE NAVY

The VICE PRESIDENT laid before the Senate a letter from the Acting Secretary of the Navy, reporting relative to cases of relief granted under authority of the act of July 11, 1919, to disbursing officers of the Navy, relieving them from responsibility on account of loss or deficiency caused by officers, without fault or negligence, acting in the line of duty, since the last report submitted as of May 3, 1939, which was referred to the Committee on Naval Affairs.

PETITIONS AND MEMORIALS

The VICE PRESIDENT laid before the Senate resolutions of Women's Auxiliary No. 1 to the Maritime Federation, San Francisco, Calif., and the Eureka Noe Valley Unions Auxiliary Club, protesting against action tending to lead the

Nation into war and the sacrifice of American men on foreign soil, which were referred to the Committee on Foreign Relations.

He also laid before the Senate a resolution of the Associated Alumni of Brown University, Providence, R. I., favoring the prompt adoption of a system of compulsory selective military training, which was referred to the Committee on Military Affairs.

He also laid before the Senate resolutions of the Lions Club of Newport, N. H., and conventions of the Lions Clubs of Florida and Oregon, endorsing the national-defense program, and favoring the enactment of legislation to stop all subversive activities in the United States, which were ordered to lie on the table.

Mr. WALSH presented petitions of sundry citizens of the State of Massachusetts, praying that the United States render material aid to the Allies, which were referred to the Committee on Foreign Relations.

He also presented a resolution of Loggia Cristoforo Colombo 168, Order Sons of Italy in America, of Worcester, Mass., reaffirming the loyalty of the lodge and its members to the United States of America, and calling attention to the spread of intolerance in this country, which was ordered to lie on the table.

Mr. REYNOLDS presented a telegram from the North Carolina Conference Youth Organizations of the Methodist Church, Louisburg, N. C., which was referred to the Committee on Foreign Relations and ordered to be printed in the RECORD, as follows:

LOUISBURG, N. C., *June 22, 1940.*

Senator ROBERT R. REYNOLDS:

Representing 28,000 Methodist young people of North Carolina, we feel that the Christian way is the way of peace. Will you keep us out of war?

THE NORTH CAROLINA CONFERENCE YOUTH ORGANIZATIONS OF THE METHODIST CHURCH.

Mr. BARBOUR. Mr. President, I ask consent to present at this time for printing in the RECORD and proper disposition a resolution adopted by the senate and concurred in by the house of assembly of the State of New Jersey on the 11th instant.

There being no objection, the concurrent resolution was ordered to lie on the table and to be printed in the RECORD, as follows:

Whereas recent events in Europe have made crystal clear the absolute necessity for the preparation of our National Guard, Army, and Navy for every possible contingency; and

Whereas provision for the needs of modernized mechanized warfare requires cooperation of business, industry, and Government to an even greater degree than in the past: Now, therefore, be it

Resolved, That the Senate of the State of New Jersey (the house of assembly concurring), pledge their cooperation to the President and Congress of the United States in all steps necessary for the prompt and energetic inception and prosecution of an adequate national-defense program; and be it further

Resolved, That copies of this resolution, signed by the president of the senate, attested by the secretary, be forwarded to the President of the United States, the Senators from New Jersey, and the Members of the House of Representatives from New Jersey.

PETITIONS, RESOLUTIONS, AND TELEGRAMS FROM MISSISSIPPI

Mr. BILBO presented a petition of sundry citizens of Liberty, Miss., which was referred to the Committee on Foreign Relations and ordered to be printed in the RECORD, as follows:

LIBERTY, MISS., *June 19, 1940.*

Hon. FRANKLIN D. ROOSEVELT,
President of the United States.
Hon. PAT HARRISON,
Hon. THEO. G. BILBO,
Senators from the State of Mississippi, Washington, D. C.

GENTLEMEN: We, the undersigned American citizens and taxpayers, earnestly insist that you make every endeavor to prevent the United States from participating in any foreign war, either through choice or compulsion.

Respectfully submitted.

Gracey Lusk, J. B. Turnipseed, T. F. Wren, J. Scott Nunnery, J. M. Reynold, W. B. Tarver, H. M. McGehee, John I. Nunnery, L. L. Campbell, Ollie Nunnery, Joe D. Gordon, T. H. Nunnery, H. Duck, Hugh Nunnery, Roy Nunnery, E. R. Nunnery, M. L. Quinn, Dr. M. D. Quinn, A. B. Williams, Jr., A. Boyd Williams, J. K. Harvey, and Roland Van Normon.

Mr. BILBO also presented a resolution of John R. Gambriel Post, No. 23, American Legion, of Drew, Miss., which was referred to the Committee on Military Affairs and ordered to be printed in the RECORD, as follows:

DREW, MISS.

Hon. THEODORE BILBO,
Washington, D. C.

DEAR SIR: At a recent meeting of this organization the following resolution was adopted and the adjutant was instructed to forward a copy of same to you for your serious consideration:

"Now, therefore be it resolved by the John R. Garbriel Post, No. 23, American Legion, Inc.:

(1) That the President and Congress of the United States should take immediate steps and adopt such measures necessary for compulsory military training for all male citizens within a certain age limit.

(2) That notwithstanding political conventions and campaign aspirations, that Congress stay in session now and "during the emergency," which we consider most grave at this time and will continue to be so for an extended period.

Trusting you will give this your due consideration, we are,

Sincerely yours,

JOHN R. GAMBRIEL POST, NO. 23,
AMERICAN LEGION, INC.,
D. B. SEALY, *Commander.*

Mr. BILBO also presented a telegram from Fred L. Todd, adjutant, Henry H. Graves Post, Jackson, Miss., which was referred to the Committee on Military Affairs and ordered to be printed in the RECORD, as follows:

JACKSON, MISS., *June 20, 1940.*

Honorable BILBO,
Washington, D. C.:

Executive committee of Henry H. Graves Post adopted resolution urging compulsory military training. Your influence to enact same urged.

FRED L. TODD,
Adjutant, Henry H. Graves Post.

Mr. BILBO also presented a resolution adopted by the convention of the National Guard Association of Mississippi, which was referred to the Committee on Military Affairs and ordered to be printed in the RECORD, as follows:

Whereas since the passage of the National Defense Act of 1920 the National Guard of the State of Mississippi and of the various States of the Union have trained primarily for field service in the Army of the United States and has been equipped and paid by the Government of the United States while undergoing such training; and

Whereas the state of training of the Mississippi National Guard and the National Guard of the other States is such that with a short period of intensive field training the National Guard units could and would be prepared to function as first-line troops; and

Whereas the National Guard units of the various States are in serious need of additional equipment and that such equipment will shortly be available under the expanded defense program of the Federal Government; and

Whereas the suggestion has been made by the Chief of Staff of the United States Army that the National Guard be inducted into the Federal service for training and for such use as may be necessary, but some parties have raised objections to such use of the National Guard: Now, therefore, be it

Resolved by the National Guard Association of the State of Mississippi, in convention assembled, That it is the sense of the National Guard of the State of Mississippi that immediate action should be taken to mobilize the National Guard units of the various States and to induct the same into the Federal service if in the opinion of the Chief of Staff such steps are now necessary or desirable in order to complete a program of adequate national defense; and be it further

Resolved, That it is the sense of this association that any delay in the determination and effectuation of an adequate defense program would be a national catastrophe; and be it further

Resolved, That it is the desire of every officer of this association and of the enlisted men of the National Guard that the public generally be immediately advised in definite terms that the National Guard units stand ready, able, and willing to render in the field any and all services and duties as may be necessary or advisable in order to effectuate an adequate national-defense program immediately.

Be it resolved by the National Guard Association of the State of Mississippi in convention assembled, That in order to keep up with modern developments in military science it is necessary that a form of adequate compulsory military training for all able-bodied male citizens of the United States should immediately be established and put into effect.

Mr. BILBO also presented a telegram from Yazoo Delta Local Agents Association, of Greenwood, Miss., which was

ordered to lie on the table and to be printed in the RECORD, as follows:

Senator THEODORE G. BILBO, GREENWOOD, MISS., *June 20, 1940.*
Senate Office Building, Washington, D. C.:

The Yazoo Delta Local Agents Association of Stock Fire Insurance Companies, at its regular monthly meeting, this the 19th day of June, at Tunica, Miss., unanimously pledges its full cooperation and support of the Government preparedness program and will do everything in its power to combat all subversive elements.

YAZOO DELTA LOCAL AGENTS' ASSOCIATION,
DAVID J. BREWER, *Secretary.*

Mr. BILBO also presented a resolution of Everard Lee Post, No. 175, Department of Mississippi, the American Legion, Merigold, Miss., which was ordered to lie on the table and to be printed in the RECORD, as follows:

EVREARD LEE POST, NO. 175,
DEPARTMENT OF MISSISSIPPI, THE AMERICAN LEGION,
Merigold, Miss., June 13, 1940.

Whereas the present war, which is spreading throughout the world, is not only a war but is a revolution against the established order and those varieties of life which constitute our culture, civilization, and the American way of life and government; and

Whereas this revolution is slowly penetrating the thinking of nations in the Western Hemisphere, and even our own Nation, to the extent that subversive movements have the support of certain types of American citizens; and

Whereas the present status of our national defense is appalling and pitifully weak when compared with the war machines of aggressor nations now on the march; and

Whereas because of long years of peace and personal freedom in our democracy our Nation has hitherto not found it necessary to provide such methods of dealing adequately with treason and sabotage as other democratic nations at war have found it necessary to develop to crush "fifth column" activities and other subversive movements supported by aliens and radical citizens; and

Whereas because of the international situation national mobilization of resources, industrial production, and manpower is fundamentally necessary if the United States is to arm adequately to face developments in world affairs; and

Whereas mobilization of the resources of national defense demands a unity of spirit and ideas and the elimination of the consideration of personal convenience; and

Whereas the international situation is so serious and potent with possibilities that a national emergency requiring the immediate attention of Congress could be precipitated any day without warning: Now, therefore, be it

Resolved by the Everard Lee Post, No. 175, of the American Legion, Department of Mississippi, on this 13th day of June 1940:

1. That the President and the Congress should now forego and forget personal considerations in plans for the development of an adequate national defense.

2. That in view of the grave international situation, which could precipitate a national emergency at any time without warning, which would require the immediate attention of Congress, Congress be urged to remain in session until conditions abroad have changed sufficiently to justify adjournment.

3. That the President and Congress immediately initiate and enact legislation providing legal procedures to punish American citizens who advocate the overthrow of our Government by force, fraud, or violence, and to imprison or deport aliens who have similar aims.

4. That the President and Congress of the United States should immediately enact such laws and legislation as may be necessary to call to the services of the Nation, in the development of an adequate national defense, all industrial resources or facilities, regardless of previous political differences or party lines.

5. That the President and Congress of the United States should immediately take such steps and adopt such measures as may be necessary to prohibit strikes, sabotage, or delay of any nature in the development of national defense.

6. That the President and Congress of the United States immediately take all steps necessary to equip, train, and mobilize in such strength as may be necessary, all armed forces of the United States in the Regular Army, the National Guard, the Organized Reserves, the United States Marine Corps, the Navy, and in any branch of governmental service found necessary for national defense;

7. That the Congress of the United States be urged to repeal all parts of the Johnson Act which in any way prohibit or hinder full support and aid to the allied nations in the way of equipment, munitions, or economic assistance, short of making military commitments;

8. That this post go on record as urging all young men of military age, who are not engaged in necessary employment for the support of their families or are not employed in those industries necessary for the maintenance of national defense, to enlist immediately in the National Guard of the State of Mississippi or in such branches of the armed forces of the United States in which their talents or training might be of particular value or service;

9. That this post offer its services as an organization and each member of this post offer his services as an individual to the Government of the United States or to any State or subdivision thereof, and to any industrial organization having need therefor for the definite purpose of combating sabotage or "fifth column" activities of any nature whatsoever;

10. That this post cooperate with national headquarters and State headquarters in initiating and developing for itself a program of proper observation of the week, June 17 to June 22, as Americanism Week, for the discussion and realization of the benefits, blessings, and obligations of American citizenship; and to seek the cooperation of newspapers, civic clubs, and individual citizens in such observation.

E. S. NORTH,
Commander of Post, 1940.
DR. A. M. WYNNE,
Commander-elect, 1941.
IRA RAYNER.

Mr. BILBO also presented a resolution of Frank G. Wingfield Post, No. 66, American Legion, Leland, Miss., which was ordered to lie on the table and to be printed in the RECORD, as follows:

Resolution expressing our devotion to the ideals of democratic government and our sympathy for our former Allies, the British and French Empires, pledging our loyalty to their cause and urging our Government to grant them all aid possible, and that immediately

Whereas the fundamental purpose of the American Legion is to perpetuate and foster the democratic ideals of government as illustrated by the United States of America during the entire period of its existence as a Nation, for the promotion of which many sacrifices have been made, and for the protection of which the members of this organization fought in the World War along with the forces of the British and French Empires and other nations; and

Whereas the same democratic ideals of government are now in jeopardy by the barbaric and monstrous efforts of the totalitarian nations of the world to crush and destroy our former Allies, and to destroy their democratic forms of government and their ideals of justice and liberty; and

Whereas under such conditions it is impossible for this organization to remain silent and inactive while our former Allies are engaged in a life-and-death struggle for the protection and preservation of their liberty and democratic ideals; and

Whereas in said struggle we realize that our hopes and welfare of the future are interwoven with those of the democratic governments, and their loss in this struggle will be our loss, and leave our Nation the only great stronghold of democracy left on the face of the world, and in all probability will leave us alone to be attacked and destroyed by the totalitarian nations when they so desire; and

Whereas we want the democratic nations at war to know that our sympathies are with them in this struggle, and that it is our desire that our Government render them every aid possible in their distress, and that immediately: Now, therefore, be it

Resolved by the Frank G. Wingfield Post, No. 66, of the American Legion, Leland, Miss.:

1. That we reaffirm our devotion and loyalty to the democratic ideals of government, liberty, and justice, the protection of which our former Allies, the British and French Empires, have been or are now courageously defending without adequate supplies and preparation from the totalitarian nations in the most ruthless and barbaric war in history.

2. That we urge our Government to grant them all the immediate aid and assistance possible, and express our unwillingness to sit idly by with a surplus of food and an inexhaustible supply of metals and ammunition that could mean their victory and the saving of our democratic ideals.

3. That we urge and beg our Government and those in authority therein to give the democratic nations so sorely pressed by the totalitarian aggressors all the material aid and assistance possible, and that speedily, saving only such supplies and materials that may be necessary for our own defense, and that credit be extended for same, if desired.

4. That we offer our services to our Government to assist in eliminating and destroying all subversive movements and elements in our country, as well as to stamp out all non-American, un-American, and disloyal organizations, persons, and practices that may exist.

5. That in order that these purposes may be carried out and future emergencies met as they appear that the Congress of the United States of America remain in session as long as the present emergency exists.

Adopted this, the 17th day of June 1940, by a unanimous vote.

Mr. BILBO also presented a resolution of the Woman's Club and affiliated clubs of Holly Springs, Miss., which was ordered to lie on the table and to be printed in the RECORD, as follows:

Whereas there exists today unprecedented and unpredictable international chaos, potential with national menace to the United States of America; and whereas, in our judgment, the gravest crisis

now confronts this country in its long history, requiring energy, courage, patriotism, ability, and devotion to duty of the highest order on the part of our entire citizenry, and more especially those having authority; and whereas we feel that our views as Americans should be communicated to those who represent us in the National Congress: Therefore be it

Resolved, That we memorialize our Senators, Hon. PAT HARRISON and Hon. THEODORE G. BILBO, and our Congressman, Hon. WALL DOXEY, and urge them to use their votes and influence to the utmost for the accomplishment of three things now:

First. Infinite and speedy arming of the Nation adequately, and providing an Army and Navy, tank and air forces, not conformable to our past conceptions of adequacy, but comparable to the combined forces of both Germany and Italy, and that all national expenditures be subordinated to this purpose.

That Congress do not permit this country to be led or drawn into this war, if it can honorably be avoided, and in our judgment it can be honorably avoided.

That Congress do not adjourn or even recess at this time of crisis and march of relentless change in the aspect of world affairs, as we deem the presence of Congress in Washington to be of the utmost importance to national safety.

These resolutions are sent on behalf of the Woman's Club of Holly Springs, including Home Room Mothers, the Garden Club, and other affiliates, and a copy shall be sent to the aforesaid Senators and Congressman, this the 18th day of June 1940.

Mr. BILBO also presented a resolution of the executive committee of Clement R. Bontempts Post 139, American Legion, of Bay St. Louis, Miss., which was ordered to lie on the table and to be printed in the RECORD, as follows:

Resolution deploring the present world crisis: reaffirming our loyalty to the ideals of government that our former Allies are making great sacrifices to maintain, pledging our loyalty to their cause, and urging immediate aid to them by our Government

A meeting of the Executive Committee of Clement R. Bontempts Post 139, of the American Legion, of Bay St. Louis, Miss., was held at 7:30 p. m. Monday, June 10, 1940.

The following is a resolution unanimously adopted by the committee:

Whereas Communists, Nazis, Fascists, and other foreign organizations constitute a threat to our democratic form of government; and

Whereas the Communists, Nazis, Fascists, and other organizations opposed to democracy in this country are the nucleus of a "fifth column" which now exists in this country; and

Whereas agents of said organizations and existing enemies are now residing in this country and are a threat to the safety and welfare of our people; and

Whereas the United States should not, in the exercise of good judgment, tolerate such enemies and organizations within its borders; and

Whereas this country should immediately prepare itself adequately to combat any combination of powers that could possibly attack it: Now, therefore, be it

Resolved by the members of the executive committee of Clement R. Bontempts Post 139, of the American Legion, Bay St. Louis, Miss., That we now sincerely urge our Government to forcefully take active measures to curb the activities of all Communists, Nazis, Fascists, and all aliens, and any other organizations in this country opposed to our democratic form of government, and we respectfully suggest that every Communist, Nazi, Fascist, or of any of the above-mentioned organizations be immediately coralled and put under Government supervision, and we most earnestly endorse the action of our President in placing the Immigration Department under the Department of Justice. We respectfully further suggest that the F. B. I. forces be tremendously increased to deal with these activities.

We call upon all patriotic citizens to cooperate with the executive committee of the Clement R. Bontempts Post 139 of the American Legion, who is in contact with the F. B. I. in overcoming the threat to our liberty caused by such organizations and aliens in this country, and we believe that an adequate defense of this country cannot be had without a thorough elimination of all "fifth column" elements and urge that our Government take every precaution to eliminate all "fifth-column" activities; be it further

Resolved, That a copy of these resolutions be sent to the President of the United States, to each Senator and each Representative of the House of Representatives from Mississippi, and that a copy be given to the press for publication.

Mr. BILBO also presented a resolution of Local No. 589, National Federation of Federal Employees, Jackson, Miss., which was ordered to lie on the table and to be printed in the RECORD, as follows:

Whereas a state of emergency exists in the United States today by reason of world conflict; and

Whereas vast sums are needed for preparedness and for national defense; and

Whereas when the question of economy or providing additional funds for national defense is mentioned the tendency is and always has been to reduce the salaries of Federal employees; and

Whereas the amounts secured through such reductions are infinitesimal in comparison with needed funds; and

Whereas there usually comes with increased industry and war conditions a corresponding increase in the cost of living, and salaries of Federal employees are now inadequate: Therefore be it

Resolved by Local 589 of the National Federation of Federal Employees, That this local, while pledging anew our loyalty to the Government, is unalterably opposed to any reduction in salary of Government employees; that the national organization and the Members of the Mississippi delegation in the Senate and the House of Representatives of the United States be urged to use their best efforts to provide a systematic program for promotion on merit at regular yearly intervals as a means to promote efficiency and to increase the morale of field employees of the Government; and be it further

Resolved, That copies of this resolution be forwarded to each of the two United States Senators from Mississippi and to the six Congressmen representing Mississippi and to the National Federation of Federal Employees, and that copies be given to the press.

AID TO THE ALLIES—PETITION

Mr. HATCH. Mr. President, recently I presented a petition praying that aid and assistance be given to the Allies by this Government. I requested that the body of the petition be printed in the RECORD. The petition itself with the accompanying names was referred to the Committee on Foreign Relations. I now present a supplemental petition with additional signatures from the same city, Santa Fe, N. Mex., and ask that it be referred to the same committee.

The VICE PRESIDENT. Without objection, the petition will be received and referred to the Committee on Foreign Relations.

RESOLUTION OF THE UNITED STATES JUNIOR CHAMBER OF COMMERCE—NATIONAL-DEFENSE PROBLEMS

Mr. CLARK of Idaho. Mr. President, I ask unanimous consent to present and publish in the RECORD a resolution adopted by the United States Junior Chamber of Commerce in session at Washington in connection with national defense and America's foreign policy. I present this at the request of Mr. Ben Johnson, of Preston, Idaho, who is the national director of the Junior Chamber of Commerce. He is a member of the resolutions committee, and had a good deal to do with the drafting and adoption of this resolution.

There being no objection, the resolution was ordered to lie on the table and to be printed in the RECORD, as follows:

Be it resolved by the United States Junior Chamber of Commerce, in convention assembled on this the 21st day of June 1940, That our position with reference to the present significant problems of national defense be stated as follows:

I. We believe in the preservation of the democratic form of government which assures to our citizens the liberties and freedom guaranteed by the Constitution of the United States. We believe that the latent dynamics of a democracy, once aroused, are more powerful than the driven dynamics of dictatorships. To attain that end, we realize that the young men of America have a special responsibility. Hence we pledge our efforts to allay hysteria and not to forget the need for the solution of important domestic problems which continue to be vital to our democratic form of life and to assist in welding together our people through mutual confidence and trust, recognizing that to achieve this end we must reduce unemployment, preserve industrial peace and the rights of labor, assure the fair treatment that encourages capital investment, assure fair treatment for agriculture, and discourage unfair advantage wherever shown.

II. We consider that the most important problem of the day is the immediate establishment of an adequate national defense.

III. We believe that the following are necessary elements of an adequate national defense:

A. A clear definition of the necessary geographical area of defense. As a minimum, such an area, must include the United States and its possessions in the Western Hemisphere.

B. Immediate organization of all resources, including industry and manpower, which includes:

1. Compulsory military training.

2. Training of individuals in skills and techniques necessary to the rapid and efficient production of materials and equipment required for defense.

3. Administrative coordination of all agencies involved directly or indirectly in the defense program; appointment by the President of one person charged with this administrative responsibility; and elimination of delays and unnecessary procedural technicalities.

4. Elimination of excessive profits to industry, agriculture, and labor by reason of production incident to the defense program.

5. Development of our own resources with a view to national self-sufficiency through an immediate program of extensive research as to latent resources, chemical substance, mechanical devices, and synthetic products.

C. Recognition and willingness to bear the increased costs of such a defense program. Insofar as possible these costs must be paid currently out of tax revenues. As young men, we will assume our share of this burden.

D. Loyalty to the United States of America. We declare our belief in the loyalty of the great majority of our citizens. However, adequate steps must immediately be taken to eliminate all acts of disloyalty to our democratic form of government. This involves, among other steps, strict enforcement of the immigration laws and mandatory registration of all aliens.

E. Elimination of the use of the cloak of diplomatic privilege as a device to conceal unfriendly propaganda and subversive activity.

F. Public knowledge of all pertinent facts relative to problems of national defense and our relationship to foreign conflicts. We insist that our governmental leaders are under an obligation to keep us promptly and fully informed on these matters. We recognize the reciprocal obligation on the part of every citizen to keep himself fully informed.

G. Also as an element of defense the step may be justified of making available for purchase supplies and equipment to those nations important to our plan of national defense, provided that the requirements of our own defenses shall in no event be prejudiced by such sale.

IV. We oppose sending an armed force outside the Western Hemisphere.

V. No armed force shall be sent beyond our geographical area of defense.

Having faith in our future and confidence in the willingness of our young men to make any sacrifices necessary, the United States Junior Chamber of Commerce tenders to the Nation the services of its members and organizations—local, State, and National—in the establishment of adequate national defense and the maintenance of our democratic form of government.

REPORTS OF COMMITTEES

Mr. BAILEY, from the Committee on Commerce, to which was referred the joint resolution (S. J. Res. 283) authorizing Col. Donald H. Connolly to hold the office of Administrator of Civil Aeronautics in the Department of Commerce, reported it without amendment.

Mr. THOMAS of Utah, from the Committee on Military Affairs, to which was referred the joint resolution (S. J. Res. 243) authorizing Government employees' participation in the celebration of National Aviation Day, and for other purposes, reported it without amendment and submitted a report (No. 1938) thereon.

Mr. SHEPPARD, from the Committee on Military Affairs, to which was referred the bill (H. R. 9158) to amend the act entitled "An act for the protection of certain enlisted men of the Army," approved August 19, 1937, and for other purposes, reported it with an amendment and submitted a report (No. 1939) thereon.

He also, from the same committee, to which was referred the bill (S. 4044) for the relief of the widow of Donald D. Elliott, reported it without amendment and submitted a report (No. 1940) thereon.

Mr. OVERTON, from the Committee on Commerce, to which was referred the bill (H. R. 6572) to amend the Merchant Marine Act, 1936, as amended, to provide for marine war-risk insurance and reinsurance and for marine-risk reinsurance, and for other purposes, reported it with amendments and submitted a report (No. 1942) thereon.

Mr. SMITH, from the Committee on Agriculture and Forestry, to which was referred the bill (S. 4156) for the relief of the Continental Aerosurveys Corporation, reported it without amendment.

FRENCH SPOLIATION CLAIMS—ADVERSE AND FAVORABLE REPORTS OF MEMBERS OF SUBCOMMITTEE WITHIN COMMITTEE ON CLAIMS

Mr. BROWN. Mr. President, in the Claims Committee there has been for many years a group of claims known as the French spoliation claims. They have been at different times reported favorably and adversely to the Senate. The committee the other day had a very full report upon the subject, and, by unanimous vote, decided indefinitely to postpone consideration. By that procedure no record will be made of the reports which were prepared. The Senator from Louisiana [Mr. ELLENDER] and myself prepared a lengthy adverse report, and the Senator from Wisconsin [Mr. WILEY] prepared a favorable report. I ask unanimous consent that those reports be printed in the CONGRESSIONAL RECORD in the regular RECORD-size 7½-point type, so that they may be available.

The PRESIDENT pro tempore. Is there objection? The Chair hears none, and it is so ordered.

The reports above referred to are as follows:

MAJORITY SUBCOMMITTEE REPORT, BY MR. BROWN

We have decided to report adversely Senate 3173, the French spoliation claims bill.

The matter was referred to the undersigned as a subcommittee. Because of the amount involved, $3,240,019.34, covering 1,358 claims, and because of the necessity for a full understanding of the situation, we concluded to ask the attorneys interested to present their views before the full committee, which was done on Wednesday, May 8, 1940. The committee heard the Honorable DAVID I. WALSH, a Senator from Massachusetts, whose bill brought the controversy before the Congress; Joseph P. Tumulty, Jr., attorney; and J. Henry Scattergood, vice president of the Insurance Co. of Pennsylvania.

These gentlemen had a full understanding of the situation and were of great assistance to the committee in placing the facts before it.

The subcommittee will not attempt to set forth a lengthy report of the claims and refers to a committee report of the late Senator Logan under date of May 26, 1937, in which he recommends favorable action on the claims. It is needless to set forth his reasoning and the various reports made by representatives of the Government therein contained. Reference is also made to the minority report dated June 3, 1926, filed by the late Senator Howell, which sets forth some of the reasons why, in that Senator's opinion, concurred in by Senators Nye, Trammell, Caraway, and Mayfield, the claim should not be allowed. Necessarily in giving the opinion of this subcommittee, some matters contained in these reports will be briefly touched upon.

Under legislation previously enacted, the Court of Claims has found the facts and advised the Congress as to the amounts which should be paid if, in the judgment of the Congress, these people should be reimbursed. It is said that 82 percent of the claims presented to the court have been rejected and 18 percent have been approved, and that the 1,358 claims contained in S. 3173 are the sole remaining claims. Two hundred forty-four of the items, amounting to $747,000, in round figures, are the claims of heirs, assignees, etc., of individual uninsured shipowners. Two hundred fifty-four claims, amounting to $1,914,000, in round figures, have been paid by insurance companies and they, under the principle of subrogation, are asking reimbursement from the Government. Eight hundred fifty-six claims, amounting to $577,000 in round figures, are claims made by the heirs and assignees, etc., of private underwriters. These claims have been before the Congress many times and have not yet, of course, been passed by both Houses in the same session and signed by a President.

We now set forth the basis for the claims in a general way without attempting to particularize. It is contended that commencing in 1793 and continuing for about 8 years the French Government seized ships owned by our citizens and sailing under our flag and their cargoes or destroyed them under the pretext that we had violated the treaty of 1778 by which we had agreed to go to the aid of France in the event assault was made upon the French possessions in the West Indies in return for the help given us in the Revolution. It is regrettable to be compelled to say that we did not live up to the letter and spirit of this, our first international undertaking. The matter, however, was honorably disposed of by our Government in the treaty of 1801. I quote from page 2 of the Howell report:

"As a consequence a treaty was concluded providing for a "firm, inviolable, and universal peace" between the French Republic and the United States, and our envoys, in accord with their instructions, secured a stipulation for the reimbursement of our citizens for losses, due to the French spoliations in connection with vessels and cargoes not "definitely condemned" by prize courts prior to the agreement's final sanction.

"The ratification of this treaty in 1801 met with general approval, except among certain interested merchants, shipowners, insurance companies, and underwriters, they insisting that France should make restitution irrespective of whether prize courts had passed upon captures, and that in not securing such compensation our Government had failed in its duty or, what was worse, had offset American private claims, properly payable by France, against the national claims of that country, and therefore, in the place of France, we should pay such claims out of the Treasury.

"The Government answered in effect that, as actual warfare existed between the nations, the demands of claimants were invalid, especially in those cases where prize courts had finally disposed of the property involved. The correctness of this view could not be successfully controverted; however, the claimants took the position that a declaration of war had not been made by either country and therefore war did not exist, in fact. This, however, was effectively combated by the citation of a formal opinion by the then Attorney General and decisions of the Supreme Court of the United States, to the effect that there was actual war between the United States and France.

"Such, in short, is the genesis and character of these claims which, since the beginning of the last century, have been intermittently pending before Congress, down to the present time, and for the payment of which S. 63 makes definite and final provision."

There was no commitment on the part of our Government to pay the claims now asserted against it. The contention is that our Government bartered away possible rights of these claimants against the French in return for cancelation of our obligations to aid France under the treaty of 1778. Of course, all we did was to insist on reimbursement by the French to our shipowners for ships and cargoes not condemned according to international law. The basis

asserted for these claims seems flimsy in view of our Court's determination that war existed.

Claims of this character are dependent upon the will of Congress. There is, of course, no legal liability. Equitable principles guide the Committee on Claims in their determinations. The statute of limitations is not involved because of the fact that the claimants never had a right of action against the Government. But at the outset your committee is faced with a consideration of the reasoning back of the statute of limitations. Why do we place a limit upon the time that a claimant may assert by action in the courts his claim against a person subject to being sued? I think Mr. Justice Story well expressed the answer in Bell against Morrison, where he said of the statute:

"It is a wise and beneficial law, not designed merely to raise a presumption of payment of a just debt, from lapse of time, but to afford security from stale demands, after the true state of the transactions may have been forgotten, or be incapable of explanation, by reason of the death or removal of witnesses" (1 Pet. U. S. 351; 7 L. Ed. 174).

The same principle is set forth in Corpus Juris on the subject of limitations of action in the following language:

"The basic principle most generally relied upon by the authorities is that statutes of limitation are statutes of repose, the object of which is to suppress fraudulent and stale claims from springing up at great distances of time and surprising the parties or their representatives when all the proper vouchers and evidences are lost or the facts have become obscure from the lapse of time or the defective memory or death, or removal of witnesses" (37 Corpus Juris 684–5).

It must be remembered in this connection that the French Government was the offending party and only the French Government had a full understanding and knowledge of the situation. But they were not legally responsible and therefore notwithstanding the fact that the Government of the United States, through its Attorney General, appeared in the Court of Claims, the real offender did not appear. The French had a special knowledge of the situation which could not be possessed and much less presented through the Government of the United States. Considerably over a hundred years intervened between the hearing and the occurrences which gave rise to the claims. Therefore, despite what was said by the witnesses at the hearing, we think it must be concluded that the same kind of a defense that could have been made shortly after the alleged damages occurred could not now be made. Thus the reasoning back of our statutes of limitations and repose apply, though there are no statutes which have direct effect or operation upon the situation. To now conclude that our Government could make an adequate defense against these various claims is to reach a determination that reasonable minds cannot, in our judgment, reach.

The second proposition that appeals to your committee concerns the recipients of these claims, of two classes—the heirs and assigns of original owners and the heirs and assigns of private underwriters. To now turn over to the fourth and fifth generation of heirs large sums of money not as a matter of right but as a matter of grace upon the part of our Government has little appeal to your subcommittee's sense of equity and justice. How much would have been taken by way of State and Federal taxes and local levies can never be determined. It is true that interest is not asked and might be considered in this connection, but how much of this sum would have been left for present-day heirs if it had been paid back in 1800?

As to the insurance and private underwriter claims (over 75 percent of the total) and on some other features of the bill your subcommittee desires to quote some statements made by Senator BROWN as found on pages 71, 72, and 73 of the record of the hearing. They were addressed to Mr. Scattergood, the vice president of the Pennsylvania company, the gentleman who probably has the greatest general knowledge of this subject matter:

"Senator BROWN. Mr. Scattergood, before you read your statement, I want to refer to one or two matters, so that you can answer the entire argument when you take up your subject. I am going to lay aside the question of the statute of limitations, the question of whether or not substantial justice is being done by paying these amounts to the heirs of owners, and the question of how much, by State and Federal taxes, and so on, these entire amounts might be diminished, and get down to the essential justice of the thing, because, after all, that is what we want to consider.

"I cannot get out of my mind the theory that the general public during the period from 1793 to 1801 really bore the burden of this loss. As far as the insurance companies were concerned, the record seems to show that they increased their rates immediately after the trouble arose. The record shows here that the rates went up from 2½, I think, to 33 percent. (See p. 4, Howell report.)

"Mr. SCATTERGOOD. That was exceedingly unusual.

"Senator BROWN. Yes; but they did.

"Mr. SCATTERGOOD. There may have been a peak; it may have been for a round-the-world voyage, you know. You cannot tell what.

"Senator BROWN. Of course, that applies to both the insurance companies and the private underwriters.

"Mr. SCATTERGOOD. That is right.

"Senator BROWN. In other words, great risk was involved, and, as a result, great increases in rates were charged by insurance companies.

"It seems to me that the record also shows that the insurance companies involved, or at least some of them, paid extraordinary dividends.

"Mr. SCATTERGOOD. No, Senator.

"(In this connection the Howell report shows the following: 'Mr. Scattergood's company, the Insurance Co. of Pennsylvania, approximated an 8 percent per annum return on its underwriting profits during the period involved, and cleared about as much more on other business. The marine premiums written by the North American Co. to the close of the year 1793 amounted to $213,000; the losses paid, $38.484. The first 10 years of the company's operations showed an excess of premiums above losses of $536,569.14 without consideration of the profits from other sources. The company was incorporated in 1794, although it did business as an unincorporated association at the beginning of 1793. In the first year of its corporate existence it paid a dividend of 12 percent. During the next 4 years the dividends averaged approximately 28 percent, and in the next year 20 percent. This approximately covered the period involved."

Your subcommittee agrees with the statement of the Howell report that the French spoliations were a godsend to this company and other insurers of that day.

"Senator WILEY. Was that question ever raised in the Court of Claims, or was any equitable question of that sort raised?

"Mr. SCATTERGOOD. Not in a single one did that apply.

"Senator WILEY. I feel that if they were somehow res adjudicata, it ought to be out of the picture here.

"Mr. SCATTERGOOD. It was simply made a matter of record, what the fact was in each case.

"Senator BROWN. The fact that the rates went up generally, it seems to me, demonstrates why the insurance companies made what might be characterized as extraordinary profits during that period of time and paid their losses.

"I do not think it is in the record, but I should like to have you discuss, either now or later, whether or not their freight rates did not likewise go up tremendously. It is impossible for me to view that situation without coming to the conclusion that if the insurance companies raised the rates of insurance premiums that these people had to pay, then likewise there must have been a rise in freight rates. If there was that rise in freight rates, it seems to me that the general result of that entire development would be that the general shipping public—which was the people of the United States—footed the bill; and it seems to me that while the shipowners lost individual ships and while undoubtedly some slight injustice will be done if we do not pay these claims to certain individuals, nevertheless, looking at the thing in the large way, the general shipping public of that period stood the loss, in the great increase of freight rates that must have resulted from these dangers, and in high insurance premiums.

"So it is difficult for me to be convinced that, upon an equitable basis, the taxpayers of the United States of this present generation should bear a burden which I think the general shipping public in that decade paid in increased freight rates and in increased insurance premiums."

In our judgment Mr. Scattergood did not answer these arguments. We now quote a part of the Cleveland veto message on a similar bill:

"These insurers by the terms of their policies undertook and agreed 'to bear and take upon themselves all the risks and perils of the sea, men-of-war, fire, enemies, rovers, thieves, jettison, letters of mart and countermart, reprisals, takings at sea, arrests, restraints, and detainments of all kings, princes, or peoples of what nation, condition, or quality whatsoever.'

"The premiums received on these policies were large, and the losses were precisely those within the contemplation of the insurers. It is well known that the business of insurance is entered upon with the expectation that the premiums received will pay all losses and yield a profit to the insurers in addition; and yet, without any showing that the business did not result in a profit to these insurance claimants, it is proposed that the Government shall indemnify them against the precise risks they undertook, notwithstanding the fact that the money appropriated is not to be paid (as held by the United States Supreme Court) 'except by way of gratuity, payments as of grace and not of right.'

"The appropriations to indemnify against insurance losses rest upon weaker grounds, it seems to me, than those of owners; but in the light of all the facts and circumstances surrounding these spoliation claims, as they are called, none of them, in my opinion, should be paid by the Government."

Your subcommittee concludes as follows:

(1) That no adequate and proper defense on the part of the Government could be or was made in the Court of Claims because of the long delay between the occurrences giving rise to these proceedings and the hearing thereon.

(2) That payment now to heirs of the fourth and fifth generation of large sums of money, having consideration of the fact that in claims against the Government principles of equity apply, would be gratuitous rather than just to the claimants; and entirely unjust to the taxpayers of the United States.

(3) That during the period when the losses alleged occurred insurance rates were greatly increased. There is evidence that insurance companies made substantial profits greater than during the period preceding and following our trouble with France; and that it is, therefore, unjust to recompense insurance companies and underwriters whose rates were based upon then existing conditions, and that, therefore, no real and substantial loss was suffered.

Your subcommittee realizes that under the principles of subrogation the insurance companies would be legally entitled to recovery. But it must be recalled again that we are proceeding upon equitable principles dealing with an extraordinary situation and that no

recovery should be allowed unless justice, rather than strict legal right, demands it.

(4) While there was no direct evidence adduced at the hearing and while Vice President Scattergood, of the Pennsylvania Co., says that the point was never before raised, it appears to your subcommittee that the wise Yankee shipowners of the period involved would not have paid higher insurance rates and taken the risks involved without increasing their freight rates. Your subcommittee believes that no conclusion founded upon reason alone can be more solid than this; that freight rates must have been adjusted to meet this situation, which extended over an 8-year period. If this be true, the general shipping public bore the additional burden through the increase in freight rates and the general public of that generation, rather than the individual shipowners and insurance companies, suffered and paid the losses through the higher rates that must have been charged.

(5) While many extracts from the CONGRESSIONAL RECORD and committee reports can be made showing that individual Senators mainly, although not entirely, from the locality principally interested have urged favorable action upon these claims and that now and then one House, or both, passed the bill, the fact that in over a hundred years of effort no one has yet convinced a previous lawmaking authority of the United States that these claims should be allowed has great weight with your subcommittee. As the years go by and sessions of Congress come and go, the facts become more and more obscure. We think there is sound reason for the proposition that the failure of the lawmaking authority to act up to now should have weight with this Congress, which is further from the period when the losses occurred than any of its predecessors.

For these reasons your subcommittee reports the claim adversely.

PRENTISS M. BROWN.
ALLEN J. ELLENDER.

REPORTED FAVORABLY BY ALEXANDER WILEY, A MEMBER OF THE SPECIAL COMMITTEE ON CLAIMS

I cannot agree with the opinion rendered by my associate, Senator BROWN, who reported adversely to the committee the bill of Senator WALSH, S. 3173.

This bill, if it became law, would dispose of the entire subject of the French spoliation claims. I am in favor of the bill and will state succinctly my reasons:

1. I believe that the last of the French spoliation claims should be paid as a matter of keeping faith.

I need not go into the history of these claims which arose out of the very "beginnings" of our country. It sufficeth to say that our Government regarded the claims that are here under consideration as just claims against the French Government and our Government used these claims, with others, to relieve itself from obligations under the treaty made in 1778 with France. In other words, this Government traded off, or bartered away, the claims of its citizens to secure immunity from its treaty obligations of 1778.

In 1885 Congress referred all the French spoliation claims against the United States for reimbursement to the Court of Claims. The court found that they were just obligations of the United States. The court found also that the claims we are now asked to consider were relinquished to France by the Government of the United States by the treaty of 1800 "in part consideration of the relinquishment of the national claims of France against the United States, and that the claimant is entitled to the following sum from the United States * * *."

2. The contention that the statute of limitations here applies, I believe, is invalid. I believe this Government, under the circumstances, is morally precluded from raising that very question.

3. I feel likewise in relation to the contention made that because the payment, if made, would now be made to the heirs and assigns of the original owners that this would not be doing justice and equity.

The Court of Claims passed upon the justice and the equity of these claims. The court was very strict in its demands in relation to proof, and the time consumed in the trial of the claims was something like 3 decades. The Government got the benefit of every doubt in every case, and only those who could substantiate their claims had their claims allowed.

4. As to the further contention, in Senator BROWN'S opinion, that the insurance carrier who paid the loss should not recover because during the period it had collected higher premiums—it seems to me there is no validity to that argument. The carrier had the claim against the French Government, having paid the loss, and this Government used that claim—the claim of its own nationals—to relieve itself of liability under an international treaty, and this Government was relieved, and it took away from its own nationals their claims. The equity here is all on the side of the claimants.

The statement in the conclusion of the opinion rendered, that no adequate or proper defenses on the part of the Government could be or were made in the Court of Claims, does not square with the facts. There was no presumption in the Court of Claims that these claims were valid, with the result that over nine-tenths of them failed for lack of proof. Time here operated to benefit the Government.

In recommending that these claims be paid, I am glad to join with that distinguished company of American citizens who have felt that justice done, even though delayed, is still justice. But if delay is used as an excuse to fulfill an honorable obligation, injustice results.

Madison, John Marshall, Webster, Sumner, Hughes, Hull, Presidents McKinley, Roosevelt, Taft, Coolidge all held that these were valid obligations upon the United States Government. Some of the claims have been paid, and by what rule or yardstick anyone can justify this breach of faith with our nationals is beyond me.

ALEXANDER WILEY.

BILLS AND JOINT RESOLUTION INTRODUCED

Bills and a joint resolution were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. McNARY:

S. 4173. A bill for the relief or Lawrence Brizendine; to the Committee on Claims.

(Mr. WAGNER introduced Senate bill 4174, which was referred to the Committee on Banking and Currency, and appears under a separate heading.)

By Mr. DAVIS:

S. J. Res. 284. Joint resolution providing a method for the payment of amounts due to persons in the United States from foreign nationals in respect of the use in a certain foreign country of American patents; to the Committee on Patents.

FOREIGN ACCOUNTS IN FEDERAL RESERVE BANKS

Mr. WAGNER introduced a bill (S. 4174) relating to foreign accounts in Federal Reserve banks, which was read twice by its title, and referred to the Committee on Banking and Currency.

He also, subsequently, from the Committee on Banking and Currency, reported the foregoing bill without amendment and submitted a report (No. 1941) thereon.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Chaffee, one of its reading clerks, announced that the House had passed the following bills, in which it requested the concurrence of the Senate:

H. R. 9840. An act for the relief of Bela Karlovitz;

H. R. 9896. An act to authorize appropriations for construction at military posts, and for other purposes;

H. R. 9897. An act to authorize the acquisition of additional land for military purposes;

H. R. 10087. An act for the relief of the Continental Aerosurveys Corporation; and

H. R. 10112. An act to amend the Immigration Act of 1924, to require aliens admitted into the United States as officials of foreign governments either to maintain their status or to depart from the United States, with the approval of the Secretary of State.

HOUSE BILLS REFERRED OR PLACED ON CALENDAR

The following bills were severally read twice by their titles and referred, or ordered to be placed on the calendar, as indicated below:

H. R. 9840. An act for the relief of Bela Karlovitz; to the Committee on Immigration.

H. R. 10112. An act to amend the Immigration Act of 1924, to require aliens admitted into the United States as officials of foreign governments either to maintain their status or to depart from the United States, with the approval of the Secretary of State; to the calendar.

ADDRESS BY SENATOR CLARK OF IDAHO ON "A DEADLY PARALLEL"

[Mr. WHEELER asked and obtained leave to have printed in the RECORD a radio address delivered by Senator CLARK of Idaho on June 20, 1940, on the subject A Deadly Parallel, which appears in the Appendix.]

SUMMARY OF RULES OF OPERATION OF AMERICAN COTTON COOPERATIVE ASSOCIATION

[Mr. SMITH asked and obtained leave to have printed in the RECORD a summary of the rules of operation of the American Cotton Cooperative Association, which appears in the Appendix.]

CLOSER TO WAR—EDITORIAL FROM ST. LOUIS POST-DISPATCH

[Mr. CLARK of Missouri asked and obtained leave to have printed in the RECORD an editorial from the St. Louis Post-Dispatch of June 21, 1940, entitled "Closer to War," which appears in the Appendix.]

THE SLEEP-WALKERS—ARTICLE BY WALTER LIPPMANN

[Mr. BYRNES asked and obtained leave to have printed in the RECORD an article by Walter Lippmann entitled "The Sleep-Walkers," published in the Washington Post, which appears in the Appendix.]

WHITHER AMERICA?—ARTICLE BY JOSEPH CONRAD FEHR

[Mr. KING asked and obtained leave to have printed in the RECORD an article by Joseph Conrad Fehr entitled "Whither America?", published in the Catholic World of June 1940, which appears in the Appendix.]

INTERNATIONAL RELATIONS

[Mr. WILEY asked and obtained leave to have printed in the RECORD an article written by Gen. Hugh S. Johnson relating to the foreign policy of the United States, which appears in the Appendix.]

FOREIGN AFFAIRS

[Mr. REYNOLDS asked and obtained leave to have printed in the RECORD a column entitled "Inside Washington," written by Mr. Hugh R. Fraser, relating to foreign affairs, which appears in the Appendix.]

THE ALIEN PROBLEM

[Mr. REYNOLDS asked and obtained leave to have printed in the RECORD an article from the Asheville Daily Citizen, of Asheville, N. C., entitled "The Alien Problem," which appears in the Appendix.]

OPINION IN AMERICA ON THE WAR

[Mr. REYNOLDS asked and obtained leave to have printed in the RECORD three articles in the form of letters addressed to the Raleigh (N. C.) News and Observer, relating to the war, which appear in the Appendix.]

AFFAIRS IN ALASKA

[Mr. REYNOLDS asked and obtained leave to have printed in the RECORD two editorials from the Alaska Weekly, published at Seattle, Wash., relating to affairs in Alaska, which appear in the Appendix.]

THE NATIONAL DEFENSE—ARTICLE FROM HARTFORD TIMES

[Mr. MALONEY asked and obtained leave to have printed in the RECORD an article from the Hartford Times of June 20, 1940, entitled "Quantity and Quality," relating to national defense, which appears in the Appendix.]

ADDRESS BY HON. CORDELL HULL TO HARVARD ALUMNI ASSOCIATION

[Mr. HILL asked and obtained leave to have printed in the RECORD an address by Hon. Cordell Hull, Secretary of State, delivered to the Harvard Alumni Association, at Cambridge, Mass., on June 20, 1940, which appears in the Appendix.]

TABULATION OF MAIL RECEIVED BY SENATOR WHEELER

[Mr. WHEELER asked and obtained leave to have printed in the RECORD a statement by himself containing a tabulation of mail received after his address at a mass meeting in Washington on the subject Keep Out of War, which appears in the Appendix.]

ADDRESS BY ARCHBISHOP OF DUBUQUE ON KEEP AMERICA OUT OF WAR

[Mr. WALSH asked and obtained leave to have printed in the RECORD an address delivered by the Most Reverend Francis J. L. Beckman, S. T. D., archbishop of Dubuque, at a Midwest peace rally held under the auspices of the constitutional government of Dubuque, Iowa, which appears in the Appendix.]

SECOND DEFICIENCY APPROPRIATIONS

Mr. BARKLEY. Mr. President, I ask unanimous consent that the consideration of bills on the calendar be temporarily suspended, and that the deficiency bill, House bill 10104, be taken up for consideration.

The VICE PRESIDENT. Is there objection? The Chair hears none.

The Senate proceeded to consider the bill (H. R. 10104) making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1940, and prior fiscal years, to provide supplemental appropriations for the fiscal years ending June 30, 1940, and June 30, 1941, and for other purposes, which had been reported from the Committee on Appropriations, with amendments.

Mr. ADAMS. I ask unanimous consent that the formal reading of the bill be dispensed with, and that it be read for amendment, the amendments of the committee to be first considered.

The VICE PRESIDENT. Is there objection to the request of the Senator from Colorado?

Mr. TYDINGS. Mr. President, reserving the right to object, I desire to say to the Senator from Colorado that the Committee on Naval Affairs is about to meet to consider the nomination of Mr. Knox to be Secretary of the Navy. There is an amendment which I was authorized to offer on behalf of the committee. Would the Senator object to that amendment being considered first, so that I may attend the meeting?

Mr. ADAMS. I have no objection at all.

The VICE PRESIDENT. The Senator from Colorado has asked unanimous consent that the formal reading of the bill be dispensed with, and that the committee amendments be first considered.

Mr. ADAMS. I will say to the Senator from Maryland, if I may, that after we have established this order of precedence I shall be glad to ask that it be waived in that one particular.

The VICE PRESIDENT. Is there objection to the request of the Senator from Colorado? The Chair hears none, and it is so ordered.

Mr. ADAMS. I ask unanimous consent to make an exception in the order we have established that committee amendments be first considered, in order that the Senator from Maryland may present an amendment to the bill which he was authorized by the committee to present.

The VICE PRESIDENT. Is there objection to the request of the Senator from Colorado? The Chair hears none, and the Senator from Maryland may offer the amendment.

Mr. TYDINGS. Mr. President, I send to the desk an amendment which I ask to have read.

The VICE PRESIDENT. The amendment will be stated.

The CHIEF CLERK. On page 11, after line 19, it is proposed to insert:

FOOD AND DRUG ADMINISTRATION

Enforcement of Tea Importation Act: For enabling the Federal Security Administrator to carry into effect the provisions of the act approved March 2, 1897 (21 U. S. C. 41–50), entitled "An act to prevent the importation of impure and unwholesome tea," as amended, including payment of compensation and expenses of the members of the Board appointed under section 2 of the act and all of the necessary officers and employees, both in Washington and in the field, $30,094: *Provided*, That no tea, or merchandise described as tea, shall be examined for importation into the United States, or released by the collector, under said act unless the importer or consignee of such tea or merchandise, prior to such examination, has paid for deposit into the Treasury of the United States as miscellaneous receipts, a fee of 3.5 cents for each hundred weight or fraction thereof of such tea and merchandise.

Mr. TYDINGS. Mr. President, just a brief word of explanation. This amendment was unanimously authorized by the Committee on Appropriations to be offered on the floor. It grew out of this circumstance:

We have had on the statute books since 1897 an act known as the Tea Importation and Inspection Act. The purpose of the act was to prevent deleterious and unwholesome tea from coming into the United States. We import 90,000,000 pounds of tea a year. The tea coming in pays $100,000 a year in duties. However, some Members of another body wanted to strike out the appropriation of $30,000 for the inspection service and accomplished that result.

The Pure Food and Drug Bureau of the Department of Agriculture, and the tea importers themselves, are anxious that the inspection service be continued. Otherwise, it is claimed, millions of pounds of deleterious and unwholesome tea would come into the country with no inspection whatever. Although the law requires an inspection, there would be no money to pay the inspectors.

The importers of tea have themselves offered to pay for the inspection. In other words, they will put up the $30,000 which will pay the Government's inspectors to inspect the tea, with the approval of the Pure Food and Drug Bureau, so that

the deleterious tea which otherwise might come in will not be permitted to enter the country. That will be done by the medium of requiring a small inspection tax just sufficient to raise the $30,000, so that the amendment will cost the Federal Government not a single, solitary penny. It will prevent the importation of deleterious tea. The importers themselves are willing to pay the expense rather than to have no standard by which tea can be bought.

Dr. Campbell, head of the Pure Food and Drug Bureau of the Department of Agriculture, came before our committee and urged that some method of inspection be adopted, and this is the result of it. He said that unless this inspection took place, the tea that would come into the country would be injurious to health and not fit to drink, because it would not be packed and arranged and cartoned on the proper standard if there was no inspection. He urged the committee to put back the $30,000 of Government money; but members of the House, for some reason or other that I do not know, struck it out in conference, and insisted that it remain out. The importers themselves have now agreed to pay the cost of inspection. That is all there is to the amendment.

The VICE PRESIDENT. The question is on agreeing to the amendment offered by the Senator from Maryland [Mr. TYDINGS].

The amendment was agreed to.

The VICE PRESIDENT. The first amendment reported by the committee will be stated.

The first amendment of the Committee on Appropriations was, under the heading "Title I—General Appropriations—Legislative", on page 2, after line 3, to insert:

SENATE

For payment to Doris Gibson, daughter of ERNEST W. GIBSON, late a Senator from the State of Vermont, $10,000.

The amendment was agreed to.

The next amendment was, on page 2, after line 5, to insert:

For the payment of 21 pages for the Senate at $4 per day each, for the period commencing July 1, 1940, and ending with the last day of the month in which the Seventy-sixth Congress adjourns sine die at the third session thereof, so much as may be necessary.

The amendment was agreed to.

The next amendment was, on page 2, after line 10, to insert:

The unobligated balance of the appropriation for expenses of inquiries and investigations ordered by the Senate, contingent fund of the Senate, for the fiscal year 1940, is reappropriated and made available for the fiscal year 1941.

The amendment was agreed to.

The next amendment was, on page 2, after line 14, to insert:

The unobligated balance of the appropriation for folding speeches and pamphlets at a rate not exceeding $1 per thousand, contingent fund of the Senate, for the fiscal year 1939, is reappropriated and made available for the fiscal year 1940.

The amendment was agreed to.

The next amendment was, under the subhead "House of Representatives", on page 2, after line 23, to insert:

For the payment of 47 pages for the House of Representatives, at $4 per day each, for the period commencing July 1, 1940, and ending with the last day of the month in which the Seventy-sixth Congress adjourns sine die at the third session thereof, so much as may be necessary.

The amendment was agreed to.

The next amendment was, at the top of page 4, to insert:

JOINT COMMITTEE ON INAUGURAL CEREMONIES OF 1941

To enable the Secretary of the Senate and the Clerk of the House of Representatives to pay the necessary expenses of the inaugural ceremonies of the President of the United States, January 20, 1941, in accordance with such program as may be adopted by the joint committee of the Senate and House of Representatives, appointed under a concurrent resolution of the two houses, including the pay for extra police, fiscal year, 1941, $35,000.

The amendment was agreed to.

The next amendment was, on page 6, after line 2, to insert:

LIBRARY OF CONGRESS

Books for the adult blind: For an additional sum required to enable the Librarian of Congress to carry out the provisions of the act entitled "An act to provide books for the adult blind," approved March 3, 1931 (2 U. S. C. 135a), as amended, fiscal year 1941, $25,000.

The amendment was agreed to.

The next amendment was, under the subhead "Government Printing Office," on page 6, after line 14, to insert:

For payment to Preston L. George, William S. Houston, John G. Nalley, and William H. Wannall, messengers on night duty during the third session of the Seventy-sixth Congress, $900 each; in all, $3,600, to be paid from the appropriation for printing and binding for Congress for the fiscal year 1941.

The amendment was agreed to.

The next amendment was, on page 9, after line 11, to insert:

FEDERAL SECURITY AGENCY

SOCIAL SECURITY BOARD

Selecting, testing, and placement of defense workers, Social Security Board: For all necessary expenses of the Social Security Board incurred under the supervision and direction of the Federal Security Administrator in providing special Federal assistance to and supervision of State employment services for the selection and testing for, and placement of workers in, occupations essential to the national defense, including personal services and rent in the District of Columbia and elsewhere, equipment and travel expenses, fiscal year 1941, $3,000,000, of which not exceeding $15,000 may be transferred by the Administrator to his office for use in carrying out the purposes of this appropriation: *Provided*, That in case any State employment service is found unable to render adequate service in connection with the fulfillment of this program, this appropriation shall be available subject to the approval of such Administrator, for the maintenance of special employment facilities and services.

Mr. KING. Mr. President, in view of the very large appropriation which was made for the Social Security Board, is it deemed necessary that there should be this additional appropriation of $3,000,000?

Mr. ADAMS. The committee heard the members of the Board, and the committee was persuaded that the money would be wisely spent in the selection and testing and placement of workers in the public service. They are conducting a very large placement service.

The VICE PRESIDENT. The question is on agreeing to the amendment of the committee.

The amendment was agreed to.

The next amendment was, on page 10, after line 5, to insert:

Emergency transportation loan fund, Social Security Board: To enable the Social Security Board, through employees designated by it, to make loans to workers selected for employment in occupations essential to the national defense to assist in paying the cost of travel expenses to the places where, in the judgment of the Board, their services may be utilized in employment in the interests of national defense, fiscal year 1941, $1,000,000. Such loans shall be made on such terms and conditions as may be prescribed by the Board pursuant to regulations approved by the Federal Security Administrator. All amounts received as repayments on account of the loans herein authorized shall be deposited in the Treasury to the credit of miscellaneous receipts.

The amendment was agreed to.

The next amendment was, on page 10, after line 18, to insert:

OFFICE OF EDUCATION

Vocational education of defense workers, Office of Education: For payment to States, subdivisions thereof, or other public authorities, through certification from time to time made by the United States Commissioner of Education to the Secretary of the Treasury of the name of such agency and the amount to be paid, such payment to be made prior to audit and settlement by the General Accounting Office, for the cost of courses of less than college grade, provided by such agencies in vocational schools pursuant to plans submitted by such agencies and approved by the United States Commissioner of Education, which plans shall include courses supplementary to employment in occupations essential to the national defense and preemployment refresher courses for workers preparing for such occupations selected from the public employment office registers; and (not exceeding 2 percent of this appropriation) for administration expenses in carrying out the purposes hereof, including printing and binding and personal services in the District of Columbia and elsewhere, $16,200,000. The duties of such Commissioner, in carrying out the purposes of this appropriation, shall be performed under the supervision and direction of the Federal Security Administrator, and such Administrator is hereby authorized to transfer not more than $10,000 of the sum herein appropriated, to the Office of the Administrator for use in carrying out the purposes hereof.

The amendment was agreed to.

The next amendment was, under the heading "Federal Works Agency—Public Buildings Administration," on page 13, after line 24, to insert:

Marine Hospital, Savannah, Ga.: Not to exceed $42,500 of the appropriation of $15,000,000 for construction outside of the District of Columbia, contained in the Independent Offices Appropriation Act, 1941, is hereby made available for the purchase of the property now leased for a nurses' home at the Marine Hospital, Savannah, Ga.

The amendment was agreed to.

The next amendment was, on page 14, after line 5, to insert:

Appraiser's Warehouse, Houston, Tex.: For customs appraiser's warehouse addition at Houston, Tex., $75,000.

The amendment was agreed to.

The next amendment was, on page 14, after line 7, to insert:

Construction of public buildings, District of Columbia: The Federal Works Administrator is hereby authorized, pursuant to the provisions of the act of May 25, 1926 (44 Stat. 630), as amended, to acquire sites or additional land and to enter into contracts for construction, with or without advertising, of the following public-building projects in the District of Columbia, in amounts not exceeding the following respective limits of cost, which limits of cost shall include salaries, cost of supervision of construction, and inspection, furniture, equipment, moving expenses, extension of steam and water mains and removal or diversion of such sewers and utilities as may be necessary, and all other expenses required solely for the purpose of carrying out said public-building projects; and said Administrator is authorized to direct the preparation of all sketches, estimates, plans, drawings, and specifications, and to enter into all other contracts necessary for carrying out the purposes hereof; and he is further authorized, when deemed by him desirable and advantageous, to employ, by contract or otherwise, temporary professional, technical, or nontechnical employees, firms, or corporations, to such extent as may be necessary to carry out the purposes hereof, without regard to civil service or classification laws, or section 3709 of the Revised Statutes:

Social Security Board and Railroad Retirement Board Buildings: The limit of cost of $14,250,000 for the acquisition of land and construction of buildings for the Social Security Board and the Railroad Retirement Board, established in the Second Deficiency Appropriation Act, fiscal year 1938 (52 Stat. 1153), is hereby increased to $14,750,000, and the Federal Works Administrator, through the Commissioner of Public Buildings, is hereby authorized to negotiate with the contractor for the construction of said buildings for an addition to his contract, not to exceed $500,000, to provide all the necessary facilities and means to expedite the completion of the said buildings prior to the date of completion established in said contract, and the amount of $500,000 is hereby appropriated for the foregoing purpose.

Site and building, Federal Office Building (No. 2), Washington, D. C.: For acquisition of site and construction of a Federal office building for general use on land adjacent to East Capitol Street in the vicinity of Lincoln Park, in the District of Columbia, $4,500,000, within a total limit of cost of not to exceed $8,550,000.

The amendment was agreed to.

The next amendment was, at the top of page 16, to strike out:

West central heating plant, Washington, D. C.: To enable the Federal Works Administrator to provide for the construction, equipment, and furnishing of a central heating plant on Government-owned land, including facilities for fuel deliveries and storage, tunnel and steam lines and additional steam lines in existing tunnels, extension of water mains, and removal or diversions of such sewers and utilities as may be necessary, $500,000; and such Administrator is authorized to enter into a contract or contracts for such project at a total cost not to exceed $3,900,000. Appropriations for the project shall be available for and be charged with all costs incidental thereto, including architectural, engineering, mechanical, administrative, clerical, and other personnel expenses; and the Administrator may, if deemed necessary, authorize the employment of temporary professional, technical, and nontechnical personal services without regard to section 3709 of the Revised Statutes and the civil-service and classification laws.

The amendment was agreed to.

The next amendment was, on page 18, after line 6, to insert:

UNITED STATES MARITIME COMMISSION

In addition to the contract authorizations of $115,000,000 contained in the Third Deficiency Appropriation Act, fiscal year 1937, and $230,000,000 in the Independent Offices Appropriation Act, 1940, the Commission is authorized to enter into contract for further carrying out the provisions of the Merchant Marine Act, 1936, as amended, in an amount not to exceed $75,000,000.

Mr. KING. Mr. President, I should like to have an explanation of that.

Mr. ADAMS. This is for part of the building program of the United States Maritime Commission. The Budget estimate I think was double this amount, and the committee felt that under the existing conditions, and in view of the sinking of ships which has taken place, and which is apt to take place, there will be need for added shipbuilding.

Mr. KING. Was there any evidence tending to show that this organization had constructed a number of vessels in conformity with the needs of American commerce?

Mr. ADAMS. There was no evidence to that effect before the committee.

Mr. KING. Was there any evidence to indicate that the appropriations which have been made were warranted and whether or not we are building up, by reason of these enormous appropriations, an adequate merchant marine?

Mr. HAYDEN. This is not an appropriation, it is a contractual authorization submitted as a Budget estimate, and it was stated that inasmuch as the Commission was constructing ships, they should do it in an orderly way. Our experience when we had other trouble was that, instead of proceeding in an orderly manner to carry on construction, all of a sudden we had an enormous demand and there was tremendous waste. The committee under those circumstances authorized contractual authorizations of $75,000,000, rather than the $150,000,000 suggested by the Budget.

Mr. KING. Let me ask the Senator whether or not, in view of the confused condition in the world today, and the enormous increase in prices of shipbuilding, it is deemed wise to make contracts now so that the merchant marine would be enlarged.

Mr. HAYDEN. I have seen no indication of any enormous increase in shipbuilding. There might be positive advantage in making contracts now rather than waiting until labor and material became scarce. The only record we do have before the committee is that for shipment from the United States, for example, of coal to South American ports, the rates have more than doubled, indicating very grave need for facilities for shipping between here and Latin America.

Mr. KING. I assume that the authorization will be a commitment which will impose a moral if not a legal obligation on the Government of the United States.

Mr. HAYDEN. Yes, but it is better to do it in an orderly manner than to wait until the emergency arises and then pay enormous prices.

The VICE PRESIDENT. The question is on agreeing to the amendment of the committee.

The amendment was agreed to.

The next amendment was, under the heading "District of Columbia", on page 20, after line 7, to insert:

CORONER'S OFFICE

For an additional amount for the fiscal year 1940 for expenses, Coroner's Office, including the objects specified in the appropriation for this purpose in the District of Columbia Appropriation Act, fiscal year 1940, $180.

The amendment was agreed to.

The next amendment was, under the subhead "Contingent and Miscellaneous", on page 21, after line 5, to insert:

Reunion of United Confederate Veterans: Not to exceed $12,500 of the funds appropriated in the District of Columbia Appropriation Act, 1941, is hereby made available for expenditure by the Commissioners in connection with the reunion of United Confederate Veterans to be held in Washington during the calendar year 1940.

The amendment was agreed to.

The next amendment was, on page 21, after line 11, to insert:

Judicial expenses, District of Columbia: For an additional amount for the fiscal year 1940 for judicial expenses, including the objects and under the conditions and limitations applicable to the appropriation for this purpose in the District of Columbia Appropriation Act, fiscal year 1940, $977.35.

The amendment was agreed to.

The next amendment was, under the heading "Courts—Judgments", on page 26, line 21, after the word "in", to insert "Senate Document No. 232, and"; and in line 22, after the

word "Congress", to strike out "$10,886.51" and insert "$12,665.01", so as to read:

For the payment of final judgments, including costs, rendered against the District of Columbia, as set forth in Senate Document No. 232 and House Document No. 791 of the Seventy-sixth Congress, $12,665.01, together with the further sum to pay the interest at not exceeding 4 percent per annum on such judgments, as provided by law, from the date the same became due until the date of payment.

The amendment was agreed to.

The next amendment was, under the heading "Department of Agriculture," on page 29, after line 4, to insert:

EXTENSION SERVICE

Administration and coordination of extension work: For an additional amount to coordinate the extension work of the Department and the several States, Territories, and insular possessions, fiscal year 1941, $15,000; such amount to be used for such work in improvement of the production, handling, and marketing of cotton.

The amendment was agreed to.

The next amendment was, on page 29, after line 11, to insert:

BUREAU OF PLANT INDUSTRY

Irrigation agriculture: For an additional amount for the fiscal year ending June 30, 1941, $13,980, including the same objects specified under this head in the Department of Agriculture Appropriation Act, 1941, for continuation of the United States Yuma Field Station at Bard, Calif.

The amendment was agreed to.

The next amendment was, on page 29, after line 17, to insert:

Rubber investigations: To enable the Secretary of Agriculture to conduct investigations directed toward the development of rubber production in the Western Hemisphere, including production, breeding, and disease research; surveys of potential rubber-producing areas; establishment and operation of experiment and demonstration stations in suitable locations; acquisition of land for such purposes; construction and equipment of necessary buildings; travel; purchase, maintenance, operation, and repair of motor-propelled and horse-drawn passenger-carrying vehicles; employment of guides, translators, and other assistants by contract or otherwise; medical services; books, periodicals, and newspapers; rent; printing; and for all other necessary expenses, including personal services and means in the District of Columbia and elsewhere, fiscal year 1941, $500,000, to be immediately available and to remain available until expended: *Provided*, That the Secretary of Agriculture is authorized to transfer such sums as he may deem necessary to other Government agencies cooperating or assisting in such investigations.

The amendment was agreed to.

The next amendment was, under the subhead "Bureau of Entomology and Plant Quarantine", on page 31, line 4, before the word "to", to strike out "$500,000" and insert "$1,100,000", and in line 5, after the numerals "1941", to insert a colon and the following proviso: "*Provided*, That no part of this sum allocated for expenditure in connection with the control and prevention of spread of the white-fringed beetle shall be used in any State without the consent of the Governor of such State", so as to read:

Control of incipient and emergency outbreaks of insect pests and plant diseases: For an additional amount to enable the Secretary of Agriculture to carry out the provisions of and for expenditures authorized by the joint resolution approved May 9, 1938 (52 Stat. 344), fiscal year 1940, $1,100,000, to remain available until June 30, 1941: *Provided*, That no part of this sum allocated for expenditure in connection with the control and prevention of spread of the white-fringed beetle shall be used in any State without the consent of the Governor of such State.

Mr. KING. Mr. President, I should like to inquire of the Senator from Colorado what justification there is for this appropriation of $500,000 for a rubber investigation. We have been making such investigations for an indefinite period of time, and it would seem to me by this time we would have all the data available with respect to the rubber industry.

Mr. ADAMS. Mr. President, Secretary Wallace appeared before the committee, and we also had the representation of the Defense Council, which has been created. They pointed out that the United States consumes approximately one-half of all of the crude rubber produced in the world. At the present time the Americas provide only about 3 percent of the supply. In view of what may happen in the world, they felt it was wise that there be a development of the American supply of rubber rather than have us left dependent upon Sumatra and the Straits Settlements for the rubber.

In addition to that, they said that if we could encourage the cultivation of raw rubber in the Americas it would afford a trade arrangement which would be more helpful than has existed in the past; that is, that it would be to our advantage, in view of the possible emergency, as to future trade relations.

The VICE PRESIDENT. The question is on agreeing to the amendment.

The amendment was agreed to.

The next amendment was, on page 31, after line 8, to insert:

Pink bollworm and thurberia weevil control: For an additional amount for the control and prevention of spread of the thurberia weevil and the pink bollworm, including the objects specified under this head in the Department of Agriculture appropriation bill, 1941, $380,000.

The amendment was agreed to.

The next amendment was, under the heading "Department of Commerce," on page 32, after line 8, to insert:

BUREAU OF FOREIGN AND DOMESTIC COMMERCE

Departmental salaries and expenses: For an additional amount for the fiscal year 1941 for salaries and other necessary expenditures of the Bureau of Foreign and Domestic Commerce at the seat of government, including the objects specified under this head in the Department of Commerce Appropriation Act, 1941, $50,000, and the limitation specified under this head in said act for personal services in the District of Columbia is hereby increased to $1,375,000.

The amendment was agreed to.

The next amendment was, under the subhead "National Bureau of Standards," on page 33, after line 22, to insert:

Optical glass plant: For enlarging the optical glass plant building at the National Bureau of Standards and for necessary additional equipment therefor, fiscal year 1941, $100,000, to remain available until expended.

The amendment was agreed to.

The next amendment was, under the heading "Department of the Interior", on page 35, after line 20, to insert:

OFFICE OF THE SECRETARY

Printing and binding, Department of the Interior: For an additional amount for printing and binding for the Department of the Interior, fiscal year 1937, $110.

The amendment was agreed to.

The next amendment was, under the subhead "Bureau of Indian Affairs", on page 36, after line 13, to insert:

Purchase of land, Wind River Reservation, Wyo., (tribal funds): Not to exceed $150,000 of the amount authorized by section 3 of the act of July 27, 1939 (53 Stat. 1130), to be expended from the tribal funds of the Shoshone Indians, Wyoming, is hereby made available for the purchase within Hot Springs County, Wyo., of lands or interests therein, together with improvements thereon, including water rights or surface rights to lands, located outside the ceded portion of the Wind River Reservation but adjacent thereto, and owned by holders of grazing permits covering undisposed of surplus or ceded lands within said portion of the reservation, such purchases to be made subject to the provisions of section 6 of the act of July 27, 1939, supra.

The amendment was agreed to.

The next amendment was, on page 37, after line 13, to insert:

Compensation of attorneys, Osage Indians, Oklahoma (tribal funds): For compensation of an attorney or attorneys for the Osage Indians employed under a contract approved by the Secretary of the Interior on February 18, 1938, $25,000, payable from funds on deposit to the credit of the Osage Indians.

The amendment was agreed to.

The next amendment was, under the heading "Department of Justice—Office of the Attorney General," on page 41, after line 9, to insert the following:

For an additional amount for salaries, office of the Attorney General, fiscal year 1941, $50,000.

The amendment was agreed to.

The next amendment was, on page 42, after line 6, to insert:

Salaries and expenses, detection and prosecution of crimes (emergency): For an additional amount for salaries and expenses in the District of Columbia and elsewhere, during the limited national emergency, in the detection and prosecution of crimes against the United States, and so forth, fiscal year 1941, including the objects and for the purposes specified under this head in the Department of Justice Appropriation Act, 1941, $500,000: *Provided*, That this appropriation shall not become available unless and until H. R. 5138, Seventy-sixth Congress, is enacted into law.

Mr. DANAHER. Mr. President, I ask the Senator from Colorado to explain to us for the RECORD the meaning of the words "during the limited national emergency" appearing in lines 9 and 10, page 42. I should like to know what a limited national emergency is.

Mr. ADAMS. I should be very glad myself to be able to give a satisfactory explanation. Those words came to us in the Budget estimate, and the committee accepted them. I have myself been disturbed—and I am not speaking for the committee—both as to what constitutes an emergency and what constitutes a limited emergency. I do not know the difference. I regret my inadequacy of explanation.

Mr. DANAHER. Would the Senator accept an amendment striking the word "limited" from the amendment in line 10?

Mr. ADAMS. Personally, I should be very glad to see it go out.

Mr. DANAHER. I offer such an amendment to the amendment, that the word "limited" in line 10 be stricken out.

The VICE PRESIDENT. The question is on agreeing to the amendment to the amendment.

The amendment to the amendment was agreed to.

The amendment as amended was agreed to.

The next amendment was, under the subhead "Immigration and Naturalization Service," on page 45, after line 1, to insert:

Salaries, office of Commissioner: Departmental salaries: For an additional amount for the Commissioner and other personal services in the District of Columbia, fiscal year 1941, $100,000.

The amendment was agreed to.

The next amendment was, on page 45, after line 5, to insert:

Salaries and expenses, Immigration and Naturalization Service (alien registration): For salaries and expenses in conducting and maintaining a national registration of aliens, including such investigation of matters relating to alien registration as may be directed by the Attorney General, pursuant to the provisions of H. R. 5138, Seventy-sixth Congress, as finally enacted, including personal services and rentals in the District of Columbia and elsewhere; stationery, furniture and repairs, floor coverings, file holders and cases; purchase, exchange, or rental of punching, tabulating, sorting, and other labor-saving machines, including technical, mechanical, and other services in connection therewith; traveling expenses, including the attendance at meetings concerned with the purposes of this appropriation; miscellaneous expenditures, including telegraphing and telephones, postage, labor, purchase and rental of typewriters and adding machines and the exchange thereof and repairs thereto, streetcar fares, and press clippings; purchase, including exchange, and hire, maintenance and operation of motor-propelled passenger-carrying vehicles; printing and binding and all other contingent expenses in the District of Columbia and in the field, fiscal year 1941, $3,000,000, of which not to exceed $60,000 may be expended for personal services without regard to the civil-service laws or the Classification Act of 1923, as amended: *Provided*, That the Attorney General may transfer to, or reimburse, any other department, agency, or office of the Federal, State, or local Governments, funds in such amounts as may be necessary for salaries and expenses incurred by them in rendering authorized assistance to the Department of Justice in connection with conducting and maintaining the registration of aliens: *Provided further*, That this appropriation shall not become available unless and until H. R. 5138, Seventy-sixth Congress, is enacted into law.

Mr. KING. Mr. President, I should like to have an explanation of this in view of the fact that we have heretofore made very large appropriations for the Immigration and Naturalization Service. Obviously, in view of the disturbed conditions throughout the world, there will be fewer aliens admitted into the United States. There will, of course, be a larger number naturalized, perhaps, but fewer aliens will be admitted into the United States.

Mr. RUSSELL. Mr. President, this amendment grew out of the legislation which passed the Senate last week providing for the registration of aliens in the United States. There have been no appropriations made for this purpose heretofore. I must frankly say that I was surprised that the Bureau did not estimate that any more money would be necessary than is sought in this item to register all the aliens in the United States.

The VICE PRESIDENT. The question is on agreeing to the amendment.

The amendment was agreed to.

The next amendment was, under the heading "Department of Labor," on page 49, after line 21, to insert the following subhead:

Division of Labor Standards.

The amendment was agreed to.

The next amendment was, on page 50, after line 4, to insert:

For an additional amount for salaries and expenses, Division of Labor Standards, fiscal year 1941, including the same objects specified under this head in the Department of Labor Appropriation Act, 1941, $120,000.

Mr. ADAMS. Mr. President, in the amendment for salaries and expenses, Division of Labor Standards, I should like to submit an amendment in the nature of a substitute. On page 50, lines 5 to 8, I move to substitute the language I send to the desk for the language now in the amendment, because of certain amplification which seems to be necessary.

The VICE PRESIDENT. The clerk will state the proposed amendment to the amendment.

The CHIEF CLERK. On page 50 it is proposed to strike out lines 5 to 8, as follows:

For an additional amount for salaries and expenses, Division of Labor Standards, fiscal year 1941, including the same objects specified under this head in the Department of Labor Appropriation Act, 1941, $120,000.

And to insert the following:

Salaries and expenses, Division of Labor Standards: For an additional amount, fiscal year 1941, for salaries and expenses, Division of Labor Standards, to be used exclusively for the promotion of an apprenticeship program, in addition to such sums as may be expended from the regular annual appropriation for 1941 for this purpose, including the objects specified under this head in the Department of Labor Appropriation Act, 1941, $120,000, from which amount transfers may be made to other appropriations for the Department of Labor, 1941, as follows: $1,750 to contingent expenses, $15,875 to traveling expenses, $500 to printing and binding, and the limitation on the amount which may be expended under this head for personal services in the District of Columbia is hereby increased to $184,200.

The VICE PRESIDENT. The question is on agreeing to the amendment to the amendment.

The amendment to the amendment was agreed to.

The amendment as amended was agreed to.

The next amendment was, on page 50, after line 8, to insert:

BUREAU OF LABOR STATISTICS

Salaries and expenses: For an additional amount for salaries and expenses, Bureau of Labor Statistics, fiscal year 1941, including the same objects specified under this head in the Department of Labor Appropriation Act, 1941, $75,000.

Mr. ADAMS. Mr. President, I should like also to substitute language for the committee amendment on page 50, lines 10 to 14; also a necessary amplification.

The VICE PRESIDENT. The clerk will state the proposed substitute.

The CHIEF CLERK. On page 50, after line 8, it is proposed to strike out lines 9 to 14, as follows:

BUREAU OF LABOR STATISTICS

Salaries and expenses: For an additional amount for salaries and expenses, Bureau of Labor Statistics, fiscal year 1941, including the same objects specified under this head in the Department of Labor Appropriation Act, 1941, $75,000.

And to insert the following:

BUREAU OF LABOR STATISTICS

Salaries and expenses: For an additional amount, fiscal year 1941, for salaries and expenses, Bureau of Labor Statistics, to be used exclusively for occupational outlook surveys in addition to such sums as may be expended from the regular annual appro-

priations for this purpose, including the objects specified under this head in the Department of Labor Appropriation Act, 1941, $75,000, from which transfers may be made to other appropriations for the Department of Labor, 1941, as follows, $9,500 to contingent expenses; $6,000 to travel expenses; $1,000 to printing and binding, and the limitation on the amount which may be expended under this head for personal services in the District of Columbia is hereby increased by the sum of $58,500.

The amendment to the amendment was agreed to.

The amendment as amended was agreed to.

The next amendment was, under the heading "Navy Department—Marine Corps," on page 51, after line 24, to insert:

For expenses of the United States Marine Band in attending the convention of the Grand Army of the Republic to be held at Springfield, Ill., September 8 to 13, 1940, as authorized by H. R. 9296, Seventy-sixth Congress, Public, No. —, approved June —, 1940, fiscal year 1941, $6,900.

The amendment was agreed to.

The next amendment was, under the heading "Post Office Department—Out of the postal revenues—office of the First Assistant Postmaster General," on page 53, after line 3, to insert:

The Postmaster General is hereby authorized to incur obligations for the transportation of mail by aircraft during the fiscal year 1941 between Seattle, Wash., and Juneau, Alaska, via Ketchikan, Alaska, and the appropriation "Foreign air-mail transportation, 1941," is hereby made available for payment of such obligations.

The amendment was agreed to.

The next amendment was, under the heading "Department of State", on page 56, after line 10, to insert:

INTERNATIONAL JOINT COMMISSION, UNITED STATES AND GREAT BRITAIN

Salaries and expenses: For an additional amount for salaries and expenses, International Joint Commission, United States and Great Britain, fiscal year 1941, including the objects specified under the appropriation for such purpose in the State Department Appropriation Act, 1941, and including also the salary of one commissioner on the part of the United States, notwithstanding the provision to the contrary contained in such act, who shall serve at the pleasure of the President, $7,500.

The amendment was agreed to.

The next amendment was, on page 59, after line 9, to insert:

COOPERATION WITH THE AMERICAN REPUBLICS

Salaries and expenses: For an additional amount for salaries and expenses, cooperation with the American republics, fiscal year 1941, including the objects specified under this head in the Department of State Appropriation Act, 1941, and including also the recording and sound-tracking of motion pictures; traveling expenses, in accordance with the Standardized Government Travel Regulations and the act of June 3, 1926, as amended, of citizens of the United States and the other American republics selected as professors and students; traveling expenses of members of advisory committees in accordance with section 2 of the act of August 9, 1939 (53 Stat. 1290); and not exceeding $10,000 additional for printing and binding, $250,000; to remain available until expended, and the Secretary of State is hereby authorized, subject to the approval of the President, to transfer to other departments, agencies, and independent establishments of the Government for expenditure in the United States and in the other American republics not exceeding the following amounts, respectively: Federal Security Agency, for the Public Health Service, $20,000; Department of Labor, for the Children's Bureau, $7,500, and the Women's Bureau, $5,000; Civil Aeronautics Authority, $20,000; Smithsonian Institution, $28,500; Department of the Interior, for the Travel Bureau, $12,500, for the Bureau of Fisheries, $5,000, and for the Geological Survey, $25,000; Department of Commerce, for the Coast and Geodetic Survey, $9,000; Library of Congress, $18,500; Tariff Commission, $5,000.

The amendment was agreed to.

The next amendment was, under the heading "Treasury Department—Office of the Secretary", on page 61, line 13, after the numerals "1940", to strike out "$400,000" and insert "$700,000", so as to read:

Salaries and expenses, foreign owned property control: For expenditure under the direction of the Secretary of the Treasury for any purpose in connection with the carrying out of the provisions of section 5 (b) of the act of October 6, 1917 (40 Stat. 411, 415), as amended, and any proclamations, orders, or regulations that have been or may be issued thereunder, including personal services (without regard to classification and civil-service laws) and rent in the District of Columbia and elsewhere, printing, and all other necessary expenses incurred in carrying out instructions issued by the Secretary of the Treasury pursuant to section 5 (b) of the act of October 6, 1917, as amended, or proclamations, orders, or regulations issued thereunder, including reimbursement of any other appropriation or other funds of the United States or any agency, instrumentality, territory, or possession thereof, including the Philippine Islands, and reimbursement of any Federal Reserve bank for printing and other expenditures, fiscal year 1940, $700,000, to remain available until June 30, 1941.

The amendment was agreed to.

The next amendment was, under the subhead "Division of Printing", on page 62, after line 9, to insert:

For an additional amount for stationery for the Treasury Department, fiscal year 1941, including the objects specified under this head in the Treasury Department Appropriation Act, 1941, $39,000.

The amendment was agreed to.

The next amendment was, on page 63, after line 19, to insert:

BUREAU OF INTERNAL REVENUE

Salaries and expenses: For an additional amount for expenses of assessing and collecting the internal-revenue taxes, fiscal year 1941, including the objects specified under this head in the Treasury Department Appropriation Act, 1941, $5,000,000, of which $164,850 shall be available for printing and binding and $187,120 for personal services in the District of Columbia.

Mr. KING. Mr. President, I should like to ask for an explanation, because we made a very large appropriation in the general bill for the Bureau of Internal Revenue.

Mr. ADAMS. The explanation given to the committee was that by reason of the passage of the new tax bill that was imminent, it would require additional money.

The VICE PRESIDENT. The question is on agreeing to the amendment on page 63, after line 19.

The amendment was agreed to.

The next amendment was, under the subhead "Bureau of the Mint," on page 65, after line 16, to insert:

Salaries: For an additional amount for personal services in the District of Columbia, fiscal year 1941, $5,000.

Contingent expenses and examination of mints: For an additional amount for contingent expenses and examination of mints, fiscal year 1941, including the objects specified under this head in the Treasury Department Appropriation Act, 1941, $3,000.

Salaries and expenses, mints and assay offices: For an additional amount for salaries and expenses, mints and assay offices, fiscal year 1941, including the objects and limitations specified under this head in the Treasury Department Appropriation Act for 1941, $750,000.

The amendment was agreed to.

The next amendment was, on page 66, after line 8, to strike out:

Medal for Howard Hughes: For carrying out the provisions of the act entitled "An act to provide for the presentation of a medal to Howard Hughes in recognition of his achievement in advancing the science of aviation," approved August 7, 1939 (Private Act No. 214), fiscal year 1941, $250.

The amendment was agreed to.

The next amendment was, on page 66, after line 14, to strike out:

Medal for Rev. Francis X. Quinn: For carrying out the provisions of the act entitled "An act to provide for the presentation of a medal to Rev. Francis X. Quinn in recognition of his valor in saving the lives of two of his fellow citizens," approved August 10, 1939 (Private Act No. 235), fiscal year 1941, $250.

The amendment was agreed to.

The next amendment was, under the heading "War Department—Military Activities," on page 67, after line 6, to insert:

GENERAL STAFF CORPS

Miscellaneous expenses, military intelligence activities: For an additional amount for miscellaneous expenses, military intelligence activities, fiscal year 1941, including the same objects specified under this head in the Military Appropriation Act, 1941, to be immediately available, $135,000.

The amendment was agreed to.

The next amendment was, under the subhead "Quartermaster Corps", on page 69, after line 14, to insert:

All moneys available on July 1, 1940, under the appropriation "Construction of buildings, utilities, and appurtenances at military posts" may be used for the employment of personnel at the seat of government or elsewhere without regard to civil-service requirements and restrictions of law relating thereto.

The amendment was agreed to.

The next amendment was, on page 70, after line 5, to insert:

Not to exceed 10 percent of any of the appropriations for the Military Establishment for the fiscal year 1941 may be transferred

with the approval of the Director of the Bureau of the Budget to any other of such appropriations, but no appropriation shall be increased more than 10 percent thereby.

The amendment was agreed to.

The next amendment was, under the subhead "Civil functions—Corps of Engineers", on page 70, line 18, after the word "in", to insert "Senate Document No. 227 and", and in line 20, after the word "Congress", to strike out "$8,825.45" and insert "$14,767.25", so as to read:

Claims for damages, rivers and harbors: To pay claims for damages under river and harbor work adjusted and determined by the War Department under the provision of section 9 of the River and Harbor Act, approved June 5, 1920 (33 U. S. C. 564), as set forth in Senate Document No. 227 and House Document No. 760, Seventy-sixth Congress, $14,767.25.

The amendment was agreed to.

The next amendment was, under the heading "Title II—Judgments and authorized claims—Property damage claims", on page 72, after line 11, to insert:

(b) For the payment of claims for damages to or losses of privately owned property adjusted and determined by the following respective departments and independent offices, under the provisions of the act entitled "An act to provide a method for the settlement of claims arising against the Government of the United States in the sums not exceeding $1,000 in any one case," approved December 28, 1922 (31 U. S. C. 215), as fully set forth in Senate Document No. 225 of the Seventy-sixth Congress, as follows:

Federal Works Agency: Works Progress Administration, $130.35;
Department of Agriculture, $3,398.44;
Department of the Interior, $178;
Navy Department, $668.72;
Treasury Department, $76.25;
War Department, $2,780.37;
In all, $7,232.13.

The amendment was agreed to.

The next amendment was, under the subhead "Judgments, United States courts", on page 73, line 9, after the word "by", to strike out "the Judicial Code, approved" and insert "section 297 of the act of", so as to read:

SEC. 202. (a) For the payment of the final judgments, including costs of suits, which have been rendered under the provisions of the act of March 3, 1887, entitled "An act to provide for the bringing of suits against the Government of the United States," as amended by section 297 of the act of March 3, 1911 (28 U. S. C. 761), certified to the Seventy-sixth Congress in House Document No. 761, under the following Departments:

Department of Agriculture, $6,736.94;
Navy Department, $1,708.11;
In all, $8,445.05, together with such additional sum as may be necessary to pay costs and interest as specified in such judgments or as provided by law.

The amendment was agreed to.

The next amendment was, on page 74, line 1, after the word "in", to insert "Senate Document No. 222 and"; and in line 3, after the word "Department", to strike out "$5,138.08" and insert "$8,309.82"; and in line 4, after the words "In all", to strike out "$5,138.08" and insert "$8,309.82", so as to read:

(b) For the payment of judgments, including cost of suits, rendered against the Government of the United States by United States district courts under the provisions of an act entitled "An act authorizing suits against the United States in admiralty for damages caused by and salvage services rendered to public vessels belonging to the United States, and for other purposes," approved March 3, 1925 (46 U. S. C. 781–789), certified to the Seventy-sixth Congress in Senate Document No. 222 and House Document No. 761, under the following department:

Navy Department, $8,309.82;
In all, $8,309.82, together with such additional sum as may be necessary to pay interest as and where specified in such judgments or as provided by law.

The amendment was agreed to.

The next amendment was, on page 74, line 7, before the word "final", to insert "the costs of"; and in line 8, after the word "decree", to strike out "in a special case rendered against the Government of the United States and" and insert "rendered against J. Edwin Larson, Collector of Internal Revenue, in his official capacity only", so as to read:

(c) For the payment of the costs of final judgment and decree rendered against J. Edwin Larson, Collector of Internal Revenue, in his official capacity only, certified to the Seventy-sixth Congress in House Document No. 761, under the Treasury Department, $599.55.

The amendment was agreed to.

The next amendment was, under the subhead "Judgments, Court of Claims", on page 74, line 24, after the word "in", to insert "Senate Document No. 226 and"; on page 75, line 9, after the word "Department", to strike out "$198,890.22" and insert "$202,890.22"; and in line 10, after the words "In all", to strike out "$344,494.10" and insert "$348,494.10", so as to read:

SEC. 203. (a) For payment of the judgments rendered by the Court of Claims and reported to the Seventy-sixth Congress in Senate Document No. 226 and House Document No. 763, under the following establishment and departments, namely:

Federal Works Agency, $109,707.43;
Veterans' Administration, $277.75;
Department of Commerce, $7,109.15;
Department of the Interior, $796.62;
Navy Department, $8,147.93;
Treasury Department, $19,565;
War Department, $202,890.22;
In all, $348,494.10, together with such additional sum as may be necessary to pay interest as and where specified in such judgments.

The amendment was agreed to.

The next amendment was, under the subhead "Audited claims," on page 87, after line 6, to insert:

(b) For the payment of the following claims, certified to be due by the General Accounting Office under appropriations the balances of which have been carried to the surplus fund under the provisions of section 5 of the act of June 20, 1874 (31 U. S. C. 713), and under appropriations heretofore treated as permanent, being for the service of the fiscal year 1937 and prior years, unless otherwise stated, and which have been certified to Congress under section 2 of the act of July 7, 1884 (5 U. S. C. 266), as fully set forth in Senate Document No. 224, Seventy-sixth Congress, there is appropriated as follows:

Independent offices: For maintenance of air-navigation facilities, Civil Aeronautics Authority, $759.20.
For Interstate Commerce Commission, $23.95.
For salaries and expenses, Veterans' Administration, $187.78
For National Industrial Recovery, Federal Emergency Administration of Public Works, $313.30.
For repair, preservation, and equipment, public buildings, Procurement Division, $14.80.
Department of Agriculture: For salaries and expenses, Soil Conservation Service, $12.80.
For salaries and expenses, Forest Service, $51.89.
For salaries and expenses, Bureau of Animal Industry, $11.66.
For exportation and domestic consumption of agricultural commodities, Department of Agriculture, $55.83.
For acquisition of lands for protection of watersheds of navigable streams, $502.80.
For farmers' crop production and harvesting loans, Farm Credit Administration, $20.
For conservation and use of agricultural land resources, Department of Agriculture, $30.
For National Industrial Recovery, Resettlement Administration, submarginal lands (transfer to Agriculture), $1,607.54.
Department of the Interior: For salaries and expenses, Division of Investigation, Department of the Interior, $43.94.
For Indian boarding schools, $31.44.
For support of Indians and administration of Indian property, $131.25.
Department of Justice: For support of United States prisoners, $61.55.
Department of Labor: For salaries and expenses, Immigration and Naturalization Service, $12.73.
For salaries and expenses, Bureau of Labor Statistics, $2.
Navy Department: For pay, subsistence, and transportation, Navy, $441.10.
For pay, Marine Corps, $51.74.
For aviation, Navy, $8,130.
For ordnance and ordnance stores, Bureau of Ordnance, $52,017.86.
For payment to officers and employees of the United States in foreign countries due to appreciation of foreign currencies (Navy), $8.31.
Post Office Department: For operating supplies for public buildings, Post Office Department, general fund, $13.24.
Department of State: For contingent expenses, Foreign Service, $6.44.
Treasury Department: For increase of compensation, Treasury Department, $10.
For general expenses, Lighthouse Service, $42.
For Coast Guard, $57.95.
For pay and allowances, Coast Guard, $57.
For collecting the internal revenue, $5.25.
War Department: For general appropriations, Quartermaster Corps, $3,518.95.
For pay, etc., of the Army, $1,355.58.
For pay of the Army, $139.52.
For Army transportation, $24.48.
For travel, military and civil personnel, War Department, $278.07.
For travel of the Army, $22.50.
For ordnance service and supplies, Army, $3.37.
For increase of compensation, Military Establishment, $2.90.

For National Guard, $132.26.
For Reserve Officers' Training Corps, $9.87.
For working fund, War, Chemical Warfare Service (Navy, construction and repair), $5,135.82.
For emergency conservation fund (transfer to War, act June 19, 1934), $22.57.
For emergency conservation work (transfer to War, act June 22, 1936), $201.85.
For emergency conservation work (transfer to War, act February 9, 1937), $900.18.
Emergency relief: For emergency relief, Agriculture, administrative expenses, $1.88.
For emergency relief, Agriculture, public roads, highways, roads, and streets, $151,585.83.
For emergency relief, Resettlement Administration, flood control and other conservation (transfer to Agriculture), $30.53.
For emergency relief, Resettlement Administration, rural rehabilitation (transfer to Agriculture), $2,477.25.
For emergency relief, Resettlement Administration, sanitation, prevention of soil erosion, etc. (transfer to Agriculture), $23.45.
For emergency relief, emergency conservation work, War, Civilian Conservation Corps, $530.35.
For emergency relief, Interior, National Park Service, parks and recreational facilities, $4.30.
For emergency relief, Interior, National Park Service, parks and recreational facilities, non-Federal projects, 47 cents.
For emergency relief, Interior, National Park Service, sanitation, prevention of soil erosion, etc., $6.94.
For emergency relief, Works Progress Administration, administrative expenses, $211.28.
For emergency relief, Works Progress Administration, grants to States, etc., $163.92.
For emergency relief, Works Progress Administration (non-Federal projects approved prior to June 22, 1936), $962.50.
Post Office Department—Postal Service (out of the postal revenues): For contract Air Mail Service, $44.76.
For operating force for public buildings, Post Office Department, $71.97.
For compensation to postmasters, $133.74.
Total, audited claims, section 204 (b), $232,712.44, together with such additional sum due to increase in rates of exchange as may be necessary to pay claims in the foreign currency and interest as specified in certain of the settlements of the General Accounting Office.

The amendment was agreed to.

The next amendment was, on page 92, after line 12, to insert:

(c) For the payment of the following claims, certified to be due by the General Accounting Office under appropriations the balances of which have been carried to the surplus fund under the provisions of section 5 of the act of June 20, 1874 (31 U. S. C. 713), and under appropriations heretofore treated as permanent, being for the service of the fiscal year 1937 and prior years, unless otherwise stated, and which have been certified to Congress under section 2 of the act of July 7, 1884 (5 U. S. C. 266), as fully set forth in Senate Document No. 223, Seventy-sixth Congress, there is appropriated as follows:
Independent Offices: For maintenance of air-navigation facilities, Civil Aeronautics Authority, $11.
For air-navigation facilities, $6.
For Civil Aeronautics Authority fund, $2.90.
For operations under Mineral Act of October 5, 1918, $90,815.15.
For Interstate Commerce Commission, $10.
For pay of personnel and maintenance of hospitals, Public Health Service, $18.
For general administrative expenses, Public Works Branch, Procurement Division, $7.67.
For salaries and expenses, Veterans' Administration, $24.03.
For medical and hospital services, Veterans' Bureau, $45.
Department of Agriculture: For salaries and expenses, Soil Conservation Service, $25.20.
For salaries and expenses, Forest Service, $148.
For salaries and expenses, Bureau of Agricultural Economics, $167.87.
For National Industrial Recovery, Resettlement Administration, submarginal lands (transfer to Agriculture), $1,536.95.
For National Industrial Recovery, Resettlement Administration, subsistence homesteads (transfer to Agriculture), $60.38.
For loans and relief in stricken agricultural areas (transfer to Agriculture) (silviculture), $17.95.
For exportation and domestic consumption of agricultural commodities, Department of Agriculture, $58.95.
For soil-erosion investigations, $29.14.
For farmers' crop production and harvesting loans, Farm Credit Administration, $17.14.
Department of the Interior: For migratory bird conservation fund (receipt limitation), $4.08.
For purchase of Indian supplies, $9.01.
Department of Justice: For salaries, fees, and expenses of marshals, United States courts, $264.51.
Navy Department: For aviation, Navy, $6,883.95.
For pay, subsistence, and transportation, Navy, $6.41.
For engineering, Bureau of Engineering, $22.40.
For pay, Marine Corps, $685.25.
For maintenance, Bureau of Yards and Docks, $1.
For ordnance and ordnance stores, Bureau of Ordnance, $766.92.
For payment to officers and employees of the United States in foreign countries due to appreciation of foreign currencies (Navy), $5.32.
Department of State: For transportation of Foreign Service officers, $201.30.
For United States contributions to international commissions, congresses, and bureaus, $17.73.
For payment to officers and employees of the United States in foreign countries due to appreciation of foreign currencies, $69.58.
Treasury Department: For collecting the internal revenue, $10.60.
War Department: For general appropriations, Quartermaster Corps, $3,174.08.
For pay of the Army, $873.91.
For pay, and so forth, of the Army, $921.85.
For subsistence of the Army, $37.40.
For National Guard, $324.35.
For ordnance service and supplies, Army, $14.52.
For emergency conservation fund (transfer to War, act March 31, 1933), $8.50.
For emergency conservation fund (transfer to War, act June 19, 1934), $152.04.
For emergency conservation work (transfer to War, act February 9, 1937), $159.38.
For emergency conservation work (transfer to War, act June 22, 1936), $659.30.
Emergency Relief: For emergency relief, Agriculture, Forest Service, flood control and other conservation, $159.36.
For emergency relief, Agriculture, Forest Service, forestation, and so forth, $27.
For emergency relief, Agriculture, Soil Conservation Service, flood control and other conservation, $11.95.
For emergency relief, Emergency Conservation work, War, Civilian Conservation Corps, $619.81.
For emergency relief, Interior, National Park Service, parks and recreational facilities, non-Federal projects, $175.97.
For emergency relief, Interior, National Park Service, parks and recreational facilities, $1.18.
For emergency relief, Resettlement Administration, rural rehabilitation, loans and relief to farmers, and so forth (transfer to Agriculture), $2,112.38.
For emergency relief, Resettlement Administration, rural rehabilitation (transfer to Agriculture), $612.10.
For emergency relief, Resettlement Administration, sanitation, prevention of soil erosion, and so forth (transfer to Agriculture), $13,680.
For emergency relief, War, rivers and harbors, flood control, and so forth, $4.16.
For emergency relief, Works Progress Administration, grants to States, and so forth, $26.10.
For emergency relief, Works Progress Administration, highways, roads, and streets, $271.12.
For emergency relief, Works Progress Administration, National Youth Administration, non-Federal projects, $9.15.
For emergency relief, Works Progress Administration (non-Federal projects approved prior to June 22, 1936), $1,009.51.
For emergency relief, Works Progress Administration, parks and recreational facilities, $115.95.
For emergency relief, Works Progress Administration, public buildings, $1,177.94.
For emergency relief, Works Progress Administration, public buildings (Federal projects), $3.38.
For emergency relief, Works Progress Administration, public utilities, and so forth, $820.83.
Post Office Department—Postal Service (out of the postal revenues): For compensation to postmasters, $21.75.
For Rural Delivery Service, $60.30.
Total, audited claims, section 204 (c), $129,194.66, together with such additional sum due to increases in rates of exchange as may be necessary to pay claims in the foreign currency and interest as specified in certain of the settlements of the General Accounting Office.

The amendment was agreed to.

The next amendment was, on page 98, after line 4, to insert:

SEC. 206. For the payment of claim allowed by the General Accounting Office pursuant to Private Act No. 107 of the Seventy-sixth Congress, approved July 25, 1939, which has been certified to Congress under section 2 of the act of July 7, 1884 (5 U. S. C. 266), in Senate Document No. 229, Seventy-sixth Congress, $165.

The amendment was agreed to.

The next amendment was, on page 98, after line 10, to insert:

SEC. 207. For the payment of a claim allowed by the General Accounting Office pursuant to Public Act No. 505 of the Seventy-sixth Congress, approved May 2, 1940, which has been certified to Congress under section 2 of the act of July 7, 1884 (U. S. C., title 5, sec. 266), in Senate Document No. 228, Seventy-sixth Congress, $6,219.22.

The amendment was agreed to.

The next amendment was, on page 98, line 17, to change the section number from 206 to 208.

The amendment was agreed to.

Mr. ADAMS. I think that concludes the committee amendments.

Mr. BARKLEY. I now offer an amendment on page 17, after line 3, which I send to the desk and ask to have stated.

The VICE PRESIDENT. The amendment will be stated.

The LEGISLATIVE CLERK. On page 17, after line 3, it is proposed to insert the following:

WORK PROJECTS ADMINISTRATION

The appropriations for the Work Projects Administration for the fiscal year 1941 shall be available for the prosecution of projects, subject to the approval of the President, for training for manual occupations in industries engaged in production for national-defense purposes.

Mr. BARKLEY. I wish to make it clear that the proposed amendment is not an appropriation of funds. It is merely authority for the President to approve projects for operation by the W. P. A. with funds which have already been appropriated to it under the relief act for the coming fiscal year. It will permit the undertaking of projects under the regulations of the W. P. A. that certified relief employees be given training in manual occupations in industries which are engaged in production activities for the national defense. It will afford an opportunity for W. P. A. workers to become trained and when trained to step off the relief rolls and accept jobs in private concerns which are engaged in national-defense production activities. Obviously, there will be a dearth of trained workers essential to the prompt operation in industries assisting in the national-defense program. It is manifestly necessary that the Government make efforts to remove those on relief to private enterprise, and this amendment, which I strongly urge, will be a step in that direction.

Mr. BYRNES. Mr. President, in the consideration of the relief bill the Senate adopted the language now offered by the Senator from Kentucky. In conference the House disagreed. I took the position that in view of the fact that the conferees on the part of the Senate had endeavored to maintain the position of the Senate, that we would not attempt to insert the provision in another bill unless the House conferees expressed a willingness to give consideration to it. The Senator from Kentucky has said that the House conferees have expressed such a willingness. I hope the amendment may be agreed to.

Mr. BARKLEY. I am informed that the House conferees are willing to give it consideration.

The VICE PRESIDENT. The question is on agreeing to the amendment of the Senator from Kentucky [Mr. BARKLEY].

The amendment was agreed to.

The VICE PRESIDENT. The question is on the engrossment of the amendments, and the third reading of the bill.

The amendments were ordered to be engrossed, and the bill to be read a third time.

The bill (H. R. 10104) was read the third time and passed.

Mr. ADAMS. Mr. President, I move that the Senate insist upon its amendments, ask for a conference with the House of Representatives thereon, and that the conferees on the part of the Senate be appointed by the Chair.

The motion was agreed to; and the Vice President appointed Mr. ADAMS, Mr. GLASS, Mr. MCKELLAR, Mr. HAYDEN, Mr. BYRNES, Mr. HALE, and Mr. TOWNSEND conferees on the part of the Senate.

APPROPRIATIONS FOR DEPARTMENT OF LABOR, FEDERAL SECURITY AGENCY, ETC.—CONFERENCE REPORT

Mr. MCKELLAR. Mr. President, I submit the conference report on House bill 9007, making appropriations for the Department of Labor, the Federal Security Agency, and related independent agencies, for the fiscal year ending June 30, 1941, and for other purposes.

The VICE PRESIDENT. The report will be read.

The report was read, as follows:

The committee of conference on the disagreeing votes of the two Houses on certain amendments of the Senate to the bill (H. R. 9007) making appropriations for the Department of Labor, the Federal Security Agency, and related independent agencies, for the fiscal year ending June 30, 1941, and for other purposes, having met, after full and free conference, have been unable to agree.

KENNETH MCKELLAR,
RICHARD B. RUSSELL,
PAT MCCARRAN,
JOHN H. BANKHEAD,
JOSEPH C. O'MAHONEY,
H. C. LODGE, Jr.,
Managers on the part of the Senate.

M. C. TARVER,
JOHN M. HOUSTON,
HARRY R. SHEPPARD,
BUTLER B. HARE,
ALBERT J. ENGEL,
FRANK B. KEEFE,
Managers on the part of the House.

The VICE PRESIDENT. The question is on agreeing to the report.

The report was agreed to.

The VICE PRESIDENT laid before the Senate a message from the House of Representatives announcing its action on certain amendments of the Senate to House bill 9007, which was read, as follows:

IN THE HOUSE OF REPRESENTATIVES,
June 21, 1940.

Resolved, That the House still further insist upon its disagreement to the amendments of the Senate Nos. 35, 36, 37, 38, and 39 to the bill (H. R. 9007) making appropriations for the Department of Labor, the Federal Security Agency, and related independent agencies, for the fiscal year ending June 30, 1941, and for other purposes.

Mr. MCKELLAR. Mr. President, yesterday the House disagreed to the amendment to H. R. 9007, the Labor and certain Federal agencies bill. The House, by a large majority, again voted to disagree to the Senate amendment striking out section 702, page 63, of the bill, providing as follows:

SEC. 702. None of the funds appropriated in this act shall be used to pay the salary of any person appointed to a non-civil-service position, under the appropriations in the respective titles in this act, if the effect of such appointment is to increase the number of non-civil-service employees from the State of residence of any such non-civil-service appointee beyond the number of non-civil-service employees to which such State is entitled, under the appropriations in the respective titles of this act, on a basis of population: *Provided*, That this section shall not apply to any position, the appointment of which is made by the President.

Mr. President, there is only one item in the bill that is in disagreement, excepting four section changes occasioned by striking out section 702. Therefore, Mr. President, I move that the Senate recede from its amendments.

Mr. President, I do this very reluctantly. The Senator from Virginia [Mr. GLASS] was tremendously interested in this amendment and the conferees on this bill have had a number of meetings. It has been in conference since April 30. This is the last day in the session and, therefore, after the vote of the House in reference to the amendment yesterday there is nothing left for the Senate to do but to agree to it, otherwise this very important bill carrying something like a billion dollars would fail.

As one member of the committee, I was very much opposed to the House amendment for this reason: The amendment provides for no non-civil-service employees to be appointed from any State now having more than its quota. If this bill applied to all departments and agencies of the Government, I am inclined to support it, but making it apply only to the Labor Department and to the agencies associated with the Labor Department is to my mind indefensible, and it should not be agreed to, and the only reason that I am moving to agree to it now is that the House has served notice on us that unless this is agreed to there will be no labor and associated agencies bill at this session. Therefore I make the motion that I have made.

The VICE PRESIDENT. The question is on the motion of the Senator from Tennessee [Mr. MCKELLAR].

The motion was agreed to.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Chaffee, one of its reading clerks, announced that the House had disagreed to the amendments of the Senate to the bill

(H. R. 9822) to expedite naval shipbuilding, and for other purposes; agreed to the conference asked by the Senate on the disagreeing votes of the two Houses thereon, and that Mr. VINSON of Georgia, Mr. SCHUETZ, and Mr. MAAS were appointed managers on the part of the House at the conference.

The message also announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 10055) making supplemental appropriations for the national defense for the fiscal year ending June 30, 1941, and for other purposes.

WORK RELIEF AND RELIEF APPROPRIATIONS—CONFERENCE REPORT

The VICE PRESIDENT. The Chair understands that under the agreement had yesterday, the majority leader, the Senator from Kentucky [Mr. BARKLEY], today would ask unanimous consent temporarily to lay aside the consideration of the calendar under the order of the Senate, so that the Senator from Colorado [Mr. ADAMS] may move to take up the conference report on the relief joint resolution.

Mr. ADAMS. I move that the Senate proceed to the consideration of the conference report on House Joint Resolution 544.

The VICE PRESIDENT. The Senator from Colorado has the right to make that motion at this time.

Mr. BARKLEY. I understand that conference reports are privileged matters and that consideration of a conference report will not interfere with the pending business, except that the pending business will temporarily be laid aside.

The VICE PRESIDENT. Yes. The Senator from Colorado has moved that the Senate proceed to the immediate consideration of the conference report. The Chair is informed that the conference report was submitted to the Senate last night and read.

Mr. LA FOLLETTE. It is not my understanding that the conference report was read last night.

Mr. McNARY. It was not.

The VICE PRESIDENT. The present occupant of the chair was not present at the time the conference report was submitted last night.

Mr. BARKLEY. The conference report was submitted. It was not taken up, and no order was made for it to be taken up.

The VICE PRESIDENT. The Senator from Colorado has moved that the Senate proceed to the present consideration of the conference report.

Mr. McNARY. I have no objection. I did object to consideration of the conference report last evening. At this time I suggest the absence of a quorum.

The VICE PRESIDENT. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Adams	Donahey	La Follette	Reed
Andrews	Downey	Lee	Reynolds
Ashurst	Ellender	Lodge	Russell
Bailey	George	Lundeen	Schwartz
Bankhead	Gerry	McCarran	Schwellenbach
Barbour	Gillette	McKellar	Sheppard
Barkley	Green	McNary	Shipstead
Bilbo	Guffey	Maloney	Smith
Bone	Hale	Mead	Thomas, Okla.
Brown	Harrison	Miller	Thomas, Utah
Byrd	Hatch	Minton	Townsend
Byrnes	Hayden	Murray	Truman
Capper	Herring	Neely	Tydings
Caraway	Hill	Norris	Vandenberg
Chandler	Holman	Nye	Van Nuys
Chavez	Holt	O'Mahoney	Wagner
Clark, Idaho	Hughes	Overton	Walsh
Clark, Mo.	Johnson, Calif.	Pepper	Wheeler
Danaher	Johnson, Colo.	Pittman	White
Davis	King	Radcliffe	Wiley

The PRESIDENT pro tempore. Eighty Senators have answered to their names. A quorum is present.

Is there objection to the present consideration of the conference report? The Chair hears none.

The question is on agreeing to the conference report.

Mr. ADAMS. Mr. President, this is the conference report on the relief joint resolution. The conferees had many long argumentative sessions with the conferees from the House. There were many amendments, and there was much controversy between the representatives of the two bodies.

On relief measures—in fact, upon all appropriation bills which have a multitude of items—there is conflict between the two Houses. The conference committee has a job which is anything but agreeable. It is never possible for the conferees from the Senate or from the House to come back to their respective bodies and bring back everything each body would like. In the course of the discussion necessarily there are concessions on both sides. Those who are interested in a particular amendment on which the conferees feel compelled to recede sometimes feel that the conferees might have saved that amendment rather than some other amendment.

In this case the Senate conferees are not happy over the result. We were forced to recede from certain amendments which we should like to have had in the joint resolution. For 3 days, until midnight one night, the conferees, in the utmost good faith, most earnestly battled. At one time we reached the point at which a report that the joint resolution would be in disagreement was ready to be submitted. It looked as though we could not agree.

The disagreements revolved around certain of the lesser items. The conferees from the Senate and from the House finally came to the conclusion that with a great relief measure, involving the feeding, clothing, and sheltering of the unfortunate, carrying appropriations of nearly one and a quarter billion dollars, and with the end of the fiscal year approaching, we could not stand out, regardless of the merits of our respective contentions, upon what were really minor matters, and allow the great objects of the joint resolution to be defeated or delayed. We contended and settled item after item, until we came to the last two items in the joint resolution.

With respect to amendment numbered 26, the House provision prohibited the lending of moneys appropriated by the joint resolution to farmers for the purpose of buying stock in cooperative associations. The Senate agreed to an amendment to strike out the provision. I voted for the amendment. We stood out on that amendment to the very last hour, and finally receded with an amendment which protects the right to make loans to farmers to buy stock in existing cooperative organizations. The House conferees had told us that they would not recede at all.

We again met the theater project. As Members of the Senate know, the House has taken a very determined stand that none of the relief money shall be used for theater projects. The Senate disagreed with that position last year. The Senate disagreed with that position this year. We sought to put all projects on a parity. The House conferees stated that the House would not recede from its position.

There were important matters in the joint resolution. One of the first was a provision which the House had inserted, which put a strait jacket upon the Work Projects Administration month by month, fixing the number of those who could be put on relief. The result was, as we saw it, that for a period of 5 months, if a great emergency should arise or if these should be a great increase in the demand for relief, the W. P. A. would have to say to those wanting to go on relief, "The Congress has tied our hands. While we have plenty of money, we cannot use it this month." We felt that there would not be much comfort in saying to a man, "You may starve this month, but if you wait a couple of months we shall have plenty of money." The Senate conferees felt that that amendment was of real importance. We struggled for it and succeeded in securing a concession from the House on that matter of importance.

For loans and grants under the Farm Security Administration the House had appropriated $115,000,000. The Senate committee and the Senate changed that amount, reducing the $115,000,000 of appropriations to $75,000,000, but providing for a loan fund of $125,000,000. In other words, instead of $115,000,000 available to needy farmers, the Senate provided $200,000,000. The House conferees were very insistent and finally agreed on $184,000,000. In other words,

we succeeded in retaining in the joint resolution an additional amount of $69,000,000 for the benefit of the farmers under those provisions.

The Senator from Mississippi [Mr. BILBO] introduced an amendment providing $100,000,000 for the Surplus Commodities Corporation, which amendment was agreed to in the Senate. On that question we were met with determined opposition. We did what men are frequently forced to do. We divided the amount. We secured a conference approval of $50,000,000. There was a mathematical difference of opinion, and the House conferees said, "You cannot have your way about it; we will compromise the matter." The Senate conferees agreed to the compromise. However, in that connection it should be recognized that the Senate put in the joint resolution an appropriation of $50,000,000, and provided that it should be expended in the purchase of the very things which the Surplus Commodities Corporation was buying for the purpose of distribution among refugees and unfortunate people in Europe. So, as a matter of fact, there is substantially the $100,000,000 which the Senator from Mississippi wished in the joint resolution. I will say to the Senator from Mississippi that we are not satisfied with the result.

We had a controversy over certain amendments, which were among those last adjusted, in reference to the funds for the expansion of mills and plants. There has been a constant controversy in our committee and on the floor of the Senate and the House and in conference committees over the question of the use of W. P. A. and agricultural-relief funds for the maintenance and establishment of institutions which will compete with private industries. The effort has been, on the one hand, to avoid as much as possible conflict with private industries, and, on the other hand, not to restrict unduly the proper use of the funds for relief purposes.

We had a very definite controversy over that and resolved it in this way: The Senate agreed with the House provision which said—

> No funds appropriated in this joint resolution * * * shall be used * * * to purchase, establish, relocate, or expand mills, factories, stores, or plants which would manufacture, handle, process, or produce articles, commodities, or products * * * in competition with existing industries.

The Senate modified that by a limitation that the product should not be produced for sale. In other words, we pointed out to the House conferees, as was pointed out on the floor of the Senate, that had the House provision prevailed in its fulness it would have closed every sewing project under the W. P. A. and every other project on the W. P. A. which produces any article. Practically all the women on relief in the United States are producing articles which are used for distribution among the needy. We put the limitation in, that articles shall not be produced by projects for sale; in other words, which are to be used in competition with the products of private industry.

Mr. President, I think perhaps my voice has given me warning that I have talked enough.

Mr. BILBO. Mr. President, I desire to make an observation with regard to the action of the conferees on this subject. Every day in the Senate I learn more of the mechanics and strategy of the passage of legislation. I thank the conferees on the part of the Senate for the fight they made. I appreciate what they were contending with. It is my information that the opposition to this $100,000,000 for the Surplus Commodities Corporation—and we will find out before the snow flies that it ought to be twice that amount—was not so much in the House as it was on the part of the conferees of the House, because the House has not had an opportunity to pass on whether they would appreciate this amount for this purpose.

Mr. ADAMS. Mr. President, the Senator recognizes that our only contact is with the conferees and not with the House?

Mr. BILBO. That is the point I was trying to make.

Mr. ADAMS. We have to accept them as the representatives of the House.

Mr. BILBO. That is the point I was making. I think the Senate conferees acted in good faith and made the best fight they could. I want to state that it is my information, from many persons who seem to be in a position to know, that if the House had a chance to vote on the $100,000,000 item they would approve that amount, but that the majority of the House conferees, who acted on their own responsibility, and not voicing the sentiment of the House or the majority of the House, opposed the appropriation. They were, however, gracious enough to split it 50-50. The mistake I made was in not asking for $200,000,000, so I would have had a horse trade in conference and obtained the $100,000,000 I desired. I will know better next time.

Mr. LA FOLLETTE. Mr. President, I think every Senator will have to concede that when the Senate is put up against the gun of the welfare and fate of those who are dependent upon W. P. A., it is not in a strategic position in which it can well defend the position it takes upon amendments to the relief appropriation measure.

Nevertheless, Mr. President, I think the practice which has grown up with regard to this particular appropriation, of having it come in the form of a conference report either just before the end of the fiscal year or just before the time when Congress apparently has determined upon a recess, is very unfortunate, and is not sound legislative policy. Because of the wide scope which the joint resolution has come to embrace, as the relief appropriations have come along year after year, it raises questions of vital importance, not only those questions which have been discussed so far as the Senate's attitude toward W. P. A. is concerned but important questions of policy so far as other activities of the Government are concerned.

I suppose that I might be accused of having a lack of personal political interest in the two old party conventions which are to take place in the next few weeks, but I do say that I recall very well that in the emergency of 1932 Congress sat through both national conventions and transacted the public business. I think that such a policy should have been pursued at this time instead of creating the hectic situation which exists always prior to a recess or an adjournment of Congress.

In what I am about to say I should like to make very clear that I am not in anywise questioning the activity of the Senate conferees, but I do wish at this time to point out what has happened so far as two very important amendments which relate to the Farm Security Administration's program are concerned.

Mr. McKELLAR. Mr. President, will the Senator yield?

Mr. LA FOLLETTE. I yield.

Mr. McKELLAR. I understand the Senator is confining himself to those two amendments, and I think that is wise; but let me call the Senator's attention to the general character of the report. The Senate conferees recede from only 12 amendments, as shown by the report. The House receded from its disagreement to 27 amendments, a little more than two to one.

Mr. LA FOLLETTE. Mr. President, I have served on some conference committees myself, and the particular kind of a box score the Senator has given us does not mean anything. It does not show anything about the batting average of the Senate conferees.

Mr. McKELLAR. If it were the other way, however, we would hear much about it.

Mr. LA FOLLETTE. The Senator would not hear anything from me.

Mr. McKELLAR. I should be glad of that.

Mr. LA FOLLETTE. I have served on conference committees where the House has kept such a box score, and they always include in it recessions on amendments relating to paragraph numbers and typographical changes, and the recessions have absolutely no bearing on the important issues which are involved in conference.

In the second place, I do not think that a conference should be entirely judged, as to its success or failure, on the horse trading which went on in it.

What I wish to say is that, if this policy with regard to the timing of the relief bill continues, the Senate might as well

abdicate its legislative functions on the relief bill and surrender them to the House, because time after time, in considering the relief bill, it is so timed that the Senate is put in the position where it must yield lest it deprive hungry people of bread.

Mr. President, it would be bad enough if we had to abdicate our legislative prerogatives and our legislative rights as representatives, in part, of the people of this country solely with regard to W. P. A., but more and more different types of projects and appropriations for other agencies have come to be included in this bill, partly, I presume, because it is not a general appropriation bill and for that reason is not subject to the tight rules which apply to general appropriation bills in both Houses of Congress. Nevertheless, the very fact that the relief appropriation does not come under the tight rules barring legislation from general appropriation bills puts the House and the Senate, and ultimately their conferees, in a position where they may affect greatly general public policy by the general type of legislation which they include in this measure. It has now reached the point where it is one of the most important appropriation bills, not only in the size of the appropriation which it carries but because, as I have already pointed out, of the multiplicity of governmental activities which it controls.

Mr. HAYDEN. Mr. President, will the Senator yield?

Mr. LA FOLLETTE. I yield.

Mr. HAYDEN. The Senator will understand the reason for that situation, in that the Congress has been unwilling up to this time to pass any general statute creating a Work Projects Administration. It lives only from year to year, and for that reason, in the absence of any general legislation, the bill has become a carry-all. I have heard it said—and I think it would be a very wise thing—the matter originating in the House, that it should be provided that this bill should be treated exactly like any other appropriation bill; but the Parliamentarian of the House has ruled that it is not a general appropriation bill, and therefore all manner of legislation may be carried in it.

Mr. LA FOLLETTE. I do not think it is a general appropriation bill. All I am pointing out is that it provides an opportunity whereby one body or the other may tie into this vitally important appropriation bill legislative declarations of policy which affect adversely or favorably, depending upon one's point of view, vital and important activities of the Government, not only in relation to W. P. A. but in relation to a great many other agencies and activities of government.

Mr. President, I do not want to take any undue amount of time in this matter, but the Senator from Arizona has tempted me greatly to do so when he suggests that we are, and have been since 1933, treating the problem of unemployment in the United States as a problem which merited our consideration only from year to year, when any Senator or any other citizen of the United States who has made any study of this problem of unemployment and the problems which are related to it knows full well that it is not a year-to-year proposition. As a matter of fact, that is what is the matter with the entire approach which has been made to unemployment in the United States, not only by the Congress but also by the various subdivisions of government at other levels. There was never anything more preposterous than that we should expand the old English common-law concept of poor relief in an effort to meet a cataclysmic economic crisis; the proposition, in other words, that a man and his family must be stripped of everything they have before they are entitled to consideration for employment or assistance from government.

It is a great tribute to the people of the United States, to their stamina, their morale, and their character, that this cruel process of pauperization has worn away so little of their morale and their character. I know of nothing worse that can happen to a family than to have to go down through that cruel process of pauperization, the loss of home, the loss of savings, the loss of their life insurance, the loss of all those things which they have held dear until finally, stripped and destitute, they come under the eligibility rules which have been established by the Federal Government and by governments at other levels.

Mr. President, I shall restrain myself. I have talked upon this subject ever since 1930, all to little avail, in my efforts to get my colleagues in the Congress and the Government to consider this problem in its broad aspects and to adopt a comprehensive and long-time program to meet it.

But, Mr. President, in this bill there are carried provisions which, in my opinion, are of great importance in their effect upon another activity of government as distinguished from the problem of unemployment relief in the form of W. P. A. activities. The matters to which I refer relate to the program of rehabilitation being carried on by the Farm Security Administration in a small way, when compared to the magnitude of the problem, in an effort to make a beginning at least to check the economic factors which are separating people from the land, to check and to turn back in a small way those economic changes which are jeopardizing agriculture as a way of life in this country.

Mr. President, it seems to me a human characteristic that mankind never becomes aware of fundamental and sweeping economic changes until it is engulfed in the economic consequences of such changes. Unfortunately we do not seem to be able to appreciate the significance of those economic changes in time so that we can deal with these problems when they are of lesser magnitude, and therefore more within the capacity of the particular generation to treat of them.

But unless a broad, comprehensive program embodying measures to meet all the variant economic factors which are producing this separation of American people from the land is undertaken, and undertaken soon, and with vigor and vision, agriculture as a way of life in this country will ultimately be jeopardized, if not destroyed.

Mr. President, if there could be any criticism, if there could be any legitimate attack upon the program of the Farm Security Administration, it is that it deals with this problem on the receiving end of the line, so to speak. After people, oppressed by these many economic factors which I do not have time today to go into, are forced off the land, the Farm Security Administration, with its comparatively inadequate funds and program, endeavors to rehabilitate a few of them and to set them up on the land again.

When this program was first inaugurated, there were many sincere persons in and out of Congress who took the position with respect to people in this group that, without immediate aid, their morale, their fiber, their will to make an effort for rehabilitation had been destroyed. But if the Farm Security Administration's program has done nothing else, it has demonstrated that that attitude of despair and defeat toward this group of people was unwarranted and unfounded. These people have made a magnificent record in their repayment of the loans which have been extended to them.

Mr. President, as a handmaiden of this program of rural rehabilitation, the Farm Security Administration has utilized the device of cooperative effort. The Farm Security Administration did not inaugurate the policy of the Federal Government toward cooperatives. If I had the time today, I could cite statute after statute passed during the last two decades, under both Republican and Democratic administrations, by Congresses controlled by both of the old political parties, which have indicated the Federal Government's long-standing belief in cooperative activity.

It is perfectly logical and it is perfectly sound that the Farm Security Administration should utilize the cooperative organization as a means of enabling the people whom it is trying to rehabilitate to continue their successful activities upon the land, for of necessity these farmers must be rehabilitated upon relatively small farms.

But in the meantime large-scale farming operations in America are growing apace. They are bringing about an inexorable impact upon farming in the United States. They are utilizing all the scientific methods of production, power machinery, scientific agriculture in all its forms, large-scale operations on large units of land. Obviously, the small

farmer, the farmer rehabilitated under the Farm Security program, cannot, out of his own economic resources, equip himself with the modern techniques of agricultural production, and yet he faces the situation where he is in competition with the larger operator of a farm.

What did the House of Representatives do? Here was a demonstrated program which was succeeding, even if upon a relatively small scale, and, as I stated a moment ago, and I now wish to reemphasive it, in order to make the program economically sound, in order to increase the repayments to the Federal Government, the Farm Security Administration was encouraging these farmers to cooperate so that they could pool their economic resources, so that they could take advantage of some of the modern techniques of agriculture, so that they might utilize more adequate marketing facilities and thus to place themselves on a more sound economic footing.

What did the House of Representatives do? It put into this bill for the first time a provision of general legislation providing that no funds could be loaned to any person for the purpose of stock subscription or membership fees in a cooperative organization.

Could the Government put itself in a more ridiculous position? First, it makes a loan to a farm family, helps it to get established on the land, helps it to begin the process of rehabilitation. Finding that it is a great success, and that one of the important reasons for the success is these cooperative activities, the Federal Government turns around and seeks to strike down this important phase of the program, thus making it more difficult, if not impossible, for the family to which the loan has been made to repay it.

That is not all, Mr. President. For a number of years in relief measures there has been a general provision designed to prevent the W. P. A. from setting up enterprises in competition with private enterprise. This time the House introduced more prohibitions and tightened up the legislation, so to speak. But the general blanket provision strikes further at the cooperative activities of the Farm Security Administration's clients.

I must acknowledge that the Senate committee saw the danger, struck out the new language which had been inserted by the House, and sought to leave the situation as it was under existing law. The Senate itself struck out the general prohibition against the use of any of such funds for memberships or stock in cooperatives. But when the conferees met, the Senate found the House adamant, refusing to yield. Up against the gun of recess today, and up against the end of the fiscal year on June 30, the Senate conferees felt that they must yield.

Mr. President, perhaps I am engaged in a futile effort, but this is not the first time I have registered my humble protest against the situation which has been developing for the past several years with regard to the timing of the relief appropriation.

Mr. ADAMS. Mr. President, will the Senator yield?

Mr. LA FOLLETTE. I yield.

Mr. ADAMS. The Senator recognizes that the Senate is quite helpless in that matter. The timing is arranged by the House.

Mr. LA FOLLETTE. Yes. I shall treat of that subject in just a moment. I recognize that the Senate cannot take up the relief appropriation measure until the House sends it over here; but I say that unless the Senate and its conferees are ready to draw the line somewhere, sometime, and let the House of Representatives take the responsibility for delay in relief appropriation measures, standing by the Senate's determination of policy and insisting that the House conferees take the matter back to the House for a separate vote or recede, instead of habitually receding, as the Senate has done over and over and over again because of the pressure of the termination of the fiscal year, we might just as well surrender our portion of the responsibility for legislative and governmental policies and accept the relief appropriations, including items which so vitally affect other programs of the Government, as they come from the House, without dotting an "i" or crossing a "t."

Mr. CHANDLER. Mr. President, will the Senator yield?

Mr. LA FOLLETTE. I yield.

Mr. CHANDLER. I should like to call the attention of the Senator from Wisconsin and the Members of the Senate who are present to another situation which has developed, which caused me much personal disappointment. As Senators know, I have not had much experience with conference reports, but the Ways and Means Committee of the House has written a tax bill calculated to raise $1,007,000,000. The bill passed the Senate and has gone to conference. I have just learned that the conferees on the part of the Senate—and I have no doubt that they did the best they could to represent the views of the Senate—have given up on two very important matters.

Mr. LA FOLLETTE. I wish to ask the Senator to make it more than two.

Mr. CHANDLER. I am certain of two. As the Senator knows, the tobacco taxes, for example, are still at wartime levels. The Senate unanimously disagreed to the increase in the tobacco taxes, yet I am told today that we are to have increased tobacco taxes.

Mr. LA FOLLETTE. Yes. There will be a tax of $3.25 a thousand on cigarettes.

Mr. CHANDLER. Even though we are still paying wartime taxes.

If the Senator will be good enough to yield again, another matter, which was thoroughly presented to the Senate, involves the increase in taxes on rectified whisky, which gives the small distilleries in my part of the country an opportunity to live. The vote in the Senate was 47 to 25, and now we must give up. We are to have a 30-cent tax. Notwithstanding the fact that we have a 33⅓-percent increase in the tax on the manufacture of old-fashioned straight Kentucky whisky, we are unable to obtain an increase of 10 cents on rectified whisky, which is made from alcohol, a small percentage of whisky, flavoring extracts, and sirups.

Mr. LA FOLLETTE. I shall have something to say on the conference report on the tax bill when that matter comes up. I will say to the Senator from Kentucky that the same situation has been created with reference to the tax bill as has been created with reference to the relief joint resolution. It is an old story so far as the tax bill is concerned. Every time it is desired to extend the excise taxes, which bear most heavily upon those with the least ability to pay, the renewal is always held back until just before the tax is about to expire, so that the Senate will be up against a gun, and will have to recede from its position.

I will say to the Senator from Kentucky that even though some Republicans may consider their convention important, I think that if the Senate wished to discharge its duty to the people of the country, instead of being placed in a hamstrung parliamentary legislative position, it would reject some of these conference reports and teach the House that the views of the Senate are as much entitled to respect as are the views of the House.

I know what is going on, Mr. President. I did not come to the Senate yesterday. I have been a Member of the Senate for nearly 15 years, and I was in and around the Senate a long time before that. I know that Senators have their reservations on the planes and on the trains. I know that along about 4:30 or 5 o'clock, when the "transcontinentals" begin to pull out of Washington, perhaps we shall not have a quorum present, unless my friend, the Democratic whip [Mr. MINTON]—I wish he would not pull his glasses down like that [laughter]—is very busy at the airport and has his deputy at the railroad station.

So, Mr. President, I shall have to satisfy myself with something to which all Senators are sometimes found to resort. I shall have to satisfy myself upon this conference report by a registration of my individual protest and my statement that I know that it is only the first step on the part of the House of Representatives—or at least of the committee which deals with this question—in further hamstringing the Farm Security Administration. We have given way this time. We have given way at other times. The House will profit by our

papier mâché technique, and will ultimately drive a wedge into the program which will stall it if not destroy it.

Mr. McCARRAN. Mr. President, will the Senator yield?

Mr. LA FOLLETTE. I yield.

Mr. McCARRAN. I should like to make only one observation, in view of the remarks of the junior Senator from Kentucky. Seven years' experience in the Senate teaches me that the Senate never loses a battle and never wins a conference. [Laughter.]

Mr. CHANDLER. Mr. President, will the Senator yield?

Mr. LA FOLLETTE. I yield.

Mr. CHANDLER. I have been a Member of the Senate for only a year, and I have never served on a conference committee; but I now serve notice that if I am ever on a conference committee, I shall not surrender the first time a shot is fired. I shall see if I cannot help to uphold the vote of the Senate on these important matters. I wish to compliment the Senator from Wisconsin on his determination and on his long and honorable service in this body.

Mr. LA FOLLETTE. I thank the Senator from Kentucky. The point I wish to reemphasize is that it will not do us any good to say that we shall do better next time. It will not do us any good to say the next time we shall stand up and fight. The Senate has so often surrendered upon these matters that surrender has become a habit. Like all bad habits, it becomes increasingly difficult to break, especially when the leadership has decided upon a recess which will take us up to the end of the fiscal year, and thus create a parliamentary situation the same as though we had already arrived at the end of the fiscal year.

Mr. President, I wish to say only a few words in conclusion. I regret more than I can adequately express what has happened upon these two amendments, because, Mr. President, as I view the tragic lesson of what has happened in Europe, it should teach us that arms, ammunition, and implements of war are not enough for national defense. More and more, as the history of this period is revealed, it will be demonstrated that it was not only the failure of arms, ammunition, and implements of war which has brought the tragic collapse of democracy after democracy in Europe, but that it was the failure of those democracies to deal with the problems which confronted them internally which created the calamitous division, the weakness, which, when forced to meet the impact of a dynamic and functioning economy, no matter how we may abhor its objectives, caused them to crumple. They not only crumpled on the battle front but on the home front as well.

Mr. President, this is a time when we should be strengthening the processes of democracy, when we should be extending a welcome back into our economy to those millions of people who have been forced outside and who live on its fringes, fed or employed as a result of the gratuity of the Government.

Mr. President, rich as this Nation is in natural resources, in manpower, and in the character of its people, one thing we should have learned long ago, but which certainly we should learn now in the light of the tragic events in Europe, is that we cannot afford the waste that goes with unemployment; we cannot afford the waste that goes with driving people off the land. Today our most vital problem is to restore the dynamic qualities of life which characterized this Nation during its period of development. We cannot restore it, Mr. President, by striking at the woefully inadequate approaches which have been made to it since 1933.

There will be no opportunity prior to the reconvening of Congress for legislative repair of the damage which this conference report will wreak upon the farm-security program, but I serve notice now, Mr. President, that, insofar as I am able, I shall, upon the reconvening of Congress seek to secure legislative enactment which will repair the tragic mistake which the Congress, in my humble opinion, is about to make.

Mr. BYRNES. Mr. President, the Senator from Wisconsin is mistaken if he is under the impression that the conferees reached an agreement as to the two amendments to which he has referred because of the desire on the part of the conferees to go to the Republican Convention. Neither the Senator from Colorado, the Senator from Tennessee, the Senator from Arizona, nor the Senator from South Carolina have any engagements in Philadelphia.

Mr. LA FOLLETTE. Mr. President, if the Senator thinks that is any answer to the argument, he is welcome to it. The Senator knows full well that the leadership have, first of all, been trying to adjourn the Congress sine die; when they could not do that, they wanted to take a recess until August; and when they could not do that, they have now agreed upon a week's recess.

Mr. BYRNES. I have nothing to do with the agreements that have been under consideration by the leadership, for I know nothing about them. I am referring only to the action of the Senate conferees.

Mr. BARKLEY. Mr. President, I should like to make simply this observation, which does not apply to the Senator from Wisconsin: Most of those who have been loudest in talking about not adjourning or recessing the Congress have been to me privately and "hoped to God" we would recess or adjourn. We may recess for a week or we may not recess over Monday; but the Senator's statement as to an effort to adjourn or recess Congress has no relationship, in my judgment, to the proposition now before the Senate.

Mr. BYRNES. My good friend, the Senator from Wisconsin, is not in as good humor these days as he usually is, for in what I said I was only speaking in good humor, and he would have so construed it if he could have remained quiet for a few moments.

In justice to the conferees, it should be said that, of all the amendments in this bill, the two amendments to which the Senator refers and in which he is interested commanded more support from the conferees and took more of their time than did any others. I would not say anything about individuals, except that. Though the opposition to the Senator's attitude and to his proposal was most vigorous, the conferees who are members of the Republican Party, supported by a sufficient number of Democrats, continued these two amendments in disagreement for days. Republican members of the conference committee stood with the majority of the conferees unitedly in endeavoring to sustain the position of the Senate.

I believe the Senator is not informed of what occurred. I know that I devoted more time to them than to any other amendments in the bill. I advised the Senator from Wisconsin during the consideration of the bill in conference of their status and of what was being done, but the House conferees for 2 days showed so much feeling about this particular amendment, No. 26, and the other amendments as to loans to form cooperatives, that we finally reached the conclusion that any agreement would be impossible. A report was signed by the Senate conferees and the House conferees with an agreement upon all amendments in dispute, with the exception of these two amendments; and the Senate conferees were still fighting the fight of the Senator from Wisconsin.

I must say, because of the argument proposed by the House conferees, that I sent for the officials of the Farm Security Administration in order to secure additional information that would enable us more effectively to present his cause. I called on Members of the Senate who were not on the conference committee but who are familiar with the subject, to ask the effect of various proposals which were suggested as compromises. Finally, the Senate conferees refused absolutely to sign a report of any kind, solely because of the two amendments then in dispute in which, I think, the Senator from Wisconsin was more interested than any other Member of the Senate. The House conferees came back to the conference, and for about 2 hours we discussed these two amendments. Then the House conferees accepted the proposal which was embodied in the conference report, and which I am satisfied, when the Senator has an opportunity to examine it, he will conclude is a very good compromise on the part of the Senate, for it does this: The prohibition inserted by the House in the bill was that no loans could be made under this section to any person to enable him to subscribe

or pay for stock membership in any cooperative association. The Senator from South Carolina made inquiry and found that if we insisted upon the matter going back to the House, the House would again take a position in favor of that provision. Therefore, the Senate conferees agreed to add these two words, "hereafter formed"; so as the conference report as agreed to and submitted to the House and the Senate, the prohibition which the House sought to apply to any loan to any person to subscribe or pay for stock membership in any cooperative will not apply to any organizations now in existence. Consequently, it will not hurt any organization or any borrower at this time. It will apply only to associations hereafter formed. I think the Senator will say that in this case it was the House that receded, to all practical intents and purposes, and it was a victory for the Senate conferees.

As to the other amendment, in order that the Senate may understand what it is about, let me say it is similar to amendment numbered 26. It arose, I think, because things are said to have happened in the Northwest which doubtless caused the Senator from Wisconsin to evidence the great interest he has displayed throughout this matter in these amendments. The House changed the existing law and struck out the words in section 33 "for sale"; so that, as the measure was passed by the House, the W. P. A. could not establish a plant which would manufacture or produce articles, commodities, or products in competition with existing industry. As the Senator from Colorado said today, the effect of that would have been to prevent the operation of the sewing rooms throughout the country, because their products are not sold, but are distributed for relief.

Mr. LA FOLLETTE. Mr. President, will the Senator yield?

Mr. BYRNES. I yield.

Mr. LA FOLLETTE. The Senator said "W. P. A." Of course, section 33 is of a blanket character and refers to all the funds in the joint resolution.

Mr. BYRNES. I am going on to refer to the others. It applies first to that.

After much argument, so far as the W. P. A. was concerned, the House conferees admitted the strength of our position, and an agreement could have been reached; but there was no agreement as to the proposal that would affect the cooperatives, the argument being urged by the House conferees that their loans were made, and the persons receiving the loans went into erecting elevators and went into various kinds of business. Upon investigation, I found that if we left in the word "stores" it might affect cooperative associations of farmers who bought groceries or any other commodities, as we have encouraged them to buy them from wholesalers in order to get better prices and to distribute them among the members of the association. At one time we had under discussion language which would have eliminated those. Finally, the Senate persuaded the House conferees to yield and restore the words of the existing law, "for sale," so that there is no prohibition against any plant or store for any articles, provided they are not for sale. The existing law differs very little from that which is now agreed to in the conference report.

I really believe the Senator from Wisconsin is entitled to great credit for the fight he has made for the cooperatives, particularly in his section; and I think the Senator owes a debt of gratitude to the conferees for winning his fight, for that is what he has done, in my honest opinion.

Mr. LA FOLLETTE. Mr. President, I desire to say just one word in conclusion.

I find small satisfaction in the amendment which the Senate conferees agreed to with regard to section 2 (e) in stopping the formation of any more cooperatives for low-income farmers; and I find little comfort in what the Senator says about section 33, because it is not a question of Government policy that is involved. We now have a bank of cooperatives with 10 districts in the United States to which farm organizations representing farmers' cooperatives may go and borrow money on a large scale. The relatively better situated farmers are not denied and are not prevented in any way from getting these cooperative loans. In fact, the bank of cooperatives is there to encourage them to get them. When it comes to the farmers who are being rehabilitated, when it comes to the farmers in the lower-income groups, they are to be denied that advantage. They are to have their programs curtailed, restricted, and hamstrung; and I cannot consider that a victory.

The PRESIDING OFFICER (Mr. MURRAY in the chair). The question is on agreeing to the conference report.

The report was agreed to.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Calloway, one of its reading clerks, announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 10039) to provide for the expenses of national preparedness by raising revenue and issuing bonds, to provide a method for paying for such bonds, and for other purposes.

REVENUE BILL OF 1940—CONFERENCE REPORT

Mr. HARRISON. Mr. President, I move that the Senate proceed to the consideration of the conference report on the tax bill.

Mr. LA FOLLETTE. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Adams	Donahey	La Follette	Reed
Andrews	Downey	Lee	Reynolds
Ashurst	Ellender	Lodge	Russell
Bailey	George	Lundeen	Schwartz
Bankhead	Gerry	McCarran	Schwellenbach
Barbour	Gillette	McKellar	Sheppard
Barkley	Green	McNary	Shipstead
Bilbo	Guffey	Maloney	Smith
Bone	Hale	Mead	Thomas, Okla.
Brown	Harrison	Miller	Thomas, Utah
Byrd	Hatch	Minton	Townsend
Byrnes	Hayden	Murray	Truman
Capper	Herring	Neely	Tydings
Caraway	Hill	Norris	Vandenberg
Chandler	Holman	Nye	Van Nuys
Chavez	Holt	O'Mahoney	Wagner
Clark, Idaho	Hughes	Overton	Walsh
Clark, Mo.	Johnson, Calif.	Pepper	Wheeler
Danaher	Johnson, Colo.	Pittman	White
Davis	King	Radcliffe	Wiley

The PRESIDING OFFICER. Eighty Senators having answered to their names, a quorum is present.

The question is on agreeing to the motion of the Senator from Mississippi [Mr. HARRISON] that the Senate proceed to the consideration of the conference report on the tax bill.

The motion was agreed to.

The conference report is as follows:

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 10039) to provide for the expenses of national preparedness by raising revenue and issuing bonds, to provide a method for paying for such bonds, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendments of the Senate numbered 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, 15, 16, 17, 18, 19, 20, 21, 22, 23, 24, 27, 28, 29, 32, 33, 34, 35, 36, 37, 38, 39, 40, 41, 42, 43, and 44, and agree to the same.

That the Senate recede from its amendments numbered 30, 46, and 47.

Amendment numbered 25: That the House recede from its disagreement to the amendment of the Senate numbered 25, and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert the following: "Section 1700 (a) (1) of the Internal Revenue Code is amended by striking out 'until July 1, 1941, is less than 41 cents' and inserting in lieu thereof 'until July 1, 1940, is less than 41 cents, and after June 30, 1940, and before July 1, 1945, is less than 21 cents', and by striking out 'is less than 41 cents, until July 1, 1941' and inserting in lieu thereof 'is less than 41 cents until July 1, 1940, and is less than 21 cents after June 30, 1940, and before July 1, 1945'."; and the Senate agree to the same.

Amendment numbered 26: That the House recede from its disagreement to the amendment of the Senate numbered 26, and agree to the same with an amendment, as follows: In lieu of the matter

proposed to be inserted by the Senate amendment insert the following:

"SEC. 212. Cigarettes.

"Subchapter A of chapter 15 of the Internal Revenue Code is amended by inserting at the end thereof the following new sections:

"'SEC. 2004. Defense tax for five years.

"'In lieu of the rates of tax specified in section 2000 (c) (2), the rates of tax for the period after June 30, 1940, and before July 1, 1945, shall be $3.25 and $7.80, respectively.

"'SEC. 2005. Floor stocks tax.

"'(a) Floor Stocks Tax.—Upon cigarettes subject to tax under section 2000 (c) (2) which on July 1, 1940, are held by any person for sale, there shall be levied, assessed, collected, and paid a floor stocks tax at a rate equal to the increase in rate of tax made applicable to such articles by section 2004.

"'(b) Returns.—Every person required by this section to pay any floor stocks tax shall, on or before August 1, 1940, under such regulations as the Commissioner with the approval of the Secretary shall prescribe, make a return and pay such tax, except that in the case of articles held by manufacturers and importers the Commissioner may collect the tax with respect to all or part of such articles by means of stamp rather than return, and in such case may make an assessment against such manufacturer or importer having tobacco tax stamps on hand July 1, 1940, for the difference between the amount paid for such stamps and the increased rates specified in section 2004.

"'(c) Laws Applicable.—All provisions of law, including penalties, applicable in respect of the taxes imposed by section 2000 shall, insofar as applicable and not inconsistent with this section, be applicable with respect to the floor stocks tax imposed by subsection (a).'"

The Senate agree to the same.

Amendment numbered 31: That the House recede from its disagreement to the amendment of the Senate numbered 31, and agree to the same with an amendment, as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert the following:

"(1) Upon all distilled spirits produced in or imported into the United States upon which the internal-revenue tax imposed by law has been paid, and which on July 1, 1940, are held and intended for sale or for use in the manufacture or production of any article intended for sale, there shall be levied, assessed, collected, and paid a floor stocks tax of 75 cents on each proof-gallon, and a proportionate tax at a like rate on all fractional parts of such proof-gallon. The tax imposed by this subsection shall not apply to 100 wine gallons of the retail stocks of distilled spirits held by a person on premises as to which such person has incurred occupational tax as a retail dealer in liquors for the period beginning on July 1, 1940, and as to which no other occupational tax with respect to dealing in distilled spirits has been incurred by such person for a period beginning on such date.

"(2) Every person required by this subsection to pay any floor stocks tax shall, on or before August 1, 1940, under such regulations as the Commissioner, with the approval of the Secretary, shall prescribe, make a return and pay such tax. Payment of the tax shown to be due may be extended to a date not later than February 1, 1941, upon the filing of a bond for payment thereof in such form and amount and with such surety or sureties as the Commissioner, with the approval of the Secretary, may prescribe. Every retail dealer in liquors (even though not liable to pay such tax) shall make the return required by this paragraph."; and the Senate agree to the same.

Amendment numbered 45: That the House recede from its disagreement to the amendment of the Senate numbered 45, and agree to the same with an amendment, as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert the following:

"SEC. 401. Section 205 of the Public Salary Tax Act of 1939 is amended by adding at the end thereof a new sentence to read as follows: 'If the amount of the deficiency in income tax for any taxable year beginning before January 1, 1939, attributable to compensation paid indirectly by the United States, or any agency or instrumentality thereof, for personal service as an officer or employee of a State, or any political subdivision thereof, or any agency or instrumentality of any of the foregoing, is paid on or before March 15, 1941, then with respect to failure to pay such amount or make return of such compensation: (a) No criminal penalty shall apply; and (b) the additions to tax provided in sections 291 and 293 of the Internal Revenue Code shall not apply.'"

And the Senate agree to the same.

PAT HARRISON,
WILLIAM H. KING,
WALTER F. GEORGE,
ARTHUR CAPPER,
Managers on the part of the Senate.

R. L. DOUGHTON,
THOS. H. CULLEN,
JOHN W. MCCORMACK,
JERE COOPER,
ALLEN T. TREADWAY,
FRANK CROWTHER,
HAROLD KNUTSON,
Managers on the part of the House.

Mr. HARRISON. Mr. President, the conference report on the tax bill has been submitted to the Senate; it has been adopted by the House and is now before the Senate. I will make a brief explanation of the report.

The conferees agreed to an increase in the tax on small cigarettes from $3 to $3.25 per thousand, and on large cigarettes from $7.20 to $7.80. The House bill increased the tax from $3 to $3.50, and we agreed to divide the difference in the increase.

Mr. McNARY. Mr. President, will the Senator yield?

Mr. HARRISON. I yield.

Mr. McNARY. When the tax bill was before the Senate, I left the impression upon those who were kind enough to listen to my statement that I favored the higher tax. The Senate acted in conformity with the opinion of the committee and left the tax at $3. I understand the conferees have divided the difference, and that the tax will be $3.25.

Mr. HARRISON. The tax on small cigarettes will be $3.25 per 1,000.

Mr. McNARY. That represents an increase of 25 cents over current law?

Mr. HARRISON. That is correct.

Mr. BARKLEY. Mr. President, will the Senator from Mississippi yield?

Mr. HARRISON. I yield.

Mr. BARKLEY. I appreciate the fact that in arriving at agreements between the two Houses it is necessary for one House or the other to yield on various items in a bill. I am satisfied the Senator from Mississippi and other Members of the Senate on the conference committee did the best they could to maintain the Senate's position with respect to these taxes.

I cannot refrain from expressing the regret that I feel that, in view of the fact that tobacco products, including the cigarettes referred to, still bear the wartime rates of taxation, it was necessary for the conferees to yield even to the extent of 25 cents per 1,000.

I realize that the House conferees were somewhat adamant with respect to at least part of these taxes. I think they would have been justified in yielding entirely on the tobacco taxes, for the reasons which we expressed on the floor of the Senate a few days ago. But I appreciate the fact that on other types of tobacco products the Senate conferees were able to secure consent of the House conferees to yield, and, as I understand, the only tobacco tax which is increased is the 25 cents per 1,000 on small cigarettes.

Mr. HARRISON. The Senator is correct.

Mr. BARKLEY. Unjust as I think that is, I wish to say that I appreciate the measure of success the Senate conferees were able to secure in eliminating these other taxes. I hope that when another tax bill shall be under consideration, we may be able to impress the other House with the fact that certainly at this stage we should not make these taxes on tobacco greater than they were for the World War purposes.

Mr. HARRISON. Of course, the Senate conferees carried out their obligation as conferees and tried to strike out all the tobacco-tax increases, but the House conferees were adamant, and we got the best compromise we could.

Mr. BARKLEY. I appreciate the situation which confronted the Senate conferees. While I am on my feet, I may say also that I regret that I am informed the House conferees were adamant and would not yield at all, under any circumstances, in the matter of the tax on rectified liquor which the Senate inserted, which in some measure, and only in a small measure, compensated for the increase of 75 cents a gallon on other types of liquor carried in the bill. It seems to me that if there is any justification for a 30-cent tax under the old law, there would be even greater justification for a 40-cent tax under the increase carried in the bill.

Mr. HARRISON. Personally, that is the position we took, representing the Senate, because we had a record vote on that particular amendment involving rectified spirits, but the

House conferees were adamant, as the Senator States, so we had to yield on that amendment.

Mr. CHANDLER. Mr. President, I wish to add my word of protest to that of my colleague with respect to the increase in the cigarette tax. I know the distinguished Senator from Mississippi did good work during these trying days, and did a remarkably fine job in preparing the tax bill, and the conferees on the part of the Senate did all they could to sustain the position of the Senate. But the action of the conferees in this particular matter has given me considerable pain when I consider the fact that the Senate unanimously disagreed to any increase in taxes on cigarettes and tobacco, because it must be remembered that they are still bearing war-time taxes, the taxes having never been taken off those products from 1917 to the present time.

The protest of my colleague has been very effective, except that we still must have some increases in taxes, which will be reflected, in my opinion, certainly they will be more reflected, if continued, in adverse prices to farmers of our section of the United States for their tobacco.

I do wish I could be more effective, and have the action reversed, just as the Senate agreed the other day that the tax should not be increased, but I know that the Senator from Mississippi and his conferees probably did the best they could under the circumstances.

I cannot let this opportunity pass without expressing my regret and my opposition also, on the failure to increase by 33½ percent the tax on rectified whisky, which will result in a great deal of damage to small distilleries in my section of Kentucky.

Mr. McNARY. Mr. President, what amount of revenue will accrue from this increase of 25 cents on cigarettes?

Mr. HARRISON. The increase of 25 cents, that is, from $3 to $3.25, will result in $35,000,000 of additional revenue.

Mr. CHANDLER. Mr. President, if the Senator will yield for one further word, I hope that in the future, in the consideration of tax bills—as we most certainly will have them in the future, perhaps in the immediate future—the chairman of the Finance Committee and his associates will consider retaining taxes in places other than on tobacco.

Mr. HARRISON. Mr. President, as I have stated, the Senate conferees were obliged to recede on the amendment proposed by the Senate with respect to the increase in the tax on rectified spirits from 30 cents to 40 cents a gallon.

With respect to the admissions tax the following change was made: The House bill provided for the exemption on tickets of admission costing 30 cents and less. The present Federal law provides for exemption on tickets of 40 cents and less.

The Senate provided for a tax on all admissions over 9 cents, taxing admissions between 10 and 20 cents at 1 cent, and 20 cents or more at 1 cent on each 10 cents or fraction thereof. A compromise was reached exempting admissions of 20 cents and less. On admissions over 20 cents a tax is imposed.

Mr. McCARRAN. Was any action taken in the conference with respect to the matter of seating capacity of a theater? For instance, was a theater whose seating capacity was less than a certain number exempted?

Mr. HARRISON. No; there was no action of that sort taken.

Mr. McCARRAN. I had in mind exemption for the smaller theater.

Mr. HARRISON. The reason why this compromise was worked out was to try to help the smaller theaters. That is why the exemption of 20 cents and less was made.

Returning to liquor taxes. With respect to that matter, of course there was no disagreement on the increased liquor tax, because the Senate had the same provision as carried in the House bill. The House bill provided for a 100-gallon exemption in the case of retail stocks. The Senate bill contained no exemption. The Senate receded on its amendment in that respect. So, as to the retailers there will be 100-gallon exemption from the floor-stock tax.

With respect to fermented malt liquors or beer, the House placed no floor-stock tax on retailers. The Senate, however, struck out the exemption of retailers from the floor-stocks tax and inserted a modified exemption of retail stocks, providing that the exemption shall apply only to retail stocks, which on July 1, 1940, are held on retail premises. Such premises are confined to premises with respect to which the dealer is a retail dealer exclusively. If, with respect to such premises the dealer is a wholesale dealer or brewer also, the exemption is not allowed as to any malt liquor held on the premises. The House agreed to the Senate amendment.

With respect to the amendment offered by the Senator from Connecticut [Mr. DANAHER] as to not applying the income tax for 1935–39 to State employees paid out of Federal funds, the Senate and the House conferees agreed upon a compromise that in such cases the tax would be imposed but no penalties would be assessed.

Mr. BROWN. Mr. President, will the Senator yield?

Mr. HARRISON. I yield.

Mr. BROWN. The Senator will recall that the tobacco tax is in the Senate bill. There was some controversy in the Finance Committee and considerable discussion with reference to the failure of the bill to include a floor tax on tobacco held by retailers in contradistinction with tobacco held by wholesalers, which was subject to a floor tax. Now the cigarette tax has been put back in the bill. How about the floor tax on cigarettes as applied to retailers?

Mr. HARRISON. The floor tax on cigarettes applies to retailers.

Mr. BROWN. Wholesalers and retailers.

Mr. HARRISON. Yes; to both the wholesaler and the retailer.

Mr. LA FOLLETTE. The Senator from Michigan will remember that when the Senate committee struck out the tax on tobacco I suggested that we put in a device whereby that matter would be considered.

Mr. BROWN. And that was used——

Mr. LA FOLLETTE. That was used to extend the conference agreement with respect to the tax on cigarettes to the retailer.

Mr. BROWN. So as to include stocks in the hands of retailers on July 1.

Mr. LA FOLLETTE. So as to prevent advantage being taken by the larger purchasers.

Mr. BROWN. I thoroughly approve of that amendment.

Mr. HARRISON. As to the La Follette amendment dealing with excess-profits taxes and the Connally amendment dealing with war-profits taxes, the Senate conferees fought quite a while to sustain them. The House conferees were adamant in their opposition to those two amendments. They thought there ought to be further study of those important matters. We were told by the Treasury Department that it would take them at least 60 days to prepare an excess-profits tax bill free from loopholes.

So the House conferees, as well as the Senate conferees, agreed to a resolution expressing the sentiment of the conferees as to this matter. We did not write it into conference report although we were perfectly willing to do so. It is as follows:

Resolved by the committee of conferees on H. R. 10039, That the committee is firmly of the opinion that an excise-profits tax should be enacted as soon as possible, and to be made applicable to the calendar year 1940 and all taxable years beginning in 1940, and to all subsequent years. In pursuance of this policy the Treasury Department is urgently requested to submit to the Ways and Means Committee of the House and to the Finance Committee of the Senate not later than October 1, 1940, a plan for such tax, together with supporting data and drafts for proposed legislation.

That resolution was adopted unanimously, with the exception that the Senator from Wisconsin [Mr. LA FOLLETTE] did not feel disposed to support it. He did not vote against it. All the other conferees voted for it.

So in connection with working out the matter of taxing excess profits we hope to get the necessary data at as early a date as possible.

The Senate conferees also were forced to recede on the war-profits tax amendment offered by the Senator from Texas [Mr. CONNALLY].

I shall be glad to answer any questions that may be asked concerning the conference report. That is all I desire to say. I may say that if the conference report is not adopted before the first day of Joly the Government will suffer a considerable loss of revenue. Throughout the bill there are provisions for taxes beginning on the first day of July. And the 10-percent supertax on gifts and estates are effective immediately after the passage of the bill. So every day of delay costs the Government a considerable sum of money. I hope the conference report will be adopted. The House has already adopted it.

Mr. President, that is all I desire to say.

Mr. LA FOLLETTE. Mr. President, I wish to say just a word about the fact that I did not vote for the resolution which the Senator from Mississippi just read. There was not really any formal vote on the matter, and while I appreciate the fact that the conferees registered their wholehearted support for an excess-profits tax in futuro, I feel that the only efficacy of the resolution is that corporation-tax payers may ascertain the attitude of the members of the House and Senate conferees as of June 21. If the taxpayers look up the names of those who are signed to the conference report, they will find that on that date the conferees were in favor of an excess-profits tax, and that they instructed, or expressed the request to the Treasury Department, that it get ready on or before October 1 to submit an excess-profits tax to the Congress.

Mr. President, I realize that the Senate is anxious to dispose of this matter, but I want once again to register my emphatic disapproval of the course which has been pursued by the conference and the actions already taken by the House and the action which I presume will be taken by the Senate.

Mr. President, the bill reaches down into the pockets of the people in the lower-income brackets, and takes from them purchasing power which they can ill afford to spare in these critical times. The only justification for that, Mr. President, is a tax bill which calls upon all taxpayers, in accordance with their ability to pay, to carry their fair share of the cost of the Government, and the staggering cost of the mounting appropriations for national defense.

Much has been said in the public prints and on the floor of the Senate and of the House about national unity. We cannot have national unity unless we adopt equitable policies of Government. The President of the United States has announced that he has under consideration a program for compulsory service of all kinds and descriptions for the youth of America. The Senator from Nebraska [Mr. BURKE] has introduced a bill requiring compulsory military service for every man in the United States between the ages of 21 and 65.

The amendment which I offered, and in which I have no pride of authorship, was predicated upon the 1921 tax. The Treasury Department and some of my able colleagues on the committee do not think the amendment is yet in perfect shape. If we adopt compulsory military service laws, shall we provide that because some individual may be inconvenienced we give him an exemption? Oh, no. We are adopting a peculiar policy when we treat individuals differently than we treat corporations that are making excess profits in a time of national emergency. In my judgment, such a policy will weaken the faith of the people in democracy at a time when we should be concentrating our efforts to maintain democracy. I have said upon several occasions, and I repeat, that only a dynamic, functioning economy in America will uphold the Republic. Confidence on the part of the men and women of America will not be restored or revitalized by the passage of a bill reaching down into the pockets of the low-income groups, and failing to require corporations making excess profits out of the Nation's defense crisis to contribute their share. It will be small comfort to the taxpayer in the low-income brackets; it will be small comfort to the children saving up their pennies in order that they may attend a movie, to read a resolution adopted by the Ways and Means Committee and by the conferees on the tax bill asserting that Congress believes in excess-profits taxes and hopes to have such a measure ready by next October.

Day after day the people will be reading about the letting of negotiated contracts without competitive bidding. They will be reading about the billions of dollars going out of the Treasury of the United States into the coffers of corporations. It will be small satisfaction to them, while they are digging down to get the pennies to pay these taxes, to be told that some time later we are going to levy an excess-profits tax.

I pleaded with the Congress to enact this amendment based on the 1921 act, and based on the experience of 1917, 1918, 1919, and 1920 with the excess-profits tax. I understand that the Treasury Department has 304 questions of policy which must be answered before it is ready to approve an excess-profits tax. Mr. President, I could get together a group of tax experts who, when the Treasury gets its 304 questions answered to its satisfaction, could have 608 more to be discussed. Of course, this is a complicated subject. We may debate the theories of taxation in the high abstractions of the expert technique from now until kingdom come without resolving all the questions of policy which are involved or which may arise.

As I stated in discussing the conference report on the relief joint resolution, I see no necessity for the Congress to recess today. We sat through the crisis of 1932. Both conventions met, nominated their candidates, adopted their platforms, and adjourned while Congress continued to function. Is this emergency any less grave? Have the people any less right at this time to ask their representatives in Congress to devote themselves to the public business? Apparently the leadership of this Congress and this administration have determined otherwise.

Mr. President, I venture the prediction that in the light of all the circumstances surrounding its enactment this tax bill will go down in history as the worst makeshift and the most inequitable tax bill which has been enacted in Congress in two decades. It comes at a time when we should be functioning as the representatives of the people, giving them a demonstration that, in our day-to-day determination of policy in this national emergency, we are adopting policies which are designed to strengthen the faith of the people of the country in the democratic process, and that we are taking as our guiding star the principle of distributing the sacrifices which the people are required to make in this emergency in accordance with their ability to pay and their ability to serve the Republic.

In conclusion, Mr. President, I hope we may have a yea and nay vote on the question of agreeing to the conference report. I wish to register my emphatic disapproval of the conference report, and I hope the Senate will go on record, for I believe that there is at stake in the conference report a vital and important question of equity and justice.

The PRESIDING OFFICER. The question is on agreeing to the conference report.

Mr. LA FOLLETTE. I ask for the yeas and nays.

The yeas and nays were ordered.

Mr. HOLT. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. HOLT. What is the parliamentary situation?

The PRESIDING OFFICER. The question is on agreeing to the conference report.

Mr. HOLT. Those in opposition should vote "nay"?

The PRESIDING OFFICER. Those in opposition should vote "nay."

The clerk will call the roll.

The legislative clerk called the roll.

The roll call was concluded.

Mr. SHIPSTEAD. I have a general pair with the senior Senator from Virginia [Mr. GLASS]. I transfer that pair to the senior Senator from North Dakota [Mr. FRAZIER], and will vote. I vote "nay."

Mr. WHITE. I desire to have it made a matter of record that the Senator from Vermont [Mr. AUSTIN] is necessarily absent, serving as a representative of the Senate at the funeral of his late colleague Senator Gibson.

Mr. WILEY. The Senator from Vermont [Mr. AUSTIN], the Senator from South Dakota [Mr. GURNEY], and the Senator from New Hampshire [Mr. TOBEY] are attending the funeral of the late Senator Gibson, of Vermont, in that State.

The Senator from Pennsylvania [Mr. DAVIS] is absent on official business.

The Senator from Oregon [Mr. HOLMAN], the Senator from Ohio [Mr. TAFT], and the Senator from Idaho [Mr. THOMAS] are necessarily absent.

The Senator from Oregon [Mr. MCNARY] is detained on official business.

I wish to announce that the following Senators would vote "yea" if present:

The Senator from Vermont [Mr. AUSTIN], the Senator from Pennsylvania [Mr. DAVIS], the Senators from Oregon [Mr. MCNARY and Mr. HOLMAN], the Senator from Ohio [Mr. TAFT], the Senator from Idaho [Mr. THOMAS], and the Senator from New Hampshire [Mr. TOBEY].

Mr. CHANDLER. I have a general pair with the Senator from Pennsylvania [Mr. DAVIS]. I am advised, however, that he would vote as I intend to vote. I vote "yea."

Mr. HARRISON. I have a general pair with the Senator from Oregon [Mr. MCNARY]. I am advised that if present and voting, he would vote "yea." I therefore am at liberty to vote. I vote "yea."

Mr. THOMAS of Utah. I have a general pair with the Senator from New Hampshire [Mr. BRIDGES]. I am not advised how he would vote if present and voting. I transfer that pair to the Senator from Arkansas [Mr. MILLER], who, I am advised, if present and voting would vote "yea." I vote "yea."

Mr. MCKELLAR. I have a general pair with the Senator from Delaware [Mr. TOWNSEND]. I am not advised how he would vote if present and voting. I transfer that pair to the Senator from New York [Mr. WAGNER], who, I am advised, if present and voting would vote "yea." I vote "yea."

Mr. BAILEY. The Senator from Virginia [Mr. BYRD] is necessarily detained. I am advised that if present and voting, he would vote "yea."

Mr. MEAD. My colleague the Senator from New York [Mr. WAGNER] is detained in a conference in the House of Representatives. I am advised that if present and voting he would vote "yea."

Mr. MINTON. I announce that the Senator from Texas [Mr. CONNALLY], the Senator from South Dakota [Mr. BULOW], and the Senator from Nebraska [Mr. BURKE] are members of the committee attending the funeral of the late Senator Gibson of Vermont.

The Senator from Alabama [Mr. BANKHEAD], the Senator from Virginia [Mr. GLASS], the Senators from Illinois [Mr. LUCAS and Mr. SLATTERY], the Senator from Arkansas [Mr. MILLER], the Senator from North Carolina [Mr. REYNOLDS], the Senator from New Jersey [Mr. SMATHERS], and the Senator from Tennessee [Mr. STEWART] are necessarily detained. I am advised that if present and voting, these Senators would vote "yea."

The Senator from Massachusetts [Mr. WALSH] is detained in a conference on the naval-expansion bill. I am advised that if present and voting, he would vote "yea."

The Senator from Georgia [Mr. RUSSELL], the Senator from Washington [Mr. BONE], and the Senator from Nevada [Mr. PITTMAN] are detained in committee meetings.

The result was announced—yeas 45, nays 21, as follows:

YEAS—45

Adams	Chavez	Herring	Radcliffe
Andrews	Clark, Idaho	Hill	Schwartz
Ashurst	Donahey	Hughes	Schwellenbach
Bailey	Ellender	Johnson, Colo.	Sheppard
Barbour	George	King	Smith
Barkley	Gerry	Lee	Thomas, Okla.
Bilbo	Gillette	Lodge	Thomas, Utah
Brown	Guffey	McKellar	Van Nuys
Byrnes	Hale	Maloney	White
Capper	Harrison	O'Mahoney	
Caraway	Hatch	Overton	
Chandler	Hayden	Pepper	

NAYS—21

Clark, Mo.	Lundeen	Norris	Vandenberg
Danaher	McCarran	Nye	Wheeler
Downey	Mead	Reed	Wiley
Green	Minton	Shipstead	
Holt	Murray	Truman	
La Follette	Neely	Tydings	

NOT VOTING—29

Austin	Davis	Miller	Thomas, Idaho
Bankhead	Frazier	Pittman	Tobey
Bone	Glass	Reynolds	Townsend
Bridges	Gurney	Russell	Wagner
Bulow	Holman	Slattery	Walsh
Burke	Johnson, Calif.	Smathers	
Byrd	Lucas	Stewart	
Connally	McNary	Taft	

So the conference report was agreed to.

Mr. PEPPER. Mr. President, I merely wish to say that I appreciate the difficulties the conferees had to contend with in the preparation of the conference report. I have voted for the adoption of the report, but I do not want it to pass without expressing my individual opinion that we yet have not nearly gone so far as we should go in the way of a defense budget.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Calloway, one of its reading clerks, announced that the House had disagreed to the amendments of the Senate to the bill (H. R. 9877) authorizing the Secretary of the Interior to promulgate and to put into effect charges for electrical energy generated at Boulder Dam, providing for the application of revenues from said project, authorizing the operation of the Boulder power plant by the United States directly or through agents, and for other purposes; asked a conference with the Senate on the disagreeing votes of the two Houses thereon; and that Mr. WHITE of Idaho, Mr. HILL, and Mr. HAWKS were appointed managers on the part of the House.

The message also announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 5138) to make unlawful attempts to interfere with the discipline of the Army, the Navy, and the Coast Guard; to require the deportation of certain classes of aliens; to require the fingerprinting of aliens seeking to enter the United States; and for other purposes.

ENROLLED BILLS AND JOINT RESOLUTIONS SIGNED

The message further announced that the Speaker had affixed his signature to the following enrolled bills and joint resolutions, and they were signed by the Vice President:

S. 2047. An act to divest prize-fight films of their character as subjects of interstate or foreign commerce, and for other purposes;

S. 3927. An act to provide for the administration of the Washington National Airport, and for other purposes;

S. J. Res. 260. Joint resolution to make emergency provision for the maintenance of essential vessels affected by the Neutrality Act of 1939, and for adjustment of obligations with respect to such vessels; and

S. J. Res. 279. Joint resolution to amend section 4 of Public Resolution No. 54, approved November 4, 1939, entitled "Joint resolution to preserve the neutrality and the peace of the United States and to secure the safety of its citizens and their interests."

ENROLLED BILLS AND JOINT RESOLUTIONS PRESENTED

Mrs. CARAWAY, from the Committee on Enrolled Bills, reported that on today, June 22, 1940, that committee presented to the President of the United States the following enrolled bills and joint resolutions:

S. 2047. An act to divest prize-fight films of their character as subjects of interstate or foreign commerce, and for other purposes;

S. 3927. An act to provide for the administration of the Washington National Airport, and for other purposes;

S. J. Res. 260. Joint resolution to make emergency provision for the maintenance of essential vessels affected by the Neutrality Act of 1939, and for adjustment of obligations with respect to such vessels; and

S. J. Res. 279. Joint resolution to amend section 4 of Public Resolution Numbered 54, approved November 4, 1939,

entitled "Joint resolution to preserve the neutrality and the peace of the United States and to secure the safety of its citizens and their interests."

SUPPLEMENTAL APPROPRIATIONS FOR THE NATIONAL DEFENSE—CONFERENCE REPORT

Mr. ADAMS submitted the following report:

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 10055) making supplemental appropriations for the national defense for the fiscal year ending June 30, 1941, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendments numbered 2, 9, 10, and 15.

That the House recede from its disagreement to the amendments of the Senate numbered 3, 4, 5, 7, 8, 11, 12, 13, 14, 16, 17, 18, 19, 20, 21, 22, 23, 24, 25, 26, 27, 28, 31, and 32; and agree to the same.

Amendment numbered 1: That the House recede from its disagreement to the amendment of the Senate numbered 1, and agree to the same with an amendment, as follows: In lieu of the sum proposed insert "$50,000"; and the Senate agree to the same.

Amendment numbered 6: That the House recede from its disagreement to the amendment of the Senate numbered 6, and agree to the same with an amendment, as follows: In lieu of the matter inserted by said amendment insert the following:

"SEC. 201. From the appropriations for 'Regular Supplies of the Army,' 'Clothing and Equipage,' 'Army Transportation,' 'Signal Service of the Army,' 'Air Corps, Army,' 'Medical and Hospital Department,' 'Engineer Service, Army,' 'Ordnance Service and Supplies,' 'Chemical Warfare Service,' and 'Seacoast Defenses,' for the fiscal year 1941, not to exceed a total of $2,658,967 may be applied to the employment of persons and the procurement of supplies and services and printing and binding at the seat of government, and to pay of employees of the Finance Department in the field, under the following heads and within the respective limitations specified, as follows:

"SALARIES, WAR DEPARTMENT

"For temporary personal services:
"Office of the Secretary of War, $617,110;
"Office of Chief of Staff, $96,980;
"Adjutant General's Office, $158,700;
"Office of the Judge Advocate General, $13,920;
"Office of the Chief of Finance, $60,120;
"Office of the Quartermaster General, $78,960;
"Office of the Chief Signal Officer, $67,490;
"Office of the Chief of Air Corps, $40,760;
"Office of Chief of Engineers, $130,260;
"Office of Chief of Ordnance, $719,740;
"Office of Chief of Chemical Warfare Service, $46,380;
"Office of Chief of Infantry, $2,880;
"Office of Chief of Cavalry, $2,880;
"Office of Chief of Field Artillery, $4,320;
"Office of Chief of Coast Artillery, $5,760;
"Office of Chief of Chaplains, $1,440;
"National Guard Bureau, War Department, $10,000;
"In all, salaries, War Department, $2,057,700.

"OFFICE OF THE SECRETARY

"Contingent expenses, War Department, $216,772.
"Printing and binding, War Department, $177,995.

"MILITARY ACTIVITIES

"Finance Service, $206,500."

And the Senate agree to the same.

Amendment numbered 29: That the House recede from its disagreement to the amendment of the Senate numbered 29, and agree to the same with an amendment, as follows: In lieu of the matter inserted by said amendment insert the following:

"SEC. 301. The Secretary of the Navy is authorized, where necessary, to exceed the statutory limit on repairs and alterations to vessels during the fiscal year 1941."

And the Senate agree to the same.

Amendment numbered 30: That the House recede from its disagreement to the amendment of the Senate numbered 30, and agree to the same with an amendment, as follows: In line 6 of the matter inserted by such amendment, strike out "shall" and insert "may"; and the Senate agree to the same.

ALVA B. ADAMS,
KENNETH MCKELLAR,
CARL HAYDEN,
JAMES F. BYRNES,
FREDERICK HALE,
JOHN G. TOWNSEND, JR.,
Managers on the part of the Senate.

C. A. WOODRUM,
CLARENCE CANNON,
LOUIS LUDLOW,
J. BUELL SNYDER,
EMMET O'NEAL,
GEO. W. JOHNSON,
JOHN TABER,
R. B. WIGGLESWORTH,
J. W. DITTER,
Managers on the part of the House.

The report was agreed to.

THE CALENDAR

Mr. BARKLEY. Mr. President, as I understand, the Senate now, under the order previously made, will resume the consideration of the calendar.

The PRESIDING OFFICER. The clerk will state the first bill in order on the calendar.

TRANSFER OF CERTAIN PROPERTY IN SAN FRANCISCO, CALIF.

The bill (H. R. 9063) authorizing the Administrator of the Federal Works Agency to transfer certain property in San Francisco, Calif., to the city and county of San Francisco for street purposes was considered, ordered to a third reading, read the third time, and passed.

ACQUISITION OF ADDITIONAL LANDS FOR MILITARY PURPOSES

The bill (S. 4057) to authorize the acquisition of certain additional lands for military purposes, was announced as next in order.

Mr. SHEPPARD. Mr. President, the House yesterday passed a similar bill, House bill 9897. I ask that the House bill be substituted for the Senate bill, and be now considered.

The PRESIDING OFFICER. The Chair lays before the Senate a bill coming over from the House of Representatives.

The bill (H. R. 9897) to authorize the acquisition of additional land for military purposes was read twice by its title.

The PRESIDING OFFICER. Is there objection to the consideration of the House bill?

There being no objection, the bill (H. R. 9897) to authorize the acquisition of additional land for military purposes was considered, ordered to a third reading, read the third time, and passed.

The PRESIDING OFFICER. Without objection, Senate bill 4057 will be indefinitely postponed.

RESERVE OFFICERS' TRAINING CORPS

The bill (S. 3768) to amend section 40, National Defense Act, as amended, relating to the organization of the Reserve Officers' Training Corps, so as to provide for an exception with respect to the University of Alaska, was announced as next in order.

The PRESIDING OFFICER. The Chair is informed that there is on the calendar, No. 1971, an identical House bill. Without objection, the House bill will be considered in lieu of the Senate bill.

There being no objection, the bill (H. R. 9391) to amend section 40, National Defense Act, as amended, relating to the organization of the Reserve Officers' Training Corps, so as to provide for an exception with respect to the University of Alaska, was considered, ordered to a third reading, read the third time, and passed.

The PRESIDING OFFICER. Without objection, Senate bill 3768 will be indefinitely postponed.

ADMINISTRATION OF NATIONAL GUARD

The Senate proceeded to consider the bill (S. 3619) relating to changes in the administration of the National Guard of the United States bearing on Federal recognition, pay, allotment of funds, drill, training, etc., which had been reported from the Committee on Military Affairs with an amendment, to strike out all after the enacting clause and insert:

AMENDMENTS TO NATIONAL DEFENSE ACT

SECTION 1. That section 90 of the National Defense Act of June 3, 1916, as amended, be, and the same is hereby, repealed and reenacted to read as follows:

"SEC. 90. That funds allotted by the Secretary of War for the support of the National Guard shall be available for the purchase and issue of forage, bedding, shoeing, and veterinary services, and supplies for the Government animals issued to any organization, and for animals owned or hired by any State, Territory, District of Columbia, or National Guard organization, not exceeding the number of animals authorized by Federal law for such organization and used solely for military purposes, and for the compensation of competent help for the care of material, animals, armament, and equipment of organizations of all kinds, under such regulations as the Secretary of War may prescribe.

"The compensation paid to caretakers who belong to the National Guard, as herein authorized, shall be in addition to any compensation authorized for members of the National Guard under any of the provisions of the National Defense Act.

"Under such regulations as the Secretary of War shall prescribe, the material, animals, armament, and equipment, or any part

thereof, of the National Guard of any State, Territory, or the District of Columbia, or organizations thereof, may be put into a common pool for care, maintenance, and storage; and the employment of caretakers therefor, not to exceed 15 for any one pool, is hereby authorized.

"Commissioned officers of the National Guard shall not be employed as caretakers except that, under such regulations as the Secretary of War shall prescribe, one such officer not above the grade of captain for each heavier-than-air squadron, and one such officer not above the grade of captain for each pool, may be employed. Either enlisted men or civilians may be employed as caretakers, but if there are as many as two caretakers in any unit, one of them shall be an enlisted man.

"Funds hereafter appropriated under the provisions of the National Defense Act, as amended, for the support of the National Guard of the several States, Territories, and the District of Columbia, shall be supplemental to moneys appropriated by the several States, Territories, and the District of Columbia, for the support of the National Guard, and shall be available for the hire of caretakers and clerks: *Provided,* That the Secretary of War shall, by regulations, fix the salaries of all caretakers and clerks hereby authorized to be employed, and shall also designate by whom they shall be employed: *And provided further,* That payments heretofore made which now stand disallowed or would hereafter be disallowed but for this act are hereby ratified and validated as to the disbursing officers making the same, in such amounts as the Secretary of War may determine have been actually expended in the administration, supply, maintenance, and training of the National Guard, and the determination of the Secretary of War shall be final and conclusive; and the Comptroller General of the United States is hereby directed to allow credit in the accounts of said disbursing officers for and on account of such payments in said amounts."

SEC. 2. That section 92 of the National Defense Act of June 3, 1916, as amended, be, and the same is hereby, repealed and reenacted to read as follows:

"SEC. 92. Training of the National Guard: Under such regulations as the Secretary of War shall prescribe, each company, troop, battery, and detachment in the National Guard shall assemble for drill and instruction, including indoor target practice, not less than 48 times each year, and shall, in addition thereto, participate in encampments, maneuvers, or other exercises, including outdoor target practice, at least 15 days in training each year, including target practice, unless such company, troop, battery, or detachment shall have been excused from participation in any part thereof by the Secretary of War: *Provided,* That an assembly for drill and instruction may consist of a single duly ordered formation of a company, troop, battery, or detachment, or, when so authorized by the Secretary of War, a series of duly ordered formations of subdivisions or parts thereof, but in the latter case the series of formations of subdivisions or groups must comprehend and include the entire organization, and must be included within the time limit of 7 consecutive days within a calendar month. The sum total of the attendance at all the separate consecutive formations announced as constituting that assembly shall be counted as the attendance at the actual military assembly for the required period of time; but no officer, warrant officer, or enlisted man shall be counted more than once, nor receive credit for more than one required period of actual military attendance even though he may have attended more than one of the formations which constitute the assembly for the required period of time: *Provided further,* That credit for an assembly for drill or for indoor target practice shall not be given unless the number of officers and enlisted men present for duty at such assembly shall equal or exceed a minimum to be prescribed by the President, nor unless the period of actual military duty and instruction participated in by each officer and enlisted man at each assembly at which he shall be credited as having been present shall be of at least 1½ hours' duration and the character of training such as may be prescribed by the Secretary of War: *Provided further,* That any flight ordered by competent authority and performed by an appropriately rated Air Corps officer or enlisted man of the National Guard assigned to an Air Corps unit thereof, or so performed by an officer or enlisted man of the Medical Department of the said National Guard regularly attached to an Air Corps unit of the National Guard by appropriate authority, may be credited for the same purpose and to the same extent as attendance at drill: *Provided further,* That in performing the flight so ordered the officer or enlisted man is prevented, by the making of such flight, from attending a regularly scheduled drill formation of his unit or the unit with which the said officer or enlisted man is required to drill."

SEC. 3. That section 109 of the National Defense Act of June 3, 1916, as amended, be, and the same is hereby, repealed and reenacted to read as follows:

"SEC. 109. Pay for the National Guard officers: Under such regulations as the Secretary of War may prescribe, officers and warrant officers of the National Guard, except general officers, shall receive compensation at the rate of one-thirtieth of the monthly base pay prescribed for them in sections 3 and 9 of the Pay Readjustment Act of June 10, 1922, for each regular drill, period of appropriate duty, or other equivalent period of training, authorized by the Secretary of War, not exceeding eight in any one calendar month and not exceeding 60 in any one fiscal year, at which they shall have been engaged for the entire period of not less than 1½ hours: *Provided,* That such pay shall be in addition to compensation for attendance at field- or coast-defense instruction or maneuvers, and that nothing in this act shall operate to reduce the present pay of majors and lieutenant colonels. General officers shall receive $500 a year in addition to compensation for attendance at field- or coast-defense instruction or maneuvers, for satisfactory performance of their appropriate duties. In addition to pay hereinbefore provided officers commanding organizations less than a brigade and having administrative functions connected therewith shall, whether or not such officers belong to such organizations, receive not more than $240 a year for the faithful performance of such administrative functions under such regulations as the Secretary of War may prescribe; and for the purpose of determining how much shall be paid to such officers so performing such functions, the Secretary of War may, from time to time, divide them into classes and fix the amount payable to the officers in each class. Pay under the provisions of this section shall not accrue to any officer during a period when he shall be entitled under any provision of law to the full rate of his base pay prescribed in section 3 or section 9, as the case may be, of the Pay Readjustment Act of June 10, 1922: *Provided further,* That section 9 of the act entitled 'An act amending the act entitled "An act to authorize the President to increase temporarily the Military Establishment of the United States," approved May 18, 1917,' approved August 31, 1918, shall also apply to the purchase of uniforms, accouterments, and equipment for cash by officers of the active and inactive National Guard, whether in State or Federal service, on proper identification and under such rules and regulations as the Secretary of War may prescribe."

SEC. 4. That section 3618, Revised Statutes, as amended, be, and the same is hereby, amended by adding the following additional language: "That, under such regulations as the Secretary of War may prescribe, the commanding officers of mounted units of the National Guard may sell all stable refuse and empty grain sacks and containers at public or private sale and apply the proceeds derived therefrom to the purchase of feed, supplementing the regular allowance and issue for the animals of the said units, and for the purchase of stable equipment, and horseshoers', saddlers', blacksmiths', and wagoners' tools not an article of issue to such organizations."

SEC. 5. That the act of July 15, 1939 (53 Stat. 1042), be, and the same is hereby, repealed and reenacted to read as follows:

"That neither of the provisions of the act of June 15, 1936 (49 Stat. 1507), nor any other law of the United States shall be construed as limiting the power and authority of the Secretary of War, under such regulations as he may prescribe, to require the hospitalization, medical, and surgical treatment and domiciliary care so long as any or all are necessary of persons in the active military service or on active duty, or in training, under the provisions of sections 92, 94, 97, 99, and 113 of the National Defense Act of June 3, 1916, as amended, and to incur obligations with respect thereto, without reference to their line-of-duty status: *Provided,* That this act shall not include those individuals who are on an armory-drill status except officers, warrant officers, and enlisted men of the National Guard who suffer personal injury (as distinguished from disease) when participating in aerial flights prescribed under the provisions of section 92: *And provided further,* That this act shall not apply to officers and enlisted men who are treated in private hospitals or by civilian physicians while on furloughs or leaves of absence in excess of 24 hours."

Mr. KING. I should like an explanation of the bill.

Mr. SHEPPARD. Mr. President, this bill contains a number of provisions requested by the National Guard Association of the United States. It relates to a number of administrative items connected with the work of the National Guard. It amends certain sections of the National Defense Act of June 3, 1916, relating to the National Guard.

A résumé of the changes in the National Defense Act contained in this measure is as follows:

First. It removes the limits on the number of caretakers authorized to be employed by any one organization of the National Guard.

Second. It provides for employment of caretakers from among officers and enlisted men of the National Guard as well as civilians.

Third. It makes funds appropriated for the support of the National Guard available for hire of clerks and caretakers.

Fourth. It authorizes the Secretary of War to fix salaries of clerks and caretakers.

Fifth. It authorizes the Secretary of War to designate by whom such clerks and caretakers shall be employed.

Sixth. It authorizes any air flights ordered by competent authority and performed by an appropriately rated Air Corps officer or enlisted man of the National Guard to be credited for the same purpose and to the same extent as attendance at armory drill.

Seventh. It directs that pay authorized for officers of the National Guard not belonging to organizations heretofore computed on a time basis shall be authorized and computed on a drill unit basis or other period of appropriate duty or equivalent period of training.

Eighth. It adds a section to 3618 Revised Statute, authorizing the sale of stable refuse and empty grain sacks and con-

tainers at public or private sale and to apply the proceeds to the purchase of feed, stable equipment, and so forth.

Ninth. It repeals and reenacts in new language the act of July 15, 1939, authorizing hospitalization and medical care of members of the National Guard. The new language authorizes surgical treatment and domiciliary care so long as necessary of persons who suffer injury or contract disease in the active military service or on active duty or in training. It also adds a proviso that the act so include those individuals who are on an armory drill status, except officers, warrant officers, and enlisted men of the National Guard who suffer personal injury as distinguished from disease when participating in aerial flights.

Representatives of the National Guard of the several States appeared before the Senate Military Affairs Committee in behalf of this measure and submitted logical reasons why this measure should be enacted into law. The War Department has stated that it offers no objection to the measure as it now stands and also stated that the additional direct charge upon appropriations in the fiscal year 1941 which would result from the enactment of this proposed legislation would be approximately $242,000.

The PRESIDING OFFICER. The question is on agreeing to the amendment reported by the committee.

The amendment was agreed to.

The amendment was ordered to be engrossed, and the bill to be read a third time.

The bill was read the third time, and passed.

STRAWBERRY WATER USERS' ASSOCIATION, PAYSON, UTAH

The bill (S. 4011) to authorize the Secretary of the Interior to accept payment of an annual equitable overhead charge in connection with the repayment contract between the United States and the Strawberry Water Users' Association, of Payson, Utah, in full satisfaction of delinquent billings upon the basis of an annual fixed overhead charge, and for other purposes, was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That in connection with any amendment heretofore or hereafter made to the repayment contract between the Strawberry Water Users' Association, of Payson, Utah, and the United States, dated September 28, 1926, as amended, to pay construction charges under the provisions of the Federal reclamation laws providing for payment annually of an amount as is determined by the Secretary each year to be sufficient to cover the Strawberry Valley project's equitable portion of the expense of the Chief Engineer's office, the field legal office, and the other detached offices of the Bureau of Reclamation, the Secretary of the Interior is authorized, subsequent to the effective date of such an amendment, to accept in full satisfaction for all flat overhead charges owing or allocable to the period up to the effective date of the amendment under the contract provisions in effect prior to such amendment a sum determined at the rate of $400 for each year.

MAMMOTH CAVE NATIONAL PARK, KY.

The Senate proceeded to consider the bill (S. 4045) to authorize the acceptance of donations of property for the Mammoth Cave National Park, in the State of Kentucky, and for other purposes, which was read, as follows:

Be it enacted, etc., That, for the purpose of developing a proper and suitable entrance road to the Mammoth Cave National Park, the Secretary of the Interior is hereby authorized, in his discretion, to accept in behalf of the United States donations of lands, buildings, structures, and other property, or interests therein, within an area or areas to be determined by him (a) not to exceed 1 mile in width, extending from the exterior boundary of the Mammoth Cave National Park, to a point to be selected by him on United States Highway No. 31W; and (b) not to exceed one-half mile in width on either side of United States Highway No. 31W and running for a distance of not to exceed 2 miles along said highway: *Provided,* That lands acquired for purposes of protecting such entrance roads shall not be less than 500 feet in width on either side of said roads; the title to such property or interests therein to be satisfactory to the Secretary of the Interior.

All such property or interests therein shall become a part of the Mammoth Cave National Park upon its acceptance by the United States Government and shall be subject to all laws and regulations applicable thereto.

Mr. BARKLEY. Mr. President, I offer an amendment which I send to the desk and ask to have stated.

The PRESIDING OFFICER. The amendment will be stated.

The CHIEF CLERK. On page 1, line 7, after the word "therein", it is proposed to insert "to acquire such property with donated funds by purchase, condemnation, or otherwise."

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

CONCONULLY CEMETERY ASSOCIATION

The bill (H. R. 8316) authorizing the Secretary of the Interior to sell certain land to the Conconully Cemetery Association was considered, ordered to a third reading, read the third time, and passed.

PLACER-MINING CLAIMS FOR DEPOSITS OF PHOSPHATE, ETC.

The bill (H. R. 6560) relating to placer-mining claims for deposits of phosphate sodium, potassium, oil, oil shale, or gas on the public domain was announced as next in order.

Mr. O'MAHONEY. Mr. President, I understand that a Senator who is not now on the floor desires to offer an amendment to this bill.

The PRESIDING OFFICER. The bill will go over without prejudice.

Mr. O'MAHONEY. I wonder if we may have it agreed that the bill may be called up later in the consideration of the calendar.

The PRESIDING OFFICER. Some Senator would have to make that request; but the bill may be passed over without prejudice.

Mr. O'MAHONEY. I do not want to block consideration of the measure, but I desire to see that the opportunity to present an amendment to it is preserved.

The PRESIDING OFFICER. It may always be done by unanimous consent.

Mr. O'MAHONEY. I now ask unanimous consent that the bill may be called again before the call of the calendar is concluded.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

REPORT OF SPECIAL COMMITTEE TO INVESTIGATE WOOL, ETC.—EXTENSION OF TIME FOR OPERATION OF COMMITTEE

The resolution (S. Res. 276) to investigate the production, transportation, and marketing of wool was considered and agreed to, as follows:

Resolved, That Senate Resolution 160, Seventy-fourth Congress, first session, agreed to July 10, 1935, authorizing a special committee to investigate the production, transportation, and marketing of wool, as extended, is hereby further extended and continued in full force and effect during the Seventy-seventh Congress; and the said committee may report to the Senate at any time prior to the expiration of the Seventy-seventh Congress.

ACQUISITION OF CERTAIN PROPERTY FOR PUBLIC USE IN THE DISTRICT

The Senate proceeded to consider the bill (S. 1825) to provide for the acquisition of certain property for public use in the District of Columbia, which had been reported from the Committee on Public Buildings and Grounds, with amendments, on page 1, line 10, after "175/56", to strike out "and to adjust, compromise, or settle any claims for loss or damages sustained by the owners of said property by reason of the acquisition thereof, or the loss of any right, license, or franchise connected therewith" and insert "at a cost not to exceed $500,000"; and on page 2, line 13, after the word "such", to strike out "sums" and insert "sums, not in excess of $500,000", so as to make the bill read:

Be it enacted, etc., That the Secretary of the Interior is authorized and directed to acquire on behalf of the United States for public use at a reasonable price, from Federal funds, through purchase, condemnation, or otherwise, the following-described property, together with all improvements thereon, located in the District of Columbia, which appears on the assessors' records for the District of Columbia as parcels 168/50, 168/32, 175/30, 175/41, 175/116, 175/73, and 175/56 at a cost not to exceed $500,000: *Provided, however,* That, if at any time an appropriate use for this property or any portions thereof shall be found for District of Columbia purposes, such property may be transferred to the government of the District of Columbia and the Federal Government reimbursed from District appropriations.

SEC. 2. There is hereby authorized to be appropriated, out of any money in the Treasury not otherwise appropriated, such sums,

not in excess of $500,000, as may be necessary to carry out the purposes of this act.

The amendments were agreed to.

Mr. KING. Mr. President, may I inquire as to the purpose of this large appropriation?

Mr. MEAD. Mr. President, under the language of the bill I do not believe a large appropriation will be necessary, because in the amendments adopted by the committee all claims for damages and losses have been removed; so the bill merely resolves itself into a measure for the acquirement of 17 acres of property by the District of Columbia.

The reason for this acquirement of property dates back to 1933, when there was operated on this site a slaughterhouse or abattoir, and the operation of that activity was ordered suspended by the Bureau of Animal Industry of the Department of Agriculture. They required certain alterations, which took considerable time. They approved the plans for the alterations; and in the meantime a fire wiped out a large portion of the slaughterhouse. By the time the plans were ready and approved by the Department, the Congress intervened with legislation preventing certain industries from being operated in the District of Columbia.

Therefore, at great loss to this company, the Union Stock Yards Co., and the Adolph Gobel Co., this property was rendered useless. The law enacted by the Congress after the Department had approved the plans prevented the construction of the improved buildings, and prevented the operation of this industry in the District of Columbia.

All the owners are now asking is that the Department of the Interior, the land-purchasing department of the Federal Government, buy the site for the valuation of the site, and utilize it for Government purposes. The owners cannot operate their plant. They are forbidden by a new law from utilizing their property, and they are asking the agency which outlawed them to take over their property.

Mr. KING. Mr. President, I find that the Interior Department has made an adverse recommendation on the bill. I read the language of the Acting Secretary of the Interior:

I have been advised by the Bureau of the Budget that the proposed legislation would not be in accord with the program of the President.

Mr. MEAD. That was because originally there was in the bill, to be considered in connection with the purchase of the property, a clause relative to claims resulting from action on the part of Government agencies. Our committee struck it out; so that all that remains—which, in the judgment of the committee and of the sponsor of the bill, meets with the approval of the agencies of the Government—is the acquirement of the site, without any reference to losses or claims growing out of the prevention of the operation of this industry by the laws of the Congress.

Mr. GILLETTE. Mr. President, will the Senator yield?

Mr. MEAD. Yes; I shall be glad to yield.

Mr. GILLETTE. The Senator has just said that the only thing remaining is to take over the site at its valuation. Who made the valuation, and what is the valuation?

Mr. MEAD. The valuation, it is assumed, has been established by the Board of Assessors of the District of Columbia.

Mr. GILLETTE. For the purpose of taxation?

Mr. MEAD. For the purpose of taxation; yes.

It was originally claimed that these persons had a valid claim for damages because their property has been idle for a number of years. They have been paying taxes, and the Federal Government has prevented them from making any gain in the conduct of their business. It was assumed, however, that that would result in an exorbitant price; so the committee struck out all costs except the purchase of the property, based upon the formula and the standards of acquirement of property which have been in vogue in the District of Columbia for years. So it is now proposed that we buy 17 acres at a fair and reasonable price, in accordance with the standards established in the purchase of property by the District of Columbia.

Mr. GILLETTE. Is that price the price at which the property was carried on the assessment rolls?

Mr. MEAD. That matter was discussed by the committee, and it was developed that that would be a fair and reasonable price; but in the District of Columbia there is a yardstick which I cannot explain in detail but which takes into consideration the assessed valuation of the property. In other words, the original bill would give the owners the price of the property plus all the losses they have sustained. The amended bill will merely purchase the property in accordance with the yardstick for the acquirement of property which has been in vogue in the District of Columbia for years.

The PRESIDING OFFICER. The time of the Senator from New York has expired. Is there objection to the present consideration of the bill?

Mr. KING. I object.

The PRESIDING OFFICER. The bill will be passed over under objection.

Mr. KING. I should like to make a few observations, but the bill has gone over.

CLARIFICATION OF SECTION 3709, REVISED STATUTES

The Senate proceeded to consider the bill (S. 3974) to clarify section 3709 (U. S. C., 1934 ed., title 41, sec. 5), which was read, as follows:

Be it enacted, etc., That section 3709, Revised Statutes (U. S. C., 1934 ed., title 41, sec. 5), shall not hereafter be construed as requiring advertising for bids in connection with the procurement of transportation services when the services required can be procured from any common carrier lawfully operating in the territory where such services are to be performed.

Mr. KING. Mr. President, I intended to make a few observations in respect to the bill which has just been passed over.

Permit me to say that this Gobel property, and the controversy connected with it, came before the District Committee, of which I am chairman, a number of years ago. When it was held that the slaughterhouse was a nuisance, and the owner was interdicted—I do not think by law or by regulation—from utilizing it because of its offensive character, he contended that the Government ought to take it over. The District Commissioners, so far as I am advised, did not approve of it, and I know the committee did not; and apparently this bill went to another committee. Because of that controversy and because it has not since then been before the District Committee, of which I am chairman, I felt constrained to have the bill go over, so that I may consult with the District Commissioners and ascertain their views with regard to the matter.

The PRESIDING OFFICER. The question is on the engrossment and third reading of the pending bill, Senate bill 3974.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

Mr. DANAHER. Mr. President, I ask unanimous consent that the committee's report in support of this measure be printed in the RECORD at this point.

The PRESIDING OFFICER. Without objection, it is so ordered.

The report (No. 1795) is as follows:

A majority of the Committee on Expenditures in the Executive Departments, to whom was referred the bill (S. 3974) to clarify section 3709 (U. S. C., 1934 ed., title 41, sec. 5), so that it shall not hereafter be construed as requiring advertising for bids in connection with the procurement of transportation services when the services required can be procured from any common carrier lawfully operating in the territory where such services are to be performed, having considered the same, report favorably thereon without amendment and recommend that the bill do pass.

This bill is the result of the recommendation of the Household Goods Carriers' Bureau together with all other motor carriers for hire as represented by American trucking associations interested in correcting an inadvertent defeat of a provision originally included in S. 2009.

The proposal contained in S. 3974 was submitted to the Interstate Commerce Committee of both the Senate and the House at public hearings and was adopted by the conference committee on S. 2009 because of the fact that the record of public hearings failed to disclose any opposition to the adoption of this proposal. If it had been introduced as a separate bill instead of being included in S. 2009, this measure probably would have been enacted.

Prior to the enactment of the Federal Motor Carrier Act, 1935 (pt. II of the Interstate Commerce Act), motor carriers were without the status of declared common carriers and were recognized by the Federal Government only as carriers for hire and in arrangement for transportation were dealt with in the same manner as any other firm or individual providing supplies of services as provided under United States Statutes 3709 through the employment of what is known as the invitation, bid, and acceptance or short-form contract. The Motor Carrier Act was enacted in 1935 and pending developments of regulation, many motor common carriers continued to handle Government traffic under the competitive-bid method. This practice is particularly prevalent today in the transportation of household goods, office furniture equipment, and similar commodities if moved for the Government as well as in the movement of general freight. The practice has resulted in widespread demoralization of the published and filed rates of all motortruck common carriers, and this condition can be shown clearly to have the same effect on established railroad rates. Under date of June 1, 1938, the Branch of Supply Department, Procurement Division, recognizing the existing conditions issued its Circular Letter No. 309 which set forth sound principles and correction of the evil. But because of the apparent conflict with the United States Statutes 3709, as raised by the General Accounting Office, the circular letter was withdrawn on July 11, 1938, and the industry again was plunged into an even greater degree of chaos.

An appeal to the Comptroller General was made and on October 10, 1939, he suggested that "what the common carriers by motor vehicles apparently desire could be most easily accomplished by the enactment * * * of a provision substantially as follows: 'That section 3709, Revised Statutes (U. S. C., title 41, sec. 5), shall not hereafter be regarded or construed as requiring advertising for bids in connection with the procurement of transportation services when the services required can be procured from any common carrier subject to the provisions of the Interstate Commerce Act, as amended.'"

S. 3974 is approved by the traffic section, Branch of Supplies, Procurement Division, Treasury Department. (This Department under Presidential order is recognized as the traffic agency for the United States Government.)

Relief as will be obtained by the various Government departments under this measure will be most welcome in permitting such departments to select transportation service at predetermined rates as are on file with the Interstate Commerce Commission. (Government departments would likewise retain the right to exercise bid procedure if they would so elect.)

The for-hire motor-carrier industry as represented by some 30,000 operators would be placed on an equal footing with all other transportation agencies through recognition of their common-carrier status and properly filed tariffs, and being in position to handle Government traffic on rates as recognized by the Interstate Commerce Commission, such carriers could insure meeting all demands for expansion of service for national defense.

S. 3974, therefore, carries out the suggestion of the Comptroller General and the recommendation of the Household Goods Carriers' Bureau and the American Trucking Associations.

GEORGE A. CARDEN AND ANDERSON T. HERD

The bill (S. 2842) to provide for an appeal to the Supreme Court of the United States from the decision of the Court of Claims in a suit instituted by George A. Carden and Anderson T. Herd was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That George A. Carden and Anderson T. Herd, or their legal representatives, may, at any time within 6 months after the date of the enactment of this act, appeal as of right to the Supreme Court of the United States from the judgment of the Court of Claims of the United States in the suit No. 42711 heretofore instituted in the Court of Claims by George A. Carden and Anderson T. Herd, and jurisdiction is hereby conferred upon the Supreme Court to consider on such appeal all questions of law and fact, including the fair market value of the property involved. Any judgment rendered in favor of the claimants shall be paid in the same manner as other judgments of said Court of Claims are paid.

LEAVE TO EMPLOYEES TO VOTE

The bill (S. 820) providing for the granting of leave to certain employees of the United States to enable them to vote at elections was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That any officer or employee of the United States (including officers and employees of corporations wholly owned or wholly controlled by the United States) who is employed outside of the District of Columbia shall be entitled to leave with pay, from the duties of his office or employment to be used for the purpose of enabling him to vote at any election or primary election, for the same number of hours as may be granted to employees of the State in which he is employed for the purpose of enabling such State employees to vote at such election or primary election. The officer or employee granting such leave may require that it be taken during such hours as he may determine with a view to causing the least interruption to the conduct of the public business.

VERNON ATKISON

The bill (H. R. 5592) for the relief of Vernon Atkison was considered, ordered to a third reading, read the third time, and passed.

UNITED STATES COURT OF CUSTOMS APPEALS

The Senate proceeded to consider the bill (S. 3990) to transfer the essential language of section 518, title IV, of the Tariff Act of 1930, approved June 17, 1930, into the Judicial Code of the United States and to provide for its reenactment as part of said Judicial Code, to take effect from the date of its passage, including the allowance to the judges of the United States Customs Court, Government counsel, and stenographic clerks as set forth therein for traveling expenses incurred for maintenance while absent from New York on official business and to repeal all acts inconsistent therewith to the extent of such inconsistency, and for other purposes, which was read, as follows:

Be it enacted, etc., That a new section be, and the same is hereby, added to the Judicial Code of the United States relating to the United States Customs Court, to be known as section 187 (a), to follow immediately after section 187, to read in the exact language of section 518, title IV, of the Tariff Act of 1930, as follows:

"SEC. 187. (a) United States Customs Court.

"The United States Customs Court shall continue as now constituted, except that the chief justice and the associate justices of such court now in office and their successors shall hereafter be known as the judges of such court. All vacancies in such court shall be filled by appointment by the President, by and with the advice and consent of the Senate Not more than five of the judges of such court shall be appointed from the same political party and each of such judges shall receive a salary of $10,000 a year. They shall not engage in any other business, vocation, or employment, and shall hold their office during good behavior. The offices of such court shall be at the port of New York. The court and each judge thereof shall have and possess all the powers of a district court of the United States for preserving order, compelling the attendance of witnesses and the production of evidence, and in punishing for contempt. The court shall have power to establish from time to time such rules of evidence, practice, and procedure, not inconsistent with law, as may be deemed necessary for the conduct of its proceedings, in securing uniformity in its decisions and in the proceedings and decisions of the judges thereof, and for the production, care, and custody of samples and of the records of such court. Under such rules as the United States Customs Court may prescribe, and in its discretion, the court may permit the amendment of a protest, appeal, or application for review. One of the judges of such court, designated for that purpose by the President of the United States, shall act as presiding judge, and in his absence the judge then present who is senior as to the date of his commission shall act as presiding judge; and until any such designation is made the chief justice of the United States Customs Court now in office shall act as presiding judge. The presiding judge, or the acting presiding judge in his absence, shall have control of the fiscal affairs and of the clerical force of the court, making all recommendations for appointment, promotions, or otherwise affecting such clerical force; he may at any time before trial, under the rules of the court, assign or reassign any case for hearing or determination, or both, and shall designate a judge or division of three judges and such clerical assistants as may be necessary to proceed to any port within the jurisdiction of the United States for the purpose of hearing or of hearing and determining cases assigned for hearing at such port, and shall cause to be prepared and promulgated dockets therefor. Judges of the court, stenographic clerks, and Government counsel shall each be allowed and paid his necessary expenses of travel and his reasonable expenses, not to exceed $10 per day in the case of the judges of the court and Government counsel, and $8 per day in the case of stenographic clerks, actually incurred for maintenance while absent from New York on official business. The judges of said court shall be divided into three divisions of three judges each for the purpose of hearing and deciding appeals for the review of reappraisements of merchandise, and of hearing and deciding protests against decisions of collectors. A division of three judges or a single judge shall have power to order an analysis of imported merchandise and reports thereon by laboratories or bureaus of the United States. The presiding judge shall assign three judges to each of said divisions and shall designate one of such three judges to preside. The presiding judge of the court shall be competent to sit as a judge of any division or to assign one or two other judges to any of such divisions in the absence or disability of any one or two judges of such division. A majority of the judges of any division shall have full power to hear and decide all cases and questions arising therein or assigned thereto. A division of the court deciding a case or a single judge deciding an appeal for a reappraisement may, upon the motion of either party made within 30 days next after such decision, grant a rehearing or retrial of such case when in the opinion of such division or single judge the ends of justice so require.

"The judges of the United States Customs Court are hereby exempted from so much of section 1790 of the Revised Statutes as relates to their salaries.

"When any judge of the United States Customs Court resigns his office after having held a commission as judge or justice of such court or member of the board of general appraisers at least 10 years continuously, or otherwise, and having attained the age of 70 years, he shall, during the residue of his natural life, receive the salary which is payable to a judge of such court at the time of his resignation. Any such judge, who is qualified to resign under the foregoing provisions, may retire, upon the salary of which he is then in receipt, from regular active service as a judge of such court, and upon such retirement the President may appoint a successor; but such retired judge may, with his consent, be assigned by the presiding judge of such court to serve upon such court, and while so serving shall have all the powers of a judge of such court."

SEC. 2. That all acts or parts of acts inconsistent with the provision of this act be, and the same are hereby, repealed to the extent of such inconsistency.

SEC. 3. That this act, including the provision for payment of the expenses of the judges of the Customs Court, Government attorneys, and stenographic clerks incurred while absent from New York on official business, shall take effect from the date of its passage.

Mr. KING. Mr. President, I should like to have an explanation of the bill.

Mr. TYDINGS. Mr. President, there is nothing in the bill at all except provision for a transfer of the operations of the United States Customs Court to the judiciary law rather than have it in the tariff law. Inadvertently, when the tariff act was passed certain compensations were provided for in the act which should probably have been in the Judiciary Code, as the United States Customs Court functions under the Department of Justice. The bill provides only for compensation to the judges when traveling about the country, which other judges have when engaged in similar work. That is all there is to the bill.

The PRESIDING OFFICER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

ASHLAND DISTRICT COUNCIL, BOY SCOUTS OF AMERICA

The bill (S. 4090) to authorize the Attorney General to donate on behalf of the United States to H. S. Scott, D. W. Collins, Fred M. Gross, trustees, Ashland District Council, Boy Scouts of America, the log house known as the John Secrest home, located on the site of the Federal Correctional Institution near Ashland, Ky., was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the Attorney General be, and he is hereby, authorized to donate on behalf of the United States to H. S. Scott, D. W. Collins, Fred M. Gross, trustees, Ashland District Council, Boy Scouts of America, that certain log house known as the Secrest house, located on the land comprising the site of the Federal Correctional Institution near Ashland, Ky., and formerly occupied by John Secrest, a pioneer in the Boy Scout movement and one of the first scoutmasters in that portion of Kentucky. The house having no value to the Government for institutional purposes, and the ground upon which it stands being needed for other buildings, it shall be removed within such reasonable time as the Attorney General shall fix, and at no expense to the Government.

THEFT OF MONEY FROM BANKS

The bill (H. R. 8399) to prohibit the receipt, possession, or disposition of money or property feloniously taken from a bank organized or operating under the laws of the United States or any member of the Federal Reserve System was considered, ordered to a third reading, read the third time, and passed.

OPERATION OF STATUTES OF LIMITATIONS

The Senate proceeded to consider the bill (H. R. 4828) to amend the law limiting the operation of statutes of limitations in certain cases, which had been reported from the Committee on the Judiciary with amendments, on page 1, line 11, after the word "succeeding", to insert the word "regular", and on the same line, after the word "court", to strike out the words "regular or special", so as to make the bill read:

Be it enacted, etc., That section 1 of the act entitled "An act to limit the operation of statutes of limitations in certain cases," approved May 10, 1934 (48 Stat. 772; U. S. C., title 18, sec. 587), be, and it is hereby, amended to read as follows:

"That whenever an indictment is found defective or insufficient for any cause, after the period prescribed by the applicable statute of limitations has expired, a new indictment may be returned not later than the end of the next succeeding regular term of such court, following the term at which such indictment was found defective or insufficient, during which a grand jury thereof shall be in session."

The amendments were agreed to.

The amendments were ordered to be engrossed, and the bill to be read a third time.

The bill was read the third time, and passed.

WADE CRAWFORD

The Senate proceeded to consider the bill (S. 2758) for the relief of Wade Crawford, formerly superintendent of the Klamath Indian Agency, which had been reported from the Committee on Indian Affairs with amendments, on page 1, line 4, after the word "credit", to strike out the words "in the accounts of" and to insert the word "to;" on line 5, after the name "Crawford", to strike out the word "as" and insert a comma and the word "former"; on line 7, after the name "Oregon", to insert "and in the accounts of G. F. Allen, Chief Disbursing Officer;" and on line 9, after the word "voucher", to strike out "386, November 1934; voucher 442, December 1934; voucher 496, January 1935; voucher 496, March 1935; and voucher 721, May 1935, to Vochatzer Brothers, Klamath Falls, Oreg., under contract I–52–Ind–ECF–27, dated September 13, 1934, for drilling and casing wells at the agency" and to insert "20–19776, April 1936; and voucher 20–43306, April 1937," and after line 5, to insert the following new section:

SEC. 2. The Secretary of the Treasury is hereby authorized and directed to refund to Wade Crawford the sum of $354.68, said refund to be made from the appropriations credited with such sum as a result of the application of moneys held to the credit of said Wade Crawford in the retirement fund to satisfy disallowances made by the General Accounting Office.

So as to make the bill read:

Be it enacted, etc., That the Comptroller General of the United States be, and is hereby, authorized and directed to allow credit to Wade Crawford, former Superintendent and Special Disbursing Agent for the Klamath Indian Agency, Klamath Agency, Oreg., and in the accounts of G. F. Allen, Chief Disbursing Officer, for payments made on voucher 20–19776, April 1936; and voucher 20–43306, April 1937.

SEC. 2. The Secretary of the Treasury is hereby authorized and directed to refund to Wade Crawford the sum of $354.68, said refund to be made from the appropriations credited with such sum as a result of the application of moneys held to the credit of said Wade Crawford in the retirement fund to satisfy disallowances made by the General Accounting Office.

The amendments were agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

EXCHANGE OF LANDS IN NAVAJO INDIAN RESERVATION, ARIZ.

The bill (S. 3972) to authorize exchanges of lands within the Navajo Indian Reservation, Ariz., was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the Secretary of the Interior be, and he is hereby, authorized, in his discretion, to exchange tribal lands within the Navajo Indian Reservation in Arizona for privately owned mineral lands of approximately equal value within the boundary of such reservation. Upon conveyance to the United States in trust for the Navajo Indians of the lands being acquired by the United States, the Secretary of the Interior is authorized to issue a patent in fee covering the lands granted in exchange: *Provided*, That the sufficiency of title to all such lands acquired by the United States shall be approved by the Secretary of the Interior.

ACQUISITION OF DATA BY RAILROAD RETIREMENT BOARD

The Senate proceeded to consider the joint resolution (S. J. Res. 267) providing for the acquisition by the Railroad Retirement Board of data needed in carrying out the provisions of the Railroad Retirement Acts, which was read as follows:

Resolved, etc., That each employer subject to the Railroad Retirement Act of 1937, and each other company, association, or person (hereinafter referred to as the "other company") who is in possession of such data as are hereinafter described, shall immediately begin collecting and shall furnish currently as completed and not later than June 30, 1943, shall have completed furnishing to the Railroad Retirement Board (hereinafter called "the Board") in such form as the Board may prescribe, certified reports of all data with respect to service and compensation prior to January 1, 1937, corresponding in substance with that which has heretofore been required by the Board for the adjudication of claims for annuities under the Railroad Retirement Act of 1937 and the Railroad

Retirement Act of 1935 and which can be obtained from records in the possession of such employer or other company.

SEC. 2. The Board is hereby authorized and directed to establish a uniform reasonable rate of payment to which employers or other companies are entitled for the furnishing of the reports required by section 1 of this joint resolution to be furnished, which rate shall not result in payment to any employer or other company of any amount in excess of 50 cents multiplied by the aggregate number of man-years of service established and verified by such employer or other company and reported to the Board in accordance with section 1 of this joint resolution. The Board shall, from time to time, determine, and certify on proper voucher to the Secretary of the Treasury, the amount of payment due to each employer or other company pursuant to this section: *Provided, however,* That no payment shall be certified or made with respect to any item in such reports as concerns the record of employees 65 years of age or over who have filed application for annuity, or with respect to any report not furnished on or before June 30, 1943. Upon such certification, the Secretary of the Treasury shall pay such amount to such employer or other company from the special fund hereinafter established. Whenever any employer or other company furnishes through any other employer or other company any report required by the first section of this joint resolution to be furnished, the Board may certify the payment to be made to the employer or other company through whom such report is furnished, and payment in accordance with such certification shall discharge all obligations arising hereunder with respect to such report.

SEC. 3. If any employer or other company fails to exercise due care and diligence in carrying out its duties under this joint resolution, the Board, by its employees, may transcribe the necessary data from records in the possession of such employer or other company, which records shall be made available as the Board may require, and no payment shall be due to any employer or other company for or on account of any records transcribed by employees of the Board.

SEC. 4. Reports, records, and data acquired by the Board pursuant to this joint resolution shall be so assembled and processed by the Board as to provide as nearly as practicable a complete record, by individuals, of all service and compensation prior to January 1, 1937, creditable under the Railroad Retirement Act of 1937 or the Railroad Retirement Act of 1935. The Board shall take steps reasonably calculated to give notice of such record to each individual with respect to whom such record is established. Direct communication, transmission to employers for delivery, public advertisement, or such other means as the Board may determine, shall constitute due notice to all such individuals: *Provided, however,* That, unless the Board's records show that actual notice was received through other means by an individual for whom the Board has an address on file and such notice is evidenced by a receipt signed by such individual, notice to such individual shall include the mailing of notice to the last address on file with the Board. Whenever the Board shall determine that reasonable notice has been given it shall so find and shall enter such finding upon its records. Such finding may be made with respect to all individuals or, from time to time, with respect to described classes of individuals. Any record established as hereinabove provided, which is not contested within 2 years after the finding of reasonable notice hereinabove provided for has been entered upon the records of the Board, shall be presumed to include all service rendered and compensation earned prior to January 1, 1937, by the individual to whom such record relates, and, unless shown by new and manifestly convincing evidence to be clearly erroneous, shall be conclusive: *Provided, however,* That such record shall in no wise restrict the authority of the Board to determine, upon the filing of an application for an annuity, that some or all of the service or compensation so recorded is not service or compensation as said terms are defined in the Railroad Retirement Acts or that under the provisions of the applicable Railroad Retirement Act some or all of the service or compensation so recorded is not to be used in the computation of an annuity. The Board may also take steps, through publication or otherwise, reasonably calculated to give notice of the carrying out of this joint resolution,, to individuals with respect to whom no record of service or compensation is established. Whenever the Board shall determine that such steps have been taken it shall so find and shall enter such findings upon its records. With respect to each individual who does not, within 2 years after such finding has been entered upon the records of the Board, request the establishment of a record of his service and compensation, the fact that no such record is established shall be presumed to show that such individual, prior to January 1, 1937, rendered no service and earned no compensation as said terms are defined in the applicable Railroad Retirement Act, and such presumption shall be rebuttable only by new and manifestly convincing evidence showing it to be clearly erroneous.

SEC. 5. The Board is hereby authorized to promulgate such orders, rules, and regulations as in its judgment are necessary or proper to carry out the purposes of this joint resolution. All powers and remedies, including legal processes, available to the Board under the Railroad Retirement Act of 1937 for the administration of said act shall be similarly available to the Board for the carrying out of this joint resolution.

SEC. 6. In order to carry out the purposes of this joint resolution, there shall be set aside on July 1, 1940, in a special fund, $9,000,000 of the amount appropriated to the railroad retirement account by the Railroad Retirement Board Appropriation Act, 1941, such fund to remain available until June 30, 1943, for expenditure in accordance with the provisions of section 2 of this joint resolution. Any unobligated balance on June 30, 1943, in the special fund hereby established shall revert to the railroad retirement account.

SEC. 7. No provision of this joint resolution shall be construed in any manner to limit or impair any authority, power, or discretion conferred upon or vested in the Board by the Railroad Retirement Act of 1935, the Railroad Retirement Act of 1937, or the Railroad Unemployment Insurance Act.

Mr. KING. Mr. President, I inquire if there has been any objection to obtaining the information desired.

Mr. JOHNSON of Colorado. Mr. President, the joint resolution has been worked out with all parties in interest. The Railroad Retirement Board, the railroad companies, and the employees all have sat around the table and worked it out as they worked out the original railroad retirement act.

The PRESIDING OFFICER. The question is on the engrossment and third reading of the joint resolution.

The joint resolution was ordered to be engrossed for a third reading, read the third time, and passed.

The preamble was agreed to.

TRANSPORTATION AND DISTRIBUTION OF MAILS

The Senate proceeded to consider the bill (H. R. 6424) to provide for the transportation and distribution of mails on motor-vehicle routes, which had been reported from the Committee on Post Offices and Post Roads with an amendment, on page 1, line 3, after the word "That" to insert "wherever it is found that adequate railroad facilities are not available," so as to make the bill read:

Be it enacted, etc., That wherever it is found that adequate railroad facilities are not available, the Postmaster General is authorized to contract for carrying the mails and railway postal clerks on routes between points where, in his judgment, the conditions justify the operation of such service in motor vehicles especially designed and equipped for the distribution of mail en route: *Provided,* That such vehicles shall be constructed, fitted up, maintained, and operated in accordance with such specifications, rules, and regulations as he may prescribe: *Provided further,* That the Postmaster General is authorized, within his discretion, to transport and provide for the distribution of mails in Government-owned motor vehicles on such routes between points where in his judgment the conditions justify the operation of such service: *Provided further,* That all laws and regulations governing Star Route Service, not in conflict with this act, shall be applicable to contracts made under the authority of this act: *And provided further,* That no contract shall be awarded for a period of less than 2 years nor in excess of 4 years, and that payment for such service shall be from the appropriations for inland transportation by star routes.

SEC. 2. The Postmaster General may, in his discretion, and in the interest of the Postal Service, and under such rules and regulations as he may prescribe, provide for the distribution of mail on motor-vehicle routes in motor vehicles specially designed and equipped for that purpose and provided for in section 1 of this act: *Provided,* That the supervision and distribution of mails in motor-vehicle service, as herein provided, shall be under the jurisdiction of the Second Assistant Postmaster General, and the personnel therein shall be a part of the Railway Mail Service under the same working conditions, rates of pay, travel allowance, and other benefits applicable to railway postal clerks: *And provided further,* That payment for such service shall be from the appropriations for Railway Mail Service salaries and railway postal clerks' travel allowance.

SEC. 3. Every individual or company carrying the mails shall carry on any vehicle it operates and without extra charge therefor the persons in charge of the mails and when on duty and traveling to and from duty, and all duly accredited agents and officers of the Post Office Department and post-office inspectors while traveling on official business, upon the exhibition of their credentials.

SEC. 4. The Postmaster General is authorized to promulgate such specifications, rules, and regulations as may be necessary to carry out the provisions of this act.

The amendment was agreed to.

The amendment was ordered to be engrossed, and the bill to be read a third time.

The bill was read the third time, and passed.

ACQUISITION OF INDIAN LANDS FOR PARKER DAM AND RESERVOIR

The Senate proceeded to consider the bill (S. 3931) for the acquisition of Indian lands for the Parker Dam and Reservoir project, and for other purposes, which had been reported from the Committee on Indian Affairs with amendments, on page 2, line 4, after the word "be", to strike out "deposited in the Treasury of the United States" and to insert "paid to the Secretary of the Interior"; on line 8 to strike out "pursuant to the provisions of the act of May 17, 1926 (44 Stat. 560),

and"; on line 13, after the name "California", to strike out "and shall be credited, in," and to insert "In"; on line 14, after the word "lands", to insert "the amount due"; on line 14, after the word "tribe", to strike out "and, in the case of allotted lands, to the allottees or their heirs. Such amounts, while remaining to the credit of the Indians in the Treasury, shall draw interest at the rate of 4 per centum per annum from the time of deposit", and to insert "shall be deposited by the said Secretary in the Treasury of the United States, pursuant to the provisions of the act of May 17, 1926 (44 Stat. 560), as amended. The amounts due individual allottees, their heirs, or devisees shall be deposited by the said Secretary to the credit of the Superintendent of the Colorado River Indian Agency, or such other officer as shall be designated by the Secretary, for the credit on the books of the said agency to the accounts of the individual Indians concerned"; on page 3, line 3, after the word "funds", to strike out "held" and insert "deposited"; on line 4, at the beginning of the line, to strike out "or" and to insert "their"; after the word "heirs" to insert "or devisees," and to strike out "hereunder shall be handled in a like manner as moneys received from the sale of land under section 1 of the act of May 29, 1908 (35 Stat. 444): *Provided*, That such funds"; on line 10, before the word "heirs", to strike out "or" and insert "their"; on line 11, before the word "whose", to insert "or devisees", so as to make the bill read:

Be it enacted, etc., That, in aid of the construction of the Parker Dam project, authorized by the act of August 30, 1935 (49 Stat. 1028), there is hereby granted to the United States, its successors and assigns, subject to the provisions of this act, all the right, title, and interest of the Indians in and to the tribal and allotted lands of the Fort Mohave Indian Reservation in Arizona and the Chemehuevi Reservation in California as may be designated by the Secretary of the Interior.

SEC. 2. The Secretary of the Interior shall determine the amount of money to be paid to the Indians as just and equitable compensation for the rights granted under section 1 hereof. Such amount of money shall be paid to the Secretary of the Interior by the Metropolitan Water District of Southern California, a public corporation of the State of California, in accordance with the terms of the contract made and entered into on February 10, 1933, between the United States of America, acting through the Secretary of the Interior, and the Metropolitan Water District of Southern California. In the case of tribal lands, the amount due to the appropriate tribe shall be deposited by the said Secretary in the Treasury of the United States, pursuant to the provisions of the act of May 17, 1926 (44 Stat. 560), as amended. The amounts due individual allottees, their heirs, or devisees shall be deposited by the said Secretary to the credit of the Superintendent of the Colorado River Indian Agency, or such other officer as shall be designated by the Secretary, for the credit on the books of the said agency to the accounts of the individual Indians concerned.

SEC. 3. Funds deposited to the credit of the allottees, their heirs, or devisees may be used, in the discretion of the Secretary of the Interior, for the acquisition of other lands and improvements now in Indian ownership, or the construction of improvements for the allottees, their heirs, or devisees whose lands and improvements are acquired under the provisions of this act. Lands so acquired shall be held in the same status as those from which the funds were derived.

SEC. 4. The Secretary of the Interior is hereby authorized to perform any and all acts and to prescribe such regulations as may be deemed appropriate to carry out the provisions of this act.

The amendments were agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

FORT HALL INDIAN IRRIGATION PROJECT, IDAHO

The bill (S. 4042) to provide for the acquisition of flowage rights and the payment of certain damages in connection with the operation of the Fort Hall Indian irrigation project, Idaho, was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the Secretary of the Treasury, upon receipt of advice from the Secretary of the Interior to the effect that an appropriate and properly executed easement has been obtained, be, and he is hereby, authorized and directed to pay, out of any money in the Treasury of the United States not otherwise appropriated, to Emory Poulson, or his heirs, an amount not exceeding $4,500: *Provided*, That the foregoing amount shall be in full settlement for any and all past and present damages to the lands or personal property of the above-named Emory Poulson in connection with the construction, operation, and maintenance of the Blackfoot Reservoir, Grays Lake, and the conveyance channel from Grays Lake to the Blackfoot Reservoir of the Fort Hall Indian irrigation project, Idaho, and in full payment for the easement obtained from said individual covering the right to flood, impound, withdraw at will, water on, over, and from all lands owned or possessed by said individual in connection with the future operation of said project; and the acceptance of said sum by the said Emory Poulson or his heirs shall act as a quittance of any and all rights or claims that may previously have existed against the United States by reason of such construction and operation of the said project: *Provided further*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or agents or attorneys on account of services rendered in connection with such claim. It shall be unlawful for any agent or agents, attorney or attorneys, to exact, collect, withhold, or receive any sum of the amount appropriated in this act in excess of 10 percent thereof on account of services rendered in connection with said claim, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in a sum not exceeding $1,000.

PATENT TO LANDS IN MINNESOTA

The bill (S. 3954) relating to the issuance by the Secretary of the Interior of a patent to the State of Minnesota for certain lands in that State was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the Secretary of the Interior may cancel the patent issued on August 24, 1886, to Joe Blair, as allottee No. 4 of the Fond du Lac Indian Reservation, Minn., for the north half of the northeast quarter of section 30, township 49 north, range 17 west, of the fourth principal meridian in Minnesota, and may issue to the State of Minnesota as a fee-simple patent for the tract of land described. If issued, the fee-simple patent shall operate as a full and complete conveyance of any and all right, title, or interest that the heirs of Joe Blair, deceased allottee No. 4 of the Fond du Lac Indian Reservation, Minn., and that the United States of America may have in and to said described lands. Prior to the issuance of such patent, the Secretary of the Interior may require the State of Minnesota, at its expense, to furnish satisfactory evidence that there are no outstanding liens, encumbrances, or other conveyances of record against said lands other than the original patent issued under date of August 24, 1886, to the said Joe Blair covering the lands hereinabove described.

PUBLIC SCHOOL BOARD, CASS COUNTY, MINN.

The bill (S. 3353) for expenditure of funds for cooperation with public-school board of school district No. 5, at Onigum and Walker, Minn., was announced as next in order.

The PRESIDING OFFICER. The Chair is informed that this is the same as Calendar No. 1964, House bill 6583. Without objection, the House bill will be substituted for the Senate bill to be now considered.

There being no objection, the bill (H. R. 6583) for expenditure of funds for cooperation with the public-school board, Cass County, Minn., for the construction, extension, equipment, and improvement of public-school facilities to be available to Indian children in the district, was considered, ordered to a third reading, read the third time, and passed.

The PRESIDING OFFICER. Without objection, Senate bill 3353 is indefinitely postponed.

APPROPRIATIONS FOR DEPARTMENT OF LABOR, FEDERAL SECURITY AGENCY, ETC.

Mr. McKELLAR. Mr. President, receding from Senate amendments numbered 35 to 39, inclusive, on House bill 9007, making appropriations for the Department of Labor, the Federal Security Agency, and related independent agencies, for the fiscal year ending June 30, 1941, and for other purposes, this morning I find that a mistake was made, and I ask unanimous consent for the reconsideration of that action so that the mistake may be corrected.

The PRESIDING OFFICER. The Chair is not advised as to whether or not the Senate is still in the possession of the papers, but in all probability the papers have gone to the House of Representatives. A motion to reconsider can be entered, and House requested by motion to return the papers.

Mr. McKELLAR. Mr. President, let me inquire of the clerk whether it is certain that the papers have been sent to the House.

The PRESIDING OFFICER. The Chair is only repeating the information which came from the Parliamentarian, but the Parliamentarian is now trying to ascertain whether the official papers have passed out of the possession of the Senate.

The PRESIDING OFFICER subsequently said: The Chair would like to advise the Senator from Tennessee that the

Senate is no longer in possession of the conference report papers.

Mr. McKELLAR. Then I enter a motion to reconsider, and move that the House be requested to return the papers.

The motion was agreed to.

EXTENDING MARKETING QUOTA TO LETTUCE AND MELONS

The bill (S. 4007) to amend the Agricultural Adjustment Act of 1938, as amended, for the purpose of extending the marketing-quota provisions thereof to lettuce and to melons, and for other purposes, was considered, ordered to be engrossed for a third reading, was read the third time, and passed, as follows:

Be it enacted, etc., That subtitle B of title III of the Agricultural Adjustment Act of 1938, as amended, is amended by adding after part V thereof a new part VI, as follows:

"PART VI—MARKETING QUOTAS—LETTUCE AND MELONS

"LEGISLATIVE FINDING

"SEC. 357. (a) The production and marketing of lettuce and the production and marketing of melons constitute two important industries of the United States, each of which has ramifying activities directly affecting interstate and foreign commerce. Moreover, since lettuce and melons are perishable commodities and, therefore, cannot be stored and carried over from year to year, there is an intimate correlation between the production and the marketing of these commodities, insofar as such production and marketing affect interstate commerce. Lettuce and melons are sold on a Nation-wide market and move in large volume in interstate commerce from the producer to the ultimate consumer. Those quantities of lettuce and of melons which are produced, marketed, and consumed within the confines of a single State are normally commingled with, and always bear a close and intimate commercial and competitive relationship to, those quantities of lettuce and of melons which move in interstate commerce. The producers of lettuce and of melons are subject, in their operations, to uncontrollable natural influences. Moreover, they are not so situated as to be able to organize effectively for joint economic action, as can labor and industry. For these reasons, among others, these farmers are unable, without Federal assistance, to control effectively the orderly marketing of lettuce and melons, with the result that abnormally excessive supplies thereof are produced and dumped indiscriminately on the market.

"(b) The disorderly marketings resulting from excessive production of lettuce and melons directly affect, burden, and obstruct interstate commerce by (1) materially affecting the volume of such commodities marketed therein, (2) disrupting the orderly marketing of such commodities therein, (3) reducing the prices for such commodities with consequent injury and destruction of such commerce in such commodities, and (4) causing a disparity between the prices for such commodities in interstate commerce and the prices for industrial products therein, with a consequent diminution of the volume of interstate and foreign commerce in industrial products.

"(c) Whenever abnormally excessive supplies of lettuce and of melons exist, the marketing of such commodities by the producers thereof directly and substantially affects interstate commerce in such commodities, and the operation of the provisions of this part becomes necessary and appropriate in order to promote, foster, and maintain an orderly flow of such supply in interstate commerce.

"MARKETING QUOTAS

"SEC. 358. (a) Whenever the Secretary has reason to believe that the regulation of commerce in lettuce or melons by marketing quotas during any marketing year would, for such marketing year, achieve the objectives of (1) tending to insure an orderly, adequate, and balanced flow of such commodity in commerce, (2) assisting the producers thereof to obtain a parity price for and parity income from that commodity, and (3), at the same time, assuring consumers an adequate and steady supply of that commodity at fair prices, he shall so announce. If, after due notice and opportunity for public hearing to interested persons, the Secretary, upon the basis of the evidence adduced at such hearing, finds that such objectives would be accomplished through the establishment of marketing quotas for the next succeeding marketing year for such commodity, he shall, by proclamation, establish such quotas in such amounts as best to effectuate such objectives. The Secretary shall specify in such proclamation the amount of the marketing quota for such commodity in terms of the total quantity of such commodity that may be marketed during such marketing year. Such proclamation shall be made by the Secretary not later than 150 days prior to the beginning of the marketing year for such commodity. Notwithstanding the other provisions of this subsection, however, if, because of the date of the enactment of this legislation, the Secretary, in the calendar year 1940, is unable to make such proclamation 150 days prior to the beginning of the marketing year beginning in such calendar year, he shall make such proclamation as early as possible prior to the beginning of such marketing years, but in no event later than 30 days after the conclusion of the public hearing held with respect to the establishment of a marketing quota for the commodity.

"(b) Within 30 days after the date of the issuance of the proclamation, pursuant to subsection (a) of this section, with respect to lettuce or melons, the Secretary shall conduct a referendum of the producers of the last crop of such commodity harvested prior to the holding of the referendum to determine whether such producers are in favor of or opposed to such quota. The Secretary shall immediately proclaim the result of the referendum, and such quota shall not thereafter be effective unless producers representing two-thirds of the total number of such producers voting in the referendum and two-thirds of the total acreage of their production are in favor of such quota.

"(c) The marketing quota for lettuce or melons, proclaimed under subsection (a) of this section, shall be converted into an acreage allotment on the basis of the average yield per acre of the commodity during the 3 marketing years immediately preceding the marketing year in which the quota for the commodity is proclaimed. This acreage allotment shall be apportioned by the Secretary among the several States on the basis of the total planted acreage of the commodity in each State during the 3 marketing years immediately preceding the marketing year in which the quota is proclaimed, with such adjustments as are determined to be necessary to make correction for abnormal conditions of production and trends in production.

"(d) The Secretary shall provide, through State and local committees, for the allotment of not less than 95 percent of the State acreage allotment for lettuce or melons among persons producing that commodity within such State in any of the past 3 years. The Secretary shall also provide, through State and local committees, for the allotment of that part of the State acreage allotment for lettuce or melons which is not allotted under this subsection among persons producing that commodity within such State in any of the past 3 years, among persons producing that commodity in the State for the first time in the past 3 years. Such allotments shall be made in such manner and in such amounts as to provide a fair, efficient, and equitable distribution of the State acreage allotment among such persons, taking into consideration one or more, as the Secretary determines may best effectuate the purposes of the act, of the following factors: The producer's past acreage of that commodity; land, labor, and equipment available for the production of that commodity on the farm; or crop-rotation practices. Notwithstanding the other provisions of this subsection, no person producing the commodity for the first time in the past 3 years shall be allotted an acreage under this subsection in excess of 75 percent of the allotment established under this subsection for any person who has been producing the commodity during any of the past 3 years and who has similar land, labor, and equipment available for the production of the commodity and similar crop-rotation practices.

"(e) The farm marketing quota for lettuce or melons for any producer shall be equal to the actual production of the producer's acreage allotment for the commodity, or the actual production of the acreage which the producer plants to the commodity, whichever is the smaller.

"(f) No marketing quota with respect to lettuce or melons shall be applicable in any marketing year to any producer whose acreage planted to lettuce or melons of the current crop is not more than 1 acre.

"PENALTIES

"SEC. 359. The marketing of lettuce or of melons in excess of the marketing quota for any producer shall be subject to a penalty at the rate of $10 per ton in the case of watermelons and other uncrated melons and at the rate of $1 per standard crate, or its equivalent, for lettuce or crated melons for each unit so marketed. The penalty shall be paid upon a portion of each lot of the commodity marketed equal to the proportion which the acreage of the commodity planted in excess of the acreage allotment is of the total acreage of the commodity planted. Such penalty shall be paid by the producer and, where the commodity is packed, shall be collected by the packer.

"ADVISORY COMMITTEES

"SEC. 360. To advise him in connection with carrying out the marketing-quota provisions of the act with respect to lettuce and melons, the Secretary shall appoint, with due consideration to their geographic representation, advisory committees, consisting of not more than five persons each, experienced, as the case may be, in the production of lettuce or of melons. The compensation of the members of such committees shall be determined by the Secretary but shall not exceed $10 per day each while actually employed plus actual necessary traveling and subsistence expenses, or a per diem allowance in lieu thereof."

SEC. 2. That section 2 of the Agricultural Adjustment Act of 1938, as amended, containing the declaration of policy of the act, is amended so as to extend that declaration of policy to lettuce and melons by striking out the words "and rice" and inserting in lieu thereof "rice, lettuce, and melons".

SEC. 3. That subdivision (1) of subsection (a) of section 301 of said act, as amended, containing the definition of "parity" as applied to prices for agricultural commodities and defining a base period for specific commodities, is amended, so as to define the base period for lettuce and melons, by changing the last sentence in such subdivision to read as follows: "The base period in the case of all agricultural commodities, except tobacco, lettuce, and melons, shall be the period August 1909 to July 1914, and, in the case of tobacco, lettuce, and melons, shall be the period August 1919 to July 1929."

SEC. 4. That subsection (a) of section 301 of said act, as amended, containing the general definitions of the act, is amended, so as to

define lettuce and melons, by adding at the end thereof new subdivisions as follows:

"(10) 'Lettuce' means head lettuce, or any regional or market classification, type, or grade thereof, produced in the States of California or Arizona.

"(11) 'Melons' means each one of the kinds of melons listed below, or any regional or market classification, type, or grade thereof, produced in the States of California or Arizona: Cantaloup, honeydew, honeyballs, casaba, Persian, and watermelons. The provisions of this title shall apply to each of such kinds of melons severally."

SEC. 5. That subsection (b) of section 301 of said act, as amended, containing definitions applicable to specific commodities, is further amended so as to apply to lettuce and melons, as follows:

(a) By changing paragraph (B) of subdivision (1) thereof, containing a definition of "actual production" for cotton, to read:

"(B) 'Actual production' of any number of acres of cotton, lettuce, or melons on a farm means the actual average yield for the farm times such number of acres."

(b) By changing subdivision (6) thereof, containing the definition of "market" for specific commodities, to read:

"(6) (A) 'Market', in the case of corn, cotton, rice, tobacco, wheat, lettuce, and melons, means to dispose of, in raw or processed form, by voluntary or involuntary sale, barter, or exchange, or by gift inter vivos, and, in the case of corn and wheat, by feeding (in any form) to poultry or livestock which, or the products of which, are sold, bartered, or exchanged, or to be so disposed of, but does not include disposing of any of such commodities as premiums to the Federal Crop Insurance Corporation under title V of this act.

"(B) 'Marketed,' 'marketing,' and 'for market' shall have corresponding meanings to the term 'market' in the connection in which they are used."

(c) By changing subdivision (7) thereof, containing the definition of "marketing year" for specific commodities, by striking out the period at the end of the commodities listed and inserting in lieu thereof a semicolon and adding thereafter the following: "Lettuce or melons, that period of 12 consecutive months determined by the Secretary as being the period during which substantially all of the commodity produced or harvested during any calendar year is marketed by farmers."

SEC. 6. That subsection (g) of section 302 of said act, as amended, containing a provision prohibiting the Commodity Credit Corporation from making loans with respect to any agricultural commodity during any marketing year when the producers of such commodity have indicated in a referendum their disapproval of a marketing quota for such commodity during such marketing year, is amended, so as to extend this provision to lettuce and melons, by striking out "or rice" and inserting in lieu thereof "rice, lettuce, or melons".

SEC. 7. That section 361 of said act, as amended, containing a provision extending the applicability of the publication and review of quota provisions of the act to tobacco, corn, wheat, cotton, and rice, is amended, so as to include lettuce and melons, by changing this section to read as follows:

"SEC. 361. This part shall apply to the publication and review of farm-marketing quotas established for tobacco, corn, wheat, cotton, rice, lettuce, and melons, established under subtitle B."

SEC. 8. That subsections (a) and (b) of section 371 of said act, as amended, containing several provisions with respect to the general adjustment of marketing quotas in case of a national emergency or a material increase in demand, are amended, so as to extend these provisions to lettuce and melons, by striking out "or tobacco" wherever it occurs and inserting in lieu thereof "tobacco, lettuce, or melons".

SEC. 9. That section 373 of said act, as amended, containing provisions requiring records to be kept and reports to be made by producers, handlers, and other persons in order to enable the Secretary to acquire information with respect to the marketing of any commodity, is amended, so as to extend these provisions to lettuce and melons, by striking out "or tobacco" wherever it occurs and inserting in lieu thereof "tobacco, lettuce, and melons"; and by striking out the period at the end of the first sentence of subsection (a) of said section and inserting in lieu thereof "and all persons engaged in the business of packing lettuce or melons."

SEC. 10. That section 374 of said act, as amended, containing a provision authorizing the measurement of farms and the filing of reports of plantings, is amended, so as to include lettuce and melons, by striking out in the first sentence "or rice" and inserting in lieu thereof "rice, lettuce, or melons".

SEC. 11. That subsection (a) of section 375 of said act, as amended, containing a provision authorizing the issuance of such administrative regulations as are necessary for the enforcement of the act, is amended, so as to include lettuce and melons, by striking out "or tobacco" and inserting in lieu thereof "tobacco, lettuce, or melons".

PRESERVATION OF NATURAL FEATURES WITHIN CANAL ZONE

The bill (S. 4121) to authorize the setting aside of an area within the Canal Zone to preserve and conserve its natural features for scientific study, for providing and maintaining facilities for such study, and for other purposes, was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the President is authorized and directed to set aside within the Canal Zone an area in Gatun Lake known as Barro Colorado Island in which the natural features shall, except in event of declared national emergency, be left in their natural state for scientific observation and investigation.

SEC. 2. The purpose of setting aside such an area is to preserve and conserve its natural features, including existing flora and fauna, in as nearly a natural condition as possible, thus providing a place where duly qualified students can make observations and scientific investigations for increase of knowledge, under such conditions and regulations as may be prescribed by the Board of Directors of the Canal Zone Biological Area.

SEC. 3. The Secretary of War, the Secretary of Agriculture, the Secretary of the Interior, the Secretary of the Smithsonian Institution, the President of the National Academy of Sciences, and three distinguished biologists of the United States of America, appointed by the President of the National Academy of Sciences with the approval of the Secretaries of War, Agriculture, Interior, and the Smithsonian Institution, shall constitute the Board of Directors of the Canal Zone Biological Area. The President of the National Academy of Sciences shall be the chairman of the Board and the Secretary of the Smithsonian Institution the vice chairman. The biologists of distinction appointed by the President of the National Academy of Sciences shall each serve for a term of 3 years: *Provided*, That of the three first appointed, one shall be designated to serve for 1 year, one for 2 years, and one for 3 years. Vacancies in appointed membership occurring from any cause shall be filled in the same manner as the appointment and for the same period. The members of the Board of Directors of the Canal Zone Biological Area shall serve without compensation but subsistence and travel expenses incident to attendance of called meetings of the Board may, on appropriate action of the Board, be paid from funds available to it.

SEC. 4. The Board of Directors of the Canal Zone Biological Area shall (a) meet in Washington, D. C., at least once in each calendar year, to consider policies and procedures for carrying out the purpose of this act; (b) determine the policy, prescribe conditions under which studies may be pursued within the area, and promulgate regulations for carrying out the puropses of this act; (c) be responsible for the construction and maintenance of laboratory and other facilities on the area provided for the use of students authorized to carry on studies within the confines of the area; (d) deposit into the Treasury of the United States sums donated or subscribed or collected to be expended for carrying out the purposes of this act; (e) in its discretion, fixed charges that may be made for use of laboratory or other facilities provided students authorized to make observations and investigations within the prescribed area and provide for the collection of such sums for deposit into the Treasury of the United States; (f) make such disposal of any moneys donated, subscribed, collected, or otherwise provided as in their judgment is to the best interest in carrying out the purpose of this act: *Provided*, That sums contributed or appropriated for specific purposes shall be used for such purpose only; and (g) through its chairman submit to the Congress of the United States not later than the 15th day of each January a report of activities and operations during the preceding year.

SEC. 5. At each annual meeting, or at special meetings should occasion so demand, the Board of Directors of the Canal Zone Biological Area shall appoint an executive officer whom they may authorize to carry out functions of the Board. With the approval of the Board the executive officer may select and designate a resident manager to assist in carrying out the policy, conditions, and regulations approved by the Board of Directors of the Canal Zone Biological Area in compliance with the purposes of this act. The executive officer and the resident manager shall receive such compensation for their services as may be allowed by the Board of Directors of the Canal Zone Biological Area.

SEC. 6. All moneys received by donation, subscription, fees, or otherwise, except the moneys appropriated pursuant to section 7, for carrying out the purposes of this act shall be deposited into the Treasury as trust funds and are hereby appropriated for such purposes. Disbursements of such funds shall be made by the Secretary of the Treasury through the Division of Disbursement on requisitions or vouchers signed by or on authority of the executive officer of the Board of Directors of the Canal Zone Biological Area.

SEC. 7. There is authorized to be appropriated annually, from money in the Treasury of the United States not otherwise appropriated, not to exceed $10,000 for expenses necessary in the administration of this act and for the maintenance of laboratory or other facilities provided for carrying out the purposes of this act.

Mr. CLARK of Missouri subsequently said:

Mr. President, the Senate has just passed Senate bill 4121, having to do with the establishment of a scientific research laboratory in the Gatun Lake in the Panama Canal Zone.

Mr. President, House bill 8919, passed by the House of Representatives, is an identical bill which is still reposing in the Committee on Interoceanic Canals. I ask unanimous consent that the committee be discharged from further consideration of the bill and that the vote by which Senate bill 4121 was passed, be reconsidered, and that the Senate consider House bill 8919.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and the vote by which Senate bill 4121 was passed is reconsidered.

Without objection, the Committee on Interoceanic Canals will be discharged from further consideration of House bill 8919.

Is there objection to the present consideration of House bill 8919?

There being no objection, the bill (H. R. 8919) to authorize the setting aside of an area within the Canal Zone to preserve and conserve its natural features for scientific study, for providing and maintaining facilities for such study, and for other purposes, was considered, ordered to a third reading, read the third time, and passed.

The PRESIDING OFFICER. Without objection, Senate bill 4121 will be indefinitely postponed.

PUBCHASE OF PUBLIC LANDS IN FLORIDA

Mr. ANDREWS. I ask unanimous consent to revert to Calendar No. 1830, Senate bill 3975. The Senator who objected to instant consideration at the time it was reached on the calendar has now withdrawn his objection.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Florida?

There being no objection, the Senate proceeded to consider the bill (S. 3975) granting to certain claimants the preference right to purchase certain public lands in the State of Florida, which had been reported from the Committee on Public Lands and Surveys, with an amendment, on page 3, line 13, after the word "interest", to strike out the comma and "but inclusive of the increased value of the land resulting from any public improvements", so as to make the bill read:

Be it enacted, etc., That the Secretary of the Interior, in his discretion, is hereby authorized to sell, in the manner hereinafter provided, lots 3, 4, and 5, section 10, lots 3, 4, 5, and 6, section 11, lots 1 and 2, section 14, township 3 south, range 17 west, Tallahassee meridian, Florida, which lands were omitted from the original survey due to the erroneous meanders of the Gulf of Mexico and shown upon the official plat of the original survey as a water-covered area.

SEC. 2. Any owner in good faith of land in sections 10, 11, and 14, township 3 south, range 17 west, shown by the official plat of the original survey approved May 22, 1849, to be bounded by the Gulf of Mexico, but which in fact is bounded by the omitted area as shown by plat of survey accepted March 6, 1939, and who acquired title to such land prior to this enactment, or any citizen of the United States who in good faith under color of title or claiming as a riparian owner has, prior to this act, placed valuable improvements upon or reduced to cultivation any of the lands subject to the operation of this act, shall have a preferred right to purchase the erroneously omitted land lying adjacent to his privately owned land, or to purchase the land thus improved by him, respectively, at any time within 90 days from the date of the passage of this act. Every application to purchase must be filed in the General Land Office and must be accompanied with satisfactory proof that the applicant is entitled to such preference right and that the lands which he applies to purchase are not in the legal possession of an adverse claimant under the public-land laws. The term "citizen" as herein used shall include any association of citizens, and a corporation organized under the laws of any State and authorized to engage in business in the State of Florida. In event that any such applicant shall have contracted to convey or attempted to convey title to any of the above-described lands with covenants of warranty, express or implied, he may be allowed to make such purchase and to obtain patent in trust for the persons holding under such contract or conveyance, as their interests may appear.

SEC. 3. Upon the filing of an application to purchase any lands subject to the operation of this act, together with the required proof, the Secretary of the Interior shall cause the lands described in said application to be appraised, said appraisal to be on the basis of the value of such lands at the date of appraisal exclusive of any increased value resulting from the development or improvement thereof by the applicant or his predecessor in interest.

SEC. 4. An applicant to purchase under the provisions of this act, in order to be entitled to a patent, must, within 3 months from receipt of notice of appraisal, pay to the Commissioner of the General Land Office the appraised value of the lands, and thereupon a patent shall issue to said applicant for such lands as the Secretary of the Interior shall determine that such applicant is entitled to purchase under this act. The proceeds from such sales shall be covered into the United States Treasury and applied as provided by law for the disposal of the proceeds from the sale of public lands.

SEC. 5. The Secretary of the Interior is hereby authorized to prescribe all necessary rules and regulations for administering the provisions of this Act and determining conflicting claims arising hereunder.

SEC. 6. All purchases made and patents issued under the provisions of this act shall be subject to and contain a reservation to the United States of all the coal, oil, gas, and other minerals in the lands so purchased and patented, together with the right to prospect for, mine, and remove the same.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

ANNE HOWARD LAY

The bill (S. 4126) for the relief of Anne Howard Lay, was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That there shall be paid from the Foreign Service retirement and disability fund to Anne Howard Lay, widow of Julius Lay, a retired Foreign Service officer whose death occurred on August 28, 1939; that is, after July 1, 1939, the effective date of the act of April 24, 1939, but before the date fixed in accordance with law by the President, by Executive order; that is, September 1, 1939, as the effective date of the provisions of the aforesaid act which authorize the establishment by retired Foreign Service officers of survivorship annuities in behalf of their widows as beneficiaries, an annuity at a rate equivalent to one-half the maximum annuity which her late husband could have established for her as beneficiary, in accordance with the provisions of the act of April 24, 1939, and amendments thereto.

This act shall take effect on the first day of the calendar month following its approval by the President.

TREATMENT OF IMPORTED NARCISSUS BULBS

The resolution (S. Res. 280) requesting the Secretary of Agriculture to issue an order concerning the treatment of imported narcissus bulbs was considered and agreed to, as follows:

Resolved, That the Secretary of Agriculture be, and he hereby is, requested to cause to be issued an order similar to the order of August 1, 1936, and the announcements of September 16, 1936, under which provisions of regulation 9 of Nursery Stock, Plant, and Seed Quarantine No. 37, plant quarantine inspectors will require all imported narcissus bulbs to be given the latest approved treatment as a condition of entry.

SIMON A. BRIEGER

The bill (H. R. 7914) for the relief of Simon A. Brieger as legal representative of the estate of Thomas Gerald Brieger, a deceased minor, was considered, ordered to a third reading, read the third time, and passed.

ELIZA WARREN AND GEORGE T. WARREN

The bill (H. R. 6822) for the relief of Eliza Warren and George T. Warren was considered, ordered to a third reading, read the third time, and passed.

MAUDE SULLIVAN

The bill (H. R. 4113) for the relief of Maude Sullivan was considered, ordered to a third reading, read the third time, and passed.

STANLEY V. SMITH

The bill (H. R. 5297) for the relief of Stanley V. Smith was considered, ordered to a third reading, read the third time, and passed.

VIOLET KNOWLEN, A MINOR

The Senate proceeded to consider the bill (H. R. 3976) for the relief of Violet Knowlen, a minor, which had been reported from the Committee on Claims, with an amendment, on page 1, line 7, to strike out "$2,500" and to insert "$1,500"; so as to make the bill read:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to the legal guardian of Violet Knowlen, a minor, of Brainerd, Minn., the sum of $1,500. The payment of such sum shall be in full settlement of all claims against the United States on account of personal injuries received by the said Violet Knowlen, when the said Violet Knowlen was struck on September 30, 1938, 1 mile north of Garrison, Crow Wing County, Minn., in front of the Borden Lake School House, on highway numbered 18, by a Civilian Conservation Corps truck operating under the jurisdiction of the National Park Service, Department of the Interior: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The amendment was agreed to.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time, and passed.

HAZEL THOMAS

The Senate proceeded to consider the bill (H. R. 6061) for the relief of Hazel Thomas, which had been reported from the Committee on Claims with an amendment, on page 1, line 6, to strike out "$5,000" and to insert "$3,500"; so as to make the bill read:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Hazel Thomas, of Yorba Linda, Calif., the sum of $3,500. The payment of such sum shall be in full settlement of all claims against the United States for personal injuries and property damage received when the vehicle in which she was riding was struck on the Angelus Crest Highway, approximately 4 miles south of Charleton Flats, Los Angeles County, Calif., about 6 p. m. on June 24, 1938, by a Forest Service truck No. 2116: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The amendment was agreed to.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time, and passed.

BLACK HILLS METHODIST HOSPITAL

The bill (H. R. 1167) for the relief of the Black Hills Methodist Hospital, of Rapid City, S. Dak., was considered, ordered to a third reading, read the third time, and passed.

LESTER R. TAYLOR

The bill (H. R. 1178) for the relief of Lester R. Taylor was considered, ordered to a third reading, read the third time, and passed.

MALACHY RYAN

The bill (H. R. 1846) for the relief of Malachy Ryan was considered, ordered to a third reading, read the third time, and passed.

DAN YANCEY

The bill (H. R. 2083) for the relief of Dan Yancey was considered, ordered to a third reading, read the third time, and passed.

CHARLES FLACK

The bill (H. R. 2106) for the relief of Charles Flack was considered, ordered to a third reading, read the third time, and passed.

JAMES P. BRUCE, JR.

The bill (H. R. 2151) for the relief of James P. Bruce, Jr., was considered, ordered to a third reading, read the third time, and passed.

T. JACK NEAL

The bill (H. R. 6686) for the relief of T. Jack Neal, was considered, ordered to a third reading, read the third time, and passed.

WILLIAM M. IRVINE

The bill (H. R. 6891) for the relief of William M. Irvine, was considered, ordered to a third reading, read the third time, and passed.

ANNA T. SEFFERMAN VARGA

The bill (H. R. 7821) for the relief of Anna T. Sefferman Varga was considered, ordered to a third reading, read the third time, and passed.

R. F. BRAZELTON

The Senate proceeded to consider the bill (H. R. 7826) for the relief of R. F. Brazelton, which had been reported from the Committee on Claims with an amendment on page 1, line 5, to strike out "$360" and to insert "$180", so as to make the bill read:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, the sum of $180 to R. F. Brazelton, of New Edinburg, Ark., in full settlement of all claims against the United States for the loss of 3,600 pounds of cotton (seven bales), said cotton having been destroyed by fire while stored in a warehouse approved by the Reconstruction Finance Corporation and the Commodity Credit Corporation: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The amendment was agreed to.

The amendment was ordered to be engrossed, and the bill to be read a third time.

The bill was read the third time, and passed.

C. B. REAGH

The bill (H. R. 2513) for the relief of C. B. Reagh was considered, ordered to a third reading, read the third time, and passed.

JOHN ENGBLOM

The bill (H. R. 2628) for the relief of John Engblom was considered, ordered to a third reading, read the third time, and passed.

NAOMA KINDER, A MINOR

The bill (H. R. 2946) for the relief of Naoma Kinder, a minor, was considered, ordered to a third reading, read the third time, and passed.

LELAND G. MYERS

The bill (H. R. 3142) for the relief of Leland G. Myers was considered, ordered to a third reading, read the third time, and passed.

ROSE BILAITIS

The bill (H. R. 3163) for the relief of Rose Bilaitis, was considered, ordered to a third reading, read the third time, and passed.

EDWARD P. GLENN, JR.

The bill (H. R. 6730) for the relief of Edward P. Glenn, Jr., was considered, ordered to a third reading, read the third time, and passed.

JAMES L. KINNEY

The bill (H. R. 8099) for the relief of James L. Kinney was considered, ordered to a third reading, read the third time, and passed.

HAROLD C. PREBLE

The bill (H. R. 8708) for the relief of Harold C. Preble, naval architect, was considered, ordered to a third reading, read the third time, and passed.

SUPPLY OF POTOMAC WATER TO CHARITABLE INSTITUTIONS

The bill (S. 3870) to amend the act entitled "An act authorizing the Commissioners of the District of Columbia to furnish Potomac water without charge to charitable institutions, and so forth, in the District of Columbia", approved February 23, 1905, was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the second sentence of the first section of the act entitled "An act authorizing the Commissioners of the District of Columbia to furnish Potomac water without charge to charitable institutions, and so forth, in the District of Columbia," approved February 23, 1905 (D. C. Code, title 20, sec. 1403), is amended by inserting therein after the word "churches" the following: "and to charitable institutions which do not have inmates."

TESTIMONY OF CERTAIN GOVERNMENT EMPLOYEES

The bill (S. 3993) to authorize employees of the United States to testify on behalf of the District of Columbia and employees of the District of Columbia to testify on behalf of the United States and of the District of Columbia without loss of salary or annual leave, was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That from and after the passage of this act employees of the Government of the United States in active service who are called upon to serve as witnesses on behalf of the District of Columbia in any court proceeding in which the government of the District of Columbia may be a party and

employees of the government of the District of Columbia who are called upon to serve as witnesses on behalf of the United States or the District of Columbia in any court proceeding in which the Government of the United States or the government of the District of Columbia may be a party, shall not be paid witness fees for such service, but the period of such service shall be without loss of salary or compensation and shall not be deducted from any leave of absence with pay authorized by law.

ELIZABETH K. PEEPLES

The bill (S. 4048) for the relief of Elizabeth P. Peeples, was considered, ordered to be engrosed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the Commissioners of the District of Columbia be, and they are hereby, authorized and directed to allow credit for retirement purposes to Elizabeth K. Peeples for all services rendered by her in the public schools of said District as a teacher, administrative principal, and director of the Community Center Department, for the period between September 1, 1920, and July 15, 1939, upon the payment by her into the teachers' retirement fund of the District of Columbia of such amount as may be determined by said Commissioners to be due such fund for said period with interest thereon at 4 percent per annum, compounded.

JURISDICTION OF BOARD OF EDUCATION OF DISTRICT OF COLUMBIA

The bill (H. R. 9633) to enlarge and extend the power and jurisdiction of the Board of Education over degree-conferring institutions operating within the District of Columbia, was considered, ordered to a third reading, read the third time, and passed.

REDUCTION OF INTEREST RATES, DISTRICT OF COLUMBIA

The joint resolution (H. J. Res. 559) authorizing a reduction in the rate of interest to be paid on certain loans and advances made to the District of Columbia by the United States of America through the Public Works Administration, was announced as next in order.

Mr. CLARK of Missouri. Mr. President, may we have an explanation of the joint resolution?

Mr. KING. Mr. President, the District of Columbia made a loan, as it was authorized under the law, from the Federal Government for certain improvements and for acquisition of land. It pays 3 or 4 percent interest on the loan, and the District, with its credit, now is able to obtain money with which to pay the obligation, at a very much reduced rate of interest. So the measure will save the District of Columbia a considerable amount of money.

The PRESIDING OFFICER. Is there objection to the present consideration of the joint resolution?

There being no objection, the joint resolution was considered, ordered to a third reading, read the third time, and passed.

RECORDER OF DEEDS BUILDING IN THE DISTRICT OF COLUMBIA

The Senate proceeded to consider the bill (H. R. 9114) authorizing advancements from the Federal Emergency Administration of Public Works for the construction of a recorder of deeds building in the District of Columbia, and for other purposes, which had been reported from the Committee on the District of Columbia, with amendments.

The first amendments of the Committee were in section 1, page 1, line 6, after "Works," to strike out "created by the National Industrial Recovery Act," and to insert "or its successor,"; in line 7, after the word "Administration," to insert "or its successor,"; on page 2, line 1, after the words "sum of," to strike out "$500,000" and insert "$450,000"; in line 4, after the word "Administration," to insert "or its successor,"; in line 5, after the word "Administration," to insert "or its successor,"; in the same line, after the word "four", to strike out "the acquisition, purchase, construction, and establishment of"; in line 8, after "Northwest", to strike out "where was formerly the old Police Court Building", and to insert "formerly used as a police court"; in line 11, after the figures "1940", to strike out "or upon such other area or areas as shall be approved by said Commissioners and the National Capital Park and Planning Commission"; and in line 16, after the word "Administration", to strike out "or its successor", so as to make the section read:

That the Commissioners of the District of Columbia are hereby authorized to accept advancements for the District of Columbia from the Federal Emergency Administration of Public Works, or its successor, and said Administration, or its successor, with the approval of the President is authorized to advance to said Commissioners the sum of $450,000, or any part thereof, in addition to any sums heretofore advanced to the District of Columbia by said Administration, or its successor, out of funds authorized by law for said Administration, or its successor, for a building for the office of the recorder of deeds to be located on premises now known as 515 D Street Northwest, formerly used as the police court, as recommended by a committee appointed by the Commissioners under order of January 12, 1940, and the making of such advances is hereby included among the purposes for which funds heretofore appropriated or authorized for said Administration, or its successor, including funds appropriated by the Public Works Administration Appropriation Act of 1938, may be used, in addition to the other purposes specified in the respective acts appropriating or authorizing said funds.

The amendments were agreed to.

The next amendments were, in section 2, page 2, line 23, after the name "Columbia" to strike out "for the acquisition by dedication, purchase, or condemnation of the fee-simple title to land, or rights or easements in land, for the public uses authorized by this act, and"; on page 3, line 4, after "act" to strike out "without reference to the Classification Act of 1923, as amended, and section 3709 of the Revised Statutes"; on the same page, line 8, after "landscaping," to insert "transportation or rental thereof,"; and in line 13, after "plant" to strike out "All contracts, agreements, and proceedings in court for condemnation or otherwise, pursuant to this act shall be had and made in accordance with existing provisions of law except as otherwise herein provided", so as to make the section read:

SEC. 2. The sum authorized by section 1 hereof, or any part thereof shall, when advanced, be available to the Commissioners of the District of Columbia for the preparation of plans, designs, estimates, models, and specifications; and for architectural and other necessary professional services required for carrying out the provisions of this act; for the construction of a recorder of deeds building, including materials and labor, heating, lighting, elevators, plumbing, landscaping, transportation or rental thereof, and all other appurtenances, and the purchase and installation of machinery, furniture, equipment, apparatus, and any and all other expenditures necessary for or incident to the complete construction and equipment for use of the aforesaid building and plant.

The amendments were agreed to.

The next amendments were, in section 3 on page 3, line 19, after the word "Works," to insert "or its successor"; in line 22, after the word "thereon" to insert "at such rate as is agreed upon by the Commissioners of the District and the Federal Emergency Administration of Public Works, or its successor,"; on page 4, line 4, after the word "reimbursement" to insert "with interest"; and in line 5, after the word "made" to strike out "on" and to insert "not later than", so as to make the section read:

SEC. 3. That the Federal Emergency Administration of Public Works, or its successor, shall be repaid 55 percent of any moneys advanced under section 1 of this act in annual installments over a period of not to exceed 25 years with interest thereon at such rate as is agreed upon by the Commissioners of the District and the Federal Emergency Administration of Public Works, or its successor, for the period of amortization: *Provided*, That such sums as may be necessary for the reimbursement herein required of the District of Columbia, and for the payment of interest, shall be included in the annual estimates of the Commissioners of the District of Columbia, the first reimbursement with interest to be made not later than June 30, 1944: *Provided further*, That whenever the District of Columbia is under obligation by virtue of the provisions of section 4 of Public Act No. 284, Seventy-first Congress, reimbursement under that act shall not be less than $300,000 in any one fiscal year.

The amendments were agreed to.

The next amendment was, on page 4, line 15, to strike out section 5, as follows:

SEC. 5. That the Commissioners of the District of Columbia are not authorized to borrow any further sum or sums under the provisions of an act of Congress known as Public Law No. 465, Seventy-third Congress, approved June 25, 1934, as amended by Public Law No. 51, Seventy-fourth Congress, approved May 6, 1935.

The amendment was agreed to.

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill was read the third time, and passed.

AMENDMENT OF DISTRICT OF COLUMBIA UNEMPLOYMENT COMPENSATION ACT

The Senate proceeded to consider the bill (H. R. 9791) to amend the District of Columbia Unemployment Compensation Act, which had been reported from the Committee on the District of Columbia with amendments.

The first amendment was, in section 1, on page 9, line 5, after the words "10 and 11 of" to strike out "this Act" and insert "the District of Columbia Unemployment Compensation Act, approved August 28, 1935, as amended by this title," so as to read:

(C) unless the individual was eligible for benefits with respect thereto as provided in sections 10 and 11 of the District of Columbia Unemployment Compensation Act, approved August 28, 1935, as amended by this title, except for the requirements of this paragraph; and.

The amendment was agreed to.

The next amendment was, on page 9, line 22, after the word "this" to strike out "Act" and insert "title"; in line 25, after the word "appropriate" to strike out "non-assembled," so as to read:

SEC. 14. (a) The Board is hereby authorized and directed to administer the provisions of this act. Subject to the Civil Service Act, the Board is further authorized to employ such officers, examiners, accountants, attorneys, experts, agents, and other persons, and to make such expenditures, as may be necessary to administer this act, and to authorize any such person to do any act or acts which could lawfully be done by the Board. The Civil Service Commission is hereby authorized and directed to confer a competitive classified civil-service status upon those employees performing services for the Board upon the effective date of this title: *Provided*, That (1) such employees are certified by the Board as having rendered satisfactory service for not less than 6 months; (2) that they qualify in such appropriate, noncompetitive examination as may be prescribed by the Civil Service Commission: *Provided, however*, That all employees certified by the Board in accordance with condition (1) hereof shall automatically be eligible to take such noncompetitive examination; (3) that they are citizens of the United States; and (4) that they are not disqualified by any provision of section 3 of civil-service rule V. The Board may, in its discretion, require bond from any of its employees engaged in carrying out the provisions of this act.

The amendment was agreed to.

The next amendment was, in section 2, on page 10, line 14, after the word "this" to strike out "act" and insert "title"; and the same amendment in line 16, so as to read:

TRANSITION PROVISIONS

SEC. 2. (a) As used in this section unless the context clearly requires otherwise—

(1) "old law" means the unemployment-compensation law prior to its amendment by this title;

(2) "new law" means the unemployment-compensation law as amended by this title;

The amendment was agreed to.

The next amendment was, in section 3, on page 12, line 5, after the word "This", to strike out "act" and insert "title", so as to read:

SEC. 3. This title shall take effect as of 12:01 antemeridian, July 1, 1940.

The amendment was agreed to.

The next amendment was, on page 12, after line 6, to insert:

TITLE II

AMENDMENT—DISTRICT OF COLUMBIA REVENUE ACT OF 1939

Section 2 (d) of the act entitled "An act to provide revenue for the District of Columbia, and for other purposes," approved July 26, 1939, is amended to read as follows:

"(d) Exemptions from tax: There shall be exempt from taxation under this title the following organizations: Corporations, including any community chest, fund, foundation, cemetery association, teachers' retirement fund association, church, or club, organized and operated exclusively for religious, charitable, scientific, literary, educational, or social purposes, or for the prevention of cruelty to children or animals, no part of the net earnings of which inures to the benefit of any private shareholder or individual and no substantial part of the activities of which is carrying on propaganda, or otherwise attempting to influence legislation; and labor organizations, trade associations, boards of trade, chambers of commerce, citizens' associations, or organizations, not organized for profit and no part of the net earnings of which inures to the benefit of any private shareholder or individual, farmers' associations organized and operated on a cooperative basis exempt from income tax under section 101 (12) and (13) of the Internal Revenue Code; banks, insurance companies, building and loan associations, and companies, incorporated or otherwise, which guarantee the fidelity of any individual or individuals, such as bonding companies, all of which pay taxes upon gross premiums or earnings under existing laws of the District of Columbia; voluntary employees' beneficiary associations providing for the payment of life, sick, accident, or other benefits to the members of such association or their dependents, if (1) no part of their net earnings inures (other than such payments) to the benefit of any private shareholder or individual, and (2) 85 percent or more of the income consists of amounts collected from members for the sole purpose of making such payments and meeting expenses; and corporations organized under act of Congress, if such corporations are instrumentalities of the United States."

The amendment was agreed to.

The PRESIDING OFFICER. That completes the committee amendments.

Mr. TYDINGS. Mr. President, I offer an amendment which I send to the desk and ask to have stated.

The PRESIDING OFFICER. The amendment offered by the Senator from Maryland will be stated.

The CHIEF CLERK. On page 1, after line 6, it is proposed to insert the following:

Add a new paragraph to section 1 (b) of District of Columbia Unemployment Compensation Act, approved August 28, 1935, as follows:

"(10) Service performed by an individual for a person as an insurance agent or as an insurance solicitor, if all such service performed by such individual for such person is performed for remuneration solely by way of commission."

Mr. TYDINGS. Mr. President, when the bill was before the District Committee, by an oversight, insurance agents who work purely on commission, as differentiated from salary, were included in the act; and, of course, the act was not made to apply to commissioned employees. My amendment will clarify this matter. I do not think there is any objection from any source.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Maryland.

The amendment was agreed to.

The PRESIDING OFFICER. The question is on the engrossment of the amendments and the third reading of the bill.

The amendments were ordered to be engrossed, and the bill to be read a third time.

The bill was read the third time, and passed.

REGULATION OF THE PRACTICE OF DENTISTRY IN THE DISTRICT OF COLUMBIA

The Senate proceeded to consider the bill (H. R. 7865) to amend the act for the regulation of the practice of dentistry in the District of Columbia, and for the protection of the people from empiricism in relation thereto, approved June 6, 1892, and acts amendatory thereof, which had been reported from the Committee on the District of Columbia, with amendments.

The first amendment was, on page 3, line 3, after the word "hospitals" to insert "or public clinics for indigents," so as to read:

SEC. 2. The Board of Dental Examiners shall organize by electing from its members a president, and a secretary-treasurer who shall give bond to the United States in the sum of $5,000. The Board shall make and adopt such rules and regulations not inconsistent herewith as it deems necessary to effect the purposes of this act, including (but not limiting thereto) rules and regulations respecting the eligibility of candidates, the scope of examinations, the conducting of examinations, and the said Board hereby is specifically authorized to make and enforce such rules as it may deem proper for the purpose of regulating professional announcements and the number of offices of a licensed dentist. The Board, in its discretion, and under such rules and regulations as it may prescribe, is hereby authorized to permit in hospitals or public clinics for indigents the use of dental interns who are graduates of approved dental schools. The Board shall hold in January and June of each year, in such place as it may designate, examinations to determine the fitness of applicants for licenses as dentists under this act: *Provided*, That the concurrence of a majority of said Board shall be necessary to grant or revoke a license under this act.

The amendment was rejected.

The next amendment was, on page 5, line 13, after the words "United States" to insert "or has duly declared his intention to become a citizen of the United States,"; and in

line 18, after the word "applicant" and the period, to insert "Any license issued to a person who is a citizen of a foreign country and who has duly declared his intention to become a citizen of the United States shall automatically terminate and the registration of the candidate be annulled in the event such candidate shall fail to submit to the Board satisfactory evidence within 6 years from the date of such license that he has become a citizen of the United States.", so as to read:

SEC. 7. Any person who desires to practice dentistry within the District of Columbia shall file with the secretary-treasurer of the Board a written application for a license, and furnish satisfactory proof that he is a citizen of the United States or has duly declared his intention to become a citizen of the United States, and is a graduate of a dental college approved by the Board. Such application must be upon the form prescribed by the Board, verified by oath, and accompanied by the required fee and a recent unmounted autographed photograph of the applicant. Any license issued to a person who is a citizen of a foreign country and who has duly declared his intention to become a citizen of the United States shall automatically terminate and the registration of the candidate be annulled in the event such candidate shall fail to submit to the Board satisfactory evidence within 6 years from the date of such license that he has become a citizen of the United States.

The amendment was agreed to.

The next amendment was, on page 8, line 3, to strike out "Board" and insert "District Court of the United States for the District of Columbia"; in line 6, after the word "said", to strike out "Board" and insert "court"; and in line 12, after the word "drugs", to strike out "or afflicted with a contagious or infectious disease", so as to read:

SEC. 11. The District Court of the United States for the District of Columbia may revoke or suspend the license of any dentist in the District of Columbia upon proof satisfactory to said court—

(a) That said license or registration was procured through fraud or misrepresentation.

(b) That the holder thereof has been convicted of an offense involving moral turpitude.

(c) That the holder thereof is guilty of chronic or persistent inebriety, or addiction to habit-forming drugs.

The amendment was agreed to.

The next amendment was, on page 10, line 11, after the words "any person to", to insert "knowingly"; in line 20, after the words "restricting the", to strike out "Board" and insert "said court", so as to read:

(5) Violating this act or aiding any person to violate this act or violating or aiding any person to knowingly violate the dental practice act of any State or Territory.

(6) Practicing in the employment of, or in association with, any person who is practicing in an unlawful or unprofessional manner.

The foregoing specifications of acts constituting unprofessional conduct shall not be construed as a complete definition of unprofessional conduct nor as authorizing or permitting the performance of other or similar acts not denounced, or as limiting or restricting the said court from holding that other or similar acts also constitute unprofessional conduct.

The amendment was agreed to.

The next amendment was, on page 10, after line 22, to strike out:

"SEC. 13. No action to revoke or suspend a license shall be taken until the accused has been furnished a statement in writing of the charges against him, together with notice of the time and place of hearing thereof. The accused may be present at the hearings in person or by counsel, or both. The statement of charges and notice may be served personally upon such person or mailed to him at his last known address at least 20 days prior to the hearing.

"SEC. 14. If upon such hearing the Board finds the charges sustained, it may suspend for a definite period or revoke the license of any such dentist. Such revocation or suspension shall take from the person named in such license all rights and privileges acquired thereby. Any dentist whose license has been revoked or suspended by the Board may, within 20 days after the order of revocation or suspension was entered, appeal from such order to the District Court of the United States for the District of Columbia, where the case shall be heard de novo, and the court, after such hearing, shall enter such order as in its judgment the Board should have entered. During the pendency of such appeal the order of the Board shall remain in full force and effect unless the court shall otherwise order. Any dentist whose license has been suspended or revoked may be reinstated and a new license issued to him when in the judgment of the Board such action is warranted: *Provided*, That such reinstated dentist shall pay all the costs of the proceedings resulting in his suspension and reinstatement and in addition thereto a fee of $25.

The amendment was agreed to.

The next amendment was, at the top of page 12, to insert:

SEC. 12. The District Court of the United States for the District of Columbia may suspend or revoke any license issued and any registration upon evidence showing to the satisfaction of the court that the licentiate or registrant, as the case may be, has been guilty of misconduct or is professionaly incapacitated.

Proceedings looking toward the suspension or revocation of a license or registration shall be begun by petition filed in the District Court of the United States for the District of Columbia in the name of the Board of Dental Examiners and shall be verified by oath. Proceedings shall be conducted according to the ordinary rules of equity practice and such supplementary rules as said court may deem expedient to carry into effect the purposes and intent of this Act; and said court is hereby authorized to make such supplementary rules. An appeal may be taken from the decision of the District Court of the United States for the District of Columbia to the United States Court of Appeals of said District. Any such appeal on behalf of the Board of Dental Examiners may be filed without bond. The District Court of the United States for the District of Columbia may determine whether a license or registration shall be suspended or revoked, and if such license is to be suspended said court may determine the duration of such suspension and the conditions under which such suspension shall terminate.

The amendment was agreed to.

The next amendment was, on page 15, line 17, after the word "give" to strike out "written clinical"; and on page 16, line 6, after the word "colleges" to insert: "Notwithstanding the provisions of this section, no person shall be deemed to be practicing dentistry who on the date of the enactment of this act is operating a radiographic laboratory for the purpose of making radiographs, or giving written clinical interpretations or readings of dental radiographs, to be used solely by dentists and physicians in making diagnoses", so as to read:

SEC. 15. Any person shall be deemed to be practicing dentistry who performs, or attempts or advertises to perform, any dental operation or oral surgery or dental service of any kind gratuitously or for a salary, fee, money, or other remunerations paid, or to be paid, directly or indirectly, to himself or to any other person or agency; or who is a manager, proprietor, operator, or conductor of a place where dental operations, oral surgery, or dental services are performed; or who directly or indirectly, by any means or method, furnishes, supplies, constructs, reproduces, or repairs any prosthetic denture, bridge, appliance, or any other structure to be worn in the human mouth, except on the written prescription of a duly licensed and practicing dentist; or who places such appliance or structure in the human mouth or attempts to adjust the same, or delivers the same to any person other than the dentist upon whose prescription the work was performed; or who advertises to the public, by any method, to furnish, supply, construct, reproduce, or repair any prosthetic denture, bridge, appliance, or other structure to be worn in the human mouth; or who diagnoses or professes to diagnose, prescribes for or professes to prescribe for, treats or professes to treat disease, pain, deformity, deficiency, injury, or physical condition of human teeth or jaws, or adjacent structures; or who extracts or attempts to extract human teeth, or corrects or attempts or professes to correct malpositions of teeth or of the jaws; or who gives or professes to give interpretations or readings of dental roentgenograms; or who administers an anesthetic of any nature in connection with a dental operation; or who uses the words "dentist," "dental surgeon," "oral surgeon," the letters "D. D. S.," "D. M. D.," or any other words, letters, title, or descriptive matter which in any way represent him as being able to diagnose, treat, prescribe, or operate for any disease, pain, deformity, deficiency, injury, or physical condition of human teeth or jaws, or adjacent structures; or who states, or advertises or permits to be stated or advertised, by sign, card, circular, handbill, newspaper, radio, or otherwise, that he can perform or will attempt to perform dental operations or render a diagnosis in connection therewith or who engages in any of the practices included in the curricula of recognized dental colleges. Notwithstanding the provisions of this section, no person shall be deemed to be practicing dentistry who on the date of the enactment of this act is operating a radiographic laboratory for the purpose of making radiographs, or giving written clinical interpretations or readings of dental radiographs, to be used solely by dentists and physicians in making diagnoses.

The amendment was agreed to.

The PRESIDING OFFICER. That completes the committee amendments.

Mr. KING. Mr. President, I offer certain amendments which I send to the desk and ask to have stated.

The PRESIDING OFFICER. The amendments offered by the Senator from Utah will be stated.

The CHIEF CLERK. On page 2, line 20, after the word "not", it is proposed to strike out "limiting" and insert "limited."

The amendment was agreed to.

The CHIEF CLERK. On page 3, line 8, after the word "act" it is proposed to insert a period, strike out the colon and: "*Provided*, That the concurrence of a majority of said Board shall be necessary to grant or revoke a license under this act."

The amendment was agreed to.

The CHIEF CLERK. On page 3, line 13, before the words "a register" it is proposed to insert the word "and."

The amendment was agreed to.

The CHIEF CLERK. On page 3, line 14, after the word "licenses", it is proposed to strike out "by it."

The amendment was agreed to.

The CHIEF CLERK. On page 4, line 4, after the word "such", it is proposed to strike out "books and papers" and insert "documents."

The amendment was agreed to.

The CHIEF CLERK. On page 4, line 7, after the words "produce such", it is proposed to strike out "books or papers" and insert "documents."

The amendment was agreed to.

The CHIEF CLERK. On page 16, line 25, it is proposed to insert a period after the word "revoked" and strike out the words "by said board."

The amendment was agreed to.

The CHIEF CLERK. On page 20, line 3, after the words "hygienists and", it is proposed to strike out "are not" and insert "shall not be."

The amendment was agreed to.

The CHIEF CLERK. On page 20, line 12, it is proposed to strike out "Board" and insert "District Court of the United States for the District of Columbia."

The amendment was agreed to.

The CHIEF CLERK. On page 20, line 13, it is proposed to strike out the comma after the word "suspend" and insert the word "or", and strike out the words "with power to reinstate."

The amendment was agreed to.

The CHIEF CLERK. On page 20, line 17, after the word "revoke", it is proposed to strike out "with power of reinstatement."

The amendment was agreed to.

The CHIEF CLERK. On page 20, line 20, after the word "pension", it is proposed to strike out the comma and insert the word "or", and to strike out the words "or reinstatement."

The amendment was agreed to.

The CHIEF CLERK. On page 20, line 21, it is proposed to strike out the comma after the word "suspension" and insert the word "or."

The amendment was agreed to.

The CHIEF CLERK. On page 20, line 22, it is proposed to strike out the words "or reinstatement."

The amendment was agreed to.

The CHIEF CLERK. On page 22, line 10, it is proposed to strike out the numbers "21, 22, 23, and 30" and insert "19, 20, 21, and 28."

The amendment was agreed to.

The PRESIDING OFFICER. The question is on the engrossment of the amendments and the third reading of the bill.

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

REGISTRATION OF ALIENS—CONFERENCE REPORT

Mr. MILLER. Mr. President, I move that the Senate proceed to consider the conference report on House bill 5138, the alien registration bill.

The motion was agreed to.

The conference report is as follows:

The committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 5138) to make unlawful attempts to interfere with the discipline of the Army, the Navy, and the Coast Guard; to require the deportation of certain classes of aliens; to require the fingerprinting of aliens seeking to enter the United States; and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendment of the Senate and agree to the same with an amendment as follows:

In lieu of the matter proposed to be inserted by the Senate amendment insert the following:

"TITLE I

"SECTION 1. (a) It shall be unlawful for any person, with intent to interfere with, impair, or influence the loyalty, morale, or discipline of the military or naval forces of the United States—

"(1) to advise, counsel, urge, or in any manner cause insubordination, disloyalty, mutiny, or refusal of duty by any member of the military or naval forces of the United States; or

"(2) to distribute any written or printed matter which advises, counsels, or urges insubordination, disloyalty, mutiny, or refusal of duty by any member of the military or naval forces of the United States.

"(b) For the purposes of this section, the term "military or naval forces of the United States" includes the Army of the United States, as defined in section 1 of the National Defense Act of June 3, 1916, as amended (48 Stat. 153; U. S. C., title 10, sec. 2), the Navy, Marine Corps, Coast Guard, Naval Reserve, and Marine Corps Reserve of the United States; and, when any merchant vessel is commissioned in the Navy or is in the service of the Army or the Navy, includes the master, officers, and crew of such vessel.

"SEC. 2. (a) It shall be unlawful for any person—

"(1) to knowingly or willfully advocate, abet, advise, or teach the duty, necessity, desirability, or propriety of overthrowing or destroying any government in the United States by force or violence, or by the assassination of any officer of any such government;

"(2) with the intent to cause the overthrow or destruction of any government in the United States, to print, publish, edit, issue, circulate, sell, distribute, or publicly display any written or printed matter advocating, advising, or teaching the duty, necessity, desirability, or propriety of overthrowing or destroying any government in the United States by force or violence;

"(3) to organize or help to organize any society, group, or assembly of persons who teach, advocate, or encourage the overthrow or destruction of any government in the United States by force or violence; or to be or become a member of, or affiliate with, any such society, group, or assembly of persons, knowing the purposes thereof.

"(b) for the purposes of this section, the term 'government in the United States" means the Government of the United States, the government of any State, Territory, or possession of the United States, the government of the District of Columbia, or the government of any political subdivision of any of them.

"SEC. 3. It shall be unlawful for any person to attempt to commit, or to conspire to commit, any of the acts prohibited by the provisions of this title.

"SEC. 4. Any written or printed matter of the character described in section 1 or section 2 of this Act, which is intended for use in violation of this Act, may be taken from any house or other place in which it may be found, or from any person in whose possession it may be, under a search warrant issued pursuant to the provisions of title XI of the Act entitled 'An Act to punish acts of interference with the foreign relations, the neutrality and the foreign commerce of the United States, to punish espionage, and better to enforce the criminal laws of the United States, and for other purposes', approved June 15, 1917 (40 Stat. 228; U. S. C., title 18, ch. 18).

"SEC. 5. (a) Any person who violates any of the provisions of this title shall, upon conviction thereof, be fined not more than $10,000 or imprisoned for not more than ten years, or both.

"(b) No person convicted of violating any of the provisions of this title shall, during the five years next following his conviction, be eligible for employment by the United States, or by any department or agency thereof (including any corporation the stock of which is wholly owned by the United States).

"TITLE II

"SEC. 20. Section 19 of the Immigration Act of February 5, 1917 (39 Stat. 889; U. S. C., title 8, sec. 155), as amended, is amended by inserting, after 'SEC. 19.', the letter '(a)', and by adding at the end of such section the following new subsections:

"'(b) Any alien of any of the classes specified in this subsection, in addition to aliens who are deportable under other provisions of law, shall, upon warrant of the Attorney General, be taken into custody and deported:

"'(1) Any alien who, at any time within five years after entry, shall have, knowingly and for gain, encouraged, induced, assisted, abetted, or aided any other alien to enter or to try to enter the United States in violation of law.

"'(2) Any alien who, at any time after entry, shall have on more than one occasion, knowingly and for gain, encouraged, induced, assisted, abetted, or aided any other alien or aliens to enter or to try to enter the United States in violation of law.

"'(3) Any alien who, at any time after entry, shall have been convicted of possessing or carrying in violation of any law any weapon which shoots or is designed to shoot automatically or semiautomatically more than one shot without manual reloading, by a single function of the trigger, or a weapon commonly called a sawed-off shotgun.

"'(4) Any alien who, at any time within 5 years after entry, shall have been convicted of violating the provisions of title I of the Alien Registration Act, 1940.

"'(5) Any alien who, at any time after entry, shall have been convicted more than once of violating the provisions of title I of the Alien Registration Act, 1940.'

"No alien who is deportable under the provisions of paragraph (3), (4), or (5) of this subsection shall be deported until the termination of his imprisonment or the entry of an order releasing him on probation or parole.

"'(c) In the case of any alien (other than one to whom subsection (d) is applicable) who is deportable under any law of the United States and who has proved good moral character for the preceding 5 years, the Attorney General may (1) permit such alien to depart the United States to any country of his choice at his own expense, in lieu of deportation, or (2) suspend deportation of such alien if not racially inadmissible or ineligible to naturalization in the United States if he finds that such deportation would result in serious economic detriment to a citizen or legally resident alien who is the spouse, parent, or minor child of such deportable alien. If the deportation of any alien is suspended under the provisions of this subsection for more than 6 months, all of the facts and pertinent provisions of law in the case shall be reported to the Congress within 10 days after the beginning of its next regular session, with the reasons for such suspension. The Clerk of the House shall have such report printed as a public document. If during that session the two Houses pass a concurrent resolution stating in substance that the Congress does not favor the suspension of such deportation, the Attorney General shall thereupon deport such alien in the manner provided by law. If during that session the two Houses do not pass such a resolution, the Attorney General shall cancel deportation proceedings upon the termination of such session, except that such proceedings shall not be canceled in the case of any alien who was not legally admitted for permanent residence at the time of his last entry into the United States, unless such alien pays to the Commissioner of Immigration and Naturalization a fee of $18 (which fee shall be deposited in the Treasury of the United States as miscellaneous receipt). Upon the cancelation of such proceedings in any case in which such fee has been paid, the Commissioner shall record the alien's admission for permanent residence as of the date of his last entry into the United States and the Secretary of State shall, if the alien was a quota immigrant at the time of entry and was not charged to the appropriate quota, reduce by one the immigration quota of the country of the alien's nationality as defined in section 12 of the act of May 26, 1924 (U. S. C., title 8, sec. 212), for the fiscal year then current or next following.

"'(d) The provisions of subsection (c) shall not be applicable in the case of any alien who is deportable under (1) the Act of October 16, 1918 (40 Stat. 1008; U. S. C., title 8, sec. 137), entitled "An Act to exclude and expel from the United States aliens who are members of the anarchist and similar classes", as amended; (2) the Act of May 26, 1922, entitled "An Act to amend the Act entitled 'An Act to prohibit the importation and use of opium for other than medicinal purposes', approved February 9, 1909, as amended" (42 Stat. 596; U. S. C., title 21, sec. 175); (3) the Act of February 18, 1931, entitled "An Act to provide for the deportation of aliens convicted and sentenced for violation of any law regulating traffic in narcotics", as amended (46 Stat. 1171; U. S. C., title 8, sec. 156a); (4) any of the provisions of so much of subsection (a) of this section as relates to criminals, prostitutes, procurers, or other immoral persons, the mentally and physically deficient, anarchists, and similar classes; or (5) subsection (b) of this section.'

"SEC. 21. The Act entitled 'An Act to provide for the deportation of aliens convicted and sentenced for violation of any law regulating traffic in narcotics', approved February 18, 1931, is amended—

"(1) By striking out the words 'and sentenced';

"(2) By inserting after the words 'any statute of the United States' the following: 'or of any State, Territory, possession, or of the District of Columbia,'; and

"(3) By inserting after the word 'heroin' a comma and the word 'marihuana'.

"SEC. 22. No alien shall be deportable by reason of the amendments made by section 20 or 21 on account of any act committed prior to the date of enactment of this Act.

"SEC. 23. (a) The first paragraph of section 1 of the Act entitled 'An Act to exclude and expel from the United States aliens who are members of the anarchistic and similar classes', approved October 16, 1918, as amended, is amended to read as follows:

"'That any alien who, at any time, shall be or shall have been a member of any one of the following classes shall be excluded from admission into the United States:'.

"(b) Section 2 of such Act of October 16, 1918, as amended, is amended to read as follows:

"'SEC. 2. Any alien who was at the time of entering the United States, or has been at any time thereafter, a member of any one of the classes of aliens enumerated in section 1 of this Act, shall, upon the warrant of the Attorney General, be taken into custody and deported in the manner provided in the Immigration Act of February 5, 1917. The provisions of this section shall be applicable to the classes of aliens mentioned in this Act, irrespective of the time of their entry into the United States.'

"TITLE III

"SEC. 30. No visa shall hereafter be issued to any alien seeking to enter the United States unless said alien has been registered and fingerprinted in duplicate. One copy of the registration and fingerprint record shall be retained by the consul. The second copy shall be attached to the alien's visa and shall be taken up by the examining immigrant inspector at the port of arrival of the alien in the United States and forwarded to the Department of Justice, at Washington, District of Columbia.

"Any alien seeking to enter the United States who does not present a visa (except in emergency cases defined by the Secretary of State), a reentry permit, or a border-crossing identification card shall be excluded from admission to the United States.

"SEC. 31. (a) It shall be the duty of every alien now or hereafter in the United States, who (1) is 14 years of age or older, (2) has not been registered and fingerprinted under section 30, and (3) remains in the United States for 30 days or longer, to apply for registration and to be fingerprinted before the expiration of such 30 days.

"(b) It shall be the duty of every parent or legal guardian of any alien now or hereafter in the United States, who (1) is less than 14 years of age, (2) has not been registered under section 30, and (3) remains in the United States for 30 days or longer, to apply for the registration of such alien before the expiration of such 30 days. Whenever any alien attains his fourteenth birthday in the United States he shall, within 30 days thereafter, apply in person for registration and to be fingerprinted.

"SEC. 32. Notwithstanding the provisions of sections 30 and 31—

"(a) The application for the registration and fingerprinting, or for the registration, of any alien who is in the United States on the effective date of such sections may be made at any time within 4 months after such date.

"(b) No foreign government official, or member of his family, shall be required to be registered or fingerprinted under this title.

"(c) The Commissioner is authorized to prescribe, with the approval of the Attorney General, special regulations for the registration and fingerprinting of (1) alien seamen, (2) holders of border-crossing identification cards, (3) aliens confined in institutions within the United States, (4) aliens under order of deportation, and (5) aliens of any other class not lawfully admitted to the United States for permanent residence.

"SEC. 33. (a) All applications for registration and fingerprinting under section 31 shall be made at post offices or such other places as may be designated by the Commissioner.

"(b) It shall be the duty of every postmaster, with such assistance as shall be provided by the Commissioner, to register and fingerprint any applicant for registration and fingerprinting under such section, and for such purposes to designate appropriate space in the local post office for such registration and fingerprinting. Every postmaster shall forward promptly to the Department of Justice, at Washington, District of Columbia, the registration and fingerprint record of every alien registered and fingerprinted by him. The Commissioner may designate such other places for registration and fingerprinting as may be necessary for carrying out the provisions of this act, and provide for registration and fingerprinting of aliens at such places by officers or employees of the Immigration and Naturalization Service designated by the Commissioner. The duties imposed upon any postmaster under this act shall also be performed by any employees at the post office of such postmaster who are designated by the postmaster for such purpose.

"SEC. 34. (a) The Commissioner is authorized and directed to prepare forms for the registration and fingerprinting of aliens under this title. Such forms shall contain inquiries with respect to (1) the date and place of entry of the alien into the United States; (2) activities in which he has been and intends to be engaged; (3) the length of time he expects to remain in the United States; (4) the criminal record, if any, of such alien; and (5) such additional matters as may be prescribed by the Commissioner, with the approval of the Attorney General.

"(b) All registration and fingerprint records made under the provisions of this title shall be secret and confidential, and shall be made available only to such persons or agencies as may be designated by the Commissioner, with the approval of the Attorney General.

"(c) Every person required to apply for the registration of himself or another under this title shall submit under oath the information required for such registration. Any person authorized to register aliens under this title shall be authorized to administer oaths for such purpose.

"SEC. 35. Any alien required to be registered under this title who is a resident of the United States shall notify the Commissioner in writing of each change of residence and new address within five days from the date of such change. Any other alien required to be registered under this title shall notify the Commissioner in writing of his address at the expiration of each three months' period of residence in the United States. In the case of an alien for whom a parent or legal guardian is required to apply for registration, the notices required by this section shall be given by such parent or legal guardian.

"SEC. 36. (a) Any alien required to apply for registration and to be fingerprinted who willfully fails or refuses to make such application or to be fingerprinted, and any parent or legal guardian required to apply for the registration of any alien who willfully fails or refuses to file application for the registration of such alien, shall, upon conviction thereof be fined not to exceed $1,000 or be imprisoned not more than six months, or both.

"(b) Any alien, or any parent or legal guardian of any alien, who fails to give written notice to the Commissioner of change of address as required by section 35 of this Act shall, upon conviction thereof, be fined not to exceed $100, or be imprisoned not more than thirty days, or both.

"(c) Any alien or any parent or legal guardian of any alien, who files an application for registration containing statements known by him to be false, or who procures or attempts to procure registration of himself or another person through fraud, shall, upon conviction thereof, be fined not to exceed $1,000, or be imprisoned not more than six months, or both; and any alien so convicted within five years after entry into the United States shall, upon the warrant of the Attorney General, be taken into custody and be deported in the manner provided in sections 19 and 20 of the Immigration Act of February 5, 1917, as amended.

"SEC. 37. (a) The Commissioner, with the approval of the Attorney General, is authorized and empowered to make and prescribe, and from time to time to change and amend, such rules and regulations not in conflict with this Act as he may deem necessary and proper in aid of the administration and enforcement of this title (including provisions for the identification of aliens registered under this title); except that all such rules and regulations, insofar as they relate to the performance of functions by consular officers or officers or employees in the Postal Service, shall be prescribed by the Secretary of State and the Postmaster General, respectively, upon recommendation of the Attorney General. The powers conferred upon the Attorney General by this Act and all other powers of the Attorney General relating to the administration of the Immigration and Naturalization Service may be exercised by the Attorney General through such officers of the Department of Justice, including officers of the Immigration and Naturalization Service, attorneys, special attorneys, and special assistants to the Attorney General, as he may designate specifically for such purposes.

"(b) The Commissioner is authorized to make such expenditures, to employ such additional temporary and permanent employees, and to rent such quarters outside the District of Columbia as may be necessary for carrying out the provisions of this title.

"SEC. 38. (a) For the purposes of this title—

"(1) the term 'United States', when used in a geographical sense, means the States, the Territories of Alaska and Hawaii, the District of Columbia, Puerto Rico, and the Virgin Islands;

"(2) the term 'Commissioner' means the Commissioner of Immigration and Naturalization.

"(b) The provisions of this title shall take effect upon the date of enactment of this Act; except that sections 30 and 31 shall take effect sixty days after the date of its enactment.

"SEC. 39. The President is authorized to provide, by Executive order, for the registration and fingerprinting, in a manner as nearly similar to that provided in this title as he deems practicable, of aliens in the Panama Canal Zone.

"TITLE IV

"SEC. 40. If any provision of this Act, or the application thereof to any person or circumstance, is held invalid, the remainder of the Act, and the application of such provision to other persons or circumstances, shall not be affected thereby.

"SEC. 41. This Act may be cited as the 'Alien Registration Act. 1940'.

And the Senate agree to the same.

That the House recede from its disagreement to the amendment of the Senate to the title of the bill, and agree to the same.

TOM CONNALLY,
JNO. E. MILLER,
JOHN A. DANAHER,
Managers on the part of the Senate.
HATTON W. SUMNERS,
SAM HOBBS,
C. E. HANCOCK,
Managers on the part of the House.

The PRESIDING OFFICER. The question is on agreeing to the conference report.

Mr. SCHWELLENBACH. Mr. President, I should like to inquire whether or not the bill as reported in the conference report is substantially the same as the bill passed by the Senate on last Saturday?

Mr. MILLER. I believe there are only three amendments. Two of them are technical and one relates to the amendment offered by the Senator from Georgia [Mr. RUSSELL]. We changed that amendment and in the report we divided the penalty. We made the deportation penalty apply only to those convicted of making false statements and not to those guilty of failure to register. However, for willful failure to register we increased the maximum penalty from $100 to $1,000, and the maximum imprisonment from 30 days to 1 year, in the discretion of the court.

Mr. SCHWELLENBACH. Outside of that, the House accepted the Senate amendments?

Mr. MILLER. Outside of that, the House accepted the Senate amendments.

The PRESIDING OFFICER. The question is on agreeing to the conference report.

The report was agreed to.

PRACTICE OF PODIATRY IN THE DISTRICT OF COLUMBIA

The PRESIDING OFFICER. The clerk will call the next bill on the calendar.

The Senate proceeded to consider the bill (H. R. 8692) to amend the act to regulate the practice of podiatry in the District of Columbia, which had been reported from the Committee on the District of Columbia, with amendments.

The first amendment was, on page 4, line 25, after "United States", to insert "or has duly declared his intention to become a citizen of the United States"; and on page 5, line 4, after "Board", to insert "Any license issued to a person who is a citizen of a foreign country and who has duly declared his intention to become a citizen of the United States shall automatically terminate and the registration of the candidate be annulled in the event such candidate shall fail to submit to the Board satisfactory evidence within 6 years from the date of such license that he has become a citizen of the United States", so as to read:

SEC. 5. Any person who desires to begin the practice of podiatry within the District of Columbia shall file with the secretary-treasurer of the Board a written application for a license, and furnish satisfactory proof that he is a citizen of the United States or has duly declared his intention to become a citizen of the United States, not less than 21 years of age, of good moral character, and is a graduate of a podiatry college recognized by the National Association of Chiropodists and approved by the Board. Any license issued to a person who is a citizen of a foreign country and who has duly declared his intention to become a citizen of the United States shall automatically terminate and the registration of the candidate be annulled in the event such candidate shall fail to submit to the Board satisfactory evidence within 6 years from the date of such license that he has become a citizen of the United States. Such application must be upon the form prescribed by the Board, vertified by oath, and accompanied by the required fee and a recent unmounted autographed photograph of the applicant. The Board shall hold in January and July of each year, in such place as it may designate, examinations to determine the fitness of applicants for licenses under this act.

The amendment was agreed to.

The next amendment was, on page 7, line 1, to strike out "Board" and insert "District Court of the United States for the District of Columbia", and in line 4, to strike out "Board" and insert "court", so as to read:

SEC. 7. The District Court of the United States for the District of Columbia may revoke or suspend the license of any podiatrist in the District of Columbia upon proof satisfactory to said court.

The amendment was agreed to.

The next amendment was, on page 8, line 23, after the words "act or", to insert "to knowingly violate", so as to read:

(5) Violating this act or aiding any person to violate this act or to knowingly violate the podiatry act of any State or Territory.

The amendment was agreed to.

The next amendment was, on page 9, line 7, after the words "restricting the", to strike out "Board" and insert "said court", so as to read:

The foregoing specifications of acts constituting unprofessional conduct shall not be construed as a complete definition of unprofessional conduct nor as authorizing or permitting the performance of other or similar acts not denounced, or as limiting or restricting the said court from holding that other or similar acts also constitute unprofessional conduct.

The amendment was agreed to.

The next amendment was, on page 9, after line 9, to strike out:

SEC. 8. No action to revoke or suspend a license shall be taken until the accused has been furnished a statement in writing of the charges against him, together with notice of the time and place of hearing thereof. The accused may be present at the hearings in person or by counsel, or both. The statement of charges and notice may be served personally upon such person or mailed to him at his last known address at least 20 days prior to the hearing. If upon such hearing the Board finds the charges sustained, it may suspend for a definite period or revoke the license of any such podiatrist. Such revocation or suspension shall take from the person named in such license all rights and privileges acquired thereby. Any podiatrist whose license has been revoked or suspended by the Board may, within 20 days after the order of revocation or suspension was entered, appeal from such order to the District Court of the United States for the District of Columbia, where the case shall be heard de novo, and the court, after such hearing, shall enter such order as in its judgment the Board should have entered. During the pendency of such appeal the order of the Board shall remain

in full force and effect unless the court shall otherwise order. Any podiatrist whose license has been suspended or revoked may be reinstated and a new license issued to him when in the judgment of the Board such action is warranted, provided such reinstated podiatrist shall pay all the costs of the proceedings resulting in his suspension and reinstatement and in addition thereto a fee of $25.

And in lieu thereof to insert:

SEC. 8. The District Court of the United States for the District of Columbia may suspend or revoke any license issued and any registration upon evidence showing to the satisfaction of the court that the licentiate or registrant, as the case may be, has been guilty of misconduct or is professionally incapacitated.

Proceedings looking toward the suspension or revocation of a license or registration shall be begun by petition filed in the District Court of the United States for the District of Columbia in the name of the Board of Podiatry Examiners and shall be verified by oath. Proceedings shall be conducted according to the ordinary rules of equity practice and such supplementary rules as said court may deem expedient to carry into effect the purposes and intent of this act; and said court is hereby authorized to make such supplementary rules. An appeal may be taken from the decision of the District Court of the United States for the District of Columbia to the United States Court of Appeals of said District. Any such appeal on behalf of the Board of Podiatry Examiners may be filed without bond. The District Court of the United States for the District of Columbia may determine whether a license or registration shall be suspended or revoked, and if such license is to be suspended said court may determine the duration of such suspension and the conditions under which such suspension shall terminate.

The amendment was agreed to.

The next amendment was, on page 14, line 1, after the word "qualified", to strike out "physician or surgeon" and insert "practitioner of the healing arts", so as to read:

SEC. 12. Nothing in this act shall apply to a bona fide student of podiatry in the clinic rooms of a reputable podiatry college; to a licensed and legally qualified practioner of the healing arts, to a podiatrist of the United States Army, Navy, Public Health Service, or Veterans' Administration, in the discharge of his official duties, nor to a lawful practitioner of podiatry in another State or Territory making a clinical demonstration before a bona fide society, convention, association of podiatrists, or podiatry college, or performing his duties in connection with a specific case on which he may have been called to the District of Columbia.

The amendment was agreed to.

The PRESIDING OFFICER. That completes the committee amendments.

Mr. KING. Mr. President, I send to the desk a number of amendments which I ask to have stated.

The PRESIDING OFFICER. The amendments offered by the Senator from Utah will be stated.

The CHIEF CLERK. On page 3, line 1, after the word "candidates", it is proposed to strike out the comma and insert the word "and."

The amendment was agreed to.

The CHIEF CLERK. On page 3, line 4, it is proposed to strike out the word "such" and insert the word "each."

The amendment was agreed to.

The CHIEF CLERK. On page 3, line 4, after the comma following the word "license", it is proposed to insert the word "and."

The amendment was agreed to.

The CHIEF CLERK. On page 3, line 5, it is proposed to strike out the words "by it."

The amendment was agreed to.

The CHIEF CLERK. On page 11, line 12, it is proposed to strike out the word "heretofore."

The amendment was agreed to.

The CHIEF CLERK. On page 12, line 14, it is proposed to strike out "will" and insert "shall."

The amendment was agreed to.

The PRESIDING OFFICER. The question is on the engrossment of the amendments and the third reading of the bill.

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill was read the third time, and passed.

BOARD OF STEAM AND OTHER OPERATING ENGINEERS

The bill (H. R. 8815) to grant per diem compensation to the appointed members of the Board of Steam and Other Operating Engineers of the District of Columbia, and for other purposes was considered, ordered to a third reading, read the third time, and passed.

JUVENILE COURT, DISTRICT OF COLUMBIA

The bill (H. R. 9804) to amend and clarify section 6, subsection 2, of the act approved June 1, 1938, known as "Juvenile Court Act of the District of Columbia", and for other purposes, was considered, ordered to a third reading, read the third time, and passed.

AMENDMENT OF LIFE INSURANCE ACT, DISTRICT OF COLUMBIA

The bill (H. R. 9299) to amend section 10 of chapter 5 of Public Act No. 436, Seventy-third Congress, approved June 19, 1934, was considered, ordered to a third reading, read the third time, and passed.

LIENS ON MOTOR VEHICLES, DISTRICT OF COLUMBIA

The bill (H. R. 9907) to provide for the recording and releasing of liens by entries on certificates of title for motor vehicles and trailers, and for other purposes, was considered, ordered to a third reading, read the third time, and passed.

BOARD OF FUNERAL DIRECTORS AND EMBALMERS, DISTRICT OF COLUMBIA

The Senate proceeded to consider the bill (S. 3720) to create and establish a Board of Funeral Directors and Embalmers for the District of Columbia and to prescribe its powers and duties which had been reported from the Committee on the District of Columbia with amendments.

The first amendment was, in section 4, on page 3, line 17, after the word "Board", to insert "and shall also be secretary-treasurer of said Board and shall give bond for the faithful performance of his duties in such amount as the Board may deem necessary"; and on page 4, line 8, after the word "cause", to insert "The members of said Board shall serve without compensation." So as to make the section read:

SEC. 4. The Commissioners of the District of Columbia shall appoint as members of said Board six persons who shall have been actively engaged at a place of business in the District of Columbia in the business or profession of funeral directing or embalming for a minimum of 5 consecutive years immediately preceding their appointment, a physician licensed to practice in the District of Columbia, and a representative from the faculty of any one of the medical schools located in the District of Columbia; each member of said Board shall be not less than 25 years of age, of good moral character, and a citizen of the United States. In addition thereto, the health officer of the District of Columbia or a member of the personnel of the Health Department of the District of Columbia designated by said health officer, shall serve, ex officio, as a member of said Board and shall also be secretary-treasurer of said Board and shall give bond for the faithful performance of his duties in such amount as the Board may deem necessary, but without added compensation for his services as such. The Commissioners shall appoint the first members of said Board within 30 days from the enactment of this act. Four members of the Board originally appointed by the Commissioners shall be appointed for a term of 1 year, and four members shall be appointed for a term of 2 years. Thereafter, the term of the members of said Board shall be for 2 years and until their successors are appointed by the Commissioners and have qualified. Members to fill vacancies shall be appointed by the Commissioners for the unexpired term. The Commissioners may remove any member of the Board at any time for neglect of duty or other just cause. The members of said Board shall serve without compensation.

The amendment was agreed to.

The next amendment was, in section 6, on page 5, after line 1, to strike out "the Board shall appoint a secretary-treasurer of the Board, who need not be a member of the Board, and such secretary-treasurer shall give bond for the faithful performance of his duties in such amount as the Board may deem necessary", so as to make the section read:

SEC. 6. (a) The Board shall meet in the District of Columbia at least once each year on the second Tuesday of the month of January of each year and may hold other meetings at such time as it deems necessary; and the time and place of said meetings shall be fixed and determined by the Board in its rules and regulations. At the January meeting, which shall be known as the annual meeting, the Board shall elect from among its members a president and a vice president. Five members of said Board shall constitute a quorum for the transaction of business at any meeting; if, however, such quorum shall not be present at any regularly called meeting, the members present may adjourn such meeting from time to time until such quorum is present. The Board is hereby authorized and empowered to make, and from time to time may alter, such rules and regulations, not inconsistent with the provisions of this act,

subject to the approval of the Commissioners of the District of Columbia, as it deems necessary for the conduct of its business and for the proper execution and enforcement of the provisions of this act. The Board shall adopt a common seal and from time to time may alter the same if it is deemed proper; the courts of the District of Columbia shall take judicial notice of such seal.

The amendment was agreed to.

The next amendment was, in section 7, on page 5, line 25, after "(a)", to strike out "The members of the Board shall serve without pay. The secretary-treasurer shall, however, be paid such salary as shall be approved by the Board, and such salary shall be paid out of the funds received by the Board and no part of such compensation shall be paid otherwise by the District of Columbia."; on page 6, line 13, after the word "The", to strike out "Board" and insert "Secretary-treasurer"; in line 15, after the word "as", to strike out "it" and insert "he"; at the beginning of line 16, to insert "subject to the approval of the Board"; in line 21, after the word "space", to strike out "furniture, stationery, heat, light, telephone, and other office facilities and proper conveniences", so as to make the section read:

SEC. 7. (a) The Secretary-treasurer shall perform such duties as the Board by its rules and regulations shall prescribe. The Board may appoint one or more inspectors whose duties shall be determined by the Board, and the salary and necessary expenses of such inspector or inspectors shall be paid out of the funds received by the Board and no part of such compensation shall be paid otherwise by the District of Columbia.

(b) The secretary-treasurer is hereby authorized and empowered to employ and fix the salary of such clerical assistants as he may, from time to time, deem necessary subject to the approval of the Board; the compensation of such employee or employees shall be paid out of the funds received by the Board and no part of such compensation shall be paid otherwise by the District of Columbia.

(c) The Commissioners of the District of Columbia shall provide, for the use of the Board, such office space as shall be reasonably necessary for carrying out the provisions and to effectuate the purposes of this act. The corporation counsel of the District of Columbia shall act as counsel for the Board but without added compensation for his services as such.

(d) The Board is hereby authorized and empowered to receive, and the Anatomical Board of the District of Columbia (32 Stat. 174, ch. 638, sec. 9) is hereby authorized to deliver, under the terms and conditions of the act creating said Anatomical Board of the District of Columbia, to said Board, a sufficient number of dead human bodies for the purpose of enabling said Board to conduct the examinations in funeral directing and embalming provided for in this act.

The amendment was agreed to.

The next amendment was, in section 10, on page 9, at the beginning of line 2, to strike out "for the succeeding calendar year", and insert, "All licenses issued shall date from the 1st day of July in each year and expire on the 30th day of June following" so as to make the section read:

SEC. 10. Within 60 days from the enactment of this act, every person registered prior to the enactment of this act with the Health Department of the District of Columbia as an undertaker and actually engaged in such business at the time of the enactment of this act at a fixed place or establishment equipped as a funeral home and desiring to continue those activities of an undertaker defined in this act as funeral director shall furnish proof satisfactory to the Board that he was so registered and so engaged in such business. Such proof having been made to the satisfaction of the Board, the Board shall cause the name of such person to be registered as a funeral director in a book provided for that purpose and kept by the secretary-treasurer of the Board, and upon the payment of a fee of $10 the Board shall issue to such person a license to engage in the business or profession of funeral directing in the District of Columbia. All licenses issued shall date from the 1st day of July in each year and expire on the 30th day of June following. Every license issued under the provisions of this section shall be renewed annually on or before the 1st day of July of each year upon the payment of an annual renewal fee of $10.

The amendment was agreed to.

The next amendment was, in section 11, on page 9, line 14, after "act" to strike out "such person", so as to make the section read:

SEC. 11. After the enactment of this act any person desiring to engage in the District of Columbia in the business or profession of funeral directing, as defined in this act, who was not so engaged at the time of the enactment of this act, or any person so engaged at the time of the enactment of this act who failed to avail himself of the provisions of section 10 of this act, shall present himself before the Board for a license to practice funeral directing. Such person shall submit proof satisfactory to the Board that he is not less than 21 years of age, that he is of good moral character and free from any habits liable to interfere with the performance of his duties, and that he is a graduate from a recognized high school or its equivalent. Such person shall also submit proof satisfactory to the Board that he has had not less than 2 years' practical experience as an apprentice with a licensed funeral director in the District of Columbia and that he was registered as an apprentice with the Board of Funeral Directors and Embalmers of the District of Columbia at the time he started to serve his apprenticeship and that such apprenticeship was served in accordance with the provisions of section 13 of this act. Such person shall be examined by the Board as to the proper sanitation and disinfection of the clothing and bedding of persons dying from communicable diseases and the premises in which they died; as to laws of the District of Columbia relative to death certificates, removals, burials, burial permits, and interstate shipment of dead bodies; and as to the proper care, preparation for burial, and burial of dead human bodies, and such other subjects as the Board deems necessary and proper. Each such applicant for a license to engage in the business or profession of funeral directing shall submit formal application, supporting data, photograph, and shall pay an examination fee of $25 which, if the applicant passes or fails the examination herein authorized, shall not be returnable.

The amendment was agreed to.

The next amendment was, in section 12, on page 10, at the beginning of line 21, to strike out "therefore"; on page 11, line 3, after "District of Columbia", to strike out "for the succeeding calendar year" and insert "All licenses issued shall date from the 1st day of July in each year and expire on the 30th day of June following", so as to make the section read:

SEC. 12. When the Board shall find that the applicant for a license to practice the business or profession of funeral directing as defined in this act possesses the qualifications prescribed in this act, and when the applicant shall have passed the examination prescribed by the Board, the Board shall cause the name of such applicant to be registered in a book to be provided for that purpose and kept by the secretary-treasurer of the Board, and upon the payment of the license fee of $10, the Board shall issue to such person a license to engage in the business or profession of funeral directing in the District of Columbia. All licenses issued shall date from the 1st day of July in each year and expire on the 30th day of June following. Every license issued under the provisions of this section shall be renewed annually on or before the 1st day of July of each year upon the payment of an annual fee of $10.

The amendment was agreed to.

The next amendment was, in section 14, on page 12, line 12, after "District of Columbia", to strike out "for the succeeding calendar year" and insert "All licenses issued shall date from the 1st day of July in each year and expire on the 30th day of June following", so as to make the section read:

SEC. 14. Within 60 days from the enactment of this act, every person registered, prior to the enactment of this act, with the Health Department of the District of Columbia as an undertaker and actually engaged in such business at the time of the enactment of this act at a fixed place or establishment equipped as a funeral home and desiring to continue those activities of an undertaker defined in this act as embalmer shall furnish proof satisfactory to the Board that he was so registered and so engaged in such business. Such proof having been made to the satisfaction of the Board, the Board shall cause the name of such person to be registered as an embalmer in a book to be provided for that purpose and kept by the secretary-treasurer of the Board, and upon the payment of a fee of $10 the Board shall issue to such person a license to engage in the business or profession of embalming in the District of Columbia. All licenses issued shall date from the 1st day of July in each year and expire on the 30th day of June following. Every license issued under the provisions of this section shall be renewed annually on or before the 1st day of July of each year upon the payment of an annual renewal fee of $10.

The amendment was agreed to.

The next amendment was, in section 15, on page 12, line 24, after "act", to strike out "such person"; on page 13, line 6, after "equivalent", to strike out "and"; in line 9, after "study", to strike out "and", and in line 11, after "District of Columbia," to strike out "and", so as to make the section read:

SEC. 15. After the enactment of this act any person desiring to engage, in the District of Columbia, in the business or profession of embalming as defined in this act, or any person so engaged at the time of the enactment of this act who failed to avail himself of the provisions of section 14 of this act, shall present himself before the Board for a license to practice embalming. Such person shall submit proof satisfactory to the Board that he is not less than 21 years of age and that he is of good moral character and free from any habits liable to interfere with the performance of his duties. Such person shall also submit proof that he is a graduate of a recognized high school or its equiva-

lent; that he is a graduate of an approved college of embalming whose course of instruction is not less than 9 months, comprising not less than 840 hours of study; that he has had not less than 2 years of practical experience as an apprentice with a licensed embalmer in the District of Columbia; that he was registered as an apprentice with the Board of Funeral Directors and Embalmers at the time he started to serve his apprenticeship and that such apprenticeship was served in accordance with the provisions of section 17 of this act. Such person shall be examined by the Board, theoretically and practically, in anatomy, embalming, embalming fluids, sanitation, disinfection, the care and preparation of dead bodies for burial and the shipment of same, laws and regulations pertaining to communicable diseases, and such other subjects as the Board deems necessary and proper. Each applicant for a license to engage in the business or profession of embalming to be issued after examination shall submit formal application, supporting data, photograph, and shall pay an examination fee of $25 which, if the applicant passes or fails the examination herein authorized, shall not be returnable.

The amendment was agreed to.

The next amendment was, in section 16, on page 14, line 13, after "District of Columbia", to strike out "for the succeeding calendar year", and insert "All licenses issued shall date from the 1st day of July in each year and expire on the 30th day of June following", so as to make the section read:

SEC. 16. When the Board shall find that the applicant for a license to practice the business or profession of embalming as defined in this act possesses the qualifications therefor prescribed in this act, and when the applicant shall have passed the examination prescribed by the Board, the Board shall cause the name of such applicant to be registered in a book to be provided for that purpose and kept by the secretary-treasurer of the Board, and upon the payment of the license fee of $10, the Board shall issue to such person a license to engage in the business or profession of embalming in the District of Columbia. All licenses issued shall date from the 1st day of July in each year and expire on the 30th day of June following. Every license issued under the provisions of this section shall be renewed annually on or before the 1st day of July of each year upon the payment of an annual fee of $10.

The amendment was agreed to.

The next amendment was, in section 20, on page 17, line 9, after "Board" to insert "in case of the refusal of any person to comply with any subpena issued hereunder or to testify to any matter regarding which he may lawfully be interrogated, the District Court of the United States for the District of Columbia, or any judge thereof, on application of any member of the Board, shall issue an order requiring such person to comply with such subpena and to testify or either, and any failure to obey such order of the court may be punished by the court as a contempt thereof," so as to make the section read:

SEC. 20. The Board is hereby authorized and empowered to investigate any alleged violation of the provisions of this act or any alleged violation or violations of the rules and regulations herein authorized to be promulgated by the Board; to summon alleged violators for hearing before the Board, to subpena witnesses or take the testimony of any person by deposition; to administer oaths to witnesses before the Board; to compel testimony of and from witnesses; to require the production of books, records, papers, and documents by subpena or otherwise; and to aid in the prosecution of any alleged violation of this act or of the rules and regulations herein authorized to be promulgated by the Board. In case of the refusal of any person to comply with any subpena issued hereunder or to testify to any matter regarding which he may lawfully be interrogated, the District Court of the United States for the District of Columbia, or any judge thereof, on application of any member of the Board, shall issue an order requiring such person to comply with such subpena and to testify or either, and any failure to obey such order of the court may be punished by the court as a contempt thereof.

The amendment was agreed to.

The next amendment was, in section 21, on page 18, after line 5, to insert "It shall be the duty of the auditor of the District of Columbia to audit the accounts of the Board at the end of each fiscal year and make a report thereof in writing to the Commissioners of the District of Columbia. The said auditor shall have free access to all books of accounts, papers, and records of the said Board", so as to make the section read:

SEC. 21. All fees and charges payable under the provisions of this act shall be paid to the secretary-treasurer of the Board and by him deposited as directed by the Board. The Board shall pay from the fund thus established all of the expenses of the Board, including such as may be incident to investigation and criminal prosecution. Disbursements authorized by the Board shall be made by check signed by the secretary-treasurer of the Board. The Board is hereby empowered to refund any fee or charge, or portion thereof, erroneously paid or collected under this act. At the close of each fiscal year any and all funds of the Board in excess of the sum of $1,000 shall be paid into the Treasury of the United States to the credit of the District of Columbia. It shall be the duty of the auditor of the District of Columbia to audit the accounts of the Board at the end of each fiscal year and make a report thereof in writing to the Commissioners of the District of Columbia. The said auditor shall have free access to all books of accounts, papers, and records of the said Board.

The amendment was agreed to.

The next amendment was, in section 26, on page 20, line 4, after the word "on", to strike out "the second" and insert "or before the third"; at the beginning of line 6, to strike out "during" and insert "for"; in line 6, after "preceding", to strike out "calendar" and insert "fiscal", so as to make the section read:

SEC. 26. The Board shall report annually to the Commissioners on or before the third Monday in January its proceedings under the provisions of this act for the preceding fiscal year with recommendations for such further legislation as may be necessary.

The amendment was agreed to.

The PRESIDING OFFICER. The bill is still open to amendment.

Mr. KING. Mr. President, since this bill has been reported a number of intelligent and respectable citizens of the District have called on me and asked that the measure be amended. The bill was reported by the able Senator from Mississippi. I do not feel like interrupting the proceedings in order to tender the amendments without their being referred to the committee. I simply give notice that I shall confer with the chairman and members of the committee, and if they feel that the bill should be amended, I may move to reconsider it at a later date.

Mr. McCARRAN. Mr. President, I do not understand the statement of the Senator from Utah. He is referring to a District of Columbia bill?

Mr. KING. Yes.

Mr. McCARRAN. Were the amendments submitted to the District Committee?

Mr. KING. They were not. That is the reason I do not feel like interrupting the proceedings now to offer them.

Mr. McCARRAN. But have they been offered?

Mr. KING. I have not offered them.

Mr. McKELLAR. Mr. President, under the circumstances, I think the bill should go over.

The PRESIDING OFFICER. The bill will be passed over.

BOULDER DAM

The PRESIDING OFFICER (Mr. LA FOLLETTE in the chair) laid before the Senate the action of the House of Representatives disagreeing to the amendments of the Senate to the bill (H. R. 9877) authorizing the Secretary of the Interior to promulgate and to put into effect charges for electrical energy generated at Boulder Dam, providing for the application of revenues from said project, authorizing the operation of the Boulder Power Plant by the United States directly or through agents, and for other purposes, and requesting a conference with the Senate on the disagreeing votes of the two Houses thereon.

Mr. PITTMAN. I move that the Senate insist upon its amendments, agree to the request of the House for a conference, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to; and the Presiding Officer appointed Mr. PITTMAN, Mr. ASHURST, Mr. ADAMS, Mr. MCNARY, and Mr. JOHNSON of California conferees on the part of the Senate.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Chaffee, one of its reading clerks, announced that the House had agreed to the amendments of the Senate to the bill (H. R. 8450) to extend for 2 additional years the reduced rates of interest on Federal land bank and Land Bank Commissioner loans.

The message also announced that the House had disagreed to the amendments of the Senate to the bill (H. R. 10104) making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1940, and prior fiscal years, to provide supplemental appropriations for the fiscal years ending June 30, 1940, and June 30, 1941, and for other purposes; agreed to the conference asked by the Senate on the disagreeing votes of the two Houses thereon, and that Mr. TAYLOR, Mr. WOODRUM of Virginia, Mr. CANNON of Missouri, Mr. LUDLOW, Mr. SNYDER, Mr. O'NEAL, Mr. JOHNSON of West Virginia, Mr. TABER, Mr. WIGGLESWORTH, Mr. LAMBERTSON, and Mr. DITTER were appointed managers on the part of the House at the conference.

ENROLLED BILLS AND JOINT RESOLUTION SIGNED

The message further announced that the Speaker had affixed his signature to the following enrolled bills and joint resolution, and they were signed by the Vice President:

H. R. 2901. An act conferring jurisdiction upon the United States District Court for the Middle District of Georgia to hear, determine, and render judgment upon the claim of Geraldine Ash;

H. R. 2354. An act for the relief of S. T. Enloe;

H. R. 3774. An act for the relief of Albert L. Barnholtz;

H. R. 3964. An act for the relief of H. S. Wayman;

H. R. 4801. An act for the relief of Mary Camastro, a minor;

H. R. 5211. An act conferring jurisdiction upon the United States District Court for the Eastern District of Kentucky to hear, determine, and render judgment upon the claims of Mat Hensley, Arnold Blanton, Lillie Price, Clyde Thorpe, and D. L. Mason;

H. R. 5464. An act for the relief of Don E. Hicks;

H. R. 5571. An act for the relief of Minnie Lowery and Winell Lowery;

H. R. 5930. An act for the relief of Raymond C. Knight;

H. R. 6095. An act for the relief of Wilbur P. Riddlesbarger and Josephine Riddlesbarger;

H. R. 6548. An act for the relief of Isobell Shanks;

H. R. 6553. An act for the relief of the Pennsylvania State College;

H. R. 6598. An act for the relief of Charles H. Upton;

H. R. 6845. An act for the relief of Anthony Borsellino;

H. R. 6967. An act for the relief of Thomas Boyd;

H. R. 7116. An act to authorize defraying cost of necessary work between the Yuma project and Boulder Dam;

H. R. 7608. An act for the relief of J. Montrose Edrehi;

H. R. 7858. An act for the relief of Mary D. Briggs and Simeon G. Rigor;

H. R. 7959. An act for the relief of Nathan A. Buck;

H. R. 8076. An act to authorize the furnishing of steam from the Central Heating Plant to the National Academy of Sciences, and for other purposes;

H. R. 8258. An act for the marking, care, and maintenance of the Mount of Victory plot in the Cypress Hills Cemetery, in Brooklyn, N. Y.;

H. R. 8356. An act for the exchange of lands adjacent to the San Juan National Forest and the Rio Grande National Forest in Colorado;

H. R. 8414. An act for the relief of Charles E. Molster, former disbursing clerk for the Department of Commerce and the National Recovery Administration; J. L. Summers, deceased, former chief disbursing clerk, Division of Disbursement, Treasury Department; and Guy F. Allen, chief disbursing officer, Division of Disbursement, Treasury Department;

H. R. 9274. An act to amend the act entitled "An act to provide for the establishment of the Cape Hatteras National Seashore in the State of North Carolina, and for other purposes," approved August 17, 1937 (50 Stat. 669);

H. R. 9296. An act to authorize the attendance of the Marine Band at the convention of the Grand Army of the Republic to be held at Springfield, Ill., September 8 to 13, inclusive, 1940;

H. R. 9445. An act for the acquisition of Indian lands for the Grand Coulee Dam and Reservoir, and for other purposes; and

H. J. Res. 517. Joint resolution to clear title to certain real estate.

SIZE OF THE ARMY

Mr. LODGE. Mr. President, I have just seen a very interesting and thoughtful editorial in the New York Herald Tribune, and a particularly noteworthy article by the distinguished military writer, Maj. George Fielding Eliot, both of which make the point which I have tried to impress upon the Senate, that if we develop a well-trained Army of about 750,000 men now, we may avoid the cruel necessity of having a mass draft and a mass army later. Because of their excellence, I ask that the editorial and article be inserted in the CONGRESSIONAL RECORD.

The PRESIDING OFFICER. Without objection, the editorial and article will be inserted in the RECORD as a part of the Senator's remarks.

The editorial and article are as follows:

THE UNIVERSAL-SERVICE BILL

Three months ago the mere introduction of a bill to establish universal service in the United States would have been politically unthinkable. The fact that on Thursday Senator BURKE could lay before the Senate the bill sponsored by the Military Training Camps Association, calling for the registration of 40,000,000 American men and rendering all of them between 21 and 45 legally liable, as needed, for 8 months' service, represents an enormous advance. With the purposes of the bill this paper is wholly in sympathy. We are convinced not only that the Nation should have the power to call on every citizen in its own defense, but that this common obligation should be made plain to all, and made plain now, by some such measure as this one.

Unfortunately, however, the obligation on every citizen to defend the state is one thing; the creation of an effective Army—an organized instrument technically adequate to our defense needs under the conditions of modern, mechanized warfare—is another thing. In an adjoining column Maj. George Fielding Eliot, as a qualified military technician, sketches what he believes to be the type of instrument required. It takes very little examination to see that the Burke bill would be wholly unsuited to producing this kind of army and might, indeed, only render the creation of such an army impossible.

Major Eliot, for example, fixes the total numbers required at no more than some 600,000 men, either under arms or else in fully trained reserve. But the Burke bill makes some 23,000,000 men liable; while even the age group between 21 and 31, from which the main drafts would be made, includes some 10,000,000. Major Eliot believes a 2-year period of active duty the minimum necessary to yield a force really trained to the highly intricate business of modern warfare; the Burke bill would allow only 8 months. Whether Major Eliot is right in this and other details we are not competent to say. But few would dispute his fundamental thesis. The immediate military need is for a relatively smaller force, with few men highly trained, thoroughly equipped with all the complicated machinery of war and thoroughly competent in its use; the Burke bill—thinking more, perhaps, of what might be called the "moral" need—is the sort of measure suited to producing great masses of men, imperfectly trained, for whom mechanical equipment could never be made available, and who would probably be slaughtered on any battlefield they ever reached.

There is, then, a certain conflict between the requirements of patriotism and morale and the requirements of efficient and practical military preparedness. In such a case it seems to us that a little reflection will show clearly that the practical military requirements should come first. The great value of universal service in instilling a sense of democratic obligation, discipline, and patriotism would vanish unless the men called up knew that they were being called to a real service, technically efficient and making the best possible use of their time and sacrifice. The Burke bill represents a great advance. But we believe it should be regarded only as a tentative draft, from which a more suitable measure may be designed. We believe in starting with the practical military requirements of the next few years and then devising a system of universal service which will fit them, not in starting with universal service and then trying to fit it, awkwardly, to the military requirements.

WANTED—A BATTLE-WORTHY ARMY

(By Maj. George Fielding Eliot)

We are going to build a new Army. That Army must be battle-worthy, in the modern sense of that term. Improvised forces are useless—worse than useless—in modern war. Half-trained militia forces cannot stand up under the terrific responsibilities of modern battle. It was troops with 2 full years of training, plus several additional months of mobilization, the experience of the Polish war, and again a winter of training which destroyed France. The coordination and individual familiarity with weapons which comes with long experience is not to be acquired in a few months.

Unless we are going to indulge in military adventures overseas—which may the God that watches over the destinies of this Republic forbid—we do not need a great army of millions. We need, as our first Commander in Chief put it, not a large Army, but a good one.

There is a bill now before Congress, prepared with the advice of the Military Training Camps Association, and introduced by Senator EDWARD R. BURKE, of Nebraska. It would create the illusion of military strength in the minds of the American people, without the substance. It is, therefore, not only useless but positively dangerous.

The proposed bill calls for universal military and national service under a selective plan. It would cause the men to be selected for the Army to be trained for the wholly insufficient period of 8 months, thereafter passing to the Reserve without provision for any further training. Such a plan will not serve our present needs. Our objective should be to create a military force which can fight under all conditions which may be demanded of it, and against the most formidable of enemies.

The primary objective of any scheme for selective service should be the building up of our Regular Army to the full strength required, and the gradual establishment of an adequate reserve therefor. This requires that a distinction be made between permanent personnel and annual classes of conscripted personnel. Permanent personnel should be obtained by voluntary enlistment only. In order to make a military career attractive to our young men, it is necessary that pay and allowances be placed on the same basis in the Army and Navy.

The objective should be that noncommissioned officers, specialists, and a proportion of the privates should be permanent personnel; the balance of the privates should be drawn by selection, with due regard to aptitudes, from the annual classes of conscripts. Direct voluntary enlistments should be for 5 years; the service of selected men should be for 2 years, with the option of extending for 3 additional years if desired. Reenlistments of qualified and suitable men should be encouraged. Nothing less than the periods of service stated will be of any use for the Regular Army.

The duties of the Regular Army should include:

(1) The defense of the outlying possessions of the United States.

(2) The provision of a suitable mobile striking force within the continental United States, for the immediate defense of the country and for expeditionary purposes within the sphere of our naval interests.

(3) The provision of adequate skeleton establishments for antiaircraft and harbor defense of the continental United States.

(4) The training of the Reserves and the National Guard.

(5) The provision of the command and administrative overhead for the entire Military Establishment.

The Reserve of the Regular Army should be drawn from two sources:

(A) Conscripted soldiers who have passed through their 2 years with the colors. These should be initially assigned as Class A Reservists to provide a reservoir of replacements at the permanent station of their unit; i. e., a depot establishment.

After serving 5 years as class A reservists such men should be transferred to class B, available for service under such conditions in an emergency as the President might prescribe, for a period of 15 years.

(B) Men called up under selective service but not drafted into the Regular Army should form the class C and D reservists. Class C should be composed of specialists whose occupations in civil life particularly fit them for military duties of certain sorts: Clerks, truck drivers, mechanics, cooks, hospital attendants, etc.

Class D should include the other young men of the country fit for military service, but without training. Service in class C and class D should be for a total of 22 years. The object of the class C reserve is that most such nonmilitary specialist jobs should be filled by class C reservists on active duty, leaving the time of the regularly serving soldiers free for wholly military instruction without the burdens of post housekeeping, administration, and supply.

Reserve noncommissioned officers should be obtained from men specially qualifying therefor after service in the Regular Army, under conditions to be prescribed by the War Department.

As an example of how this would work, let us suppose that the size of the Regular Army determined upon after study should be 600,000 men. About one-half of this should be permanent personnel—300,000. The rest would be composed of two classes of conscripts of 150,000 each, serving for 2 years. At any given time the Regular Army would include 300,000 men serving 5-year voluntary enlistments, 150,000 conscripts of more than 1 year's service, and 150,000 of less than 1 year's service.

Five years after the initiation of this plan there would be available 500,000 to 550,000 class A reservists, fully trained, who would come in on mobilization to fill up the ranks, and to provide an immediately available group of replacements. Reserve noncommissioned officers would be available to begin the training of new classes of raw recruits, or class D reservists, who might be called out in an emergency. The class C reservists would be available for all nonmilitary jobs, and a certain number of them would be serving with the colors at any given time.

If the size of the Regular Army had been correctly calculated for all M-Day assignments, there would never be any necessity for sending untrained, raw recruits into action. As fully trained reservists increase in number, the size of the peace establishment of the Regular Army can be reduced.

The duties of the National Guard should be confined to the provision of certain antiaircraft and harbor-defense units of coast artillery, line-of-communications troops, certain engineer, signal, and medical units for corps, army and general headquarters reserve troops, and the preservation of internal order. All idea of using National Guard infantry, cavalry, tank, and field artillery units as combat forces should be abandoned. They will never have enough training for the purpose, and we deceive ourselves if we suppose otherwise.

The National Guard should be obtained by voluntary enlistment from among class D reservists only, except that class B and C reservists who desire to enlist in the National Guard might be allowed to do so under suitable restrictions. The "home guard" proposed in the present bill should not be a national force but rather an expansion of the National Guard for the duties of internal order which should be arranged for by the States.

Annual quotas of requirements should be prepared by the War Department and passed along to the selective service authority, which should be a civilian organization with a permanent clerical force but with volunteer local boards as its chief functioning agencies. These quotas should be allocated to the local boards in order to enable them to make suitable selections.

Young men should be called up annually at the age of 20 for registration and selection. This will produce an annual class of about 1,000,000 young men. If World War experience is any guide, anywhere from 30 to 50 percent of the registrees will be rejected for physical disability. Indeed, the physical standards ought to be set very high, for many of these young men will be required for the Air Corps, for mechanized troops, and for service beyond the seas. We may expect, therefore, the higher percentage of rejections named—50 percent.

That leaves us 500,000, of which (as a rough guess) 200,000 may be excused from color service for reasons connected with essential industries, family conditions and so forth. Of the remaining 300,000, half would be chosen for 2 years' service with the colors and a good many of the remainder for 1 year's service as class C reservists on active duty.

So much for the permanent plan. But we must also keep in mind the immediate emergency; and this plan will not give us sufficient trained reserves for some years to come. Therefore if the Regular Army ought to consist of 600,000 men, we should raise it to that strength immediately, calling up under selective service as many young men of the age group 20 to 22 as may be necessary. Meanwhile we should call into Federal service the entire National Guard to take temporarily the place of the Reservists we do not have. We can release from guard service such men as are needed for essential industries and those on whom such service would entail extraordinary hardship, replacing them with recruits.

Meanwhile the training of the Regular Army and its gradual equipment with new weapons will be proceeding, and in due course the National Guard can again be released to State control. While the National Guard is in Federal service each State should organize a State guard for the preservation of internal order and for guarding key points—industries, railways, bridges, and so on.

Thus the needs of imminent emergency and long-range planning for a secure future for our country can go hand in hand. Vague talk of millions of men, tens of thousands of airplanes, national service for all, will not help us now. Neither will outworn theories and out-dated methods. What will help us is the forging of weapons which will not fail us in our hour of need.

LAWS RELATING TO FEDERAL PRISONERS

The Senate proceeded to consider the bill (H. R. 7343) to amend certain laws governing Federal prisons, and for other purposes, which is as follows:

Be it enacted, etc., That section 3 of the act of May 13, 1930 (46 Stat. 272; U. S. C., title 18, sec. 723c), is amended to read as follows:

"SEC. 3. The said Board, or any member thereof, shall hereafter have the exclusive authority to issue warrants for the retaking of any United States prisoner who has violated his parole. The unexpired term of imprisonment of any such prisoner shall begin to run from the date he is returned to the custody of the Attorney General under said warrant, and the time the prisoner was on parole shall not diminish the time he was originally sentenced to serve."

SEC. 2. Section 5 of the act of June 25, 1910 (36 Stat. 820; U. S. C., title 18, sec. 718), is amended to read as follows:

"SEC. 5. That any officer of any Federal, penal, or correctional institution or any Federal officer authorized to serve criminal process within the United States, to whom such warrant shall be delivered, is authorized and required to execute such warrant by taking such prisoner and returning him to the custody of the Attorney General. All necessary expenses incurred in the administration of this act shall be paid out of the appropriation for the institution in connection with which such expense was incurred, and such appropriation is hereby made available therefor."

SEC. 3. Section 6 of the act of June 25, 1910 (36 Stat. 820; U. S. C., title 18, sec. 719), is amended to read as follows:

"SEC. 6. When a prisoner has been been retaken upon a warrant issued by the Board of Parole, he shall be given an opportunity to appear before said Board of Parole, a member thereof, or an examiner designated by the Board. The said Board may then, or at any time in its discretion, revoke the order and terminate such parole or modify the terms and conditions thereof. If such order of

parole shall be revoked and the parole so terminated, the said prisoner shall serve the remainder of the sentence originally imposed; and the time the prisoner was out on parole shall not be taken into account to diminish the time for which he was sentenced."

SEC. 4. Section 5296 of the Revised Statutes (U. S. C., title 18, sec. 641) is amended to read as follows:

"SEC. 5296. When a poor convict, sentenced by any court of the United States to be imprisoned and pay a fine, or fine and costs, or to pay a fine, or fine and costs, has been confined in prison 30 days, solely for the nonpayment of such fine, or fine and costs, such convict may make application in writing to any commissioner of the United States court in the district where he is imprisoned setting forth his inability to pay such fine, or fine and costs, and after notice to the district attorney of the United States, who may appear, offer evidence, and be heard, the commissioner shall proceed to hear and determine the matter. If on examination it shall appear to him that such convict is unable to pay such fine, or fine and costs, and that he has not any property exceeding $20 in value, except such as is by law exempt from being taken on execution for debt, the commissioner shall administer to him the following oath: 'I do solemnly swear that I have not any property, real or personal, to the amount of $20, except such as is by law exempt from being taken on civil process for debt by the laws of (naming the State where oath is administered); and that I have no property in any way conveyed or concealed, or in any way disposed of, for my future use or benefit. So help me God.' Upon taking such oath such convict shall be discharged, and the Commissioner shall give to the keeper of the jail a certificate setting forth the facts. In case the convict is found by the commissioner to possess property valued at an amount in excess of said exemption, nevertheless, if the Attorney General finds that the retention by such convict of all of such property is reasonably necessary for his support or that of his family, such convict shall be released without further imprisonment solely for the nonpayment of such fine, or fine and costs; or if he finds that the retention by such convict of any part of such property is reasonably necessary for his support or that of his family, such convict shall be released without further imprisonment solely for nonpayment of such fine or fine and costs upon payment on account of his fine and costs of that portion of his property in excess of the amount found to be reasonably necessary for his support or that of his family."

SEC. 5. The act of May 14, 1930 (46 Stat. 325; U. S. C., title 18, secs. 753 to 753j), as amended, is amended by inserting after section 11 the following section:

"SEC. 12. Officers and employees of the Bureau of Prisons of the Department of Justice are empowered to make arrests without warrant for violations of any of the provisions of sections 9, 10, and 11 of this act, if the person making the arrest has reasonable grounds to believe that the person so arrested is guilty of such offense, and if there is likelihood of the person escaping before a warrant can be obtained for his arrest. If the person so arrested is a fugitive from custody, he shall be returned to custody, and all other persons so arrested shall immediately be taken before a committing officer. Officers and employees of the said Bureau of Prisons are authorized and empowered to carry firearms under such rules and regulations as the Attorney General may prescribe."

Mr. DANAHER. Mr. President, I should like to ask the Senator in charge of the bill if he will explain for us the provisions of section 4, which appear on pages 3 and 4 of the bill. The provision to which I particularly refer is that which will give the Attorney General the power to make inquiry into the property status of a convict and decide as to whether or not there will be a discharge of the convict despite nonpayment of the fine even if the convict owns property. I should like to have that explained.

Mr. O'MAHONEY. Under the present law one who is imprisoned as a poor convict because of his inability to pay the fine is liable to confiscation of his property above $20. The section would merely amend that provision by leaving it discretionary with the Attorney General as to whether or not confiscation should take place. The feeling was entertained by the committee that it would be improper, after the convict served his term, to run the danger of perhaps putting the convict's family on relief by the sequestration of his property.

Mr. DANAHER. Does the Senator understand that the civil-judgment effect of an unpaid fine will still run against the convict's property even though he personally be discharged from custody?

Mr. O'MAHONEY. It is my understanding that that would be the case.

Mr. DANAHER. That is exactly what I wish to have made clear. As I understand, an unpaid fine has identically the same effect as a civil judgment against the property of a convict would have, and even though the convict be discharged after taking the poor debtor's oath, the judgment could be levied upon and collected out of the property at any time thereafter if it be found sufficient to answer the amount of the fine.

I think we ought to understand if we pass this bill just what effect it will have on the uncollected fine.

I think, Mr. President, under no circumstances, even if the convict is discharged from custody by taking the poor debtor's oath, should his property be relieved of liability as in cases of a civil judgment, and I think it should remain answerable to the Government to the amount of the fine if the Attorney General finds in his discretion properly that collection should be enforced.

If the Senator from Wyoming will construe this particular clause to give that effect to this particular amendment——

Mr. O'MAHONEY. I misunderstood the Senator. The bill does not have the effect of discharging the civil judgment. The civil judgment is retained.

Mr. DANAHER. So that it is enforceable at the option of the Attorney General in a proper case?

Mr. O'MAHONEY. Exactly.

Mr. DANAHER. I wanted that to appear in the RECORD. I thank the Senator.

Mr. O'MAHONEY. I am sorry I misunderstood the Senator.

The PRESIDING OFFICER. The question is on the third reading of the bill.

The bill was ordered to a third reading, read the third time, and passed.

Mr. O'MAHONEY. I ask unanimous consent that the committee report may be printed in full in the RECORD at this point.

There being no objection, the report (No. 1854) was ordered to be printed in the RECORD, as follows:

The Committee on the Judiciary, to whom was referred the bill (H. R. 7343) to amend certain laws governing Federal prisoners, and for other purposes, after consideration, report the same with the recommendation that it do pass.

This bill proposes to make certain changes, mostly of an administrative nature, in Federal penal laws. It was sponsored by and has the approval of the Attorney General.

Section 1 relates to defendants who, having been paroled, are arrested for violation of their parole. The section proposes to change existing law so that it will not be required to return such defendants to the institution from which they were paroled, as this process has often been found unnecessary and expensive. The existing law is set forth below, with proposed additions in italics and parts to be stricken out in brackets:

"SEC. 3. The said Board, or any member thereof, shall hereafter have the exclusive authority to issue warrants for the retaking of any United States prisoner who has violated his parole. The unexpired term of imprisonment of any such prisoner shall begin to run from the date he is returned to the [institution] *custody of the Attorney General under said warrant*, and the time the prisoner was on parole shall not diminish the time he was originally sentenced to serve."

Section 2, in order to conform to changes made by the first section, proposes to amend the law so as to make it possible for any penal officer to serve a warrant for the rearrest of a prisoner so violating parole.

Changes in the law are shown below:

"SEC. 5. That any officer of [said prison] *any Federal, penal, or correctional institution* or any Federal officer authorized to serve criminal process within the United States, to whom such warrant shall be delivered, is authorized and required to execute such warrant by taking such prisoner and returning him to [said prison within the time specified in said warrant therefor] *the custody of the Attorney General.* All necessary expenses incurred in the administration of this act shall be paid out of the appropriation for the [prison] *institution* in connection with which such expense was incurred, and such appropriation is hereby made available therefor."

Section 3 relates to hearings in cases in which a parole is to be revoked. The existing law provides that when a prisoner has been retaken on a charge of violating his parole, he shall receive a hearing at the next meeting of the parole board held at the prison to which he has been returned. The bill proposes to amend this requirement so as to provide that the prisoner shall be given an opportunity to appear before the parole board or a member thereof, or an examiner designated by the board. Such flexibility is desirable in the interest of administrative efficiency and economy.

This section proposes to change existing law as follows:

"SEC. 6. [That at the next meeting of the board of parole held at such prison after the issuing of a warrant for the retaking of any paroled prisoner, said board of parole shall be notified thereof, and if said prisoner shall have been returned to said prison,] *When a prisoner has been retaken upon a warrant issued by the Board of Parole,* he shall be given an opportunity to appear before said

[b]Board of [p]Parole, *a member thereof, or an examiner designated by the Board* [and] [t]The said [b]Board may then, or at any time in its discretion, revoke the order and terminate such parole or modify the terms and conditions thereof. If such order of parole shall be revoked and the parole so terminated, the said prisoner shall serve the remainder of the sentence originally imposed; and the time the prisoner was out on parole shall not be taken into account to diminish the time for which he was sentenced."

Section 4 relates to "poor convicts" who are incarcerated for the nonpayment of a fine. Under existing law, any person who is sentenced by any court of the United States to imprisonment and fine, or to fine alone, may, after he has served 30 days solely for nonpayment of the fine, request a hearing before a United States commissioner on the question as to whether he is able to pay such fine. If at such hearing it appears that he is unable to pay such fine and has no property exceeding $20 in value, except such as is exempt from execution, the commissioner administers to him the so-called poor convict's oath. Thereupon, the prisoner is discharged from imprisonment for nonpayment of the fine, although the fine itself remains a civil judgment until satisfied or otherwise disposed of.

There are cases, however, in which the prisoner may have money somewhat in excess of $20, but to require him to deliver all of his money or property in excess of that amount may cause his family to go on relief. In order to prevent such a consummation in meritorious cases, the bill adds a provision to the existing law to the effect that if, in such a case, the Attorney General finds that the retention by such convict of all of such property is reasonably necessary for his support or that of his family, he shall be released without further imprisonment solely for nonpayment of the fine. Likewise, if the Attorney General finds that the retention by such convict of a part of his property is reasonably necessary for such purpose, the prisoner is to be released without further imprisonment solely for the nonpayment of the fine upon payment of that portion of his property as is in excess of the amount so found. This provision will also make it possible to make an appropriate disposition of cases, which at times occur, in which a defendant may be without funds to pay a fine, but may own real estate, such as a farm, which is either nonsalable or which could not be sold except at a great sacrifice. Cases of this kind have at times given rise to considerable hardship. The new provision is found in the last sentence of the section, which constitutes the only addition or change in the existing law.

Attention is called to the fact that a fine is a civil judgment and collectible as such and that a discharge of the defendant from imprisonment for nonpayment of the fine does not liquidate the fine. The fine still remains as a civil judgment. This has always been the ruling of the Department of Justice, which has been accepted by the courts (*United States* v. *Pratt*, 23 F. (2d) 333).

A judgment entered in a court of the United States is a lien on real estate belonging to the debtor and located in that district. The Department of Justice has a unit known as the Bond and Spirits Division, one of whose functions is to check on outstanding fines, and to endeavor to collect them. If assets are discovered out of which a fine can be paid, appropriate steps are taken to collect the money.

It should be noted, however, that a judgment is not a lien against real estate located in a district other than that in which it was rendered. This is likewise true of a fine. If real property belonging to the debtor is discovered in another State, then a judgment has to be obtained in such other State and recorded therein.

Existing law will be changed by section 4 as follows:

"SEC. 5296. When a poor convict, sentenced by any court of the United States to be imprisoned and pay a fine, or fine and costs, or to pay a fine, or fine and costs, has been confined in prison 30 days, solely for the nonpayment of such fine, or fine and costs, such convict may make application in writing to any commissioner of the United States court in the district where he is imprisoned setting forth his inability to pay such fine, or fine and costs, and after notice to the district attorney of the United States, who may appear, offer evidence, and be heard, the commissioner shall proceed to hear and determine the matter. If on examination it shall appear to him that such convict is unable to pay such fine, or fine and costs, and that he has not any property exceeding $20 in value, except such as is by law exempt from being taken on execution for debt, the commissioner shall administer to him the following oath: 'I do solemnly swear that I have not any property, real or personal, to the amount of $20, except such as is by law exempt from being taken on civil process for debt by the laws of (naming the State where oath is administered); and that I have no property in any way conveyed or concealed or in any way disposed of, for my future use or benefit. So help me God.' Upon taking such oath such convict shall be discharged; and the commissioner shall give to the keeper of the jail a certificate setting forth the facts. *In case the convict is found by the commissioner to possess property valued at an amount in excess of said exemption, nevertheless, if the Attorney General finds that the retention by such convict of all of such property is reasonably necessary for his support or that of his family, such convict shall be released without further imprisonment solely for the nonpayment of such fine, or fine and costs; or if he finds that the retention by such convict of any part of such property is reasonably necessary for his support or that of his family, such convict shall be released without further imprisonment solely for nonpayment of such fine or fine and costs upon payment on account of his fine and costs, of that portion of his property in excess of the amount found to be reasonably necessary for his support or that of his family.*"

Section 5 provides for the amendment of the act of May 14, 1930, by adding a new section designed to confer on the officers and employees of the Bureau of Prisons of the Department of Justice the power to make arrests without warrant in cases of escape and for violations of statutes which make it a criminal offense to aid or abet an escape, to procure an escape, or to conceal an escaped prisoner. This section would also confer legal authority on officers and employees of the Bureau of Prisons to carry firearms, under such rules and regulations as the Attorney General may prescribe. The desirability of this provision is to avoid possible conflict with State laws prohibiting or regulating the possession of firearms.

The first sentence of this section would confer on officers and employees of the Bureau of Prisons of the Department of Justice no greater powers than are possessed by any police officer in respect to arrests. Moreover, this authority is to be limited only to violations of the law against escapes and is not to be extended to all violations of law.

It is highly desirable that such power be granted, because even if a warrant is obtained and outstanding against a particular individual the warrant itself may be in the possession of an officer located in one place, while the person who is being sought after may be found at a far-distant point, and it may be necessary to take him immediately, without a warrant. Under existing law this can be done by any law-enforcement officer, and the present section would do no more than confer such authority on prison officers in case of escapes.

The text of the new section is as follows:

"Sec. 12. Officers and employees of the Bureau of Prisons of the Department of Justice are empowered to make arrests without warrant for violations of any of the provisions of sections 9, 10, and 11 of this act, if the person making the arrest has reasonable grounds to believe that the person so arrested is guilty of such offense, and if there is likelihood of the person escaping before a warrant can be obtained for his arrest. If the person so arrested is a fugitive from custody, he shall be returned to custody, and all other persons so arrested shall immediately be taken before a committing officer. Officers and employees of the said Bureau of Prisons are authorized and empowered to carry firearms under such rules and regulations as the Attorney General may prescribe."

TRANSPORTATION OF EMPLOYEES OF ALASKA ROAD COMMISSION

The bill (S. 3795) to authorize the transportation of employees of the Alaska Road Commission, and to validate payments made for that and other purposes, was considered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That funds heretofore or hereafter made available to the Alaska Road Commission may be expended for the transportation within the Territory of Alaska of any employees to and from points of hire and posts of duty and between the last post of duty and point of discharge, and any payments heretofore made for such purposes and for the furnishing of subsistence and quarters to supervisory field employees shall be allowed in the accounts of the paying officers if otherwise found correct, and no amounts so paid and not heretofore recovered shall be charged against the payees on account of such payments.

AMENDMENT OF BANKRUPTCY ACT

The bill (S. 4133) amending the Bankruptcy Act with respect to the basis of property and excluding certain corporations from the provisions of chapter XI was announced as next in order.

The PRESIDING OFFICER. The Chair is informed that a similar House bill (H. R. 9864) is on the calendar. Without objection, the House bill will be substituted for the Senate bill and considered at this time.

There being no objection, the Senate proceeded to consider the bill (H. R. 9864) amending the Bankruptcy Act with respect to the basis of property.

Mr. CLARK of Missouri. Mr. President, may we have an explanation of this bill?

The PRESIDING OFFICER. An explanation of the bill is requested.

Mr. O'MAHONEY. Mr. President, the bankruptcy law in three chapters provides for reorganization of debtors, particularly corporate debtors. Chapter 10 deals with corporate reorganizations, chapter 11 deals with arrangements, and chapter 12 deals with real property arrangements. There is a section in each one of these chapters which provides that when reorganization has been made the basis of the debtor's property for the purpose of taxation shall be reduced by an amount equal to the reduction of the debt. That means it is the basis for taxation and upon it the income tax in the future is paid. It is the basis

upon which depreciation is fixed. It has been discovered, in the operation of the law, that in some instances the disaster to the bankrupt is so great, and the reduction in debt is sometimes so large, that when deducted it leaves zero. So the property of the released bankrupt would be unable in future income-tax payments to claim any depreciation. Then, if the property was sold, the entire receipts would be taxable and no credit would be received for the fair value of the property.

The PRESIDING OFFICER. The question is on the third reading of the bill.

The bill was ordered to a third reading, read the third time, and passed.

The PRESIDING OFFICER. Without objection, Senate bill 4133 will be indefinitely postponed.

FORFEITURE OF CERTAIN LAND IN NEW ORLEANS

The bill (S. 4063) declaring a forfeiture of certain land heretofore granted by the United States to the board of commissioners of the Orleans levee district, in the city of New Orleans, State of Louisiana, for levee and street purposes, was announced as next in order.

The PRESIDING OFFICER. The Chair is advised that there is on the calendar an identical House bill, House bill 9927, which, without objection, will be substituted for the Senate bill and be considered.

Mr. ASHURST. Mr. President, I was about to say, if the Senate has the disposition to consider the measure, it should pass the House bill and indefinitely postpone the Senate bill.

The PRESIDING OFFICER. Is there objection to the consideration of the House bill?

There being no objection, the bill (H. R. 9927) declaring a forfeiture of certain land heretofore granted by the United States to the board of commissioners of the Orleans levee district, in the city of New Orleans, State of Louisiana, for levee and street purposes, was considered, ordered to a third reading, read the third time, and passed.

The PRESIDING OFFICER. Without objection, Senate bill 4063 will be indefinitely postponed.

UINTAH INDIAN IRRIGATION PROJECT, UTAH

The bill (S. 3952) to provide relief for and to promote the interest of the landowners on the Uintah Indian irrigation project, Utah, and for other purposes, was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the action of the Secretary of the Interior, pursuant to the authority contained in the act of June 22, 1936 (49 Stat. 1803), in the cancelation, deferment, and adjustment of irrigation charges against lands within the Uintah Indian irrigation project, Utah, is hereby confirmed as follows:

(a) The cancelation of $283,170.73 of unpaid construction assessment obligations and $28,875.37 of unpaid operation and maintenance assessment obligations carried on the books of the project;

(b) The deferment until December 1, 1943, of the collection of $61,983.16 expended in drainage operations on said project; and

(c) The requirement for contracts with landowners covering $19,230.72 accrued operation and maintenance assessments, such contracts to provide for the payment of these assessments over a period of years.

SEC. 2. The Secretary of the Interior is hereby authorized to transfer water rights, with the consent of the interested parties, to other lands under the said project and to make necessary contracts to effectuate such transfers.

SEC. 3. The Secretary of the Interior is hereby authorized to make contracts transferring the operation and maintenance of any canal system or systems under the said project to an irrigation district, or districts, formed pursuant to State law.

SEC. 4. There is hereby authorized to be appropriated, out of any money in the Treasury not otherwise appropriated, the sum of $5,682.59 for the following purposes:

(a) To pay, for a period of not to exceed 5 years following the passage of this act (not to exceed $1,000 in any one year), 34 percent of the regular annual operation and maintenance assessments for class 4 lands in non-Indian ownership under the Redcap, Leland, and Henry Jim Canals, and 90 percent of such charges for class 5 lands in non-Indian ownership under said canals, $5,000: *Provided*, That no part of any money appropriated pursuant to this authorization shall be expended unless and until the owners of such lands shall have paid in full their respective shares of such assessments and shall have entered into an agreement with the Secretary of the Interior for the execution of a soil-rehabilitation program on such land; and

(b) To reimburse certain individuals, or their heirs, for payments made covering lands erroneously assessed for irrigation purposes, $682.59, which amount shall be payable from collections made from water users on this project and covered into the Treasury pursuant to section 4 of the Permanent Appropriation Repeal Act of 1934.

SEC. 5. In order to prevent the accumulation of delinquent project assessments or other charges against the non-Indian-owned lands of the Uintah Indian irrigation project, the Secretary of the Interior is hereby authorized and directed to cause liquidation of all delinquent assessments or charges by taking such action as may be necessary, including the foreclosure of the Government's lien covering any such delinquent charges or by initiating such other procedure as may be legally available, which action may be taken by him at any time when in his judgment the best interests of the project would be served.

ATLANTIC REFINING CO.

The bill (H. R. 9453) to provide a license to the Atlantic Refining Co., and for other purposes, was considered, ordered to a third reading, read the third time, and passed.

SOYBEANS

The Senate proceeded to consider the bill (H. R. 7696) to amend the United States Grain Standards Act, to provide for the grading of soybeans, and for other purposes, which had been reported from the Committee on Agriculture and Forestry with amendments, at the beginning of line 5, to strike out "(a)", and after line 6, to strike out the remainder of the bill, so as to read:

Be it enacted, etc., That the United States Grain Standards Act is amended, as follows:

By inserting after "flaxseed", in the first sentence of section 2 thereof, the following: "soybeans."

The amendments were agreed to.

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

BOARD OF FUNERAL DIRECTORS AND EMBALMERS

Mr. BILBO. Mr. President, objection has been withdrawn to the consideration of Order of Business 1940, Senate bill 3720. I should like to have it considered and acted upon at this time.

The PRESIDING OFFICER. The bill will be stated by title.

The CHIEF CLERK. A bill (S. 3720) to create and establish a Board of Funeral Directors and Embalmers for the District of Columbia and to prescribe its powers and duties.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the Senate resumed the consideration of the bill.

The PRESIDING OFFICER. The Chair is informed that the amendments reported by the Committee on the District of Columbia have already been agreed to. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

FEDERAL-AID HIGHWAYS

The Senate proceeded to consider the bill (H. R. 9575) to amend the Federal Aid Act approved July 11, 1916, as amended and supplemented, and for other purposes, which had been reported from the Committee on Post Offices and Post Roads, with amendments.

The first amendment was, on page 2, at the beginning of line 2, to strike out "$93,750,000" and insert "$100,000,000."

Mr. KING. Mr. President, let us have an explanation of the bill.

Mr. CLARK of Missouri. Will the Senator from Arizona explain this bill?

Mr. HAYDEN. This is the biennial authorization for Federal-aid appropriations for the fiscal years 1942 and 1943 for Federal-aid highways. A bill to this effect was reported to the House of Representatives carrying $238,000,000. Each item in the bill was arbitrarily cut 25 percent, and the bill passed the House carrying a total of $178,500,000.

Your committee has rearranged the figures in this instance, increasing the amount of Federal aid and reduced other figures so that the bill now carries $160,500,000 for all purposes, which, in the judgment of the committee, is a satis-

factory sum to carry on the activities of highway construction during the next 2 years.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

Mr. CLARK of Missouri. I think this bill is of such importance it should go over.

The PRESIDENT pro tempore. Does the Senator object?

Mr. CLARK of Missouri. I object.

The PRESIDING OFFICER. Objection is heard.

Mr. McKELLAR. Mr. President, I desire to offer an amendment to the bill which has just gone over, so that it may be pending when the bill is again considered.

The PRESIDING OFFICER. Without objection, the amendment will be received, printed, and lie on the table.

REIMBURSEMENT OF HOLDERS OF COTTON POOL PARTICIPATION TRUST CERTIFICATES

The Senate proceeded to consider the bill (S. 2930) to provide for reimbursement to the holders of cotton pool participation trust certificates, and for other purposes, which was read, as follows:

Be it enacted, etc., That there is hereby appropriated, from any moneys in the Treasury of the United States not otherwise appropriated, the sum of $4,320,000, or so much thereof as may be required by the Secretary of Agriculture to accomplish the purposes hereinafter declared and authorized. The Secretary of the Treasury is hereby authorized and directed to pay to, or upon the order of, the Secretary of Agriculture, such a part or all of the sum hereby appropriated at the request of the Secretary of Agriculture.

SEC. 2. The Secretary of Agriculture is hereby authorized to draw from the Treasury of the United States any part or all of the sum hereby appropriated, and to deposit same to his credit with the Treasurer of the United States, under special symbol number, to be available for disbursement for the purposes hereinafter stated.

SEC. 3. The Secretary of Agriculture is hereby directed to pay the sum of $2.40 per bale, from the sum hereby authorized to be appropriated, to all holders of participation-trust certificates of the cotton producers' pool, Form C–5–I, of record as of May 1, 1937.

SEC. 4. The Secretary of Agriculture is authorized and directed to promulgate such rules and regulations as are necessary to carry out the purposes of this act, which purpose is here specifically stated to be to reimburse holders of Form C–5–I cotton producers' pool participation trust certificates for $2.40 per bale carrying charges deducted from the proceeds of the cotton-producers' pool.

SEC. 5. All expenses incident to the accomplishment of the purposes of this act are authorized to be paid by the Secretary from the appropriation authorized hereunder, and any balance remaining after reimbursements have been made in accordance with this act shall be covered into the Treasury of the United States as miscellaneous receipts.

Mr. KING. Mr. President, I should like an explanation of the bill.

Mr. LODGE. I should like to know the purpose of the bill.

Mr. KING. And the amount involved.

Mr. LODGE. It is rather difficult for those who are not on the committee to grasp the bill as it now stands.

Mr. THOMAS of Oklahoma. Mr. President, the bill is very simple. It has to do with the activities of the Department of Agriculture in dealing with cotton farmers.

The bill proposes an adjustment with cotton farmers who complied with the Government's program to limit and restrict the production of cotton in 1933 and 1934.

In 1933 the Government owned and held a large amount of cotton. In order to help the price of cotton, and thereby help the cotton planter, it was proposed by the Government that if the cotton farmers would plow under some of their already planted cotton land, such farmers could buy cotton from Government stocks at a normal price, and on such cotton sold, the Government would conserve, handle, and manage such cotton at no expense to the farmer purchasers.

The record shows that later, when the cotton was sold, the farmer purchasers were charged the sum of $2.40 per bale from the time the cotton pool was established on February 1, 1934, to September 30, 1934.

The amount of cotton involved is some 1,600,000 bales, and it affects some 350,000 cotton farmers.

The record further shows that some 80 percent of the cotton pool certificates are in the hands of the farmer producers, and that the remainder are in the hands of merchants who cashed such certificates for the farmer producers.

The certificates state on their face that they are negotiable, which accounts for the fact that some of the certificates are in the hands of storekeepers and merchants.

The bill proposes to reimburse cotton farmers who complied with the Government's cotton-reduction program and who hold certificates to the extent of $2.40 per bale. The bill is based upon the fact that the assessment of $2.40 per bale was erroneously and unjustly made and collected from the cotton farmers.

Mr. McKELLAR. Mr. President, is the American Cotton Cooperative Association connected with this bill in any way?

Mr. THOMAS of Oklahoma. The A. C. C. A. has no interest in the bill, so far as I know.

Mr. McKELLAR. This measure has no reference to the claims which were presented by that association some time ago?

Mr. THOMAS of Oklahoma. That is another bill, and the Senator knows all about it. That matter is in the Court of Claims; but this has nothing to do with that. This bill is to pay the farmers who hold these certificates to the extent of $2.40 per bale for the certificates they hold.

Mr. LODGE. May I ask how much it will cost the Government? Is there any estimate of that?

Mr. THOMAS of Oklahoma. The report shows that about 1,600,000 bales are involved, and that about 350,000 cotton farmers are affected by the legislation.

Mr. LODGE. Does the bill have the unanimous report of the committee?

Mr. THOMAS of Oklahoma. There was no opposition in the committee, and I know of no one who is opposed to the measure.

The PRESIDING OFFICER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Chaffee, one of its reading clerks, returned to the Senate, in compliance with its request, the bill (H. R. 9007) making appropriations for the Department of Labor, the Federal Security Agency, and related independent agencies, for the fiscal year ending June 30, 1941, and for other purposes.

FEDERAL-AID HIGHWAYS

Mr. CLARK of Missouri. Mr. President, a few moments ago I objected to the consideration of House bill 9575. I did that because in my own State the highway department is the most venal and most effective agency of political influence in the State. However, I am persuaded by the Senator from Arizona [Mr. HAYDEN] and other Senators that it is not fair to hold up a general authorization for the highway development of the United States because of the particular situation which happens to exist in my own State. Therefore, I ask unanimous consent to return to House bill 9575 in order that it may be considered and passed.

The PRESIDING OFFICER. Is there objection to the returning to the bill?

There being no objection, the Senate proceeded to consider the bill (H. R. 9575) to amend the Federal Aid Act, approved July 11, 1916, as amended and supplemented, and for other purposes, which had been reported from the Committee on Post Offices and Post Roads, with amendments.

The first amendment of the Committee on Post Offices and Post Roads was, in section 1, page 2, line 1, after the words "sum of", to strike out "$93,750,000" and insert "$100,000,000"; and in line 3, after the words "sum of", to strike out "$93,750,000" and insert "$100,000,000", so as to make the section read:

Be it enacted, etc., That for the purpose of carrying out the provisions of the act entitled "An act to provide that the United States shall aid the States in the construction of rural post roads, and for other purposes", approved July 11, 1916 (39 Stat. 355), and all acts amendatory thereof and supplementary thereto, there

is hereby authorized to be appropriated, out of any money in the Treasury not otherwise appropriated, the following sums, to be expended according to the provisions of such act as amended and supplemented: The sum of $100,000,000 for the fiscal year ending June 30, 1942, and the sum of $100,000,000 for the fiscal year ending June 30, 1943.

The amendment was agreed to.

The next amendment was, in section 2, page 2, line 7, after the words "sum of", to strike out "$18,750,000" and insert "$15,000,000", and in line 9, after the words "sum of", to strike out "$18,750,000" and insert "$15,000,000", so as to make the section read:

SEC. 2. For the purpose of continuing the provisions of section 7 of the act of June 16, 1936 (49 Stat. 1521), there is hereby authorized to be appropriated the sum of $15,000,000 for the fiscal year ending June 30, 1942, and the sum of $15,000,000 for the fiscal year ending June 30, 1943; said sums to be expended on secondary or feeder roads, including farm-to-market roads, rural-free-delivery mail roads, and public-school bus routes.

The amendment was agreed to.

The next amendment was, in section 3, page 2, line 18, after "(2)", to insert "that such special taxes are derived from rates or license taxes, in each category, equal to the average of the rates or license taxes similarly imposed by other States of the Union; (3)", and on page 3, line 3, after the word "and", to strike out "(3)" and insert "(4)", so as to make the section read:

SEC. 3. If within the fiscal years 1942 and 1943 the Federal Works Administrator shall find with respect to any State (1) that the proceeds of all special taxes on motor-vehicle transportation, as referred to in section 12 of the Act of June 18, 1934 (48 Stat. 995), as amended, are applied to highway purposes as defined in said section; (2) that such special taxes are derived from rates or license taxes, in each category, equal to the average of the rates or license taxes similarly imposed by other States of the Union; (3) that at least 90 percent of such proceeds are applied to the administrative and operating expenses of the State highway department, the maintenance of the State and Federal-aid highway systems, and the payment of interest on, and the amortization of, bond obligations of the State for the payment of which such revenues have heretofore been pledged; and (4) that the portion of the proceeds of all such special taxes then available for construction and reconstruction, together with funds available to the State from any other sources for highway purposes, will be insufficient to match all, or any part, of the regular and secondary Federal-aid road funds apportioned to such State for such fiscal years in accordance with the provisions of the Federal Highway Act (42 Stat. 212), as amended and supplemented, then such portion of such apportionment as the Federal Works Administrator shall find the State is unable to match shall be made available for expenditure in such State in accordance with said Federal Highway Act without being matched by the State: *Provided*, That any such funds made available to any State without being matched by the State shall be expended by the State on the system of Federal-aid highways and on secondary roads in the construction of projects desirable from the standpoint of national defense.

The amendment was agreed to.

The next amendment was, in section 5, page 5, line 10, after the words "sum of", to strike out "$37,500,000" and insert "$20,000,000"; in line 11, after the words "sum of", to strike out "$37,500,000" and insert "$20,000,000"; and in line 12, after "1943", to insert a proviso, so as to make the section read:

SEC. 5. For the elimination of hazards to life at railroad grade crossings including the separation or protection of grades at crossings, the reconstruction of existing railroad-grade-crossing structures, and the relocation of highways to eliminate grade crossings, there is hereby authorized to be appropriated, to be apportioned on or before the 1st day of January of each year preceding the fiscal year for which it is authorized among the several States in accordance with the provisions of the Federal Highway Act (42 Stat. 212), as amended and supplemented, except that such apportionment shall be one-half on population as shown by the latest decennial census, one-fourth on the mileage of the Federal-aid highway system as determined by the Federal Works Administrator, and one-fourth on the railroad mileage as determined by the Interstate Commerce Commission, and to be expended in accordance with said Federal Highway Act, as amended and supplemented, except that no part of such funds apportioned to any State need be matched by the State: The sum of $20,000,000 for the fiscal year ending June 30, 1942, and the sum of $20,000,000 for the fiscal year ending June 30, 1943: *Provided*, That when provision has been made for the elimination of hazards to life at substantially all of the railroad grade crossings on the State highway system in any State, such State may apply, with the approval of the Public Roads Administration, its available Federal-aid grade-crossing funds to the improvement of secondary or feeder roads in addition to any other funds provided for continuing the provisions of section 7 of the act of June 16, 1936 (49 Stat. 1521): *Provided further*, That any Federal-aid grade-crossing funds so applied must be matched with State funds in accordance with the provisions of the Federal Highway Act, as amended and supplemented.

The amendment was agreed to.

The next amendment was, in section 6, page 5, line 25, after "SEC. 6", to strike out "for the purpose of carrying out the provisions of section 23 of the Federal Highway Act of 1921 (42 Stat. 218), there is hereby authorized to be appropriated for forest highways, roads, and trails the following sums, to be available until expended in accordance with the provisions of said section 23: The sum of $10,500,000 for the fiscal year ending June 30, 1942; the sum of $10,500,000 for the fiscal year ending June 30, 1943: *Provided*, That one-third, but not less than $3,000,000, of the appropriation made for any fiscal year for carrying out the provisions of said section 23 may hereafter be expended for the purposes enumerated in the first paragraph of clause (a) of said section 23:" and to insert "For the purpose of carrying out the provisions of section 23 of the Federal Highway Act (42 Stat. 218), as amended and supplemented, there is hereby authorized to be appropriated (1) for forest highways the sum of $7,000,000 for the fiscal year ending June 30, 1942, and the sum of $7,000,000 for the fiscal year ending June 30, 1943: *Provided*, That hereafter appropriations for forest highways shall be administered in conformity with regulations jointly approved by the Secretary of Agriculture and the Federal Works Administrator; and (2) for forest development roads and trails the sum of $3,000,000 for the fiscal year ending June 30, 1942, and the sum of $3,000,000 for the fiscal year ending June 30, 1943:"; on page 7, line 4, after the word "apportioned", to strike out "by the Secretary of Agriculture"; and in line 8, after the words "fiscal year", to insert a proviso, so as to make the section read:

SEC. 6. For the purpose of carrying out the provisions of section 23 of the Federal Highway Act (42 Stat. 218), as amended and supplemented, there is hereby authorized to be appropriated (1) for forest highways the sum of $7,000,000 for the fiscal year ending June 30, 1942, and the sum of $7,000,000 for the fiscal year ending June 30, 1943: *Provided*, That hereafter appropriations for forest highways shall be administered in conformity with regulations jointly approved by the Secretary of Agriculture and the Federal Works Administrator; and (2) for forest development roads and trails the sum of $3,000,000 for the fiscal year ending June 30, 1942, and the sum of $3,000,000 for the fiscal year ending June 30, 1943: *And provided further*, That the apportionment for forest highways in Alaska shall be for each of the fiscal years $500,000 and that such additional amount as otherwise would have been apportioned to Alaska for each of said fiscal years shall be apportioned among those States, including Puerto Rico, whose forest highway apportionment for such fiscal year otherwise would be less than 1 percent of the entire apportionment for forest highways for that fiscal year: *And provided further*, That apportionments among those States, including Puerto Rico, whose forest highway apportionments for such fiscal year otherwise would be less than 1 percent of the entire apportionment for forest highways for that fiscal year may be made without regard to the provisions of said section 23 relating to apportionments, but in no case shall the apportionment to any State under this provision be in excess of 20 percent of the total of funds affected thereby.

The amendment was agreed to.

The next amendment was, in section 7, page 7, line 24, after the words "sum of", to strike out "$1,875,000" and insert "$1,500,000"; in line 25, after the words "sum of", to strike out "$1,875,000" and insert "$1,500,000"; and on page 8, line 2, after the word "expended", to insert a proviso, so as to make the section read:

SEC. 7. For the purpose of carrying out the provisions of section 3 of the Federal Highway Act (42 Stat. 212), as amended by the act of June 24, 1930 (46 Stat. 805), there is hereby authorized to be appropriated for the survey construction, reconstruction, and maintenance of main roads through unappropriated or unreserved public lands, nontaxable Indian lands, or other Federal reservations other than the forest reservations the sum of $1,500,000 for the fiscal year ending June 30, 1942, and the sum of $1,500,000 for the fiscal year ending June 30, 1943, to remain available until expended: *Provided*, That apportionments of funds made under the second paragraph of section 3 of the Federal Highway Act, as amended by the act of June 24, 1940 (46 Stat. 805), shall be made on the basis of the area of such lands in each State as shown by cer-

tificate of the Secretary of the Interior which he is directed to make as of June 30 each year.

The amendment was agreed to.

The next amendment was, in section 8, page 8, line 17, after the words "sum of", to strike out "$5,625,000" and insert "$4,000,000"; in line 18, after the words "sum of", to strike out "$5,625,000" and insert "$4,000,000"; and in line 19, after "1943", to insert a proviso, so as to make the section read:

SEC. 8. For the construction, reconstruction, and improvement of roads and trails, inclusive of necessary bridges, in the national parks, monuments, and other areas administered by the National Park Service, including areas authorized to be established as national parks and monuments, and national park and monument approach roads authorized by the act of January 31, 1931 (46 Stat. 1053), as amended, there is hereby authorized to be appropriated the sum of $4,000,000 for the fiscal year ending June 30, 1942, and the sum of $4,000,000 for the fiscal year ending June 30, 1943: *Provided,* That hereafter appropriations for the construction, reconstruction, and improvement of such park and monument roads shall be administered in conformity with regulations jointly approved by the Secretary of the Interior and the Federal Works Administrator.

The amendment was agreed to.

The next amendment was, in section 9, page 9, line 12, after the words "National Park Service", to insert a proviso, so as to make the section read:

SEC. 9. For the construction and maintenance of parkways, to give access to national parks and national monuments, or to become connecting sections of a national parkway plan, over lands to which title has been transferred to the United States by the States or by private individuals, there is hereby authorized to be appropriated the sum of $7,500,000 for the fiscal year ending June 30, 1942, and the sum of $7,500,000 for the fiscal year ending June 30, 1943: *Provided,* That hereafter the location of such parkways upon public lands, national forests, or other Federal reservations shall be determined by agreement between the department having jurisdiction over such lands and the National Park Service: *Provided further,* That hereafter appropriations for the construction of parkways shall be administered in conformity with regulations jointly approved by the Secretary of the Interior and the Federal Works Administrator.

The amendment was agreed to.

The next amendment was, in section 10, page 9, line 20, after the words "sum of", to strike out "$3,000,000" and insert "$2,500,000", and in line 21, after the words "sum of", to strike out "$3,000,000" and insert "$2,500,000", so as to make the section read:

SEC. 10. For construction and improvement of Indian reservation roads under the provisions of the act approved May 26, 1928 (45 Stat. 750), there is hereby authorized to be appropriated the sum of $2,500,000 for the fiscal year ending June 30, 1942, and the sum of $2,500,000 for the fiscal year ending June 30, 1943: *Provided,* That hereafter the location, type, and design of all roads constructed under the provisions of said act of May 26, 1928, shall be approved by the Public Roads Administration before any expenditures are made thereon, and all such construction done by contract shall be under the general supervision of the Public Roads Administration.

The amendment was agreed to.

The next amendment was, in section 11, page 10, line 13, after the word "adjacent" to strike out "publicly owned or controlled"; in line 14, after the word "size", to insert "owned or controlled by the States or their political subdivisions"; in line 17, after the word "traffic" to strike out "and" and insert "as may be approved by the Public Roads Administration. Such construction likewise may include"; in line 22, after the word "Administration", to strike out "; and" and insert "*Provided,* That"; in line 23, after the word "exceed", to strike out "5" and insert "3", and on page 11, line 2, after the word "land", to strike out "without being matched by the States", so as to make the section read:

SEC. 11. Subsection (c) of section 1 of the Federal Aid Highway Act of 1938 (52 Stat. 633) is hereby amended to read as follows:

"Hereafter the construction of highways by the States with the aid of Federal funds may include such roadside and landscape development, including such sanitary and other facilities as may be deemed reasonably necessary to provide for the suitable accommodation of the public, all within the highway right-of-way and adjacent recreational areas of limited size owned or controlled by the States or their political subdivisions, and with provision for convenient and safe access thereto by pedestrian and vehicular traffic, as may be approved by the Public Roads Administration. Such construction likewise may include the purchase of such adjacent strips of land of limited width and primary importance for the preservation of the natural beauty through which highways are constructed, as may be approved by the Public Roads Administration: *Provided,* That not to exceed 3 percent of the Federal-aid funds apportioned to and matched by any State under this act may be used for the purchase of such adjacent strips of land."

The amendment was agreed to.

The next amendment was, on page 11, beginning in line 3, to strike out:

SEC. 12. (a) The Reconstruction Finance Corporation, pursuant to its authority under existing law and subject to all the terms and conditions thereof, is authorized to cooperate with States to finance, or to aid in financing, the acquisition of real property or interests in property (any such acquisition being herein called a "right-of-way") necessary or desirable for road projects eligible for Federal aid under the Federal Highway Act (42 Stat. 212), as amended and supplemented.

(b) Every loan or purchase of securities by Reconstruction Finance Corporation to finance or to aid in financing the acquisition of a right-of-way, as defined in this section, shall hereafter be made only after approval of the project (including the plans, administration, and financing thereof) by the highway department of the State and by the Public Roads Administration of the Federal Works Agency. In order to furnish additional assurance of the regular amortization or retirement of State securities which are sold to, or pledged with, Reconstruction Finance Corporation in connection with any financing of the acquisition of a right-of-way as provided herein, and which are secured by a pledge of revenue from State gasoline taxes or from other special taxes on motor vehicles or on motor-vehicle operators, the Federal Works Administrator is authorized and directed, from time to time, upon the happening of any default in the payment by a State on account of any of its securities so held by Reconstruction Finance Corporation, to deduct, or cause to be deducted, from the then unexpended Federal funds apportioned to such States as Federal aid for highway construction, pursuant to the Federal Highway Act, as amended and supplemented, the total amount certified by Reconstruction Finance Corporation as being then due and payable on account of such securities, and to issue, or cause to be issued, a warrant in favor of Reconstruction Finance Corporation for such amount, whereupon the Secretary of the Treasury upon the presentation thereof shall pay to Reconstruction Finance Corporation the amount of such warrant for application on account of the State's defaulted payments.

The amendment was agreed to.

The next amendment was, on page 12, beginning in line 19, to strike out:

SEC. 13. The Commissioner of Public Roads is hereby authorized upon the request of any State to perform engineering services and furnish technical aid and advice in connection with the location and development of "flight strips" adjacent to public highways or roadside development areas; for the landing and take-off of aircraft, when not in conflict with the Civil Aeronautics Act of 1938.

The amendment was agreed to.

The next amendment, was at the top of page 13, to insert:

SEC. 12. The Commissioner of Public Roads, in cooperation with the State highway departments of the respective States, is hereby directed to investigate the service afforded to traffic, population, and lands by all highways of each State, as determined by Statewide surveys adequate for the purpose. Annually a report will be made to the Congress covering the progress made in classifying the highways into groups composed of roads of similar service importance.

The amendment was agreed to.

The next amendment was, on page 13, after line 8, to insert:

SEC. 13. The Public Roads Administration is authorized to pay transportation and subsistence expenses of its employees, and of persons appointed under schedule A, subdivision I, paragraph 7, of Civil Service Rules, hereafter assigned to perform engineering services beyond continental United States for any agency or governmental corporation of the United States, including transportation and subsistence expenses of members of the immediate family of any such employee or person in traveling from their headquarters or homes to the post of duty outside continental United States and return; and, with the approval of the Federal Works Administrator, the compensation of any such employee so assigned may be increased during such assignment by not to exceed 25 percent of his base pay.

The amendment was agreed to.

The next amendment was, on page 13, after line 22, to insert:

SEC. 14. Any sums heretofore or hereafter withheld from the Federal-aid road funds apportioned to any State as a penalty for diversion of road-user taxes under the provisions of section 12 of the act approved June 18, 1934 (48 Stat. 995), shall be reapportioned in the same manner as any other unexpended balance at the end of

the period during which it otherwise would be available for expenditure, in accordance with the provisions of section 21 of the Federal Highway Act (42 Stat. 217).

The amendment was agreed to.

The next amendment was, on page 14, after line 6, to insert:

SEC. 15. Any amounts heretofore apportioned to any State under the provisions of section 7 of the act of June 16, 1936 (49 Stat. 1521), for secondary or feeder roads, for which the period of availability will expire on June 30, 1940, and which shall remain unexpended on said date, shall not be reapportioned to all the States as required by section 21 of the Federal Highway Act, but shall remain available to such State until June 30, 1941, and any balance of such amounts then remaining unexpended shall be reapportioned to all the States in the manner now provided by law.

The amendment was agreed to.

The next amendment was, on page 14, after line 17, to insert:

SEC. 16. Federal funds shall be available for paying the engineering costs incurred by State highway departments in the survey and in the preparation of plans, specifications, and estimates for such urgent improvements of highways strategically important from the standpoint of the national defense as may be undertaken on the order of the Federal Works Administrator and as the result of request of the Secretary of War, the Secretary of the Navy, or other authorized national-defense agency.

The amendment was agreed to.

The next amendment was, on page 15, line 3, to change the number of the section from 14 to 17.

The amendment was agreed to.

Mr. McKELLAR. Mr. President, I offer the amendment previously submitted by me today.

The PRESIDING OFFICER. The amendment offered by the Senator from Tennessee will be stated.

The CHIEF CLERK. On page 15, after line 2, it is proposed to insert:

SEC. 17. In approving Federal-aid highway projects to be carried out with any unobligated funds apportioned to any State, the Federal Works Administrator shall give priority of approval to and expedite the construction of projects that are recommended by the appropriate Federal defense agency as important to the national defense.

Mr. CLARK of Missouri. Mr. President, I should like to have the amendment restated because I could not hear it.

The PRESIDING OFFICER. The amendment will be restated.

The Chief Clerk restated the amendment.

Mr. HAYDEN. Mr. President, the text as given is quite similar to a provision originally adopted in the Highway Act of 1921. It was provided in that case that the preference should be given to the completion of projects which would result in an adequate and connected system of highways. In this instance preference is to be given to cases in which the construction would be of advantage to the national defense.

I am glad to accept the amendment.

The PRESIDING OFFICER. Without objection, the amendment of the Senator from Tennessee [Mr. McKELLAR] is agreed to.

Mr. LODGE. Mr. President, I have not any idea of objecting, but I should appreciate it if those of us who are not on the committees could get some kind of a connected statement as to just what this bill is. A succession of amendments have been put in, and I really should like to know just what this is all about.

Mr. McKELLAR. Mr. President, before appropriations can be made for roads there must be an authorization. We first began to pass road bills in 1917, and we have been passing them ever since. In order to have an orderly method of handling Federal aid to roads, the authorization has been made for 2 years at a time, and this is the 2-year biennial bill which is invariably introduced.

Ordinarily we have been appropriating from $100,000,000 to $125,000,000 for class A roads, the appropriations for which have to be matched by the States. During recent years there has been an appropriation of a much smaller amount, usually $25,000,000 or $30,000,000, for second-grade roads under similar conditions.

A year or two ago we undertook to appropriate sums, or authorize the appropriation of sums, for railroad grade crossings, and there is again a provision authorizing that.

In addition to that, there are roads in our national parks, a much smaller sum being authorized for such roads.

Also, through national forests some roads are built.

Some roads also are built wholly out of Government funds for the Indians.

I believe those are all the provisions of this bill.

In other words, we have to do that in order that the persons who build roads may go ahead with their work. In this case Mr. MacDonald, of the Federal Works Agency, has been doing it for a number of years, and doing a good job. He has been building the roads under what is known as the Federal-aid system. This merely authorizes appropriations, and the request for appropriations will come before the Committee on Appropriations and the amounts decided then.

Mr. LODGE. Will the Senator tell me whether this is more or less in the nature of a routine piece of legislation which has to be considered every 2 years, or does it change the formula or the basis upon which these funds are to be allocated?

Mr. McKELLAR. It does not change the formula at all from what it was during the last 2 years, and I believe for the last 4 years. There is no change in formula. There has been a considerable change in amount. I think the appropriation reached as high as about $238,000,000. This bill carries only $160,000,000 for all the purposes I have explained to the Senator and to the Senate. It is merely an ordinary road bill, like those we have been passing, and it is an authorization bill rather than an appropriation bill.

Mr. LODGE. Was not an amendment adopted to the bill which would authorize certain priorities being followed in building these roads? Does not the bill as amended set up certain new priorities in the allocation of the money?

Mr. McKELLAR. No; but the amendment I have just offered, and which is now pending, provides that when national-defense roads are submitted from any State in the Union there may be a priority, and I think that is very proper. It might be very necessary, for instance, to build a road——

The PRESIDING OFFICER. The time of the Senator from Massachusetts has expired.

Mr. McKELLAR. Mr. President——

The PRESIDING OFFICER. The Senator from Tennessee is recognized.

Mr. McKELLAR. Suppose we were invaded and it were necessary to help build military roads in order to provide for the national defense; of course, priority would be given, and I am sure the Senator from Massachusetts would want the priority given.

Mr. LODGE. Mr. President, will the Senator yield?

Mr. McKELLAR. I yield.

Mr. LODGE. Of course, I want roads built for national defense, and I should like to ask whether this bill carries any provision that there shall be consultation with the War Department or the military authorities to determine whether a road is or is not a military road?

Mr. McKELLAR. That is provided for in the amendment.

The PRESIDING OFFICER. The bill is still open to amendment.

Mr. DANAHER and Mr. CLARK of Missouri addressed the Chair.

The PRESIDING OFFICER. The Senator from Connecticut is recognized.

Mr. DANAHER. First, I wish to propound a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. DANAHER. Does the Chair rule that the amendment has already been agreed to?

The PRESIDING OFFICER. It has been.

Mr. DANAHER. I was on my feet seeking recognition.

The PRESIDING OFFICER. Not when the amendment was agreed to.

Mr. DANAHER. I sought to achieve that.

The PRESIDING OFFICER. The amendment was agreed to some time ago, before the colloquy between the Senator

from Tennessee and the Senator from Massachusetts took place.

Mr. DANAHER. Then I mistook the ruling of the Chair, and I ask unanimous consent that the vote by which the amendment was agreed to be reconsidered.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and the vote is reconsidered.

Mr. DANAHER. Mr. President, as has been suggested by the Senator from Massachusetts, those of us who are not on the committee are at a great loss to grasp this whole subject. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Adams	Donahey	La Follette	Reed
Andrews	Downey	Lee	Reynolds
Ashurst	Ellender	Lodge	Russell
Bailey	George	Lundeen	Schwartz
Bankhead	Gerry	McCarran	Schwellenbach
Barbour	Gillette	McKellar	Sheppard
Barkley	Green	McNary	Shipstead
Bilbo	Guffey	Maloney	Smith
Bone	Hale	Mead	Thomas, Okla.
Brown	Harrison	Miller	Thomas, Utah
Byrd	Hatch	Minton	Townsend
Byrnes	Hayden	Murray	Truman
Capper	Herring	Neely	Tydings
Caraway	Hill	Norris	Vandenberg
Chandler	Holman	Nye	Van Nuys
Chavez	Holt	O'Mahoney	Wagner
Clark, Idaho	Hughes	Overton	Walsh
Clark, Mo.	Johnson, Calif.	Pepper	Wheeler
Danaher	Johnson, Colo.	Pittman	White
Davis	King	Radcliffe	Wiley

The PRESIDING OFFICER. Eighty Senators having answered to their names, a quorum is present.

The question is on agreeing to the amendment offered by the Senator from Tennessee [Mr. McKELLAR]. Without objection, the amendment is agreed to.

Mr. CLARK of Missouri. Mr. President——

The PRESIDING OFFICER. The bill is open to further amendment.

Mr. CLARK of Missouri. Mr. President, is the road bill still before the Senate?

The PRESIDING OFFICER. It is.

Mr. CLARK of Missouri. I object to its consideration.

The PRESIDING OFFICER. Objection is heard; the bill goes to the calendar, and the clerk will call the next bill on the calendar.

BILL PASSED OVER

The bill (H. R. 960) extending the classified executive civil service of the United States was announced as next in order.

Mr. OVERTON. I ask that the bill go over.

Mr. McNARY. I do not think we have sufficient time today fully to consider this bill. Therefore I ask that it go over.

The PRESIDING OFFICER. The bill will be passed over.

LEAVE WITH PAY FOR JURY SERVICE

The bill (H. R. 6507) to provide for leave of absence with pay for any employee of the United States or of the District of Columbia who may be called upon for jury service in any State court or court of the United States was considered, ordered to a third reading, read the third time, and passed.

MILITARY ORDER OF THE PURPLE HEART

The Senate proceeded to consider the bill (S. 2524) to incorporate The Military Order of the Purple Heart, which had been reported from the Committee on the Judiciary with an amendment, on page 2, line 5, to strike out "Frank A. Schrepfer, Pennsylvania", so as to make the bill read:

Be it enacted, etc., That the following-named persons, to wit: Charles O. Carlston, California; Wendell A. Lochbiler, Michigan; Marcus E. Diffenderfer, Massachusetts; Frederick K. Myles, Indiana; Harry C. Huston, Minnesota; Konstant Piniarowicz, California; Herbert E. Browning, California; George F. Bradfield, Illinois; Rev. James J. Guinea, South Carolina; Ludwig J. Nachtmann, Pennsylvania; Bernard J. Cummings, Illinois; D. Brandon Bernstein, California; Robert Patton, California; Herbert A. Church, Washington, District of Columbia; Earl B. Douglas, Iowa; Fred H. Surry, Washington; B. A. Schwebke, California; Lloyd Northrup, Illinois; Frank J. Monahan, Indiana; H. Hayes Landon, Massachusetts; Elmer G. Brackett, Michigan; Walter C. Stamm, Minnesota; T. M. Thomson, Minnesota; Frank Cushner, Connecticut; Edgar N. Bloomer, New Jersey; George L. Edmunds, Pennsylvania; and such other persons as may be chosen who are holders of the Purple Heart Medal, awarded by the War Department under General Orders No. 3, dated February 22, 1932, duly chosen, are hereby incorporated and declared to be a body corporate. The name of this corporation shall be "The Military Order of the Purple Heart".

SEC. 2. The said persons named in section 1, and such other persons as may be selected from among those who have been awarded the Purple Heart Medal by the War Department, may complete the organization of said corporation by the selection of officers, the adoption of a constitution and bylaws, and do all other things necessary to carry into effect the provisions of this act, and at any meeting for that purpose any person duly accredited as a delegate from any chapter or State department, known as the Military Order of the Purple Heart, shall be permitted to participate in the proceedings thereof.

SEC. 3. That the purpose or object of this corporation shall be patriotic, fraternal, historical, and educational;

To preserve and strengthen comradeship among its members;

To assist worthy comrades;

To perpetuate the memory and history of our dead;

To maintain true allegiance to the Government of the United States of America and fidelity to its Constitution and laws.

SEC. 4. That the corporation created by this act shall have the following powers:

Perpetual succession with power to sue and be sued in courts of law and equity;

To receive, hold, own, use, and dispose of real estate and personal property as shall be necessary for its corporate purposes, including the right to mortgage, encumber, or exchange said real estate or personal property;

To adopt a corporate seal, and change the same at pleasure;

To adopt a constitution, bylaws, and regulations, to carry out its purposes, not inconsistent with the laws of the United States, or any State, or of the District of Columbia;

To adopt for the purposes of the corporation emblems and badges;

To establish State, District, and Territorial organizations and units or chapters; and

To publish a magazine, or other publications, and generally to do any and all such acts and things as may be necessary in carrying into effect the purposes of the corporation.

SEC. 5. That the organization shall be nonpolitical and, as an organization, shall not promote the candidacy of any person seeking public office.

SEC. 6. That the said corporation and its State, District, Territorial, or local units, or chapters, shall have the sole and exclusive right to have and to use in carrying out its purposes the name of "The Military Order of the Purple Heart."

SEC. 7. That the said corporation shall, on or before the 1st day of January in each year make and transmit to the Congress a report of its proceedings for the preceding calendar year, including a full and complete report of its receipts and expenditures.

SEC. 8. That, as a condition precedent to the exercise in any State of any power or privilege herein granted or conferred, the Military Order of the Purple Heart shall file in the office of the secretary of state of such State the name and post-office address of an authorized agent in such State upon whom legal process against the Military Order of the Purple Heart may be served.

SEC. 9. That the right to alter, amend, or repeal this act at any time is hereby expressly reserved.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

EXTENSION OF CLASSIFIED CIVIL SERVICE TO POSTMASTERS

The bill (S. 4116) amending the act of June 25, 1938, extending the classified civil service to include postmasters of the first, second, and third classes, and for other purposes, was announced as next in order.

Mr. KING. Mr. President, the chairman of the Committee on Civil Service is not present. I was wondering whether we should take this bill up in his absence. Let it go over.

The PRESIDING OFFICER. The bill will be passed over.

JURISDICTION OVER AIR-MAIL SERVICES

The bill (S. 4061) extending the jurisdiction of the Civil Aeronautics Authority over certain air-mail services, and for other purposes, was announced as next in order.

The PRESIDING OFFICER. Calendar 2035, House bill 9899, is an identical bill, and without objection the House bill will be substituted for the Senate bill.

There being no objection, the Senate proceeded to consider the bill (H. R. 9899) extending the jurisdiction of the Civil Aeronautics Authority over certain air-mail services, and for other purposes, which was ordered to a third reading, read the third time, and passed.

The PRESIDING OFFICER. Without objection, Senate bill 4061 and Senate bill 4078 will be indefinitely postponed.

Mr. KING. Mr. President, let me inquire of the Senator from Delaware whether the junior Senator from Nevada [Mr. McCARRAN], who is very much interested in air-mail matters, is acquainted with the bill.

Mr. HUGHES. Mr. President, Senate bill 4061, Senate bill 4078, and House bill 9899 are identical. Their provisions are alike.

The PRESIDING OFFICER. They have been disposed of.

Mr. HUGHES. Very well.

FEDERAL-AID HIGHWAYS

Mr. SHEPPARD. I wish to recur temporarily to Calendar No. 1951, House bill 9575, in order to submit an amendment.

The PRESIDING OFFICER. Without objection, the amendment will be received, and printed, and will be pending. The amendment will be read.

The CHIEF CLERK. At the appropriate place in the bill it is proposed to add a new section, as follows:

SEC. —. The term "highway" as defined by the Federal Highway Act shall not be deemed to include any bridges hereafter to be constructed if located within 10 miles of an existing toll bridge, unless a reasonable offer is made to acquire the facilities of such toll bridge and such offer has not been accepted, and unless a finding as to the reasonableness of said offer, the failure of acceptance, and the percentage of amortization of such toll bridge has been made after public hearing by the Federal Works Administrator: *Provided*, That such finding by the Federal Works Administrator shall not be subject to review.

BILL PASSED OVER

The bill (H. R. 8372) to extend the times for commencing and completing the construction of a bridge across the Mississippi River at or near Chester, Ill., was announced as next in order.

Mr. CLARK of Missouri. I ask that the bill be passed over.

The PRESIDING OFFICER. The bill will be passed over.

MISSISSIPPI RIVER BRIDGE, MEMPHIS, TENN.

The Senate proceeded to consider the bill (S. 3929) to extend the times for commencing and completing the construction of a bridge across the Mississippi River at or near Memphis, Tenn., which had been reported from the Committee on Commerce with an amendment on page 1, line 8, after "August 10", to strike out "1939" and to insert "1940", so as to make the bill read:

Be it enacted, etc., That the times for commencing and completing the construction of a bridge across the Mississippi River, at or near Memphis, authorized to be built by the Memphis & Arkansas Bridge Commission by an act of Congress approved August 10, 1939, are hereby extended 1 and 3 years, respectively, from August 10, 1940.

SEC. 2. The right to alter, amend, or repeal this act is hereby expressly reserved.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

ST. MARYS RIVER BRIDGE, MICHIGAN

The Senate proceeded to consider the bill (S. 3934) authorizing the State of Michigan, acting through the International Bridge Authority of Michigan, to construct, maintain, and operate a toll bridge or series of bridges, causeways, and approaches thereto, across the St. Marys River, from a point in or near the city of Sault Ste. Marie, Mich., to a point in the Province of Ontario, Canada, which had been reported from the Committee on Commerce with an amendment on page 3, line 19, after the word "tolls" to strike out "or the rates of toll shall thereafter be so adjusted as to provide a fund of not to exceed the amount necessary for the proper maintenance, repair, and operation of such bridge, or series of bridges, causeways, and approaches thereto, under economic management", so as to make the bill read:

Be it enacted, etc., That (a) in order to facilitate international commerce, improve the Postal Service, and provide for military and other purposes, the State of Michigan, acting through the International Bridge Authority of Michigan, or the successors to said authority, be, and is hereby, authorized to construct, maintain, and operate a bridge, or series of bridges, causeways, and approaches thereto, across the St. Marys River, so far as the United States has jurisdiction over the waters of such river, from a point suitable to the interests of navigation, in or near the city of Sault Ste. Marie, in the State of Michigan, to a point in the Province of Ontario, Canada, in accordance with the provisions of an act entitled "An act to regulate the construction of bridges over navigable waters", approved March 23, 1906, and subject to the conditions and limitations contained in this act, and subject to the approval of the proper authorities in the Dominion of Canada.

(b) There is hereby conferred upon the State of Michigan and the International Bridge Authority of Michigan, or the successors to said authority, all such rights and powers to enter upon lands and to acquire, condemn, occupy, possess, and use real estate and other property in the State of Michigan needed for the location, construction, operation, and maintenance of such bridge, or series of bridges, causeways, and approaches thereto, as are possessed by railroad corporations for railroad purposes or by bridge corporations, or bridge authorities, or the State of Michigan, for bridge purposes in the State of Michigan, upon making just compensation therefor to be ascertained and paid according to the laws of such State, and the proceedings therefor shall be the same as in the condemnation or expropriation of property for public purposes in such State.

(c) The State of Michigan, acting through the International Bridge Authority of Michigan, or the successors to said authority, is hereby authorized to fix and charge tolls for transit over such bridge, or series of bridges, causeways, and approaches thereto, and the rates of toll shall be so fixed and adjusted as to provide a fund sufficient to pay the reasonable cost of maintaining, repairing, and operating such bridge, or series of bridges, causeways, and approaches thereto, and to provide a sinking fund sufficient to amortize the cost of such bridge, or series of bridges, causeways, and approaches thereto, including reasonable interest and financing cost, as soon as possible under reasonable charges, but within a period of not to exceed 40 years from the completion thereof. After a sinking fund sufficient for such amortization shall have been so provided, such bridge, or series of bridges, causeways, and approaches thereto, shall thereafter be maintained and operated free of tolls. An accurate record of the cost of such bridge, or series of bridges, causeways, and approaches thereto, the expenditures for maintaining, repairing, and operating the same, and of the daily tolls collected shall be kept and shall be available for the information of all persons interested.

SEC. 2. That the right to alter, amend, or repeal this act is hereby expressly reserved.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

OHIO RIVER TOLL BRIDGES, LAWRENCE, OHIO

The bill (S. 4091) authorizing the county of Lawrence, Ohio, to acquire and operate as a unit certain privately owned toll bridges across the Ohio River adjoining such county was announced as next in order.

The PRESIDING OFFICER. Senate bill 4091 is identical with House bill 9922, Calendar No. 1968. Is there objection to the substitution of the House bill for the Senate bill and the immediate consideration of the House bill?

There being no objection, the bill (H. R. 9920) authorizing the county of Lawrence, Ohio, to acquire and operate as a unit certain privately owned toll bridges across the Ohio River adjoining such county was considered, ordered to a third reading, read the third time, and passed.

The PRESIDING OFFICER. Without objection, Senate bill 4091 will be indefinitely postponed.

BILL PASSED OVER

The bill (H. R. 8621) to amend the Civil Service Retirement Act and other retirement acts was announced as next in order.

Mr. McKELLAR. Mr. President, I should like to have an explanation of the bill. If the Senator in charge of the bill is not present at the moment, let the bill be passed over.

The PRESIDING OFFICER. The bill will be passed over.

WAPATO INDIAN IRRIGATION PROJECT, WASHINGTON

The bill (H. R. 3402) to authorize the appropriation for payment of the cost of providing additional water for the Wapato Indian irrigation project, Washington, was announced as next in order.

The PRESIDING OFFICER. The Senator from Utah [Mr. KING] on August 4, 1939, entered a motion to reconsider.

Mr. KING. Mr. President, I should be perfectly willing to agree with my friend the Senator from Washington that the bill may be made the unfinished business so far as I am concerned, and taken up when the Senate meets again a week from now.

Mr. SCHWELLENBACH. Does the Senator from Utah understand that the bill which was passed by the Senate on

the 4th of August last year, with respect to which he entered a motion to reconsider the vote by which it was passed, called for $1,700,000, and is objected to by the Office of Indian Affairs while the bill now reached on the calendar calls for $800,000, less than half of the amount provided for in the other bill, and has been, as I understand, prepared and agreed upon by all the various departments, and now has the approval of the Director of the Budget?

Mr. KING. Mr. President, a letter which I received indicates that there is some question as to the righteousness, if I may use that expression, of an $800,000 gratuity to be paid out of the Treasury of the United States. There is probably very much merit in the bill.

Mr. SCHWELLENBACH. I should like to suggest that probably at biweekly intervals since August 4, last year, I have been asking the Senator from Utah to look into the matter.

Mr. KING. I have no objection to the present consideration of the bill.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the bill (H. R. 3402) to authorize the appropriation for payment of the cost of providing additional water for the Wapato Indian irrigation project, Washington, was considered, ordered to a third reading, read the third time, and passed.

The PRESIDING OFFICER. Without objection, the motion made by the Senator from Utah on August 4, 1939, with regard to Senate bill 1065, will be withdrawn, and Senate bill 1065 will be indefinitely postponed.

ALASKA SALMON FISHERY

The Senate proceeded to consider the bill (H. R. 8172) to amend section 5 of the act of Congress approved June 26, 1906, relative to the Alaska salmon fishery, which had been reported by the Committee on Commerce with an amendment on page 1, line 5, after the word "amended", to strike out "by striking the period at the end of the first sentence of said section and inserting a comma in lieu thereof and after said comma the following: 'nor shall such authority be exercised to prohibit any person from fishing for or taking salmon by hook and line, either for personal use or for sale, during any weekly closed period in any of the waters of Alaska where salmon fishing is otherwise permitted by law and the regulations based thereon.' ", and to insert "by inserting after the word 'barter' in the first sentence of said section a comma and the following: 'and except by hook and line for either personal or commercial use.' ", so as to make the bill read:

Be it enacted, etc., That section 5 of the act of Congress approved June 26, 1906, entitled "An act for the protection and regulation of the fisheries of Alaska," as amended, is further amended by inserting after the word "barter" in the first sentence of said section a comma and the following: "and except by hook and line for either personal or commercial use."

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

IMPROVEMENT OF RIVERS AND HARBORS FOR NATIONAL DEFENSE

The bill (H. R. 9972) authorizing the improvement of certain rivers and harbors in the interest of the national defense was announced as next in order.

Mr. KING. Mr. President, may we have an explanation of the bill? If not, let the bill be passed over.

The PRESIDING OFFICER. The bill will be passed over.

Mr. SHEPPARD subsequently said: Mr. President, the Senator from Utah [Mr. KING] asked for an explanation of House bill 9972. My attention was diverted at the time it was reached on the calendar. I am ready to make an explanation.

The PRESIDING OFFICER. Is there objection to recurring to Calendar No. 1973, being House bill 9972?

Mr. CLARK of Missouri. I object.

The PRESIDING OFFICER. Objection is heard.

OFFICIAL MAIL OF PAN AMERICAN SANITARY BUREAU

The bill (H. R. 8350) permitting official mail of the Pan American Sanitary Bureau to be transmitted in penalty envelopes was considered, ordered to a third reading, read the third time, and passed.

RETIREMENT OF EMPLOYEES OF ALASKA RAILROAD

The bill (H. R. 8046) to amend section 1 of the act entitled "An act for the retirement of employees of the Alaska Railroad, Territory of Alaska, who are citizens of the United States," approved June 29, 1936, was considered, ordered to a third reading, read the third time, and passed.

BEQUEST OF THE LATE JUSTICE OLIVER WENDELL HOLMES

The joint resolution (S. J. Res. 258) to provide for the use and disposition of the bequest of the late Justice Oliver Wendell Homes to the United States, and for other purposes, was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Resolved, etc., That the committee selected pursuant to section 3 of Public Resolution No. 124, Seventy-fifth Congress, approved June 22, 1938, to make recommendations to the Congress concerning the use of the bequest and devise made to the United States by Oliver Wendell Holmes, late an Associate Justice of the Supreme Court of the United States, is authorized to execute the functions vested in it by this joint resolution. Any vacancy occurring in the membership of such committee (hereinafter referred to as the "committee") shall be filled by the selection of a person selected in the same manner as his predecessor was selected. In carrying out the provisions of this joint resolution, the committee is authorized to utilize voluntary and uncompensated services and, with the consent of any Federal agency, to utilize the facilities and personnel of such agency. The committee is authorized to make any additional recommendations to the Congress which it deems desirable. Upon the completion of its work, the committee shall transmit a final report to the Congress and shall thereupon cease to exist.

SEC. 2. The committee shall prepare for publication a memorial volume designed to perpetuate the memory of Justice Holmes and to make readily available to the public the best expressions of his thought. Such volume shall contain such of the writings of Justice Holmes as are selected by the committee, and shall contain such additional matter and such illustrations as the committee may determine. The Librarian of Congress shall make available to the committee the facilities of, and the services of the personnel of, the Library of Congress to assist the committee in the preparation of such volume.

SEC. 3. The Public Printer is authorized and directed to cause to be printed and bound in the Government Printing Office, in a manner and form approved by the committee, such number of copies of the memorial volume prepared by the committee as the committee shall determine. The Superintendent of Documents shall distribute free of cost copies of such volume to such libraries, institutions, and other organizations and persons as the committee may designate. Copies of such volume which are not distributed free of cost shall be made available by the Superintendent of Documents for sale to the public at a price, notwithstanding any other provision of law, determined by the Public Printer to represent the actual cost of printing, binding, and distribution. The cost of printing and binding all of the copies of such volume shall be paid from money appropriated from the money in the Treasury to the credit of the account "Donations to the United States, Bequest of Oliver Wendell Holmes" (hereinafter referred to as the "Holmes fund"). Receipts from the sales of copies of such volume shall be covered into the Holmes fund so long as that fund is carried on the books of the Treasury, and thereafter such receipts shall be covered into the general fund of the Treasury.

SEC. 4. The Architect of the Capitol is authorized and directed, under the direction of the committee, to acquire on behalf of the United States, by purchase, condemnation, or otherwise, that part of the property in square 759 in the District of Columbia which the Architect of the Capitol, with the approval of the committee, determines will provide a suitable site for the garden to be established pursuant to section 5.

SEC. 5. (a) The Architect of the Capitol, under the direction of the committee, is authorized and directed to establish on the land acquired pursuant to section 4 a memorial garden designed to perpetuate the memory of Justice Holmes and to commemorate the love of beauty and of the quiet open spaces of the city of Washington, to which he often gave expression. The garden so established shall be known as the Oliver Wendell Holmes Garden.

(b) The plans and designs of such garden, including the plans and designs for all grading and landscaping and all structures to be erected and other improvements to be made on the land acquired pursuant to section 4, shall be selected by the Architect of the Capitol, with the approval of the committee and of the National Capital Park and Planning Commission, from plans and designs submitted in open competition. The manner of holding such competition and the amount to be paid for such plans and designs shall be determined by the Architect of the Capitol, with the approval of the committee. Expenditures made for carrying

out the provisions of this section shall be made from moneys appropriated from the Holmes fund.

(c) The committee is authorized to make arrangements for appropriate ceremonies for the dedication of such garden upon its completion.

SEC. 6. After the completion and dedication of such garden, it shall be maintained and cared for by the Architect of the Capitol in accordance with the provisions of law applicable with respect to the maintenance and care of the grounds of the United States Supreme Court Building.

SEC. 7. (a) For the purposes of this joint resolution, the Architect of the Capitol is authorized, under the direction of the committee—

(1) To provide for the demolition and removal of any structures on the land acquired pursuant to section 4 and for the sale or other disposition of any materials of which they are constructed.

(2) Pending the demolition of such structures, to lease any of the property so acquired for such periods and under such terms and conditions as he may deem most advantageous to the United States; to provide, out of such appropriations as may be made for such purpose, for the maintenance, repair, and protection of such property; and to incur such expenses as may be necessarily incident to the jurisdiction and control over such property. Any proceeds received under this paragraph or paragraph (1) shall be covered into the Treasury as miscellaneous receipts. The Architect of the Capitol shall include in his annual report a detailed statement of his activities under this paragraph during the period covered by such report.

(3) To enter into contracts; to purchase materials, supplies, equipment, and accessories in the open market; to employ necessary personnel, including professional services, without regard to other laws relating to the employment or compensation of personnel; and to make such expenditures as may be necessary or appropriate.

(b) All lands within the area determined pursuant to section 4 which are subject to the jurisdiction of the Commissioners of the District of Columbia are transferred to the jurisdiction of the Architect of the Capitol. The Architect of the Capitol is authorized to close any alley within such area and is authorized, with the approval of the committee, to permit any portion of the land acquired pursuant to section 4 to be used as an alley so long as such use is necessary.

(c) All funds expended by the Architect of the Capitol pursuant to this joint resolution shall be disbursed by the Division of Disbursement of the Treasury Department.

SEC. 8. (a) The Commissioner of Public Buildings, in the Federal Works Agency, is authorized and directed, on behalf of the United States, to sell and convey title to the land and improvements thereon known as 1720 Eye Street NW., in the District of Columbia, the former residence of Justice Holmes. Such sale may be made pursuant to advertisement or otherwise upon such terms and conditions, and subject to such covenants with respect to demolition of the building and such other restrictive covenants as may be approved by the committee. The Commissioner of Public Buildings is authorized to provide, by contract or otherwise and subject to the approval of the committee, for the demolition of the building upon such land prior to the sale of the land.

(b) The costs of any advertisement, appraisal, broker's fee, or commission incident to the sale of such property, and any costs incurred under this section for demolition of the building, shall be paid from the proceeds of the sale; and the funds of the Public Buildings Administration shall be reimbursed from such proceeds for any of such costs which shall have been paid from the funds of such Administration. The balance of the proceeds of the sale shall be covered into the Treasury to the credit of the account of the Holmes fund.

SEC. 9. There are hereby authorized to be appropriated, out of the money in the Treasury to the credit of the Holmes fund, such sums as may be necessary to carry out the provisions of sections 3 and 5 of this joint resolution; and there are hereby authorized to be appropriated, out of any money in the Treasury not otherwise appropriated, such sums as may be necessary to carry out the other provisions of this joint resolution.

SEC. 10. Upon the transmission to the Congress of the final report of the committee, any money in the Treasury to the credit of the account of the Holmes fund shall be covered into the general fund of the Treasury as miscellaneous receipts.

AMENDMENT OF RAILROAD UNEMPLOYMENT INSURANCE ACT

The bill (H. R. 10009) to amend section 13 (d) of the Railroad Unemployment Insurance Act, was considered, ordered to a third reading, read the third time, and passed.

REFUND OF PROCESSING AND RELATED TAXES

The bill (S. 4098) relating to claims for refund of processing and related taxes, was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the date in the first proviso of the fourth paragraph under the heading "Bureau of Internal Revenue" (relating to refunds of processing and related taxes), in the Second Deficiency Appropriation Act, fiscal year 1938, as amended, is hereby changed from "July 1, 1940" to "July 1, 1941."

JOHN L. SAVAGE

The bill (H. R. 7254) authorizing the temporary detail of John L. Savage, an employee of the United States, to service under the Government of the State of New South Wales, Australia, and the Government of the Punjab, India, was considered, ordered to a third reading, read the third time, and passed.

ELIZABETH L. RILEY

The bill (H. R. 6145) for the relief of Elizabeth L. Riley, was considered, ordered to a third reading, read the third time, and passed.

CLARENCE D. GREEN

The bill (H. R. 6737) for the relief of Clarence D. Green was considered, ordered to a third reading, read the third time, and passed.

EDNA EMERY

The bill (H. R. 7880) for the relief of Edna Emery was considered, ordered to a third reading, read the third time, and passed.

MARY JANIEC AND IGNATZ JANIEC

The Senate proceeded to consider the bill (H. R. 8605) for the relief of Mary Janiec and Ignatz Janiec, which had been reported from the Committee on Claims with an amendment on page 1, line 5, after the words "sum of", to strike out "$5,000" and insert "$3,000", so as to make the bill read:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, the sum of $3,000 to Mary Janiec and Ignatz Janiec, of Passaic, N. J., in full settlement of all claims against the United States Government on account of the death of her son, Adam Janiec, on August 1, 1939, from injuries sustained while riding on a motorcycle on July 28, 1939, on River Drive, Passaic, N. J., because of negligence on the part of employees of the Work Projects Administration engaged in work on Work Projects Administration project No. 6114–6116: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceedng $1,000.

The amendment was agreed to.

The amendment was ordered to be engrossed, and the bill to be read a third time.

The bill was read the third time, and passed.

EVELYN L. RATCLIFFE

The bill (H. R. 3925) for the relief of Evelyn L. Ratcliffe was considered, ordered to a third reading, read the third time, and passed.

MARY S. ARTHUR, EXECUTRIX

The bill (H. R. 4148) for the relief of Mary S. Arthur, as executrix of the estate of Richard M. Arthur, deceased, was considered, ordered to a third reading, read the third time, and passed.

BEATRICE LOIS RUCKER

The bill (H. R. 4412) for the relief of Beatrice Lois Rucker was considered, ordered to a third reading, read the third time, and passed.

THOMAS LEWELLYN AND DRISELLA LEWELLYN

The bill (H. R. 5388) for the relief of Thomas Lewellyn and Drisella Lewellyn was considered, ordered to a third reading, read the third time, and passed.

FRANCES M. HANNAH

The bill (H. R. 6889) for the relief of Frances M. Hannah was considered, ordered to a third reading, read the third time, and passed.

JOHN OWEN

The bill (H. R. 8252) for the relief of John Owen was considered, ordered to a third reading, read the third time, and passed.

CLIFFORD J. WILLIAMS

The Senate proceeded to consider the bill (H. R. 7843) for the relief of Clifford J. Williams, which had been reported from the Committee on Claims with amendments.

The first committee amendment was, in section 1, page 1, line 3, after the word "the", to strike out "Postmaster General" and to insert "Comptroller General of the United States", so as to make the section read:

Be it enacted, etc., That the Comptroller General of the United States is authorized and directed to credit the account of Clifford J. Williams, postmaster at Bainbridge, Ga., in the sum of $10,068.28. Such sum represents a balance due on a shortage in the accounts of John A. Harrison, former assistant postmaster, which accrued prior to August 15, 1926, the date of the appointment of the said Clifford J. Williams as postmaster aforesaid.

The amendment was agreed to.

The next amendment of the committee was, to strike out section 2, as follows:

SEC. 2. The surety on the bond of the said Clifford J. Williams, as postmaster at Bainbridge, Ga., is hereby relieved of any liability on account of such shortage.

The amendment was agreed to.

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

GUS ROTH

The bill (H. R. 382) for the relief of Gus Roth was considered, ordered to a third reading, read the third time, and passed.

MARGARET REDMOND

The bill (H. R. 2014) for the relief of Margaret Redmond was considered, ordered to a third reading, read the third time, and passed.

MARY REID HUDSON

The bill (H. R. 4142) for the relief of Mary Reid Hudson was considered, ordered to a third reading, read the third time, and passed.

MRS. E. J. M'CARDLE

The bill (H. R. 5424) for the relief of Mrs. E. J. McCardle was considered, ordered to a third reading, read the third time, and passed.

C. S. HOBSON

The bill (H. R. 7825) for the relief of C. S. Hobson was considered, ordered to a third reading, read the third time, and passed.

EDWIN FORSMAN

The bill (H. R. 2070) for the relief of Edwin Forsman was considered, ordered to a third reading, read the third time, and passed.

ANGIE WARD

The bill (H. R. 2489) for the relief of Angie Ward was considered, ordered to a third reading, read the third time, and passed.

JOE CARTER

The bill (H. R. 3713) for the relief of Joe Carter was considered, ordered to a third reading, read the third time, and passed.

STUART BASTOW

The bill (H. R. 5569) for the relief of Stuart Bastow was considered, ordered to a third reading, read the third time, and passed.

IMPORTATION OF ARTICLES PRODUCED UNDER PROCESS COVERED BY UNITED STATES PATENTS

The bill (H. R. 8285) to limit the importation of articles, products, and minerals produced, processed, or mined under process covered by outstanding United States patents; to define unfair trade practices in certain instances; and for other purposes was announced as next in order.

Mr. McCARRAN. Let the bill go over.

Mr. PEPPER. Mr. President, will the Senator withhold his objection?

Mr. McCARRAN. Yes.

Mr. PEPPER. I will say to the Senator from Nevada that this bill grows out of a decision by the United States Supreme Court which permits certain commodities to be brought into this country in competition with the output of our own mines. It affects phosphate, bauxite, and several other minerals produced in this country, growing out of the fact that a foreign country, or some individual in such country, may appropriate the patent of an American citizen or entity, then process commodities with the patent which is illegally appropriated, and later send the products back into this country in competition with our own output, without paying any royalty or having any authority from the American patentee. This amendment was worked out by the Patents Committee of the Senate, with the complete concurrence of the Federal Trade Commission, the Federal Tariff Commission, and one other agency of the Government. The able Senator from Tennessee knows about it. He was present at the hearings. It was designed to protect American interests. I think the Senator would find the bill satisfactory if he had the time to look into it.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

Mr. McCARRAN. I object to it at this time.

The PRESIDING OFFICER. The bill will go over under objection.

Mr. McCARRAN subsequently said: Mr. President, a few moments ago I objected to the consideration of Calendar 2002, House bill 8285. I withdraw my objection.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill, which had been reported from the Committee on Patents with an amendment, to strike out all after the enacting clause and insert:

That the importation hereafter for use, sale, or exchange of a product made, produced, processed, or mined under or by means of a process covered by the claims of any unexpired valid United States letters patent, whether issued heretofore or hereafter, shall have the same status for the purposes of section 337 of the Tariff Act of 1930 as the importation of any product or article covered by the claims of any unexpired valid United States letters patent.

The amendment was agreed to.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

The title was amended so as to read: "An act to limit the importation of products made, produced, processed, or mined under process covered by unexpired valid United States patents, and for other purposes."

COAL PRICES ESTABLISHED BY NATIONAL BITUMINOUS COAL COMMISSION

The joint resolution (S. J. Res. 212) making applicable to certain coal deliveries the prices established by the National Bituminous Coal Commission was announced as next in order.

Mr. RUSSELL. Mr. President, may we have an explanation of the joint resolution?

Mr. MINTON. Mr. President, when the second Bituminous Coal Act was passed, it provided that the Government should not make contracts for coal for periods longer than 30 days. It provided that the Government should pay for its coal the price fixed by the Bituminous Coal Commission if an order were promulgated. Contracts were entered into on that basis, and an order was promulgated, but the order was then attacked in the courts and was temporarily enjoined, and the Bituminous Coal Commission did not proceed further along that line, but without coming to a final test of the legality of the order it retreated and took another line, so the question of the legality of that proceeding was never adjudicated. Some of the contractors were paid by the Government, and some were not, and the purpose of the joint resolution is to equalize those who were not paid with those who were paid, because the Comptroller General has advised that if the joint resolution is not passed the Government will have to sue to recover from those who were paid, who would be sued for doing what the Government had asked them to do. The situation has created a rather difficult administrative problem, which the Department has asked to have cleared up by this legislation.

Mr. RUSSELL. Mr. President, what would be the cost to the Government?

Mr. MINTON. I do not have the exact figures, but the expense would not be very heavy.

Mr. GUFFEY. The expense would be very small.

Mr. MINTON. The joint resolution is recommended by the Department for the purpose of relieving a rather difficult administrative problem.

The PRESIDING OFFICER. Is there objection to the present consideration of the joint resolution?

Mr. RUSSELL. Mr. President, I think we ought to have some idea of the cost.

Mr. MINTON. I am sorry I was not furnished with that information.

Mr. RUSSELL. Let the joint resolution go over.

The PRESIDING OFFICER. The joint resolution will be passed over.

MORRISSEY CONSTRUCTION CO.

The bill (H. R. 5823) for the relief of Morrissey Construction Co. was considered, ordered to a third reading, read the third time, and passed.

CHARLES P. MADSEN

The Senate proceeded to consider the bill (S. 3741) for the relief of Charles P. Madsen, which had been reported from the Committee on Claims, with an amendment, on page 1, line 6, after "the sum of", to strike out "$5,000" and insert "$3,528.36", so as to make the bill read:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Charles P. Madsen, of Washington, D. C., the sum of $3,528.36, in full satisfaction of his claim against the United States for payment of medical and hospital expenses and for compensation for personal injuries and property damage sustained by him as the result of being struck by a United States mail truck while walking on the sidewalk along the west side of the city post office in Washington, D. C., on December 26, 1939: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

TRANSPORTATION OF FOREIGN MAIL BY AIRCRAFT

The bill (S. 4137) relating to transportation of foreign mail by aircraft was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That in all cases where, pursuant to the provisions of subsection (i) (2) of section 405 of the Civil Aeronautics Act of 1938, approved June 23, 1938 (52 Stat. 973; U. S. C., 1934 ed., Supp. V, title 49, sec. 401, and the following), the Postmaster General shall have heretofore fixed and put into effect, or shall hereafter fix and put into effect, the rates of compensation to be charged foreign countries for the transportation of their mail by air carriers and where the collections from such foreign countries of the amounts owing by them for such transportation are required by such subsection to be made by the United States for the account of such air carriers, the Postmaster General may simplify and expedite the settlement of accounts for such carriage by offsetting against any balance due a foreign country resulting from the transaction of international money-order business or otherwise, such amounts as may be then due from such country to the United States and to the United States for the account of such carriers; and the Postmaster General and the General Accounting Office shall thereupon give the foreign country involved the appropriate credit for such payment by offset, paying to the carrier that portion of the amount so charged as may be owing to the carrier for its services in transporting the mail of such foreign country and depositing as "miscellaneous postal receipts" that portion of the amount so charged as may be due the United States on its own account: *Provided*, That no adjustment of accounts authorized by this act shall apply to appropriations for fiscal years prior to the fiscal year 1940: *Provided further*, That any adjustments made under the authority of this section shall be subject to the right of the United States to deduct from any sums due or thereafter becoming due to a carrier such amounts as may have been paid it on account of foreign countries which amounts, for any reason, the United States shall have been unable to collect, either by offset or otherwise, from the debtor country.

SEC. 2. If any case where collections are to be made by the United States from a foreign country for the transportation of mails of such countries for the account of an air carrier pursuant to section 405 (i) (2) of the Civil Aeronautics Act, whether such transportation occurred before or after the passage of this act, the Postmaster General, taking into consideration the state of the balance carried in the appropriation, in his discretion, is hereby authorized to make advances to such air carrier out of sums appropriated for "balances due foreign countries," upon determination by the Postmaster General from time to time of the amounts due from any such foreign countries for transportation, and thereafter such amounts shall be collected by the United States from foreign countries by set-off, or otherwise, in the manner hereinbefore provided, and the appropriation for payment of "balances due foreign countries" shall be reimbursed by collections so made by the United States: *Provided, however*, That if the United States shall fail to collect any such amount or any part of such amount from such foreign country owing same within 12 months after the United States has paid such amount to the carrier, the United States may deduct such uncollected amounts from any sums owing by it to the carrier.

SEC. 3. The General Accounting Office shall make the necessary credits and debits in the respective appropriations and accounts involved and adopt such procedure as may be necessary to conform to and effect the purposes of this act.

BILLS PASSED OVER

The bill (S. 3869) to authorize the participation of States in certain revenues from national parks, national monuments, and other areas under the administrative jurisdiction of the National Park Service, and for other purposes, was announced as next in order.

Mr. DANAHER. Mr. President, may we have an explanation of the bill?

The PRESIDING OFFICER. An explanation is requested.

Mr. DANAHER. I should like to know something about the bill. Suppose we pass it temporarily.

The PRESIDING OFFICER. Without objection, the bill will go to the foot of the calendar.

The bill (H. R. 9722) to provide for the regulation of the business of fire, marine, and casualty insurance, and for other purposes, was announced as next in order.

Mr. DANAHER. Let the bill go over.

The PRESIDING OFFICER. The bill will be passed over.

AMENDMENT TO MUNICIPAL BANKRUPTCY ACT

The bill (H. R. 9139) to amend an act entitled "An act to establish a uniform system of bankruptcy throughout the United States," approved July 1, 1898, and acts amendatory thereof and supplementary thereto, was announced as next in order.

Mr. DANAHER. Let the bill go over.

Mr. PEPPER. Mr. President, will the Senator withhold his objection for a moment?

Mr. DANAHER. I shall be glad to do so.

Mr. PEPPER. Will the Senator allow a word of explanation?

Mr. DANAHER. Of course.

Mr. ANDREWS. Mr. President, I can give an explanation of exactly what the bill is, and how important it is at this time.

The present act expires on June 30, 1940. The two important provisions of this bill have already received favorable action by the Senate by its action on Senate amendments to H. R. 6505, at the first session of this Congress. Those two provisions are (1) the extension of the expiration date of the Municipal Bankruptcy Act from June 30, 1940, to June 30, 1942, and (2) the inclusion of counties and parishes as taxing units entitled to use the act.

The third provision is restrictive in nature, in that it imposes safeguards by way of a limitation upon the source of payment for services rendered under any adjustment plan, it being provided that any compensation shall be paid by the taxing unit itself, or by creditors, but not by both.

The Senate receded from its amendments at the request of the introducers thereof, this move being made in order not to hold up H. R. 6505 while the House held hearings on a bill which embodied the substance of the Senate amendments.

Immediate action is necessary because of the June 30, 1940, expiration date of the present act.

In 1933 the Congress accepted the principal of municipal bankruptcy by enacting a Municipal Bankruptcy Act. This act was declared unconstitutional; but, upon being redrafted and reenacted by the Seventy-fifth Congress, the act was sustained. In this law counties and parishes were omitted, but evidence before the Senate and House committees leaves no doubt that counties and parishes may be included within the scope of the act.

Data compiled by the American Bar Association about a year ago shows that at that time there were 159 cases pending under the act, divided as follows: 2 from Arizona, 14 from Arkansas, 8 from California, 30 from Florida, 25 from Indiana, 48 from Kentucky, 1 from Michigan, 2 from Missouri, 2 from New Jersey, 1 from North Carolina, 2 from Oklahoma; 9 from Oregon, 1 from South Carolina, 2 from Tennessee, and 12 from Texas.

In view of the fact that the legislation forced operations along an uncharted course, many taxing units needing the provisions thereof were unable to proceed thereunder immediately because of the necessity of having the course charted by a few cases, thus reducing the cost. It is apparent from correspondence in my office that there has been a much wider resort to the act during the 12 months which have elapsed since the bar association survey. Further information indicates a wider use during the next 2 years.

The view of the American Bar Association was reflected in a committee report which read, in part, that the Municipal Bankruptcy Act—

> Has served a useful purpose to date, and since it is likely that the wreckage of the depression cannot be cleared away entirely by June 30, 1940, the act itself should be extended for another 2-year period.

This objective has also been recommended by the Chicago Bar Association.

It is interesting to see the widespread favorable support for the passage of this proposed legislation. It appears that the interest comes from creditor and debtor alike and covers about 40 States. The debtors have requested the legislation in order that they may have a vehicle for effecting a compromise of impossible debt structures with a reasonable majority without risk of interference by small minorities of holders, and the creditors have shown favorable interest because it appears that creditors generally want the privilege of working out a practical solution and then having that solution equally binding on all creditors, without priorities. Without the act reasonable creditors are unable to give effect to their desire to be fair because of a universal disposition of a small minority, usually owning less than 10 percent of the debt, to insist upon the "pound of flesh." Incidentally, evidence before the committees of the Congress indicates that this minority is frequently composed of persons who have purchased securities at depressed prices, following defaults, and who insist upon being paid, thus resulting in substantial profits at the expense of taxpayers and permanent investors alike.

Incidentally, the Government has a distinct interest in this legislation, particularly the part thereof which extends the expiration date of the act for 2 years. Present laws permit the R. F. C. to refinance drainage, irrigation, and levee districts; but the R. F. C. has found that resort to the Bankruptcy Act is essential because of the practice of minorities to hold out for preferences. The direct interest of the R. F. C. is shown by testimony given before the Senate and House committees by members of the legal staff of R. F. C.

In California alone the R. F. C. is now interested in the outcome of 10 municipal bankruptcy cases which have been appealed to the circuit court of appeals. It is understood that the legal question is largely one of procedure, and if the court should decide after June 30, 1940, that the procedure used was erroneous and require new proceedings, and if this act should not be passed prior to that date, the R. F. C. would be without remedy to protect its position by forcing minority participation in reasonable readjustment plans. Thus there will be lost for creditors and taxing units the benefit sought by the law which permits the R. F. C. to refinance these drainage, irrigation, and levee districts. All told, the R. F. C. has approximately 40 cases in the country which would be adversely affected by the failure to extend the act, according to information which has come to me.

In closing, attention is directed to the fact that this type of legislation is really misnamed. Bankruptcy usually connotes a wiping out of liabilities by a surrender of assets. The Municipal Bankruptcy Act merely permits a plan of composition and readjustment to become effective only after due court hearing and after it has been approved in writing by the holders of 66⅔ percent of the claims sought to be adjusted. It merely makes it impossible for "pound of flesh" minorities to profit at the expense of taxpayers and reasonable creditors.

The PRESIDING OFFICER. The time of the Senator from Florida has expired. Is there objection to the consideration of the bill?

Mr. DANAHER. I object.

The PRESIDING OFFICER. The bill will go over under objection.

APPROPRIATIONS FOR DEPARTMENT OF LABOR, FEDERAL SECURITY AGENCY, ETC.

Mr. McKELLAR. Mr. President, I have to go to the Appropriations Committee for a conference, and I desire to have a formal matter attended to before I leave.

I move that the Senate reconsider the vote by which it receded from its amendments 35 to 39, inclusive, to House bill 9007.

The PRESIDING OFFICER. The question is on the motion of the Senator from Tennessee?

Mr. CLARK of Missouri. Mr. President, may we have an explanation of this matter?

Mr. McKELLAR. I have explained it, I believe, four times today, but I will try to do it again.

Mr. CLARK of Missouri. I am very sorry that I missed the Senator's explanation.

Mr. McKELLAR. The Senator did not happen to be here.

Mr. CLARK of Missouri. I have been on the floor all day.

Mr. McKELLAR. Then I do not know why it was the Senator did not hear me previously. Perhaps I did not make myself plain, and I will have to explain it again. In House bill 9007, the appropriation bill for the Labor Department, the Federal Security Agency, and related independent agencies, there was one item which was in conference for nearly 2 months. That item provided that no part of the money should be paid for filling non-civil-service offices from States that already had their quota on a population basis. The House conferees insisted on that. The Senate conferees insisted that the provision ought not to be applied to the Labor Department alone without applying it to other departments. Of course, the disagreement was very pronounced, and we were finally forced, in order to get a bill at all, to agree to the House provision. It was finally agreed to, with an amendment excepting from the terms of the prohibition the C. C. C. camps. Under the amendment, which was agreed to, but which was left out of the report, C. C. C. camps would be excluded from the provision.

The motion to reconsider is for the purpose of having that amendment, which was inadvertently left out, inserted in the bill, so that hereafter C. C. C. camp foremen will be appointed from the State in which a camp is situated.

Mr. CLARK of Missouri. Mr. President, will the Senator yield to me?

Mr. McKELLAR. I yield.

Mr. CLARK of Missouri. I should like to ask whether the Senate is now adhering to the proposed quota system or abandoning it?

Mr. McKELLAR. We are adhering to the quota system. We were forced to do it. The Senate conferees held out for 2 months.

Mr. CLARK of Missouri. For what did the Senate conferees hold out? Are they for the system or against it?

Mr. McKELLAR. We were against the quota system unless it was applied to all departments of the Government alike.

Mr. CLARK of Missouri. Does not the Senator still believe that that is the correct position?

Mr. McKELLAR. I absolutely do, if all the departments are included; but I do not think, and the Senate conferees did not think, that it ought to be applied to the Labor Department and related agencies only, but should be applied to all the departments.

Mr. CLARK of Missouri. I will ask the Senator, who is an expert parliamentarian——

Mr. McKELLAR. Oh, no; I am not.

Mr. CLARK of Missouri. What vote should a Senator cast who is thoroughly in favor of applying the quota system to all departments of the Government?

Mr. McKELLAR. There is no provision of that kind in this bill, and none before the Senate, of which I know. I wish to assure the Senator that I believe the quota system ought to be applied to all departments.

Mr. CLARK of Missouri. Let me say to the Senator that I want to go just as far as I possibly can in the application and enforcement of the quota system. What is the direct effect of the motion which the Senator has just made,

Mr. McKELLAR. It is to reconsider the vote by which Senate amendments 35 to 39, inclusive, were agreed to, so as not to apply the quota system to C. C. C. camps.

Mr. CLARK of Missouri. Why should there not be an amendment to apply the quota system to all departments of the Government?

Mr. McKELLAR. Because there is no provision in this bill that will permit that. There was no such provision in the House bill; there was no such provision in the Senate bill; and the Senator, who is, I suppose, one of the most expert parliamentarians in the world, knows that unless a provision is in one bill or the other it cannot be agreed to in conference.

Mr. CLARK of Missouri. Does the Senator's motion go as far as the Senate can at this time go in the enforcement of the quota system?

Mr. McKELLAR. It goes as far as it can go, if the Senator will let it be considered.

The PRESIDING OFFICER. The question is on the motion of the Senator from Tennessee.

The motion was agreed to.

Mr. McKELLAR. I now move that the Senate still further insist on its amendments numbered 35 to 39, inclusive, ask for a further conference with the House thereon, and that the Chair appoint the conferees on the part of the Senate.

I may say that there is really only one amendment involved. The others are purely formal, merely involving a change of section numbers.

The PRESIDING OFFICER. The question is on the motion of the Senator from Tennessee.

The motion was agreed to; and the Presiding Officer appointed Mr. McKELLAR, Mr. RUSSELL, Mr. McCARRAN, Mr. BANKHEAD, Mr. O'MAHONEY, Mr. LODGE, and Mr. BRIDGES conferees on the part of the Senate at the further conference.

RESIDENCE OF POSTMASTERS

Mr. MEAD. Mr. President, I ask unanimous consent to return to Calendar No. 1957, Senate bill 4116, so that I may make an explanation of the bill.

The PRESIDING OFFICER. Is there objection? The Chair hears none.

Mr. MEAD. Mr. President, this is a bill sponsored by the Senator from South Dakota [Mr. BULOW]. It corrects an injustice in the law with reference to the employment of postmasters under the civil service. All this bill does is this.

The PRESIDING OFFICER. May the Chair call the attention of the Senator from New York to the fact that objection was interposed to the consideration of the bill?

Mr. KING. Mr. President, will the Senator yield?

Mr. MEAD. Yes.

Mr. KING. Is this the bill to which the Senator called my attention?

Mr. MEAD. Yes; and I will explain it.

Mr. KING. I have no objection to it.

Mr. MEAD. Very well; I thank the Senator.

The PRESIDING OFFICER. Without objection——

Mr. CLARK of Missouri. Mr. President, I objected when the bill was called the first time, and I still object.

Mr. MEAD. Will the Senator withhold his objection?

Mr. CLARK of Missouri. I withhold it.

Mr. MEAD. When the bill placing postmasters under the civil service was passed, it required that all postmasters brought under the civil service and appointed, promoted, or transferred thereafter should live within the jurisdiction of the post office. In at least three cases the postmasters cannot live within the jurisdiction of post offices. One of them is at Mount Vernon, Va., where the postmaster is not allowed to live in George Washington's home. Another one is an insane asylum in Michigan, and the postmaster must of necessity live outside the asylum grounds. The third is in a town owned by the Du Ponts in Washington, and the postmaster must, of course, because he cannot qualify under their household regulations, live outside the jurisdiction there. This bill would allow the appointment of a postmaster if he lives contiguous to the jurisdiction.

Mr. O'MAHONEY. Mr. President, will the Senator yield?

Mr. MEAD. I yield.

Mr. O'MAHONEY. The same conditions the Senator from New York describes also exist at certain Army posts.

Mr. MEAD. That is correct. So the bill merely requires that the postmasters live within the jurisdiction or, in certain cases approved by the Civil Service Commission, contiguous to the jurisdiction. So in reality the bill does not change the law.

Mr. President, I now ask for the consideration and passage of the bill.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

Mr. HUGHES. I object.

The PRESIDING OFFICER. Objection is heard, and the bill goes over for the second time.

CONTINENTAL AEROSURVEYS CORPORATION

Mr. MEAD. I ask for the consideration of a House bill which is now on the desk, and that it be substituted for Senate bill 4156. I will then explain it.

The PRESIDING OFFICER. Senate bill 4156 was reported today. Is there objection to the present consideration of the bill?

Mr. CLARK of Missouri. Mr. President——

The PRESIDING OFFICER. The bill will be read by title for the information of the Senate.

The CHIEF CLERK. A bill (S. 4156) for the relief of the Continental Aerosurveys Corporation.

Mr. CLARK of Missouri. Mr. President, there are many bills on the calendar in which a great many Senators are interested.

I do not see any rhyme or reason in permitting a bill to be taken up out of order.

The PRESIDING OFFICER. Objection is heard.

Mr. MEAD. Mr. President, will the Senator withhold the objection?

Mr. CLARK of Missouri. I reserve my objection.

Mr. MEAD. Mr. President, the Continental Aerosurveys Corporation has, with the Department of Agriculture, a contract which will terminate on June 30. They are merely asking for an extension of 3 months in order to complete their contract. It is recommended by the Department of Agriculture. The bill was reported unanimously by the House committee and by the Senate committee; it has passed the House, and, unless it is considered and passed before the day is over, the extension cannot be considered.

Mr. McCARRAN. Mr. President, I am sorry I could not hear the Senator's statement where I sit.

The PRESIDING OFFICER. Will the Senate kindly be in order? Let Senators and the guests of the Senate desiring to carry on audible conversation either retire to the cloak rooms or leave the galleries.

Mr. MEAD. As I have stated, the Continental Aerosurveys Corporation, a photographic concern, has a contract with the Department of Agriculture which will terminate on June 30. Both the Department of Agriculture and the cor-

poration desire an extension until November 15, in order that the company may complete their work. No additional appropriation is involved. It will merely permit their doing a completed job for the Department of Agriculture.

The PRESIDING OFFICER. The Chair lays before the Senate a bill coming over from the House of Representatives.

The bill (H. R. 10087) for the relief of the Continental Aerosurveys Corporation was read twice by its title.

The PRESIDING OFFICER. Is there objection to the present consideration of the House bill?

There being no objection, the bill was considered, ordered to a third reading, read the third time, and passed.

The PRESIDING OFFICER. Without objection, Senate bill 4156 is indefinitely postponed.

PREVENTION OF PUBLICATION OF INVENTIONS IN THE NATIONAL INTEREST

The bill (H. R. 10058) to amend the act relating to preventing the publication of inventions in the national interest, and for other purposes, was considered, ordered to a third reading, read the third time, and passed.

AMENDMENT OF INTERNAL REVENUE CODE WITH REGARD TO PETROLEUM STILLS

The bill (H. R. 6207) to amend section 2810 (a), Internal Revenue Code, to exclude petroleum stills from the requirement of registration, was considered, ordered to a third reading, read the third time, and passed.

IMPORTED PILE MATS AND COCOA FIBER FLOOR COVERINGS

The Senate proceeded to consider the bill (H. R. 6328) to amend the Tariff Act of 1930, as amended by section 34 (c) of the Customs Administrative Act of 1938 (U. S. C., 1934 ed., Supp. IV, title 19, sec. 1001, par. 1529 (a)), which was read, as follows:

Be it enacted, etc., That paragraph 1529 (a) of the Tariff Act of 1930, as amended by section 34 (c) of the Customs Administrative Act of 1938 (U. S. C., 1934 ed., Supp. IV, title 19, sec. 1001, par. 1529 (a)), is hereby further amended by inserting "1022" after the figure "1006."

This act shall take effect on the day following its enactment.

Mr. WALSH. Mr. President, I offer an amendment to the bill which I ask to have stated.

The PRESIDING OFFICER. The amendment offered by the Senator from Massachusetts will be stated.

The LEGISLATIVE CLERK. After line 7, it is proposed to insert the following new section:

Section 520 of the Tariff Act of 1930, as amended, is amended by adding thereto the following subsection:

d. No duties collected prior to June 26, 1938, under paragraph 1115 (b) of this act shall be refunded, unless the claimant establishes to the satisfaction of the Secretary, in accordance with regulations prescribed by him, or to the satisfaction of the trial court, under conditions set forth in section 902 (a) and section 902 (b) of the Revenue Act of 1936, that he bore the burden of such duties.

Mr. KING. Mr. President, in view of the fact that we have an organization of which the chairman of the two fiscal committees—the Ways and Means Committee of the House and the Finance Committee of the Senate—are the heads, to consider these refunds, I ask the Senator whether or not this matter ought to have gone before that joint committee.

Mr. WALSH. The amendment is not objectionable to the Treasury Department. It gives the Treasury Department authority over refunding duties collected prior to June 26, 1938, upon hat bodies made of wool felt.

Paragraph 1115 (b) imposed the following duty:

(b) Bodies, hoods, forms, and shapes, for hats, bonnets, caps, berets, and similar articles, manufactured wholly or in part of wool felt, 40 cents per pound and 75 percent ad valorem. * * *

The Treasury Department drew up regulations and collected the above duties in accordance with the intent of the Congress. However, in 1938 a decision by the Court of Customs and Patent Appeals held that "wool felt hat bodies" were actually not manufactured of wool felt because the material did not become completed felt until the manufacturing process was completed. This case is now in the process of appeal.

Because of this decision the Congress, by act approved June 25, 1938, amended paragraph 1115 (b) for the purpose of clarifying the same.

As amended by this act, said subsection now reads:

(b) Bodies, hoods, forms, and shapes, for hats, bonnets, caps, berets, and similar articles, wholly or in chief value of wool but not knit or crocheted nor made in chief value of knit, crocheted, or woven material. * * * (The same duty of 40 cents per pound and 75 percent ad valorem was retained.)

If the Treasury Department is finally reversed in its interpretation of paragraph 1115 (b) of the Tariff Act of 1930, the Treasury will be placed in the position of having to refund over $4,000,000 in duties that were collected in accordance with the intent of the Congress between 1930 and 1938.

Duties collected since 1938, of course, have been properly assessed, because assessed under the 1938 amendment.

The duties paid between 1930 and 1938 were paid in accordance with Treasury regulations then in effect. The point upon which the court ruled in reversal of Treasury regulations was not even raised until 1938. Consequently duties paid prior to that period were paid in accordance with the intent of the Congress and in accordance with the importers' interpretation of this point.

The question now is whether, therefore, such duties should be refunded to these importers if the Treasury's interpretations are finally overruled by the courts.

Mr. KING. This bill could not be construed in any sense as an ex post facto law to relieve the Government of an obligation which legally would devolve upon it?

Mr. WALSH. No; it merely permits the Secretary of the Treasury, pending the decision in the courts—the matter having been appealed—not to pay back the refunds.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Massachusetts.

The amendment was agreed to.

The amendment was ordered to be engrossed, and the bill to be read a third time.

The bill was read the third time and passed.

SALOMON GEORG KAUFMANN AND OTHERS

The bill (H. R. 7563) for the relief of Salomon Georg Kaufmann; his wife Doris Kaufmann, nee Stern; and their child John Michael Peter Kaufmann was considered, ordered to a third reading, read the third time, and passed.

JOHANN RUDOLF HUENEBERG

The Senate proceeded to consider the bill (H. R. 5641) to admit Johann Rudolf Hueneberg permanently to the United States, which had been reported from the Committee on Immigration with an amendment at the end of the bill to insert a new section, so as to make the bill read:

Be it enacted, etc., That notwithstanding the provisions of the immigration laws, the Secretary of Labor is authorized and directed to admit to the United States for permanent residence Johann Rudolf Hueneberg, a German, born in Germany.

SEC. 2. Upon the enactment of this act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the nonpreference category of the quota during the current year.

The amendment was agreed to.

The amendment was ordered to be engrossed, and the bill to be read a third time.

The bill was read the third time and passed.

ANTAL OR ANTHONY OR TONY ZAICEK OR ZAICZEK

The Senate proceeded to consider the bill (H. R. 6056) for the relief of Antal or Anthony or Tony Zaicek or Zaiczek, which had been reported from the Committee on Immigration with an amendment, on page 1, line 9, after the word "warrant", to strike out "and that by the terms of this act he shall not be permitted to become a naturalized citizen of the United States", so as to make the bill read:

Be it enacted, etc., That the Secretary of Labor be, and is hereby, authorized and directed to record the permanent residence of Antal or Anthony or Tony Zaicek or Zaiczek as of October 2, 1924, and that the warrant of deportation be canceled and Antal or Anthony or Tony Zaicek or Zaiczek shall not again be subject to deportation proceedings for the reasons set up in said warrant.

Upon the enactment of this act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the nonpreference category of the quota during the current quota year.

The amendment was agreed to.

The amendment was ordered to be engrossed, and the bill to be read a third time.

The bill was read the third time, and passed.

MEIER LANGERMANN AND OTHERS

The bill (H. R. 9651) for the relief of Meier Langermann, his wife, Friederike, and son, Joseph, was considered, ordered to a third reading, read the third time, and passed.

EVA SOFIA BILDSTEIN ET AL.

The Senate proceeded to consider the bill (S. 3596) to enable Eva Sofia Bildstein and her minor son, Jorg Bildstein, to remain permanently in the United States, which had been reported from the Committee on Immigration with an amendment, at the end of the bill to insert a new section, so as to make the bill read:

Be it enacted, etc., That notwithstanding any provision of the immigration laws Eva Sofia Bildstein and her minor son, Jorg Bildstein, natives of Germany, admitted into the United States on May 22, 1939, at the port of New York for temporary residence, shall be permitted to remain in the United States permanently as though they had in all respects complied with the immigration laws upon entry, and that the residence in the United States of the said Eva Sofia Bildstein and her minor son, Jorg Bildstein, shall date from the approval of this act.

SEC. 2. Upon the enactment of this act the Secretary of State shall instruct the proper quota-control officer to deduct two numbers from the nonpreference category of the quota during the current year.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

FREDERICK BECK

The bill (H. R. 8910) providing for the extension of nonquota status to Frederick Beck was considered, ordered to a third reading, read the third time, and passed.

VASIL DIMITROFF TECHOFF

The Senate proceeded to consider the bill (S. 3703) for the relief of Vasil Dimitroff Techoff, which had been reported from the Committee on Immigration with an amendment, on page 1, line 9, after the word "warrant", to strike out "By the terms of this act the alien is hereby disqualified from ever acquiring United States citizenship and that

"SEC. 2. That", so as to make the bill read:

Be it enacted, etc., That in the administration of the immigration and naturalization laws the Secretary of Labor be, and is hereby, authorized and directed to cancel the warrant of arrest and the order of deportation heretofore issued against Vasil Dimitroff Techoff, and that the alien shall not hereafter become subject to deportation for the cause contained in the present warrant.

SEC. 2. That upon the enactment of this act the Secretary of State shall instruct the proper quota-control officer to deduct one number from the nonpreference category of the quota during the current year.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

ADOLPH ERNEST HELMS

The bill (H. R. 5156) for the relief of Adolph Ernest Helms was considered, ordered to a third reading, read the third time, and passed.

RICHARD PAUL REHN

The Senate proceeded to consider the bill (H. R. 5640) to admit Richard Paul Rehn permanently to the United States, which had been reported from the Committee on Immigration with an amendment, at the end of the bill to insert a new section, so as to make the bill read:

Be it enacted, etc., That notwithstanding the provisions of the immigration laws, the Secretary of Labor is authorized and directed to admit to the United States for permanent residence Richard Paul Rehn, a German, born in Germany.

SEC. 2. Upon the enactment of this act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the nonpreference category of the quota during the current year.

The amendment was agreed to.

The amendment was ordered to be engrossed, and the bill to be read a third time.

The bill was read the third time and passed.

INSPECTORS AND EMPLOYEES OF IMMIGRATION AND NATURALIZATION SERVICE

The Senate proceeded to consider the bill (S. 3248) to amend section 2, chapter 368, Forty-sixth Statutes at Large, page 1467, March 2, 1931, relating to extra compensation of inspectors and employees of the Immigration and Naturalization Service, which had been reported from the Committee on Immigration with amendments, on page 2, line 3, after "109a", to strike out "of this title" and insert "title 8, United States Code", and in line 12, after the word "waterways", to strike out "when operating" and insert "or vessels operating exclusively between ports and places in the State of Washington and in ports and places in the British Columbia", so as to make the bill read:

Be it enacted, etc., That section 2, chapter 368, Forty-sixth Statutes at Large, page 1467, March 2, 1931, be amended so as to read as follows:

"The said extra compensation shall be paid by the master, owner, agent, or consignee of such vessel or other conveyance arriving in the United States from a foreign port to the Secretary of Labor, who shall pay the same to the several officers and employees entitled thereto as provided in section 109a, title 8, United States Code. Such extra compensation shall be paid if such officers or employees have been ordered to report for duty and have so reported, whether the actual inspection or examination of passengers or crew takes place or not: *Provided*, That this section shall not apply to the inspection at designated ports of entry of passengers arriving by international ferries, bridges, highways, or tunnels, or by aircraft, railroad trains, motor carriers, or vessels on the Great Lakes and connecting waterways or vessels operating exclusively between ports and places in the State of Washington and in ports and places in the British Columbia on regular schedules."

Mr. KING. Mr. President, will the Senator from Washington [Mr. SCHWELLENBACH] make an explanation of the bill?

Mr. SCHWELLENBACH. Mr. President, in instances in which the Immigration Service are required to keep their inspectors overtime as a result of delays of ships, the company must pay the overtime charges. There are a number of exemptions, all based upon the theory that where the service runs upon a regular schedule there is not the overtime requirement. Railroads, for example, running between here and Canada are exempted. This bill provides exemptions so far as bus lines operating on regular schedules are concerned. It also provides for ferryboats between the State of Washington and the Province of British Columbia which operate on regular schedules. The present law exempts the boats running on the Great Lakes, and there happens to be just one ferry line running between the United States and Canada which is not exempt.

Mr. KING. I have no objection.

The PRESIDING OFFICER. The question is on agreeing to the amendments reported by the committee.

The amendments were agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

AMENDMENT OF IMMIGRATION ACT OF 1924 AS TO OFFICIALS OF FOREIGN GOVERNMENTS

The bill (S. 4149) to amend the Immigration Act of 1924 to require aliens admitted into the United States as officials of foreign governments either to maintain their status or to depart from the United States, with the approval of the Secretary of State, was announced as next in order.

The PRESIDING OFFICER. A similar House bill was received from the House today. Without objection, the House bill will be considered.

The bill (H. R. 10112) to amend the Immigration Act of 1924 to require aliens admitted into the United States as officials of foreign governments either to maintain their status or to depart from the United States, with the approval

of the Secretary of State, was read twice by its title, considered ordered to a third reading, read the third time, and passed.

Mr. RUSSELL. I ask that the Senate bill be indefinitely postponed.

The PRESIDING OFFICER. Without objection, Senate bill 4149 will be indefinitely postponed.

PARTICIPATION OF STATES IN REVENUE OF NATIONAL PARKS, ETC.

Mr. McCARRAN. Mr. President, I ask unanimous consent to revert to Senate bill 3869, Calendar No. 2007.

The PRESIDING OFFICER. Without objection, the bill will be read by title for the information of the Senate.

The LEGISLATIVE CLERK. A bill (S. 3869) to authorize the participation of States in certain revenues from national parks, national monuments, and other areas under the administrative jurisdiction of the National Park Service, and for other purposes.

The PRESIDING OFFICER. Is there objection to recurring to the bill?

Mr. McCARRAN. Was objection formerly made, and by whom?

The PRESIDING OFFICER. The Senator from Connecticut [Mr. DANAHER] objected.

Mr. DANAHER. Mr. President, I asked for an explanation, and the Chair may recall that I asked that the bill go to the foot of the list. I should like to know what is proposed by the bill.

Mr. McCARRAN. Mr. President, the proposition is that where parks, national monuments, and the like exist, the contiguous counties of the respective States shall participate to the extent of 25 percent in the revenue taken in by the parks and monuments.

I will state the reason for it. We will use Yellowstone Park as an illustration. The contiguous counties of the respective States must of necessity take care of the policing, the sanitation, and so forth, of all surrounding conditions; so the thought of the bill was that those counties should participate to the extent of 25 percent in the revenue taken in.

Mr. DANAHER. May I ask a question of the Senator?

Mr. McCARRAN. Yes.

Mr. DANAHER. Do not the parks bring all sorts of advantages to the States in which they are located, which greatly outweigh the disadvantages?

Mr. McCARRAN. They bring all sorts of advantages, but they also bring many disadvantages. I do not want to dwell on the disadvantages, but the surrounding counties must of necessity take care of conditions growing out of the presence of great numbers of visitors. The Senator may realize what this means. For instance, the recreational park around Boulder Dam last year was visited by 750,000 persons. The counties surrounding that particular park were compelled to take care of the trials of cases, the policing of the situation, and everything pertaining to it. So it seemed to us it was quite essential that some compensation be accorded to the surrounding country which must of necessity take care of the burden.

That is the whole story of this bill.

Mr. DANAHER. How does the Department of the Interior feel about the matter, if the Senator knows?

Mr. McCARRAN. The Department of the Interior is in accord with the bill, but recommended an amendment providing that the Boulder Dam area should be excluded from the provisions of the bill. The reason was, as I recall—and I state it in substance—that the States of Nevada and Arizona have certain perquisites coming from the Boulder Dam area by way of taxation. In answer to that, however, I may say that it is a State taxation, and the State has the benefit of it. That matter is now involved in a bill which is pending before Congress; so we thought it was not best to exclude the Boulder Dam area, because the Boulder Dam area is the area which attracts the greatest number of persons to it as, for instance, 750,000 persons during the past year.

Mr. DANAHER. I thank the Senator from Nevada.

The PRESIDING OFFICER [Mr. O'MAHONEY in the chair]. Is there objection to the present consideration of the bill?

There being no objection, the bill was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That beginning with the next fiscal year following the approval of this act, 25 percent of the moneys derived by the Federal Government during any fiscal year from the collection of fees, including motor and other vehicular fees, from visitors to areas which are now or hereafter may be under the administrative jurisdiction of the National Park Service, as shall be certified by the Secretary of the Interior, shall be paid by the Secretary of the Treasury, as soon as practicable after the end of each fiscal year, to the State in which each area under the administrative jurisdiction of the National Park Service is situated.

When any such area is in more than one State, the distributive share therefrom to each State shall be proportional to its area therein, as shall be certified by the Secretary of the Interior. Such funds shall be expended for the benefit of the county or counties in which each area is situated, in such manner, and by such agencies of State or local government as the State legislatures shall prescribe: *Provided*, That for each fiscal year there shall not be paid to any State for the benefit of any county an amount in excess of 40 percent of the revenues derived by said county from all other sources during such fiscal year.

SEC. 2. As used in this act, the term "State" includes Alaska, Hawaii, Puerto Rico, and the Virgin Islands.

Mr. SCHWARTZ subsequently said: Mr. President, earlier in the day objection was made to the consideration of Senate bill 3869, Calendar No. 2007.

A little while ago, and evidently when I was not in the Chamber, when the matter was reconsidered the bill was taken up and passed. I ask unanimous consent for the reconsideration of the vote by which the bill was passed. I desire to enter an objection to the bill at this time, and have it go over. I merely want an opportunity to consider what effect the bill may have on the passage of House bill 6687, authorizing State taxation on personal property, uses, and sales in national parks and certain other reservations.

The PRESIDING OFFICER. Is there objection to the reconsideration of the vote by which Senate bill 3869, Calendar 2007, was passed? The Chair hears none, and the vote is reconsidered. Without objection, the bill will be passed over.

AMENDMENT TO MUNICIPAL BANKRUPTCY ACT

Mr. ANDREWS. Mr. President, I ask unanimous consent that we revert to Calendar No. 2009, House bill 9139.

The PRESIDING OFFICER. Is there objection?

There being no objection, the Senate proceeded to consider the bill (H. R. 9139) to amend an act entitled "An act to establish a uniform system of bankruptcy throughout the United States," approved July 1, 1898, and acts amendatory thereof and supplementary thereto.

Mr. McNARY. Mr. President, from the reading of the title this would appear to be a very comprehensive bill to consider under the 5-minute rule. I observe it is a House bill.

Mr. BARKLEY. Mr. President, will the Senator yield?

Mr. McNARY. I yield.

Mr. BARKLEY. It is really very important that this legislation be enacted. Certain parts of the law expire on the 30th of this month. The Reconstruction Finance Corporation are very much interested in getting this bill through in order that they may continue their operations under the law which has been in existence.

Mr. McNARY. Mr. President, if there are any emergency features involved I would not object. If it is a mere modification or a repeal of some sections of the act, at this late day and time, I would object. If there is any necessity for immediate consideration of the bill I will withhold my objection.

Mr. ANDREWS. Mr. President, it is very necessary.

Mr. MILLER. In reference to the length of the bill, under the draftsmanship in the House they took up the entire municipal bankruptcy bill and set it out in this bill, which was the proper way to handle the matter, but they included counties and parishes in the amendment, and extended the period for 2 years. Those are really the changes that are made.

Mr. McNARY. Mr. President, that simplifies the whole situation, and I have no objection.

Mr. KING. Mr. President, I have many objections to the extension of this measure, and particularly because it is broader than the original act. As indicated now by the Senator from Arkansas, it includes counties, and they are to be permitted to take advantage of the Bankruptcy Act. It seems to me that if we are not careful we will strike at the very foundations of credit. If municipalities and school districts and various other municipal organizations, including counties, are to be permitted to avoid their valid obligations by taking advantage of the Bankruptcy Act, I think we will impair very much the credit of all Federal agencies, including the Government of the United States.

Mr. ANDREWS. The procedure under the proposed law will absolutely take care of that situation.

The PRESIDING OFFICER. The question is on the third reading of the bill.

The bill was ordered to a third reading, read the third time, and passed.

NATURALIZATION OF HAWAIIAN WOMEN

The bill (H. R. 159) to amend an act entitled "An act relating to the naturalization of certain women born in Hawaii," approved July 2, 1932, was considered, ordered to a third reading, read the third time, and passed.

REPATRIATION OF NATIVE-BORN WOMEN

The bill (H. R. 4185) to repatriate native-born women residents of the United States who have heretofore lost their citizenship by marriage to an alien was considered, ordered to a third reading, read the third time, and passed.

ARON PITT AND CECELIA PITT

The bill (S. 3361) for the relief of Aron Pitt and Cecelia Pitt, was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That in the administration of the immigration and naturalization laws Aron Pitt (born Aron Pitkowski) and Cecilia Pitt or Cecelia Pitkowski (alias Anny Metz or Anny Metz Pitt), of West Hartford, Conn., the parents of two children born in the United States, shall be held and considered to have been legally admitted to the United States for permanent residence on March 1, 1925, and October 5, 1926, respectively.

SEC. 2. Any proceedings heretofore or hereafter instituted for the deportation of the said Aron Pitt and Cecilia Pitt on the ground that they fraudulently gained admission to the United States shall be null and void.

NATURALIZATION OF ALIENS

The bill (H. R. 6443) to permit certain aliens whose childhood was spent in the United States, if eligible to citizenship, to become naturalized without filing declaration of intention, was considered, ordered to a third reading, read the third time, and passed.

SUSQUEHANNA RIVER BRIDGE, PENNSYLVANIA

The bill (H. R. 9618) to extend the times for commencing and completing the construction of a bridge across the Susquehanna River at or near the city of Harrisburg, Pa., was considered, ordered to a third reading, read the third time, and passed.

OHIO RIVER BRIDGE, ILLINOIS

The bill (H. R. 9509) to extend the times for commencing and completing the construction of a bridge across the Ohio River at or near Shawneetown, Ill., was considered, ordered to a third reading, read the third time, and passed.

CONFISCATION OF PROPERTY BY FOREIGN GOVERNMENT

The bill (S. 3936) to extend the provisions of the act of May 22, 1934, known as the National Stolen Property Act, was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the act of May 22, 1934 (48 Stat. 794), is hereby extended to include and apply to any property which has been seized in violation of law or which has been confiscated.

SEC. 2. The word "confiscated" shall be deemed to include the taking of any property, by means of force by any foreign government, or by means of any law, decree, order, ordinance, or other act, direct or indirect, of any foreign sovereign or government or of any political subdivision or instrumentality thereof or of any official board, commission, or agency whereby private property is taken without payment in United States currency or its equivalent having been made or provided for in a manner acceptable to the owners of the property so taken.

SEC. 3. Nothing herein shall be construed to repeal or otherwise modify any part of the Act of October 29, 1919 (ch. 89), cited as the "National Motor Vehicle Theft Act", nor the act of May 22, 1934, known as the "National Stolen Property Act."

NORTH SLOUGH DAM AND DIKE, OREGON

The bill (H. R. 6408) an act to extend the times for commencing and completing the construction of a dam and dike for preventing the flow of tidal waters into North Slough in Coos County, Oreg., was considered, ordered to a third reading, read the third time, and passed.

RED CEDAR SHINGLES

The bill H. R. 9765, an act to provide for exercising the right with respect to red cedar shingles reserved in the trade agreement concluded November 17, 1938, between the United States of America and Canada, and for other purposes, was considered, ordered to a third reading, read the third time, and passed.

JURISDICTION OF THE ARLINGTON FARM, VIRGINIA

The bill (S. 4107) to transfer the jurisdiction of the Arlington Farm, Virginia, to the jurisdiction of the War Department and the Department of the Interior, and for other purposes, was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the control and jurisdiction of the lands, buildings, and improvements constituting the Arlington Farm, as created by the act of Congress approved April 18, 1900 (31 Stat. 135), west of the Rosslyn connecting railroad, are hereby transferred from the Secretary of Agriculture to the Secretary of War, to take effect progressively as each area of said farm is turned over by the Secretary of Agriculture to the Secretary of War: *Provided*, That the authority to remove such buildings, improvements, trees, and plants as shall be deemed necessary in order to promote the work of the Department of Agriculture shall remain in the Secretary of Agriculture until the transfer of the area involved is effected.

SEC. 2. There is hereby authorized to be appropriated a sum not to exceed $3,200,000 to be expended by the Secretary of Agriculture for the acquisition by purchase, condemnation, or donation of lands to provide a suitable site for the development and reestablishment thereon of the functions and activities of the Arlington Farm, and the construction and installation of such buildings, equipment, and utilities and appurtenances thereto, including the employment of persons and means in the city of Washington and elsewhere, as in the judgment of the Secretary of Agriculture may be necessary.

SEC. 3. There is also further authorized to be appropriated not to exceed $4,000,000 for the acquisition of adjacent lands and the construction and installation of such buildings and utilities and appurtenances as in the judgment of the Secretary of War may be necessary for military purposes on the above-mentioned lands, including alterations, additions, and betterments to such existing improvements thereon as may be transferred by the Secretary of Agriculture to the Secretary of War.

SEC. 4. The control and jurisdiction of that portion of the Arlington Experimental Farm lying east of the Rosslyn connecting railroad is hereby transferred from the Secretary of Agriculture to the Secretary of the Interior, and there is hereby authorized to be appropriated not to exceed $1,000,000 for the acquisition of adjacent lands in order that the Secretary of the Interior may transfer to this enlarged area the propagating gardens, shops, heating plant, tourist camp, and other facilities that are now located between the Washington Monument grounds, the Thomas Jefferson Memorial, and the Potomac River. The Secretary of War is hereby authorized and directed to transfer to the Secretary of the Interior a right-of-way 200 feet wide extending from a point near the southeast corner of the Arlington Cemetery in a northeasterly direction to the Boundary Channel, in order to provide a south approach to the Arlington Memorial Bridge and the construction of an adequate road within this right-of-way is hereby authorized. The plans for location and development of this approach road as well as the development plans for the enlarged areas east and west of the railroad for the uses herein authorized shall be subject to the approval of the National Capital Park and Planning Commission. The development plan for the area under jurisdiction of the Secretary of War shall provide for a connecting road adjacent to the Rosslyn connecting railroad between the highways north of the Arlington reservation and those south of said reservation and upon the construction and opening of such road the Secretary of War is hereby authorized and empowered to close and abandon the present Military Road along the east boundary of the Arlington Cemetery.

PLEADING AND PRACTICE IN CRIMINAL CASES

The bill (H. R. 4587) to give the Supreme Court of the United States authority to prescribe rules of pleading, practice, and procedure with respect to proceedings in criminal cases prior to and including verdict, or finding or plea of guilty, was considered, ordered to a third reading, read the third time, and passed.

LOUIS ROSENSTONE

The bill (H. R. 7955) for the relief of Louis Rosenstone was considered, ordered to a third reading, read the third time, and passed.

TAXATION OF INTANGIBLE PERSONAL PROPERTY IN DISTRICT OF COLUMBIA

The bill (S. 4161) to amend the District of Columbia Revenue Act, 1939, was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That article III of title V of the District of Columbia Revenue Act of 1937, as amended by title V of the District of Columbia Revenue Act of 1939, is amended by adding after section 14 thereof the following new section:

"SEC. 15. Credits, securities, and other intangible personal property within the District not employed in carrying on any business therein by the owner shall be deemed to be located at the domicile of the owner for purposes of taxation under this title, and, if held in trust, shall not be deemed to be located in the District for purposes of taxation under this title solely because of the trustee being domiciled in the District: *Provided further*, That this section shall not apply to property owned by alien decedents, and that nothing herein contained shall affect the taxation by the District of any property owned by alien decedents which, at the time of the death of such decedents, shall be under the jurisdiction of the District or over which the District has control."

DEPOSITS OF PHOSPHATE, SODIUM, ETC.

The PRESIDING OFFICER. The Chair wishes to announce that Calendar No. 1880, House bill 6560, relating to placer-mining claims for deposits of phosphate, sodium, potassium, oil, oil shale, or gas on the public domain was passed over earlier in the day and was to be called at the close of the calendar. The attention of the Senator from Nevada is called to the bill.

Mr. McCARRAN. Mr. President, that goes over.

The PRESIDING OFFICER. Objection is heard, and the bill will be passed over.

Mr. McNARY. Mr. President, does that conclude the calendar?

The PRESIDING OFFICER. That concludes the calendar.

AMENDMENT OF PERISHABLE AGRICULTURAL COMMODITIES ACT, 1930

Mr. McNARY. I have a little matter I wish to submit. I am at a disadvantage because of a parliamentary situation, which I think I can straighten out, with the consent of the Senate.

On May 6, 1940, the House passed a bill amending in a minor way the Perishable Commodities Act and the Senate also passed an identical bill. I ask unanimous consent that the Committee on Agriculture and Forestry, to which the House bill was referred, may be discharged from its further consideration and that it may be considered.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Oregon that the Committee on Agriculture and Forestry be discharged from the further consideration of the House bill 8628, and that it be considered by the Senate?

Without objection, the Committee on Agriculture and Forestry is discharged from the further consideration of the bill.

Is there objection to the present consideration of the bill?

There being no objection, the bill (H. R. 8628) to amend the Perishable Agricultural Commodities Act, 1930, as amended, to include as a perishable agricultural commodity cherries in brine, and for other purposes, was considered, ordered to a third reading, read the third time, and passed.

Mr. McNARY. I ask unanimous consent to enter a motion to reconsider the vote by which Senate bill 3464 to amend the Perishable Agricultural Commodities Act, 1930, as amended, was passed.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

Mr. McNARY. I move that the House be requested to return the bill to the Senate.

The motion was agreed to.

COL. DONALD H. CONNOLLY

Mr. CLARK of Missouri. Mr. President, I move that the Senate proceed to the consideration of Senate bill 3550, a bill to make unlawful the transportation of convict-made goods in interstate and foreign commerce.

Mr. BARKLEY. Mr. President, will the Senator yield for a moment?

Mr. CLARK of Missouri. I yield.

Mr. BARKLEY. There are two bills which were reported by the Committee on Commerce too late to get on the calendar. The Senator from North Carolina [Mr. BAILEY] is in charge of one of them, and the Senator from Louisiana [Mr. OVERTON] of the other. They are both emergency matters. Will the Senator permit them to be brought up?

Mr. CLARK of Missouri. If it is understood I do not lose the floor, and will have the right to call up Senate bill 3550, I will yield to the Senator from Kentucky.

Mr. BARKLEY. Mr. President, I am interested in the bill in which the Senator from Missouri is interested.

One of the bills to which I have referred is the bill reported permitting the President to appoint Col. Donald H. Connolly Civil Aeronautics Administrator without regard to his position in the Army. I do not think there will be any opposition.

Mr. McNARY. Mr. President, let me ask the able Senator from Kentucky whether a precedent has not been established for such action at the present session of the Congress.

Mr. BARKLEY. There has been in the case of Colonel Fleming.

The PRESIDING OFFICER. Will the Senator from Kentucky restate his request?

Mr. BARKLEY. I ask unanimous consent that the bill on the desk reported from the Committee on Commerce permitting the President to appoint Col. Donald H. Connolly Administrator of the Civil Aeronautics Authority be taken up for present consideration.

The PRESIDING OFFICER. Is there objection? There being no objection, the joint resolution (S. J. Res. 283) was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Resolved, etc., That notwithstanding the provisions of section 1222 of the Revised Statutes (U. S. C., title 10, sec. 576), Col. Donald H. Connolly, being a commissioned officer on the active list, Corps of Engineers, United States Army, is authorized to hold the office of Administrator of Civil Aeronautics in the Department of Commerce without loss of or prejudice to his status as a commissioned officer on the active list of the United States Army and if appointed to such civil office he shall receive in addition to his pay and allowances as such commissioned officer an amount equal to the difference between such pay and allowances as such commissioned officer and the salary prescribed by law for such civil office.

MARINE WAR-RISK INSURANCE AND REINSURANCE

Mr. BARKLEY. Mr. President, will the Senator from Missouri yield further?

Mr. CLARK of Missouri. I yield.

Mr. BARKLEY. The other bill is a bill in charge of the Senator from Louisiana, regarding marine insurance, about which the President sent a message a few days ago, and it is regarded as an emergency measure.

Mr. OVERTON. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of House bill 6572, to amend the Merchant Marine Act of 1936.

Mr. CLARK of Missouri. Mr. President, I can only agree to that with the understanding that I do not lose the floor, and that I may have the opportunity of moving to take up Senate bill 3550. I do not yield the floor for any other purpose.

Mr. BARKLEY. Without taking the Senator from Missouri from the floor, I ask unanimous consent that the Senator from Louisiana be permitted to call up the bill.

There being no objection, the Senate proceeded to consider the bill (H. R. 6572), to amend the Merchant Marine Act, 1936, as amended, to provide for marine war-risk insurance and reinsurance and for marine risk reinsurance, and for other purposes, which had been reported from the Committee on Commerce with an amendment, on page 1, line 10, after the word "commerce", to insert "due to extraordinary risks arising under existing war conditions", so as to make the bill read:

Be it enacted, etc., That title II of the Merchant Marine Act, 1936, as amended, is amended by adding at the end thereof a subtitle to read as follows:

"SUBTITLE—INSURANCE

"SEC. 221. (a) For the purpose of protecting the water-borne commerce of the United States from the impediments and burdens arising from the lack of adequate facilities for the insurance of such commerce, the Commission is authorized to provide marine insurance and reinsurance against loss or damage by the risks of war and reinsurance against loss or damage by marine risks, as prescribed in this subtitle, whenever it appears to the Commission that such insurance adequate for the needs of the water-borne commerce of the United States cannot be obtained on reasonable terms and conditions from companies authorized to do an insurance business in a State of the United States.

"(b) There shall be in the Treasury of the United States a revolving fund to be known as the marine and war-risk insurance fund (hereinafter referred to as the fund), to be used for carrying out the provisions of this subtitle, and to be constituted of such sums as may be appropriated to such fund and of moneys and receipts credited thereto as herein provided. There are hereby authorized to be appropriated to such fund such sums as may be necessary to carry out the provisions of this subtitle. All moneys received from premiums and from salvage or other recoveries, and all receipts in connection with this subtitle shall be deposited to the credit of such fund. Payments of return premiums, losses, settlements, judgments, and all liabilities incurred by the United States under this subtitle shall be made from such fund.

"SEC. 222. The Commission may insure against loss or damage by the risks of war property, as follows:

"(a) (1) American vessels (including vessels under construction), (2) cargoes shipped or to be shipped therein: *Provided*, That in the event of the suspension of the present neutrality law no vessel or its officers and crew, carrying contraband and no cargo of contraband shall be insured under any provision of this act, (3) their disbursements, and freight and passage moneys, and (4) personal effects of the masters, officers, and crews of such vessels.

"(b) (1) Commercial vessels (including vessels under construction) owned or controlled by the United States or any department or agency thereof, (2) cargoes owned by the Government or in which the Government has an insurable interest, to the extent of such interest, (3) their disbursements, and freight and passage moneys, and (4) personal effects of the masters, officers, and crews thereof.

"SEC. 223. (a) The Commission may reinsure any company authorized to do an insurance business in any State of the United States on account of marine and marine war risks, including protection and indemnity risks, assumed by any such company, on (1) property or interests as set forth in section 222 (a) and (b) of this subtitle, and (2) masters, officers, and crews of American vessels (including any such vessel owned or controlled by or chartered to the Commission) against loss of life, personal injury, or detention by any government except that of the United States following capture.

"(b) The Commission may reinsure, in whole or in part, with companies authorized to do an insurance business in a State of the United States, war risks assumed by the Commission under this subtitle.

"(c) Any department or agency of the United States is hereby authorized to procure insurance from the Commission as provided for in section 222 (b) of this subtitle, except as provided in the Government Losses in Shipment Act, approved July 8, 1937 (50 Stat. 479).

"SEC. 224. Whenever the Commission determines that insurance for masters, officers, and crews of American vessels against loss of life, personal injury, or detention by any government except that of the United States following capture, arising from risks of war, cannot, with the aid of reinsurance provided for under this subtitle, be obtained on reasonable terms and conditions from companies authorized to do an insurance business in a State of the United States, the Commission is authorized to provide such insurance on a basis corresponding to the war risk insurance protection supplied, prior to such determination, for such personnel by companies authorized to do business in a State of the United States.

"SEC. 226. (a) The Commission in the administration of this subtitle is authorized to adjust and pay losses, compromise and settle claims whether in favor of or against the Government, and to pay the amount of any judgment rendered in respect of any suit or settlement agreed upon in respect of any claim. The determinations of the Commission with respect to adjustments, compromises, settlements, and payments hereunder shall not be subject to review by any other executive or accounting officer of the Government.

"(b) The Commission is authorized to prescribe such forms and policies, to change or modify such forms and policies as may be necessary or appropriate under the circumstances, and to fix and adjust, as may be required by circumstances, the rates and changes of rates of insurance provided for in this subtitle.

"(c) The Commission is authorized and directed to prescribe such rules and regulations as may be necessary or appropriate to carry out the provisions of this subtitle. The Commission is authorized, in administering the provisions of this subtitle, to exercise its powers, perform its duties and functions, and make its expenditures, in accordance with commercial practice in the marine insurance business.

"(d) The Commission, without regard to the laws, rules, or regulations relating to the employment of employees of the United States, may appoint and prescribe the duties of such number of experts in marine insurance as the Commission may deem necessary in carrying out the provisions of this subtitle. The Commission, with the consent of any executive department, independent establishment, or other agency of the Government, including any field service thereof, may avail itself of the use of information, services, facilities, officers, and employees thereof in carrying out the provisions of this subtitle.

"(e) The Commission shall include in the annual report to Congress a detailed statement of all activities and of all expenditures and receipts under this subtitle for the period covered by such report.

"(f) When used in this subtitle the term 'American vessels' means vessels registered, enrolled, or licensed under the laws of the United States.

"SEC. 227. Nothing in this subtitle shall be deemed to affect the rights of seamen under any provision of existing law."

The amendment was agreed to.

Mr. CLARK of Missouri. Mr. President, I do not intend to object to the consideration of the bill; I do not intend to ask for a roll call; but I certainly do want to register my opposition at this time, and to make it a matter of record that I am opposed to the bill, because this is just another step on the path which leads to war.

The PRESIDING OFFICER. The Chair understands the Senator from Missouri expresses his opposition, but does not object to the passage of the bill?

Mr. CLARK of Missouri. That is entirely correct.

Mr. WHITE. Mr. President, I wish to make a statement similar to that made by the Senator from Missouri [Mr. CLARK]. I am not willing to object to the consideration of the bill, but I voted against a favorable report on it in the committee. I want it to be a matter of record that I do not approve the bill.

Mr. KING. Mr. President, will the Senator yield?

Mr. WHITE. I yield.

Mr. KING. The Senator has expressed his opposition to the bill. Will he not, for the enlightenment of some of us who are not members of the committee and who have not had an opportunity to learn of the merits or demerits of the measure, explain it, so we may obtain his view with regard to it? We shall be very happy to hear it.

Mr. WHITE. I voiced my opposition to the bill in the committee. The judgment of the committee was not my judgment, and I am not disposed to express my opposition here on the floor. I am content to let it remain a matter of record that I was against the bill.

Mr. DANAHER. Will the Senator from Louisiana [Mr. OVERTON] please explain the bill?

Mr. OVERTON. Mr. President, the purpose of the bill is to provide insurance through the Maritime Commission for our vessels and cargoes, and for our seamen who are under the American flag. The bill becomes necessary by reason of the extraordinary conditions arising out of the war in Europe. It is patterned after, but does not follow entirely, the War Marine Insurance Act of 1917.

The bill authorizes the Maritime Commission to provide insurance against war risks and insurance against marine risks, and also authorizes the Commission to reinsure against war risks.

It provides for a revolving fund which would be initiated by an appropriation made by Congress and which would be maintained by the payment of premiums, and so forth, into this fund.

As the Members of the Senate probably know, the insurance premiums on vessels and cargoes are constantly rising. Our committee was advised today that the rates on the Pacific coast have gone up considerably in the last few days, and probably also on the Atlantic coast.

Mr. CLARK of Missouri. Mr. President, will the Senator yield?

Mr. OVERTON. I yield.

Mr. CLARK of Missouri. Why have the rates on the Pacific coast gone up? There is no war in the Pacific of which I know. Is not this simply another step, such as that which took place in the last war, to have the Government of the United States assume responsibility for insuring ocean freight? Was there any testimony before the committee—and I will say that I am a member of the committee, but I

was unable to be present because it was necessary for me to be in another committee meeting this morning—was there any testimony before the committee that private companies were unwilling to take these risks?

Mr. OVERTON. The testimony before the committee was that all the private companies who are doing insurance business in the United States, so far as can be ascertained, are in favor of the enactment of this bill. It is not intended that the Maritime Commission shall compete with the companies that do insurance business in the United States. It also is shown that the shipowners desire the enactment of this bill, and no objection has been heard from them.

The parties in interest are in favor of the enactment of the bill, and it has been urged by the President of the United States. It was reported on favorably by the Department of Commerce, the Treasury Department, and by the Maritime Commission.

Mr. CLARK of Missouri. Mr. President, will the Senator yield?

Mr. OVERTON. I yield.

Mr. CLARK of Missouri. Everyone, of course, is always very willing for Uncle Sam to take the risk, bear the burdens, and pay the bills. If it is a good insurance risk the private insurance companies would be very glad to take it. If it is not a good insurance risk, I wish the Senator from Louisiana would explain to the Senate why the United States Government should take it, and I should like to ask the Senator further, if he will permit me——

Mr. OVERTON. If the Senator does not ask me too many questions at one time. I shall be very glad to take them up one by one.

Mr. CLARK of Missouri. The Senator can take them up as he pleases, but I should like to ask the Senator further if this is not another attempt on the part of the Maritime Commission, which, I suppose, is the most avaricious for power of any agency of the Government, to take another step toward further authority.

Mr. OVERTON. The answer to that question is "No."

Mr. CLARK of Missouri. I do not agree with the Senator. I think it is.

Mr. OVERTON. The answer to the first question is that it is not the purpose of the bill to put the Maritime Commission, as an agency of the Federal Government, into the insurance business in competition with other insurance companies. Such a situation may at any time arise, that insurance on the hulls, on American cargoes, and on the seamen who man the American vessels, cannot be obtained, with the result that the exportation and importation of products into and out of the United States may stop, by reason of the inability to obtain insurance.

Mr. BARKLEY. Mr. President, will the Senator yield for a question?

Mr. OVERTON. I yield.

Mr. BARKLEY. I understand the bill does not in any way authorize American ships to violate the neutrality law by going into belligerent ports or into waters regarded as combatant zones.

Mr. OVERTON. No. There is absolutely no change made by the measure in the Neutrality Act whatsoever, and it is not a step toward war. It is not a war measure insofar as the United States is concerned. It is simply a bill which is drawn in view of the situation that now exists in Europe, a situation which may become worse at any time, and it undertakes to provide insurance for our merchant marine that cannot be obtained under the existing extraordinary circumstances.

Mr. RUSSELL. Mr. President, will the Senator yield?

Mr. OVERTON. I yield.

Mr. RUSSELL. Did the hearing before the committee develop any reasons as to why the insurance rates on American shipping should be increasing so rapidly in view of the fact that the Neutrality Act forbids American ships to go into the so-called danger zone?

Mr. OVERTON. No; the committee did not go into that, and I do not know that it is necessary, but the fact remains that they are increasing. If we judge the future by the past, we can very well surmise that they may at any time jump up to the point where they would be absolutely prohibitive.

Let me say further in explanation of the bill that 50 percent of the marine insurance is carried in England today. The British Government is today back of the insurance on their shipping, just as this bill contemplates that the Federal Government and the Maritime Commission shall be. Other countries are doing the same thing.

Mr. RUSSELL. England at present is at war, and, of course, that makes a very great difference.

Mr. OVERTON. That is very true. I cannot name them all, but I think that some countries which are not at war also are carrying similar insurance to this. I understand that throughout the world governments are getting back of the insurance on their shipping.

Mr. CLARK of Missouri. Mr. President, will the Senator yield?

Mr. OVERTON. I yield.

Mr. CLARK of Missouri. What government is getting back of insurance on its shipping?

Mr. OVERTON. I just stated to the Senator that I did not have the list, but it is my understanding that generally this policy is being pursued by different governments.

Mr. CLARK of Missouri. Let me ask the Senator another question, if he will permit me. What neutral powers, powers which are not at war, are engaging in this system of governmental insurance?

Mr. OVERTON. I will answer the Senator that I have not a list of them.

Mr. CLARK of Missouri. Does the Senator know of any one neutral power that is?

Mr. OVERTON. No; I cannot name any one of them.

Mr. CLARK of Missouri. Can the Senator name any neutral country which is not at war, which is engaging in this practice?

Mr. OVERTON. No. I cannot answer the Senator's question.

Mr. McCARRAN. Mr. President, will the Senator yield?

Mr. OVERTON. I yield.

Mr. McCARRAN. Were hearings held on this bill?

Mr. OVERTON. Quite extensive hearings were held in the House committee, and hearings were held before the subcommittee of the Senate committee, and before the full Senate committee, but the hearings before the Senate committee were not reduced to writing.

Mr. McCARRAN. Can the Senator finally state to the Senate what authority on the subject appeared before the committee that gave warrant for his statement?

Mr. OVERTON. What statement?

Mr. McCARRAN. The statement that neutral nations are now making guaranties.

Mr. OVERTON. Representatives of the Maritime Commission so advised the Senate committee.

Mr. McCARRAN. Will the Senator kindly state who it was? Does the Senator recall?

Mr. OVERTON. I do not recall their names. Perhaps the chairman of the committee can recall them. What were the names of the gentlemen who appeared before us?

Mr. BAILEY. The counsel for the Commission.

Mr. OVERTON. The counsel; and there were some others.

Mr. MINTON. Mr. President, will the Senator yield?

Mr. OVERTON. I yield.

Mr. MINTON. Something has been said about no war existing in the Pacific or in the east that requires the Government going into this business of insurance, and the question was asked, if there was no such war, why rates should be going up. Did the Senator observe in the press the report that mines were being sowed in eastern waters and that one vessel, at least, had come in contact with a mine and had been sunk? I believe the name of the vessel was the *Niagara*. It seems to me that the Germans have—at least someone has—sowed mines in the Pacific or in eastern waters, and vessels are now being sunk over there by coming in contact with mines.

Mr. OVERTON. I think it must be apparent to Senators that ships cannot put out to sea today without incurring much greater risks than they did a year ago, or 2 years ago, or 3 years ago. The marine risks, the wartime risks, are constantly increasing, and therefore the rates of insurance are rising. It is impossible for American vessels to obtain in the American market sufficient insurance.

The PRESIDING OFFICER (Mr. O'MAHONEY in the chair). The time of the Senator from Louisiana has expired.

Mr. OVERTON. I thought the bill was not being discussed under rule VIII with respect to the call of the calendar.

The PRESIDING OFFICER. It is not under the call of the calendar.

Mr. MALONEY. Mr. President, I ask unanimous consent that the Senator may proceed for 5 more minutes. I should like to ask him a question.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. OVERTON. I yield to the Senator from Connecticut.

Mr. MALONEY. I should like to ask one or two questions. Because I was called from the Chamber, I am not sure that the Senator from Louisiana has not explained this matter, but in the event he has not, in order that the RECORD may be clear, I should like to ask him if we were not advised by the counsel for the Maritime Commission that this legislation had been urged by the insurance companies?

Mr. OVERTON. Yes; and I have so stated.

Mr. MALONEY. I should like to ask the Senator if we were not advised by the counsel for the Maritime Commission that the maritime labor unions which had previously objected now approve the legislation?

Mr. OVERTON. That is correct.

Mr. McCARRAN. Mr. President, will the Senator yield?

Mr. OVERTON. I yield to the Senator from Nevada.

Mr. McCARRAN. My understanding of the ruling of the Chair is that we are now proceeding under the 5-minute rule?

The PRESIDING OFFICER. The Chair was mistaken. The Senator from Louisiana obtained the floor when the Senator from Missouri moved to take up another bill. The call of the calendar had been completed. We are not operating under the 5-minute rule.

Mr. McCARRAN. And the bill is subject to unlimited debate?

The PRESIDING OFFICER. The bill is subject to unlimited debate and amendment.

Mr. OVERTON. Mr. President, as I was saying, the main purpose of the bill is to provide an American market for the insurance of American vessels and cargoes and their crews. The insurance market in the United States has increased considerably since the days of the World War. I think we are now insuring up to about 35 percent of American vessel-borne commerce. During the period of the World War we were insuring only about 7 to 10 percent. Some vessels are of such value that the domestic insurance companies are unable to carry the insurance, and therefore they must obtain reinsurance. They obtain reinsurance now mainly in Liverpool or elsewhere in England. A situation may arise at any time when it will be impossible to provide the necessary insurance in order to carry American commerce on American vessels. The purpose of the bill is to meet that situation. The committee has amended the bill, and the amendment will shortly be reported, providing that under its terms it shall expire by limitation on March 10, 1942. The Committee on Commerce of the Senate recognizes that it is an emergency measure, and therefore a limited time is prescribed in which maritime insurance companies may carry on this insurance.

Mr. President, if there be no further questions, I ask that the committee amendments be stated.

The PRESIDING OFFICER. The committee amendments will be stated.

The amendments of the Committee on Commerce were, on page 1, line 10, after the word "commerce", to insert "due to extraordinary risks arising under existing war conditions"; on page 2, line 25, before the word "as", to strike out "war property" and insert "war, property"; on page 4, after line 23, to insert the following new section:

SEC. 225. In the event of disagreement as to a claim for losses or the amount thereof, on account of insurance under this subtitle, an action on the claim may be brought and maintained against the United States in the district court of the United States sitting in admiralty in the district in which the claimant or his agent may reside, or in case the claimant has no residence in the United States, in a district court in which the Attorney General of the United States shall agree to accept service. Said suits shall proceed and shall be heard and determined according to the provisions of an act entitled "An act authorizing suits agains the United States in admiralty, suits for salvage services, and providing for the release of merchant vessels belonging to the United States from arrest and attachment in foreign jurisdictions, and for other purposes," approved March 9, 1920, as amended (known as the Suits in Admiralty Act), insofar as such provisions are not inapplicable and are not contrary to or inconsistent with the provisions of this subtitle.

On page 6, after line 16, to insert:

SEC. 228. All the provisions of this subtitle shall expire by limitation March 10, 1942, or sooner upon a proclamation by the President that the extraordinary condition upon which it is predicated is passed.

The amendments were agreed to.

The amendments were ordered to be engrossed, and the bill to be read a third time.

The bill was read the third time and passed.

Mr. OVERTON. I move that the Senate insist upon its amendments, request a conference with the House of Representatives thereon, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to; and the Presiding Officer appointed Mr. OVERTON, Mr. JOHNSON of California, and Mr. SHEPPARD conferees on the part of the Senate.

TRANSPORTATION OF CONVICT-MADE GOODS

Mr. CLARK of Missouri. Mr. President, I move that the Senate proceed to the consideration of Senate bill 3550.

Mr. KING. What is the bill?

Mr. CLARK of Missouri. That is the prison-labor bill.

The PRESIDING OFFICER. The bill will be stated by title.

The CHIEF CLERK. A bill (S. 3550) to make unlawful the transportation of convict-made goods in interstate and foreign commerce.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill which had been reported from the Committee on the Judiciary with an amendment, on page 1, line 3, after "whoever", to insert "knowingly", so as to make the bill read:

Be it enacted, etc., That whoever knowingly shall transport or cause to be transported in interstate or foreign commerce in any manner or by any means whatsoever or aid or assist in obtaining transportation for or in transporting any goods, wares, and merchandise manufactured, produced or mined, wholly or in part by convicts and prisoners (except convicts or prisoners on parole or probation), or in any penal or reformatory institution, from one State, Territory, Puerto Rico, Virgin Islands, or District of the United States, or place noncontiguous but subject to the jurisdiction thereof, or from any foreign country, into any State, Territory, Puerto Rico, Virgin Islands, or District of the United States, or place noncontiguous but subject to the jurisdiction thereof, shall be punished by a fine of not more than $1,000 or by imprisonment for not more than 1 year or both: *Provided*, That nothing herein shall apply to commodities manufactured in Federal penal and correctional institutions for use by the Federal Government: *Provided further*, That this act shall go into effect 1 year after its approval by the President.

The amendment was agreed to.

Mr. KING. Mr. President, may I ask the Senator a question?

Mr. CLARK of Missouri. I shall be very glad to have the Senator ask me any question.

Mr. KING. The District of Columbia, and I think some of the Federal organizations in the District, utilize some of the activities of the Lorton Reformatory in Virginia. That reformatory makes some commodities which are used in the District by the Federal Government, and by the District

government. As I recall, it takes care of the laundry of some of the executive agencies in Washington. There is transportation in interstate commerce from the Lorton Reformatory to the District of Columbia. Would the bill cover transactions of that character?

Mr. CLARK of Missouri. In my opinion it would not; but if the Senator desires to offer an amendment to cover the situation, I shall be very glad to accept it. I do not apprehend that the bill would apply to governmental agencies.

Mr. KING. The other day when this bill or some other bill involving the same point was called up, the Senator from Ohio [Mr. TAFT] invited attention to the fact that the license plates for some of the cars from his own State, as I recall, were manufactured in penal institutions.

Mr. CLARK of Missouri. Mr. President, I dislike to discuss the subject in the absence of the Senator from Ohio [Mr. TAFT]; but if the Senator from Ohio had thought about the subject a little further, I think he would not have made the remark he did. For instance, I do not think there is any lawyer—and I know the Senator from Ohio is a very good lawyer—who will question the proposition that when a license tag is attached to an automobile in the State of Ohio, or in the State of Missouri, or in the State of Wisconsin, or in the State of Utah, it is not in interstate commerce; and certainly it is not in interstate commerce for an automobile to move from Utah or Wisconsin or Missouri or Ohio to Washington or any other place with that license tag attached to it.

In other words, no matter what law may be passed with regard to the movement in interstate commerce of a suit of clothes, if I buy a suit of clothes in Missouri, as I usually do, and wear it myself from St. Louis to Washington, that suit of clothes is not moving in interstate commerce, because no transaction of commerce is involved in it. If I buy it in St. Louis and wear it myself, it is not in interstate commerce. If I get a license tag in Missouri, even though it may be manufactured by convict labor, and drive my car from St. Louis to Washington, it certainly is not in interstate commerce; and I am certain the Senator from Utah will agree with that proposition.

Mr. ELLENDER. Mr. President, will the Senator yield?

Mr. CLARK of Missouri. I yield to the Senator from Louisiana.

Mr. ELLENDER. I desire to offer an amendment to the bill, which I think is acceptable to the Senator from Missouri. It reads as follows:

On page 2, line 10, add the following:

"Or to commodities manufactured in any State penal or correctional institution for use by any other State or political subdivision thereof, to parts for the repair of farm machinery, or to agricultural commodities."

Mr. CLARK of Missouri. Mr. President, I have had an opportunity of examining the amendment of the Senator from Louisiana, and, so far as I am concerned, I shall be very glad indeed to accept it.

Mr. ELLENDER. I offer the amendment, Mr. President.

The PRESIDING OFFICER. The Senator from Louisiana offers an amendment, which will be stated.

The CHIEF CLERK. After the word "Government" on page 2, line 10, it is proposed to insert the following:

or to commodities manufactured in any State penal or correctional institution for use by any other State or political subdivision thereof, to parts for the repair of farm machinery, or to agricultural commodities.

Mr. CLARK of Missouri. I am not a member of the committee which reported the bill, but, so far as I am concerned, I shall be very glad to accept it.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Louisiana.

The amendment was agreed to.

Mr. WILEY. Mr. President, I offer the amendment which I send to the desk and ask to have stated.

The PRESIDING OFFICER. The amendment offered by the Senator from Wisconsin will be stated.

The CHIEF CLERK. On page 2, line 10, after the word "Government", it is proposed to insert the following:

and nothing herein shall apply to repair parts for farm machinery.

Mr. CLARK of Missouri. Mr. President, I have no objection to that amendment, although I believe it is covered by the one of the Senator from Louisiana which has just been adopted. If the Senator from Wisconsin desires to insist on the amendment, I have no objection.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Wisconsin.

The amendment was agreed to.

The PRESIDING OFFICER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

SENATOR HARRY S. TRUMAN

Mr. HATCH. Mr. President, on the 15th day of June the Senator from Washington [Mr. SCHWELLENBACH] spoke at a meeting at Sedalia, Mo., in behalf of our colleague the junior Senator from Missouri [Mr. TRUMAN], who is a candidate for reelection. The remarks of the Senator from Washington have heretofore been placed in the RECORD by the majority floor leader, the Senator from Kentucky [Mr. BARKLEY]. Some of us who have known the Senator from Missouri rather intimately throughout the years of his service in this body were delighted to learn the reports of the success of that meeting at Sedalia—a meeting which was in the nature of a demonstration in behalf of the junior Senator from Missouri. We who have known him intimately and well during his service in this body have come to know him to be not only an able lawyer and an industrious public servant but also a man of honor and integrity.

In that regard it seems to me to be desirable at this time to place in the RECORD—and I take pleasure personally in placing in the RECORD—certain testimonials and tributes which have appeared in the newspapers of the home State of the junior Senator from Missouri.

The first which I hold in my hand is under date of May 26, 1930, and relates to the service of the junior Senator from Missouri as presiding judge of the county court. The article itself will explain its connection with these remarks. I ask unanimous consent that it be incorporated in the body of the RECORD at this point.

The PRESIDING OFFICER. Without objection, it is so ordered.

The article is as follows:

[From the Kansas City Times of May 26, 1930]

THE RECORD OF JUDGE TRUMAN

It should be a satisfaction to the people of Jackson County that Judge HARRY S. TRUMAN, presiding judge of the county court, has filed for renomination. When a public official makes a good record he has a particular claim on the support of his constituents, while his constituents, in turn, have in him the assurance they like to have in supporting a candidate.

Judge TRUMAN has been much more than a routine official. He is enthusiastically interested in county affairs. He has contributed leadership to an efficient county administration. He worked to bring in the outside supervising engineers for the $6,000,000 road bond issue, who are making such a fine record in the construction of the county highway system. He initiated and has considerably advanced the interesting and important regional plan proposed for the six counties about Greater Kansas City and has enlisted real cooperation from the other counties. His important achievements certainly deserve the reward of renomination.

Mr. HATCH. The second article appeared in the Kansas City Times of October 17, 1930. It also is an article referring to the record of Judge TRUMAN as county judge. I ask that it appear in the RECORD at this point in my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

The article is as follows:

[From the Kansas City Times of October 17, 1930]

THE SERVICE OF JUDGE TRUMAN

Kansas City and Jackson County are unusually fortunate in this year's nominees for presiding judge of the county court. Both HARRY S. TRUMAN and Herman W. Ritterhoff are men of outstanding character and ability. Judge TRUMAN is running for reelection.

He has given the country an able, honest, and efficient administration. Mr. Ritterhoff has had a notable business career, is a citizen of genuine public spirit, is keenly interested in county affairs and, if elected, could be depended upon to render effective service.

While the county is thus assured of a representative, competent and dependable presiding judge for the next term, Judge TRUMAN, we believe, should be reelected on his record, especially in the efficient and economical expenditure of the six and one-half million dollars' road bonds. It was Judge TRUMAN who proposed the plan that was adopted for the expenditure of this money under the supervision of the bipartisan board of engineers, made up of Col. E. M. Stayton and N. T. Veatch. The county court under his leadership has given wholehearted support to the engineers that was necessary to the success of the plan.

Judge TRUMAN has been sensible of handicaps due to the form of county government under which he has operated. He has been outspoken in favor of a simplification of the government in order to avoid duplication of service, division of authority, and the employment of unnecessary numbers in county work. He is in favor of consolidating city and county assessment and tax collection.

Furthermore, Judge Truman initiated and has carried forward the plan for regional planning in the six counties in contact with or adjacent to greater Kansas City. This plan is one of great importance. It means much for the future development of a large metropolitan and semimetropolitan area. It involves conservation of land values, the protection of residential areas, and the promotion of order and attractiveness, together with the best possible relation of connecting highways and transportation facilities. His leadership made him the choice of the six counties for chairman of the regional association.

Efficient, unselfish public service is not so common that it should be dispensed with merely for partisan reasons. The faithful and competent public servant should be retained in office. Such retention is not only a deserved reward, but the reward, when given, is stimulating to good public service generally.

Mr. HATCH. Mr. President, on Wednesday, August 8, 1934, there appeared in the Kansas City Star an editorial entitled "Judge TRUMAN Wins," which I ask to have printed in the RECORD at this point.

The PRESIDING OFFICER. Without objection, it is so ordered.

The editorial is as follows:

[From the Kansas City Star of August 8, 1934]

JUDGE TRUMAN WINS

The local Democratic machine, with its State alliance, once more has demonstrated its strength in the nomination of Judge HARRY S. TRUMAN for United States Senator. The St. Louis organization was unable to overcome the tremendous vote rolled up in Jackson County with the out-State support.

There were other factors, of course. The attractive personality of Judge TRUMAN was a real asset, and there was weight to the feeling that it would be unfair that the eastern end of the State should have both United States Senators.

While Judge TRUMAN is not well known throughout the State, he is favorably known in Kansas City. As presiding judge of the county court he has made a good record. Jackson County has found him a capable and honest public official.

In the second consideration of location lies Judge TRUMAN'S great opportunity for service in the event of his election. The activities of the Federal Government at this time are on an unprecedented scale. Where these activities shall be centered depends in large measure on the alertness and energy of the congressional delegations.

Kansas City and the western part of Missouri have not received the attention their importance deserved. They have been treated as a stepchild by the administration and have virtually been forgotten. Should Judge TRUMAN be elected it would be up to him to be constantly on his toes to see that western Missouri gets more consideration in Washington than it has in the past—consideration of vital importance to this region.

Mr. HATCH. On Wednesday, November 7, 1934, there appeared in the Kansas City Star a very fine testimonial in behalf of the junior Senator from Missouri, which I ask to have printed at this point in my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

The matter referred to is as follows:

[From the Kansas City Star of November 7, 1934]

JUDGE TRUMAN'S FINE SHOWING

Judge HARRY S. TRUMAN has been made the Democratic Senator from Missouri by the overwhelming majority vote of the State. The sentiment for Judge TRUMAN was as general as it was positive practically throughout Missouri.

The sweeping endorsement that has been accorded Judge TRUMAN was a reflection on his pleasing record as presiding judge of the Jackson County court. It was a response as well to his engaging personality and to his ready capacity to make and hold immense numbers of friends.

Judge TRUMAN was known in Kansas City, in the rest of Jackson County, and in Missouri as a whole as a man of unimpeachable character and integrity. There was confidence in the man as in the assurances he gave of a willingness to cooperate with the administration in Washington.

With Judge TRUMAN in the Senate, Missouri can expect that its interests will be safeguarded and advanced from a national standpoint. Kansas City and the western part of the State particularly can be assured of the zealous and conscientious representation to which they are entitled in the upper branch of Congress.

J. ROSS EAKIN—EXTENSION OF TIME FOR FILING REPORT

Mr. HATCH. Mr. President, on the desk lies a resolution, Senate Resolution 281, extending the time for the making of a report on the investigation of J. Ross Eakin as superintendent of the Great Smoky Mountains National Park.

Under the original resolution, a subcommittee was appointed to conduct the investigation. The work of the subcommittee has been completed only in part. I do not know when adjournment is going to come. I know it is necessary for the subcommittee to conduct some additional investigations in connection with the original resolution. That resolution requires the subcommittee to report at this session of the Congress.

As I said, I do not know when the session will end, but, in order that there may be no mistake about the authority of the subcommittee, the resolution on the table merely extends until the next session of the Congress the time for making the report.

I have conferred with the majority floor leader, the Senator from Kentucky [Mr. BARKLEY] and with the minority floor leader, the Senator from Oregon [Mr. MCNARY], both of whom are willing to have the resolution considered. I have also conferred with the author of the resolution, the Senator from Tennessee [Mr. MCKELLAR], who also agrees that the time should be extended.

I now ask unanimous consent that the resolution be taken from the table and immediately considered.

The PRESIDING OFFICER. Will the Senator identify the resolution by number?

Mr. HATCH. It is Senate Resolution 281.

The PRESIDING OFFICER. The Senator from New Mexico asks unanimous consent for the immediate consideration of Senate Resolution 281. Is there objection?

Mr. MCNARY. What is the order number?

The PRESIDING OFFICER. The resolution is on the table, and has no order number.

Mr. HATCH. It is lying on the table. It is the one about which I spoke to the Senator from Oregon. It extends until the next session the time within which the subcommittee of the Public Lands Committee may report.

The PRESIDING OFFICER. Is there objection to the immediate consideration of the resolution?

There being no objection, the resolution (S. Res. 281) was considered and agreed to, as follows:

Resolved, That the report of the findings and recommendations of the Committee on Public Lands and Surveys, with respect to the examination of certain facts concerning J. Ross Eakin, authorized to be made by Senate Resolution 131, Seventy-sixth Congress, agreed to July 18, 1939, may be made at any time during the first session of the Seventy-seventh Congress.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Chaffee, one of its reading clerks, announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 9822) to expedite naval shipbuilding, and for other purposes.

The message also announced that the House still further insisted upon its disagreement to the amendments of the Senate numbered 35, 36, 37, 38, and 39 to the bill (H. R. 9007) making appropriations for the Department of Labor, the Federal Security Agency, and related independent agencies, for the fiscal year ending June 30, 1941, and for other purposes, agreed to the still further conference asked by the Senate on the disagreeing votes of the two Houses thereon, and that Mr. TARVER, Mr. HOUSTON, Mr. SHEPPARD, Mr. HARE,

Mr. ENGEL, and Mr. KEEFE were appointed managers on the part of the House at the conference.

The message further announced that the House had passed a bill (H. R. 10127) to amend the Federal Reserve Act, and for other purposes, in which it requested the concurrence of the Senate.

CONSTRUCTION AT MILITARY POSTS

Mr. SHEPPARD. Mr. President, I wish to make a suggestion in connection with Senate bill 3982, relating to construction at Army posts, which passed yesterday. Since that time the House has passed a similar bill, House bill 9896, which has been received today. I ask that the vote by which the Senate bill was passed be reconsidered, that the Senate bill be indefinitely postponed, and that the House bill be passed.

The PRESIDING OFFICER. The Senator from Texas asks that the vote by which the Senate bill 3982 was passed be reconsidered, and that the bill be indefinitely postponed, and that the Senate now take up for consideration House bill 9896. Is there objection? The Chair hears none, and the vote by which Senate bill 3982 was passed is reconsidered, and the bill is indefinitely postponed.

Mr. McNARY. Are the bills identical or similar?

Mr. SHEPPARD. They are identical. They passed almost simultaneously.

Mr. McNARY. The Senator said they were similar bills.

Mr. SHEPPARD. I meant identical.

The PRESIDING OFFICER. Is there objection to the request that the Senate consider the House bill?

There being no objection, the bill (H. R. 9896) to authorize appropriations for construction at military posts, and for other purposes, was considered, ordered to a third reading, read the third time, and passed.

EXPEDITION OF NAVAL SHIPBUILDING—CONFERENCE REPORT

Mr. WALSH submitted the following report:

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 9822) to expedite naval shipbuilding, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendments of the Senate numbered 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13, 15, 16, 17, 20, 21, 22, 23, 24, 25, 27, 28, 29, 30, 31, 32, 33, 35, 36, 37, 38, 39, and 40; and agree to the same.

Amendment numbered 14: That the House recede from its disagreement to the amendment of the Senate numbered 14, and agree to the same with an amendment, as follows: In lieu of the matters inserted by said amendment, insert the following: "similar equipment, with or without advertising or competitive bidding upon determination that the price is fair and reasonable, and deliveries of material under all orders placed pursuant to the authority of this section and all other naval contracts or orders and all Army contracts and orders shall, in the discretion of the President, take priority over all deliveries for private account or for export: *Provided*, That the Secretary of the Navy shall report every three months to the Congress the contracts entered into under the authority of this section: *Provided further*, That contracts negotiated pursuant to the provisions of this section shall not be deemed to be contracts for the purchase of such materials, supplies, articles, or equipment as may usually be bought in the open market within the meaning of section 9 of the Act entitled "An Act to provide conditions for the purchase of supplies and the making of contracts by the United States, and for other purposes", approved June 30, 1936 (49 Stat. 2036; U. S. C., Supp. V, title 41, secs. 35–45): *Provided further*, That nothing herein contained shall relieve a bidder or contractor of the obligation to furnish the bonds under the requirements of the Act of August 24, 1935 (49 Stat. 793; 40 U. S. C. 270 (a) to (d)): *Provided further*, That the cost-plus-a-percentage-of-cost system of contracting shall not be used under the authority granted by this subsection to negotiate contracts; but this proviso shall not be construed to prohibit the use of the cost-plus-a-fixed-fee form of contract when such use is deemed necessary by the Secretary of the Navy: *And provided further*, That the fixed fee to be paid the contractor as a result of any contract entered into under the authority of this subsection, or any War Department contract entered into in the form of cost-plus-a-fixed-fee, shall not exceed 7 per centum of the estimated cost of the contract (exclusive of the fee as determined by the Secretary of the Navy or the Secretary of War, as the case may be).

"(b) After the date of approval of this Act no contract shall be made for the construction or manufacture of any complete naval vessel or any Army or Navy aircraft, or any portion thereof, under the provisions of this section or otherwise, unless the contractor agrees, for the purposes of section 3 of the Act of March 27, 1934 (48 Stat. 505; 34 U. S. C. 496), as amended—

"(1) to pay into the Treasury profit in excess of 8 per centum (in lieu of the 10 per centum and 12 per centum specified in such section 3) of the total contract prices of such contracts within the scope of this subsection as are completed by the particular contracting party within the income taxable year;

"(2) that any profit in excess of 8.7 per centum of the cost of performing such contracts except prime contracts made on a cost-plus-a-fixed-fee basis as are completed by the contracting party within the income taxable year shall be considered to be profit in excess of 8 per centum of the total prices of such contracts; and

"(a) that he will make no subcontract which is within the scope of such section 3, unless the subcontractor agrees to the foregoing conditions."

And the Senate agree to the same.

Amendment numbered 18: That the House recede from its disagreement to the amendment of the Senate numbered 18, and agree to the same with an amendment, as follows: In lieu of the matter inserted by said amendment, insert the following:

"SEC. 4. In the case of every contract or subcontract for the construction or manufacture of any complete naval vessel or Army or Navy aircraft or any portion thereof which is entered into (whether before or after the date of approval of this Act), the Secretary of War or the Secretary of the Navy, as the case may be, after agreement with the contractor or subcontractor, shall certify to the Commissioner of Internal Revenue as to (a) the necessity and cost of special additional equipment and facilities acquired to facilitate, during the national emergency declared by the President on September 8, 1939, to exist, the completion of such naval vessel or Army or Navy aircraft or portion thereof in private plants and (b) the percentage of cost of such special additional equipment and facilities to be charged against such contract or subcontract. For all purposes of section 3 of the Act of March 27, 1934 (48 Stat. 505; 34 U. S. C. 496), as amended, such certification shall be subject to such regulations as the President may prescribe, but shall be binding upon the Commissioner of Internal Revenue, unless within five days after receipt of such certification, he make formal objection thereto to the Secretary of the Navy or the Secretary of War as the case may be. The part of such cost chargeable against the contract or subcontract in pursuance of such certification, shall, for the purposes of such section 3, be considered to be a reduction of the contract price of the contract or subcontract. The amount charged against the contract or subcontract in pursuance of such certification shall, for the purposes of such section 3, be applied against and reduce the cost or other basis of such special additional equipment and facilities as of the date of installation thereof: *Provided*, That the Secretary of War or the Secretary of the Navy, as the case may be, shall report to the Congress, every three months, the cost of such special additional equipment and facilities to be borne by the Government under each contract.";

And the Senate agree to the same.

Amendment numbered 19: That the House recede from its disagreement to the amendment of the Senate numbered 19, and agree to the same with an amendment, as follows: In lieu of the matter inserted by said amendment, insert the following:

"SEC. 5. (a) Notwithstanding the provisions of any other law, the regular working hours of the Navy Department and the Coast Guard and their field services shall be eight hours a day or forty hours per week during the period of the national emergency declared by the President on September 8, 1939, to exist: *Provided*, That under such regulations as the head of the Department concerned may prescribe, and where additional employees cannot be obtained to meet the exigencies of the situation, these hours may be exceeded: *Provided further*, That compensation for employment in excess of forty hours in any administrative workweek computed at a rate not less than one and one-half times the regular rate shall be paid only to monthly, per diem, hourly, and piece-work employees, whose wages are set by the Act of July 16, 1862 (12 Stat. 587), as amended or modified; and also to professional and subprofessional employees and to blue printers, photostat and rotaprint operators, inspectors, supervisory planners and estimators, and supervisory progressmen, and assistants to shop and plant superintendents of the C. A. F. service, as defined by the Classification Act of March 4, 1923 (42 Stat. 1488; U. S. C. 5, ch. 13), as amended: *Provided further*, That in determining the overtime compensation of per annum Government employees the pay for one day shall be considered to be one three-hundred-and-sixtieth of their respective per annum salaries: *Provided further*, That the President is authorized to suspend, in whole or in part, for the War and Navy Departments and for the Coast Guard and their field services, during the period of the national emergency declared by him on September 8, 1939, to exist, the provisions of the Act of March 3, 1931 (46 Stat. 1482; U. S. C. 5, 26 (a)), if in his judgment such course is necessary in the interest of national defense, and any regulations issued pursuant to the Act of March 14, 1936 (49 Stat. 161; U. S. C. Supp. V, title 5, sec. 29 (a)), may be modified accordingly: *And provided further*, That notwithstanding the provisions of any other law, the President is hereby authorized, in his discretion, to prescribe regulations to establish such uniformity among the War and Navy Departments and the Coast Guard and their field services in regard to hours of work and compensation for overtime of their civilian employees as he may deem necessary in the interest of national defense.

"(b) During the national emergency declared by the President on September 8, 1939, to exist, the provisions of the law prohibiting more than eight hours' labor in any one day of persons engaged upon work covered by Army, Navy and Coast Guard contracts shall be suspended."

And the Senate agree to the same.

Amendment numbered 26: That the House recede from its disagreement to the amendment of the Senate numbered 26, and agree to the same with an amendment, as follows: In lieu of the matter inserted by said amendment, insert the following:

"SEC. 8. (a) The limit of cost of the vessels authorized by the Act of July 30, 1937 (50 Stat. 544), and any statutory limitation with respect to the cost of any other individual naval project of construction are hereby increased as may be necessary to expedite national defense and otherwise effectuate the purposes of this Act: *Provided*, That the monetary limitations on payments out of appropriations available to the Navy Department for employees in the Navy Department and for employees in the field service assigned to group IV (b) and those performing similar services carried under the Native and Alien Schedules of Wages of civil employees in the field services of the Navy Department shall be suspended during the limited national emergency declared by the President on September 8, 1939, to exist: *Provided further*, That the Secretary of the Navy is authorized to employ such additional personnel at the seat of government and elsewhere, and to provide out of any appropriations available to the Navy Department, for their salaries and for such printing and binding, communication service, supplies, and travel expenses, as he may deem necessary to carry out the purpose of this Act.

"(b) Whenever the Secretary of the Navy finds it impossible to make contracts or obtain facilities to effectuate the purposes of this Act in the procurement or construction of items authorized in connection with national defense he is hereby authorized to provide out of appropriations available to the Navy Department for such purposes, the necessary buildings, facilities, utilities and appurtenances thereto on government-owned land or elsewhere, and to operate them, either by means of Government personnel or otherwise: *Provided*, That the Secretary of the Navy is further authorized, under the general direction of the President, whenever he deems any existing manufacturing plant or facility necessary for the national defense, and whenever he is unable to arrive at an agreement with the owner of any such plant or facility for its use or operation, to take over and operate such plant or facility either by Government personnel or by contract with private firms: *Provided further*, That the Secretary of the Navy is authorized to fix the compensation to the owner of such plant or facility: *And provided further*, That the Secretary of the Navy shall report to the Congress, every three months, the contracts entered into under the provisions of this subsection."

And the Senate agree to the same.

Amendment numbered 34: That the House recede from its disagreement to the amendment of the Senate numbered 34, and agree to the same with an amendment, as follows: In lieu of the matter inserted by said amendment in section (b), insert the following:

"(b) The Secretary of War and the Secretary of the Navy as the case may be are hereby requested and directed to furnish or cause to be furnished to the respective Chairman of the Committees on Military Affairs and the Committees on Naval Affairs of the Senate and House of Representatives a copy of each contract, order, or agreement covering exchange of deteriorated, unserviceable, obsolescent, or surplus military or naval equipment, munitions, or supplies exchanged for other military or naval equipment, munitions or supplies, and a copy of each contract, order or agreement shall be furnished regarding any other disposition of military or naval equipment, munitions and supplies by which the title passes, either de jure or de facto, from the United States, or by which delivery of material thereunder is deferred, where the original cost of such military or naval equipment, munitions or supplies exceeded or exceeds $2,000. The copies of each contract, order or agreement herein referred to shall be transmitted to the respective Chairmen of the Committees not later than twenty-four hours after such contract, order or agreement is made, and the Chairman of each Committee shall consider such contracts, orders or agreements confidential unless a majority of the members of his Committee shall direct the particular transaction to be made public."

And the Senate agree to the same.

DAVID I. WALSH,
MILLARD E. TYDINGS,
FREDERICK HALE,
Managers on the part of the Senate.

CARL VINSON,
LEONARD W. SCHUETZ,
MELVIN J. MAAS,
Managers on the part of the House.

Mr. WALSH. I ask unanimous consent for the immediate consideration of the report.

The PRESIDING OFFICER. Is there objection to the present consideration of the report?

There being no objection, the Senate proceeded to consider the report.

Mr. WALSH. Mr. President, I wish to say a few words about this conference report. The bill relates to the one discussed in the Senate at length yesterday. The House has receded on practically all the Senate amendments. Two changes have been made, one relating to the profits of shipbuilders and airplane manufacturers. The percentage of profit has been increased from 7 to 8 percent in the case of contracts made on competitive bidding. The rate of 7 percent fixed in the Senate bill on negotiated contracts remains. The House felt that there should be a difference in favor of the contractor in the case of competitive contracts, and the Senate yielded to that position taken by the House conferees.

The labor provisions are not yet satisfactory to me or to the other conferees of the Senate. The Senate has insisted upon all Government employees being paid for overtime work, whether per diem or per annum employees. This now has been modified as a result of the House action. It may be necessary later, because of possible injustices, to request some changes in the laws affecting employees in private and Government plants engaged in Government work, and I shall take an early opportunity to do so if it appears necessary. The conferees of the Senate felt that this bill should not be delayed. Important as this amendment was, it was not of such immediate urgency as to permit holding up the conference report, which, as Senators know, seeks to advance the speeding of the building of naval vessels and airplanes.

The PRESIDING OFFICER. The question is on agreeing to the conference report.

The report was agreed to.

STRENGTHENING OF THE NATIONAL DEFENSE—CONFERENCE REPORT

Mr. SHEPPARD. Mr. President, I ask for the consideration of the conference report on House bill 9850, to expedite the strengthening of the national defense.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Texas?

There being no objection, the Senate proceeded to consider the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 9850) to expedite the strengthening of the national defense.

The PRESIDING OFFICER. The question is on agreeing to the report.

The report was agreed to.

DISPOSITION OF SURPLUS REAL PROPERTY

Mr. KING. Mr. President, at the last call of the calendar before today the Senator from Texas [Mr. CONNALLY], from the Committee on Public Buildings and Grounds, reported a measure, and because an absent Senator called my attention to it and said he would like to be present when it was considered, my recollection is that I interposed an objection to immediate consideration. I discover that the bill is very satisfactory. It merely provides for the sale of certain property acquired by Federal agencies. It is Calendar No. 1423, House bill 7233. I ask that it be now considered.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the Senate resumed the consideration of the bill (H. R. 7233) to amend the act entitled "An act to provide for the disposition, control, and use of surplus real property acquired by Federal agencies, and for other purposes."

The amendments heretofore agreed to were ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

NAVY VESSELS SCRAPPED IN 1922

Mr. WALSH. Mr. President, several weeks ago the able Senator from Indiana [Mr. MINTON] requested that I obtain definite, detailed figures in reference to naval vessels scrapped following the naval disarmament conference. I have the figures, and ask that they be inserted in the RECORD of the proceedings today.

Mr. McKELLAR. Mr. President, in that list are the American vessels and foreign vessels all included?

Mr. WALSH. Yes.

There being no objection, the figures were ordered to be printed in the RECORD, as follows:

MEMORANDUM PRESENTED BY SENATOR WALSH CONTAINING INFORMATION FROM THE NAVY DEPARTMENT WITH RESPECT TO NAVAL VESSELS SCRAPPED UNDER THE NAVAL ARMAMENT LIMITATION TREATY OF 1922

In accordance with your request the following data is given you regarding the scrapping of vessels:

VESSELS SCRAPPED

United States

In accordance with the provisions of the Washington Treaty, the United States scrapped 4 dreadnaughts; 15 predreadnaughts; 7 new battleships building; 4 battle cruisers building; total ships scrapped, 30.

The battleships and battle cruisers building varied in percentage of completion from 11 to 75.9 percent.

The battleships building were of 43,000 tons and mounted twelve 16-inch guns. The battle cruisers building were of 43,500 tons and mounted eight 16-inch guns.

Tonnage scrapped, 755,380 tons.

British

The British scrapped 14 dreadnaughts; 6 battle cruisers; 2 predreadnaughts; no ships building; 4 ships projected, keels not yet laid; total ships scrapped, 22; 447,750 tons actually scrapped.

Japan

The Japanese scrapped 1 dreadnaught; 11 predreadnaughts; 1 battleship building, 39,979 tons, ten 16-inch guns; 3 battle cruisers building, 41,000 tons, ten 16-inch guns; total ships scrapped, 16; 355,730 tons actually scrapped.

Vessels scrapped

	United States	Great Britain	Japan
Number of ships scrapped	30	22	16
Tonnage scrapped	755,380	447,750	355,730
Old ships scrapped	19	22	12
Ships building scrapped	11	0	4
Total expenditures	$279,256,616.74	$171,238,600	$107,341,300
Amount realized from sale of scrapped vessels	1,580,616.40	1,302,033	545,000
Net expenditures	277,695,994.34	169,936,567	106,796,300

Vessels sunk or scrapped in accordance with the terms of the treaty signed at Washington February 6, 1922.

BATTLESHIPS—UNITED STATES

New vessels building	Tons	Percent complete
Washington	32,600	75.9
South Dakota	43,200	38.5
Indiana	43,200	34.7
Montana	43,200	27.6
North Carolina	43,200	36.7
Iowa	43,200	31.8
Massachusetts	43,200	11.0

BATTLE CRUISERS (NOT INCLUDING 2 CONVERTED AIRCRAFT CARRIERS)

Constitution	43,500	13.4
Constellation	43,500	22.7
United States	43,500	12.1
Ranger	43,500	4.0
Total tonnage of new construction scrapped	465,800	

BATTLESHIPS

	Tons	Age, years
Maine	12,500	20
Missouri	12,500	20
Virginia	14,948	17
Nebraska	14,948	17
Georgia	14,948	17
New Jersey	14,948	17
Rhode Island	14,948	17
Connecticut	16,000	17
Louisiana	16,000	17
Vermont	16,000	16
Kansas	16,000	16
Minnesota	16,000	16
New Hampshire	16,000	15
South Carolina	16,000	13
Michigan	16,000	13
Delaware	20,000	12
North Dakota	20,000	12

Total tonnage of old ships scrapped	267,740
Total tonnage scrapped	733,540
Expenditures on new ships before scrapped	$153,814,000
Estimated cost to scrap new ships, including cost of cancelation of contracts, claims, etc	28,450,000
Expense of scrapping old ships	584,598
Miscellaneous additional scrapping expenses	73,267
Loss	182,921,865
Received for old ships	1,538,906
Received for new ships	616,262
Gain	2,155,168
Net loss	180,766,697
Approximate total cost of building all new ships laid down had they been completed and not scrapped	434,000,000

TRAVEL IN THE UNITED STATES

Mr. BARKLEY. Mr. President, there is on the calendar House bill 6884, to encourage travel in the United States. It was reported favorably from the Committee on Commerce by the Senator from Mississippi [Mr. BILBO] on March 20 last. It is intended to continue the Travel Bureau now in existence in the Department of the Interior, the National Park Service.

This is only an authorization; it is not an appropriation. Of course, its continuance would depend on whether the Committee on Appropriations made the necessary appropriation.

The bill is supported by many associations in the United States, the American Hotel Association, the American Railway Association, the National Bus Traffic Association, the Transport Association by Air, and others. It is estimated that it will be instrumental in adding $150,000,000 a year to the income of the American people.

It is not intended that the bill shall induce people to travel who would not otherwise be inclined to, but it is intended to induce those who are travel-minded to travel in the United States.

Nearly every government in the world maintains a travel bureau in order to induce Americans, who are the greatest travelers in the world, to travel in those countries. Because of that situation this year, 1940, has been designated in the United States as "Travel Year." The Department of the Interior is undertaking, through its National Park Service and various other agencies to help develop travel in this country, and induce people from other countries to travel in the United States, and thereby not only add to our income but to bring other benefits to this country.

In that connection I may say that the travel trade has been $500,000,000 a year against the United States, because of our inclination to travel in all parts of the world, and that, of course, drains considerably from the income and resources of our country. In all estimates of income travel expenses in various countries are taken as important.

I ask that we may take the bill up for consideration.

Mr. McNARY. This is a House bill?

Mr. BARKLEY. It is a House bill.

Mr. McNARY. And received the unanimous approval of the Senate Committee on Commerce?

Mr. BARKLEY. Yes.

Mr. McNARY. I have received many letters urging its early and favorable consideration. It is an authorization bill?

Mr. BARKLEY. Yes.

Mr. McNARY. The purpose is to promote travel in the United States?

Mr. BARKLEY. Yes.

Mr. McNARY. I have no objection.

There being no objection, the Senate proceeded to consider the bill (H. R. 6884) to encourage travel in the United States, and for other purposes, which had been reported from the Committee on Commerce with an amendment, on page 1, line 5, after the word "travel", to insert "to and", so as to make the bill read:

Be it enacted, etc., That the Secretary of the Interior is authorized and directed, through the National Park Service, to encourage, promote, and develop travel to and within the United States, its Territories and possessions, providing such activities do not compete with the activities of private agencies; and to administer all existing travel promotion functions of the Department of the Interior through such Service.

SEC. 2. In carrying out the purposes of this act, the Secretary is authorized to cooperate with public and private tourist, travel, and other agencies in the display of exhibits, and in the collection, publication, and dissemination of information with respect to places of interest, routes, transportation facilities, accommodations, and such other matters as he deems advisable and advantageous for the purpose of encouraging, promoting, or developing such travel. Nothing in this act shall prohibit the preparation of graphic materials in foreign languages, designed to call attention to the attractions and places of interest in the United States and to encourage the use of American registered ships and planes. The existing facilities of the United States Government in foreign countries are hereby authorized to assist in the distribution of this material. The Secretary may enter into contracts with private publishers for such printing and binding as he may deem advisable in carrying out the purposes of this act. The Secretary is also authorized to make charges for any publications made available to the public pursuant to this act; and any proceeds from the sale of publications produced by the expenditure of contributed funds shall continue to be available for printing and binding as aforesaid.

SEC. 3. The Secretary of the Interior is authorized to create an advisory committee to consist of a representative from each of the Departments of State, Agriculture, and Commerce, the Interstate Commerce Commission, the Civil Aeronautics Authority, and the United States Maritime Commission, as may be designated by such Departments or agencies, respectively, and such additional members, representatives of the various sections of the Nation, including transportation and accommodations agencies, not to exceed six members, to be appointed by the Secretary of the Interior to serve at his pleasure. Meetings of the committee shall be held at the request of the Secretary for the purpose of making recommendations concerning the promotion of tourist travel under the provisions of this act. The members of the committee shall receive no compensation for their services as members, but shall be entitled to reimbursement for such necessary travel and other expenses in connection with their attendance at committee meetings as may be authorized or approved by the Secretary.

SEC. 4. In the performance of his functions and duties under the provisions of this act, the Secretary of the Interior is authorized—

(a) To prescribe, amend, and repeal such rules and regulations as he may deem necessary, and to accept contributions for carrying out the purposes of this act; and

(b) To employ without regard to the civil-service laws, but subject to the Classification Act of 1923, as amended, one special assistant and not to exceed five artists and illustrators.

SEC. 5. There is authorized to be appropriated annually not to exceed the sum of $100,000 to carry out the provisions of this act.

Mr. REYNOLDS. Mr. President, I am interested in knowing how the enactment of this measure without any authorization of money would encourage travel in the United States.

Mr. BARKLEY. This is an authorization, not an appropriation. Unless it is followed by an appropriation, which, of course, would have to come through the Committee on Appropriations, it would be of no effect, but, as frequently happens, we have to authorize an expenditure before it can be made.

Mr. McKELLAR. What is the amount to be appropriated?

Mr. BARKLEY. One hundred thousand dollars a year is the amount. The benefits to be derived by the activities of the Travel Bureau in the Department are estimated by those who are in a position to know to add $150,000,000 of income in the United States if they are enabled to induce those who travel in the world to come here instead of going to other places. The Senator from North Carolina himself is a great traveler.

Mr. REYNOLDS. I am merely interested in knowing how it would work.

Mr. BILBO. Mr. President, in behalf of the bill, I wish to say that the Senator from Kentucky is very modest in his estimate of what the results would be to the people of this country. Not only the money of travelers who live in the United States would be spent here, but there are those traveling from South American republics who have to go somewhere, and they cannot go to Europe.

This is the best we can do at this juncture to give business not only to the hotels in the United States, which are all behind the proposal, but to the public generally. It is a great scheme, and the small amount asked is infinitesimal when compared with what some other governments spend. The money spent in European countries from America alone is over $500,000,000. I think the amount provided is very small.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment was agreed to.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time, and passed.

REFUNDS OF TAXES

Mr. RUSSELL. Mr. President, there is on the calendar Senate bill 963, which has been favorably reported from the Committee on Agriculture and Forestry, providing for the refund of taxes under the act commonly known as the Bankhead Cotton Act. The Senate has on a previous occasion passed this bill, but it failed of passage in the House.

In order that all the facts and equities in this claim may be established, I ask that the bill be made the unfinished business, and I shall offer a resolution to refer the matter to the Court of Claims under the statute which provides for the reference of such cases, in order that the Court of Claims may adjudicate the rights of the parties.

Mr. BARKLEY. Mr. President, will the Senator yield?

Mr. RUSSELL. I yield.

Mr. BARKLEY. The Senator asked that it be made the unfinished business. He wants it taken up for consideration, does he not?

Mr. RUSSELL. I want it considered, and then I wish to offer a resolution to refer it to the Court of Claims.

Mr. BARKLEY. I have no objection.

Mr. RUSSELL. I do not see how any one could object to the matter being referred to the Court of Claims. Such action has the approval of the committee.

I send the resolution to the desk and ask that it be stated.

The PRESIDING OFFICER. The resolution will be read.

The legislative clerk read the resolution (S. Res. 286), as follows:

Resolved, That the bill (S. 963) providing for the refund of taxes collected under public law numbered 169, Seventy-third Congress, known as the Bankhead Act, now pending in the Senate, is hereby referred to the Court of Claims pursuant to the provisions of section 151 of the act entitled "An Act to Codify, Revise, and Amend the Laws Relating to the Treasury," approved March 3, 1911; and such court shall proceed with such bill in accordance with the provisions of such section 151 and shall report to the Senate in accordance therewith.

The PRESIDING OFFICER. The question is on agreeing to the resolution.

The resolution was agreed to.

PAYMENTS TO STATES WITH RESPECT TO CONSERVATION LANDS

Mr. BILBO. Mr. President, I ask unanimous consent for the present consideration of Senate bill 1717, Calendar No. 1712. It is a bill introduced by my colleague [Mr. HARRISON]. The purpose of the bill is to revise the method of determining the payments to be made by the United States to the several States with respect to conservation lands subject to the jurisdiction of the Department of Agriculture. It has been favorably reported from the Committee on Agriculture and Forestry. I shall not take the time of the Senate to explain the measure.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Mississippi?

Mr. McNARY. Mr. President, I am not familiar with the bill.

Mr. BILBO. I will state to the Senator from Oregon that I have arranged with the Senator from Utah [Mr. KING] to enter a motion to reconsider. If the bill is considered and passed the Senator will enter a motion to reconsider the vote by which the bill was passed, so there will be an opportunity furnished to reconsider that action.

Mr. KING. Mr. President, the bill is one of very great importance. It provides, as I understand, that the Federal Government shall make compensation to counties or political subdivisions in which the greater part of the lands are ac-

quired by the Federal Government to the disadvantage of the communities and to the disadvantage of their school districts.

Mr. BILBO. The Senator has stated the facts correctly. Practically all the States of the Union are interested in this proposed legislation because they are affected by it. The Federal Government in its efforts to carry on its reforestation and conservation and farm tenancy has gone in with the States and bought up great bodies of land and practically bankrupted the school districts. There is one district in my State in which the Government has bought 90 percent of the land and bankrupted the schools. I should like to see the bill passed in the interest of the people who are being oppressed as the result of the Government's encroachment on their tax resources.

The PRESIDING OFFICER (Mr. HATCH in the chair). Is there objection to the present consideration of the bill?

Mr. McNARY. Mr. President, recently—I am speaking wholly from memory—I have received some protests against the enactment of this bill. I am not quite conversant with the language of the protests, but at this late hour I think I shall have to object, so that I may have an opportunity to consider the data I have received in opposition to the bill. I shall be glad to have the Senator bring it up for consideration or debate some time after the 1st of July after we shall reconvene. I do not want to be in the attitude of causing a great delay. I shall be fair to the Senator and look into the matter.

Mr. BILBO. I appreciate the kindness of the Senator from Oregon. I am afraid the Senator did not hear me.

I had arranged with the Senator from Utah [Mr. KING] to enter a motion to reconsider, which would give him all the time necessary to investigate the matter, and then if necessary, action could be had on that motion.

Mr. McNARY. That form of procedure does not appeal to me.

The PRESIDING OFFICER. Objection is heard.

FEDERAL-AID HIGHWAYS

Mr. HAYDEN. Mr. President, I desire to submit a unanimous consent request, and I ask to have the attention of the Senator from Missouri [Mr. CLARK].

I ask unanimous consent to recur to House bill 9575, which is No. 1951 on the calendar, to amend the Federal Aid Act approved July 11, 1916, as amended and supplemented, and for other purposes.

The amendments have been agreed to, but there are a couple of other amendments to be offered, and I should like to have the bill considered and concluded now if it is agreeable to the Senator from Missouri.

Mr. CLARK of Missouri. I have no objection, assuming that the amendment of the Senator from Colorado [Mr. JOHNSON] is included in the bill.

Mr. McNARY. What is the order number?

The PRESIDING OFFICER. It is Calendar No. 1951.

Mr. SCHWELLENBACH. Among the amendments is there an amendment with reference to the Territory of Alaska?

Mr. HAYDEN. No; there is not.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Arizona?

Mr. McCARRAN. A parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. McCARRAN. Some time ago I inquired whether or not the call of the calendar had been concluded, and whether or not we were thereafter circumscribed by the same procedure as in the call of the calendar. I was advised by the then Presiding Officer that the calendar had been concluded and that the bill then pending was brought up on motion.

The PRESIDING OFFICER. That is correct.

Mr. McCARRAN. Has something transpired since that time by which we have reverted to the calendar?

The PRESIDING OFFICER. The only thing that has transpired, the Chair will say in answer to the Senator from Nevada, is that the Senator from Arizona [Mr. HAYDEN] has requested unanimous consent to take up this particular measure, which is calendar No. 1951.

Mr. HAYDEN. I am referring to the Federal Aid Highway Act.

Mr. McCARRAN. Of course, I have no objection to that. I am very much in favor of it. But I wanted to know whether or not we had returned to the calendar.

The PRESIDING OFFICER. We have not.

Is there objection to the request of the Senator from Arizona?

There being no objection, the Senate resumed the consideration of the bill (H. R. 9575) to amend the Federal Aid Act approved July 11, 1916, as amended and supplemented, and for other purposes.

Mr. HAYDEN. Mr. President, I ask for action on the amendment previously offered by the Senator from Texas [Mr. SHEPPARD]. I ask that it be stated.

The PRESIDING OFFICER. The amendment will be stated.

The CHIEF CLERK. At the appropriate place in the bill it is proposed to add a new section, as follows:

SEC. —. The term "highway" as defined by the Federal Highway Act shall not be deemed to include any bridges hereafter to be constructed if located within 10 miles of an existing toll bridge, unless a reasonable offer is made to acquire the facilities of such toll bridge and such offer has not been accepted, and unless a finding as to the reasonableness of said offer, the failure of acceptance, and the percentage of amortization of such toll bridge has been made after public hearing by the Federal Works Administrator: *Provided*, That such finding by the Federal Works Administrator shall not be subject to review.

Mr. HAYDEN. That is the matter which was under consideration by the committee. The amendment has been modified by the Senator from Texas to take into consideration whether or not owners of the present toll bridges have amortized their expenses, and I think it removes the objection that was made in committee. At least I shall be glad to take it to conference.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Texas.

The amendment was agreed to.

Mr. JOHNSON of Colorado. I have an amendment on the desk which I ask to have stated.

The PRESIDING OFFICER. The amendment will be stated.

The CHIEF CLERK. On page 3, line 3, after the word "pledged", it is proposed to insert "or that the constitution of the State provides that all of such proceeds shall be used for highway purposes."

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Colorado.

Mr. McCARRAN. Mr. President, may we have an explanation of the amendment?

Mr. JOHNSON of Colorado. The amendment affects grants of Federal-aid money for State highways. There already is a provision in reference to this matter in the bill, and the amendment is in addition to that provision. It begins with the conjunction "or" and provides that in addition to the other provisions which are contained in the bill, or if a State has in its constitution a provision that all highway money collected by the State shall be expended for highway purposes, then the grants are possible.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Colorado [Mr. JOHNSON].

The amendment was agreed to.

The PRESIDING OFFICER. The bill is still before the Senate and open to further amendment. If there be no further amendment to be proposed, the question is on the engrossment of the amendments and the third reading of the bill.

The amendments were ordered to be engrossed, and the bill to be read a third time.

The bill was read the third time and passed.

REGISTRATION OF TRADE-MARKS

Mr. BONE. Mr. President, on two occasions Calendar No. 1617, House bill 6618, has been passed over, once on the

objection of the Senator from Ohio [Mr. TAFT], and on another occasion on objection registered by the Senator from Montana [Mr. WHEELER]. In both cases the Senators were under a misapprehension as to the nature of the bill.

The bill deals exclusively with trade-marks. It was the subject of 3 years of rather intensive study by the Patents Committee of the House. It was unanimously reported by that committee and passed in the House without any opposition whatever, as I recall. It was given serious consideration by the Patents Committee of the Senate, reported unanimously, and has been on the calendar for several weeks.

I call the attention of the Senator from Connecticut [Mr. DANAHER] to the bill, because he made the report on it. It is a codification of 17 different statutes dealing with trade-marks. I think lawyers in this body will realize the necessity for getting rid of some of the obscurities and uncertainties which have arisen out of such a large number of statutes all dealing with one subject. The bill is in harmony with the theory so long advanced by the American Bar Association, looking to the codification of laws.

When the bill came before the Senate Committee on Patents two major questions remained, one dealing with assignment, and the other with cancelation. Those questions were ironed out. I think it is the general opinion of all those who appeared before the committee that we have done the best job it was possible to do. The bill is worthwhile. It is a rather lengthy bill, but it certainly received most serious consideration. There was no objection from any member of the Patents Committee, and I am asking now that the bill be considered. The House has given it much attention over the years, and the able Members of the House who worked on it felt, as we in the Patents Committee felt, that it should be enacted. Therefore I am asking for its consideration at this time.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Washington for the present consideration of House bill 6618?

Mr. McNARY. Mr. President, I am attracted by the statement of the able Senator that on a former occasion two Senators objected to the consideration of the bill. Have those objections been removed?

Mr. BONE. Objection was first register by the Senator from Ohio [Mr. TAFT], who advised me that he thought it was a copyright bill. The same idea was in the mind of the Senator from Montana [Mr. WHEELER]. I would not even think of bringing a copyright bill to the Senate without having a long discussion of it, because every industry in the country would be interested, and it would be an atrocity to put a bill of that kind through at this time, because of the enormous field it would cover. This bill deals exclusively with trade-marks. I should like to have the Senator from Connecticut [Mr. DANAHER], who has done much work on the bill, explain it.

Mr. McNARY. Mr. President, I have immense confidence in the ability of the Senator from Washington and of the able Senator from Connecticut. However, I am reminded of the remark made by the Senator, who stated that on a former occasion two Members of the Senate objected.

Mr. BONE. They did; and they have since advised me that they completely misunderstood the nature of the bill. They thought it dealt with copyrights. It deals only with trade-marks and merely attempts to clarify existing law by putting 17 statutes into one.

Mr. McNARY. All I desired was assurance as to the objections.

Mr. BONE. Both Senators have assured me that they entirely misunderstood the purpose of the bill and asked that it go over only on that account.

BOULDER DAM—CONFERENCE REPORT

Mr. PITTMAN submitted the following report:

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 9877) authorizing the Secretary of the Interior to promulgate and to put into effect charges for electrical energy generated at Boulder Dam, providing for the application of revenues from said project, authorizing the operation of the Boulder power plant by the United States directly or through agents, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendments numbered one and two.

Amendment numbered 3: That the House recede from its disagreement to the amendment of the Senate numbered 3, and agree to the same with an amendment, as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert the following:

"Any moneys accruing for projects in New Mexico and appropriated pursuant to the authorizations contained in this subsection shall be available for (1) the completion by the Bureau of Reclamation of a survey of the transmountain diversion project on the San Juan River in the State of New Mexico, and (2) for the construction of such project; and such project shall be designed so as adequately to protect the present and prospective uses of water in the State of Colorado and in San Juan County, N. Mex., including those of the Navajo Tribe of Indians, and, after providing for such needs, any water from such project remaining available for use shall be used as the State of New Mexico may determine: *Provided*, That if the said project shall be determined by the Commissioner of Reclamation and the Secretary of the Interior as being infeasible, or if any project presented in any State shall be declared to be infeasible, then such funds shall be equitably divided by the Secretary of the Interior in accordance with the necessity for the development of the projects in the various States."

And the Senate agree to the same.

KEY PITTMAN,
HIRAM W. JOHNSON,
HENRY F. ASHURST,
ALVA B. ADAMS,
Managers on the part of the Senate.

COMPTON I. WHITE,
KNUTE HILL,
CHARLES HAWKS, JR.,
Managers on the part of the House.

Mr. McCARRAN. Mr. President, may we have an explanation?

Mr. PITTMAN. The Senate receded on its amendments 1 and 2. Those amendments substituted the word "equally" for "equitably." The Senate receded from amendment numbered 3, with an amendment, which provides that if the project is determined not to be feasible, then the funds shall be divided equitably.

Mr. McCARRAN. That applies to the New Mexico amendment?

Mr. PITTMAN. Yes.

Mr. McCARRAN. Was the labor amendment in conference?

Mr. PITTMAN. It was not in conference. It was adopted by the House.

Mr. BONE. Mr. President, I still have the floor.

The PRESIDING OFFICER. The Chair was of the opinion that the Senator from Washington had surrendered the floor and recognized the Senator from Nevada for the purpose of presenting a privileged matter.

Mr. CLARK of Missouri. Mr. President, the Senator from Washington had not surrendered the floor. He was engaged in colloquy.

Mr. PITTMAN. Mr. President, I appeal to the Senator from Washington to let the conference report be adopted.

Mr. CHAVEZ. Mr. President, I dislike to take up the time of the Senate at this hour, but I shall wish to discuss the conference report, probably at length.

Mr. BONE. May we not dispose of the trade-mark bill which is now pending?

Mr. PITTMAN. I shall not interrupt the Senator. I shall wait until he is through, and then shall move the adoption of the conference report.

REGISTRATION OF TRADE-MARKS

The PRESIDING OFFICER. The question is on the motion of the Senator from Washington [Mr. BONE] to proceed to the consideration of House bill 6618.

Mr. BONE. Let me say one word to my brethren before I yield the floor to the Senator from Connecticut.

In addition to going through the usual orthodoxies, when we had the trade-mark bill before the Patent Committee we invited members of the Patent Committee of the House to sit with us. We almost had a conference on the bill. What few amendments we suggested were adopted with House

Members giving us whatever assistance they could. It was a rather unusual procedure, but I thought it might interest Senators.

Mr. DANAHER. Mr. President, I know of no objection to the bill from any Senator. The bill has been on the calendar for several weeks. The report demonstrates conclusively and clearly the purposes of the bill and the changes made from the House bill. If there be any questions with reference to this particular matter, I shall be very happy to answer them. If not, I suggest that the question be put.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Washington for the present consideration of House bill 6618?

There being no objection, the Senate proceeded to consider the bill (H. R. 6618) to provide for the registration of trademarks used in commerce, to carry out the provisions of certain international conventions, and for other purposes, which had been reported from the Committee on Patents, with amendments.

The first amendment of the Committee on Patents was, under the heading "Title I—The Principal Register", in section 1, on page 1, line 8, after "statement", to strike out "specifying" and insert "to the effect that the applicant believes himhelf, or the firm, corporation, or association in whose behalf he makes the application, to be the owner of the trademark sought to be registered, and that no other person, firm, corporation, or association, to the best of the applicant's knowledge and belief, has the right to use such trade-mark in the United States either in the identical form or in such near resemblance thereto as might be calculated to deceive, and specifying", so as to make the section read:

SECTION 1. Trade-marks used in commerce may be registered in the following manner:

(a) By filing in the Patent Office—

(1) a written application, verified by the applicant, including a statement to the effect that the applicant believes himself, or the firm, corporation, or association in whose behalf he makes the application, to be the owner of the trade-mark sought to be registered, and that no other person, firm, corporation, or association, to the best of the applicant's knowledge and belief, has the right to use such trade-mark in the United States either in the identical form or in such near resemblance thereto as might be calculated to deceive, and specifying the date of first use of the mark, and the goods or services in connection with which it is used, in such form as may be prescribed by the Commissioner;

(2) a drawing of the mark; and

(3) such number of specimens or facsimiles of the mark as actually used as may be required by the Commissioner.

(b) By paying into the Patent Office the filing fee.

(c) By complying with such rules or regulations, not inconsistent with law, as may be prescribed by the Commissioner.

(d) If the applicant is not domiciled in the United States he shall designate by a written document filed in the Patent Office the name and address of some person resident in the United States on whom may be served notices or process in proceedings affecting the mark. Such notices or process may be served upon the person so designated by leaving a copy thereof at the last address so filed. If the person so designated cannot be found at the address given in the designation, such notice or process may be served upon the Commissioner.

Mr. McCARRAN. Mr. President, I understand we are now on the calendar. I desire to address myself to a matter which has come to my attention, having transpired yesterday——

Mr. KING. Mr. President——

Mr. McCARRAN. Mr. President, have I the floor?

Mr. BONE. I understood that the Senator from Connecticut had the floor.

Mr. McCARRAN. I wish to know whether or not I have the floor. I should like to address the Senate for a few minutes.

The PRESIDING OFFICER. House bill 6618 is before the Senate for consideration. The first committee amendment was stated by the clerk. The Senator from Nevada sought recognition by the Chair and was recognized. He now has the floor.

Mr. BONE. Mr. President, it will take only a moment to get this bill out of the way. I hope the Senator will be generous and let us get it out of the way.

Mr. McCARRAN. I cannot ask the Chair to recognize me immediately after getting this matter out of the way, whatever it is.

Mr. KING. There will be no trouble about that.

Mr. GERRY. I should like to ask the number of the bill.

Mr. BONE. It is Calendar No. 1617, House bill 6618.

The PRESIDING OFFICER. The Senator from Nevada has the floor.

Mr. McCARRAN. I ask for the invocation of the rule.

The PRESIDING OFFICER. The Senator from Nevada.

CLINTON M. HESTER

Mr. KING. Mr. President, will the Senator from Nevada yield to me?

Mr. McCARRAN. I cannot yield at this moment. I shall not detain the Senate very long. I rise only to address myself to an item which appears in the CONGRESSIONAL RECORD of yesterday, in which a joint resolution, Senate Joint Resolution 283, was introduced by the able leader of the majority authorizing Col. Donald H. Connolly to hold the office of Administrator of Civil Aeronautics in the Department of Commerce, and it was referred to the Committee on Commerce.

Mr. President, I do not rise to express myself adversely to the suggested nominee.

Mr. PITTMAN. Mr. President, will my colleague yield to me for the purpose of moving the adoption of the conference report I presented?

Mr. McCARRAN. I yield for that purpose.

The PRESIDING OFFICER (Mr. BROWN in the chair). The question is on agreeing to the conference report.

Mr. CHAVEZ. Mr. President, just a moment.

Mr. McCARRAN. I think I have the floor. I ask the Senator from New Mexico not to ask me to yield at this moment, until I can dispose of this matter.

Mr. CHAVEZ. Will the Senator from Nevada yield to me to make a parliamentary inquiry?

The PRESIDING OFFICER. Does the Senator from Nevada yield to the Senator from New Mexico?

Mr. CHAVEZ. I desire to make a parliamentary inquiry.

Mr. McCARRAN. I yield for a parliamentary inquiry.

Mr. CHAVEZ. Has the report of the conference committee been adopted?

Mr. PITTMAN. It has not.

The PRESIDING OFFICER. It has not.

Mr. McCARRAN. Mr. President, reverting now to the subject-matter to which I desire to address myself, there are some men who are great by reason of their achievements; there are some men who are born great; but a man who, growing out of obscurity, works himself up to a position of greatness, should never be forgotten.

When the Senate refused to adopt my resolution against Reorganization Order No. IV, I realized that very serious changes would be brought about in the Civil Aeronautics Authority. I never realized how serious the changes would be until my attention was drawn to the fact that the man who had been Administrator from the very initial periods of the act until the present time was about to resign.

Administrator Hester was born and reared in a western State. He came to Washington, and worked his way for twenty-odd years through the various Departments here.

When the author of the Civil Aeronautics Act, the junior Senator from Nevada, was writing the act, calling to his aid everyone in civil aeronautics who might assist him in writing the act, no less a personage than the President of the United States and his son, who was then his secretary in the Executive Office, asked me to call to my assistance Mr. Hester, who was later appointed Administrator of the Civil Aeronautics Authority.

I did that. Mr. Hester and I did not agree on many phases of the act. Mr. Hester and I have not agreed on many phases of the administration of the act; but I rise in the Senate today to say that in those things in which Mr.

Hester was not experienced he had the courage and the foresight to call to his assistance men who had the necessary experience and ability.

I was advised by Mr. Hester just a few days ago that he was going to resign. I shall not state more than his blunt statement to me that he was going to resign. I expressed my regret that he should resign. Here in the Senate, and publicly, I now want to express my regret that Mr. Hester, the Administrator of the Civil Aeronautics Authority during all of its existence, should now resign.

It is a bad situation. It is so sad that those of us who have given our whole thought and existence to this legislation for the past 5 years regret it from the bottom of our hearts.

Mr. TRUMAN. Mr. President——

The PRESIDING OFFICER. Does the Senator from Nevada yield to the Senator from Missouri?

Mr. McCARRAN. I yield to the Senator from Missouri.

Mr. TRUMAN. I desire to say that I concur in what the able Senator from Nevada has to say.

Mr. McCARRAN. I am grateful to the Senator from Missouri, because the Senator from Missouri was a member of the subcommittee of the Committee on Interstate Commerce which held three different hearings, if I correctly recall, and rendered three different very comprehensive reports.

Mr. President, it is unfortunate that the Nation should lose the services of men like Mr. Hester. I understand that he is to return to private life. I only say that the gain of private life is the loss of public life. In other words, Mr. Hester has served, and served splendidly. He has rendered a record that no one will excel, because it has been 100 percent. I do not envy the man who will take his place, because that man cannot exceed the record of Mr. Hester.

When one realizes that 86,000,000 plane-miles have been flown in a year, and some 215,000,000 passenger-miles have been flown in a year, over continental America and over extracontinental America, without a single fatality, and then compare that record with the ground record, the record of those who travel by automobile, by train, and by other surface facilities, and realizes what has been accomplished by a single individual with a single purpose in mind—namely, safety in the air—then we will realize that out of this confusion, out of the unhappy situation which grew out of Executive Order No. IV, the Nation is about to lose a most efficient servant.

In God's name, where will we stop? In the name of justice and fair play, in the name of national welfare, where will we stop when men resign who have rendered wonderful service, when men resign and hold back because of the honor and the integrity within their breasts, the reasons for their resignation, or, if they disclose the reasons, tell them in confidence?

I only regret that Hester is about to pass out of the Civil Aeronautics Agency; that a great man, a good man, a man who would meet you toe to toe, face to face, eye to eye, and argue a question with you, is about to retire from the public service.

I say again that day after day and time after time we disagreed, but our disagreements were honorable disagreements, our disagreements were very much worth while, our disagreements, I hope, led to some thought in his mind which contributed to his great record, and I know that our disagreements gave me fruit and food for thought.

When Mr. Hester goes out of the public service, the Nation will lose a great man. I do not know who is to succeed him, and I make no expression. I only hope that the man who will succeed him will be equal to him in competency and that his record may be equal.

REGISTRATION OF TRADE-MARKS

The Senate resumed the consideration of the bill (H. R. 6618) to provide for the registration of trade-marks used in commerce, to carry out the provisions of certain international conventions, and for other purposes.

Mr. GERRY. Mr. President, what is before the Senate?

The PRESIDING OFFICER. The first committee amendment.

Mr. GERRY. To what bill?

The PRESIDING OFFICER. House bill 6618, Calendar No. 1617.

Mr. GERRY. I object.

The PRESIDING OFFICER. The question is on the committee amendment. The bill is before the Senate for consideration, having previously been taken up by the Senate, and an objection to a committee amendment is not sufficient. It must be voted up or voted down.

The question is on agreeing to the first amendment of the committee, on page 1, line 8.

The amendment was agreed to.

The PRESIDING OFFICER. The clerk will state the next amendment of the committee.

The next amendment was, under the subhead "Use by related companies", on page 5, line 13, after the word "the", to insert "registered mark or the", and in line 20, after the word "registration" and the period, to insert "Such mark shall not be used in such manner as to deceive the public.", so as to read:

SEC. 5. Where the registered mark or the mark sought to be registered is or may be used by subsidiary or related companies, or by the members of an association, such use shall be deemed exclusive in the holding, parent, or related company or in the association; and use of registered marks by companies subsidiary or related to the registrant or by the members of an association, shall not affect the validity of such mark or of its registration. Such mark shall not be used in such manner as to deceive the public.

The amendment was agreed to.

The next amendment was, under the subhead "Renewal", on page 9, after line 24, to insert:

If the applicant for renewal is not domiciled in the United States, he shall designate by a written document filed in the Patent Office the name and address of some person resident in the United States on whom may be served notices or process in proceedings affecting the mark, in the same way as provided in subsection (d) of section 1 of this act.

The amendment was agreed to.

The next amendment was, under the subhead "Assignment", on page 10, line 8, after the word "assignable", to strike out "either with or without the goodwill of the business" and insert "upon such terms and conditions as the parties may agree", so as to read:

SEC. 10. A registered mark or a mark for which application has been filed shall be assignable upon such terms and conditions as the parties may agree. Assignments shall be by instruments in writing duly executed. Acknowledgment shall be prima facie evidence of the execution of the assignment and when recorded in the Patent Office the record shall be prima facie evidence of execution. An assignment shall be void as against any subsequent purchaser for a valuable consideration without notice, unless it is recorded in the Patent Office within 3 months from the date thereof or prior to such subsequent purchase. The Commissioner shall keep a record of assignments.

The amendment was agreed to.

The next amendment was, on page 10, after line 19, to insert:

If the assignee is not domiciled in the United States, he shall designate by a written document filed in the Patent Office the name and address of some person resident in the United States on whom may be served notice or process in proceedings affecting the mark, in the same way as provided in subsection (d) of section 1 of this act.

The amendment was agreed to.

The next amendment was, under the subhead "Opposition", on page 11, line 13, after the word "many", to insert "upon payment of the required fee", so as to read:

SEC. 13. Any person who would be damaged by the registration of a mark may, upon payment of the required fee, file a verified notice of opposition in the Patent Office stating the grounds therefor within 30 days after the publication in the Official Gazette of the mark sought to be registered. For good cause shown, the time for filing notice of opposition may be extended by the Commissioner. An unverified opposition may be filed by a duly authorized attorney, but such opposition shall be null and void unless

verified by the opposer within a reasonable time after such filing to be fixed by the Commissioner.

The amendment was agreed to.

The next amendment was, under the subhead "Cancelation", on page 12, line 11, after the word "mark", to insert "as theretofore used", so as to read:

SEC. 15. After the period for the cancelation of the registration of a trade-mark has expired, the right of the registrant to use his mark as theretofore used in commerce shall be incontestable.

The amendment was agreed to.

The next amendment was, under the subhead "Interference", on page 12, after line 23, to strike out:

SEC. 17. In every case of interference, opposition to registration, or application to cancel the registration of a mark, the Commissioner shall give notice to all parties and shall direct the examiner in charge of interferences to determine the right of registration.

The amendment was agreed to.

The next amendment was, on page 13, after line 3, to strike out:

SEC. 18. The Commissioner may refuse to register the opposed mark, may cancel the registration of a registered mark, or may refuse to register any or all of several interfering marks, or may register the mark for the person or persons entitled thereto.

(a) In all inter partes proceedings the doctrine of laches and acquiescence, where applicable, shall be considered and applied. The provisions of this section shall also govern cases heretofore begun in the Patent Office and not finally determined, and the provisions of section 21 respecting remands shall be applicable to this section.

The amendment was agreed to.

The next amendment was, on page 13, after line 14, to strike out:

SEC. 19. Appeal may be taken to the Commissioner in person from the final decision of the examiner of interferences. Appeals may also be taken to the Commissioner in person from all final decisions of the examiner in charge of trade-marks.

The amendment was agreed to.

The next amendment was, on page 13, after line 19, to strike out:

SEC. 20. If an applicant for registration of a mark, or a party to an interference as to a mark, or party who has filed opposition to the registration of a mark, or party to an application for the cancelation of the registration of a mark, is dissatisfied with the decision of the Commissioner of Patents, he may appeal to the United States Court of Customs and Patent Appeals on complying with the conditions required in case of an appeal from the decision of the Board of Appeals by an applicant for a patent or a party to an interference as to an invention, and the same rules of practice and procedure shall govern in every stage of such proceedings as far as the same may be applicable. The provisions of section 4915 of the Revised Statutes shall apply in trade-mark cases. The same right of review as provided in said section 4915 shall be accorded to all parties to opposition and cancelation proceedings.

The amendment was agreed to.

The next amendment was, on page 14, line 11, to change the section number from 21 to 17, and in the same line, after the word "If", to insert a comma and "after due proceedings,", so as to read.

SEC. 17. If, after due proceedings, it shall appear that there has been in commerce an honest concurrent use of the same or similar marks for the same or similar goods or services for a continuous period of more than 5 years immediately preceding the date of a pending application by one of such users for the registration of one of such marks, without protest by any other such user within said period, the Commissioner, or on appeal the United States Court of Customs and Patent Appeals, or the court in an action begun under the provisions of section 4915, Revised Statutes, may grant more than one registration of such marks, subject to such conditions and limitations, if any, as to mode or place of use of such marks as the Commissioner or said courts, or either of them, may require in order to minimize the probability of confusion arising from the concurrent use of such marks.

The amendment was agreed to.

The next amendment was, on page 15, after line 20, to insert:

SEC. 18. In every case of interference, opposition to registration, application to register as an honest concurrent user, or application to cancel the registration of a mark, the Commissioner shall give notice to all parties and shall direct the examiner in charge of interferences to determine the right of registration.

The amendment was agreed to.

The next amendment was, on page 16, after line 2, to insert:

SEC. 19. The Commissioner may refuse to register the opposed mark, may cancel the registration of a registered mark, or may refuse to register any or all of several interfering marks, or may register the mark for the person or persons entitled thereto, as the rights of the parties may be established in the proceedings.

(a) In all inter partes proceedings the doctrine of laches and acquiescence, where applicable, shall be considered and applied. The provisions of this section shall also govern cases heretofore begun in the Patent Office and not finally determined, and the provisions of section 17 respecting remands shall be applicable to this section.

The amendment was agreed to.

The next amendment was, on page 16, after line 14, to insert:

SEC. 20. Appeal may be taken to the Commissioner in person from the final decision of the examiner of interferences. Appeals may also be taken to the Commissioner in person from all final decisions of the examiner in charge of trade-marks.

The amendment was agreed to.

The next amendment was, on page 16, after line 19, to insert:

SEC. 21. If an applicant for registration of a mark, or a party to an interference as to a mark, or party who has filed opposition to the registration of a mark, or a party to an application to register as an honest concurrent user, or party to an application for the cancelation of the registration of a mark, is dissatisfied with the decision of the Commissioner of Patents, he may appeal to the United States Court of Customs and Patent Appeals on complying with the conditions required in case of an appeal from the decision of the Board of Appeals by an applicant for a patent or a party to an interference as to an invention, and the same rules of practice and procedure shall govern in every stage of such proceedings as far as the same may be applicable. The provisions of section 4915 of the Revised Statutes shall apply in trade-mark cases. The same right of review as provided in said section 4915 shall be accorded to all parties to interference opposition and cancelation proceedings.

The amendment was agreed to.

The next amendment was, under the subhead "Registration is notice", on page 17, line 13, after the word "act", to insert "and the acts of March 3, 1881, February 20, 1905, and March 19, 1920", so as to make the section read:

SEC. 22. Registration of a mark under this act and the acts of March 3, 1881, February 20, 1905, and March 19, 1920, is notice of the registrant's claim of ownership thereof.

The amendment was agreed to.

Mr. GERRY. Mr. President, I should like to have the parliamentary situation stated.

The PRESIDING OFFICER. The pending bill was taken up by unanimous consent.

Mr. GERRY. I intended to object to the bill, and I wish to get some information in regard to it. I did not know that it was taken up by unanimous consent. Frankly, I should like to object to the bill at this time.

The PRESIDING OFFICER. The objection of the Senator from Rhode Island would not be in order at this time.

Mr. GERRY. I ask unanimous consent that the bill go over.

The PRESIDING OFFICER. The Senator from Rhode Island asks unanimous consent that the bill be returned to the calendar?

Mr. GERRY. Yes.

The PRESIDING OFFICER. Is there objection?

Mr. BONE. Mr. President, I made the request for the consideration of the bill, it was granted, and the Senator did not make his objection until we were well into the bill and considering the amendments. I object to any disposition of the bill other than through the method now being pursued.

The PRESIDING OFFICER. Objection is heard to the request of the Senator from Rhode Island. The clerk will state the next amendment.

The next amendment was, under the heading "Title II—The Supplemental Register—General Provisions", on page 21, line 3, after the numerals "10", to strike out "(except the provision for assignment without the goodwill of the business)", so as to read:

SEC. 26. The provisions of paragraphs (a), (c), (e), (f), and (g) of section 7, the provisions of section 10, and the provisions of

section 11 and 22 of this act, are hereby made applicable to registrations on the supplemental register.

The amendment was agreed to.

The next amendment was, under the heading "Title VI—Remedies", on page 25, line 5, after the word "otherwise", to insert "use such reproduction, counterfeit, copy, or colorable imitation", so as to read:

SEC. 32. Any person who shall, in commerce, without the consent of the registrant, (a) reproduce, counterfeit, copy, or colorably imitate any mark on either register provided by this act, or (b) shall apply such reproduction, counterfeit, copy, or colorable imitation to merchandise or services of such a character that the use thereof is likely to cause confusion or mistake or to deceive purchasers, or to labels, signs, prints, packages, wrappers, receptacles, or advertisements intended to be used upon or in connection with the sale of such merchandise or services, or (c) shall otherwise use such reproduction, counterfeit, copy, or colorable imitation falsely to indicate that the goods or services are the goods or services of a person who shall have registered a mark under this act, shall be liable in a civil action by the registrant for any or all of the remedies hereinafter provided.

The amendment was agreed to.

The next amendment was, on page 25, line 21, after the word "defendant", to insert "or those in privity with him", and on page 26, line 2, after the word "registration", to insert a colon and the following proviso: "*Provided,* That when prior use shall have been established in the defendant or his predecessor, he shall be entitled to the exclusive development of his mark within the territory which he now holds", so as to read:

(1) That the mark whose use by the defendant, or those in privity with him, is charged as an infringement has been continuously used by the defendant or by his predecessors in business in the State or States where its use is charged to infringe from a date prior to the use by the registrant or his predecessors of the trade-mark described in the registration: *Provided,* That when prior use shall have been established in the defendant or his predecessor, he shall be entitled to the exclusive development of his mark within the territory which he now holds.

The amendment was agreed to.

The next amendment was, on page 26, after line 10, to insert:

(3) If goods have been put on the market by the registrant of a mark registered under this act or under any of the prior acts enumerated in section 46 hereof, in a package or other container bearing such mark, and said goods, or any part thereof, have been transferred, without the authority of the registrant, to another package or container, or if said goods have been in any way altered, it shall be unlawful and an infringement of such registered mark to make any use of or reference to such registered mark on or in connection with such altered or transferred goods or on or in connection with any packages or containers or display devices therefor, in the selling or displaying or offering for sale of any of the altered or transferred goods.

The amendment was agreed to.

The next amendment was, on page 27, line 12, after the word "the" where it occurs the second time, to strike out "district court of the" and insert "District Court of the United States for the", and in line 23, after the word "granted", to insert: "And it shall be the duty of the clerks of such courts within 1 month after the filing of any action, suit, or proceeding arising under the provisions of this act to give notice thereof in writing to the Commissioner of Patents, setting forth in order so far as known the names and addresses of the litigants and the designating number or numbers of the registration or registrations upon which the action, suit, or proceeding has been brought, and in the event any other registration be subsequently included in the action, suit, or proceeding by amendment, answer, cross-bill, or other pleading, the clerk shall give like notice thereof to the Commissioner of Patents, and within 1 month after the decision is rendered or a decree issued the clerk of the court shall give notice thereof to the Commissioner of Patents, and it shall be the duty of the Commissioner of Patents on receipt of such notice forthwith to endorse the same upon the file wrapper of the said registration or registrations and to incorporate the same as a part of the contents of said file or file wrapper; and for each notice required to be furnished to the Commissioner of Patents in compliance therewith a fee of 50 cents shall be taxed by the clerk as costs of suit", so as to read:

SEC. 33. The several courts vested with jurisdiction of civil actions arising under this act shall have power to grant injunctions, according to the principles of equity and upon such terms as the court may deem reasonable, to prevent the violation of any right of the registrant of a mark registered under this act. Any such injunction granted upon hearing, after notice to the defendant, by any district court of the United States, or by a judge thereof, may be served on the parties against whom such injunction is granted anywhere in the United States where they may be found, and shall be operative, and may be enforced by proceedings to punish for contempt, or otherwise, by the court by which such injunction was granted, or by any other district court, or judge thereof, in the United States, or by the District Court of the United States for the District of Columbia, or a judge thereof. The said courts, or judges thereof, shall have jurisdiction to enforce said injunction, as herein provided, as fully as if the injunction had been granted by the district court in which it is sought to be enforced. The clerk of the court or judge granting the injunction shall, when required to do so by the court before which application to enforce said injunction is made, transfer without delay to said court a certified copy of all papers on file in his office, upon which said injunction was granted. And it shall be the duty of the clerks of such courts within 1 month after the filing of any action, suit, or proceeding arising under the provisions of this act to give notice thereof in writing to the Commissioner of Patents, setting forth in order so far as known the names and addresses of the litigants and the designating number or numbers of the registration or registrations upon which the action, suit, or proceeding has been brought, and in the event any other registration be subsequently included in the action, suit, or proceeding by amendment, answer, cross-bill, or other pleading, the clerk shall give like notice thereof to the Commissioner of Patents, and within 1 month after the decision is rendered or a decree issued the clerk of the court shall give notice thereof to the Commissioner of Patents, and it shall be the duty of the Commissioner of Patents on receipt of such notice forthwith to endorse the same upon the file wrapper of the said registration or registrations and to incorporate the same as a part of the contents of said file or file wrapper; and for each notice required to be furnished to the Commissioner of Patents in compliance therewith a fee of 50 cents shall be taxed by the clerk as costs of suit.

The amendment was agreed to.

The next amendment was, on page 30, line 6, after the word "the" where it occurs the first time, to strike out "district court of the" and insert "District Court of the United States for the"; and in line 9, after the word "the", to strike out "circuit court of appeals of" and insert "United States Court of Appeals for", so as to read:

SEC. 38. The district and territorial courts of the United States and the District Court of the United States for the District of Columbia shall have original jurisdiction, and the circuit courts of appeal of the United States and the United States Court of Appeals for the District of Columbia shall have appellate jurisdiction, of all civil actions arising under this act respecting trade-marks registered in accordance with the provisions of this act, without regard to the amount in controversy or to diversity or lack of diversity of the citizenship of the parties.

The amendment was agreed to.

The next amendment was, in the heading on page 31, line 12, after the words "Names", to strike out the comma and "False Designations of Origin, or False Description", so as to read:

TITLE VII—IMPORTATION FORBIDDEN OF GOODS BEARING INFRINGING MARKS OR NAMES

The amendment was agreed to.

The next amendment was, on page 32, line 6, after the word "customs", to strike out "laws. In order to aid the officers of the customs in enforcing this paragraph, the registrant may require a copy of the certificate of registration of his mark to be recorded in books which shall be kept for this purpose in the Department of the Treasury, under such regutions as the Secretary of the Treasury shall prescribe, and thereupon the Secretary of the Treasury shall cause one or more copies of the same to be transmitted to each collector or other proper officer of customs"; and insert: "laws: *Provided,* That in order to aid the officers of customs in enforcing this paragraph, the registrant or owner of the trade-mark shall record the trade-mark in the Department of the Treasury, under such regulations as the Secretary of the Treasury shall prescribe.", so as to read:

SEC. 42. (a) Any merchandise, whatever may be its source or origin, which shall bear any registered mark or any infringement thereof, except a mark registered under section 1 (b) of the act of March 19, 1920, or in the supplemental register provided by this

act, shall not be imported into the United States or admitted to entry at any customhouse of the United States unless the written consent of the registrant to such importation or entry be first had and obtained or unless such offending mark be removed or obliterated; and, if brought into the United States in violation of the provision of this section, any person selling, offering for sale, or dealing in such merchandise shall be amenable, at the suit of the registrant, to the liabilities for infringement provided in this act and, in addition, be required to export or destroy such merchandise or to remove or obliterate such infringing mark therefrom, and such merchandise shall be subject to seizure and forfeiture for violation of the customs laws: *Provided*, That in order to aid the officers of customs in enforcing this paragraph, the registrant or owner of the trade-mark shall record the trade-mark in the Department of the Treasury, under such regulations as the Secretary of the Treasury shall prescribe.

The amendment was agreed to.

The next amendment was, on page 33, line 11, after the word "customs", to strike out "laws. In order to aid the officers of the customs in enforcing this paragraph, any such domestic or foreign manufacturer or trader may require a statement of his business or commercial name and the locality where his business is located and where his goods are manufactured to be recorded in books which shall be kept for this purpose in the Department of the Treasury under such regulations as the Secretary of the Treasury shall prescribe, and thereupon the Secretary of the Treasury shall cause one or more copies of such record to be transmitted to each collector or other proper officer of customs" and insert "laws: *Provided*, That in order to aid the officers of customs in enforcing this paragraph, such domestic or foreign manufacturer or trader shall record his trade or commercial name in the Department of the Treasury, under such regulations as the Secretary of the Treasury may prescribe", so as to read:

(b) Any merchandise, whatever may be its source or origin, which shall bear the name or a simulation thereof of any domestic manufacture or manufacturer or trader, or of any manufacturer or trader located in any foreign country which by treaty, convention, or law affords similar privileges to citizens of the United States, shall not be imported into the United States or admitted to entry at any customhouse of the United States unless the written consent of such manufacturer or trader to such importation or entry be first had and obtained, or unless such offending name be removed or obliterated, and if brought into the United States in violation of the provisions of this section, any person selling, offering for sale, or dealing in such merchandise may be enjoined from dealing therein and in addition be required to export or destroy such merchandise or to remove or obliterate such name therefrom, and the merchandise shall be subject to seizure and forfeiture for violation of the customs laws: *Provided*, That in order to aid the officers of customs in enforcing this paragraph, such domestic or foreign manufacturer or trader shall record his trade or commercial name in the Department of the Treasury, under such regulations as the Secretary of the Treasury may prescribe.

The amendment was agreed to.

The next amendment was, under the heading "Title X—Construction and Definitions," on page 40, line 19, after the word "by", to strike out "stock"; in the same line, after the word "ownership", to insert "or"; in the same line, after the word "relationship", to strike out "or otherwise", and insert "control of", and in line 21, after the word "is" where it occurs the second time, to strike out "controlled" and insert "exercised", so as to read:

The term "related company" means any individual, partnership, or person within the definition above where by ownership, or contractual relationship, control of the nature and quality of the goods upon which the mark is used is exercised by the registrant.

The amendment was agreed to.

The next amendment was, on page 45, after line 5, to insert:

SEC. 48. If any provision of this act or the application of such provision to any person or circumstance is held invalid, the remainder of the act and the application of such provision to other persons or circumstances shall not be affected thereby.

The amendment was agreed to.

The PRESIDING OFFICER. That completes the committee amendments.

The question is on the engrossment of the amendments and the third reading of the bill.

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill, H. R. 6618, was the read the third time, and passed.

Mr. GERRY. Mr. President, I give notice of a motion to reconsider the vote by which the bill was passed.

The PRESIDING OFFICER. The Senator from Rhode Island gives notice of a motion to reconsider.

Mr. GERRY subsequently said: I enter a motion to reconsider the vote by which House bill 6618, Calendar No. 1617, was passed.

The PRESIDING OFFICER. The motion will be entered.

BOULDER DAM—CONFERENCE REPORT

The Senate resumed the consideration of the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 9877) authorizing the Secretary of the Interior to promulgate and to put into effect charges for electrical energy generated at Boulder Dam, providing for the application of revenues from said project, authorizing the operation of the Boulder power plant by the United States directly or through agents, and for other purposes.

Mr. PITTMAN. Mr. President, I move the adoption of the conference report.

The PRESIDING OFFICER (Mr. HATCH in the chair). The report has been read. The question is on the motion of the Senator from Nevada.

Mr. CHAVEZ. Mr. President, I dislike at this late hour to raise any objections to the conference report, but I wish to say that I happen to be one of the two Senators who have the honor to represent the State of New Mexico in the Senate. The question of Boulder Dam has been bothering the Congress and the American people and the States of the West for many years. The original Boulder Dam law was passed by the Congress of the United States after many conferences held by representatives of the States involved, and after a certain pact was made and adopted by the States involved, with the exception of the State of Arizona, which has not up to this minute ratified the pact between the States. I do not know why, but when the pact was made, notwithstanding that the interests of the people of the States of Wyoming, of Colorado, Utah, and New Mexico were involved, for some reason or other—I should hate to say that it was neglect on the part of their representatives—those States did not obtain any benefit whatsoever, either from the passage of the Boulder Dam law or from the construction of Boulder Dam.

The original law provided in effect that Boulder Dam should be constructed and that whatever power was developed at Boulder Dam should be used. The law also provided that whatever revenue was obtained at Boulder Dam or from the power developed at Boulder Dam should be distributed in a certain way.

I want Senators to follow me briefly. Remember that the water that goes to Boulder Dam and produces the power at Boulder Dam comes from New Mexico, Colorado, Wyoming, and Utah. One river alone in northwestern New Mexico sends a little more than 2,000,000 acre feet of water per year into Boulder Dam. Notwithstanding that, when the original law was passed the revenue that would be derived from the sale of power at Boulder Dam was to be distributed as follows: 18½ percent or a little more should go to the State of Arizona; 18½ percent should go to the State of Nevada, and the remainder was to be used to retire the debt incurred in the construction of Boulder Dam. Arizona obtains money from Boulder Dam and no one complains about that. Nevada obtains money from Boulder Dam, and one complains about that. California receives the benefit of the water and of lower power rates. New Mexico, Utah, Wyoming, and Colorado will have to wait until all the debt incurred in the construction of Boulder Dam has been paid off before they will receive any benefits whatsoever from Boulder Dam.

For years California has been getting some benefits from Boulder Dam. For years Arizona has been getting some benefits from Boulder Dam, as has Nevada. The people in southern California, however, were not satisfied with the benefits they received from Boulder Dam. Remember that

the upper-basin States were not receiving 1 cent, either directly or in the way of reduced power rates.

For the last 3 or 4 years interested persons dealing in electric power in southern California have been coming to Washington seeking to modify the original law by which they would pay still less for their power at Boulder Dam, and if the pending bill were to pass, it would provide that California would not have to pay $25,000,000 which it was supposed to pay the Federal Government in the way of flood-protection costs.

The bill was introduced in the House of Representatives at this session. Hearings were had and the bill was passed. A similar bill was introduced in the Senate. It was referred to the Committee on Irrigation and Reclamation and that committee held hearings on the Senate bill, and studied the hearings had on the House bill. After the hearings in the Senate committee and after ascertaining the rights of the individual upper-basin States, the Senate Committee on Irrigation and Reclamation inserted three amendments in the bill.

The bill now provides that the rate for power shall be reduced, California again getting more than it did from the waters that flow from New Mexico and the other States.

The bill also provides that instead of 18½ percent, Arizona and Nevada each are to receive $300,000 a year during the time the law will be in effect, or up to the time the debt on the dam is paid. In order to encourage the upper-basin States to go along with them, the suggestion was made that out of the revenues of Boulder Dam $500,000 should be set aside every year—1938, 1939, and 1940—and given to the upper-basin States for the purpose of making further research, surveys, and plans if found feasible to develop their particular areas. The bill further provided, for the next 14 years, that those States should be allowed $500,000 a year, to be distributed equitably among the upper-basin States, and that in the rest of the period of time, some 25 years, it should be distributed equitably among all the States, including the three States of the lower basin.

We wanted to go along, but we felt, as did the Senate Committee on Irrigation and Reclamation, that it was all right to have the law modified so that the lower States could get the benefit of the lower power and set off a $25,000,000 debt against the Federal Government. But we did insist that in the little mite the upper basin States were getting they should be protected.

So far as New Mexico is concerned, I know that I voice the sentiment of my colleague and the sentiment of the people of the State of New Mexico when I say that we do not want to interfere with the rights or benefits of any other State, but we do insist—and the Senate Committee on Irrigation and Reclamation agreed with us—that we shall get our small share on an equal basis.

Mr. HATCH. Mr. President, will my colleague yield to me?

Mr. CHAVEZ. I yield.

Mr. HATCH. I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. HERRING in the chair). The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Adams	Donahey	La Follette	Reed
Andrews	Downey	Lee	Reynolds
Ashurst	Ellender	Lodge	Russell
Bailey	George	Lundeen	Schwartz
Bankhead	Gerry	McCarran	Schwellenbach
Barbour	Gillette	McKellar	Sheppard
Barkley	Green	McNary	Shipstead
Bilbo	Guffey	Maloney	Smith
Bone	Hale	Mead	Thomas, Okla.
Brown	Harrison	Miller	Thomas, Utah
Byrd	Hatch	Minton	Townsend
Byrnes	Hayden	Murray	Truman
Capper	Herring	Neely	Tydings
Caraway	Hill	Norris	Vandenberg
Chandler	Holman	Nye	Van Nuys
Chavez	Holt	O'Mahoney	Wagner
Clark, Idaho	Hughes	Overton	Walsh
Clark, Mo.	Johnson, Calif.	Pepper	Wheeler
Danaher	Johnson, Colo.	Pittman	White
Davis	King	Radcliffe	Wiley

The PRESIDING OFFICER. Eighty Senators having answered to their names, there is a quorum present.

Mr. CHAVEZ. Mr. President, before the suggestion of the absence of a quorum was made, I had stated to the Senate that under the provisions of the present bill New Mexico, Wyoming, Colorado, and Utah were getting at the rate of $500,000 a year for the four States for a period of 14 years. That money was to be distributed, according to the House bill, in an equitable way. The phrase used was "equitably distributed." The Senate Committee on Irrigation and Reclamation, at my insistence and after a complete hearing, changed the word "equitably" to "equally." That was done for this reason:

New Mexico is a small State in population. Wyoming is a small State in population. Utah and Colorado are smaller in population than California and some of the other States; and we felt that the only equitable thing to do was to give those States an equal share of that meager sum of money, the only amount of revenue we were deriving in any way from Boulder Dam; and what is wrong about that? Why should not New Mexico get an equal share of this small amount?

We have only one project that we can take care of under the proposed law—only one—which is on the San Juan River in San Juan County, N. Mex. That river sends to Boulder Dam, I repeat, 2,400,000 acre-feet of water every year. The project that we have in mind will take only some 350,000 acre-feet of water, so the balance will still go to be used in the lower regions of the Colorado at Boulder Dam and be a benefit to other States and not to New Mexico, where it comes from. The committee felt that the request was so just that it unanimously adopted that amendment, and so reported to the Senate.

When the original bill was passed, the other States that were getting the benefit did not say anything about equity or equitable distribution of anything. They just took our water, constructed the dam, got low rates, and got irrigation projects. Arizona and Nevada were amply protected, and I do not blame them. Evidently they had someone in the Congress who was really interested in taking care of their interests. But now the opportunity presents itself; and I ask the Senate in all sincerity, after we have suffered so long, after we have not been permitted to have any of the benefits of Boulder Dam, that the little mite they are now giving us in order to have California set off $25,000,000 charged against it on account of flood protection shall be equally distributed among the States; that if it is $100, New Mexico shall get its $25; that if it is $500,000 a year for a certain period of years, New Mexico shall get its just and equal share; and we have said something else:

New Mexico is a sovereign State. New Mexico knows what it needs. We have but this one project. Is there anything unreasonable in New Mexico asking the United States Senate and the Congress that whatever money we get under the provisions of this bill, New Mexico shall determine how that money shall be spent in New Mexico?

The modification made by the conferees in this bill subjects us completely to the whim and caprice of someone who may be in charge of the Reclamation Bureau, or may be Secretary of the Interior. I maintain that this money comes from a special fund brought about by legislation passed by the Congress of the United States. They want to modify that law and give us a little mite. I think it is fairly reasonable that what goes to New Mexico shall be New Mexico's, to be used in the particular project in which New Mexico wants to use it. The only one that it wants is the San Juan River project, in San Juan County, N. Mex. We could not use the water anywhere else, but we want to determine where it shall be used as long as this money does not come from the Federal Government or from a special appropriation. This money does not come out of the General Treasury. It is the little interest we have in the revenue which is being produced at Boulder Dam. Hence we stand in an entirely different situation than in the case of a general project which would be constructed or built under the recla-

mation law. The bill provides that a special fund shall be created, not from taxes, not paid by the people of the United States, but from the revenue obtained at Boulder Dam from water that flows from the State of New Mexico.

Mr. President, under the old law we were not getting a thing, nor could we get a penny until after the amortization of the debt. Under this bill we would be worse off. While the money is there, while the revenue is flowing into a special fund from a special source, the modification made by the conferees would put us completely in the hands of someone else in the city of Washington. We think that is unfair.

Mr. President, the bill would never have passed the Senate unless we had had an agreement with the House. Last night when the bill was called up the chairman of the House Committee on Reclamation and Irrigation was sitting right next to me. On his own volition, without any suggestion on my part, he said, "I understand you are going to amend the bill to include the New Mexico amendments." He said, "I will concur with them, as chairman of the committee, because we know that is the only way we could pass the bill, and you were good enough not to object to the bill being brought up and letting it go to conference."

Mr. President, I feel that the Senate owes it to the people of the West, to the people of the State of New Mexico, to a standing committee of this body who stood unanimously by the Senate amendments, to defeat the motion of the Senator from Nevada, and I think the Senate should insist on a further conference, and insist on the Senate amendments, which are very reasonable.

Mr. President, to recount to this body the history of Boulder Dam, the story of how the States were treated originally, would take a week. Who wants this bill? We did not want to put any obstructions in the way, but it is not desired. The only ones who want it, who have been here for months and years, have been the men who sell the power around Los Angeles.

This bill needs more attention than a temporary discussion on this floor. I am telling my colleagues that they will be doing justice, they will be carrying out their oaths, they will act in accordance with their duty, and faithfully to the people of the country, if they defeat the motion of the Senator from Nevada, and insist on the Senate amendments.

Mr. O'MAHONEY. Mr. President, will the Senator yield?

Mr. CHAVEZ. I yield.

Mr. O'MAHONEY. I have just examined the conference report, not having been a member of the conference committee, and I am sure that I speak the minds of the Members of this body from the various Colorado River basin States when I say that it would not be the intention of anyone to deprive the State of New Mexico of its proper share in the development funds. The representatives of these States have all stood together pretty well in trying to protect the interests of those States.

Mr. CHAVEZ. And the representatives of the same States, the ones who represent the people of those States in matters dealing with irrigation and water, all favor the Senate amendments, and said so at the committee hearings. The Representative of the State of Wyoming, the Representative of the State of Colorado, the Representative of the State of Utah, and the two Representatives who were here from the State of New Mexico, all agreed that they were just, and no objections were made whatsoever. The Senator from Nevada [Mr. McCARRAN] attended those hearings; he listened to all the testimony adduced at that particular time, and it was unanimously agreed by the members of the committee, and by the representatives of the water users, that the amendments submitted by me were just and fair, and they had no objection, and recommended to the committee that they be inserted in the bill.

Mr. O'MAHONEY. I was about to make a suggestion. I should be unwilling to agree to support the conference report tonight against the objection of the Senator from New Mexico, because I feel that the interests of his State should be protected, and that we should give ample consideration to the rights of the State. It is obvious that we are not talking against time tonight——

Mr. CHAVEZ. No; we are not.

Mr. O'MAHONEY. And, as the Senator has stated, this is a subject which requires consideration. Would it not be a satisfactory procedure to allow the conference report to lie on the desk? The Senate and the House are about to adjourn for a week, and at the termination of the recess, it will be possible for all concerned to examine the language and, if necessary, perhaps, to send the bill back to conference.

Mr. CHAVEZ. I would have no objection to that procedure.

Mr. O'MAHONEY. Mr. President, I suggest that unanimous consent be asked that the conference report lie over until the Congress has reassembled after the coming recess.

Mr. CHAVEZ. I certainly shall not object, but in deference to the chairman of the conferees, the Senator from Nevada [Mr. PITTMAN], who is not present, I should not like to have the matter taken up now.

Mr. O'MAHONEY. I think the Senator is quite right about that. Let the request await his return.

Mr. HATCH. Mr. President, the Senator from Nevada has just entered the Chamber.

Mr. PITTMAN. What is the question?

Mr. O'MAHONEY. Just before the senior Senator from Nevada entered the Chamber, having listened to the address of the Senator from New Mexico, and having read the conference report, and being impressed by the sincerity with which the Senator from New Mexico speaks in opposition to the conference report, but feeling also that perhaps the report of the committee is not susceptible of the interpretation he places upon it, I was asking unanimous consent that the report be allowed to remain upon the desk until Congress reassembles after the recess which is about to be taken.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Wyoming?

Mr. PITTMAN. Mr. President, reserving the right to object, I may say that I did not have the pleasure of hearing all the Senator from New Mexico said, but this is a matter which has been under consideration by the governments of seven States, including the State of the Senator from New Mexico, together with three commissions from each State, and also by the power users, the Department of the Interior, and the Department of Justice. A bill was agreed on in the House of Representatives. A similar bill was favorably reported by the Senate Committee on Public Lands and Surveys. The Senator from New Mexico desired to protect the rights of his citizens more than they were protected by the bill apparently. In other words, for the first time in history the Senator from a State insisted that a particular reclamation project be mentioned in a bill.

If I am incorrect in that statement, I should like to know in what respect I am not correct. I pause for correction. [A pause.] Since no correction is made I assume my statement is true.

Mr. CHAVEZ. Mr. President, will the Senator yield to me?

Mr. PITTMAN. Certainly.

Mr. CHAVEZ. Is it not a fact that in the original bill the State of Nevada and the State of Arizona were mentioned?

Mr. PITTMAN. No reclamation project was mentioned.

Mr. CHAVEZ. The Boulder Dam project was mentioned.

Mr. PITTMAN. No reclamation project was mentioned.

Mr. CHAVEZ. But they are mentioned by name in this bill.

Mr. PITTMAN. No reclamation project was mentioned. I think it is peculiar that it should be sought to have a reclamation project mentioned. When benefits are divided among seven States, it seems peculiar to me that one State should insist on having a particular project mentioned. I could ask that a project in the State of Nevada be included. Possibly the Senator from Wyoming also has in mind a project he could mention. I do not know whether or not he has a project in view. Possibly he is more interested in defeating the measure. There are parts of it he does not like.

Mr. President, for 2 months the Governors of the States interested in the Colorado River Basin, representatives of the

States, and representatives of State commissions, have worked with the Department of the Interior and the Department of Justice, and they have agreed on this matter.

Mr. CHAVEZ. Mr. President, will the Senator yield to me for a moment?

Mr. PITTMAN. I yield.

Mr. CHAVEZ. Is it not a fact that the representatives of the Governor of every State the Senator has mentioned attended the committee hearings and that the representatives of each and every Governor who attended the committee hearings agreed and recommended the amendments?

Mr. PITTMAN. I do not know whether that is true, but if the Senator says it is true I accept it as true. At the last minute after the bill had been agreed upon the Senator from New Mexico offered the amendments. If he says the representatives in question agreed upon them, I accept his statement.

Some of the Senators interested in this matter, representing States interested in the Colorado River Basin, have objected to the amendments. The Senator from Wyoming [Mr. O'MAHONEY] and the Senator from Utah [Mr. KING] objected to the amendments. I pause for a moment to give opportunity to contradict that statement. [A pause.] Apparently it is not contradicted.

Mr. O'MAHONEY. Mr. President, let me interrupt the Senator to say that speaking for myself I read the amendments, and was uncertain as to their effect, and there was not so much an objection to the amendments as a desire to make certain as to what their effect would be.

Mr. PITTMAN. The Senator's explanation is entirely satisfactory to me.

I asked unanimous consent to have the conference report considered. The Senator from Wyoming [Mr. O'MAHONEY], the Senator from Colorado [Mr. JOHNSON], and other Senators objected. I judged from their objection that they were opposed to the measure.

Mr. HATCH. Mr. President, will the Senator yield to me for a moment?

Mr. PITTMAN. I yield.

Mr. HATCH. The suggestion made by the Senator from Wyoming was that the conference report at this time be passed over until after the adjournment, and then be taken up for consideration. I had a conversation with the Senator from Nevada, who probably wrote the provision in question in the conference report.

Mr. PITTMAN. No; I did not write it.

Mr. HATCH. I myself have interpreted that provision, and I think my colleague has also interpreted it, as being adverse to the interests of our State. The report has been here for only a few moments. I know the Senator from Nevada expressed himself to me as believing that the conference report really protected the interests of New Mexico.

Mr. CHAVEZ. He so expressed himself.

Mr. HATCH. I want to thank the Senator from Nevada for his courtesy in doing that. I know the Senator from Nevada tried to protect the interests of New Mexico. We simply have a confusion of mind. Perhaps, after all, there is no real difference between us.

Mr. PITTMAN. There will be no difference when we get through with the matter.

Mr. HATCH. During the recess we can consider this matter.

Mr. PITTMAN. There will be no recess now. I shall go downstairs and eat, and then come back to the Senate Chamber.

Mr. HATCH. The Senator has no objection, then, to the unanimous-consent agreement proposed by the Senator from Wyoming?

Mr. PITTMAN. I reserve the right to object. I wish to say that I am very fond of both Senators from New Mexico.

Mr. CHAVEZ. I have the same fondness for the Senator from Nevada.

Mr. PITTMAN. I thought I was doing the Senators a favor by retaining in the measure a reference to the project proposed by him in New Mexico.

Mr. CHAVEZ. The Senator from Nevada probably is.

Mr. PITTMAN. I thought I was. I have done everything I could to accommodate the Senator. I am willing to let this bill die—I have done everything I could do.

Mr. BARKLEY. Mr. President, will the Senator yield to me?

Mr. PITTMAN. I yield.

Mr. BARKLEY. I was temporarily absent from the Chamber when the suggestion was made to allow the conference report to go over until after the recess. The concurrent resolution has not reached here from the House, but it is contemplated that we shall adjourn tonight until Monday a week. I was wondering if any real harm would come from postponing consideration of the matter for a week.

Mr. PITTMAN. I shall object.

Mr. BARKLEY. There might be a conference, and perhaps there will be an interpretation of the language that will satisfy everyone.

Mr. PITTMAN. I will say that I have tried to show the importance of the matter.

Mr. BARKLEY. I think I understand the situation

Mr. PITTMAN. There are two Senators who are trying to kill this measure, after their Governors——

Mr. HATCH. Oh, Mr. President, I cannot let that statement pass unnoticed. There is no desire on the part of my colleague or on my part to kill this legislation.

Mr. PITTMAN. Oh, yes, there is.

Mr. HATCH. Mr. President, if that is the attitude of the Senator from Nevada, and if he wants the bill to die, so far as I am concerned, let it die.

Mr. PITTMAN. We will let it die, then.

Mr. KING. Mr. President, I sympathize with the view expressed by the able Senator from Nevada. I think the bill should be enacted into law at an early date, and I sincerely hope that no condition will arise that will be regarded as an obstruction to the early adjustment of any controversy with respect to the measure, and that it will be enacted into law.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Wyoming [Mr. O'MAHONEY].

Mr. PITTMAN. I object.

The PRESIDING OFFICER. Objection is heard.

The question is on agreeing to the report.

Mr. WHEELER. Mr. President, will the Senator yield?

Mr. CHAVEZ. I yield.

Mr. PITTMAN. Mr. President, I objected to the suggestion of the Senator, who suggested that the matter go over.

Mr. CHAVEZ. I have made no such suggestion.

Mr. PITTMAN. The report is still before the Senate?

Mr. CHAVEZ. The Senator objected to a request made by the Senator from Wyoming?

Mr. PITTMAN. Yes.

Mr. WHEELER. The Senator from New Mexico yielded to me?

Mr. CHAVEZ. I yielded to the Senator from Montana.

Mr. PITTMAN. I raise the question that the Senator from New Mexico cannot yield except for a question.

Mr. CHAVEZ. Mr. President——

Mr. PITTMAN. I shall continue to raise that objection. If the Senator wants to fight, let us proceed.

Mr. CHAVEZ. It is not the purpose of the Senator from New Mexico to run away from a fight.

Mr. PITTMAN. Go ahead and fight, then.

Mr. CHAVEZ. I am not speaking now with the idea of saying anything contrary to what has been said by the Senator from Nevada. I wish to say a few words. Possibly the Senator from Nevada will object.

Mr. PITTMAN. Not at all.

Mr. CHAVEZ. The Senator from Nevada knows that there is much of interest in this matter. The Senator from New Mexico wants to cooperate with the Senator from Nevada.

Mr. PITTMAN. The commission from the Senator's State knows more than he does.

Mr. CHAVEZ. The commission of my State insisted that we put the amendments in the bill. The senior Senator from Nevada did not attend the committee hearings one day. The junior Senator from Nevada [Mr. McCARRAN] did attend the committee hearings, and voted to insert the amendments.

I ask the Senator from Nevada please to do me the courtesy of listening to my request. The Senator from Nevada knows that the committee hearings have not even been printed as yet.

Mr. PITTMAN. That is true.

Mr. CHAVEZ. The Senator from Nevada knows that this report was drawn in a hurry. It contains what the Senate conferees agreed to. In order to obtain a copy to examine its provisions, we have had to go to the desk.

Mr. President, I feel that I am about to make a reasonable request of the Senator from Nevada. I ask unanimous consent that this matter go over for a week.

The PRESIDING OFFICER. Is there objection?

Mr. PITTMAN. I object.

Mr. CHAVEZ. Under the circumstances, I think that is about all I care to say.

Mr. HATCH. Mr. President, I wish to say only a few words.

The amendment involved in this controversy was adopted by the Senate Committee on Irrigation and Reclamation, and deals solely and only with a project in New Mexico. That is the whole subject of the amendment. It relates to no waters in any other State. It does not touch the waters of Colorado, or of Nevada, or of Wyoming, or of Utah, or of any of the other Colorado River Basin States. These amendments relate only to the waters of the San Juan River in the State of New Mexico.

Upon amendments offered by my colleague, the junior Senator from New Mexico [Mr. CHAVEZ], the Senate adopted what the Senators from New Mexico wanted concerning the waters in their own State. It was very gracious of the Senate to adopt those amendments, and we appreciate it.

The bill went to conference, and the conferees representing other States rewrote the amendments. Neither Senator from New Mexico was on the conference committee. The majority of the conferees—three out of four—are from the lower basin States. There is one conferee from California, one from Nevada, one from Arizona, and one from Colorado. The amendments relating to waters in New Mexico were rewritten in the language of California, Nevada, and Arizona.

Mr. PITTMAN. Mr. President, will the Senator yield?

Mr. HATCH. I shall be delighted to yield to the Senator.

Mr. PITTMAN. The Senator's inference was that I had been influenced by California.

Mr. HATCH. Not at all. I made no inference. I made my statement as plain as I knew how to make it, and I make it again. I said that the conference report dealing with waters in New Mexico was not written by New Mexico Senators.

Mr. PITTMAN. Is that what the Senator said?

Mr. HATCH. I said it was written in the language of California, Nevada, and Arizona.

Mr. PITTMAN. Did the Senator mean to intimate that I was influenced in the conference by California?

Mr. HATCH. No; I do not intimate that the Senator from Nevada was speaking for California at all. I do not intimate anything. I would not make that statement, because I think the Senator from Nevada really thought he was conserving and protecting the waters of New Mexico. However, it happens that the Senators from New Mexico do not agree with the distribution and division of waters in New Mexico as written by California, Nevada, and Arizona.

If the conferees had thought the amendments offered by my colleague and adopted by the Senate were unjust, if the House had refused to agree to them, they might have been entirely eliminated; but in rewriting the amendment, I submit that in a matter affecting the waters of one's own State, and no other State, the Senators from that State ought to have something to say about it. The only opportunity we now have to reach the question at all is for the Senate to defeat the conference report, because the only thing to be considered relates to waters in New Mexico. The Senators from New Mexico are not satisfied with the provision.

Mr. President, I submit that the conference report should be rejected. I do not say that with any desire to kill the bill. Let it be returned to the conferees, and let them again take up their labors and try to preserve the Senate amendments. If they cannot do so, if the House will not agree, then let them bring back another bill; but do not turn over the waters of New Mexico to the Commissioner of Reclamation, as the conference report does, and deprive the Senators of that State of the opportunity of having a single, solitary word to say about how those waters shall go.

Mr. President, I am ready for the vote to be taken.

Mr. ADAMS. Mr. President, having signed the conference report, I feel that the Senator from New Mexico has been a little inaccurate in his statement.

The first thing that is sought to be divided is the money which comes from the Boulder project operations. There is a certain sum derived in a certain way, which is for the benefit of the upper-basin States. That is the thing that is to be divided.

Mr. HATCH. Mr. President, will the Senator yield?

Mr. ADAMS. Certainly.

Mr. HATCH. I make no point of that, because that was a matter in which the other States were interested. If the matter goes back to the conferees, and the conferees say what should be done in that connection, I say that is a matter about which all the conferees have something to say; but the point I make is that they approved the report which relates to the waters in New Mexico and the establishment of our project.

Mr. ADAMS. The Senator said that it affected only waters in New Mexico. As a matter of fact, the State of Colorado is involved in this particular amendment. The amendment is drawn with the purpose of protecting the Colorado interests. That is, the water which would be used for this project arises substantially in Colorado. You do have floods in Canyon Largo, I know, at times, because they washed out a ranch I had down there.

Mr. HATCH. Let us not have any confusion between the Senator from Colorado and me about the division of the water. Let us not get that point mixed up.

Mr. ADAMS. I simply wanted to make clear the situation that what was sought to be done was to work out a distribution of funds. That is the fundamental thing in the bill. The amendment of the Senator from New Mexico, which is under discussion, specified a particular project in New Mexico—the only project, as I gathered, which is available in New Mexico from these waters.

Mr. HATCH. The only one that could be built.

Mr. ADAMS. The only one that could be built. I think the intentions of the Senator from Nevada have been misunderstood. I think the Senator stated that if this project should prove to be infeasible—I think that is the term he used——

Mr. HATCH. I could suggest a better term.

Mr. PITTMAN. Wait a minute. Who determines whether or not it is infeasible?

Mr. ADAMS. I should say the chairman of the Foreign Relations Committee.

Mr. PITTMAN. As a matter of fact, the bill provides that the Secretary of the Interior shall determine it.

Mr. ADAMS. But if in fact the project is not feasible, then the provision of the conference report applies to New Mexico. The same thing applies to every State. If projects in other States are found not to be feasible, moneys which have been allocated to those States should go into this fund which is to be divided and is again to be divided. The unfortunate physical fact that affects New Mexico is that if this project is not feasible, they are confronted with a great difficulty as to what they are going to do; and I do not assume that the State of New Mexico feel that they should have the

fund in cash to do what they please with. That is, it was a fund for the development of the water of the Colorado River Basin.

Mr. HATCH. Mr. President, will the Senator yield at that point?

The PRESIDING OFFICER. Does the Senator from Colorado yield to the Senator from New Mexico?

Mr. ADAMS. Certainly.

Mr. HATCH. I desire to say to the Senator from Colorado that he has correctly explained the physical situation; but we do not want, in New Mexico, in the case of our one lone project—and there is just one little project there, on the San Juan River—to say that we will give to the Commissioner of Reclamation or the Secretary of the Interior the sole power of determining whether or not that project is feasible, and if they say it is not feasible then we are just out.

Mr. ADAMS. May I ask the Senator a question? Of course, if the project in fact is not feasible, the consequences are inevitable.

Mr. HATCH. The consequences are inevitable, with this exception: The Commissioner of Reclamation might say, "From a Federal standpoint this project cannot be built as a Federal reclamation project"; but the State of New Mexico might say, "We have $10,000,000 that we will put into the project with the fund that comes from this other source, and we will build the project."

Mr. ADAMS. If an amendment were made in such form that the project would not be feasible with the share of New Mexico and other funds that might be contributed from any other source——

Mr. HATCH. Mr. President, if the Senator will yield, I want to say to the Senator from Nevada and to the Senator from Colorado that the Senator from New Mexico has not any doubt at all that if this matter can go over for a week, we can agree on satisfactory language.

Mr. PITTMAN. Why?

Mr. HATCH. That will remove——

Mr. PITTMAN. I still ask the question, "Why"?

Mr. HATCH. If the Senator will permit me, I will say that it will remove any objection he may have or we may have.

Mr. PITTMAN. The conference report cannot be changed.

Mr. HATCH. This is new language which has just been written, late this afternoon. I have not any doubt that the Senator from Colorado, the Senator from Nevada, and my colleague can get together next week or the week after and write language that will be perfectly satisfactory to everybody and protect the rights of everyone.

Mr. ADAMS. Of course, I am interested, as the Senator knows. We have this problem in the upper-basin States. We have a certain amount of water allocated to us by the Boulder compact. We have never attempted to distribute that water. We have a certain sum of money, and the problem is as to an equitable distribution of the fund. We have reached the first point of division; and, using the term that has been used here, it is very infeasible for us to fall out over this division and lose the opportunity to get the fund.

Mr. HATCH. Mr. President, will the Senator from Colorado yield?

Mr. ADAMS. Yes.

Mr. HATCH. Has the Senator from Colorado any doubt that we could work out this language as I suggested?

I think the Senator from Colorado understands the situation perfectly. The Senators from New Mexico would be entirely willing to enter into any sort of negotiations or any way to work out the matter that would be possible; but we do not want to be in the attitude of being forced here on the floor of the Senate to take this or nothing. I know the Senator from Colorado does not want to do that.

The PRESIDING OFFICER (Mr. MILLER in the chair). The question is on agreeing to the conference report. [Putting the question.] The Chair is in doubt. Those in favor of agreeing to the conference report will rise. [After a pause.] Those opposed to agreeing to the conference report will rise. [A pause.]

Mr. HATCH. I suggest the absence of a quorum.

Mr. BONE. Mr. President, will the Senator withhold the point of no quorum while I make application to place something in the RECORD?

The PRESIDING OFFICER. Does the Senator from New Mexico withhold the call for a quorum until the Senator from Washington can submit his request?

Mr. HATCH. I do.

OPPOSITION TO MUNICIPAL OWNERSHIP OF PUBLIC UTILITIES

Mr. BONE. Mr. President, upon previous occasions I have asked consent to insert in the RECORD, as a part of my remarks, copies of letters which I had written to constituents in the State of Washington about a controversy being carried on in that State affecting public power development, and an attack upon this public power development which is being carried on in connection with the federally owned power plants in the State. I ask consent at this time that the two letters which I send to the desk be incorporated in and made part of my remarks. These are letters Nos. 4 and 5.

There being no objection, the letters were ordered to be printed in the RECORD, as follows:

LETTER NO. 4 ON INITIATIVE 139

UNITED STATES SENATE,
COMMITTEE ON PATENTS.

DEAR FRIEND: I have been publicly challenged by a spokesman for the Let the People Vote League, sponsor of initiative 139, to quote any statement of the league that is a distortion of the truth. It will be recalled, from my three previous letters, that this so-called league is a propaganda agency of the private power companies. These companies, through initiative 139, are trying to impose on public-utility districts restrictions that would prevent them from functioning.

I accept the league challenge, and give on this page samples of false assertions the league has made in advertising mailed to voters throughout the State. Side by side with the league's statements I quote passages from the State constitution and our State supreme court's decisions. The public can decide which to believe—the league or the law, the league or the supreme court.

THE LEAGUE VERSUS THE LAW

The league says: "P. U. D. commissioners can now incur unlimited public debt without your approval."

The State constitution says: "No county * * * or other municipal corporation shall, for any purpose, become indebted in any manner to an amount exceeding 1½ percent of the taxable property in such county * * * or other municipal corporation without the assent of three-fifths of the voters therein * * *."

The league says: "P. U. D. commissioners can * * * issue revenue bonds * * *" which "constitute a public debt which the people must pay."

The State supreme court says: " * * * All obligations arising from the acquisition, operation, and maintenance of the utility must be met from its revenue, and, in any event, by no action of the city or its officers can the burden be shifted to the shoulders of the taxpayers * * *."

To demonstrate further how far from the facts and the law the league goes in its assertions, I have obtained the following opinion from the State's attorney general, Mr. Smith Troy:

"A utility or a revenue bond is an obligation against the revenue of the utility and can only be paid from other than that source with a special vote or authorization of the taxing district. The courts of our State have maintained this rule continuously since the question has first been raised."

Faced with such proof, spokesmen for the league now retreat to a hitherto unheard of definition of "public debt." They have been asserting that P. U. D. revenue bonds are a general tax obligation. Now they admit that is not so, but assert—and I quote—that "they constitute public debt just as surely as general obligation bonds, since all utility users in such projects must pay their power and water bills monthly or have their service cut off."

By exactly the same reasoning, the people should have the right to vote on securities of every private power company. To make this particular point more clear, suppose the spokesmen for the league had said in their advertising:

"Private power company stocks and bonds constitute public debt just as surely as general obligation bonds, since all utility users in such companies must pay their power and water bills monthly or have their service cut off."

Of course, the Let the People Vote League in framing Initiative 139 was cute enough not to employ this sort of argument and attempt to apply it to private power companies as well as public systems. Securities of both are in exactly the same position: both kinds of securities are payable by the actual users of utility services and are not payable by taxation. But in its anxiety to kill public power development the league is forced to use this utterly illogical argument.

This league is not really interested in your right to vote, or it would now be fighting to give you a vote on private power company securities and franchises. The league's real purpose—the

purpose for which it was set up by the private power companies—is to put public-utility districts out of business.

The league so far has not attempted to refute with proof my declaration that it is a fake organization. It has not produced any statement of where and when it was organized; who are its members; and where its money comes from.

C. C. Dill, Ervin E. King, the master of the State Grange, our Congressmen, and other men you know and can trust, have told you the truth about this initiative. You don't know what the league is or what reliance you can place on its statements. Play safe. As the league says: "Don't be misled."

Vote "no" on Initiative 139.

Yours sincerely,

HOMER T. BONE.

This letter has been printed in the CONGRESSIONAL RECORD, and is a part thereof.

LETTER NO. 5 ON INITIATIVE 139

UNITED STATES SENATE,
COMMITTEE ON PATENTS.

DEAR FRIEND: In the interest of national defense "the time has come," says a private power company advertisement in our State, "to call off the war between public and private power."

Fine! Excellent! Let's call it off, and as a first step—all, of course, in the interest of national defense—the private power companies should immediately dissolve their sham Let the People Vote League and abandon their efforts to cripple public-utility districts through passage of initiative 139.

From now on every private power attempt to gouge the public will be cloaked in the magic words "national defense." Electric Bond & Share Co., Wall Street holding company which controls large power systems in our State, is seeking to avoid compliance with a Federal law by pleading that it is engaged with problems of national defense. I am for real national defense and lots of it, but flag waving for commercial purposes is hardly good sportsmanship.

And now back to initiative 139. This trick bill is so worded that it would, in practice, prevent public-utility districts from financing their operations. Thus it would put them out of business, which is exactly what the private power companies planned when they drafted it.

Experience in our State shows the requirements of No. 139 are impossible to meet. This bill specifies that the total vote at a special bond election must exceed 50 percent of that cast at the preceding general election. It has been found that special bond elections do not attract half as many voters as cast ballots in general elections. Private power companies are trying to capitalize the apathy over special elections to destroy the usefulness of our Grange power law.

Consider this typical case. On November 21, 1933, Spokane voters went to the polls to approve or disapprove six bond issues. The merit of the issues is unimportant here: The point is that a majority of those voting approved the bonds, but the total vote was less than 50 percent of the vote cast at the preceding general election.

The figures:

All votes cast on 1933 bond issue	24,057
Total vote cast in 1932 election	51,588
Total vote essential under No. 139	25,795

In Spokane it has been found so impossible to obtain the necessary votes at bond elections that no bond issue has been placed on the ballot since 1936. Yet Spokane has for years issued utility revenue bonds, payable out of water revenues, and the courts have sustained such action. Spokane and other cities have a privilege that the Let the People Vote League now seeks to take away only from public-utility districts. Apparently the power companies are afraid to tackle the cities just yet, but if initiative 139 goes through, we may expect similar action against the cities.

This initiative places a premium upon not voting, despite the specious slogan "Let the people vote." Those who oppose the operations of a public-utility district can make their opposition more effective by staying away from the polls than by voting "no."

To illustrate, suppose 100,000 voted at last general election; 50,001 votes would be needed at P. U. D. bond election; 50,000 "yes" votes would be insufficient; one "no" vote added would validate bonds. By staying away from the polls, one person could defeat the unanimous will of 50,000 persons; whereas thousands of voters going to the polls and voting "no" would insure passage of bond issue.

In addition to such lopsided requirements, initiative 139 contains 12 trick words that might be interpreted as requiring a three-fifths majority to validate P. U. D. bonds. These words are as follows: "Or by such greater percentage vote as may be required by the constitution." This refers to article 8, section 6, which provides for a three-fifths vote.

Analysis of this tricky initiative, as well as examination of the Let the People Vote League that sponsors it, reveals the dubious nature of the whole campaign to put over this bill.

Is it not good sense to support the well-known and honored State Grange in its fight against this initiative 139, rather than support the questionable activities of a league about which few know anything and which has suddenly turned up with a pocket full of money to "protect" our citizens against some vague and undefined peril?

When in doubt about the desirability of such a peculiar initiative measure as this one, the safe thing to do is to vote against it. If the signers of the initiative petition are now in doubt as to its validity and honesty, the safe thing to do is to withdraw their signatures.

Yours sincerely,

HOMER T. BONE.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Chaffee, announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 9007) making appropriations for the Department of Labor, the Federal Security Agency, and related independent agencies, for the fiscal year ending June 30, 1941, and for other purposes.

The message also announced that the House had agreed to the amendment of the Senate to each of the following bills of the House:

H. R. 6328. An act to amend the Tariff Act of 1930, as amended by section 34 (c) of the Customs Administrative Act of 1938 (U. S. C., 1934 edition, Supp. IV, title 19, sec. 1001, par. 1529 (a)); and

H. R. 7736. An act authorizing the Secretary of the Interior to issue patents for lands held under color of title.

The message further announced that the House had severally agreed to the amendments of the Senate to the following bills of the House:

H. R. 7865. An act to amend the act for the regulation of the practice of dentistry in the District of Columbia, and for the protection of the people from empiricism in relation thereto, approved June 6, 1892, and acts amendatory thereof;

H. R. 8285. An act to limit the importation of articles, products, and minerals produced, processed, or mined under process covered by outstanding United States patents; to define unfair trade practices in certain instances, and for other purposes;

H. R. 8692. An act to amend the act to regulate the practice of podiatry in the District of Columbia; and

H. R. 9791. An act to amend the District of Columbia Unemployment Compensation Act.

ENROLLED BILLS AND JOINT RESOLUTION

The message also announced that the Speaker had affixed his signature to the following enrolled bills and joint resolution:

H. R. 8202. An act making appropriations for the Department of Agriculture for the fiscal year ending June 30, 1941, and for other purposes;

H. R. 10039. An act to provide for the expenses of national preparedness by raising revenue and issuing bonds, to provide a method for paying for such bonds, and for other purposes; and

H. J. Res. 544. Joint resolution making appropriations for work relief and relief for the fiscal year ending June 30, 1941.

BOULDER DAM—CONFERENCE REPORT

The Senate resumed the consideration of the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 9877) authorizing the Secretary of the Interior to promulgate and to put into effect charges for electrical energy generated at Boulder Dam, providing for the application of revenues from said project, authorizing the operation of the Boulder power plant by the United States directly or through agents, and for other purposes.

Mr. PITTMAN. Mr. President, a parliamentary inquiry. What is the parliamentary situation?

The PRESIDING OFFICER. The Senator from Washington [Mr. BONE] has asked and obtained unanimous consent to insert certain correspondence in the RECORD.

Mr. PITTMAN. What was the result of the division?

The PRESIDING OFFICER. The Senator from New Mexico made the point of order of no quorum, and the Chair asked him if he would withhold that point until the Senator from Washington could state his request for unanimous consent.

Mr. PITTMAN. If the Senator withheld it, it is all right.

Mr. HATCH. I was withholding the point of no quorum for that purpose.

The PRESIDING OFFICER. The Chair had not announced the vote. The clerk will call the roll.

Mr. BARKLEY. Mr. President, will the Senator from New Mexico withhold his suggestion a moment?

Mr. McCARRAN. I rise to a point of order.

The PRESIDING OFFICER. The Senator will state it.

Mr. McCARRAN. Must not the Chair decide the result of a question of division? Division was called for and the Chair was called upon to decide.

The PRESIDING OFFICER. A point of order was made.

Mr. McCARRAN. A point of no quorum was made before the Chair announced the decision. Can a point of no quorum intervene between an aye-and-nay vote and the statement of the result?

The PRESIDING OFFICER. It is in the discretion of the Chair to withhold the decision on the vote, which the Chair did, and the point of order was entertained.

Mr. McCARRAN. If that be true, of course I will abide by the decision of the Chair. But my understanding is that when division is called for the Chair must note the numerical standing on the division. I may be wrong.

The PRESIDING OFFICER. That would be true except for the point of order of no quorum being made. When the point of order of no quorum is made——

Mr. McCARRAN. My recollection is that the point of no quorum cannot be made during the pendency of a vote.

The PRESIDING OFFICER. The Chair made a notation of the vote, but without announcing it, because of the intervention of the point of order.

Mr. BARKLEY. The point of order of no quorum of course automatically requires a roll call, but the Chair asked the Senator to withhold the point until the Senator from Washington could insert something in the RECORD, and that was done. So, I presume, when the matter is inserted in the RECORD, the point of no quorum automatically comes up, if the Senator renews it.

Mr. HATCH. The Senator intended to renew it.

Mr. McCARRAN. I still insist on my point of order.

The PRESIDING OFFICER. The point of order is overruled. The clerk will call the roll.

Mr. McCARRAN. A point of order.

Mr. ADAMS. Mr. President——

Mr. McCARRAN. A point of order.

The PRESIDING OFFICER. The roll will be called.

Mr. McCARRAN. I was on my feet insisting on a point of order.

The PRESIDING OFFICER. The Senator will state it.

Mr. McCARRAN. My point of order is that when a viva voce vote has been taken and then a standing vote, on division, has been called, and the Chair has not announced the decision on the division vote, he must announce it before a roll call can be insisted upon.

The PRESIDING OFFICER. The Chair is advised that it is the universal practice of the Senate, without any question, that when a point of order is made of no quorum that suspends proceedings relating to the matter under consideration.

Mr. McCARRAN. I have made the point of order.

The PRESIDING OFFICER. The point of order is overruled.

Mr. McCARRAN. Then I appeal from the decision of the Chair.

The PRESIDING OFFICER. The question is, Shall the decision of the Chair stand as the judgment of the Senate? [Putting the question.] In the opinion of the Chair, the "ayes" have it.

Mr. HATCH. Mr. President, in order that we might have some order and some understanding, I ask unanimous consent that the point of no quorum be withdrawn without any prejudice.

Mr. PITTMAN. I object.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Adams	Donahey	La Follette	Reed
Andrews	Downey	Lee	Reynolds
Ashurst	Ellender	Lodge	Russell
Bailey	George	Lundeen	Schwartz
Bankhead	Gerry	McCarran	Schwellenbach
Barbour	Gillette	McKellar	Sheppard
Barkley	Green	McNary	Shipstead
Bilbo	Guffey	Maloney	Smith
Bone	Hale	Mead	Thomas, Okla.
Brown	Harrison	Miller	Thomas, Utah
Byrd	Hatch	Minton	Townsend
Byrnes	Hayden	Murray	Truman
Capper	Herring	Neely	Tydings
Caraway	Hill	Norris	Vandenberg
Chandler	Holman	Nye	Van Nuys
Chavez	Holt	O'Mahoney	Wagner
Clark, Idaho	Hughes	Overton	Walsh
Clark, Mo.	Johnson, Calif.	Pepper	Wheeler
Danaher	Johnson, Colo.	Pittman	White
Davis	King	Radcliffe	Wiley

The PRESIDING OFFICER. Eighty Senators having answered to their names, a quorum is present.

APPROPRIATIONS FOR THE DEPARTMENT OF LABOR, FEDERAL SECURITY AGENCY, ETC.—CONFERENCE REPORT

Mr. McKELLAR submitted the following report:

The committee of conference on the disagreeing votes of the two Houses on certain amendments of the Senate to the bill (H. R. 9007) making appropriations for the Department of Labor, the Federal Security Agency, and related independent agencies, for the fiscal year ending June 30, 1941, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendments numbered 36, 37, 38, and 39.

Amendment numbered 35: That the House recede from its disagreement to the amendment of the Senate numbered 35, and agree to the same with an amendment, as follows: Restore the matter stricken out by said amendment, and at the end of the matter so restored insert the following: ": *Provided further*, That this section shall not apply to positions in the Civilian Conservation Corps outside the District of Columbia"; and the Senate agree to the same.

KENNETH MCKELLAR,
RICHARD B. RUSSELL,
PAT MCCARRAN,
J. H. BANKHEAD,
JOSEPH C. O'MAHONEY,
Managers on the part of the Senate.

M. C. TARVER,
JOHN M. HOUSTON,
HARRY R. SHEPPARD,
BUTLER B. HARE,
ALBERT J. ENGEL,
Managers on the part of the House.

The report was agreed to.

AMENDMENT OF FEDERAL RESERVE ACT

Mr. BROWN. Mr. President, by direction of the Committee on Banking and Currency, I report back favorably from that committee without amendment the bill (H. R. 10127), to amend the Federal Reserve Act, and for other purposes.

Mr. President, I ask unanimous consent for the present consideration of the bill and that the pending business be temporarily laid aside for that purpose.

The PRESIDING OFFICER. Is there objection?

There being no objection, the Senate proceeded to consider the bill (H. R. 10127), to amend the Federal Reserve Act, and for other purposes, which was read the first time by its title and the second time at length, as follows:

Be it enacted, etc., That subsection (e) of section 14 of the Federal Reserve Act is amended by striking out at the end of the first sentence thereof the words "for such foreign correspondents or agencies", and inserting in lieu thereof the words "for foreign banks and bankers, and for foreign states and governments, agencies, and instrumentalities thereof".

SEC. 2. Section 25 (b) of the Federal Reserve Act is amended by adding at the end thereof a new paragraph reading as follows:

"Whenever any Federal Reserve bank has received from a foreign state recognized by the Government of the United States or from a central bank of any such state, or holds or controls any property in which such a foreign state or a central bank thereof has, or may have, any interest and a state of war or insurrection exists in such foreign state or the laws, orders, or regulations of the United States impose controls or restrictions by licensing arrangement or otherwise on the export of, or dealing in, property

in the United States belonging to such foreign state or central bank, payment, transfer, delivery, or other disposal of such property to or upon the order of the person who the representative of such foreign state duly accredited to the Government of the United States shall certify to the Secretary of State has authority to receive, control, dispose of, or otherwise exercise dominion over such property, provided and so long as the Secretary of State recognizes and accepts the authority so certified to him, shall be conclusively presumed to be lawful and shall constitute a complete discharge and release of any liability for or with respect to such property. The Federal Reserve bank shall not be subject to any claim or liability in any court by way of suit, counterclaim, set-off, recoupment, or other affirmative action or defense in its own name or in the name of any of its officers, agents, or employees, as a consequence of any action which it takes in accordance with this paragraph. No court shall, at the instigation of any third party, by attachment, injunction, or other similar proceeding, in any way, directly or indirectly, restrain or prevent a Federal Reserve bank from making any payment, transfer, delivery, or other disposal of property herein referred to. For the purposes of this paragraph, the term 'property' shall include, without limitation, gold, silver, currency, credits, deposits, securities, choses in action, and any other form of property, the proceeds thereof, and any right, title, or interest therein; the term 'foreign state' shall include, without limitation, any foreign government or any department, district, province, county, possession, or other similar governmental organization or subdivision of a foreign government, and any agency or instrumentality of any such foreign government or of any such organization or subdivision; the term 'central bank' shall include any foreign bank or banker which performs any one or more of the functions of a central bank; and the term 'person' shall include, without limitation, any corporation, partnership, association, or other similar organization."

Mr. BROWN. The bill was unanimously favorably reported by the Banking and Currency Committee of the Senate this morning. It was unanimously reported out by the Banking and Currency Committee of the House yesterday and was passed by the House today.

Briefly the bill deals with deposits of foreign governments and foreign banks, central banks, Government banks, particularly in countries that are in a distressed condition because of the war. It permits the Federal Reserve banks to transfer the deposits upon their books, upon the certificate, request, or demand of a person designated by the Secretary of State of the United States.

Applying it to a practical situation, the Secretary of State determines who is the accredited representative of a government of a foreign nation with respect to the control of the deposits of that nation in our Federal Reserve banks. It does nothing more than that. But incidental to that, it takes away from any foreign government any right it may have had to come into our courts to obtain an injunction or other legal relief, and makes the determination of our Secretary of State final as to who is in control of that deposit.

Mr. ADAMS. Mr. President, will the Senator yield?

Mr. BROWN. I yield.

Mr. ADAMS. I wish to ask the Senator a question. I was compelled to leave the Banking and Currency Committee this morning by reason of duties in connection with a conference committee. Does the measure protect the Federal Reserve banks in making payments to any foreign government, or the central bank of any foreign government, provided the payments were made to the individual who is recognized by the Secretary of State, as representing that government.

Mr. BROWN. Yes.

Mr. ADAMS. It gives to the Secretary of State the right to determine, so far as the Federal Reserve Banks are concerned, the person who shall be recognized as the representative of the foreign government or the central bank?

Mr. BROWN. Yes.

Mr. ADAMS. My inquiry is based on this fact. There are the funds of foreign nations, there are the funds of central banks deposited in national and State banks. Why is it not possible to furnish to privately owned banks protection equal to that which is furnished by this measure to the Federal Reserve banks? It seems to me that when the Secretary of State says that Count So-and-So is the representative of a certain foreign government, the Secretary of the State has performed his function, and then the Federal Reserve bank is justified in making payments to him, because he is the accredited representative. The accredited representative having been established, why might we not permit the First National Bank of New York, or some other national or State bank, to make payments of funds on deposit with them from a foreign nation, or a central bank, and have the same protection? That is, it is sought to avoid controversy which might involve liability upon the Federal Reserve bank by representatives of two factions in a foreign government making claims for funds, by saying that the Secretary of State shall be the final determining factor. I am wondering if we could not protect other banks which would be in the same dilemma.

Mr. BROWN. I think we could, and I think we should. I will say to the Senator from Colorado that if he had been at the committee meeting, and had presented the matter in the manner in which he has now presented it, I think an amendment along that line could have been adopted.

The practical situation is that the bill as originally introduced was not satisfactory to the Senate committee, as the Senator well knows from the two meetings we had. We completely revised the bill, with the assistance of the Federal Reserve counsel, and the legislative counsel, and sent the bill to the House. The House agreed to our bill, as we in the Senate Banking and Currency Committee had agreed upon it, and reported it in the hope that we would be able to give it immediate consideration in the Senate.

The State Department made one objection to the Senator's suggestion. By the way, the Senator from Colorado made two suggestions in connection with the bill, one of which was adopted. The bill applies to any situation, and not only to the situation in which war might be the immediate cause of the difficulty.

The Secretary of State felt that the State Department would be considerably burdened by requests from the many banks in the United States which may have deposits of this kind.

Second, there was a little feeling on the part of the Federal Reserve officials and on the part of the Department of State, who agreed that the bill should pass, that there might be some question as to whether or not we should take the right of action in the courts away from depositors in privately owned banks as distinguished from a Federal Reserve bank, which, of course, is in a certain sense a public or Government bank.

Those were the two principal reasons why we did not adopt the second suggestion made by the Senator. The great problem is not in the private bank. It is not in the Morgan bank, for example, or the First National Bank of New York. It is mainly in the great central bank of the United States, the Federal Reserve System.

While I think we should cover the situation to which the Senator from Colorado alludes, I think we would cover a great part of the problem by passing the House bill tonight; and I wish to say that, so far as I am concerned, I shall join the Senator in legislation which will simplify the situation with respect to all the private banks, in line with the suggestion made by the Senator from Colorado.

Mr. ADAMS. The Senator feels that, in view of the particular hour and time, it would be unwise to seek to amend the bill at this time?

Mr. BROWN. Yes; it would have to go back to the House.

The PRESIDING OFFICER. The question is on the third reading and passage of the bill.

The bill (H. R. 10127) was ordered to a third reading, read the third time, and passed.

The title was amended so as to read: "A bill relating to foreign accounts in Federal Reserve banks."

EXECUTIVE SESSION

Mr. BARKLEY. Mr. President, I should like to have an executive session in order to confirm a number of appointments, so that the President may be notified. After the executive session we shall go back into legislative session.

Mr. PITTMAN. The Senator assures us that we shall go back into legislative session?

Mr. BARKLEY. I assure the Senator.

I move that the Senate proceed to the consideration of executive business.

The motion was agreed to; and the Senate proceeded to the consideration of executive business.

EXECUTIVE MESSAGES REFERRED

The PRESIDING OFFICER (Mr. HERRING in the Chair) laid before the Senate messages from the President of the United States submitting sundry nominations, which were referred to the appropriate committees.

(For nominations this day received, see the end of Senate proceedings.)

EXECUTIVE REPORTS OF COMMITTEES

Mr. McKELLAR, from the Committee on Post Offices and Post Roads, reported favorably the nominations of sundry postmasters.

Mr. BAILEY, from the Committee on Commerce, reported favorably the nominations of several officers for promotion in the Coast Guard.

Mr. WALSH, from the Committee on Naval Affairs, reported favorably the nominations of sundry officers for promotion in the Navy.

Mr. HATCH, from the Committee on the Judiciary, reported favorably the nomination of Herbert S. Phillips, of Florida, to be United States Attorney for the Southern District of Florida. (Mr. Phillips is now serving in this office under an appointment which expired June 6, 1940.)

ORDER FOR NOTIFICATION TO THE PRESIDENT

On motion of Mr. BARKLEY, it was—

Ordered, That the President be at once advised of all confirmations this day made, and that all resolutions of confirmation of nominations now in the hands of the Secretary of the Senate be transmitted to the President.

NAVY DEPARTMENT—ADMIRAL SAMUEL M. ROBINSON

Mr. WALSH. Mr. President, from the Committee on Naval Affairs I submit a report approving the nomination of Rear Admiral Samuel M. Robinson to be Chief of the Bureau of Ships in the Navy Department.

This is a new department in the Navy, which was provided for by recent legislation. In view of the fact that it is perhaps the most important department in our Government at the present time, I ask unanimous consent for the present consideration of the nomination.

The PRESIDING OFFICER. Is there objection to the present consideration of the nomination? The Chair hears none. Without objection, the nomination is confirmed.

Mr. WALSH. I ask that the President be notified of the confirmation of the nomination of Admiral Robinson.

The PRESIDING OFFICER. Without objection, the President will be notified.

POSTMASTERS—NOMINATIONS FAVORABLY REPORTED

Mr. McKELLAR. Mr. President, from the Committee on Post Offices and Post Roads, I have reported favorably sundry nominations of postmasters, all of which have been approved by Senators from the respective States. I ask unanimous consent for the immediate consideration of the nominations.

The PRESIDING OFFICER. Is there objection to the present consideration of the nominations? The Chair hears none.

Mr. McKELLAR. I ask that the nominations be confirmed en bloc and that the President be notified.

The PRESIDING OFFICER. Without objection, the nominations are confirmed en bloc; and, without objection, the President will be notified.

HERBERT S. PHILLIPS—UNITED STATES ATTORNEY

Mr. ANDREWS. Mr. President, I ask unanimous consent for the immediate consideration of the nomination of Herbert S. Phillips to be United States attorney for the southern district of Florida. The nomination was favorably reported earlier in the day from the Committee on the Judiciary.

The PRESIDING OFFICER. Is there objection to the present consideration of the nomination? The Chair hears none. Without objection, the nomination is confirmed.

Mr. ANDREWS. I ask that the President be notified.

The PRESIDING OFFICER. Without objection, the President will be notified.

MAURICE FRANCIS DONEGAN—UNITED STATES ATTORNEY

Mr. MILLER. Mr. President, from the Committee on the Judiciary, I report favorably the nomination of Maurice Francis Donegan to be United States attorney for the southern district of Iowa, and ask unanimous consent for its immediate consideration.

Mr. HERRING. Mr. President, the nomination has the approval of the Judiciary Committee, and also of my colleague and myself.

The PRESIDING OFFICER (Mr. MILLER in the chair). Is there objection to the present consideration of the nomination? The Chair hears none. Without objection, the nomination is confirmed.

Mr. HERRING. I ask that the President be notified.

The PRESIDING OFFICER. Without objection, the President will be notified.

IN THE ARMY

Mr. SHEPPARD. Mr. President, from the Committee on Military Affairs, I report favorably a number of routine Army nominations, and ask unanimous consent for their present consideration.

Mr. McNARY. Mr. President, are these routine nominations?

Mr. SHEPPARD. They are routine nominations.

The PRESIDING OFFICER. Is there objection to the present consideration of the nominations? The Chair hears none. Without objection, the nominations are confirmed en bloc.

PUBLIC HEALTH SERVICE

Mr. HARRISON. Mr. President, from the Committee on Finance, I report favorably a number of nominations in the Public Health Service, and ask unanimous consent for their present consideration.

The PRESIDING OFFICER. Is there objection to the present consideration of the nominations? The Chair hears none. Without objection, the nominations are confirmed.

If there be no further reports of committees, the clerk will state the nominations on the calendar.

THE JUDICIARY

The legislative clerk read the nomination of Benjamin Harrison to be United States judge for the southern district of California.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

DEPARTMENT OF COMMERCE

The legislative clerk read the nomination of Robert H. Hinckley to be Assistant Secretary.

Mr. McCARRAN. Mr. President, I ask that that nomination go over.

Mr. BARKLEY. Mr. President, let me say to the Senator that, as I understand, the House has passed a resolution providing for an adjournment until the 1st of July. I think it would be unfortunate for this nomination to go over for that length of time, in view of the fact that there is a vacancy to which Mr. Hinckley has been appointed. I hope the Senator will not insist that it go over, so that the Senate may take action on it, and the nomination may be confirmed.

Mr. McCARRAN. I am at a loss to know what motion to make. I did not know that the nomination was on the calendar. I had no advice that it was on the calendar. I am not a member of any committee from which I could gain such advice. I am advised that it went on the calendar only this morning.

Mr. BARKLEY. Of course, if the nomination is not confirmed tonight, and we should recess until July 1, it would have to go over until then.

Mr. McCARRAN. For 1 week?

Mr. BARKLEY. Yes.

Mr. McCARRAN. I must ask that the nomination go over until the Senate next convenes.

The PRESIDING OFFICER. The nomination will be passed over.

POSTMASTERS

The legislative clerk proceeded to read sundry nominations of postmasters.

Mr. McKELLAR. I ask that the nominations of postmasters be confirmed en bloc.

The PRESIDING OFFICER. Without objection, the nominations of postmasters are confirmed en bloc.

IN THE ARMY

The legislative clerk proceeded to read sundry nominations in the Army.

The PRESIDING OFFICER. Without objection, the Army nominations are confirmed en bloc.

That concludes the Calendar.

AMENDMENT OF FEDERAL RESERVE ACT

The Senate resumed the consideration of legislative business.

Mr. ADAMS. Mr. President, a few moments ago a bill was passed protecting the Federal Reserve Bank in the matter of payments of foreign governmental central bank accounts. The understanding of the Senator from Michigan, the understanding I had, the statement made on the floor of the Senate, was that the bill as it was passed was the bill which had been approved by the Banking and Currency Committee this morning. It turns out that that is not the case; that the bill which we have passed is the original bill which was being considered yesterday and not the bill which we thought was being reported. It seems to me, under that condition, that we should reconsider the vote by which House bill 10127 was passed, it having been passed under a misunderstanding; and I so move.

Mr. BROWN. Mr. President, I have just consulted with the majority leader in the House, and I find that the statement made by the Senator from Colorado is correct. I was reliably informed that the House had passed the bill as the Senate committee reported it. I think that was the understanding of everybody here; so I concur in the suggestion made by the Senator from Colorado. In addition to that request, I think we ought to ask that the bill be reconsidered and passed at this time.

The PRESIDING OFFICER. Without objection, the vote by which House bill 10127 was passed is reconsidered.

Mr. BROWN. I now ask that the text of the Senate bill be substituted for that of the House bill.

The PRESIDING OFFICER. The Senator from Michigan offers an amendment in the nature of a substitute which will be stated.

The LEGISLATIVE CLERK. It is proposed to strike out all after the enacting clause, and to insert the following:

That subsection (e) of section 14 of the Federal Reserve Act, as amended, is amended by inserting before the period at the end of the first sentence thereof the following: ", or for foreign banks or bankers, or for foreign states as defined in section 25 (b) of this act".

SEC. 2. Section 25 (b) of the Federal Reserve Act, as amended, is amended by adding at the end thereof the following new paragraph:

"Whenever (1) any Federal Reserve bank has received any property from or for the account of a foreign state which is recognized by the Government of the United States, or from or for the account of a central bank of any such state, and holds such property in the name of such foreign state or such central bank, (2) a representative of such foreign state who is recognized by the Secretary of State as being the accrediated representative of such foreign state to the Government of the United States has certified to the Secretary of State the name of a person as having authority to receive, control, or dispose of such property, and (3) the authority of such person to act with respect to such property is accepted and recognized by the Secretary of State, the payment, transfer, delivery, or other disposal of such property by such Federal Reserve bank to or upon the order of such person shall be conclusively presumed to be lawful and shall constitute a complete discharge and release of any liability of the Federal Reserve bank for or with respect to such property. No Federal Reserve bank shall be subject to any suit or other proceeding in any court, in its own name or in the name of any of its officers, directors, agents, or employees, as a consequence of any action taken by such bank, or with respect to any property disposed of, in accordance with the provisions of this paragraph. No court shall have jurisdiction to restrain or enjoin a Federal Reserve bank from making any payment, transfer, delivery, or other disposal of property in accordance with the provisions of this paragraph. For the purposes of this paragraph, (1) the term 'property' includes gold, silver, currency, credits, deposits, securities, choses in action, and any other form of property, the proceeds thereof, and any right, title, or interest therein; (2) the term 'foreign state' includes any foreign government or any department, district, province, county, possession, or other similar governmental organization or subdivision of a foreign government, and any agency or instrumentality of any such foreign government or of any such organization or subdivision; (3) the term 'central bank' includes any foreign bank or banker authorized to perform any one or more of the functions of a central bank; and (4) the term 'person' includes any individual, or any corporation, partnership, association, or other similar organization."

Mr. GEORGE. Mr. President, I wish to make an inquiry, and to put myself on record.

I do not understand why this legislation is necessary unless it is that we, as a Government, wish to recognize some one as owning and having the right to take and dispose of moneys or properties deposited in our Federal Reserve Banking System, or in any member thereof, who might not otherwise be entitled to receive the money. I am as confident as I am of anything on earth that ultimately this Government will be compelled to recognize the right of the real depositor in any of our banking institutions, and I do not see why it should not be.

I know that we can take away the right to sue; but whenever the United States resorts to that crude, barbaric method of denying the right of anybody, I do not care who he is, whether we like him or do not like him, the United States will cease to be the United States. We may take away the right of action on the part of any alien, on the part of any one who resides outside the United States; but it is not in keeping with the basic principles on which the American Government has rested.

I do not understand why this should be done. I do not understand why we should go to the utmost extremes to do anything that is not at all necessary. If it were necessary to impound moneys and to preserve the moneys or things of value until title could be asserted, that is one thing; but this proposal goes far beyond that.

This proposal simply says that whoever the Secretary of State recognizes as the proper person to withdraw funds on deposit shall have the exclusive right to do so. Yes; he may have it, but by what? Not by right; not by justice; not by the things upon which we have builded this Republic; but by the simple ipse dixit that we have the right to say to any foreign government or to any foreign depositor, "We will not let you have any access to our courts"; that is all.

Mr. BROWN. Mr. President, will the Senator yield at that point?

Mr. GEORGE. I shall be glad to yield, because I should like to know why this extraordinary kind of thing is necessary.

Mr. BROWN. In answer to what the Senator says about the ipse dixit of an administrative officer, I desire to state that only 2 or 3 weeks ago we passed a similar bill—which I think passed the Senate without objection and unanimously—by which the President of the United States was authorized to determine through his agents, as between private depositors in foreign countries, the control of their bank deposits and their other credits, such as stock in corporations. We have to put that authority somewhere. This situation arises because of the fact that in the case of the Government of Denmark—I do not know whether or not it does arise in the case of Denmark, but I use that merely as an illustration—in the case of Holland, in the case of Belgium, and in the case of France, the accredited governments, accredited to the Secretary of State, are entitled to that money, not 5 years from now, not 10 years from now, but now. We have to place in somebody the authority to determine who is the accredited representative of the government, and we placed it in the Secretary of State.

Mr. GEORGE. I have no objection to that, Mr. President. If the Senator is correct in regard to what we did some weeks ago—of which I was not personally aware, although I am

charged with constructive knowledge as a Member of this body—I want to put myself on record right now, not as denying the power of the United States, through the Secretary of State or anyone else, to do what this bill proposes to do, but as denying the moral right to exclude from the courts the true owner of any property or money on deposit.

I understand that there must be some way of solving the problem perhaps quickly, and we can assume that responsibility, but I think we should not do it in an arbitrary way and say, "You have not access to our own courts to test your right to this property."

It seems to me perfectly plain that what is desired here is to let the proper person get the money out of the bank. I may sympathize with that; I am in position to understand it; but I do not think that the United States should say that if we have in fact made a mistake, although we have the power, we are going to deny to anyone else the right to come into our own courts, under our own procedure, under our own law, under our own system of equity, complying fully with all that we require of anyone to assert his rights—the right to an adjudication in the court.

Mr. President, my good friend the Senator from Michigan has referred to some other legislation we passed. I do not exactly understand what it was. I know he is reporting it accurately, but I do not think that the United States is called on to take a position, now or at any time, contrary to what we should take at all times. I understand, of course, that there may be deposits of foreign governments which have had their governmental machinery upset, and perhaps their sovereignty has changed or passed under the control at least of some other power, but I do not see why we should go clear out of our way to find some method of saying to people we do not like, "We will not recognize you at all," but, far more than that, "We will deny you the right, now or hereafter, to come into our own courts, under our own procedure, under our established principles of law and of equity, to assert your rights in our courts." It may be all right, but it is not necessary. It cannot be necessary.

Mr. BROWN. Mr. President, if the Senator will yield a moment, does he believe that it is the duty of the Federal courts of the United States to determine who constitutes the de facto government of another nation? That is a matter which it seems to me is exclusively within the hands of those who have charge of the foreign relations of the United States. I think it is perfectly proper to say that our courts are closed to a contest the sole end of which is to determine who the de facto government of another nation may be. I think historically, constitutionally, by custom and practice that has always been in the hands of the executive who has charge of the foreign relations of the United States, and in accordance with that theory this bill was drawn.

Mr. KING. Mr. President, will the Senator from Georgia yield?

Mr. GEORGE. I yield.

Mr. KING. Is not the question of a de jure government, as well as a de facto government, involved in the proposition?

Mr. BROWN. I think so.

Mr. KING. And the State Department obviously has the right to determine the de jure government as well as the de facto government.

Mr. GEORGE. Where are there any de facto governments?

Mr. KING. There are many in the world.

Mr. GEORGE. Where are they?

Mr. BROWN. That is the uncertainty.

Mr. GEORGE. Where are they?

Mr. BROWN. Is the Senator able to say who is the Government of Denmark tonight, or the Government of France? I think our Department of State should determine that question, and that is right where we put it in this bill.

Mr. GEORGE. No, Mr. President; that is not the purpose of the bill. The purpose of the bill is to do one more thing which should not be done, to arrogate to ourselves the right to determine whom we wish to favor and whom we wish to discriminate against. That is the way I feel about it. I have no objection to the Government determining who is the de facto or who is the de jure government, and I have no objection to the Government acting upon that in all matters of government.

Mr. President, to complete my statement, it is one thing to assert a power which we may have; it is quite another thing arbitrarily to exclude our own courts, to oust them of jurisdiction to determine what are actually the facts in any particular case.

I am not opposing the measure, but I wish to report myself as saying that I am quite sure that sometime in the future—I may not be here and others may not be here—we will be undoing exactly the kind of thing we are now doing, and we will be recognizing the actual owner of property, although for the time being, and under the pressure of the excitement of the moment, we may wish to arbitrarily designate who is entitled to receive money or other things of value on deposit in a banking institution which is, of course, largely under the control of the Federal Government. We will come back to it, and we will recognize the right of the real owners of the property, and we will be compelled, ultimately, finally, to admit that we had no right at all simply to say, "We are going arbitrarily to determine that your government, your official representative here, is not entitled to act for your government."

Talk about de facto governments! There are none. France is not a de facto government. Denmark is not a de facto government. Certainly, so far as central Europe is concerned, there are no de facto governments. There is no one there asserting the right to control the powers of any government in Europe whose power is actually challenged. There are countries in war.

Mr. KING. Mr. President, will the Senator yield?

Mr. GEORGE. I yield.

Mr. KING. If there are no de facto governments—and I am not quarreling with the Senator—then there must be de jure governments; and if they are de jure governments and our Government has recognized them, or, if it has not, it has the authority to recognize them, obviously it has the right in a controversy to determine that Government "A" is de jure and we recognize it, our State Department recognizes it, and obviously, if the bank here had under its control money of that de jure government, they would receive the decision of our State Department that government "A" was the de jure government, and, so far as they were concerned, they would say to the bank, "You are authorized to turn over the money to de jure government "A."

Mr. BROWN. Mr. President, will the Senator from Georgia yield?

Mr. GEORGE. I yield.

Mr. BROWN. The Senator from Georgia says there are no de facto governments in Europe today.

Mr. GEORGE. I mean those which are concerned in the war.

Mr. BROWN. The Senator says these countries are at war.

Mr. GEORGE. Yes.

Mr. BROWN. I do not know whether Belgium is at war with Germany or not. The king says they are not at war. A cabinet which met for a time in Paris says that they are at war. A parliament, a legislative body, at a meeting somewhere in France—it was a rump parliament, it was not a majority of the legislative body of Belgium—determined they were still at war. I do not think the Senator or any one can determine right now who is governing Belgium. The situation may be different in France. However, that is the situation, I think, in Belgium.

Mr. GEORGE. Mr. President, I do not think there is any question about any de facto governments in Europe. I think Hitler, with all that has been said about him, knows exactly what government he is dealing with tonight. He is not questioning whether they are de facto or de jure governments. He knows they are the governments. The countries have been overrun or conquered, but the governments stand.

This is not a bill to let the Secretary of State say who is the government, so much as it is to permit the Secretary of State to say who is the authorized representative or agent entitled to take out these deposits. The method proposed to be employed is a method which I think is not worthy of Americans. It is proposed to say, "We will not give you the right to come into our courts subsequently and assert your rights."

I merely want to put myself on record in that respect.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Chaffee, one of its reading clerks, announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 10104) making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1940, and prior fiscal years, to provide supplemental appropriations for the fiscal years ending June 30, 1940, and June 30, 1941, and for other purposes, that the House recede from its disagreement to the amendment of the Senate No. 20 to the bill, and concurred therein with an amendment, in which it requested the concurrence of the Senate, and that the House insisted upon its disagreement to the amendment of the Senate No. 32 to the bill.

The message also announced that the House had agreed to a concurrent resolution (H. Con. Res. 83), in which it requested the concurrence of the Senate, as follows:

Resolved by the House of Representatives (the Senate concurring), That when the two Houses adjourn on Saturday, June 22, 1940, they stand adjourned until 12 o'clock meridian, Monday, July 1, 1940.

SECOND DEFICIENCY APPROPRIATIONS—CONFERENCE REPORT

Mr. ADAMS submitted the following report:

The committee of conference on the disagreeing votes of the two House on the amendments of the Senate to the bill (H. R. 10104) making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1940, and prior fiscal years, to provide supplemental appropriations for the fiscal years ending June 30, 1940, and June 30, 1941, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendments numbered 11, 16, 18, 27, 38, 52, 53, 54, 55, and 56.

That the House recede from its disagreement to the amendments of the Senate numbered 1, 2, 3, 4, 5, 6, 7, 8, 14, 17, 19, 22, 23, 24, 25, 26, 29, 33, 34, 35, 36, 37, 39, 40, 41, 42, 43, 44, 45, 46, 47, 49, 50, 51, 57, 60, 61, 62, 63, 64, 65, 66, 67, 68, 69, 70, 71, 72, 73, 74, and 75; and agree to the same.

Amendment numbered 9: That the House recede from its disagreement to the amendment of the Senate numbered 9, and agree to the same with an amendment, as follows: In lieu of the matter inserted by said amendment insert:

"For payment to Preston L. George, William S. Houston, John G. Nalley, and William H. Wannall, messengers on night duty during the third session of the Seventy-sixth Congress, $450 each; in all, $1,800, to be paid from the appropriation for printing and binding for Congress for the fiscal year 1941."

And the Senate agree to the same.

Amendment numbered 10: That the House recede from its disagreement to the amendment of the Senate numbered 10, and agree to the same with an amendment, as follows: In lieu of the sum of "$3,000,000" proposed in said amendment insert "$2,000,000"; and the Senate agree to the same.

Amendment numbered 12: That the House recede from its disagreement to the amendment of the Senate numbered 12, and agree to the same with an amendment, as follows: In lieu of the sum of "$16,200,000" proposed in said amendment insert "$15,000,000"; and the Senate agree to the same.

Amendment numbered 13: That the House recede from its disagreement to the amendment of the Senate numbered 13, and agree to the same with an amendment, as follows: In lieu of the matter inserted by said amendment insert the following:

"FOOD AND DRUG ADMINISTRATION

"Enforcement of Tea Importation Act: For enabling the Federal Security Administrator to carry into effect the provisions of the act approved March 2, 1897 (21 U. S. C. 41–50), entitled 'An Act to Prevent the Importation of Impure and Unwholesome Tea,' as amended, including payment of compensation and expenses of the members of the Board appointed under section 2 of the Act and all of the necessary officers and employees, both in Washington and in the field, fiscal year 1941, $30,094: *Provided*, That on and after July 1, 1940, no tea, or merchandise described as tea, shall be examined for importation into the United States, or released by the Collector, under said Act unless the importer or consignee of such tea or merchandise, prior to such examination, has paid for deposit into the Treasury of the United States as miscellaneous receipts, a fee of 3.5 cents for each hundredweight or fraction thereof of such tea and merchandise."

And the Senate agree to the same.

Amendment numbered 15: That the House recede from its disagreement to the amendment of the Senate numbered 15, and agree to the same with an amendment, as follows: In lieu of the matter inserted by said amendment insert:

"Appraisers Stores Building, Houston, Texas: The limit of cost of the Appraisers Stores Building Project at Houston, Texas, is hereby increased by $75,000."

And the Senate agree to the same.

Amendment numbered 21: That the House recede from its disagreement to the amendment of the Senate numberd 21, and agree to the same with an amendment, as follows: In lieu of the figure "$75,000,000" proposed in said amendment insert: "$50,000,000"; and the Senate agree to the same.

Amendment numbered 28: That the House recede from its disagreement to the amendment of the Senate numbered 28, and agree to the same with an amendment, as follows: In lieu of the sum of "$13,980" proposed in said amendment insert "$7,000"; and the Senate agree to the same.

Amendment numbered 30: That the House recede from its disagreement to the amendment of the Senate numbered 30, and agree to the same with an amendment, as follows: In lieu of the sum proposed insert "$800,000"; and the Senate agree to the same.

Amendment numbered 31: That the House recede from its disagreement to the amendment of the Senate numbered 31, and agree to the same with an amendment, as follows: In lieu of the matter inserted by said amendment insert: ": *Provided*, That no part of this sum allocated for expenditure in connection with the control and prevention of spread of the white-fringed beetle shall be used in any State without the request of the Governor of such State"; and the Senate agree to the same.

Amendment numbered 48: That the House recede from its disagreement to the amendment of the Senate numbered 48, and agree to the same with an amendment, as follows: In the matter inserted by said amendment strike out the following: "to remain available until expended,"; and the Senate agree to the same.

Amendment numbered 58: That the House recede from its disagreement to the amendment of the Senate numbered 58, and agree to the same with an amendment, as follows: In lieu of the matter inserted by said amendment insert:

"All moneys available on July 1, 1940, under the appropriation 'Construction of Buildings, Utilities, and Appurtenances at Military Posts' may be used in connection with the purposes of such appropriation for the employment of personnel at the seat of government or elsewhere without regard to civil-service requirements and restrictions of law relating thereto."

And the Senate agree to the same.

Amendment numbered 59: That the House recede from its disagreement to the amendment of the Senate numbered 59, and agree to the same with an amendment, as follows: In lieu of the matter inserted by said amendment insert:

"Not to exceed 5 per centum of any of the appropriations for the Military Establishment for the fiscal year 1941 may be transferred with the approval of the Director of the Bureau of the Budget to any other of such appropriations, but no appropriation shall be increased more than 5 per centum thereby."

And the Senate agree to the same.

The committee of conference report in disagreement amendments numbered 20 and 32.

ALVA B. ADAMS,
KENNETH MCKELLAR,
CARL HAYDEN,
JAMES F. BYRNES,
FREDERICK HALE,
JOHN G. TOWNSEND,
Managers on the part of the Senate.

EDWARD T. TAYLOR,
C. A. WOODRUM,
CLARENCE CANNON,
LOUIS LUDLOW,
J. BUELL SNYDER,
EMMET O'NEAL,
GEO. W. JOHNSON,
JOHN TABER,
R. B. WIGGLESWORTH,
W. P. LAMBERTSON,
J. W. DITTER,
Managers on the part of the House.

The report was agreed to.

The PRESIDING OFFICER (Mr. MILLER in the chair) laid before the Senate a message from the House of Representatives announcing its action on certain amendments of the Senate to House bill 10104, which was read, as follows:

IN THE HOUSE OF REPRESENTATIVES,
June 22, 1940.

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 20 to the bill (H. R. 10104) making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1940, and prior fiscal years, to provide supplemental appropriations for the fiscal years ending

June 30, 1940, and June 30, 1941, and for other purposes, and concur therein with an amendment as follows: In lieu of the matter inserted by said amendment insert:

"WORK PROJECTS ADMINISTRATION

"Subdivision (3) of subsection (b) of section 1 of the Emergency Relief Appropriation Act, fiscal year 1941, is hereby amended by inserting the following after the word 'training': 'for manual occupations in industries engaged in production for national-defense purposes' "; and

That the House insist upon its disagreement to Senate amendment numbered 32 to said bill.

Mr. ADAMS. I move that the Senate concur in the amendment of the House to the amendment of the Senate numbered 20.

The motion was agreed to.

Mr. ADAMS. I move that the Senate recede from its amendment numbered 32.

The motion was agreed to.

BOULDER DAM—CONFERENCE REPORT

The Senate resumed the consideration of the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 9877) authorizing the Secretary of the Interior to promulgate and to put into effect charges for electrical energy generated at Boulder Dam providing for the application of revenues from said project, authorizing the operation of the Boulder Power Plant by the United States, directly or through agents, and for other purposes.

Mr. PITTMAN. Mr. President, I regret very much that there has been a difference of opinion between the two Senators from New Mexico and me. The matter in question is of great importance to my State.

The PRESIDING OFFICER. The Senator from Nevada perhaps did not understand that the bill in charge of the Senator from Michigan has not been acted upon.

Mr. BROWN. Mr. President, may we dispose of that bill?

Mr. PITTMAN. If the bill will not be acted upon immediately, I shall proceed.

The PRESIDING OFFICER. The Senator from Nevada is recognized.

Mr. PITTMAN. It is just as convenient for me to speak at the present time as at any other time.

As I have said, the matter in question is of vast importance to my State. It is of very slight importance to New Mexico.

We spent 5 years trying to get the Colorado River States together so we could build the Boulder Dam. The Boulder Dam is not in New Mexico. It is not in Colorado. It is not in Wyoming. It is between Nevada and Arizona. We divided the waters; half went to the upper States and half to the lower States, and when the upper States received that they got all that was coming to them. Ever since that they have been trying to graft their projects on our State.

Mr. HATCH. Mr. President, will the Senator yield for a question?

Mr. PITTMAN. I yield.

Mr. HATCH. I wanted to be sure what the Senator said. Did I understand the Senator to say "graft"?

Mr. PITTMAN. Yes. Mind you, I was not referring to the Senator from New Mexico. If the Senator thought that——

Mr. HATCH. I understand, but the Senator was referring, as I understood, to the upper basin States.

Mr. PITTMAN. Certainly. There is a little stream that runs down through New Mexico, which sometimes has water in it. Sometimes it has too much water in it. There is a question of whether or not a dam can be installed there which will pay for itself by furnishing water in sufficient amount for irrigation. As a matter of fact, the engineers have reported on it, and they say it will not pay.

Nevertheless we have desired to please the people of New Mexico. When I say "we," I mean those who would pay for these projects in New Mexico; that is, the users of power in Nevada, Arizona, and California.

What do we propose? We propose that some of the power allotted to our people shall be allocated to New Mexico to develop a project there, if there is a project there. That is what we propose. Our people will pay for it out of our half of the water. After working for 20 years, an agreement was reached to divide the water power. We built a project, paying for it out of the money received from the power—paying back the money advanced by the Government. The upper States say, "We want a part of the profits of your dam, profits derived from users of power in your States, to build up our States."

The Boulder Dam bill was passed in 1928, and a number of Senators were interested in it. It took us 5 years to pass the bill. Why did it take so long? Because of the greed of certain States. It was finally passed. The upper States had nothing to do with it, but they had their half of the water.

However, in the hasty legislation of 1928 it was agreed to pay too much interest to the Government. When we tried to readjust the matter so as to give our citizens the same cheap power that citizens of other States received, what happened? The Senators from New Mexico rose, as they rose tonight, and said, "Very well, we will let you have this legislation to reduce the interest rates. We will let you have this legislation to postpone the interest rates on $25,000,000 for flood control"—for what? "If you will give us something." That is the whole story. "Give us something. Give us something."

Mr. BARKLEY. Mr. President, will the Senator yield to me?

Mr. PITTMAN. I decline to yield. The question of the right to power is a matter of State interest. The question of the development of reclamation in the State of New Mexico is a State question. It might be imagined that the State has never considered this question. The Governor of the State of New Mexico did consider it. He joined in with the Governors of the seven other Colorado River States and appointed a commission, which conferred for months and months with the Interior Department and with the power users, to see how much money could be gotten out of the project; and they finally unanimously agreed on a bill which passed the House of Representatives, which is identical with the bill which passed the Senate, except that after the bill was passed by the House the junior Senator from New Mexico [Mr. CHAVEZ] offered an amendment which provided that a certain project in his State should be recognized, and that some of the money might be used to investigate to see whether or not it was feasible; and, if the project were found feasible, some of the money was to be used to do something with it.

It is the first time in any such bill as this that a special project has been mentioned. Members of the Senate agreed to the amendment largely by reason of their love for both Senators from New Mexico. It was felt that New Mexico had only one project in the State, and that it should be investigated and built immediately. In the conference between the two Houses today I fought to have that provision retained in the bill. The Senator from New Mexico himself wrote the provision that the project should be immediately investigated from these funds, and, if found feasible, should be built. I thought that was the most extraordinary proposal I ever heard in my life, but I supported it. It is now in the bill. It is now in the conference report. The Senators from New Mexico do not want it. Why? Because there are two other amendments. So far as I am concerned, I should agree to them, of course. They would be of interest to the State of Nevada. It is to the interest of the State of Nevada to use the word "equal" instead of "equitable" in referring to the division. We say that if the project is held to be not feasible, the money should not be divided seven ways. It should be equitably used in the distribution and development of projects in the seven States.

Mr. CHAVEZ. Mr. President, will the Senator yield?

Mr. PITTMAN. I yield.

Mr. CHAVEZ. The Senators from New Mexico are not objecting to Nevada doing what Nevada pleases with whatever money Nevada obtains under the bill. All we ask is that New Mexico be allowed to do as she pleases with the crumbs which have been given to her since Boulder Dam was built.

Under the provisions of the modification made by the conferees, the division is to be equitable; but someone else, not New Mexico, is to determine what is equitable. We usually get the short end of it. Under the modification made by the conferees, the Department of Interior and the Bureau of Reclamation are to decide what is feasible. We maintain that under the standards of the Reclamation Bureau it is possible that a project might not be feasible according to those standards; but if it is not feasible under the standards applied to reclamation projects, and the crumbs belong to us, we still maintain that New Mexico could possibly find a feasible project under New Mexico regulations. That is all we ask.

Mr. McCARRAN. Mr. President, will the Senator permit a question?

Mr. CHAVEZ. I yield.

Mr. McCARRAN. I am addressing the question to the junior Senator from New Mexico. Is it not true that under the present set-up of the Boulder Dam project, the State of New Mexico would not receive anything until after the amortization had been completed?

Mr. CHAVEZ. That is correct.

Mr. McCARRAN. And that would be when?

Mr. CHAVEZ. Probably 1983.

Mr. McCARRAN. So the proposal with respect to New Mexico is very much more favorable than the existing law.

Mr. CHAVEZ. Provided it satisfies someone in Washington. We want the proposal to be favorable if it suits the people of the State of New Mexico.

Mr. McCARRAN. It might be possible in the future for the State of New Mexico to get something.

Mr. CHAVEZ. That is correct.

Mr. McCARRAN. Under the present law, the State of New Mexico has a definite program within a reasonable time.

Mr. CHAVEZ. Very well. However, it is also true that if the pending bill does not pass, and the existing law continues, we shall be paying higher rates than we are now paying for the power developed by Boulder Dam.

Mr. McCARRAN. That is correct. Let me ask a further question. Would the State of New Mexico gain anything by that circumstance?

Mr. CHAVEZ. No; but we desire to decide what is beneficial for New Mexico.

The VICE PRESIDENT. The Chair lays before the Senate a concurrent resolution coming over from the House of Representatives, which will be read.

The legislative clerk read as follows:

House Concurrent Resolution 83

Resolved by the House of Representatives (the Senate concurring), That when the two Houses adjourn on Saturday, June 22, 1940, they stand adjourned until 12 o'clock meridian, Monday, July 1, 1940.

Mr. PITTMAN. Mr. President, I still have the floor.

Mr. BARKLEY. Mr. President, a parliamentary inquiry.

The VICE PRESIDENT. The Senator will state it.

Mr. BARKLEY. Is the resolution laid down by the Chair a privileged resolution?

The VICE PRESIDENT. It is.

Mr. BARKLEY. Is it debatable?

The VICE PRESIDENT. It is not.

Mr. PITTMAN. Mr. President, I have not yielded to the Senator from Kentucky. I am still discussing the conference report.

The VICE PRESIDENT. As a matter of parliamentary procedure, the Chair will say to the Senator from Nevada that he yielded for the purpose of receiving a message from the House of Representatives.

Mr. PITTMAN. I decline further to yield.

As a matter of fact, as the junior Senator from Nevada [Mr. McCARRAN] has said, there never was such a landfall from Nevada to Arizona and New Mexico in the history of this Government. The money which is to be given to New Mexico comes from the people who buy power in Nevada, Arizona, and California. Is not that true?

Mr. CHAVEZ. Mr. President, may I ask the Senator a question?

Mr. PITTMAN. Certainly.

Mr. CHAVEZ. Is not that power developed by water that goes to Nevada from the State of New Mexico?

Mr. PITTMAN. Very little from New Mexico.

Mr. CHAVEZ. There is more water going down the San Juan River into Boulder Dam in Nevada than there is from the whole State of Nevada. More than 2,400,000 acre-feet of water go into Boulder Dam, which develops the power which, under the bill, will be sold for practically nothing elsewhere, not in New Mexico, developed by water that comes from the State of New Mexico; and they want to give us a few crumbs and then tell us how we may use it.

Mr. PITTMAN. Did we not leave half of it for you to use?

Mr. CHAVEZ. But until we have that project it will go to Nevada.

Mr. PITTMAN. But until you use it you want our money, do you not?

Mr. CHAVEZ. Until we build the project you are going to get the water, and you are still getting the water. That is what we are complaining about. We want the project so that the water will not go to Boulder Dam.

Mr. PITTMAN. Mr. President, this is nothing new. Away back in 1928, after 5 years of fighting, we had the seven-State compact, the treaty between the seven States. We divided the water half-and-half—half of it to the three lower States of Nevada, Arizona, and California; half of it to New Mexico, Colorado, and Wyoming. We proceeded to use ours. We sold it to our people; and when we commenced to get a little revenue the upper States, which had their water but were not using their water and had no use for their water, commenced to try to get some of this money. Under the bill they could not get any money until after the dam was paid for, in 50 years.

Mr. McCARRAN. Mr. President, will my colleague yield?

Mr. PITTMAN. I yield; yes.

Mr. McCARRAN. If I may, I will state the situation as I see it and as I have seen it.

The State of New Mexico has nothing coming now, under the existing law, within the memory of man or within the contemplation——

Mr. PITTMAN. Probably after 50 years.

Mr. McCARRAN. The bill now proposed will give to the State of New Mexico a sum of money very much worth while. I am not in possession of the figures, but I should say a division of about $7,000,000.

Mr. CHAVEZ. Mr. President——

Mr. McCARRAN. May I conclude my statement? I am interrupting my colleague.

Mr. PITTMAN. No; the Senator is not interrupting me.

Mr. McCARRAN. The fact of the matter is that the whole Boulder Dam project was worked out by the State of Nevada. It was worked out in contemplation of a great future. It was worked out along scientific lines. It was worked out so that all the lower basin and the upper basin States might profit thereby. Not a single selfish move was put forward by Nevada.

Let me illustrate, if I may, in the time of my colleague. During the existence of the present law the State of Nevada may enjoy something over $1,000,000 per year, according to the Mead tables, set down and published; but we have relinquished that for a stabilized situation. In other words, instead of a million dollars a year this year and perhaps $200,000 some years hence, we have struck a mean amounting to $300,000 a year; but in striking that mean we saw to it, or at least worked along with the State of New Mexico, the State of Arizona, and the other States of the upper and lower basins, to the end of having greater benefit come to the State of New Mexico. That greater benefit was admitted by the able junior Senator from New Mexico [Mr. CHAVEZ] in reply to my questions propounded only a moment ago. I am only drawing this matter to the attention of the Senate, in

the time of my colleague, so that something of the whole situation may be understood by the Senate. The State of New Mexico, if this bill passes, will be 100,000 times—and I use that figure very loosely—better off than if it rests on the present existing law. If this bill is defeated, what becomes of the increment that goes to the State of New Mexico? There will not be any.

Mr. CHAVEZ. Suppose New Mexico is willing to stand for that. If New Mexico is not getting anything now, why is there such anxiety to have the bill passed without New Mexico being protected?

Mr. PITTMAN. I will tell the Senator why.

Mr. McCARRAN. Who is anxious to have it passed?

Mr. CHAVEZ. I mean the proponents of the bill.

Mr. McCARRAN. The State of New Mexico is one of the proponents of the bill.

Mr. CHAVEZ. Mr. President, will the Senator from Nevada yield to me?

Mr. PITTMAN. Certainly; go right ahead. We have all evening.

Mr. CHAVEZ. The Senator from Nevada stated that Nevada is getting some benefits from this bill; and no one is complaining. We want Nevada to get everything to which it is entitled, and to do with those benefits as Nevada pleases; but in the case of the little share we may have—and a penny would be more than we are now getting—we maintain that as a free State that penny should be spent and used as the State of New Mexico desires. That is the complaint.

Mr. McCARRAN. Mr. President, may I interrupt my colleague again?

Mr. PITTMAN. For a little while.

Mr. McCARRAN. I voted in the committee on the very principle the junior Senator from New Mexico has now announced; but let it be remembered that we were voting to give to New Mexico something that New Mexico was going to get under the new law, not under the old law.

Mr. CHAVEZ. That is true; but New Mexico was also giving something else to the other States. I know that the Senator from Nevada on my right [Mr. PITTMAN] has said there was not any water there; but let me state to the junior Senator from Nevada that 2,400,000 acre-feet flow into Nevada from the State of New Mexico, and into Boulder Dam. Of that 2,400,000 acre-feet, the most that New Mexico wants and can use is 350,000 acre-feet, and Nevada will get the benefit of the remainder that flows from the State of New Mexico; so the other States are not giving New Mexico a thing. We are giving the other States something. But we insist, and I think justly so, that whether we get a penny or a million dollars, there shall be no provisions in the law which will prevent New Mexico from doing with her penny or with her million dollars as New Mexico pleases. That is the question.

I thank the Senator from Nevada for yielding to me.

Mr. PITTMAN. Mr. President, we will end the talk about furnishing water to the lower basin, because under an act of Congress we divided the water. New Mexico has her water and we have our water.

Mr. CHAVEZ. We cannot use our half of it until we get a project.

Mr. PITTMAN. Then do not graft on our part, because we are having a tough time for ourselves. As a matter of fact, we are not using New Mexico's water, we are using our half of the water. We are taxing our people to pay for the electric lights to pay the amortization cost. If there is anything over, we are going to pay some of it to New Mexico, not because we owe it to them but because we like them. But the amount we will pay New Mexico will depend on whether this bill passes. If it does not pass, we will not pay them anything for 50 years. If the bill passes, we will pay them seven or eight million dollars. They are not satisfied with that. They think there is a little chance of getting some more.

The Senator offered an amendment to the House bill, and I wish to say that the House bill was worked on for two and a half months by the Governors and commissioners of seven States, and agreed on. It came to the Senate, and the Senator was not satisfied with what his commission in New Mexico did, he was not satisfied with what the Governor did, and he offered an amendment.

Mr. CHAVEZ. The commission of New Mexico never did agree until the amendment was inserted.

Mr. PITTMAN. I will not disagree with that; but the commission agreed to the House bill. Did the commission agree to the House bill?

Mr. CHAVEZ. They certainly did, because the Senate bill was acted on before the House bill was acted on in committee.

Mr. PITTMAN. I mean, did they testify in the committee that they were in favor of the House bill, or not?

Mr. CHAVEZ. They did not, but the commissioner from Nevada and the commissioner from Wyoming and the commissioner from Colorado and the commissioner from Arizona testified before the Senate committee that they were satisfied, and they supported the amendment I inserted in the bill.

Mr. PITTMAN. A commissioner of Utah testified before our committee—and the Senator heard him—that all 14 commissioners agreed on the bill which went to the House. That was the testimony.

Let me read what the Senator offered as an amendment:

> Any moneys accruing for projects in New Mexico and appropriated pursuant to the authorizations contained in this subsection shall be available for (1) the completion by the Bureau of Reclamation of a survey of the Transmountain diversion project on the San Juan River in the State of New Mexico, and (2) for the construction of such project; and such project shall be designed so as adequately to protect the present and prospective uses of water in the State of Colorado and in San Juan County, N. Mex., including those of the Navajo Tribe of Indians, and, after providing for such needs, any water from such project remaining available for use shall be used as the State of New Mexico may determine.

Is that not what the Senator offered?

Mr. CHAVEZ. That is correct.

Mr. PITTMAN. What did the committee add to that? That was not in the House bill, was it?

Mr. CHAVEZ. No; but it was in the Senate bill.

Mr. PITTMAN. That was not in the House bill, was it?

Mr. CHAVEZ. It was not.

Mr. PITTMAN. It was not inserted until the bill came to the Senate, and that is what we acted on. The Senator added that in the committee, did he not?

Mr. CHAVEZ. To the Senate bill.

Mr. PITTMAN. How did the conference committee change it? Listen to this. This is the addition of the conference committee. The House did not have it in at all:

> *Provided*, That if the said project shall be determined by the Commissioner of Reclamation and the Secretary of the Interior as being infeasible, or if any project presented in any State shall be declared to be infeasible, then such funds shall be equitably divided by the Secretary of the Interior in accordance with the necessity for the development of the projects of the various States.

That is all that was added.

Mr. CHAVEZ. Mr. President, will the Senator yield right there?

Mr. PITTMAN. I yield.

Mr. CHAVEZ. That is the one to which we are objecting because of what it will do to New Mexico. Unless the Secretary of the Interior decides that a project is feasible, then New Mexico does not get a thing, but the money that should go to New Mexico will be distributed, according to what the Secretary of the Interior may think proper, in some other State.

Mr. PITTMAN. Was there ever an intention in connection with the original act except for reclamation? What do you want it for, cattle raising?

Mr. CHAVEZ. Not for cattle raising, but to use our own sovereignty, because the Secretary of the Interior, correctly so, and the Bureau of Reclamation, correctly so, may decide that, according to the standards of reclamation, a project submitted to them may not be feasible, but the State of New Mexico may decide that some other kind of project may be feasible, so far as New Mexico is concerned. We want the money that belongs to us to be used by New Mexico. If the

Secretary of the Interior wants to give some of the money away, I do not want him to give away New Mexico's money.

Mr. PITTMAN. We are amending the Boulder Dam Act, are we not?

Mr. CHAVEZ. We are trying to.

Mr. PITTMAN. And that act provides for the investigation and study of the upper river for reclamation purposes.

Mr. CHAVEZ. That is correct.

Mr. PITTMAN. Does the Senator want to change that, or not?

Mr. CHAVEZ. I do not want it changed so long as New Mexico's interests are protected.

Mr. PITTMAN. New Mexico does not get any money for 50 years, under that act.

Mr. CHAVEZ. That is all right.

Mr. PITTMAN. Now, it will get seven or eight million dollars for reclamation. You do not want it for reclamation, you want it for cattle raising.

Mr. CHAVEZ. No; we do not want it for cattle raising, and we do not get a cent if the Bureau of Reclamation decides that the project is not feasible. But, after all, the average State in the West has its engineers and its reclamation bureau, and they can decide on what is feasible in Utah, or Nevada, or Arizona, or elsewhere.

Mr. McCARRAN. Mr. President, will my colleague yield?

Mr. PITTMAN. I yield.

Mr. McCARRAN. I think the junior Senator from New Mexico will admit that no one has been more sympathetic or more in accord with his views than I have. I attended every one of the meetings of the committee. I went along with him because I thought that New Mexico, whatever money was coming to her, should have a right to designate how it should be expended. But the able Senator from New Mexico will undoubtedly agree that this is all under the Department of the Interior, specifically under the Bureau of Reclamation. I have never yet known, and I do not think the Senator from New Mexico can recall, when it was that any State could designate to the Bureau of Reclamation where a project should be. If I am in error in that, I should be glad to have the Senator correct me.

Mr. CHAVEZ. May I interrupt the Senator?

Mr. McCARRAN. Certainly.

Mr. CHAVEZ. Was there not testimony submitted both by the Bureau of Reclamation and by several persons who appeared before the committee that this was the only project of which the State of New Mexico could take advantage and that there was nothing else?

Mr. McCARRAN. I think the Senator is largely correct in that statement.

Mr. CHAVEZ. I assure the Senator that this is the only place where we can take advantage of a project.

Mr. McCARRAN. In other words, this seems to be the only feasible project in New Mexico.

Mr. CHAVEZ. It is either feasible or otherwise, but it is the only project. We say that if the Reclamation Bureau states that we cannot do it, according to the standards of reclamation, possibly New Mexico can go there and build some kind of a project that will be of some benefit.

Mr. McCARRAN. There is approximately $7,000,000 coming to the upper basin States out of this new bill, there is nothing coming to the upper basin States out of the old law for about 50 years.

Mr. CHAVEZ. I realize that.

Mr. McCARRAN. Let us take $7,000,000 and divide it, let us say, equally, which would give the State of New Mexico approximately $300,000, or thereabouts, we will say. That goes into the Bureau of Reclamation the same as any other reclamation increment; is that true?

Mr. CHAVEZ. That is true.

Mr. McCARRAN. In respect to all other reclamation increments, the money coming into the Reclamation Bureau has been expended by the Bureau of Reclamation; is that not true?

Mr. CHAVEZ. Yes; but this particular water course is the only one we can take advantage of.

Mr. McCARRAN. I realize that it is the only one. If the money were divided equally, then the Reclamation Bureau would say "That is the only one, so the money would be expended on that project."

Mr. CHAVEZ. But if they said it was not feasible, then the money could be used by the Reclamation Bureau elsewhere. Is that not true?

Mr. McCARRAN. I cannot say as to that.

Mr. CHAVEZ. I want the Senator to read the modification of the amendment.

Mr. PITTMAN. Mr. President, under the present law, the Senator's State would not get anything for 50 years. Under the proposed measure the States would receive $7,000,000. We have placed a proviso in the measure that if the proposed project is not feasible the money shall go into the general fund. However, the Senator wants to keep it, even if the project is not feasible. That is all there is to this amendment.

I went into this proposal deliberately to help the Senator from New Mexico, and I am still trying to do so. I thought that what he wanted was his project mentioned in the bill, with instructions to the Secretary of the Interior to investigate it. I seem to have been wrong about it. The Senator does not seem to want it investigated.

Mr. CHAVEZ. No; I do not want the Secretary of the Interior to say that the use of the money is not feasible in the State of New Mexico, so it will be used in Nevada.

Mr. PITTMAN. It is our money. I will say now that I hope that someone other than the Senator from Navada will be substituted on the committee who may be able to agree with the Senator from New Mexico. I thought I was helping the Senator's State, but I do not seem to be. The Senator seems to be offended at me for some reason.

Mr. CHAVEZ. The Senator from New Mexico is not offended. The Senator from New Mexico is sure that the Senator from Nevada has tried to help.

Mr. PITTMAN. I certainly tried.

Mr. CHAVEZ. But there is a little difference of opinion as to the interpretation of that modification, and we have requested, in all sincerity of purpose——

Mr. PITTMAN. If the Senator wants me to put a provision in the measure to the effect that Nevada's money shall go to New Mexico——

Mr. CHAVEZ. No. I want New Mexico to keep all the money that belongs to her.

Mr. PITTMAN. I will think that over.

Mr. CHAVEZ. I want Nevada to get everything she is entitled to.

Mr. PITTMAN. This matter is the unfinished business, as I understand. I hope that by substituting someone else for me on the conference committee, something will be worked out that will be satisfactory to the Senator from New Mexico by the time the Senate again meets.

MESSAGE FROM THE HOUSE

A message from the House of Representatives by Mr. Chaffee, one of its reading clerks, announced that the House had agreed to the amendment of the Senate to the bill (H. R. 8172) to amend section 5 of the act of Congress approved June 26, 1906, relative to the Alaska salmon fishery.

The message also announced that the House had agreed to the amendments of the Senate to the bill (H. R. 6572) to amend the Merchant Marine Act, 1936, as amended, to provide for marine war-risk insurance and reinsurance and for marine risk reinsurance, and for other purposes.

The message further announced that the House had passed the following bills, in which it requested the concurrence of the Senate:

H. R. 9491. An act relating to compensation of former employees of the Railway Mail Service in certain positions and reinstated prior to August 14, 1937;

H. R. 10100. An act to establish the composition of the United States Navy, to authorize the construction of certain naval vessels, and for other purposes; and

H. R. 10106. An act to amend the District of Columbia Revenue Act of 1937, as amended.

ASSISTANT CLERK, COMMITTEE ON MINES AND MINING

Mr. GUFFEY submitted the following resolution (S. Res. 287), which was referred to the Committee to Audit and Control the Contingent Expenses of the Senate:

Resolved, That the Committee on Mines and Mining is hereby authorized to employ for the remainder of the Seventy-sixth Congress an assistant clerk, to be paid from the contingent fund of the Senate at the rate of $1,800 per annum.

ADJOURNMENT TO MONDAY, JULY 1, 1940

The VICE PRESIDENT laid before the Senate House Concurrent Resolution 83, which was read, as follows:

Resolved by the House of Representatives (the Senate concurring), That when the two Houses adjourn on Saturday, June 22, 1940, they stand adjourned until 12 o'clock meridian, Monday, July 1, 1940.

Mr. BARKLEY. Mr. President, I move the adoption of the concurrent resolution sent over from the House of Representatives.

The VICE PRESIDENT. The question is on the motion of the Senator from Kentucky.

The motion was agreed to.

Mr. BARKLEY. I send to the desk a unanimous-consent request and ask that it be stated.

The VICE PRESIDENT. The unanimous-consent request will be stated.

The legislative clerk read as follows:

I ask unanimous consent that, during the recess or adjournment of the Senate following today's session, the Secretary of the Senate be authorized to receive messages from the House of Representatives, and that the President of the Senate be authorized to sign bills and joint resolutions found truly enrolled by the Committee on Enrolled Bills of the Senate.

The VICE PRESIDENT. Is there objection? The Chair hears none, and it is so ordered.

Mr. BARKLEY. Under the terms of House Concurrent Resolution 83, I move that the Senate do now adjourn.

The motion was agreed to; and (at 8 o'clock and 45 minutes p. m.) Saturday, June 22, 1940, the Senate adjourned until Monday, July 1, 1940, at 12 o'clock meridian.

NOMINATIONS

Executive nominations received by the Senate June 22 (legislative day of June 21), 1940

UNITED STATES ATTORNEYS

Maurice Francis Donegan, of Iowa, to be United States attorney for the southern district of Iowa, vice John K. Valentine, resigned.

Herbert S. Phillips, of Florida, to be United States attorney for the southern district of Florida. Mr. Phillips is now serving in this office under an appointment which expired June 6, 1940.

COAST GUARD OF THE UNITED STATES

TO BE LIEUTENANT COMMANDERS TO RANK AS SUCH FROM MAY 25, 1939

Lt. Frank E. Pollio.
Lt. Henry J. Betzmer.
Lt. George C. Whittlesey.

TO BE A LIEUTENANT COMMANDER TO RANK AS SUCH FROM JULY 1, 1939

Lt. Beverly E. Moodey.

TO BE SECOND LIEUTENANTS, WITH RANK FROM DATE OF APPOINTMENT

Air Corps

William Carrolton Adams
Joseph Richard Ambrose
Rollen Henry Anthis
Robert Lee Baseler
Donald K. Bennett
Donald Thomas Bennink
William Ellsworth Boyd
John Preston Breckenridge
John Leonard Burhus
Wilbur Anthony Champagne
Donald Leonard Clark
Roger McKee Crow
Joseph Austin Cunningham
John Irvin DeVine, Jr.
Elmer Austin Dixon
Alexander George Evanoff
Ralph Monroe Fawcett
William John Feallock 2d
William Alfred Filer
Thomas Robert Ford
Charles Afton Gayle
George Edward Glober
Paul Joseph Gorman
Frank Norton Graves
Horace Albert Hanes
Carl Harper
Robert Fleming Harris
Malcolm McMillan Heber
Alvin Edward Hebert
William Murray Hendrix
Edward Francis Hubbard
William Edward Hubbard 2d
J. Garrett Jackson
Weldon Marion James
Thomas Stanley Jeffrey, Jr.
Philip John Kuhl
Charles Edwin Leffingwell
Cecil James Looke, Jr.
Stephen Davenport McElroy
William Elza McEntire
George Miles McNeese
Ernest Roderic Manierre
Maurice Leslie Martin
Alvan Neavitt Moore
MacPherson Morgan
Carrell Thurman Murrell
Edward Payson Myers
Dorr Ellsworth Newton, Jr.
Jerry Dentler Page
Joseph Herbert Paul
Stuart Moss Porter
Ogden Nelson Pratt
Ralph Amos Reeve
Orville Herman Rehmann
John Norton Reynolds, Jr.
John Luverne Richardson
Edgar Allen Romberg
Richard Condie Sanders
Gerhard John Schriever
Orie Olin Schurter
Harold Caldwell Smelser
Frank Edward Sullivan
Stanley Richard Vosper
Walter John Wagner
Carl Paul Walter
Rollin Murray Winingham
Frank Lee Wood, Jr.
Adolf Milton Wright
John Lewis Zoeckler

Infantry

Frederick William Baum
Thomas O'Connor Blakeney
Arden Charles Brill
Robert Harlan Bull
William Darrel Cavness
Melvin Desmond Clark
Otto Bismarck Cloudt, Jr.
Parker Ewan Connor, Jr.
Darrel Gee Costello
Ellsworth Androw Cragholm
William Bailey Crum
Gilbert Warren Curl
David Samuel Daley, Jr.
Peter Denisevich
Eric Edward Duckstad
Raymond Charles Durgan
Earl William Edwards
Ralph Sheridan Eldridge
Emil Paul Eschenburg
Joseph Pancratius Fagan
William Chester Goers
Harold Stanley Griffith, Jr.
Harold Diedrich Hansen
Leslie Harness
Robert Carl Harvey
Emil Franklin Hawes
William Ray Heaston
John Milton Hightower 3d
Robert Charles Hilpert
Charles Thompson Horner, Jr.
Ben King Humphrey
David William Iunghuhn
Lester Bennett Johnson
Charles Douglas Johnston
Donald Alvin Kersting
Arthur Harold Lahlum
Edward Kennedy Lovelace
Hugh William McClary
Charles Leo McClenahan
Hal Dale McCown
Richard Irvine Manning
Jack Conrad Miller
George Fredrick Munro
Robert Jackson Natzel
Harry Paller
Robert Harry Pell
Bert Perrin
Tom Spencer Phair
Merle Reed Preble
Lloyd Brinkley Ramsey
Louis Howard Ressijac
Raymond Richards
Henry John Richter
Jacob Lewis Riley, Jr.
George Blatchford Robinson
William Bradford Rosson
Charles Walker Sample
John Storey Sandiland
Raymond Thomas Shelby
Cyril Dean Sterner
Benjamin Grant Taylor, Jr.
Arthur Claire Tillson
Harry Hammond Walker, Jr.
Pratt Alexander Warren
William Christopher Wilkinson, Jr.
Charles Vincent Wilson
Gerard George Wolke

Field Artillery

Paul Edward Alban
Robert Edward Arn
Charles Pershing Brown
Thomas Law Bryan
Ben Lovell Burdick
George Francis Carter
Walter Alexander Edens
James Blair Green
Robert Charles Hall
Philip Archie Hatten
Robert Condit Ingalls
Misha Nicholas Kadick
Warren Randall King
John Marvin Kinzer
Harry Bernhard LaForce
Herman Walter Wright Lange
Zim E. Lawhon, Jr.
Ernest Henry Lorenz, Jr.
Richard Sears Lovering, Jr.
Peter Clark Manson
George Thomas Metcalf
Jene Earl Mills
Jacob Franklin Mynderse

Ariel Wayne Nielsen
John Edward Nitsche
Ernest Lester Ramme
Wright Andrew Scoville
Hunter LeGear Stockton
Robert Clyde Stump
John Fogg Twombly 3d
Marion Walton Walker
Walter Edwin Winter

Coast Artillery Corps

Kenneth Howard Bayer
Alfred Lincoln Brassel
Oscar Marion Brumfiel
John Edward Burrows
Jack Cecil Evans
Charles Mix Gilbert
William Kethley Gillmore
Harold Donham Higgins
Bergen Brokaw Hovell
William Cone Mahoney, Jr.
Troxell Olin Mason
Robert Gray Platt
Herbert Ernest Rice
George Washington Shivers, Jr.
Woodrow Bryan Sigley
Vallard Cassius Smith
John Cook Tredennick
George Burbank Webster, Jr.
Daniel Binkley Williams
Stephen Dana Young

Cavalry

Francis Woodrow Adams
George Cobb Benjamin
Alfred Washburn Bruneau
Emerson Wallace Grant
Walter Greenwood, Jr.
Clifford Ellwood Lippincott
Thomas Lanier McKnight
John Barkeley McPherson
Thomas Addis Emmet Moseley, Jr.
Edwin O'Connor, Jr.
Harry Alexander Schendel, Jr.
George Major White

Corps of Engineers

Joseph Houghton Collart
Everett Albert Hansen
Francis Meisinger Libershal
John Royal Linehan
John Hall Livingston
Elgin Gilbert Radcliff
John Somer Shapland
Channing Stowell, Jr.
Paul Henry Symbol
John Edward Unverferth
William Jonreau Williams 2d

Signal Corps

William Scandrett
Nye Maguet Scofield

Chemical Warfare Service

James Herbert Batte
Jack Finney Lane

POSTMASTERS

ARKANSAS

Harry D. Landers to be postmaster at Harrisburg, Ark., in place of J. T. Lamb, Jr. Incumbent's commission expired May 9, 1940.

Manila Mills to be postmaster at Lapanto, Ark., in place of A. L. White. Incumbent's commission expired April 24, 1940.

CALIFORNIA

Floyd M. Harvey to be postmaster at Adin, Calif. Office became Presidential July 1, 1938.

Peter D. McIntyre to be postmaster at Blythe, Calif., in place of P. D. McIntyre. Incumbent's commission expired April 27, 1940.

Mary B. Janeiro to be postmaster at Decoto, Calif., in place of M. B. Janeiro. Incumbent's commission expired April 25, 1940.

Charlie M. Seargeant to be postmaster at Manhattan Beach, Calif., in place of C. M. Seargeant. Incumbent's commission expired May 22, 1940.

Sidney E. Henking to be postmaster at Niland, Calif., in place of S. E. Henking. Incumbent's commission expired January 23, 1940.

Mary K. Davis to be postmaster at San Carlos, Calif., in place of M. K. Davis. Incumbent's commission expired June 18, 1940.

CONNECTICUT

Wallace M. Hart to be postmaster at West Cornwall, Conn., in place of W. M. Hart. Incumbent's commission expires June 25, 1940.

FLORIDA

Mildred a Entwistle to be postmaster at Warrington, Fla., in place of Cornelia Higgins, retired.

GEORGIA

Alton H. Harvey to be postmaster at Thomaston, Ga., in place of C. B. Short. Incumbent's commission expired March 18, 1940.

HAWAII

Solomon C. Burke to be postmaster at Honokaa, Hawaii, in place of S. C. Burke. Incumbent's commission expired April 25, 1940.

ILLINOIS

Clinton S. Warrick to be postmaster at Donovan, Ill., in place of C. S. Warrick. Incumbent's commission expires June 25, 1940.

Amos C. Westphal to be postmaster at Herscher, Ill., in place of A. C. Westphal. Incumbent's commission expired August 26, 1939.

George S. Thornton to be postmaster at Oquawka, Ill., in place of G. S. Thornton. Incumbent's commission expired May 29, 1940.

Theodore P. Wadett to be postmaster at Thornton, Ill. Office became Presidential July 1, 1939.

Henry F. Schneider to be postmaster at Waterloo, Ill., in place of E. C. Jobusch, deceased.

INDIANA

James C. McKillip to be postmaster at Charlestown, Ind., in place of J. C. McKillip. Incumbent's commission expires July 13, 1940.

Maurice C. Ingerman to be postmaster at Milton, Ind., in place of M. C. Ingerman. Incumbent's commission expired June 8, 1940.

IOWA

Walter W. Jacobs to be postmaster at Guttenberg, Iowa, in place of W. W. Jacobs. Incumbent's commission expired May 13, 1940.

KANSAS

Edward Tacha to be postmaster at Jennings, Kans., in place of Edward Tacha. Incumbent's commission expired January 20, 1940.

KENTUCKY

Kenneth S. Jones to be postmaster at Greenville, Ky., in place of R. E. Wallace. Incumbent's commission expired July 18, 1939.

LOUISIANA

Homer L. Jolley to be postmaster at Morgan City, La., in place of H. L. Jolley. Incumbent's commission expired June 16, 1940.

Frank M. Caldwell to be postmaster at Robeline, La., in place of F. M. Caldwell. Incumbent's commission expires June 25, 1940.

MARYLAND

Leonard Wilson to be postmaster at Millington, Md., in place of Leonard Wilson. Incumbent's commission expired June 1, 1940.

Thomas V. McGuire to be postmaster at Western Port, Md., in place of C. L. Connell, deceased.

MASSACHUSETTS

J. Walter Brown to be postmaster at Brimfield, Mass. Office became Presidential July 1, 1939.

MICHIGAN

George W. Leonard to be postmaster at Delton, Mich., in place of G. E. Gaskill. Incumbent's commission expired March 10, 1940.

Ferdinand J. Lange to be postmaster at Sebewaing, Mich., in place of A. C. Eberlein. Incumbent's commission expires June 23, 1940.

MINNESOTA

Clifford J. Fitzgerald to be postmaster at Dilworth, Minn., in place of C. J. Fitzgerald. Incumbent's commission expired June 1, 1940.

Raymond P. Nolan to be postmaster at Janesville, Minn., in place of R. P. Nolan. Incumbent's commission expired June 17, 1940.

Marcia Russell Tysseling to be postmaster at Stewartville, Minn., in place of M. R. Tysseling. Incumbent's commission expired August 26, 1939.

MISSOURI

Ann M. Willibrand to be postmaster at Freeburg, Mo. Office became Presidential July 1, 1938.

Amelia C. Walters to be postmaster at Gorin, Mo., in place of A. J. Robinson. Incumbent's commission expired March 23, 1939.

NEW HAMPSHIRE

Joseph P. Collins to be postmaster at Concord, N. H., in place of C. A. Burt, deceased.

NEW YORK

Thomas LeRoy Wardle to be postmaster at Amityville, N. Y., in place of T. L. Wardle. Incumbent's commission expired June 28, 1939.

John R. Houck to be postmaster at Tully, N. Y., in place of W. C. Long, resigned.

NORTH CAROLINA

Charles C. Potts to be postmaster at Highlands, N. C., in place of S. E. Potts, removed.

Thomas Mortimer Harris to be postmaster at Louisburg, N. C., in place of T. M. Harris. Incumbent's commission expired May 19, 1940.

Walter P. Bridgers to be postmaster at Warsaw, N. C., in place of E. P. Chambers. Incumbent's commission expired March 10, 1940.

Millard F. Bumgarner to be postmaster at Wilkesboro, N. C., in place of S. B. Smoak. Incumbent's commission expired April 2, 1939.

OKLAHOMA

James W. Blair to be postmaster at Clayton, Okla., in place of J. W. Blair. Incumbent's commission expires July 1, 1940.

PENNSYLVANIA

Ralph M. Dysart to be postmaster at Bellwood, Pa., in place of R. M. Dysart. Incumbent's commission expired April 9, 1940.

Ralph L. Bell to be postmaster at Burgettstown, Pa., in place of R. L. Bell. Incumbent's commission expired June 20, 1940.

Catherine M. Golden to be postmaster at Lykens, Pa., in place of W. E. Snyder. Incumbent's commission expired June 20, 1940.

William M. Cramer to be postmaster at Mifflin, Pa., in place of W. M. Cramer. Incumbent's commission expires July 15, 1940.

Delia Dina Fornataro to be postmaster at Russellton, Pa., in place of D. D. Fornataro. Incumbent's commission expired February 13, 1940.

John B. Brennen to be postmaster at Wilcox, Pa., in place of J. B. Brennen. Incumbent's commission expired June 20, 1940.

SOUTH CAROLINA

Wayne C. Johnson to be postmaster at Easley, S. C., in place of S. O. Capell. Incumbent's commission expired February 27, 1940.

SOUTH DAKOTA

Harriet L. Rost to be postmaster at Garden City, S. Dak., in place of G. M. McGillivray. Incumbent's commission expired February 5, 1940.

TEXAS

Raymond A. Stewart to be postmaster at Galveston, Tex., in place of R. A. Lyons, Jr., deceased.

Daniel B. Wood to be postmaster at Olney, Tex., in place of J. C. Lovelace, deceased.

UTAH

Robert H. Barton to be postmaster at Layton, Utah, in place of R. H. Barton. Incumbent's commission expired April 24, 1940.

VIRGINIA

Ella A. Lambert to be postmaster at Amonate, Va., in place of C. E. Nash, removed.

Mary Sue Clark to be postmaster at Catawba Sanatorium, Va., in place of A. G. Bengtson, resigned.

WASHINGTON

Roy E. Carey to be postmaster at Hartline, Wash., in place of R. E. Carey. Incumbent's commission expired January 31, 1940.

WISCONSIN

Leo A. Eiden to be postmaster at Deer Park, Wis., in place of L. A. Eiden. Incumbent's commission expired June 18, 1938.

Walter H. Sprangers to be postmaster at Waldo, Wis., in place of W. H. Sprangers. Incumbent's commission expires July 1, 1940.

CONFIRMATIONS

Executive nominations confirmed by the Senate June 22 (legislative day of June 21), 1940

UNITED STATES DISTRICT JUDGE

Benjamin Harrison to be United States district judge for the southern district of California.

UNITED STATES ATTORNEYS

Maurice Francis Donegan, of Iowa, to be United States attorney for the southern district of Iowa.

Herbert S. Phillips, of Florida, to be United States attorney for the southern district of Florida.

UNITED STATES PUBLIC HEALTH SERVICE

TO BE PASSED ASSISTANT SURGEONS

Romeo J. Gentile	Dale C. Cameron
Clarence A. Smith	Leo D. O'Kane
Richard H. Smith	Jack L. James
John A. Lewis, Jr.	Wixom S. Sibley
Wightman R. Duke	Leon S. Saler

APPOINTMENT TO TEMPORARY RANK IN THE AIR CORPS, REGULAR ARMY

TO BE COLONEL

Donald Patrick Muse, Air Corps.

TO BE LIEUTENANT COLONELS

Leo Fred Post, Air Corps.

John Carroll Kennedy, Air Corps.

TO BE MAJOR

Charles Pearre Cabell, Air Corps.

APPOINTMENT BY TRANSFER IN THE REGULAR ARMY

Capt. Ross Thatcher Sampson to Signal Corps.

Capt. Edward Vanmeter Macatee to Quartermaster Corps.

First Lt. Charles Fauntleroy Harrison to Chemical Warfare Service.

First Lt. Bruce von Gerichten Scott to Air Corps.

Maj. Tryon Mason Shepherd to Quartermaster Corps.

First Lt. Lawrence Kent Meade to Coast Artillery Corps.

APPOINTMENTS IN THE REGULAR ARMY

Joseph Paul D'Arezzo to be second lieutenant, Coast Artillery Corps.

John Frederick Freund to be second lieutenant, Coast Artillery Corps.

Virgil Dwight Cheyne to be first lieutenant, Dental Corps.

John William Helton to be first lieutenant, Dental Corps.

Joe Hammon Allen to be first lieutenant, Dental Corps.

Grayson Gwynne Garrison to be first lieutenant, Dental Corps.

Kenneth Ray Elwell to be first lieutenant, Dental Corps.

Alexander Colin MacDonald to be first lieutenant, Dental Corps.

Harold Wilenzick to be first lieutenant, Dental Corps.

William Orville Orsinger to be first lieutenant, Dental Corps.

Raymond Eugene Boudreaux to be first lieutenant, Dental Corps.

John Robert Law to be first lieutenant, Dental Corps.

George Andrew Long to be first lieutenant, Dental Corps.

Harold Preston Haskins to be first lieutenant, Dental Corps.

Chester Kenneth Ramage to be first lieutenant, Dental Corps.

Paul Eugene Edson to be first lieutenant, Dental Corps.

Thomas Roosevelt Haddock to be first lieutenant, Dental Corps.

Pierre Oscar Evans to be first lieutenant, Dental Corps.

Charles Rupert Thompson to be first lieutenant, Dental Corps.

Edwin Joseph Sunderville to be first lieutenant, Veterinary Corps.

Emil William Geitner to be chaplain with the rank of first lieutenant.

TO BE FIRST LIEUTENANTS, MEDICAL CORPS

Jerome Dudley Textor
Joseph Michael Barker
Fratis L. Duff
George Arthur Peck
Robert Glenn Thompson
William Charles Burry
John Marshall Salyer
Hayden Waldo Withers
Kermit Hudson Anderson
William Wilmerding Moir, Jr.
Robert Christian Rauscher
Bronko Peter Lelich
Samuel Sherman Spicer
Fred Albert Heimstra
John Randolph Hall, Jr.
William Harris Curry
Josephus Bartow Talley, Jr.
Jesse Douglas Harris
Edwin Emmons Corcoran
Manah Robert Halbouty
Allen Dale Smith
Russell Burton Watson
William Stanley Bagnall
John Van Eman Berger, Jr.
Walter Robbins deForest
Norman Clemm Veale
Joseph Anthony Resch
Thomas Henry Crouch
George Arack
Edward Philip Drescher
Max Wendell Carver
Jack Thomas Rush
Charles Arthur Woerner
Aaron Louis Kaminsky
Hubert Lynn Binkley
Richard Stanton Fraser
Willard Ferguson Angen
William Gunton Budington
John Roscoe Grunwell, Jr.
Eli Blair Harter
Stuart Irvin Draper
Glen Elden Ogden
John Gardiner
Joseph Nagle
Jack Bollerud
Sanford Williams French, Jr.
Hilbert Adolph Peter Leininger

TO BE SECOND LIEUTENANTS WITH RANK FROM DATE OF APPOINTMENT

Air Corps

William Carrolton Adams
Joseph Richard Ambrose
Rollen Henry Anthis
Robert Lee Baseler
Donald K. Bennett
Donald Thomas Bennink
William Ellsworth Boyd
John Preston Breckenridge
John Leonard Burhus
Wilbur Anthony Champagne
Donald Leonard Clark
Roger McKee Crow
Joseph Austin Cunningham
John Irvin DeVine, Jr.
Elmer Austin Dixon
Alexander George Evanoff
Ralph Monroe Fawcett
William John Feallock 2d
William Alfred Filer
Thomas Robert Ford
Charles Afton Gayle
George Edward Glober
Paul Joseph Gorman
Frank Norton Graves
Horace Albert Hanes
Carl Harper
Robert Fleming Harris
Malcolm McMillan Heber
Alvin Edward Hebert
William Murray Hendrix
Edward Francis Hubbard
William Edward Hubbard 2d
J. Garrett Jackson
Weldon Marion James
Thomas Stanley Jeffrey, Jr.
Philip John Kuhl
Charles Edwin Leffingwell
Cecil James Looke, Jr.
Stephen Davenport McElroy
William Elza McEntire
George Miles McNeese
Ernest Roderic Manierre
Maurice Leslie Martin
Alvan Neavitt Moore
MacPherson Morgan
Carrell Thurman Murrell
Edward Payson Myers
Dorr Ellsworth Newton, Jr.
Jerry Dentler Page
Joseph Herbert Paul
Stuart Moss Porter
Ogden Nelson Pratt
Ralph Amos Reeve
Orville Herman Rehmann
John Norton Reynolds, Jr.
John Luverne Richardson
Edgar Allen Romberg
Richard Condie Sanders
Gerhard John Schriever
Orie Olin Schurter
Harold Caldwell Smelser
Frank Edward Sullivan
Stanley Richard Vosper
Walter John Wagner
Carl Paul Walter
Rollin Murray Winingham
Frank Lee Wood, Jr.
Adolf Milton Wright
John Lewis Zoeckler

Infantry

Frederick William Baum
Thomas O'Connor Blakeney
Arden Charles Brill
Robert Harlan Bull
William Darrel Cavness
Melvin Desmond Clark
Otto Bismarck Cloudt, Jr.
Parker Ewan Connor, Jr.
Darrel Gee Costello
Ellsworth Androw Cragholm
William Bailey Crum
Gilbert Warren Curl
David Samuel Daley, Jr.
Peter Denisevich
Eric Edward Duckstad
Raymond Charles Durgan
Earl William Edwards
Ralph Sheridan Eldridge
Emil Paul Eschenburg
Joseph Pancratius Fagan
William Chester Goers
Harold Stanley Griffith, Jr.
Harold Diedrich Hansen
Leslie Harness
Robert Carl Harvey
Emil Franklin Hawes
William Ray Heaston
John Milton Hightower 3d
Robert Charles Hilpert
Charles Thompson Horner, Jr.
Ben King Humphrey
David William Iunghuhn
Lester Bennett Johnson
Charles Douglas Johnston
Donald Alvin Kersting
Arthur Harold Lahlum
Edward Kennedy Lovelace
Hugh William McClary
Charles Leo McClenahan
Hal Dale McCown
Richard Irvine Manning
Jack Conrad Miller
George Fredrick Munro
Robert Jackson Natzel
Harry Paller
Robert Harry Pell
Bert Perrin
Tom Spencer Phair
Merle Reed Preble
Lloyd Brinkley Ramsey
Louis Howard Ressijac
Raymond Richards
Henry John Richter
Jacob Lewis Riley, Jr.
George Blatchford Robinson
William Bradford Rosson
Charles Walker Sample
John Storey Sandiland
Raymond Thomas Shelby
Cyril Dean Sterner
Benjamin Grant Taylor, Jr.
Arthur Claire Tillson
Harry Hammond Walker, Jr.
Pratt Alexander Warren
William Christopher Wilkinson, Jr.
Charles Vincent Wilson
Gerard George Wolke

Field Artillery

Paul Edward Alban
Robert Edward Arn
Charles Pershing Brown
Thomas Law Bryan
Ben Lovell Burdick
George Francis Carter
Walter Alexander Edens
James Blair Green
Robert Charles Hall
Philip Archie Hatten
Robert Condit Ingalls
Misha Nicholas Kadick
Warren Randall King
John Marvin Kinzer
Harry Bernhard LaForce
Herman Walter Wright Lange
Zim E. Lawhon, Jr.
Ernest Henry Lorenz, Jr.
Richard Sears Lovering, Jr.
Peter Clark Manson
George Thomas Metcalf
Jene Earl Mills
Jacob Franklin Mynderse
Ariel Wayne Nielsen
John Edward Nitsche
Ernest Lester Ramme
Wright Andrew Scoville
Hunter LeGear Stockton
Robert Clyde Stump
John Fogg Twombly 3d
Marion Walton Walker
Walter Edwin Winter

Coast Artillery Corps

Kenneth Howard Bayer
Alfred Lincoln Brassel
Oscar Marion Brumfiel
John Edward Burrows
Jack Cecil Evans
Charles Mix Gilbert
William Kethley Gillmore
Harold Donham Higgins
Bergen Brokaw Hovell
William Cone Mahoney, Jr.
Troxell Olin Mason
Robert Gray Platt
Herbert Ernest Rice
George Washington Shivers, Jr.
Woodrow Bryan Sigley
Vallard Cassius Smith
John Cook Tredennick
George Burbank Webster, Jr.
Daniel Binkley Williams
Stephen Dana Young

Cavalry

Francis Woodrow Adams
George Cobb Benjamin
Alfred Washburn Bruneau
Emerson Wallace Grant
Walter Greenwood, Jr.
Clifford Ellwood Lippincott
Thomas Lanier McKnight
John Barkeley McPherson
Thomas Addis Emmet Moseley, Jr.
Edwin O'Connor, Jr.
Harry Alexander Schendel, Jr.
George Major White

Corps of Engineers

Joseph Houghton Collart
Everett Albert Hansen
Francis Meisinger Libershal
John Royal Linehan
John Hall Livingston
Elgin Gilbert Radcliff
John Somer Shapland
Channing Stowell, Jr.
Paul Henry Symbol
John Edward Unverferth
William Jonreau Williams 2d

Signal Corps

William Scandrett
Nye Maguet Scofield

Chemical Warfare Service

James Herbert Batte
Jack Finney Lane

PROMOTIONS IN THE REGULAR ARMY

Roscoe Conkling Batson to be colonel, Field Artillery.

Allen Russell Kimball to be colonel, Quartermaster Corps.

Wilfrid Mason Blunt to be colonel, Cavalry.

Thomas Jonathan Jackson Christian to be colonel, Field Artillery.

Rex Webb Beasley to be lieutenant colonel, Field Artillery.

Edward Michael Powers to be major, Air Corps (temporary major, Air Corps).

Maurice Edgar Jennings to be major, Chemical Warfare Service.

Howell Harrell to be major, Quartermaster Corps.

Carroll Thompson Newton to be first lieutenant, Corps of Engineers.

Donald Clinton Clayman to be first lieutenant, Infantry.

Joseph Warren Sisson, Jr., to be first lieutenant, Infantry.

David Greene Hammond to be first lieutenant, Corps of Engineers.

Joseph Russel Groves to be first lieutenant, Infantry.

Robert Whitsett van de Velde to be first lieutenant, Field Artillery.

Arthur George Christensen to be first lieutenant, Infantry.

Harry Gantcliffe Benion to be first lieutenant, Infantry.

Arthur Howland Baker, Jr., to be first lieutenant, Field Artillery.

Arthur Charles Harris, Jr., to be first lieutenant, Infantry.

Linwood Eugene Funchess to be first lieutenant, Corps of Engineers.

Laurence Clifford Brown to be first lieutenant, Infantry.

Jesse Mechem to be first lieutenant, Infantry.

Walter Ward Davis to be first lieutenant, Infantry.

William Andrew Enemark to be first lieutenant, Field Artillery.

Merten Kenneth Heimstead to be first lieutenant, Infantry.

Thaddeus Ronsaville Dulin to be first lieutenant, Infantry.

Leon John de Penne Rouge, to be first lieutenant, Infantry.

Gaylord Walton Fraser, to be first lieutenant, Infantry.

William Sherbourne McCrea, to be first lieutenant, Infantry.

Donald Frederick Thompson, to be first lieutenant, Infantry.

John Gordon Nelson, to be first lieutenant, Coast Artillery Corps.

Chester Martin Beaver, to be first lieutenant, Infantry.

Edward Wallace McLain, to be first lieutenant, Coast Artillery Corps.

John Unsworth Allen, to be first lieutenant, Corps of Engineers.

Byron William Ladd, to be first lieutenant, Infantry.

Lyman Hodges Ripley, to be first lieutenant, Coast Artillery Corps.

Francis Carlton Truesdale, to be first lieutenant, Infantry.

William Shepherd Humphries, to be first lieutenant, Infantry.

Donald Washington, to be first lieutenant, Infantry.

Charles Robert Etzler, to be first lieutenant, Infantry.

Philip Cochran Tinley, to be first lieutenant, Infantry.

Charles Murray Henley, to be first lieutenant, Infantry.

John Brockway Rippere, to be first lieutenant, Corps of Engineers.

Steve Archie Chappuis, to be first lieutenant, Infantry.

Elmer Bolton Kennedy, to be first lieutenant, Field Artillery.

James Jackson Stewart, Jr., to be first lieutenant, Infantry.

Thomas Brownbridge Simpson, to be first lieutenant, Corps of Engineers.

Paul Thomas Boleyn, to be first lieutenant, Infantry.

Frederick William Nagle, to be first lieutenant, Infantry.

Otho Anthony Moomaw, to be first lieutenant, Coast Artillery Corps.

Jabus Willie Rawls, Jr., to be first lieutenant, Coast Artillery Corps.

Andrew Buchler Zwaska, to be first lieutenant, Infantry.

Jack Leslie Coan, to be first lieutenant, Corps of Engineers.

Edward Francis Kent, to be first lieutenant, Infantry.

George William Croker, to be first lieutenant, Coast Artillery Corps.

Willard Wright Lazarus, to be first lieutenant, Air Corps.

William Hart Hanson, to be first lieutenant, Air Corps.

John Willis Paddock, to be first lieutenant, Infantry.

Joe Stallings Lawrie, to be first lieutenant, Infantry.

Ira Adelbert Rader to be colonel, Air Corps (temporary colonel, Air Corps).

William Jay Calvert to be colonel, Quartermaster Corps.

David Hamilton Cowles to be colonel, Infantry.

Ira Thomas Wyche to be colonel, Field Artillery.

John Louis Homer to be colonel, Coast Artillery Corps.

James Louis Guion to be lieutenant colonel, Ordnance Department.

George Douglas Wahl to be lieutenant colonel, Field Artillery.

Basil Harrison Perry to be lieutenant colonel, Field Artillery.

Harold Rufus Jackson to be lieutenant colonel, Coast Artillery Corps.

Ray Hartwell Lewis to be lieutenant colonel, Field Artillery.

Augustus Milton Gurney to be lieutenant colonel, Field Artillery.

John Trott Murray to be lieutenant colonel, Infantry.

Morris Keene Barroll, Jr., to be lieutenant colonel, Ordnance Department.

Warfield Monroe Lewis to be lieutenant colonel, Infantry.

Walter Wilton Warner to be lieutenant colonel, Ordnance Department.

William Ormon Butler to be lieutenant colonel, Air Corps.

Carlyle Howe Ridenour to be major, Air Corps.

Bennett Edward Meyers to be major, Air Corps.

George Mitchell Grimes to be major, Quartermaster Corps.

Edward Bethel Jackson to be major, Infantry.

Paul Hyde Prentiss to be major, Air Corps.

Warren Arthur Maxwell to be major, Air Corps.

Walter Hannumn Carlisle to be major, Coast Artillery Corps.

William Henry Papenfoth to be major, Coast Artillery.

Frederick Mercer Hopkins, Jr., to be major, Air Corps.

Walter Leo Weible to be major, Coast Artillery Corps.

Rupert Edison Starr to be major, Coast Artillery Corps.

Leonard Dickson Weddington to be major, Air Corps (temporary).

John Henry Doherty to be major, Finance Department.

DEPARTMENT OF THE NAVY

Rear Admiral Samuel M. Robinson to be Chief of the Bureau of Ships, in the Department of the Navy, with the rank of rear admiral.

POSTMASTERS

ALABAMA

Luther F. Corley, Boaz.

ARIZONA

Bertha L. Hastings, Hayden.
Mary W. Hand, Winkelman.

ARKANSAS

James F. Rieves, Marion.
Robert O. Hannah, Springdale.

COLORADO

Vernon Peiffer, Cripple Creek.

CONNECTICUT

David William Sherry, Jr., Thompson.

FLORIDA

George P. Farnall, Belle Glade.
Rondal B. Handley, Holopaw.
Lilian M. Archer, Howey In The Hills.
John J. Menges, Lake Worth.
John B. Jones, Jr., Oviedo.

GEORGIA

Bernie C. Chapman, Porterdale.

IDAHO

Maud Larsen, Bellevue.
Parley Perkins, Murtaugh.

ILLINOIS

Rena F. Beard, Arenzville.
John E. Heineke, Benson.
Clara Belle Pevehouse, Clayton.
Mary E. Sowers, Cypress.
Eugenia B. Spaulding, Depue.
Don C. Moss, Marion.
James A. Thomson, Ravinia.
Clark N. Pool, Saint Francisville.

INDIANA

Minnie M. Pepple, Avilla.
Virden R. Graham, Burnettsville.
Guy M. Peters, Lawrence.
William Simms, Waveland.

IOWA

Margaret Davidson, Crawfordsville.
T. Matthew Conway, Creston.
Loren L. Maher, Gilmore City.
George M. Smith, North English.
Dan Jerolaman, Shell Rock.
Herbert B. Heyer, Sumner.
John J. Fink, Tripoli.
William J. Cash, Williamsburg.

KENTUCKY

Edna H. Smith, Blue Diamond.
Harold W. Sublett, Bowling Green.
Lela O. Sanders, Burgin.
Richard L. Kerr, Campbellsville.
James H. Bean, Danville.
Ben G. Pollard, Eminence.
Henry S. Bogan, Franklin.
Marshall H. Norton, Hardinsburg.
Elizabeth L. Arnold, Lewisburg.
Myrtle B. Vaughn, Louellen.
Davis N. Thomas, McKee.
Hattie D. Wood, Millersburg.
Sister James Haldeman, Nazareth.
Joe Keefe, Nicholasville.
Joseph B. Ellington, Nortonville.
Vallette McClintock, Paris.
Elmer Deatherage, Richmond.
Mary C. Greenwell, Uniontown.
Virginia L. Daniel, Van Lear.
Mattie F. Beck, Waverly Hills.

LOUISIANA

Clement Bourgeois, Erath.
Edward C. Marquette, Napoleonville.
Netta C. Wilson, New Roads.
Zollie J. Meadows, Ruston.

MAINE

John D. Randlett, Hartland.
Elva Brackett, Monhegan.

MARYLAND

James Arthur Johnson, Federalsburg.

MASSACHUSETTS

Isabelle Crocker, Cotuit.
John Joseph Mackin, Jr., Millers Falls.
Albert E. Holmes, Oak Bluffs.
Mark R. Mullin, Rochdale.

MICHIGAN

Max P. Ladwig, Baroda.
Kenneth F. Oakes, Drayton Plains.
Matt F. Bilek, Menominee.
Stanley J. Risk, Muskegon.
Joseph B. Comiskey, South Lyon.

MINNESOTA

Thomas J. Murphy, Adrian.
Stella M. Rasmussen, Brookpark.
Anshelm T. Westrom, Cambridge.
Ole J. Leding, Cook.
Joseph O. Ellevold, Fairfax.
James J. Daly, Frazee.
Lawrence C. Blackmun, Hancock.
Thomas S. Ryan, Hastings.
Catherine G. T. Lydon, Kellogg.
Roland W. Adkins, Kimball.
Edward A. McAlpin, Maple Lake.
Charles A. Allen, Milaca.
Frances A. Lamb, Moorhead.
Carl V. Hawkinson, St. James.
Thomas G. Schaefer, Sauk Rapids.
William Henry Roemer, Storden.
Timothy A. Garvey, Wahkon.
Frances C. Van Vleck, Waverly.
Josephine D. Smith, Wayzata.
Isaac B. Dybdal, Wendell.

MISSISSIPPI

John Byron Jackson, Hernando.

MISSOURI

Ovil R. Proctor, Conception Junction.
Marietta Boswell, Forsyth.
Herbert Samel, Glencoe.
William W. Scholes, Jr., Granby.
Lula Young, Niangua.
Leo E. Ruscha, Pierce City.
Frank C. Murdock, Seneca.
Raymond Carrick, Seymour.
Thelma G. White, Triplett.

MONTANA

Mahlon J. Lechner, Winifred.

NEW HAMPSHIRE

Carl E. Crowley, Ashland.
Georgia DuDevoir, Hooksett.
Harriet O. Harriman, Jackson.
Albert F. Priest, Newmarket.

NEW YORK

Arthur A. Myers, Lily Dale.
Peter J. Blake, New Hartford.
Mary Lynch, Stony Point.

NORTH DAKOTA

Carrie M. Chapman, Minnewaukan.

OHIO

Stanley Lawrence Smith, Ashville.

OKLAHOMA

Clay B. Burnham, Hanna.
Fred R. Clement, Haskell.
Buford E. Stone, Manchester.
Ada M. Thompson, Mannford.

OREGON

Leonard O. Ferguson, Arlington.
Walter R. Powell, Burns.
Emil L. Mueller, Clatskanie.
Virginia A. Grubb, Gardiner.
Myrtle E. Potter, Haines.
Glen A. Henderson, Houlton.
John W. Bubb, Huntington.
Fred Randolph Peat, Lakeview.
Jay C. Freeman, Moro.
Lora C. Coykendall, Oak Grove.
Reginald C. Cooke, Oswego.
Andrew L. Boe, Parkdale.
Fred L. Hartman, Pilot Rock.
Lorengil C. Holman, Richland.
Gladys M. Heath, Rogue River.
Margaret Daughtrey, Stanfield.
Nealia G. Haven, Sweet Home.
Joseph R. DeJardin, Taft.
Louis Earl Hammer, Tillamook.
Rosemary Schenck, Toledo.
Carl W. Fegtly, Vale.
Roy G. Magnuson, Warrenton.
Esther Fawk, Willamina.
Von D. Seaton, Yamhill.

PENNSYLVANIA

Joseph W. Kudasik, Central City.
James M. Donahue, Coaldale.
Howard D. Brown, Friedens.
John Butchkosky, Jeddo.
Helen P. Harter, Laurelton.
Michael S. Karlitsky, Lyndora.
Francis E. Feeney, Minersville.
Jackley L. Hines, Mount Jewett.
Leonard T. Cullen, New Albany.
William R. Hanna, New Castle.
John F. Hahn, Oil City.
Benjamin Shaute, Peckville.
Cleo W. Callaway, Shawnee on Delaware.
Oscar F. Sutliffe, Somerset.
Elmer F. Bubbenmoyer, West Hamburg.

PUERTO RICO

Nicolas Ortiz Lebron, Aibonito.

RHODE ISLAND

Catherine L. Levesque, Portsmouth.

SOUTH CAROLINA

Katie Lee McIntyre, Clio.

SOUTH DAKOTA

Gladys W. Stanek, Fairfax.
Mary A. Hurley, Lennox.
Frank A. Allen, Wolsey.

TENNESSEE

Myrtis F. Ramer, Bethel Springs.
John J. Parran, Bolivar.
Walter E. Nixon, Dayton.
Raymond Glenn Leech, Estill Springs.
John F. Dunbar, Grand Junction.
Samuel C. Jones, Lexington.
Sam L. Cummins, Lyles.
Otis K. Martin, McKenzie.
Luther P. Speck, Monterey.
Rufus V. Cawthon, Mount Juliet.
Harmon B. Fox, Obion.
Edwin L. Goddard, Saulsbury.
Joseph H. Sevier, Savannah.
James B. Goodwin, Trezevant.
Riley M. Grills, Trimble.
John O. Bennett, Troy.

TEXAS

Willard E. Trimble, Carbon.
Samuel Lee Hall, Roby.

VERMONT

Alice C. Carr, Derby.
Douglas C. Montgomery, East Arlington.
Agnes M. Bullard, Marshfield.
Charles J. King, Milton.
Charles J. Smith, Newbury.
Thomas H. Barry, Waterbury.
Marjorie M. Duval, West Burke.

WASHINGTON

James A. Dowdle, Arlington.
John A. Bush, Dishman.
Ralph Gildea, Garfield.
Valentine Horwath, Northport.
George E. Starr, Seattle.

WISCONSIN

Elsie M. Dussault, Land O'Lakes.
Emma C. Andrews, Manitowish.
Marion L. Shafer, Muscoda.

HOUSE OF REPRESENTATIVES

SATURDAY, JUNE 22, 1940

The House met at 12 o'clock noon.

Rev. Bernard Braskamp, D. D., pastor of Gunton Temple Memorial Presbyterian Church, Washington, D. C., offered the following prayer:

Most merciful and gracious God, again we approach Thy throne with glad assurance, for Thou art man's unfailing friend, his ever-present help, and everlasting hope. In the revelation of Thyself we see Thy power to accomplish all that Thou hast promised, to confer upon us all that we need, and to do for us abundantly above all that we can ask or think.

We pray that the barriers which separate us from Thee may be submerged by a renewed consecration. May we supremely desire to live out our days in faith and in faithful obedience to the eternal will of God, for in Thy will is our peace.

Wilt Thou grant unto our President, our Speaker, and all leaders in the life of our Republic, during these perilous days, vision to recognize Thy will and courage to meet its challenging demands. Help us to see clearly, to walk uprightly, and to endure heroically. May we have within our hearts the testimony that we are serving our generation according to Thy holy will.

This we ask for the sake of suffering humanity and for the sake of Him who gave Himself for the life of the world. Amen.

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Frazier, its legislative clerk, announced that the Senate had passed without amendment bills and a joint resolution of the House of the following titles:

H. R. 2354. An act for the relief of S. T. Enloe;

H. R. 2901. An act conferring jurisdiction upon the United States District Court for the Middle District of Georgia to hear, determine, and render judgment upon the claim of Geraldine Ash;

H. R. 3774. An act for the relief of Albert L. Barnholtz;

H. R. 3964. An act for the relief of H. S. Wayman;

H. R. 4801. An act for the relief of Mary Camastro, a minor;

H. R. 5211. An act conferring jurisdiction upon the United States District Court for the Eastern District of Kentucky

to hear, determine, and render judgment upon the claims of Mat Hensley, Arnold Blanton, Lillie Price, Clyde Thorpe, and D. L. Mason;

H. R. 5464. An act for the relief of Don E. Hicks;

H. R. 5571. An act for the relief of Minnie Lowery and Winell Lowery;

H. R. 5930. An act for the relief of Raymond C. Knight;

H. R. 6095. An act for the relief of Wilbur P. Riddlesbarger and Josephine Riddlesbarger;

H. R. 6548. An act for the relief of Isobell Shanks;

H. R. 6553. An act for the relief of the Pennsylvania State College;

H. R. 6598. An act for the relief of Charles H. Upton;

H. R. 6845. An act for the relief of Anthony Borsellino;

H. R. 6967. An act for the relief of Thomas Boyd;

H. R. 7116. An act to authorize defraying cost of necessary work between the Yuma project and Boulder Dam;

H. R. 7608. An act for the relief of J. Montrose Edrehi;

H. R. 7858. An act for the relief of Mary D. Briggs and Simeon G. Rigor;

H. R. 7959. An act for the relief of Nathan A. Buck;

H. R. 8076. An act to authorize the furnishing of steam from the Central Heating Plant to the National Academy of Sciences, and for other purposes;

H. R. 8258. An act for the marking, care, and maintenance of the Mount of Victory plot in the Cypress Hills Cemetery, in Brooklyn, N. Y.;

H. R. 8356. An act for the exchange of lands adjacent to the San Juan National Forest and the Rio Grande National Forest in Colorado;

H. R. 8414. An act for the relief of Charles E. Molster, former disbursing clerk for the Department of Commerce and the National Recovery Administration; J. L. Summers, deceased, former Chief Disbursing Clerk, Division of Disbursement, Treasury Department; and Guy F. Allen, Chief Disbursing Officer, Division of Disbursement, Treasury Department;

H. R. 9274. An act to amend the act entitled "An act to provide for the establishment of the Cape Hatteras National Seashore in the State of North Carolina, and for other purposes," approved August 17, 1937 (50 Stat. 669);

H. R. 9296. An act to authorize the attendance of the Marine Band at the convention of the Grand Army of the Republic to be held at Springfield, Ill., September 8 to 13, inclusive, 1940;

H. R. 9445. An act for the acquisition of Indian lands for the Grand Coulee Dam and Reservoir, and for other purposes; and

H. J. Res. 517. Joint resolution to clear title to certain real estate.

The message also announced that the Senate had passed, with amendments in which the concurrence of the House is requested, a bill of the House of the following title:

H. R. 9822. An act to expedite naval shipbuilding, and for other purposes.

The message also announced that the Senate insists upon its amendments to the foregoing bill, requests a conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. WALSH, Mr. TYDINGS, and Mr. HALE to be the conferees on the part of the Senate.

The message also announced that the Senate had passed, with amendments in which the concurrence of the House is requested, bills of the House of the following titles:

H. R. 5303. An act for the relief of Solomon Brown;

H. R. 6831. An act to authorize the Secretary of the Interior to lease certain of the public lands to the Metropolitan Water District of southern California for the extraction of sodium chloride for water-conditioning purposes;

H. R. 7736. An act authorizing the Secretary of the Interior to issue patents for lands held under color of title:

H. R. 7861. An act conferring jurisdiction upon the Court of Claims to hear, determine, and render judgment upon the claims of Hannah S. Bray, Jane Bickers, and Frances Bickers;

H. R. 8450. An act to extend for 5 additional years the reduced rates of interest on Federal land-bank and Land Bank Commissioner loans; and

H. R. 9877. An act authorizing the Secretary of the Interior to promulgate and to put into effect charges for electrical energy generated at Boulder Dam, providing for the application of revenues from said project, authorizing the operation of the Boulder power plant by the United States directly or through agents, and for other purposes.

The message also announced that the Senate had passed bills of the following titles, in which the concurrence of the House is requested:

S. 71. An act to repeal the act entitled "An act relating to Philippine currency reserves on deposit in the United States";

S. 253. An act to authorize the leasing of certain Indian lands subject to the approval of the Secretary of the Interior;

S. 1433. An act to add certain lands to the Siuslaw National Forest in the State of Oregon;

S. 2171. An act for the relief of M. Seller & Co.;

S. 2880. An act conferring jurisdiction upon the Court of Claims to hear, determine, and render judgment on the claim of R. Brinskelle and Charlie Melcher;

S. 2997. An act for the relief of the Greenlee County Board of Supervisors;

S. 3003. An act for the relief of Ralph C. Hardy, William W. Addis, C. H. Seaman, R. J. Polk, and E. F. Goudelock;

S. 3143. An act for the relief of Chandler V. Jensen;

S. 3437. An act for the relief of the Franco-American Construction Co.;

S. 3497. An act to require the issuance by the General Accounting Office of a quarterly certificate of settlement of money accounts to United States property and disbursing officers, of the National Guard of the several States, Territories, and the District of Columbia;

S. 3539. An act for the relief of Thomas M. Barnes;

S. 3582. An act relating to the status of certain natives and inhabitants of the Virgin Islands;

S. 3710. An act for the relief of James H. Hearon;

S. 3866. An act for the relief of George W. Coon;

S. 3879. An act to amend section 15 (g) of the Agricultural Marketing Act, as amended, relating to the definition of agricultural commodity;

S. 3926. An act to authorize the Secretary of War to provide a license for the construction of a pile dolphin and walkway at Fort Mifflin Military Reservation, and for other purposes;

S. 3962. An act for the relief of the Louis Puccinelli Bail Bond Co.;

S. 3998. An act to increase the credit resources of Commodity Credit Corporation;

S. 4008. An act to authorize the Reconstruction Finance Corporation to make loans for the development of deposits of strategic and critical minerals which, in the opinion of the Corporation, would be of value to the United States in time of war, and to authorize the Reconstruction Finance Corporation to make more adequate loans for mineral developmental purposes;

S. 4032. An act to provide for the reimbursement of Philip A. Penston, pharmacist's mate, first class, United States Coast Guard, for the value of personal and household effects lost and destroyed during the hurricane of September 21, 1938, at New London, Conn.;

S. 4037. An act to confer jurisdiction upon the United States District Court for the Western District of Kentucky to hear, determine, and render judgment upon the claim of Theodore R. Troendle, for the Dawson Springs Construction Co.; and

S. 4097. An act to provide for the disposition of estates of American citizens who die abroad.

FIRST SUPPLEMENTAL NATIONAL DEFENSE APPROPRIATION ACT, 1941

Mr. WOODRUM of Virginia. Mr. Speaker, I call up the conference report on the bill (H. R. 10055) making supplemental appropriations for the national defense for the fiscal year ending June 30, 1941, and for other purposes.

The Clerk read the conference report.

The conference report and statement are as follows:

CONFERENCE REPORT

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 10055) making supplemental appropriations for the national defense for the fiscal year ending June 30, 1941, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendments numbered 2, 9, 10, and 15.

That the House recede from its disagreement to the amendments of the Senate numbered 3, 4, 5, 7, 8, 11, 12, 13, 14, 16, 17, 18, 19, 20, 21, 22, 23, 24, 25, 26, 27, 28, 31, and 32; and agree to the same.

Amendment numbered 1: That the House recede from its disagreement to the amendment of the Senate numbered 1, and agree to the same with an amendment, as follows: In lieu of the sum proposed insert "$50,000"; and the Senate agree to the same.

Amendment numbered 6: That the House recede from its disagreement to the amendment of the Senate numbered 6, and agree to the same with an amendment, as follows: In lieu of the matter inserted by said amendment insert the following:

"SEC. 201. From the appropriations for 'Regular Supplies of the Army,' 'Clothing and Equipage,' 'Army Transportation,' 'Signal Service of the Army,' 'Air Corps, Army,' 'Medical and Hospital Department,' 'Engineer Service, Army,' 'Ordnance Service and Supplies,' 'Chemical Warfare Service,' and 'Seacoast Defenses,' for the fiscal year 1941, not to exceed a total of $2,658,967 may be applied to the employment of persons and the procurement of supplies and services and printing and binding at the seat of government, and to pay of employees of the Finance Department in the field, under the following heads and within the respective limitations specified, as follows:

"SALARIES, WAR DEPARTMENT

"For temporary personal services:
"Office of the Secretary of War, $617,110;
"Office of Chief of Staff, $96,980;
"Adjutant General's Office, $158,700;
"Office of the Judge Advocate General, $13,920;
"Office of the Chief of Finance, $60,120;
"Office of the Quartermaster General, $78,960;
"Office of the Chief Signal Officer, $67,490;
"Office of the Chief of Air Corps, $40,760;
"Office of Chief of Engineers, $130,260;
"Office of Chief of Ordnance, $719,740;
"Office of Chief of Chemical Warfare Service, $46,380;
"Office of Chief of Infantry, $2,880;
"Office of Chief of Cavalry, $2,880;
"Office of Chief of Field Artillery, $4,320;
"Office of Chief of Coast Artillery, $5,760;
"Office of Chief of Chaplains, $1,440;
"National Guard Bureau, War Department, $10,000;
"In all, salaries, War Department, $2,057,700.

"OFFICE OF THE SECRETARY

"Contingent expenses, War Department, $216,772.
"Printing and binding, War Department, $177,995.

"MILITARY ACTIVITIES

"Finance Service, $206,500."

And the Senate agree to the same.

Amendment numbered 29: That the House recede from its disagreement to the amendment of the Senate numbered 29, and agree to the same with an amendment, as follows: In lieu of the matter inserted by said amendment insert the following:

"SEC. 301. The Secretary of the Navy is authorized, where necessary, to exceed the statutory limit on repairs and alterations to vessels during the fiscal year 1941."

And the Senate agree to the same.

Amendment numbered 30: That the House recede from its disagreement to the amendment of the Senate numbered 30, and agree to the same with an amendment, as follows: In line 6 of the matter inserted by such amendment, strike out "shall" and insert "may"; and the Senate agree to the same.

C. A. WOODRUM,
CLARENCE CANNON,
LOUIS LUDLOW,
J. BUELL SNYDER,
EMMET O'NEAL,
GEO. W. JOHNSON,
JOHN TABER,
R. B. WIGGLESWORTH,
J. W. DITTER,
Managers on the part of the House.

ALVA B. ADAMS,
KENNETH MCKELLAR,
CARL HAYDEN,
JAMES F. BYRNES,
FREDERICK HALE,
JOHN G. TOWNSEND,
Managers on the part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 10055) "Making supplemental appropriations for the national defense for the fiscal year ending June 30, 1941, and for other purposes," submit the following statement in explanation of the effect of the action agreed upon and recommended in the accompanying conference report as to each of such amendments, namely:

Treasury Department

On No. 1: Appropriates $50,000, instead of $98,880 as proposed by the Senate for salaries, Office of the Commandant, Coast Guard.

War Department—Civil functions

On No. 2: Strikes out the appropriation of $8,127,000, inserted by the Senate, for maintenance and improvement of existing river and harbor works.

War Department—Military activities

On No. 3: Appropriates $293,330,282 for "Air Corps, Army," as proposed by the Senate, instead of $249,830,282 as proposed by the House.

On Nos. 4 and 5: The House bill authorizes not to exceed $2,000,000 of the appropriation for expediting production to be used for the erection, equipment, and operation of a "pilot plant" for the beneficiation of manganese ores and the production of metallic manganese therefrom by the "electrolytic process." The Senate amendment makes the amount available for a "pilot plant or plants" and provides for the use of other processes in addition to the electrolytic process. The House accepts the Senate amendments.

On Nos. 6 and 7: The Senate added section 201 granting unlimited authority for the use of certain War Department field appropriations for personal services and other expenses at the seat of Government. The House accepts the Senate amendment modified so as to set forth the specific amounts for various War Department bureaus and offices for personal services at the seat of Government and other departmental expenses in accordance with the sums in the Budget estimates totaling $2,658,967, which may be expended from such appropriations.

Navy Department

On No. 8: Appropriates $7,500,000, as proposed by the Senate, for the Naval Reserve, and repeals, as proposed by the Senate, the limitations in the Naval Appropriation Act, 1941, limiting the number of drills of Naval Reserves to 48 per annum and limiting the number and rank of officers of the Naval Reserve and Marine Corps Reserve who may be employed on active duty in the fiscal year 1941 out of the appropriation in such Naval Appropriation Act, 1941.

On Nos. 9 and 10: Eliminates the increases of $300,000 and $100,000, respectively, made by the Senate in the appropriations for the Bureaus of Engineering and Construction and Repair, for facilities for Canton Island.

On Nos. 11 and 12, relating to the Bureau of Ordnance: Increases the appropriation for Ordnance and Ordnance Stores, Navy, by $9,500,000, as proposed by the Senate, to provide for increased powder manufacture and storage facilities at Indianhead, Md., and to provide for additional armament and ammunition for the Marine Corps.

On Nos. 13, 14, 15, 16, 17, 18, and 19, relating to Public Works, Bureau of Yards and Docks: Makes a technical correction in connection with the limit of cost for the shipbuilding dock, Philadelphia Navy Yard; increases the limit of cost in the bill for the Naval Air Station, Quonset Point, R. I., $24,000,000, to the authorized limit of cost, $24,204,000; strikes out the proposed authorization of $1,500,000, inserted by the Senate for the naval air station, Canton Island; increases the limit of cost in the bill for the naval air station, Tongue Point, Oreg., $1,000,000, to the authorized limit of cost, $2,000,000, as proposed by the Senate; includes the amendment, proposed by the Senate, providing that the pipe line in connection with the development of water supply, naval station, Key West, Fla., may be built in cooperation with an agency of the State of Florida; inserts the requirement, proposed by the Senate, that the fixed fee to be paid any contractor as a result of any contract hereafter entered into under the authority of the act of April 25, 1939, shall not exceed 6 percent of the estimated cost of the contract, exclusive of the fee, as determined by the Secretary of the Navy; and inserts the authority, proposed by the Senate, allowing a variation of 10 percent either upward or downward in the limits of cost of specific projects in the accompanying bill, and the Naval Appropriation Act, 1941, with the requirement that the aggregate of all such limits of cost shall not be exceeded by the exercise of such authority.

On Nos. 20 and 21, relating to the Bureau of Aeronautics: Increases the amount of the appropriation in the House bill from $22,585,000 to $22,885,000 as proposed by the Senate, and increases the amount that may be expended thereof for maintenance, etc., from $870,400, as proposed by the House, to $1,170,400, as proposed by the Senate.

On No. 22: Appropriates $2,000,000 as proposed by the Senate for general expenses, Marine Corps.

On Nos. 23, 24, and 25, relating to alterations of naval vessels: Provides a direct appropriation of $24,360,000, as proposed by the Senate, instead of a direct appropriation of $14,360,000 and a contract authorization of $10,000,000, as proposed by the House, and strikes out the authority proposed by the House bill for exceeding

the statutory limit on repairs of vessels in connection with the appropriation. This authority is provided generally for all appropriations for the fiscal year 1941 in section 301.

On No. 26: Makes a technical correction.

On No. 27: Appropriates $10,000 for the Office of the Secretary of the Navy to provide the salary for the position of Under Secretary of the Navy.

On No. 28: Appropriates $25,000,000, as proposed by the Senate, for an emergency fund for naval auxiliaries and patrol craft instead of a contract authorization for such purposes, as proposed by the House.

On No. 29: The Senate amendment authorizes the Secretary of the Navy to exceed the statutory limit on repairs and alterations to vessels during the existing emergency and with the funds appropriated in title III of the accompanying bill to acquire and convert auxiliaries for service with the fleet. The House accepts the Senate amendment modified so as to limit such authority to the fiscal year 1941 instead of to the existing emergency and to eliminate the language proposed in connection with the acquisition and conversion of auxiliaries. The latter language is eliminated for the reason that it is the opinion of the conference committee that the authority already granted in connection with the appropriations made in the bill for such purposes is sufficiently broad to accomplish the ends sought.

On No. 30: The Naval Appropriation Act, 1941, contains a requirement that the Secretary of the Navy, in filling out the allowances of naval vessels above 85 percent of complement, shall first assign to active duty for limited periods of training such naval reservists as will voluntarily accept active duty—not to exceed 5,000—and provided that to the extent such naval reservists are not available, the Secretary shall recruit regular enlisted men in the Navy to the extent necessary to provide an enlisted personnel of not to exceed 170,000 by July 1, 1941. The Senate amendment amends this latter provision by eliminating the limitation on the number of enlisted men to be attained by July 1, 1941, and directs the Secretary of the Navy to recruit regular enlisted men in the Navy to the extent that naval reservists are not available. The conference agreement accepts the Senate amendment modified so as to change the amendment from a "requirement" to recruit regular enlisted men when naval reservists are not available to "authority" to do so.

On No. 31: The Senate amendment authorizes the detail of enlisted men to the Office of Naval Intelligence during the fiscal year 1941. The House accepts the Senate amendment.

On No. 32: Corrects a section number.

C. A. WOODRUM,
CLARENCE CANNON,
LOUIS LUDLOW,
J. BUELL SNYDER,
EMMET O'NEAL,
GEO. W. JOHNSON,
JOHN TABER,
R. B. WIGGLESWORTH,
J. W. DITTER,
Managers on the part of the House.

Mr. WOODRUM of Virginia. Mr. Speaker, this is the last of the so-called emergency defense bills. There is nothing controversial in it so far as I know.

The amount of the bill as it passed the House was $1,381,917,147; amount of the bill as passed by the Senate, $1,488,353,027; amount of Senate recessions, $8,575,880; amount of House recessions, $97,860,000; amount of bill as agreed upon, $1,479,777,147; amount of contract authorizations $282,736,761. The total amount of direct appropriations and contract authorizations is $1,762,513,908.

Of the increase of $97,860,000 over the House bill, $35,000,000 consists of changing contracts in House bill to direct appropriations and $43,500,000 is for airplane engines for the Army Air Corps.

So far as I know, Mr. Speaker, there is nothing controversial in the bill, and I yield 5 minutes to the gentleman from New York [Mr. TABER].

Mr. TABER. Mr. Speaker, this conference report brings the total of the money made available for the Army and Navy and for defense purposes up to approximately $6,000,000,000 at this session of Congress. It makes the total appropriations of this Congress, without reappropriations or contract authorizations being figured in, practically $15,900,000,000. Many of the items in the $15,000,000,000 are things we could have gotten along without and that we should have gotten along without. As far as the items for national defense go, and for putting our defenses in order, the minority has unanimously gone along with the majority in providing every cent that was needed.

The President at last has made a move with reference to the War Department and the Navy Department. Regardless of whatever else it does, I hope he will let these men administer the Departments and not pass out his orders to the generals of the Army and the admirals of the Navy through William H. McReynolds, Harry Hopkins, and Tommy Corcoran; but the President has not shown that he is prepared to go along for defense. He has named Sidney Hillman to take charge of the training of young men and young women for war purposes. God knows it is bad enough if we have to have conscription in the United States, but to have conscription under the training of such a man is absolutely the reverse of national defense. I hope that if such a thing comes into this Congress that this House will stand against that sort of performance.

The President has also submitted Budget estimates for a new program for the T. V. A. totaling $65,000,000 and an immediate appropriation of $25,000,000, which, in the report of the Senate Appropriations Committee, thank God, have been ruled out. I hope that this Congress will not follow the President in trying to waste more money than is absolutely needed for national defense and that we can stick to honest national defense in the efforts we make in the next few days and the next few months. [Applause.]

Mr. WOODRUM of Virginia. Mr. Speaker, I yield 10 minutes to the gentleman from Missouri [Mr. CANNON].

Mr. CANNON of Missouri. Mr. Speaker, repeatedly during this session I have called attention to the fact that the war in Europe might end by September and to the inevitable effect of the close of the war upon farm prices. Now, that prediction has come true even earlier than anticipated. To all intents and purposes the war, so far as it affects the American market, is over, and its repercussion upon the price of farm products is already painfully evident. Wheat which sold only a few weeks ago at $1.13 on the Chicago market, is today bringing less than 60 cents on the farm.

Hogs which sold for more than a dime last September today bring less than a nickel. Cotton has not yet felt the full effect of the blow but its reaction to postwar conditions is merely a question of time. It is selling at a dime on the farm today; but with all ports of export closed is certain to fall slowly but steadily as foreign markets are closed and exports dwindle. I shall later insert in the RECORD a table showing the cessation of all exports of American farm products to foreign countries as Germany takes possession of them. In Norway, for example, where we imported as high as 46 percent, immediately upon German occupation American imports dropped to less than 3 percent. And the effect will become more pronounced as occupation and consolidation of customs administration proceeds. Now, by a remarkable contrast, the cessation of the war has had no effect on wage scales or industrial prices. In fact wages are higher in every city in America and the price of all manufactured commodities is advancing.

I can insert into the RECORD ample statistics on that, but owing to the limited time——

Mr. ENGEL. Mr. Speaker, will the gentleman yield?

Mr. CANNON of Missouri. I much regret that the limited time I have will not permit. I hope the gentleman will excuse me.

Mr. ENGEL. Merely to ask the gentleman to place in the RECORD the price of wheat——

Mr. CANNON of Missouri. I thank the gentleman for his cooperation, and I will later follow his suggestion; but for the present I hope the gentleman will permit me to proceed at this time.

Astonishing as it may seem, although farm prices are in a tailspin and are dropping precipitously, wages are increasing and prices of all nonfarm commodities are stiffening. We have a very good example of that right here in the House. Just yesterday every Member of Congress was notified through the mails that after today he will not be able to buy a typewriter at the Government price of $70, because under the law the price of typewriters has been fixed, and typewriters must hereafter be sold at $100. It costs about $18 to make a typewriter selling for $100, but in the Government, where we buy in large quantities, and

in commercial schools, where they handle machines in bulk, they have been able to buy them for $70. However, from now on the price has been fixed, and you will have to pay $100 for the $18 typewriter. If time permitted, I could give you an endless number of similar instances. Macy's, the great New York department store, advertised in full-page advertisements recently quoting parallel prices showing that such price maintenance increased the price to the consumer by heavy percentages.

Now, there is a reason for everything. This did not just happen. Why is it that only farm prices fall while wages and industrial prices are not affected? Just one thing, my friends—legislation. Laws passed by this Congress keep labor wages up and keep freight rates and industrial prices up. I do not have to name the long list of acts passed by Congress which arbitrarily support labor and industry. All of you are familiar with them, and most of you have helped pass them. And lack of similar legislation leave farm prices subject to every adverse wind and not only keep them below parity but keep them shifting from day to day, always to the loss of the farmer and all business and professional men dependent either directly or indirectly on farm patronage. This is not a new development. For years political parties have been promising agriculture economic equality with labor and industry. But we have had no opportunity here in the House to vote on legislation that would carry out that promise. While the Committee on Interstate and Foreign Commerce and the Committee on Labor and other committees of the House have been bringing out these laws which maintain wages and factory prices, the Committee on Agriculture has boondoggled with minor bills on rates of interest, farm loans, farm tenancy, and with other details, but which did not affect the one vital thing, namely, the price of farm products. You can give a man the lowest interest in the world and lend him all the money he wants, and buy him the best farm in the State; but if you do not give him a price that will pay him back the cost of production, the sheriff will take away everything he has, as certain as taxes and interest roll around.

There is a remarkable and significant attitude in respect to farm legislation by the metropolitan newspapers and the great industrial and labor organizations of this country. Whenever you bring in a bill to help farm tenancy, or to lend the farmer money, or to reduce the rates of interest, they are back of it, and they assure us they want to help the farmer, but whenever you suggest bringing in any legislation which would stabilize farm products, which would give the farmer parity prices, you find either emphatic opposition or a deep silence on the part of these interests which are so solicitous for the farmer's welfare on boondoggling legislation of the character just mentioned.

Why is that? Because there is a well-defined and well-organized policy throughout the Nation, based on the theory that this is an industrial country and that we must have cheap food so that we can have cheap labor and produce cheap industrial products to compete with the other industrial countries of the world. American labor does not compete with foreign labor for the home market. American industry does not compete with foreign industry in the United States. They are all protected, but the American farmer is in competion with the Chinese coolie, the South American peon, and the European peasant. It is interesting to note that the Washington newspapers, for example, which have been decrying parity-price legislation, which so roundly abused us when we made an appropriation for parity prices, the only thing we could do under the legislation that we had—it was interesting to note that at the time when we were getting $24 for hogs and 35 cents for cotton and $2.20 for wheat those same newspapers were selling on the streets of this city for 1 cent.

Mr. RICH. Mr. Speaker, will the gentleman yield?

Mr. CANNON of Missouri. Now, when hogs are down to a nickel, and wheat is down to 60 cents and cotton down to a dime, that same paper is selling on the streets of the city for 3 cents.

But, why has not the Committee on Agriculture functioned these 4 years in the face of the greatest need in the economic set-up of the entire country? The excuse offered by the Committee on Agriculture the last time we discussed the matter on the floor of the House was that they did not have time. They said it was too near the end of the session. So they went into hibernation. They refused even to hold hearings on the subject. We pleaded with them. We said, You ought at least to be looking into it. You ought to be calling before you the men who should be heard on the various propositions that have been made to stabilize farm prices.

[Here the gavel fell.]

Mr. WOODRUM of Virginia. Mr. Speaker, I yield the gentleman 2 additional minutes.

Mr. HOBBS. Will the gentleman yield?

Mr. CANNON of Missouri. I hope the gentleman will pardon me. I wish I had the time. But I have only 2 minutes. The Committee on Agriculture excused themselves for not coming to the relief of the hard-pressed farmers by saying it was too near the end of the session. But since that time the Committee on Ways and Means has met, held hearings, brought out, and passed one of the most intricate tax bills in the revenue annals of the Government. Since that time we have enacted one of the most elaborate defense plans ever formulated in time of peace; but the Committee on Agriculture was either too tired or too slow or too disinterested to even consider the matter; to even call in witnesses to hear suggestions on a remedy or ask the Department of Agriculture for information or advice—and that in one of the most serious crises in the history of the Nation.

No; we are not going to adjourn. We have the summer before us, my friends on the Committee on Agriculture, and I hope that the 6 farmers out of the 16 members of that committee will use their efforts to give the farmers and the Nation a little service.

You know, back in the Sixty-ninth Congress they packed the Committee on Agriculture, both the Democrats and the Republicans packed their respective Representatives on the committee so that they would not report out the McNary-Haugen bill. They thought they had it buried for all time to come, but in spite of having packed the committee the demand from the country was so insistent that we were able to report it out by one vote. We no longer pack the Committee on Agriculture, but it should give a little more attention to the jurisdiction committed to its care. Every man of the Committee on Labor is interested in labor. That committee is meeting every day, bringing into this House at every opportunity legislation in behalf of labor.

I wish to take this opportunity to pay a tribute to the Committee on Labor. It is an admirable committee and has functioned as effectively as any committee in the House. I have no doubt that if we turned farm legislation over to it we would get prompt and effective action.

It is to be hoped that in the long summer before us, while we wait here in Washington, the Committee on Agriculture will find time to give this question, this most important question before the American people, a little attention. [Applause.]

[Here the gavel fell.]

NAVAL SHIPBUILDING

Mr. VINSON of Georgia. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 9822) to expedite the naval shipbuilding, and for other purposes, with Senate amendments, disagree to all the Senate amendments, and agree to the conference asked by the Senate.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Georgia? [After a pause.] The Chair hears none and appoints the following conferees: Messrs. VINSON of Georgia, SCHUETZ, and MAAS.

EMERGENCY DEFENSE APPROPRIATION

Mr. WOODRUM of Virginia. Mr. Speaker, I yield 3 minutes to the gentleman from Pennsylvania [Mr. RICH].

Mr. RICH. Mr. Speaker, the gentleman from Virginia [Mr. WOODRUM], who is handling this bill, says that the bill, as it passed the House, amounted to $1,381,000,000, and,

as it came from the Senate, it amounted to $1,479,000,000. That makes an increase of $98,000,000, and they give us 13 minutes in the House to talk about $98,000,000. It is a great sum of money, increasing this bill by the Senate. I thought the Senate was for economy at the beginning of the session; seems as if they changed.

Now, it seems to me that 13 minutes is not time enough to discuss this great increase of $98,000,000 because let me show you what our appropriations have been this year. The total is about $15,900,000,000. Our receipts are $5,600,000,000, according to the President's estimate. With the new tax bill passed recently of $1,007,000,000, we are going to be short or in the red for the year 1941, $9,300,000,000. Is it not terrible? Where is the economy this administration promised the American public? Why does not the President say anything about an economic operation of our Government?

Let me show you what this administration has paid for national defense from 1933 to 1940. It amounts to $7,226,861,000. With the amount we have appropriated for national defense this year and authorized, $5,900,000,000, that amounts to over $13,000,000,000 for the national defense. I herewith enclose a table or figures showing expenditures for national defense from 1933 through 1939 and appropriated for 1940 and 1941, as follows:

Fiscal year	Navy	Army	Total
1933	$349,361,924	$268,417,426	$617,779,350
1934	297,029,280	243,329,151	540,358,431
1935	430,477,860	273,485,711	703,933,571
1936	529,031,665	382,654,683	911,686,348
1937	548,801,242	374,260,148	923,061,390
1938	588,828,834	421,985,682	1,010,814,516
1939	659,040,284	480,900,733	1,139,941,017
1940	722,389,092	656,898,000	1,379,287,092
1941			5,900,000,000
Total			13,126,861,915

These billions of dollars were taken, or are to be taken, from the taxpayers. What defense have the taxpayers received for these billions? What have we spent this $13,000,000,000 for? It seems to me that some committee of the House, someone in authority, ought to be able to tell you what the inventory of our national defense, as far as the Navy, the Army, and the air force is concerned, was in 1932, and then he ought to show what our inventory is going to be at the end of the time we have spent this $13,000,000,000 for national defense under this administration, and let the people of the United States know what it has been spent for. Are we adequately prepared and will we be? Will our Treasury permit us to operate our military forces and Navy?

The great trouble with this Congress is we spend and spend and spend and we take no inventory of what we have received for the expenditure of these great sums of money. It seems to me we are going down the slide. We are going down the chute. We are going down to bankruptcy. We are carrying this Nation to such a depth financially that when the time comes that we have a big navy and a big army and a big air force, we will have no money in this country to operate it. It is going to be a serious time when we find out that that is the case. How will our children pay the cost of operating their government and pay your debt? Your debt will stagger them. It will break their backs to pay it. Why has not this administration economized, as it promised the people it would do in 1932? You have had a great deficit each year from one and one-half billions up to over four billions, and now for 1941 it will run close to $9,000,000,000. Worse and more of it. Terrible, disgraceful, uncalled for, unwarranted. Oh, will wonders never cease. America, wake up and stop the waste; review the votes of your Congressman.

So I say let us have an inventory of what we have received for the expenditure of these funds for national defense. We need a business administration for the United States if we are going to keep from being sunk financially and if we are going to keep our Nation out of war.

Mr. WOODRUM of Virginia. Mr. Speaker, I move the previous question on the adoption of the conference report.

The previous question was ordered.

The conference report was agreed to.

A motion to reconsider was laid on the table.

REVENUE ACT OF 1940

Mr. DOUGHTON. Mr. Speaker, I call up the conference report on the bill (H. R. 10039) to provide for the expenses of national preparedness by raising revenue and issuing bonds, to provide a method for paying for such bonds, and for other purposes.

The Clerk read the title of the bill.

Mr. DOUGHTON. Mr. Speaker, I ask unanimous consent that the statement be read in lieu of the report.

The SPEAKER. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

The Clerk read the statement of the managers on the part of the House.

The conference report and statement are as follows:

CONFERENCE REPORT

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 10039) to provide for the expenses of national preparedness by raising revenue and issuing bonds, to provide a method for paying for such bonds, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendments of the Senate numbered 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, 15, 16, 17, 18, 19, 20, 21, 22, 23, 24, 27, 28, 29, 32, 33, 34, 35, 36, 37, 38, 39, 40, 41, 42, 43, and 44 and agree to the same.

That the Senate recede from its amendments numbered 30, 46, and 47.

Amendment numbered 25: That the House recede from its disagreement to the amendment of the Senate numbered 25, and agree to the same with an amendment, as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert the following:

"Section 1700 (a) (1) of the Internal Revenue Code is amended by striking out 'until July 1, 1941, is less than 41 cents' and inserting in lieu thereof 'until July 1, 1940, is less than 41 cents, and after June 30, 1940, and before July 1, 1945, is less than 21 cents' and by striking out 'is less than 41 cents, until July 1, 1941' and inserting in lieu thereof 'is less than 41 cents until July 1, 1940, and is less than 21 cents after June 30, 1940, and before July 1, 1945.'"

And the Senate agree to the same.

Amendment numbered 26: That the House recede from its disagreement to the amendment of the Senate numbered 26, and agree to the same with an amendment, as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert the following:

"SEC. 212. Cigarettes.

"Subchapter A of chapter 15 of the Internal Revenue Code is amended by inserting at the end thereof the following new sections:

"'SEC. 2004. Defense tax for five years.

"'In lieu of the rates of tax specified in section 2000 (c) (2), the rates of tax for the period after June 30, 1940, and before July 1, 1945, shall be $3.25 and $7.80, respectively.

"'SEC. 2005. Floor stocks tax.

"'(a) Floor stocks tax: Upon cigarettes subject to tax under section 2000 (c) (2) which on July 1, 1940, are held by any person for sale, there shall be levied, assessed, collected, and paid a floor stocks tax at a rate equal to the increase in rate of tax made applicable to such articles by section 2004.

"'(b) Returns: Every person required by this section to pay any floor stocks tax shall, on or before August 1, 1940, under such regulations as the Commissioner with the approval of the Secretary shall prescribe, make a return and pay such tax, except that in the case of articles held by manufacturers and importers the Commissioner may collect the tax with respect to all or part of such articles by means of stamp rather than return, and in such case may make an assessment against such manufacturer or importer having tobacco tax stamps on hand July 1, 1940, for the difference between the amount paid for such stamps and the increased rates specified in section 2004.

"'(c) Laws applicable: All provisions of law, including penalties, applicable in respect of the taxes imposed by section 2000 shall, insofar as applicable and not inconsistent with this section, be applicable with respect to the floor stocks tax imposed by subsection (a).'"

And the Senate agree to the same.

Amendment numbered 31: That the House recede from its disagreement to the amendment of the Senate numbered 31, and agree to the same with an amendment, as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert the following:

"(1) Upon all distilled spirits produced in or imported into the United States upon which the internal-revenue tax imposed by law has been paid, and which on July 1, 1940, are held and intended for sale or for use in the manufacture or production of any article

intended for sale, there shall be levied, assessed, collected, and paid a floor stocks tax of 75 cents on each proof-gallon, and a proportionate tax at a like rate on all fractional parts of such proof-gallon. The tax imposed by this subsection shall not apply to 100 wine gallons of the retail stocks of distilled spirits held by a person on premises as to which such person has incurred occupational tax as a retail dealer in liquors for the period beginning on July 1, 1940, and as to which no other occupational tax with respect to dealing in distilled spirits has been incurred by such person for a period beginning on such date.

"(2) Every person required by this subsection to pay any floor stocks tax shall, on or before August 1, 1940, under such regulations as the Commissioner, with the approval of the Secretary, shall prescribe, make a return and pay such tax. Payment of the tax shown to be due may be extended to a date not later than February 1, 1941, upon the filing of a bond for payment thereof in such form and amount and with such surety or sureties as the Commissioner, with the approval of the Secretary, may prescribe. Every retail dealer in liquors (even though not liable to pay such tax) shall make the return required by this paragraph."

And the Senate agree to the same.

Amendment numbered 45: That the House recede from its disagreement to the amendment of the Senate numbered 45, and agree to the same with an amendment, as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert the following:

"SEC. 401. Section 205 of the Public Salary Tax Act of 1939 is amended by adding at the end thereof a new sentence to read as follows: 'If the amount of the deficiency in income tax for any taxable year beginning before January 1, 1939, attributable to compensation paid indirectly by the United States, or any agency or instrumentality thereof, for personal service as an officer or employee of a State, or any political subdivision thereof, or any agency or instrumentality of any of the foregoing, is paid on or before March 15, 1941, then with respect to failure to pay such amount or make return of such compensation: (a) No criminal penalty shall apply; and (b) the additions to tax provided in sections 291 and 293 of the Internal Revenue Code shall not apply.' "

And the Senate agree to the same.

R. L. DOUGHTON,
THOS. H. CULLEN,
JOHN W. MCCORMACK,
JERE COOPER,
ALLEN T. TREADWAY,
FRANK CROWTHER,
HAROLD KNUTSON,
Managers on the part of the House.

PAT HARRISON,
WILLIAM H. KING,
WALTER F. GEORGE,
ARTHUR CAPPER,
Managers on the part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 10039) to provide for the expenses of national preparedness by raising revenue and issuing bonds, to provide a method for paying for such bonds, and for other purposes, submit the following statement in explanation of the effect of the action agreed upon by the conferees and recommended in the accompanying conference report:

On amendment No. 1: The Senate amendment provides that the tax on foreign corporations not engaged in trade or business in the United States and not having an office or place of business therein shall be at a uniform rate of 15 per centum. Under the House bill the rate was 11 per centum in the case of income from dividends and 16 per centum in the case of all other fixed and determinable receipts. (See amendments Nos. 2, 3, and 10.) The House recedes.

On amendment No. 2: The Senate amendment restores the 15 per centum withholding rate in the case of interest on tax-free covenant bonds paid to foreign corporations not engaged in trade or business in the United States and not having an office or place of business therein. Under the House bill the rate was 16 per centum. (See amendments Nos. 1, 3, and 10.) The House recedes.

On amendment No. 3: The Senate amendment provides for withholding of corporation tax at the source in the case of foreign corporations not engaged in trade or business in the United States and not having an office or place of business therein at the uniform rate of 15 per centum rather than the 16 per centum and 11 per centum rates provided in the House bill. (See amendments Nos. 1, 2, and 10.) The House recedes.

On amendment No. 4: The Senate amendment substitutes for the requirement of the House bill that every trust with a gross income of $100 or over file an income tax return, a requirement that every trust with a gross income of $800 or over file a return and every trust with a net income of $100 or over file a return. The House recedes.

On amendment No. 5: The Senate amendment eliminates the provision of the House bill under which cigarette papers in books of 25 papers or less were to be subject to the cigarette-paper tax. The House recedes.

On amendments Nos. 6 and 7: These amendments make changes in section numbers. The House recedes.

On amendment No. 8: This amendment makes a change in a cross-reference, and the House recedes.

On amendments Nos. 9, 11, 12, 13, 14, 15, 16, 17, 18, 19, 21, 22, 27, 28, 29, 32, 33, 34, 35, and 43: These amendments change the designation in the headings of sections and subsections and of columns in schedules, and references thereto, from "super-tax" to "defense tax." The House recedes.

On amendment No. 10: The Senate amendment provides for a uniform withholding rate of 16.5 percent for the 5-year period rather than the 12½-percent, 16½-percent, and 17½-percent rates provided in the House bill. The amendment also contains a clarifying change to assure the maintenance of treaty obligations in the case of withholding on dividends. (See amendments Nos. 1, 2, and 3.) The House recedes.

On amendments Nos. 20, 23, and 24: The Senate amendments provide that in cases where articles leased or sold with respect to which under section 3441 (c) of the Internal Revenue Code payment of the tax is required as the installment payments for the article are received, the increased rates in the bill will not apply if the lease, contract of sale, or conditional sale was made before July 1, 1940, and delivery of the article was made before that date. The House recedes.

On amendment No. 25: The Senate amendment eliminates the House provision under which admissions of more than 30 cents and less than 41 cents were subject to tax for the 5-year period. It substitutes therefor the following rates:

If the amount paid is 10 cents or more and less than 20 cents, 1 cent; if the amount paid is 20 cents or more, 1 cent for each 10 cents or fraction thereof; if the amount which would be charged for a single admission is 10 cents or more, 1 cent for each 10 cents or fraction thereof of the amount paid for a season ticket or subscription.

The other provisions of the amendment merely rewrite the provisions of existing law.

The House recedes with an amendment which restores the House provision but reduces the exemption so that admissions of less than 21 cents are exempt.

On amendment No. 26: The Senate amendment eliminates the increased rates of tax on tobacco products provided for the 5-year period by the House bill and the floor-stocks tax imposed thereunder.

The House recedes with an amendment which eliminates all increases in tax on tobacco products, except cigarettes, and eliminates the increase in tax on cigarette papers. The conference agreement also substitutes for the House rates on cigarettes of $3.50 per thousand and $8.40 per thousand rates of $3.25 per thousand and $7.80 per thousand. The conference agreement also imposes a floor-stocks tax at the increased rates on all cigarettes held on July 1, 1940, for sale.

On amendment No. 30: The Senate amendment increases for the 5-year period the rate on rectifying distilled spirits from 30 cents per proof gallon to 40 cents per proof gallon. There is no comparable provision in the House bill. The Senate recedes.

On amendment No. 31: The Senate amendment eliminates the exemption from the floor stocks tax on distilled spirits of 100 wine gallons held by a retail dealer in liquors. Under the amendment floor stocks of rectified distilled spirits are subjected to a rate 10 cents per proof gallon higher than the basic rate of 75 cents. For administrative reasons, this additional rate is not to apply to distilled spirits which are rectified spirits solely by reason of the addition of not more than 2½ percent by volume of coloring, blending, smoothing, or flavoring materials, and is not to apply to liqueurs, cordials, or similar compounds. Technical changes are made in the provisions relating to return and payment of the floor-stocks tax.

The House recedes with an amendment which eliminates the additional 10-cent rate on floor stocks of rectified spirits. The amendment also contains an exemption of 100 wine gallons held by any person on retail stocks on July 1, 1940, on premises as to which he is for any period beginning on that date exclusively engaged in business as a retailer.

On amendments Nos. 36, 37, 38, 39, and 40: These Senate amendments increase the rates on certain still wines and strike out references to the tax on fortification of wine. These amendments are consistent with the recent increase in tax on still wines and the elimination of the tax on fortification of wines. The House recedes.

On amendments Nos. 41 and 42: Amendment No. 41 strikes out the exemption of retail dealers from the floor-stocks tax on fermented malt liquors. Amendment No. 42 inserts a modified exemption of retail stocks. This provides that the exemption shall apply only to retail stocks which, on July 1, 1940, are held on retail premises. Such premises are confined to premises with respect to which the dealer is a retail dealer exclusively. If with respect to such premises the dealer is a wholesale dealer or brewer also, the exemption is not allowed as to any of the fermented malt liquor held on the premises. The House recedes.

On amendment No. 44: This amendment inserts a new title number, "Title IV." The House recedes.

On amendment No. 45: The Senate amendment amends the Public Salary Tax Act of 1939 to provide that no income tax shall be assessed or collected after the date of enactment of the bill which is attributable to compensation received prior to January 1, 1939, for personal service as a State officer or employee even though such compensation was paid directly or indirectly by the United States. There is no comparable provision in the House bill. The House recedes with an amendment which provides that, if the amount of deficiency in income tax which is attributable to

such compensation is paid with interest on or before March 15, 1941, no civil or criminal penalties shall be imposed on account of failure to pay such amount or make return of such compensation.

On amendment No. 46: This amendment inserts a new section imposing an excess-profits tax. The Senate recedes.

On amendment No. 47: This amendment proposes taxes which become effective in the event of war. The Senate recedes.

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Managers on the part of the House.

Mr. DOUGHTON. Mr. Speaker, the bill as agreed to in conference yesterday by the conferees is estimated to raise approximately $1,000,000,000, the amount we set out to raise when we began the preparation of this bill.

The report is unanimous on the part of the House conferees.

I believe it is as good a bill as could be prepared in the time that your committee felt it had at its disposal. We all realize that further study of the matter of taxation will be necessary, and our committee proposes to proceed as rapidly and expeditiously as possible to the further consideration of additional legislation on this very important matter.

Mr. Speaker, I yield 10 minutes to the gentleman from Tennessee [Mr. COOPER], who is chairman of the Subcommittee on Internal Revenue Taxation.

Mr. COOPER. Mr. Speaker, the revenue bill as passed by the House contained about 27 pages. When the bill came back from the Senate it contained 357 pages. Three hundred and thirty pages were added to the bill in the Senate. Forty-seven amendments were added to the bill in the Senate. I think it would be fair to state that about 33 of this number were of a clerical or clarifying nature. There are about 14 amendments of substance to the bill.

Title I of the bill, as passed by the House, provides for increases in the income-tax rates, and is permanent law. Title I of the bill as brought back to you from conference is substantially the same as passed by the House.

Title II is that part of the bill, as you will recall, that provides for certain temporary increases of certain taxes, and it is in title II that practically all of these 14 amendments of substance occur. With your indulgence I will endeavor to give a brief explanation of these 14 amendments of substance.

On Senate amendments 1 to 3 the House has receded. The purpose of these amendments is to place nonresident alien individuals and nonresident foreign corporations not having an office or place of business in the United States upon an equal footing with respect to the rate of taxation on fixed and determinable income received by them from sources within the United States. The present rate of 10 percent in the case of dividends is increased to 15 percent instead of 11, as provided in the House bill. The rate of tax on other fixed or determinable income which under the existing law is 15 percent and under the House bill was increased to 16 percent is left at 15 percent. Since these taxes are withheld at the source in many cases it is impossible for the withholding agent to determine whether the income is to go to a corporation or an individual. The Senate amendment removes any distinction between the corporate and individual rates, and that is agreed to by the House conferees and presented to you in the conference report.

On amendment No. 4 the House recedes. Under the House bill a trust was required to file an income tax return if its gross income for the taxable year was $100 or more. The Senate amendment changes this provision so as to require a return only if the trust has a net income of $100 or more, or a gross income of $800 or more.

On amendment No. 10 the House recedes. The purpose of this Senate amendment is to reconcile the withholding rate while the defense tax is in effect with the change made in the permanent withholding rate by amendments 1 to 3.

The next amendment is one of importance and of interest to all Members of the House, I feel sure; that is with respect to the admissions tax. The House bill decreased the exemption under the admissions tax from 41 cents under existing law to 31 cents. The Senate amendment reduced the exemption to 9 cents, and upon admissions from 10 cents to 19 cents, inclusive, placed a tax of 1 cent; upon admissions of 20 cents or more the Senate rate was 1 cent of each 10 cents or fraction thereof. The conference agreement is a compromise between these two positions. Under the conference agreement admissions of less than 21 cents will pay no tax; upon admissions of 21 cents or more the rate is 1 cent for each 10 cents or fraction thereof.

Amendment No. 26 is another amendment of importance and of considerable interest to Members of the House, as it is the so-called tobacco tax amendment. The House will increase the tax on cigarettes, tobacco, and tobacco products by 16⅔ percent. For example, in the case of cigarettes the tax was increased from $3 to $3.50 per thousand. The Senate struck out these increases.

Mr. HARNESS. Mr. Speaker, will the gentleman yield for a question?

Mr. COOPER. I yield.

Mr. HARNESS. I would like information with reference to the floor tax on cigarettes.

Mr. COOPER. If the gentleman will kindly indulge me I will cover that in my statement.

Mr. HARNESS. What I wanted to know was whether it applied to retailers as well as to wholesalers.

Mr. COOPER. That is information I propose to give if the gentleman will allow me the opportunity.

The Senate struck out these increases as contained in the House bill. Under the conference agreement the Senate action was agreed to, except in the case of cigarettes, where the increased tax of 25 cents per 1,000 was provided. That is, the rate on cigarettes is increased from $3 a thousand to $3.25 per thousand. In addition, a floor-stock tax is provided upon all cigarettes held for sale whether by retail or otherwise.

Amendment No. 30 is the amendment referring to rectifiers of distilled spirits. This Senate amendment placed a 10-cent increase on the rectifying of spirits, therefore raising the rate from 30 cents to 40 cents. Upon disagreement the Senate conferees receded and the conference report provides for the present law to continue. That is, the tax on rectifiers is 30 cents, as provided in the House bill, which is the same as the present law, instead of 40 cents as provided in the Senate amendment.

Mr. CELLER. Will the gentleman yield?

Mr. COOPER. I yield to the gentleman from New York.

Mr. CELLER. What was the situation with reference to stocks on the floor of a retail liquor dealer, such as we have in New York City? We have a great number of them. I refer to the floor stock.

Mr. COOPER. Does the gentleman mean with respect to rectifiers?

Mr. CELLER. Yes.

Mr. COOPER. There is no increase in the tax on rectifiers. The law continues as it is today.

Mr. CELLER. Is there not some other change in the rectified tax which refers to some stocks on the floors in the following amendment?

Mr. COOPER. There is no change whatever in the present law with respect to rectifiers.

Mr. KERR. Will the gentleman yield?

Mr. COOPER. I yield to the gentleman from North Carolina.

Mr. KERR. How much revenue do you propose to get by this floor-stock tax on cigarettes?

Mr. COOPER. The estimate of revenue on the cigarette floor tax will run, as I recall, about two and one-half million dollars, and it will cost about that much to administer it. I may say to the gentleman very frankly that your conferees included the floor-stock tax on cigarettes because of the interest we felt in the small dealers. It was pointed out to us

that a small dealer, because of limited capital and limited space in his place of business, could not put in a large stock of cigarettes.

On the other hand, a large institution with larger capital, with a larger place of business and facilities, could stock up, thereby get a competitive advantage over the small dealer. It was very largely for that reason your conferees included this floor-stock tax on cigarettes.

Mr. KERR. The real purpose of this item would be not to raise revenue but to protect the small dealers who handle cigarettes?

Mr. COOPER. I think that is a fair statement. There is not much revenue involved, but we do think the provision here presented is very much in the interest of small dealers, so far as the competitive situation is concerned.

Mr. TREADWAY. Will the gentleman yield?

Mr. COOPER. I yield to the gentleman from Massachusetts.

Mr. TREADWAY. I thoroughly agree with the gentleman's statement that the changes made in the bill are in favor of the small dealers, and we were all anxious to protect the small dealers; but in doing that we reached a rather peculiar situation in that, by the estimate of the Treasury, we will spend more for the collection of the floor tax than we will receive from it. Am I not correct?

Mr. COOPER. That is probably true, insofar as a comparison of cost of collecting from retailers and the amount collected. On the floor-stocks tax as a whole, substantial revenue will be received.

Mr. EBERHARTER. Will the gentleman yield?

Mr. COOPER. I yield to the gentleman from Pennsylvania.

Mr. EBERHARTER. How will the floor tax be collected; from the retailer, wholesaler, and jobber?

Mr. COOPER. It will be collected from everybody who has cigarettes for sale.

Mr. EBERHARTER. A floor tax will be collected from all of them?

Mr. COOPER. Yes.

Mr. EBERHARTER. And it will be collected by the stamp method?

Mr. COOPER. It is my understanding that the Treasury Department expects to use the stamp method with respect to manufacturers and importers.

Mr. EBERHARTER. Will this floor tax become effective immediately on the passage of the bill?

Mr. COOPER. On July 1 of this year.

Mr. EBERHARTER. On July 1 of this year?

Mr. COOPER. That is right. The rate of tax is $3.25 per thousand, an increase of 25 cents per thousand on cigarettes, and the floor-stocks tax will be 25 cents per thousand.

Mr. DOUGHTON. Will the gentleman yield?

Mr. COOPER. I yield to the gentleman from North Carolina.

Mr. DOUGHTON. One of the purposes in placing a floor-stock tax on cigarettes in the hands of the retailer was to prevent evasion of the law as well as unfair competition.

Mr. COOPER. That is true.

Mr. Speaker, amendment No. 31 relates to a floor-stock tax on distilled spirits. The floor-stock tax of 10 cents on rectified spirits was eliminated by the conferees to conform to the recession of the Senate in connection with the rectifying-tax amendment. In addition, an exemption of 100 wine-gallons was allowed in the case of retailers only. To protect this provision, it is provided that persons, both as wholesalers and retailers on the same premises, cannot get the advantage of the 100-gallon exemption.

Mr. CELLER. Will the gentleman yield?

Mr. COOPER. I yield to the gentleman from New York.

Mr. CELLER. I would like to have an explanation of what this statement means under amendment 31. According to the amendment, floor stocks of rectified distilled spirits were subjected to a rate of 10 cents per proof-gallon higher than the basic rate of 75 cents.

Mr. COOPER. That was the Senate amendment, and it is eliminated.

Mr. CELLER. I see.

Mr. COOPER. The Senate receded and it is not in the bill now.

Amendments Nos. 41 and 42 relate to the floor tax on beer. Here a similar provision was adopted to take care of the case where beer dealers transact both a wholesale and retail business on the same premises.

Amendment No. 45 was added in the Senate. It was an amendment offered on the floor of the Senate, not included in the report of the Finance Committee. Upon this amendment the House receded with an amendment to assure that no penalties would be inflicted upon certain classes of State employees with respect to back income taxes. This situation arises out of the so-called Government Salary Tax Act. The Senate amendment provided for these Government employees to be relieved of certain taxes that had been assessed against them. The provision agreed to in conference was that they should not be relieved from payment of the taxes, but they are relieved from the payment of the penalty if they paid the tax and interest on or before March 15, 1941.

Amendments Nos. 46 and 47 are the so-called La Follette and Connally amendments. The Senate recedes on both of these amendments.

As I stated in the beginning the other amendments were of a clerical nature and the House conferees receded on most of them. I may give just a word of explanation with respect to one amendment, relating to the so-called supertax as included in the House bill. The name of it is changed to "defense tax."

If there are any further questions, I shall be pleased to try to answer them.

Mr. CRAWFORD. Mr. Speaker, will the gentleman yield?

Mr. COOPER. I yield to the gentleman from Michigan.

Mr. CRAWFORD. Did I correctly understand the gentleman to say that about 330 pages were added to the bill? Am I correct in understanding that the so-called Connally and La Follette amendments were both rejected by the committee on conference?

Mr. COOPER. The La Follette bill was added as amendment No. 46, and the Connally bill was added as amendment No. 47.

Mr. CRAWFORD. They were approved by the other body?

Mr. COOPER. The Senate passed both of them on roll-call votes, and in conference the Senate conferees receded on both of them.

Mr. CRAWFORD. They are entirely out of the bill?

Mr. COOPER. That is correct.

Mr. TREADWAY. Mr. Speaker, will the gentleman yield?

Mr. COOPER. I yield to the gentleman from Massachusetts.

Mr. TREADWAY. I believe that in answer to the gentleman from Michigan it is fair to say that the so-called La Follette amendment, the excess-profits tax, took up only 15 pages. That was not so serious. The so-called Connally amendment, the war-profits amendment, consisted of over 300 pages.

Mr. COOPER. The gentleman is correct.

Mr. TREADWAY. So that the complaint of not having time to consider the whole matter was largely in connection with the Connally amendment rather than the La Follette amendment.

Mr. COOPER. The gentleman is correct as to the number of pages. However, I do submit to the gentleman that both the La Follette amendment and the Connally amendment are matters that should be gone into very carefully and thoroughly. I am sure the gentleman agrees with me.

Mr. TREADWAY. I agree with the gentleman's statement fully.

Mr. DONDERO. Mr. Speaker, will the gentleman yield?

Mr. COOPER. I yield to the gentleman from Michigan.

Mr. DONDERO. I have had considerable protest from amusement corporations relating to instances where small admission fees are charged at picnic grounds and other amusement resorts. Do I correctly understand that the minimum has been raised from 10 cents to 20 cents and that admission fees under that are free from tax?

Mr. COOPER. The gentleman is correct. Everything from 20 cents down is free from tax.

Mr. DONDERO. It was a protest lodged in favor of the poor people who might enjoy that simple method of amusement.

Mr. COOPER. Your House conferees had that in mind. I am sure our views are in accord with the views of the gentleman from Michigan.

Mr. MAY. Mr. Speaker, will the gentleman yield?

Mr. COOPER. I yield to the gentleman from Kentucky.

Mr. MAY. I have had several inquiries from automobile dealers and operators of filling stations who have supplies and are interested in the proposed raise in the tax on automobile accessories. As I understand, there was a 10-percent raise. Is that correct?

Mr. COOPER. The gentleman is correct. There is no change in that item here. The provisions of the House bill still obtain with respect to that.

Mr. MAY. The House in the first instance put it in the bill, and there was no change in the Senate of what the House did?

Mr. COOPER. That is true.

Mr. ANDERSON of Missouri. Mr. Speaker, will the gentleman yield?

Mr. COOPER. I yield to the gentleman from Missouri.

Mr. ANDERSON of Missouri. With regard to the floor-stocks tax on beer, has there been any change made in the conference report?

Mr. COOPER. Only a slight change in this respect: We tried to deal with the situation where the same dealer may be in the retail business and the wholesale business; in other words, we exempt the part of his business that is purely retail if it is on separate premises, but we apply the floor-stocks tax to the part of his business that is wholesale.

Mr. VOORHIS of California. Mr. Speaker, will the gentleman yield?

Mr. COOPER. I yield to the gentleman from California.

Mr. VOORHIS of California. I wanted to ask about the La Follette amendment. I was interested in that amendment and rather sorry it was left out. I wonder if the gentleman would tell us what we can expect about action on an excess-profits tax.

Mr. COOPER. I rather anticipated that the distinguished gentleman from California or someone else would ask that question. I believe the gentleman's question can best be answered by reading a resolution adopted in conference with respect to the excess-profits tax:

RESOLUTION OF COMMITTEE OF CONFERENCE ON H. R. 10039 (TAX BILL) ADOPTED JUNE 21, 1940

Resolved by the committee of conference on H. R. 10039, That the committee is firmly of opinion that an excess-profits tax should be enacted as soon as possible and be made applicable to the calendar year 1940 and all taxable years beginning in 1940, and to all subsequent years. In pursuance of this policy the Treasury Department is urgently requested to submit to the Ways and Means Committee of the House and to the Finance Committee of the Senate not later than October 1, 1940, a plan for such tax, together with supporting data and drafts for proposed legislation.

Mr. VOORHIS of California. I thank the gentleman very much.

Mr. CELLER. Mr. Speaker, will the gentleman yield?

Mr. COOPER. I yield to the gentleman from New York.

Mr. CELLER. I just wish to say that as far as I am concerned I believe the conferees on the part of the House are entitled to a great deal of credit for doing a very fine job.

Mr. COOPER. I appreciate the remarks of the gentleman from New York. I do feel, Mr. Speaker, that it can be said that the House conferees have brought back to the House the bill substantially as it passed the House.

Mr. RICH. Mr. Speaker, will the gentleman yield?

Mr. COOPER. I yield to the gentleman from Pennsylvania.

Mr. RICH. In getting the data for an excess-profits tax from the Treasury Department, is it customary for the Ways and Means Committee to secure that draft and then adopt the suggestions made by the Treasury Department, or is it the duty of the Committee on Ways and Means to draft the kind of an excess-profits tax bill they believe ought to be enacted in order to keep the corporations that have exorbitant earnings down to a certain limit of profit consistent with good business and regard for this country in time of war? We ought not to permit these excess war profits at this time, and I think the Ways and Means Committee ought to take that into consideration in framing a new tax bill.

Mr. COOPER. The gentleman from Pennsylvania and the House may rest assured that your Committee on Ways and Means in this instance will, as it has done on all other occasions, draft the bill itself and bring it to the House as the product of the Ways and Means Committee. We receive data, information, and material from the Treasury Department, from the staff of the Joint Committee on Internal Revenue Taxation, and we have the very valuable services of the drafting service of the House in preparing all legislation that is reported by the Ways and Means Committee to the House, and that practice will be followed with respect to this bill.

Mr. RICH. There is one other question I would like to ask the gentleman. In section 205, the capital-stock tax, on page 16, amendment No. 13, the Senate struck out "super tax" and you have inserted the words "defense tax." That would be applicable to the enormous amount that we are spending this year over last year, but what is the Ways and Means Committee doing to get taxes to make up for the enormous deficits that we have had each year for the last 10 years? We cannot let that burden pass on to our children, because we would wreck them. Unless this Congress takes some action in an effort to alleviate the burden that is going to be placed on our children, I can see nothing but a chaotic condition coming later on, and it is our business, it is your business and my business, to try to see that that does not happen and I do not think "defense tax" is a good expression here. It might be termed "deficit tax."

Mr. COOPER. As I endeavored to explain earlier, in title II of this bill the increase of the amount of the tax as provided under existing law was termed a "supertax." The Senate changed the name from super tax to defense tax and the House conferees agreed to that Senate amendment. It is simply a change in name only and it applies all through title II of the bill which is the title providing a temporary increase of taxes, all of which is to be used for retiring national-defense obligations.

Mr. CRAWFORD. Mr. Speaker, will the gentleman yield for a question?

Mr. COOPER. I yield to the gentleman from Michigan.

Mr. CRAWFORD. If I understood the gentleman correctly he read a resolution which was approved by the conference committee with reference to an excess-profits tax.

Mr. COOPER. The gentleman is correct.

Mr. CRAWFORD. Would the gentleman give us encouragement by making some kind of statement to the effect that if Congress remains in session for some several weeks we may have the privilege of voting for an excess-profits tax during the present calendar year?

Mr. COOPER. I cannot give the gentleman any assurance as to a few weeks, but I think during this calendar year we hope to accomplish that purpose.

Mr. TREADWAY. Mr. Speaker, will the gentleman allow me to interrupt here?

Mr. COOPER. I yield to the gentleman with pleasure.

Mr. TREADWAY. I would say, for the information of the gentleman from Michigan, that one of the last things said in conference yesterday afternoon was by the representative of the Treasury, who informed us very positively that such a bill could be written and submitted to our committee within 2 months—the expression "2 months" was used.

Mr. COOPER. That is correct.

Mr. DOUGHTON. Mr. Speaker, will the gentleman yield to me?

Mr. COOPER. I yield to the chairman of our committee.

Mr. DOUGHTON. It is also true that the Treasury experts stated that it would take something like 2 months to make a pattern by which they could recommend legislation on this subject, because it is so difficult to draft a bill that would be fair and equitable to all interests. We had an excess-profits tax just after the World War, and it was drawn hastily and we had a great deal of trouble and a great deal of expense and a great deal of litigation. In order to obviate that the Treasury suggested, and I think very wisely so, that they would not be willing to be responsible for suggestions or recommendations on the subject made in less than about 2 months.

Mr. TREADWAY. One of the reasons, if I may be allowed to speak further——

Mr. COOPER. I yield to the gentleman from Massachusetts.

Mr. TREADWAY. One of the reasons we could not possibly take it up in the conference was the fact that the experts informed us there were 300 questions of policy that must be decided before such a bill could be written, and we had 24 hours to bring in a report. The gentleman can readily see that we absolutely could not accomplish it physically, if we had the power mentally to do it.

Mr. COOPER. Let me say this, too: Under the last excess profits tax law that we had there were some 10,000 litigated cases. Forty-seven of those cases are pending now, or were a week ago. This gives you some idea of the extreme difficulty involved in preparing legislation of this type. It is hoped by the Treasury Department and by your committee that by taking time we may be able to iron out the thing, profit by the experience of the past, and avoid at least a part of those 10,000 cases that were litigated.

Mr. CRAWFORD. Mr. Speaker, if the gentleman will permit this observation, I think we owe it to American industry to give them a rough indication at the present time that an excess-profits tax is definitely on the way, and that if Congress remains in session for 3 or 4 months they may expect it during the calendar year now going on, because it is a job to handle corporate affairs so that these tax burdens can be provided for.

Mr. COOPER. I think the resolution adopted in conference and the further fact that the Ways and Means Committee included a statement in its report on the bill when it was reported to the House give ample notice to the people of the country that they may reasonably expect legislation of this type.

Mr. COCHRAN. And to apply to the calendar year 1940.

Mr. COOPER. That is so stated in the committee report.

Mr. Speaker, I ask unanimous consent to insert in the RECORD a statement correcting an error in the House committee report upon the original bill.

The SPEAKER. Is there objection?

There was no objection.

Mr. COOPER. By unanimous consent I insert the following statement correcting an error in a House committee report on original bill.

In order to avoid confusion in the minds of taxpayers the Ways and Means Committee desires to correct an error in the committee report, House Report 2491. The example of the application of the 10-percent increase in income tax to individuals found at the bottom of page 15 and the top of page 16 is not entirely complete, and hence inaccurate, for it fails to take into account the fact that the normal tax and surtax apply only after the application of the personal exemption and credit for dependents. The following should be substituted for the paragraph in question:

"The net income of an individual entitled to the maximum earned income credit and having no capital gains or losses, is $752,400. After application of the personal exemption and credit for dependents, it is $750,000, and his tax liability computed without regard to section 15 is $497,724. The difference between the net income and the tax liability is $254,676. The tax under section 15 is $497,724 plus 10 percent of $254,676, or $523,191.60. If such a limitation had not been provided for, the tax under section 15 would have been $547,496.40. It should be noted that the effect of this limitation on the 10-percent increase is to relieve from any increase a taxpayer who under existing law, as amended by title I, has no net income, because he has a net long-term capital loss, but is subject to tax under section 117 (c) (2) of the Internal Revenue Code."

In the table on page 15, relating to the 10-percent increase in the tax in the case of corporations, a line should be inserted after the line beginning "Net income," reading:

Normal tax, net income $100,000

Mr. DOUGHTON. Mr. Speaker, I yield 10 minutes to the gentleman from Massachusetts [Mr. TREADWAY].

Mr. TREADWAY. Mr. Speaker, the gentleman from Tennessee [Mr. COOPER] has so fully covered the details of the conference report that I shall not take up the time of the House in elaborating upon them further. I shall however refer to certain items.

At the outset, I desire to answer further the interrogatory of the gentleman from Pennsylvania [Mr. RICH] as to the method of procedure in the Committee on Ways and Means. I assume that all Members of the House realize the tremendous complications that arise in writing legislation which comes within the jurisdiction of that committee—taxation, tariff, social security, and other subjects of importance. The details of these measures are complicated, and we must have evidence not only from people of experience in the practical side of the propositions but from the experts in the departments and of our own staff, including the office of the legislative counsel and the joint committee on taxation. I think perhaps I am as critical as any man of any partisanship that may come up. I am a partisan and always admit it, but I do say that while I have been a member of the minority of that committee, there never has been a time when the cards were all put on the table as freely by the majority side as they have been during this present session of Congress. We have prepared the bills in committee. We have had the advice and the assistance of our own experts and those in the departments, and while some of us in the minority cannot approve of all the recommendations that are submitted to us, nevertheless I hope when we are in the majority next year, we will be as fair to the minority, now the majority, as they have been to us in the past year. [Applause.] So I say to the gentleman from Pennsylvania [Mr. RICH] he need not have any fear that in writing an excess profits tax bill, it is going to be written down town. It is going to be written in the Ways and Means Committee room in the House Office Building, and to the best of the ability of the members of the committee. Of course, mistakes will creep in; we cannot help that, because it is a big, complicated question.

Mr. McCORMACK. Mr. Speaker, will the gentleman yield?

Mr. TREADWAY. Yes.

Mr. McCORMACK. In my 10 years' experience on the Ways and Means Committee, I have served under both Republican and Democratic administrations, and we have had tax bills under both administrations. I think it is a fair statement to say that the Ways and Means Committee has received all advice possible from the Treasury Department, without regard to administration, and that the committee itself has written all bills.

Mr. TREADWAY. And in many instances I would say in addition to that we have received less advice than we would like to have received, particularly from the people who are affected by the tax bills, or the tariff bills, or whatever we have under consideration. We appeal to the people, and now that notice is being given to them by the adoption of the resolution which the gentleman from Tennessee [Mr. COOPER] has read, I hope that those people to whom I refer who are particularly affected, will give us the benefit of their practical views and experience.

I want now particularly to refer further to the extravagant expenditures of this administration. The gentleman from New York [Mr. TABER] a short time ago said it seemed to him that there should be some economy in connection with the billions of dollars being spent in the operation of government, before putting on new taxes. I thoroughly agree with that suggestion. I am extremely sorry that the principle involved in the amendment of Senator BYRD providing for a mandatory cut of 10 percent in nondefense appropriations was so destroyed and nullified by the Senate that the

author of it himself moved to have it stricken from the bill. It was a serious blunder not to include it in the bill. I tried to have the Byrd amendment included by the Ways and Means Committee, but was unsuccessful. The people today demand of us economy in government. They are going to shoulder these increased taxes that we are putting on them for purpose of defense but, nevertheless, they do expect that we reciprocate and show economy in government, when they are being taxed as they are by this bill. I feel that the principle of the Byrd amendment is desirable, and should have been kept in the bill.

The question of the writing of the excess-profits tax will include an item which I brought up originally in the Committee on Ways and Means, and with respect to which we inserted a reference in the committee report—namely, the amortization of investments in excess of actual business needs made by taxpayers to carry on the defense program. It is going to be very difficult to interest business in elaborating and extending their plants unless they are assured of being able to get back in special amortization deductions the capital invested in the business to help the defense program of the Government. I know the two matters will be given the most careful consideration by the Treasury and by the committee during the summer recess. Business people can be assured of prompt and favorable action by Congress on amortization, and the public can be assured of action in levying reasonable excess-profits taxation.

Bear in mind that the report from the Government officials, requested by the resolution referred to by the gentleman from Tennessee [Mr. COOPER], must be in the hands of Congress by October 1. We are going to forget that October 1 is only 1 month before election time. I am willing to stay here and help on this defense program whether or not it hurts me in my district to be away from it. Perhaps being away from it will be a good thing. But whatever the situation, our duty to ourselves and to our constituents and to our country is to be on the job here and be ready for that report, and keep prodding the Department a little to make sure that they live up to the resolution of the conference committee referred to by the gentleman from Tennessee.

Mr. RICH. Mr. Speaker, will the gentleman yield?

Mr. TREADWAY. I yield.

Mr. RICH. The gentleman has been here a great many years. Does he know, in all the time he has been in Congress, of any more extravagant expenditures of taxpayers' funds than he has noticed in the last 5 or 6 years?

Mr. TREADWAY. No; I do not. That is the price we are paying for the mistake which the voters of the country made 4 years ago when they retained the present President in the White House.

Mr. RICH. The question I want to ask the gentleman is this: Has he seen more than a few on the Democratic side of this House make any effort for economy in Government operations? Can he show me one place where they have made any effort to economize?

Mr. TREADWAY. Yes.

Mr. RICH. Where?

Mr. TREADWAY. On paper. The White House brought out the statement that they might be able to save a few dollars about 10 days ago, after the Republicans had gone on record for economy in the strongest kind of language.

Mr. RICH. The gentleman is talking about the President saying he was going to reduce expenditures 25 percent and consolidate departments, but you have not seen him do anything, have you?

Mr. TREADWAY. Not to date.

Mr. CRAWFORD. Mr. Speaker, will the gentleman yield on that question?

Mr. TREADWAY. I yield.

Mr. CRAWFORD. Will the gentleman permit this observation? I think there are men on the Democratic side of this House who have worked and spoken and voted as conscientiously as any man on earth could to bring about greatly decreased expenditures the last several years. At least they have impressed me they were sincere about it, and I think we ought to give them credit for it. [Applause.]

Mr. TREADWAY. I agree there are Democrats conscientiously anxious for economy, but they are few in number. The Republican-Democratic economy coalition has been outvoted.

Mr. RICH. Will the gentleman yield further?

Mr. TREADWAY. I will have to have some more time if I am going to yield.

Mr. DOUGHTON. I yield the gentleman 5 additional minutes, Mr. Speaker.

Mr. TREADWAY. I yield to the gentleman from Pennsylvania.

Mr. RICH. There is a handful of men on that side who have tried to do something, but the majority is over there. That is where they should do it.

Mr. TREADWAY. I have tried to support the Republican doctrine of economy to the best of my ability. I cannot criticize other people for not always agreeing with my views. However, I think the record of the Republicans for economy is excellent, and it will be a factor in the election.

But let me proceed to one or two other matters directly affecting us in this report. There has been something said about the change of the name from "supertax" to "defense tax." Of course, that is all poppycock. It is perfectly ridiculous. There is no more reason to try to sugar-coat the pill represented by these increased taxes. You can not get away with it, because this tax is coming out of the pockets of the people. You can call it by any name you want to. You can call it a gift from heaven, or anything else, but, regardless of whether you change it from "supertax" to "defense tax," you are not satisfying anybody called upon to pay the tax.

However, I want to say in connection with this matter that I took the trouble yesterday in conference to ask the Treasury officials whether in levying the additional excise taxes it would appear what part of it was the old tax and what part of it was this so-called defense tax. I was assured that the old tax stamp would still be used, and where you see the word "defense" it refers only to the levy made by this bill. When the present supply of stamps runs out they will print some more with the regular rates on. So that it will continue to be known for 5 years as a defense tax, and the old tax will remain as is. That will cover that feature, I think.

Now, there are two other subjects I would like to speak about. Mr. Speaker, I was very glad, indeed, that the House conferees were able to reach a compromise on the admission charges. When I first saw the Senate bill I was astounded that they proposed to tax admissions of 10 cents or more and that all the proposed increase was taken off cigarettes and tobacco. Without seeming to be unduly critical of the Senate, I think that was a serious mistake. Imagine taking the increase off cigarettes and making up the revenue by taxing a small admission fee for a child going to a movie. We were able to compromise on that and raise the exemption to 20 cents, which is much more preferable. The 20-cent bracket, according to the statistics furnished us, will bring in $60,000,000 additional revenue over the present law, which provides for a 40-cent exemption. Of course, that is a large sum to get from that source. So that was a very definite gain on the part of the House conferees, that we were not obliged to go to that lower figure. I think it would have been extremely unpopular and very unfair and unwise in every sense of the word to have reduced the admission tax to tickets costing 10 cents or more.

Mr. McCORMACK. Will the gentleman yield?

Mr. TREADWAY. I yield.

Mr. McCORMACK. I think it is also fair to say that the House conferees in all probability would not have gone that far.

Mr. TREADWAY. We were very insistent against it. There was not a single House conferee who favored the Senate provision.

With regard to tobacco, the conference agreement eliminates all proposed increases except with respect to cigarettes,

which are increased from $3 per thousand to $3.25 per thousand. A floor tax of 25 cents per thousand will be imposed on all floor stocks on hand on July 1, including retail stocks.

There is one matter in which my district is particularly interested, and I would like to say a word about it—namely, the tax on cigarette papers.

It happens that my district is a paper-manufacturing district. Among other mills there is a large mill manufacturing cigarette paper.

The proposed increase in tax meant a revenue of only $3,000,000 and it was a desirable thing not to impose a tax on the papers given away. It was incongruous to my mind to tax something that was free. Under the present law, if you had 24 papers in a booklet given away with a package of tobacco there was no tax on the papers. It did not seem right or proper that that should be taxed. The action of the conferees eliminates the provision of the House bill which would have subjected these papers to tax.

Both Senate and House bills provided for an increase in the tax on liquor from $2.25 to $3 per proof gallon, so that item was not before the conferees. A floor tax of 75 cents per proof gallon is imposed on stocks on hand July 1. The conference agreement restores the 100-wine-gallon exemption for retailers, as provided in the original House bill. The exemption is limited to retailers who do not have wholesale stocks on the same premises.

The tax on rectified spirits was another important item in disagreement. The House bill did not increase present rate of 30 cents per gallon. The Senate increased rate to 40 cents. The conference report leaves rate at 30 cents, as under House bill.

As to beer, the conference agreement retains the exemption of retail dealers from the floor tax on beer, but confines it to retailers not having wholesale stocks on the same premises.

Mr. GIFFORD. Mr. Speaker, will the gentleman yield?

Mr. TREADWAY. Yes; I yield to the gentleman from Massachusetts.

Mr. GIFFORD. I was particularly interested in the gentleman's remarks deploring that there had been no attempt at any economy, and that we must impose such a terrific tax on our people. A definition of economy is: A way of spending money and getting no fun out of it.

Mr. TREADWAY. You cannot get any fun out of a tax bill, that is certain.

Mr. GIFFORD. But it has been such a lot of fun to build Tugwell towns. And their building must still go merrily on.

[Here the gavel fell.]

Mr. DOUGHTON. Mr. Speaker, I yield the gentleman 2 additional minutes.

Mr. FISH. Mr. Speaker, will the gentleman yield?

Mr. TREADWAY. I yield.

Mr. FISH. As I understand it, therefore, there is no tax on cigarette papers in this bill.

Mr. TREADWAY. No change is made in the present law. There is, at present, a tax on packages of cigarette papers where the package contains 25 or more. The tax is one-half cent for each 50 papers or fraction thereof.

Mr. FISH. That is the present law.

Mr. TREADWAY. That is the present law.

Mr. FISH. But there is no change in the present law in any way on cigarette papers.

Mr. TREADWAY. No.

Mr. FISH. I think that action is very right.

Mr. TREADWAY. In examining the bill, Mr. Speaker, the Members will, of course, find that perhaps they are not at all certain as to existing law on some of these taxes. The gentleman from Tennessee has made a very complete explanation of the changes that have been made in the bill.

In conclusion let me say that the conferees as well as the members of the minority of the Ways and Means Committee have been very appreciative of the courtesies shown them both by our chairman, by the chairman of the subcommittee on taxation, and by the Department officials and experts who worked with us. We have been perfectly satisfied in every respect, and we thank the majority and the experts for the kindly treatment we have received at their hands.

Mr. REED of New York. Mr. Speaker, will the gentleman yield?

Mr. TREADWAY. I yield.

Mr. REED of New York. Not being one of the conferees I think I can modestly congratulate the conferees in insisting on taking out those regimentation features in the bill covering many phases.

Mr. TREADWAY. I think the conference report could be covered, Mr. Speaker, as it was in my remarks on the original measure when we had it before us. It is a makeshift tax bill, but it is the best we can work out under the circumstances. We have brought in a fair compromise. Give us a little time later on and I am sure—while we cannot reduce taxes from now on—we can smooth out some inequalities that are in existing law. [Applause.]

I thank the House.

Mr. DOUGHTON. Mr. Speaker, I move the previous question on the adoption of the conference report.

The previous question was ordered.

The conference report was agreed to, and a motion to reconsider was laid on the table.

COL. WILLIAM MITCHELL

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. McCORMACK. Mr. Speaker, I am about to introduce a House concurrent resolution which reads as follows:

That the Congress hereby regards Col. William Mitchell as having been exonerated of all the charges on account of which a judgment of court martial was on January 28, 1926, entered against him, and the causes which he espoused and by reason of which such court martial was instituted to have been vindicated by the passage of time; and the Congress further regards his resignation from the Army to have been under honorable circumstances.

In the introduction of this resolution I wish to bring to the attention of Congress these facts. Col. William, "Billy," Mitchell was court-martialed because he advocated in speeches and written articles his honest and sincere belief in the possibilities and destructfulness of the airplane in modern warfare. He was brought before the court-martial board on the ninety-sixth article of war, not for treason to our country in war or for not giving his best in France with the A. E. F., but for speaking his thoughts in regard to a subject of which he was an expert on because of the long hours that he had spent studying the important part that aviation should and would play in warfare.

We all recognize the great work of General Mitchell—at the time of his court martial Colonel Mitchell. He was years ahead of his time in his views on national defense and on our air forces. It is my opinion that in justice to his memory and to the great cause for which he fought, which is now recognized by everyone as being correct, the adjudication of guilty by the court martial should be expunged from the record. [Applause.]

[Here the gavel fell.]

FURTHER MESSAGE FROM THE SENATE

A further message from the Senate, by Mr. St. Clair, one of its clerks, announced that the Senate had passed, with amendments in which the concurrence of the House is requested, a bill of the House of the following title:

H. R. 10104. An act making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1940, and prior fiscal years, to provide supplemental appropriations for the fiscal years ending June 30, 1940, and June 30, 1941, and for other purposes.

The message also announced that the Senate insists upon its amendments to the foregoing bill, requests a conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. ADAMS, Mr. GLASS, Mr. MCKELLAR, Mr. HAYDEN, Mr. BYRNES, Mr. HALE, and Mr. TOWNSEND to be the conferees on the part of the Senate.

ALIEN REGISTRATION ACT OF 1940

Mr. HOBBS. Mr. Speaker, I call up the conference report on the bill (H. R. 5138) to make unlawful attempts to interfere with the discipline of the Army, the Navy, and the Coast Guard; to require the deportation of certain classes of aliens; to require the fingerprinting of aliens seeking to enter the United States; and for other purposes.

The Clerk read the title of the bill.

Mr. HOBBS. Mr. Speaker, I ask unanimous consent that the statement be read in lieu of the report.

The SPEAKER. Is there objection to the request of the gentleman from Alabama?

There was no objection.

The Clerk read the statement of the managers on the part of the House.

The conference report and statement are as follows:

CONFERENCE REPORT

The committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 5138) to make unlawful attempts to interfere with the discipline of the Army, the Navy, and the Coast Guard; to require the deportation of certain classes of aliens; to require the fingerprinting of aliens seeking to enter the United States; and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendment of the Senate and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert the following:

"TITLE I

"SECTION 1. (a) It shall be unlawful for any person, with intent to interfere with, impair, or influence the loyalty, morale, or discipline of the military or naval forces of the United States—

"(1) to advise, counsel, urge, or in any manner cause insubordination, disloyalty, mutiny, or refusal of duty by any member of the military or naval forces of the United States; or

"(2) to distribute any written or printed matter which advises, counsels, or urges insubordination, disloyalty, mutiny, or refusal of duty by any member of the military or naval forces of the United States.

"(b) For the purposes of this section, the term "military or naval forces of the United States" includes the Army of the United States, as defined in section 1 of the National Defense Act of June 3, 1916, as amended (48 Stat. 153; U. S. C., title 10, sec. 2), the Navy, Marine Corps, Coast Guard, Naval Reserve, and Marine Corps Reserve of the United States, and, when any merchant vessel is commissioned in the Navy or is in the service of the Army or the Navy, includes the master, officers, and crew of such vessel.

"SEC. 2. (a) It shall be unlawful for any person—

"(1) to knowingly or willfully advocate, abet, advise, or teach the duty, necessity, desirability, or propriety of overthrowing or destroying any government in the United States by force or violence, or by the assassination of any officer of any such government.

"(2) with the intent to cause the overthrow or destruction of any government in the United States, to print, publish, edit, issue, circulate, sell, distribute, or publicly display any written or printed matter advocating, advising, or teaching the duty, necessity, desirability, or propriety of overthrowing or destroying any government in the United States by force or violence;

"(3) to organize or help to organize any society, group, or assembly of persons who teach, advocate, or encourage the overthrow or destruction of any government in the United States by force or violence; or to be or become a member of, or affiliate with, any such society, group, or assembly of persons, knowing the purposes thereof.

"(b) For the purposes of this section, the term 'government in the United States' means the Government of the United States, the government of any State, Territory, or possession of the United States, the government of the District of Columbia, or the government of any political subdivision of any of them.

"SEC. 3. It shall be unlawful for any person to attempt to commit, or to conspire to commit, any of the acts prohibited by the provisions of this title.

"SEC. 4. Any written or printed matter of the character described in section 1 or section 2 of this Act, which is intended for use in violation of this Act, may be taken from any house or other place in which it may be found, or from any person in whose possession it may be, under a search warrant issued pursuant to the provisions of title XI of the Act entitled 'An Act to punish acts of interference with the foreign relations, the neutrality and the foreign commerce of the United States, to punish espionage, and better to enforce the criminal laws of the United States, and for other purposes', approved June 15, 1917 (40 Stat. 228; U. S. C., title 18, ch. 18).

"SEC. 5. (a) Any person who violates any of the provisions of this title shall, upon conviction thereof, be fined not more than $10,000 or imprisoned for not more than ten years, or both.

"(b) No person convicted of violating any of the provisions of this title shall, during the five years next following his conviction, be eligible for employment by the United States, or by any department or agency thereof (including any corporation the stock of which is wholly owned by the United States).

"TITLE II

"SEC. 20. Section 19 of the Immigration Act of February 5, 1917 (39 Stat. 889; U. S. C., title 8, sec. 155), as amended, is amended by inserting, after 'SEC. 19.', the letter '(a)', and by adding at the end of such section the following new subsections:

"'(b) Any alien of any of the classes specified in this subsection, in addition to aliens who are deportable under other provisions of law, shall, upon warrant of the Attorney General, be taken into custody and deported:

"'(1) Any alien who, at any time within five years after entry, shall have, knowingly and for gain, encouraged, induced, assisted, abetted, or aided any other alien to enter or to try to enter the United States in violation of law.

"'(2) Any alien who, at any time after entry, shall have on more than one occasion, knowingly and for gain, encouraged, induced, assisted, abetted, or aided any other alien or aliens to enter or to try to enter the United States in violation of law.

"'(3) Any alien who, at any time after entry, shall have been convicted of possessing or carrying in violation of any law any weapon which shoots or is designed to shoot automatically or semi-automatically more than one shot without manual reloading, by a single function of the trigger, or a weapon commonly called a sawed-off shotgun.

"'(4) Any alien who, at any time within five years after entry, shall have been convicted of violating the provisions of title I of the Alien Registration Act, 1940.

"'(5) Any alien who, at any time after entry, shall have been convicted more than once of violating the provisions of title I of the Alien Registration Act, 1940.'

"No alien who is deportable under the provisions of paragraph (3), (4), or (5) of this subsection shall be deported until the termination of his imprisonment or the entry of an order releasing him on probation or parole.

"'(c) In the case of any alien (other than one to whom subsection (d) is applicable) who is deportable under any law of the United States and who has proved good moral character for the preceding five years, the Attorney General may (1) permit such alien to depart the United States to any country of his choice at his own expense, in lieu of deportation, or (2) suspend deportation of such alien if not racially inadmissible or ineligible to naturalization in the United States if he finds that such deportation would result in serious economic detriment to a citizen or legally resident alien who is the spouse, parent, or minor child of such deportable alien. If the deportation of any alien is suspended under the provisions of this subsection for more than six months, all of the facts and pertinent provisions of law in the case shall be reported to the Congress within ten days after the beginning of its next regular session, with the reasons for such suspension. The Clerk of the House shall have such report printed as a public document If during that session the two Houses pass a concurrent resolution stating in substance that the Congress does not favor the suspension of such deportation, the Attorney General shall thereupon deport such alien in the manner provided by law. If during that session the two Houses do not pass such a resolution, the Attorney General shall cancel deportation proceedings upon the termination of such session, except that such proceedings shall not be canceled in the case of any alien who was not legally admitted for permanent residence at the time of his last entry into the United States, unless such alien pays to the Commissioner of Immigration and Naturalization a fee of $18 (which fee shall be deposited in the Treasury of the United States as miscellaneous receipts). Upon the cancelation of such proceedings in any case in which such fee has been paid, the Commissioner shall record the alien's admission for permanent residence as of the date of his last entry into the United States and the Secretary of State shall, if the alien was a quota immigrant at the time of entry and was not charged to the appropriate quota, reduce by one the immigration quota of the country of the alien's nationality as defined in section 12 of the act of May 26, 1924 (U. S. C., title 8, sec. 212), for the fiscal year then current or next following.

"'(d) The provisions of subsection (c) shall not be applicable in the case of any alien who is deportable under (1) the Act of October 16, 1918 (40 Stat. 1008; U. S. C., title 8, sec. 137), entitled "An Act to exclude and expel from the United States aliens who are members of the anarchist and similar classes", as amended; (2) the Act of May 26, 1922, entitled "An Act to amend the Act entitled 'An Act to prohibit the importation and use of opium for other than medicinal purposes', approved February 9, 1909, as amended" (42 Stat. 596; U. S. C., title 21, sec. 175); (3) the Act of February 18, 1931, entitled "An Act to provide for the deportation of aliens convicted and sentenced for violation of any law regulating traffic in narcotics", as amended (46 Stat. 1171; U. S. C., title 8, sec. 156a); (4) any of the provisions of so much of subsection (a) of this section as relates to criminals, prostitutes, procurers, or other immoral persons, the mentally and physically deficient, anarchists, and similar classes; or (5) subsection (b) of this section.'

"SEC. 21. The Act entitled 'An Act to provide for the deportation of aliens convicted and sentenced for violation of any law regulating traffic in narcotics', approved February 18, 1931, is amended—

"(1) By striking out the words 'and sentenced';

"(2) By inserting after the words 'any statute of the United States' the following: 'or of any State, Territory, possession, or of the District of Columbia,' and

"(3) By inserting after the word 'heroin' a comma and the word 'marihuana'.

"SEC. 22. No alien shall be deportable by reason of the amendments made by section 20 or 21 on account of any act committed prior to the date of enactment of this Act.

"SEC. 23. (a) The first paragraph of section 1 of the Act entitled 'An Act to exclude and expel from the United States aliens who are members of the anarchistic and similar classes', approved October 16, 1918, as amended, is amended to read as follows:

" 'That any alien who, at any time, shall be or shall have been a member of any one of the following classes shall be excluded from admission into the United States:'.

"(b) Section 2 of such Act of October 16, 1918, as amended, is amended to read as follows:

" 'SEC. 2. Any aliens who was at the time of entering the United States, or has been at any time thereafter, a member of any one of the classes of aliens enumerated in section 1 of this Act, shall, upon the warrant of the Attorney General, be taken into custody and deported in the manner provided in the Immigration Act of February 5, 1917. The provisions of this section shall be applicable to the classes of aliens mentioned in this Act, irrespective of the time of their entry into the United States.'

"TITLE III

"SEC. 30. No visa shall hereafter be issued to any alien seeking to enter the United States unless said alien has been registered and fingerprinted in duplicate. One copy of the registration and fingerprint record shall be retained by the consul. The second copy shall be attached to the alien's visa and shall be taken up by the examining immigrant inspector at the port of arrival of the alien in the United States and forwarded to the Department of Justice, at Washington, District of Columbia."

"Any alien seeking to enter the United States who does not present a visa (except in emergency cases defined by the Secretary of State), a reentry permit, or a border-crossing identification card shall be excluded from admission to the United States.

"SEC. 31. (a) It shall be the duty of every alien now or hereafter in the United States, who (1) is fourteen years of age or older, (2) has not been registered and fingerprinted under section 30, and (3) remains in the United States for thirty days or longer, to apply for registration and to be fingerprinted before the expiration of such thirty days.

"(b) It shall be the duty of every parent or legal guardian of any alien now or hereafter in the United States, who (1) is less than fourteen years of age, (2) has not been registered under section 30, and (3) remains in the United States for thirty days or longer, to apply for the registration of such alien before the expiration of such thirty days. Whenever any alien attains his fourteenth birthday in the United States he shall, within thirty days thereafter, apply in person for registration and to be fingerprinted.

"SEC. 32. Notwithstanding the provisions of sections 30 and 31—

"(a) The application for the registration and fingerprinting, or for the registration, of any alien who is in the United States on the effective date of such sections may be made at any time within four months after such date.

"(b) No foreign government official, or member of his family, shall be required to be registered or fingerprinted under this title.

"(c) The Commissioner is authorized to prescribe, with the approval of the Attorney General, special regulations for the registration and fingerprinting of (1) alien seamen, (2) holders of border-crossing identification cards, (3) aliens confined in institutions within the United States, (4) aliens under order of deportation, and (5) aliens of any other class not lawfully admitted to the United States for permanent residence.

"SEC. 33. (a) All applications for registration and fingerprinting under section 31 shall be made at post offices or such other places as may be designated by the Commissioner.

"(b) It shall be the duty of every postmaster, with such assistance as shall be provided by the Commissioner, to register and fingerprint any applicant for registration and fingerprinting under such section, and for such purposes to designate appropriate space in the local post office for such registration and fingerprinting. Every postmaster shall forward promptly to the Department of Justice, at Washington, District of Columbia, the registration and fingerprint record of every alien registered and fingerprinted by him. The Commissioner may designate such other places for registration and fingerprinting as may be necessary for carrying out the provisions of this Act, and provide for registration and fingerprinting of aliens at such places by officers or employees of the Immigration and Naturalization Service designated by the Commissioner. The duties imposed upon any postmaster under this Act shall also be performed by any employees at the post office of such postmaster who are designated by the postmaster for such purpose.

"SEC. 34. (a) The Commissioner is authorized and directed to prepare forms for the registration and fingerprinting of aliens under this title. Such forms shall contain inquiries with respect to (1) the date and place of entry of the alien into the United States; (2) activities in which he has been and intends to be engaged; (3) the length of time he expects to remain in the United States; (4) the criminal record if any, of such alien; and (5) such additional matters as may be prescribed by the Commissioner, with the approval of the Attorney General.

"(b) All registration and fingerprint records made under the provisions of this title shall be secret and confidential, and shall be made available only to such persons or agencies as may be designated by the Commissioner, with the approval of the Attorney General.

"(c) Every person required to apply for the registration of himself or another under this title shall submit under oath the information required for such registration. Any person authorized to register aliens under this title shall be authorized to administer oaths for such purpose.

"SEC. 35. Any alien required to be registered under this title who is a resident of the United States shall notify the Commissioner in writing of each change of residence and new address within five days from the date of such change. Any other alien required to be registered under this title shall notify the Commissioner in writing of his address at the expiration of each three months' period of residence in the United States. In the case of an alien for whom a parent or legal guardian is required to apply for registration, the notices required by this section shall be given by such parent or legal guardian.

"SEC. 36. (a) Any alien required to apply for registration and to be fingerprinted who willfully fails or refuses to make such application or to be fingerprinted, and any parent or legal guardian required to apply for the registration of any alien who willfully fails or refuses to file application for the registration of such aliens, shall, upon conviction thereof be fined not to exceed $1,000 or be imprisoned not more than six months, or both.

"(b) Any alien, or any parent or legal guardian of any alien, who fails to give written notice to the Commissioner of change of address as required by section 35 of this Act shall, upon conviction thereof, be fined not to exceed $100, or be imprisoned not more than thirty days, or both.

"(c) Any alien or any parent or legal guardian of any alien who files an application for registration containing statements known by him to be false, or who procures or attempts to procure registration of himself or another person through fraud, shall, upon conviction thereof, be fined not to exceed $1,000, or be imprisoned not more than six months, or both; and any alien so convicted within five years after entry into the United States shall, upon the warrant of the Attorney General, be taken into custody and be deported in the manner provided in sections 19 and 20 of the Immigration Act of February 5, 1917, as amended.

"SEC. 37. (a) The Commissioner, with the approval of the Attorney General, is authorized and empowered to make and prescribe, and from time to time to change and amend, such rules and regulations not in conflict with this Act as he may deem necessary and proper in aid of the administration and enforcement of this title (including provisions for the identification of aliens registered under this title); except that all such rules and regulations, insofar as they relate to the performance of functions by consular officers or officers or employees in the Postal Service, shall be prescribed by the Secretary of State and the Postmaster General, respectively, upon recommendation of the Attorney General. The powers conferred upon the Attorney General by this Act and all other powers of the Attorney General relating to the administration of the Immigration and Naturalization Service may be exercised by the Attorney General through such officers of the Department of Justice, including officers of the Immigration and Naturalization Service, attorneys, special attorneys, and special assistants to the Attorney General, as he may designate specifically for such purposes.

"(b) The Commissioner is authorized to make such expenditures, to employ such additional temporary and permanent employees, and to rent such quarters outside the District of Columbia as may be necessary for carrying out the provisions of this title.

"SEC. 38. (a) For the purposes of this title—

"(1) the term 'United States,' when used in a geographical sense, means the States, the Territories of Alaska and Hawaii, the District of Columbia, Puerto Rico, and the Virgin Islands;

"(2) the term 'Commissioner' means the Commissioner of Immigration and Naturalization.

"(b) The provisions of this title shall take effect upon the date of enactment of this Act; except that sections 30 and 31 shall take effect sixty days after the date of its enactment.

"SEC. 39. The President is authorized to provide, by Executive order, for the registration and fingerprinting, in a manner as nearly similar to that provided in this title as he deems practicable, of aliens in the Panama Canal Zone.

"TITLE IV

"SEC. 40. If any provision of this Act, or the application thereof to any person or circumstance, is held invalid, the remainder of the Act, and the application of such provision to other persons or circumstances, shall not be affected thereby.

"SEC. 14. This Act may be cited as the 'Alien Registration Act, 1940.' "

And the Senate agree to the same.

That the House recede from its disagreement to the amendment of the Senate to the title of the bill, and agree to the same.

HATTON W. SUMNERS,
SAM HOBBS,
C. E. HANCOCK,
Managers on the part of the House.

TOM CONNALLY,
JNO. E. MILLER,
JOHN A. DANAHER,
Managers on the part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes on the Senate amendment to the bill (H. R. 5138)

to make unlawful attempts to interfere with the discipline of the Army, the Navy, and the Coast Guard; to require the deportation of certain classes of aliens; to require the fingerprinting of aliens seeking to enter the United States; and for other purposes, submit the following statement, explaining matters agreed upon by the conference committee and recommended in the accompanying conference report:

The Senate amendment and the conference agreement retain provisions designed to accomplish all of the general purposes of the House bill. The Senate amendment also includes provisions, which were not in the House bill, for the registration and fingerprinting of all aliens in the United States. The conference agreement retains these provisions of the Senate amendment.

Title I of conference agreement

Section 1 makes it unlawful for any person, with intent to interfere with, impair, or influence the loyalty, morale, or discipline of the military cr naval forces, to advocate or cause insubordination, disloyalty, mutiny, or refusal of duty by any member of the military or naval forces of the United States, or to distribute any written or printed matter which advocates such insubordination, disloyalty, mutiny, or refusal of duty.

Section 2 makes it unlawful for any person to knowingly or willfully advocate, or (with the intent to cause the overthrow or destruction of any government in the United States) to publish or circulate any written or printed matter which advocates, or to organize any society or group (or knowing the purposes thereof to affiliate with any such society or group) which advocates the overthrow or destruction by force or violence of the Government of the United States, the government of any State, Territory, or possession of the United States, the government of the District of Columbia, or the government of any political subdivision of any of them.

Section 3 makes it unlawful to attempt to conspire to commit any of the acts prohibited by this title.

Section 4 provides for the taking under a search warrant of any written or printed matter intended to be used in violation of the act.

Section 5 fixes the penalties for violation of this title.

Title I of the Senate amendment covered substantially the same subject matter as titles I and II of the House bill. However, the House bill prohibited the advocacy of disobedience by any member of the crew of a documented vessel of the United States which has been warranted to fly the flag of the Naval Reserve to the laws or regulations governing the military or naval forces, or to the lawful orders of a superior, while the corresponding provision of the Senate amendment was applicable to the master, officers, and crew of any merchant vessel when it is commissioned in the Navy or is in the active service of the Army or the Navy. The Senate amendment also omitted a section of title I of the House bill which made it unlawful to justify or defend the assassination or assault of certain public officers. The provisions of title I of the Senate amendment are retained as title I of this conference agreement.

Title II of conference agreement

Section 20 amends section 19 of the Immigration Act of February 5, 1917, by adding thereto several new subsections, the principal provisions of which are as follows:

Subsection (b) provides that, in addition to aliens who are deportable under other provisions of law, the following aliens shall be taken into custody and deported: Aliens who knowingly and for gain have assisted any other alien to enter or to try to enter the United States in violation of law, aliens who have been convicted of possessing and of carrying certain firearms in violation of law, and aliens convicted of violating the provisions of title I of this bill.

Subsection (c) provides that in certain cases, generally those in which aliens are deportable solely because of illegal entry, the Attorney General may allow aliens to depart at their own expense, or may, subject to congressional review, suspend orders of deportation where deportation would result in unwarranted hardship. Subsection (d) provides that the benefits of subsection (c) shall not be extended to aliens who are deportable on grounds which may be generally described as those grounds which indicate that such aliens are likely to be undesirable residents.

Section 21 of the amendment amends an act of February 18, 1931, which provides for the deportation of aliens convicted and sentenced for violation of narcotics laws, so as to provide for the deportation under such act of aliens convicted of violating the narcotics laws of any State, Territory, possession, or the District of Columbia, as well as those of the United States, and so as to provide for deportation on account of violations of laws relating to marihuana, as well as laws relating to other narcotics.

Section 22 provides that aliens shall not be deportable under amendments made by this title on account of acts committed prior to the date of enactment of this act.

Section 23 amends the act of October 16, 1918, which provides for the exclusion and deportation from the United States of aliens who are members of the anarchistic and similar classes, so as to provide that no alien shall be admitted to the United States who has at any time been a member of such classes, and to also provide that any alien who has been a member of such classes at any time after his admission to the United States (for no matter how short a time or how far in the past so long as it was after the date of entry) shall be deported.

Title II of the Senate amendment covered substantially the same subject matter as titles III and IV of the House bill. The provisions of the House bill providing for the deportation of aliens who had engaged in espionage or sabotage and aliens who are habitual users of narcotics were omitted from the Senate amendment. With respect to suspension of deportation in "hardship cases," the House bill required deportation unless Congress took affirmative action approving the suspension, while the Senate amendment required deportation only if Congress took affirmative action disapproving the suspension. The other changes made by the Senate amendment in this part of the House bill were technical in character. The conference agreement retains the provisions of title II of the Senate amendment with changes in section 23 which make it clear that under the act of October 16, 1918, aliens who at any time after their entry into the United States shall have been members of the anarchistic or similar classes shall be deported.

Title III of conference agreement

This title provides for the registration and fingerprinting of aliens.

Section 30 provides for the registration and fingerprinting of aliens entering the United States after the effective date of this section.

Section 31 requires the registration and fingerprinting of aliens already in the United States, and aliens who might in any manner gain admission to the United States without being registered and fingerprinted under section 30. Under this section aliens less than 14 years of age are not required to be fingerprinted, but they must be registered.

Section 32 fixes the time within which registration is required for aliens in the United States on the effective date of sections 30 and 31, provides an exemption from the registration and fingerprinting provisions for officials of foreign governments and members of their families, and authorizes special regulations to be made for the registration and fingerprinting of special classes of aliens.

Section 33 provides for the registration and fingerprinting to be done at post offices or such other places as may be designated by the Commissioner of Immigration and Naturalization.

Section 34 provides for the preparation of the necessary forms, provides that registration and fingerprint records shall be secret and confidential, and provides that the information necessary for registration shall be submitted under oath.

Section 35 requires aliens who are registered to notify the Commissioner of Immigration and Naturalization concerning their whereabouts.

Section 36 prescribes the penalties for failure to register, for false registration. and for failure to give the required notice concerning the whereabouts of an alien.

Section 37 contains authority to make necessary rules and regulations and other administrative provisions.

Section 38 contains definitions and also fixes the effective date of the registration and fingerprinting requirements at 60 days after the date of enactment of the act.

Section 39 authorizes the President to provide for the registration and fingerprinting of aliens in the Panama Canal Zone. It is necessary to make special provision for the Canal Zone, because it is not within the jurisdiction of the Immigration and Naturalization Serivce, and that Service has no representatives there.

Title V of the House bill required the fingerprinting of aliens to whom visas for entering the United States are hereafter issued. Title III of the Senate amendment required these aliens to be fingerprinted and also required that they be registered. The Senate amendment also required the registration and fingerprinting of aliens in the United States. The conference agreement retains the provisions of title III of the Senate amendment with a number of technical changes.

Title IV of conference agreement

This title contains the customary separability clause and a short title for the act, which were in the Senate amendment.

The House recedes from its disagreement to the amendment of the Senate to the title of the bill.

HATTON W. SUMNERS,
SAM HOBBS,
C. E. HANCOCK,
Managers on the part of the House.

Mr. HOBBS. Mr. Speaker, I yield myself 5 minutes.

Mr. Speaker, the Congress of the United States is to be congratulated upon bringing to enactment this excellent piece of legislation.

It is said to be the first and only thoroughgoing attempt to plug the holes which experience has developed in our immigration and deportation laws, which were passed a quarter of a century ago. It is believed that it does that job and does it well.

It is my joy to announce that this bill will do, in a perfectly legal and constitutional manner, what the bill specifically aimed at the deportation of Harry Bridges seeks to accomplish. This bill changes the law so that the Department of Justice should now have little trouble in deporting Harry Bridges and all others of similar ilk. The Supreme Court of the United States, in its decision of the Joe Strecker case, held that the provisions of our deportation statute of 1918

did not apply to an alien who had been a member of an organization which advocated the overthrow of our Government by force or violence if he had ceased to be a member. The pending measure amends that law so that it will provide that any alien who at any time after his entry into the United States shall have been a member of any such organization shall be deported. Therefore, after this bill becomes law, it will be perfectly clear that any alien who has ever been a member of such an organization before coming to this country cannot enter, or if at the time of his entry or at any time thereafter he has been, even for 1 minute, a member of such an organization he shall be deported. These provisions, in conjunction with the other improvements in our deportation law wrought by this bill should make it impossible for any such alien to enter this country in future and also enable us to deport all those of that kind who are now here.

The bill of which our distinguished colleague from Louisiana [Mr. ALLEN] is the author, even if it becomes law, can, in my judgment never accomplish its avowed purpose. In my opinion, it is unconstitutional and will be so declared if it ever reaches the stage where its constitutionality may be challenged.

In addition to the strengthening of our deportation law, this bill protects the Army, Navy, Coast Guard, and to some extent the Merchant Marine from subversive propaganda. For the first time in the history of our Nation, the activities of the prapagandists who in peacetime seek to impair the loyalty, morale, or discipline of our military or naval forces, or to induce insubordination, disloyalty, or mutiny, are outlawed.

The pending measure requires every alien who applies for a visa to be fingerprinted in duplicate. This fingerprinting is required to be done in the alien's home country at the time of his application for visa. Also it is required that every alien in the United States be registered and fingerprinted. The reasons for these requirements are manifest.

The conferees are delighted to present a unanimous conference report. There has been much hard work done both in the House and Senate Committees on the Judiciary, and by the conferees. The distinguished author of the bill, Judge HOWARD SMITH, of Virginia, has been continuously interested and helpful.

All of us who have labored to bring this bill to its satisfactory state commend it to you unhesitatingly. We believe that it covers much of the ground that needs to be covered. The new grounds of deportation should be exceedingly helpful in purging our body politic of poisonous elements. We confidently expect that the authorities charged with the responsibility of administration will find this act workable.

Not desiring to consume unnecessarily a single moment of the time on this final day before recess, I will not continue unless there are questions which Members desire to ask.

Mr. McCORMACK rose.

Mr. HOBBS. I am delighted to yield to the distinguished gentleman from Massachusetts [Mr. McCORMACK].

Mr. McCORMACK. Is this the Smith bill?

Mr. HOBBS. Yes, sir; the conference report thereon.

Mr. McCORMACK. The gentleman will remember that I offered an amendment which the House adopted, making it a crime to knowingly and willfully advocate the overthrow of the Government by force and violence. Is that written into this bill?

Mr. HOBBS. Of course it is, in substance.

Mr. MURDOCK of Utah. Will the gentleman yield?

Mr. HOBBS. I yield gladly to the gentleman from Utah.

Mr. MURDOCK of Utah. The gentleman said, if I understood him correctly, that the bill now before us will do what the Allen Bridges deportation bill attempted to do?

Mr. HOBBS. Attempts to do.

Mr. MURDOCK of Utah. But which, in the opinion of the gentleman from Alabama, never could be done thereunder because of the unconstitutionality of the Allen bill?

Mr. HOBBS. That is true.

Mr. MARCANTONIO. Will the gentleman yield?

Mr. HOBBS. I am pleased to yield to the gentleman from New York.

Mr. MARCANTONIO. Will the gentleman explain what justification was advanced for the registration of noncitizens of this country?

Mr. HOBBS. I think the distinguished gentleman from New York, who is one of the most brilliant and able Members of this House, knows full well the purpose of that provision. I will be happy to yield to him in order to allow him to voice his protest against it.

We all must admit that there never has been a time in the history of this country when it was so necessary to identify all of the residents of this land. Fingerprinting is the modern way of positive identification, and if there is any reason whatsoever why any person does not desire to be fingerprinted and registered, there may be a good reason for his wish not to be fingerprinted, and thus identified. We believe that the more objection there is to registration or fingerprinting, the more reason there is for the requirement.

Mr. WALTER. Will the gentleman yield?

Mr. HOBBS. I am delighted to yield to the distinguished gentleman from Pennsylvania.

Mr. WALTER. Wherein does the registration provision in this report differ from that contained in the original bill that was considered by our committee?

Mr. HOBBS. In the bill considered by our committee, as the distinguished gentleman, my colleague on the Judiciary Committee, knows, there was this same provision in substance. But on account of the expense entailed and because of the fact that the census was about to be taken and much of this information would be gleaned by that, we omitted from the bill that we favorably reported to the House the general provision, leaving in it the requirement only that every alien applying for a visa in a foreign country should be fingerprinted. The exigencies of the case a year later induced the Senate to write substantially the same provisions which were originally reported by our committee to the House, and we have agreed to recede and concur in the Senate amendment.

Mr. CELLER. Will the gentleman yield?

Mr. HOBBS. I yield to the gentleman from New York.

Mr. CELLER. I believe that the compromises made by the conferees are most creditable, but I would like to know just a little something concerning the hardship cases. There is a memorandum in the statement which I do not quite understand.

[Here the gavel fell.]

Mr. HOBBS. Mr. Speaker, I yield myself 2 additional minutes.

These so-called hardship cases are taken care of in this way. Any alien who is illegally in this country is given a chance to convince the Attorney General that there would be an economic loss to a citizen of the United States if he should be deported. Then, if and when he shows to the satisfaction of the Attorney General that that is so, that he has a wife—or in the case of a woman, a husband—who will suffer by reason of the deportation, the Attorney General may, if, in his sound discretion, after full hearing, he so determines, order the suspension or cancelation of the deportation order; provided, however, that he must report every case to the Congress; and if the Congress, by concurrent resolution, vetoes his decision, of course the deportation order stands.

Mr. RAMSPECK. Will the gentleman yield?

Mr. HOBBS. I am always delighted to yield to the gentleman from Georgia.

Mr. RAMSPECK. I have had letters recently asking why Congress does not outlaw the Communist, Nazi, and Fascist organizations in this country. Is it the opinion of the gentleman that title I of this bill goes as far in that direction as we can go under the Constitution of the United States?

Mr. HOBBS. It is, and I believe that the results will be wholly efficacious. Of course, I respectfully submit that we should never go to the extent of calling names of particu-

lar persons or organizations in legislation. In this connection it must be borne in mind that many of the Communists in the United States, many of the Nazis and Fascists, are American citizens. We have no power whatever to deport any citizen. Hence, any provision of law which would make deportable all Communists, or all Nazis, or all Fascists, would be plainly condemned by the Constitution. This bill in its deportation provisions, therefore, is strictly limited to aliens and to those aliens who have committed a deportable offense.

I am glad that the distinguished gentleman correctly limited his inquiry to title I, which does not deal with deportation at all. It is strictly a criminal statute applying to any person who may commit any of the numerous offenses described therein, and punishes any person who violates any of its provisions upon conviction thereof by fine of not more than $10,000 or imprisonment for not more than 10 years, or both. In addition to fine and imprisonment, it also provides that no person convicted of violating the provisions of title I shall, during the 5 years next following his conviction, be eligible for employment in the United States or by any department or agency thereof—including any corporation, the stock of which is wholly owned by the United States.

Mr. RAMSPECK. I agree with the gentleman.

Mr. HOBBS. Mr. Speaker, before I yield the floor, I feel that I must advert to the subject discussed a few minutes ago by the able and distinguished gentleman from Missouri [Mr. CANNON].

Parity prices for farm products is a subject very dear to my heart, I think I introduced the first resolution, or bill, in the history of the Congress, seeking that end. I have been fighting for parity for 6 years. I am certain that parity is the only way to attain and maintain general, national prosperity.

But, with the highest respect for the gentleman from Missouri [Mr. CANNON] and for his opinion, I cannot agree with him in his criticism of our Committee on Agriculture. Much of his argument is as true as gospel. The facts he gave are accurate and convincing. But I have faith in the ability, the integrity, and the zeal of the members of that great committee. I am sure that they are sympathetic with the tragic plight of every American farmer, and sincere in their efforts to promote his interests. They have worked, and will continue to work, for the good of agriculture.

The fact that they do not seem to appreciate the vital necessity for parity prices for farm products as the only guaranty of general, Nation-wide prosperity, does not mean that they are drones, nor that they lack interest in their work. They are winding up and I predict that they will pitch.

Most of us, I hope, join in the prayer of the gentleman from Missouri, CLARENCE CANNON, for action with all the expedition possible. This is not only an S O S appeal for the farmer, but also for every other American. All business needs the market which fair treatment of agriculture would mean.

[Here the gavel fell.]

Mr. HOBBS. Mr. Speaker, I yield 5 minutes to the gentleman from New York [Mr. HANCOCK], one of the conferees.

Mr. HANCOCK. Mr. Speaker, I merely wish to verify what the distinguished gentleman from Alabama has stated with reference to this bill. I may add that the Commissioner of Immigration, the Secretary of State, and the Attorney General had representatives at the conference and made certain suggestions. Those suggestions were adopted, and the bill as it is now drawn has the approval of the Secretary of State, the Attorney General, and the Commissioner of Immigration.

The bill was redrafted in the Senate and put in much better form than the House bill. The only important change is the one which has already been alluded to, the provision providing for the fingerprinting and registration of aliens in this country. Although it will cause them some inconvenience. honest aliens should not object to proper identification. A year ago this provision in the bill might have been rejected, but we now know that the modern technique of war involves "fifth columns." Aliens come from foreign countries illegally or under one pretext or another to organize espionage, sabotage, and subversive movements. We regard it as a measure of self-defense to provide for the fingerprinting and registration of all aliens in the United States. We also regard it as a safeguard to know something about their activities and their movements here.

I may say that the conferees spent 5 or 6 hours considering this conference report, and they are unanimous in recommending its adoption. [Applause.]

Mr. HOBBS. Mr. Speaker, I yield 2 minutes to the gentleman from California [Mr. LELAND M. FORD].

Mr. LELAND M. FORD. Mr. Speaker, this may be a very good bill; I have not read it. If it is what they say it is, I will support it. Nevertheless, this bill should not supplant the Allen bill, because all the Allen bill does is to draw the attention of officers of the United States who have not done their duty and direct them to do their duty. If the officers of the United States had done their duty, this bill, perhaps, would not have been necessary. No bill, I do not care what it is, will be any good unless the officers of the United States enforce it. If the officers of the United States do not enforce the laws, there is only one thing left for this Congress to do, and that is to impeach those officers and put in officers who will enforce them. I refer to the head of the Department of Justice now, and I certainly refer to Mme. Perkins in her refusal to enforce the law she already has on the books. The Allen bill simply directs officers of the United States to do their duty, and it should be continued and become law. [Applause.]

Mr. HOBBS. Mr. Speaker, I yield 3 minutes to the distinguished gentleman from Virginia [Mr. SMITH], the author of the bill.

Mr. SMITH of Virginia. Mr. Speaker, I do not wish to consume the time of the House except, as the author of the bill, to express my gratification that it is approaching the stage of adoption. I also wish to express my gratitude to the members of the Committee on the Judiciary, especially the gentleman from Alabama [Mr. HOBBS] and the gentleman from New York [Mr. HANCOCK], who have worked so assiduously on this difficult proposition.

I believe it ought to be said that this bill has in it every substantive proposition that was in the original bill, and every substantive provision that was in the bill that passed the House last year with only 48 negative votes.

I believe it should also be said at this time, in view of the attacks that were made on the bill at the time of its passage last year, that this bill is not intended to persecute aliens generally, it is not intended as a measure to put any restrictions other than proper restrictions upon those visitors within our gates. We should all realize, however, that in these times of stress we should be able to identify and know something about the noncitizens who are with us, and that we should take proper precaution to see that other aliens who would not be desirable citizens are not permitted to enter the country. I do not believe that any alien within our gates who is a desirable alien will for one moment object to having the protection, both to this country and to himself, of having himself properly identified so that he may be under the protection of our Government and so that our Government may know where he is at all times. I hope that this bill will not be construed as a general attack upon the many very fine aliens who are in our country today.

Mr. WALTER. Mr. Speaker, will the gentleman yield?

Mr. SMITH of Virginia. I yield to the gentleman from Pennsylvania.

Mr. WALTER. Does not the gentleman believe that perhaps the annoyance and inconvenience to which many aliens will be put in registering will perhaps act as an invitation to them to change their status from that of alien to that of citizen?

Mr. SMITH of Virginia. I have no doubt that it will be a very strong reminder of that. [Applause.]

For the information of those Members who have not had an opportunity to read the conference report, I would like to give a brief statement of the provisions of the bill as finally contained in the conference report. The bill provides as follows:

It makes it unlawful for any person to attempt to cause insubordination, disloyalty, or mutiny in the United States naval and military forces;

It makes it unlawful to advocate the overthrow or destruction of the Government of the United States by force or violence or by the assassination of any official of such Government, or to print, publish or distribute written or printed matter advocating the same or to organize or help organize any society or group who advocates the overthrow of the Government by force or to become a member of any such group;

The bill also makes it unlawful for any person to attempt to commit or conspire to commit any such offense;

The bill also provides for the deportation of aliens who knowingly for gain assist other aliens to enter the country in violation of the law, of aliens convicted of possessing machine guns, of aliens violating any of the foregoing provisions of this act, and of aliens sentenced for violation of the narcotics act of any State;

The bill further provides that any alien hereafter applying for a visa to enter the United States shall be registered and fingerprinted before being permitted to do so;

As to aliens already in the United States, the bill provides that within 4 months after its effective date, every resident alien shall register and be fingerprinted at his local post office. Provisions are made for the mechanical arrangements for carrying out the details of registration through the various post offices. The records of such registrations are then to be forwarded to the Department of Justice to be filed with the Immigration Commissioner;

The act becomes effective with respect to registration 60 days after its enactment;

Any alien changing his post-office address is required to notify the Commissioner of Immigration within 5 days after such change of address and each alien is required to also notify the Commission in writing of his address at the expiration of each 3-month period.

Penalties are provided for violation of any provisions of the act.

Mr. HOBBS. Mr. Speaker, I yield 3 minutes to the gentleman from New York [Mr. MARCANTONIO].

Mr. MARCANTONIO. Mr. Speaker, at the very outset I want to pay my personal tribute to the gentleman from Alabama [Mr. HOBBS] for having struck a blow in favor of constitutional procedure last week when he voted against the Bridges bill. I believe the gentleman from Alabama is one of the most distinguished constitutional authorities in this House, and I am always rather hesitant to take issue with him because of his ability and his integrity. However, he and I represent two different viewpoints with regard to the alien question and various other aspects of our Bill of Rights.

It seems to me that in a period as trying as is this period, the test of a democracy lies in the ability of that democracy to maintain its liberties, to preserve those liberties, and to have more freedom rather than less freedom during the period of crisis. I know that the overwhelming majority of the Members of this body believe to the contrary, so here we have two opposing philosophies with regard to democratic rights in America. I maintain that the philosophy advanced under this bill, a bill which establishes a Federal criminal syndicalist law, a bill which enacts into law a military disaffection bill, which has been fought bitterly in this Congress for years and years, a bill which now provides for the registration of every noncitizen in the United States, represents that philosophy of restricting liberty and freedom in America; and we restrict that liberty and freedom under the guise of protecting our American democracy.

I believe this is the most incongruous proposition I have ever heard. On one hand you say that you want to preserve American liberty and you then attempt to preserve American liberty by destroying American liberty. You are curtailing democratic rights in America under the guise of trying to protect American democracy. You end, if you carry out your course, with no freedom and no democracy. Such has been the history of nations that did just what we are now doing.

[Here the gavel fell.]

Mr. HOBBS. Mr. Speaker, I yield the gentleman 1 additional minute.

Mr. MARCANTONIO. I know that, perhaps, I am just a voice in the wilderness on this question, the wilderness in this case being Congress, for I believe that my views reflect the traditional love of freedom on the part of the American people, but I take this position because I want to preserve American democracy. To me it means a great deal, it means a great deal to the people I represent, but you cannot preserve American democracy by destroying it, by curtailing it, or by limiting it. American democracy can live only by letting it live. Amputation of the Bill of Rights will not permit American democracy to live, it will kill it, and what I am fearful of is that under the guise of supporting and maintaining our American way of life, by this type of legislation we are taking steps with seven-league boots toward establishing in America, in free America, the slavelike institutions of Nazi Germany.

Mr. GAVAGAN. Mr. Speaker, will the gentleman yield?

Mr. MARCANTONIO. I yield.

Mr. GAVAGAN. I am quite certain that the distinguished gentleman from New York will readily concede the right of democracy to protect itself.

Mr. MARCANTONIO. There is no question about that. A democracy has a perfect right to protect itself, but remember this: You are not protecting democracy by this legislation. Spies and saboteurs will not register nor submit to fingerprinting. You are not protecting democracy by discriminating against the noncitizen by forcing him to be fingerprinted and registered. What difference is there between this procedure and that of Gestapo Germany? What protection are you giving our democracy when you substitute for the traditions and institutions of American freedom the concepts and practices of Hitlerism? I believe that spies and saboteurs and anybody who engages in any illegal activity should be immediately apprehended and severely punished. You do not accomplish that end by this bill. You only undermine American freedom. You pass this kind of legislation and what are you doing? You are destroying the very thing you say you are trying to protect, and that is going to the very roots of American democracy as you are hitting at its very foundations. [Applause.]

[Here the gavel fell.]

Mr. HOBBS. Mr. Speaker, I yield 3 minutes to the distinguished gentleman from New York, the ranking member of the Judiciary Committee [Mr. CELLER].

Mr. CELLER. Mr. Speaker, judging the temper of the Nation, I believe this compromise report is the best to be had under the circumstances and I shall vote for it despite the fact that I am not inclined to have fingerprinting of aliens—in fact I am opposed in principle to it. I would much prefer fingerprinting of the entire population and I want to point out that I have the fear that the danger in this legislation will fall, not upon aliens necessarily, but upon citizens. Many citizens in this Nation today cannot prove that they are citizens. In the old days many babies were brought into the world by midwives and no records of births have been kept. In many instances files of naturalization papers have been lost. Courthouses and county clerks' offices have been destroyed and those who wish to find the records of their birth or the records of their naturalization may be sorely put to it, and there may be some rascals in the Nation who will prey upon these citizens who cannot give proof of their naturalization or of their having been born in this land of ours. Will Rogers, some time ago, tried to get a passport. He had to prove his citizenship. He could not procure a record of his ever having

been born here. He was sorely put to it to convince the Department of State he was a citizen. Ordinarily, in the absence of records, birth or citizenship is established by testimony of two or more eyewitnesses as to birth or naturalization. I will bet few of us in this Chamber could bring forth without the greatest difficulty two witnesses who happened to be present at our birth.

See, therefore, how difficult we may make it for citizens who might be accused of being noncitizens. Blackmailers and culprits will be busy in this regard.

I do hope, therefore, that the appropriate committee in due course will give consideration to the question of the registering of all persons, aliens and citizens alike, and that proof of birth or naturalization be established more easily. I am for that wholeheartedly, and I may say that there are those who deal in Trojan-horse processes whom we call "fifth columnists," in the ranks of citizens, as well as in the ranks of aliens. There should be attempts made to get after those citizens, as well as getting after the aliens who deal in subversive activities, who seek to overthrow our Government, unfortunately, by force and violence. The Moseleys and Pelleys and Browders are not aliens. They are citizens, and I hope that the time will soon come when we shall have the privilege of voting for fingerprinting and registration of aliens and citizens alike.

Furthermore, I think the conferees have done a good job; because the punishment is not too great that falls upon the alien who deliberately fails to register. There must be proof brought by the authorities that the alien willfully refuses to register himself or a minor under his charge. If there are cases or hardship, old persons above 70 or 80 who do not know the statute, who cannot read or write English, to whom knowledge has not been brought home as to the necessity of registration, it must be proved in such cases that they willfully refused to register.

It is for these reasons that I am going to accept this conference report, despite the fact that I have always resisted registration of aliens, and I do hope—and I repeat this with all the vehemence within me and with all the strength within me—that there may be registration of all persons within the confines of the United States.

A provision has been added to the bill which softens considerably its severity. I refer to section 22, which provides that aliens shall not be deported on account of acts committed prior to the effective date of the act. Originally the act was retroactive. Any reprehensible act, interdicted by the act, like the use of narcotics, possession of firearms, and so forth, any time prior to the effective date of the act, could cause deportation. This meant that the dereliction of duty covered by the act which occurred scores of years ago could come back to plague the unfortunate alien, regardless of the expiation of the wrong or the unassailable conduct of the alien in the interim. Such unjust provision has been eliminated from the act. However, the act is, nevertheless, retroactive in regard to aliens who are members of the anarchist or similar classes. I believe it would have been better to eliminate even such retroactive provisions.

In the original act provision was made for the suspension of deportation in hardship cases. But that suspension could be effected only by a specific act of Congress in each specific case. It would have been impossible to get both Houses to act in that fashion. There are a number of alien-baiting Members in both Houses who never would vote to suspend deportation no matter how cruel and inexorably unjust, because of extenuating circumstances, such deportation would be. But the conferees have now seen the light and have provided that the Attorney General shall have the discretionary power to suspend deportation in these hardship cases. His action shall not be vetoed or gainsaid unless Congress specifically vetoes or cancels his waiver of deportation or suspension of deportation in each case. This is a great difference. It makes the act humane and reasonable. It was inhumane and unreasonable before.

While I am at it, I will say something concerning the activities of a certain Senator from the State of North Carolina by the name of REYNOLDS. He is a distinguished gentleman, but his views on aliens are most severe and unfair. He amended the so-called La Follette civil-liberties bill to forbid the employment of more than 10 percent of aliens engaged in any industry in interstate commerce. Such amendment shows how far the Senate and even the House occasionally can go in their alien-baiting activities. Frankly, this Reynolds amendment is palpably unconstitutional. Prior to the last war, Arizona passed a statute to the effect that every businessman in Arizona, when employing more than five persons, must see to it that 80 percent of the personnel be citizens. This law was declared unconstitutional in 1915. Chief Justice Hughes delivered the opinion. He was then an Associate Justice. He said:

> It requires no argument to show that the right to work for a living in the common occupations of the community is of the very essence of the personal liberty and opportunity that it was the purpose of the [fourteenth] amendment to secure. The discrimination is against aliens as such in competition with citizens in the described range of enterprises, and in our opinion it clearly falls under the condemnation of the fundamental law.

Some of the headnotes of this case, known as *Truax and the Attorney General of the State of Arizona* v. *Raich* (239 U. S. 33) are, as follows:

> An alien admitted to the United States under the Federal law has not only the privilege of entering and abiding in the United States but also of entering and abiding in any State, and being an inhabitant of any State entitles him, under the fourteenth amendment, to the equal protection of its laws.
>
> The description in the fourteenth amendment of any person within the jurisdiction of the United States includes aliens (*Yick Wo* v. *Hopkins* (118 U. S. 356)).
>
> The right to work for a living in the common occupations of the community is of the essence of that personal freedom and opportunity which it was the purpose of the fourteenth amendment to secure.
>
> The power to control immigration—to admit or exclude aliens—is vested solely in the Federal Government, and the States may not deprive aliens so admitted of the right to earn a livelihood as that would be tantamount to denying their entrance and abode.
>
> A State may not, in order to protect citizens of the United States, in their employment against noncitizens of the United States in that State, require that employers only employ a specified percentage of alien employees—such a statute denies to alien inhabitants the equal protection of the law and so held as to statute of Arizona of December 14, 1914.

In conclusion, I repeat, we should register aliens and citizens alike. There should be no discrimination. I drew the minority report against this bill originally, because it provided some very harsh provisions against aliens. Some of the harshness and some of the severity of the original bill have been eliminated. Nevertheless, the bill is still a bitter pill to swallow. Frankly, I do not like it, but I must admit that it is the best to be had under the circumstances. We must be mindful of the dangerous times in which we are now living. Candidly, I am informed that if we do not accept this bill, we will get one far worse. Any bill containing dreadful provisions against the alien would pass this House with no substantial opposition. In common parlance, it would go through "like a dose of salts." I am, therefore, endeavoring to be practical. In fear of a worse bill, we must accept this bill.

Incidentally, this bill will affect 360,000 Russians, 365,000 Germans, 500,000 Poles, and 700,000 Italians.

Mr. D'ALESANDRO. Mr. Speaker, will the gentleman yield?

Mr. CELLER. I yield to the gentleman.

Mr. D'ALESANDRO. Did the committee consider fingerprinting of the entire Nation?

Mr. CELLER. I do not believe that was given any real thought. I do not think the bill was considered in that special light at all.

Mr. D'ALESANDRO. I agree with the gentleman that that should be done.

[Here the gavel fell.]

Mr. HOBBS. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their own remarks upon this bill.

The SPEAKER pro tempore (Mr. RAYBURN). Is there objection to the request of the gentleman from Alabama?

There was no objection.

Mr. HOBBS. Mr. Speaker, I move the previous question on the conference report.

The previous question was ordered.

The SPEAKER pro tempore. The question is on the adoption of the conference report.

The question was taken; and on a division (demanded by Mr. MARCANTONIO) there were—ayes 142, noes 4.

Mr. MARCANTONIO. Mr. Speaker, I object to the vote on the ground that there is not a quorum present, and I make the point of order that there is not a quorum present.

The SPEAKER pro tempore. The Chair will count. [After counting.] One hundred and eighty Members present; not a quorum. The question is on the adoption of the conference report. The Doorkeeper will close the doors, the Sergeant at Arms will notify absentees, and the Clerk will call the roll.

The question was taken; and there were—yeas 382, nays 4, not voting 45, as follows:

[Roll No. 161]

YEAS—382

Alexander	Cooley	Geyer, Calif.	Kennedy, Martin
Allen, Ill.	Cooper	Gibbs	Kennedy, Md.
Allen, La.	Corbett	Gifford	Kennedy, Michael
Allen, Pa.	Costello	Gilchrist	Keogh
Andersen, H. Carl	Courtney	Gillie	Kerr
Anderson, Calif.	Cox	Goodwin	Kilburn
Anderson, Mo.	Cravens	Gore	Kilday
Andresen, A. H.	Crawford	Gossett	Kinzer
Andrews	Creal	Graham	Kirwan
Angell	Crowe	Grant, Ala.	Kitchens
Arends	Crowther	Grant, Ind.	Kleberg
Arnold	Culkin	Green	Knutson
Austin	Cullen	Gregory	Kocialkowski
Ball	Cummings	Griffith	Kramer
Barden, N. C.	Curtis	Gross	Kunkel
Barnes	D'Alesandro	Guyer, Kans.	Lambertson
Barry	Darden, Va.	Gwynne	Landis
Barton, N. Y.	Davis	Hall, Edwin A.	Lanham
Bates, Ky.	Delaney	Hall, Leonard W.	Larrabee
Bates, Mass.	Dempsey	Hancock	Lea
Beam	DeRouen	Hare	Leavy
Beckworth	Dies	Harness	LeCompte
Bell	Dingell	Harrington	Lesinski
Bender	Dirksen	Hart	Lewis, Colo.
Blackney	Disney	Harter, N. Y.	Lewis, Ohio.
Bland	Ditter	Harter, Ohio	Luce
Bloom	Dondero	Hartley	Ludlow
Boehne	Doughton	Havenner	Lynch
Boland	Douglas	Hawks	McAndrews
Bolles	Doxey	Healey	McArdle
Boren	Duncan	Hendricks	McCormack
Boykin	Dunn	Hennings	McDowell
Bradley, Mich.	Durham	Hess	McGehee
Brewster	Dworshak	Hill	McGranery
Brooks	Eaton	Hinshaw	McGregor
Brown, Ga.	Eberharter	Hobbs	McKeough
Brown, Ohio	Edelstein	Hoffman	McLaughlin
Bryson	Edmiston	Holmes	McLeod
Buck	Elliott	Hook	McMillan, Clara
Buckler, Minn.	Ellis	Hope	McMillan, John L.
Buckley, N. Y.	Elston	Houston	Maciejewski
Bulwinkle	Engel	Hull	Magnuson
Burch	Englebright	Hunter	Mahon
Byrne, N. Y.	Evans	Izac	Maloney
Byrns, Tenn.	Faddis	Jacobsen	Mansfield
Byron	Fay	Jarman	Marshall
Caldwell	Fenton	Jarrett	Martin, Iowa
Camp	Ferguson	Jeffries	Martin, Mass.
Cannon, Mo.	Fernandez	Jenkins, Ohio	Massingale
Cartwright	Fish	Jenks, N. H.	May
Case, S. Dak.	Fitzpatrick	Jennings	Michener
Casey, Mass.	Flaherty	Jensen	Miller
Celler	Flannagan	Johns	Mills, Ark.
Chapman	Flannery	Johnson, Ill.	Mills, La.
Church	Folger	Johnson, Ind.	Monkiewicz
Clark	Ford, Leland M.	Johnson, Luther A.	Monroney
Clason	Ford, Miss.	Johnson, Lyndon	Moser
Claypool	Fries	Johnson, Okla.	Mott
Clevenger	Fulmer	Johnson, W. Va.	Mundt
Cochran	Gamble	Jones, Ohio	Murdock, Ariz.
Coffee, Nebr.	Garrett	Jones, Tex.	Murdock, Utah
Coffee, Wash.	Gartner	Jonkman	Murray
Cole, Md.	Gathings	Kean	Myers
Cole, N. Y.	Gavagan	Kee	Nichols
Collins	Gearhart	Keefe	Norrell
Colmer	Gehrmann	Kefauver	Norton
Connery	Gerlach	Kelly	O'Brien
O'Connor	Richards	Smith, Conn.	Treadway
O'Leary	Robertson	Smith, Maine	Van Zandt
Oliver	Robsion, Ky.	Smith, Ohio	Vincent, Ky.
O'Neal	Rockefeller	Smith, Va.	Voorhis, Calif.
Osmers	Rodgers, Pa.	Smith, Wash.	Vorys, Ohio
O'Toole	Rogers, Mass.	Smith, W. Va.	Vreeland
Pace	Rogers, Okla.	Snyder	Wadsworth
Parsons	Routzohn	Somers, N. Y.	Wallgren
Patman	Rutherford	Sparkman	Walter
Patrick	Ryan	Spence	Ward
Patton	Sabath	Springer	Warren
Pearson	Sandager	Steagall	Weaver
Peterson, Fla.	Sasscer	Stearns, N. H.	Welch
Peterson, Ga.	Satterfield	Stefan	West
Pfeifer	Schaefer, Ill.	Sumner, Ill.	Wheat
Pittenger	Schafer, Wis.	Sumners, Tex.	White, Idaho
Poage	Schiffler	Sutphin	Whittington
Polk	Schulte	Sweet	Wigglesworth
Powers	Schwert	Taber	Williams, Del.
Rabaut	Seccombe	Talle	Williams, Mo.
Ramspeck	Secrest	Tarver	Winter
Randolph	Seger	Terry	Wolcott
Rankin	Shafer, Mich.	Thill	Wolfenden, Pa.
Rayburn	Shanley	Thomas, Tex.	Woodruff, Mich.
Reece, Tenn.	Shannon	Thomason	Woodrum, Va.
Reed, Ill.	Sheppard	Thorkelson	Youngdahl
Reed, N. Y.	Sheridan	Tibbott	Zimmerman
Rees, Kans.	Short	Tinkham	
Rich	Simpson	Tolan	

NAYS—4

Marcantonio	O'Day	Smith, Ill.	Sweeney

NOT VOTING—45

Bolton	Drewry	Mouton	Sullivan
Bradley, Pa.	Ford, Thomas F.	Nelson	Taylor
Burdick	Halleck	Pierce	Tenerowicz
Burgin	Horton	Plumley	Thomas, N. J.
Cannon, Fla.	Keller	Risk	Vinson, Ga.
Carlson	Lemke	Robinson, Utah	Whelchel
Carter	McLean	Romjue	White, Ohio
Chiperfield	Maas	Sacks	Wolverton, N. J.
Cluett	Martin, Ill.	Schuetz	Wood
Crosser	Mason	Scrugham	
Darrow	Merritt	South	
Dickstein	Mitchell	Starnes, Ala.	

So the conference report was agreed to.

The Clerk announced the following pairs:

General pairs:

Mr. Vinson of Georgia with Mr. Wolverton of New Jersey.
Mr. Drewry with Mr. Halleck.
Mr. Martin of Illinois with Mrs. Bolton.
Mr. Burgin with Mr. Cluett.
Mr. Wood with Mr. Plumley.
Mr. Sullivan with Mr. Mason.
Mr. Romjue with Mr. Chiperfield.
Mr. Mouton with Mr. Sacks.
Mr. Nelson with Mr. McLean.
Mr. Schuetz with Mr. Thomas of New Jersey.
Mr. Starnes of Alabama with Mr. Carlson.
Mr. Crosser with Mr. Horton.
Mr. Bradley of Pennsylvania with Mr. Carter.
Mr. South with Mr. White of Ohio.
Mr. Cannon of Florida with Mr. Burdick.
Mr. Merritt with Mr. Darrow.
Mr. Whelchel with Mr. Risk.
Mr. Scrugham with Mr. Lemke.
Mr. Pierce with Mr. Thomas F. Ford.
Mr. Tenerowicz with Mr. Robinson of Utah.
Mr. Taylor with Mr. Mitchell.
Mr. Dickstein with Mr. Keller.

The result of the vote was announced as above recorded.

The doors were opened.

EXTENSION OF REMARKS

Mr. HARE. Mr. Speaker, I ask unanimous consent to extend my remarks and to include therein an editorial from the Index Journal.

The SPEAKER. Is there objection?

There was no objection.

A REPUBLICAN WARNING ON RECENT CABINET APPOINTMENTS

Mr. WARREN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection?

There was no objection.

[Mr. WARREN addressed the House. His remarks appear in the Appendix of the RECORD.]

CHARGES FOR ELECTRICAL ENERGY, BOULDER DAM

Mr. WHITE of Idaho. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H. R. 9877) authorizing the Secretary of the Interior to promulgate and to put into effect charges for electrical energy generated at

Boulder Dam, providing for the application of revenues from said project, authorizing the operation of the Boulder power plant by the United States directly or through agents, and for other purposes, with Senate amendments thereto, disagree to the Senate amendments, and appoint conferees.

The SPEAKER. Is there objection?

There was no objection.

The SPEAKER appointed the following conferees: Mr. WHITE of Idaho, Mr. HAWKS, and Mr. HILL.

MAJ. SMEDLEY BUTLER

Mr. SWEENEY. Mr. Speaker, I ask unanimous consent to proceed for 1 minute.

The SPEAKER. Is there objection?

There was no objection.

Mr. SWEENEY. Mr. Speaker, I rise at this time to pay tribute to a man who passed away yesterday at Philadelphia, Pa., a great soldier, a great citizen of the Republic, Maj. Gen. Smedley Butler. He was every inch a soldier, the one man who had the distinction of coming up from the ranks of a humble private to become a major general in the military forces of the United States. Twice the Congress of the United States conferred medals of honor upon him. He distinguished himself on the field of battle; always he was courageous as a soldier and as a private citizen. For the last 8 years he toured this country, pleading for national defense and opposing wars of aggression. As a soldier he knew what war propaganda was. I occupied the platform with him on many occasions, before huge gatherings of our citizens when he protested against our entrance into foreign wars. Repeatedly he inveighed against the warmongers and the international bankers who cause these man-made wars. His passing now is a national calamity to those of us who insist that Congress remain in session and not adjourn, but watch these "fifth columns" and propaganda agencies, especially the British agencies, that are drawing us closer and closer to the brink of war. This great soldier is no more, but in his memory I hope we will emulate Smedley Butler in fighting the insanity of war. God rest his soul.

The SPEAKER. The time of the gentleman from Ohio has expired.

EXTENSION OF REMARKS

Mr. RANDOLPH. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD.

The SPEAKER. Is there objection?

There was no objection.

Mr. DEMPSEY. Mr. Speaker, I ask unanimous consent to extend my remarks and to include a resolution of the State Federation of Labor of New Mexico.

The SPEAKER. Is there objection?

There was no objection.

Mr. SMITH of Illinois. Mr. Speaker, I ask unanimous consent to extend my remarks and to include an address by Dr. George Norlin, of the University of Colorado.

The SPEAKER. Is there objection?

There was no objection.

THE LATE WILL ROGERS

Mr. LELAND M. FORD. Mr. Speaker, I ask unanimous consent to proceed for 1 minute.

The SPEAKER. Is there objection?

There was no objection.

Mr. LELAND M. FORD. Mr. Speaker, I am introducing today the following concurrent resolution:

Whereas the city of Santa Monica, Calif., the last home town of Will Rogers, is holding memorial ceremonies dedicated to the memory of the late Will Rogers on July 25, 26, 27, 1940, and in further recognition of the good will achieved by Will Rogers through his life and works: Therefore be it

Resolved by the House of Representatives (the Senate concurring), That this resolution be adopted as a mark of respect and appreciation of the efforts during the lifetime of Will Rogers, to bring about national and international peace and good will.

Mr. Speaker, I shall not take the time to eulogize Will Rogers, because I believe he spoke for himself. I hope this resolution may be speedily adopted.

EXTENSION OF REMARKS

By unanimous consent, Mr. ANDERSON of Missouri, Mr. MCGREGOR, and Mr. MOSER were granted permission to extend their own remarks in the RECORD.

Mr. COFFEE of Washington. Mr. Speaker, I ask unanimous consent to extend my remarks on two subjects: In one to include a letter from the Attorney General to Senator RUSSELL and in the other to include a brief newspaper editorial.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. REECE of Tennessee. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD on the life and character of our late colleagues, J. Will Taylor, Sam D. McReynolds, and Carl E. Mapes.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

TREATMENT OF ALIENS

Mr. SUMNERS of Texas. Mr. Speaker, I ask unanimous consent to proceed for 1 minute.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. SUMNERS of Texas. Mr. Speaker, I would like to say just a word to the people of America. We are coming under the influence of war psychology or something very closely akin to it. Public interest is very acute and public feeling is very tense. There are many foreign-born persons, many aliens, in this country, here by invitation, here by permission. In dealing with all questions which arise out of this acute situation, and which may become even more acute, the people of the several communities, the people who are responsible for community attitude, should feel a tremendous responsibility and duty to protect these minorities, these people in our midst, against any unreasonable, unwarranted acts, especially on the part of irresponsible people, which may amount to persecution by a majority of a helpless minority. I do not at all mean that the people of this country should be indulgent with reference to what is called subversive activities, this "fifth columnist," whether alien, naturalized, or native. I mean people scattered throughout the country who are behaving themselves who happen not to be American citizens or are foreign-born. I have heard of a few—I am glad a very few—instances of great injustices being done. It is not only unfair, but it is contrary to sound public policy. On the other hand, these people must realize the situation and so conduct themselves as not to add to the difficulties of their protection. [Applause.]

[Here the gavel fell.]

EXTENSION OF REMARKS

Mr. THORKELSON. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and include an article which appeared in the Washington Times-Herald.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. THORKELSON. I make a second request, Mr. Speaker, to extend my remarks and include a quotation from Senate Report No. 944 on the munitions industry.

The SPEAKER. Is there objection?

There was no objection.

THE CONFESSION OF FAILURE

Mr. LEWIS of Ohio. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks by including an editorial.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

[Mr. LEWIS of Ohio addressed the House. His remarks appear in the Appendix of the RECORD.]

EXTENSION OF REMARKS

Mr. MICHENER. Mr. Speaker, I ask unanimous consent that the gentleman from Minnesota [Mr. KNUTSON] may extend his own remarks and include an editorial.

The SPEAKER. Is there objection?

There was no objection.

Mr. FENTON. Mr. Speaker, I ask unanimous consent to extend my remarks and include therein a short editorial from the Sunbury (Pa.) Item.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. SMITH of Ohio. Mr. Speaker, I ask unanimous consent to insert in the RECORD an editorial from the Bucyrus (Ohia) Telegraph Forum.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. CASE of South Dakota. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD on Smedley D. Butler, who was a great American, a great Marine, and a son of a former distinguished Member of the House.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. VAN ZANDT. Mr. Speaker, I ask unanimous consent to insert in the Appendix of the RECORD a radio address delivered by the Honorable Louis Johnson on the question of coal and security.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. ANDERSON of California. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include therein a recent article published by the Down Town Association of San Francisco.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. MUNDT. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include therein an editorial received from Mr. D. C. DeVaney, a former State president of the South Dakota Press Association, and a copy of the letter I sent him in acknowledgment thereof.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. HARTER of New York. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include therein a short resolution.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

PERMISSION TO ADDRESS THE HOUSE

Mr. JENKS of New Hampshire. Mr. Speaker, I ask unanimous consent to address the House for 1 minute, to revise and extend my remarks, and to include therein an excerpt from the United States News of May 24.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

[Mr. JENKS of New Hampshire addressed the House. His remarks appear in the Appendix of the RECORD.]

EXTENSION OF REMARKS

Mr. PIERCE. Mr. Speaker, I ask unanimous consent to revise and extend my own remarks in the RECORD on the subject of the power plant at Cascade Locks.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. PIERCE. I also ask unanimous consent, Mr. Speaker, to revise and to extend my remarks and to include therein an article from the Oregonian, an outstanding article on the Age of Machines.

The SPEAKER. Is there objection to the request of the gentleman from Oregon?

There was no objection.

GEN. SMEDLEY BUTLER

Mr. KINZER. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. KINZER. Mr. Speaker, announcement has just been made of the death of that great soldier, Gen. Smedley Darlington Butler, son of former Representative Thomas S. Butler, who was dean of this body and who represented the Eighth Congressional District of Pennsylvania, part of which it is now my privilege to represent.

General Butler had a brilliant record in the United States Marines. His service in Latin American waters, China, the Philippines, and all over the world is a part of the glorious history of the Marine Corps.

He will be mourned by a host of friends for his fearless devotion to and defense of Americanism.

EXTENSION OF REMARKS

Mr. JOHNSON of Indiana. Mr. Speaker, I ask unanimous consent to revise and extend my own remarks and to include therein a short report from the Department of Commerce.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. JOHNSON of Indiana. I also ask unanimous consent, Mr. Speaker, to extend my remarks on the W. P. A.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. THILL. Mr. Speaker, I ask unanimous consent to extend my own remarks and to include therein brief excerpts from rules and regulations and also a list of alien agents registered with the State Department.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. BENDER. Mr. Speaker, I make the same request, to extend my remarks.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. HOFFMAN. Mr. Speaker, I ask unanimous consent to extend my own remarks and to include certain extraneous matter therein.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. D'ALESANDRO. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include therein a statement made by Mr. Charles Ruzicka, a member of the standing committee on jurisprudence and law reform of the American Bar Association, before the House Judiciary Committee on April 3, 1940.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

PERMISSION TO ADDRESS THE HOUSE

Mr. RANKIN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute, and to revise and extend my remarks.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

[Mr. RANKIN addressed the House. His remarks appear in the Appendix of the RECORD.]

Mr. FISH. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from New York [Mr. FISH]?

There was no objection.

Mr. FISH. Mr. Speaker, President Roosevelt's attempt to purge Democratic Senators and Representatives elected by the people who had the courage of their convictions in fearlessly upholding constitutional government is a matter of history. It has left a bad impression in the minds of the American people.

The purge of Secretary of War Harry H. Woodring of Kansas because of his opposition to our involvement in the European war and his unwillingness to denude the defenses of America, at the dictation of President Roosevelt, goes far beyond former attempts to purge Members of Congress in his own party. It creates a Nation-wide and national issue that transcends all party lines and involves the actual defense of the United States.

There should be a complete and thorough investigation of all the facts to ascertain if Secretary of War Woodring, a former past commander of the American Legion of the State of Kansas, is being purged because of his opposition to inter-

vention and war, to selling Army equipment needed for our own defense, and the alleged attempt to divulge Army secret inventions including our airplane bomb sight. [Applause.]

[Here the gavel fell.]

STILL FURTHER MESSAGE FROM THE SENATE

A still further message from the Senate by Mr. Baldridge, one of its clerks, announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the joint resolution (H. J. Res. 544) entitled "Joint resolution making appropriations for work relief and relief, for the fiscal year ending June 30, 1941."

The message also announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 9007) entitled "An act making appropriations for the Department of Labor, the Federal Security Agency, and related independent agencies, for the fiscal year ending June 30, 1941, and for other purposes," and that the Senate recede from its amendments numbered 35, 36, 37, 38, and 39 to said bill.

The message also announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 10055) entitled "An act making supplemental appropriations for the national defense for the fiscal year ending June 30, 1941, and for other purposes."

AMENDMENT TO FEDERAL RESERVE ACT

Mr. SMITH of Virginia. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 543 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

House Resolution 543

Resolved, That immediately upon adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the state of the Union for consideration of H. R. 10127, a bill to amend the Federal Reserve Act, and for other purposes. That after general debate, which shall be confined to the bill and shall continue not to exceed 1 hour to be equally divided and controlled by the chairman and ranking minority member of the Committee on Banking and Currency, the bill shall be read for amendment under the 5-minute rule. At the conclusion of the reading of the bill for amendment, the Committee shall rise and report the same to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

Mr. SMITH of Virginia. Mr. Speaker, I yield 30 minutes to the gentleman from New York [Mr. FISH].

Mr. FISH. Mr. Speaker, I know of no opposition to this rule. It is fair and equitable in every respect. This is, however, a very important piece of legislation and it should be discussed and debated very carefully. Therefore I yield 5 minutes to the gentleman from Massachusetts from the committee reporting this bill [Mr. GIFFORD].

Mr. GIFFORD. Mr. Speaker, it is difficult indeed to decide what opposition there ought to be to this bill. It is another chip that we are placing on our shoulder. As a neutral nation, so-called, we are taking upon ourselves great responsibilities. For a very few brief moments of hearing, the Federal Reserve officials came before the committee. I would like to call your attention to the features in the bill, and trust you have a copy of the report before you.

Heretofore the Federal Reserve could do business only with foreign correspondents and their agencies. Now it is to be with foreign states, governments, and instrumentalities thereof, and in the second section of the bill they include persons or partnerships—everybody. It not only includes money that the Federal Reserve bank may accept for safekeeping but even if they sell something at the request of the depositor and turn it into money—jewelry, for instance—they keep control of it.

Mr. Speaker, I want to make this plain: The Federal Reserve may now be a depository for other nations and their citizens of their wealth in all practical forms, and may keep it here until the Secretary of State recognizes the nation that he may deem entitled to it after wars are over. If a Frenchman wants us to keep his wealth, we may. If the German Embassy appears and says, "I am ordered by my Government, who has acquired, by code, treaty, deed, or in any way, this property, to demand that you give it to me," the Federal Reserve may simply say: "We cannot until the Secretary of State has recognized that that former government does not now exist. The President has declared that we cannot recognize any nation acquiring the property of another nation by force."

The edict has gone forth already, as everyone knows. I wish I could recall the exact words of the President, but he stated in substance, "We will still recognize that government subjugated by an invader by force." There is Norway, Czechoslovakia, and the others. How about it? Is there not a Czechoslovakian Embassy still in Washington and recognized by our State Department? If they ask us to keep these goods inviolate, of course, we must keep them.

Mr. DINGELL. Will the gentleman yield?

Mr. GIFFORD. I yield to the gentleman from Michigan.

Mr. DINGELL. What is wrong with that policy? Are we to recognize these predatory governments that are preying on small nations in Europe and are we to surrender to them such property as is in the United States? What is wrong with a policy that is against that sort of thing?

Mr. GIFFORD. Did the gentleman hear my first remark? I am not declaring against the policy. We have done that already, but shall we vote for a bill unless we know what we are voting for? We decided recently that non-American nations shall not take title to land in this hemisphere now owned by another non-American nation. That was the first chip. This is another. The Federal Reserve wants to protect itself from the courts. No court can attach this money. We as a government stand back of the Federal Reserve, no matter what they do. The policy may be correct, but do you know what you are doing when you legislate it?

Would any other nation on this globe dare make such an assertion? I recall again the edict of nonrecognition of the invader has gone forth. Of course, the Secretary of State must back up his President and say he will not recognize such a nation. I wonder if the old Ethiopian Government is still recognized? I wish you would read this bill, because it may go too far. It provides that bankers and governments and their instrumentalities in the other nations may deposit for safety with the Federal Reserve. Not only governments or any instrumentality of governments but defines persons who may be allowed the privilege. We may withhold from Germany, the conqueror, any of these goods. If you want to do it, let us do it with our eyes wide open. It is a very simple proposition, and there is little use enlarging upon it any more. That is practically all there is to it. Small wonder the Federal Reserve is worried. They want to avoid lawsuits; they want to be able to say politely to the German Ambassador, if he arrives with an order for these goods, "We cannot deliver these goods because we still recognize the former governments." They wish to place all responsibility on the Secretary of State, if by error in judgment they be forced to pay twice. Also to prevent any court action. He says, "But we have title." We say, "Well, that does not make any difference. We will not give it up." That is a declaration of an unfriendly act toward the conquering nation, without any question. So we are so able to withstand that.

[Here the gavel fell.]

Mr. FISH. Does the gentleman desire any more time?

Mr. GIFFORD. About a quarter of a minute.

Mr. FISH. Mr. Speaker, I yield the gentleman 5 minutes. I am in a very generous mood today.

Mr. GIFFORD. I cannot seem to bait anybody into making any inquiries.

Mr. FISH. I was hoping that if the gentleman continued someone would ask him a question.

Mr. GIFFORD. This is a dose of medicine everybody is taking without making any faces.

Mr. FISH. I think the gentleman is quite right.

Mr. GIFFORD. They know it is a big dose of medicine to take, but it is the policy of the President and at this particular moment no criticism should be made of his foreign policy. I am hoping somebody will want to know something about the bill and ask a question. Let me read from the bill:

For the purposes of this paragraph, the term "property" shall include, without limitation, gold, silver, currency, credits, deposits, securities, choses in action, and any other form of property, the proceeds thereof, and any right, title, or interest therein; the term "foreign state" shall include, without limitation, any foreign government or any department, district, province, county, possession, or other similar governmental organization or subdivision of a foreign government, and any agency or instrumentality of any such foreign government or of any such organization or subdivision.

Then the bill goes on to declare what the term "person" shall include.

The Federal Reserve is to be protected by this Government against any possible action of recovery by a friendly power. Is the German Embassy still established in Washington? Are they still able to come to the State Department to demand their rights? If they are, and when they demand them, and we say, "We cannot give you your rights because we do not recognize that you have the rights yet," then I think you are taking simply another step, that is all.

Is there no one here who cares to make an observation?

Mr. BENDER. Mr. Speaker, will the gentleman yield?

Mr. GIFFORD. Yes; but I wish Members on this side would ask questions.

Mr. BENDER. Does not the gentleman believe this is in keeping with our good-neighbor policy?

Mr. GIFFORD. In keeping with our good-neighbor policy?

Mr. BENDER. It is a very good-neighbor policy.

Mr. GIFFORD. I read the other day that our Secretary of State, highly esteemed by me and everybody else, was wandering around in a dazed, stunned condition. A good-neighbor policy toward Germany? What we have heard in high places the last 2 years, the accumulation of it all, is ruinous to any good-neighbor policy. Oh, this is something short of war, that is all.

Mr. HINSHAW. Mr. Speaker, will the gentleman yield?

Mr. GIFFORD. I yield to the gentleman from California.

Mr. HINSHAW. Is this bill set up to protect the funds not only of foreign states but of foreign international bankers as well?

Mr. GIFFORD. Yes.

Mr. HINSHAW. In other words, does it place the United States in the position of acting as a protective depository for all of the funds of all of the international bankers who are now being warred upon?

Mr. GIFFORD. Outside of Germany. But any person or partnership may take the jewelry and turn it into money. They will take anything.

Mr. HINSHAW. Does the gentleman mean that any person now residing in a foreign country can deposit his jewelry with the Federal Reserve banks?

Mr. GIFFORD. Certainly, and turn it into cash or leave it there.

Mr. HINSHAW. That makes the United States responsible for the protection of their property that is in the United States against the foreign government that may have attacked them?

Mr. GIFFORD. Absolutely, and we will hold it just so long as the President's edict continues, "we will not recognize Germany's right to anything belonging to any nation she has taken by force."

I am sorry that you do not want to hear about this, but perhaps the Chairman will gloss it over.

[Here the gavel fell.]

Mr. FISH. Mr. Speaker, I yield 5 minutes to the gentleman from Michigan [Mr. CRAWFORD], a member of the committee.

Mr. CRAWFORD. Mr. Speaker, we cannot very well overlook the fact that civilization as it operates today makes use of banking facilities. We also have to bear in mind that for some 25 or more years we have had our banking facilities definitely tied into the Federal Reserve System. We must also recognize that in this day and age we permit our banks to accept deposits of governments and central banks of other governments, and in recent years we have received billions of dollars of deposits in the form of what might be termed "hot money." At the same time, the stock of our Federal Reserve banks is owned by the member banks. The stock of the member banks in turn is held by individual citizens of the United States.

As I comprehend this bill, it is to be enacted for the protection of the structure of the 12 Federal Reserve banks and their 25 branches and our whole banking system. If we do not want to protect that banking system as such, it is about time we divorced our other banking structure, that is, the State banks that are members of the Federal Reserve System and the national banks that are members of the Federal Reserve System, so that they do not dovetail into the Federal Reserve System. Of course, the Congress has no idea of taking such a step at this time. Therefore, it becomes necessary for us to protect the structure of the 12 Federal Reserve banks and, as I comprehend this proposal, that is exactly what it does insofar as foreign deposits in those banks are concerned.

Mr. VORYS of Ohio. How does it do that?

Mr. CRAWFORD. The central banks of other governments as well as the governments themselves carry deposits with our Federal Reserve banks, at least some of them. This bill prohibits our Federal Reserve banks from getting into lawsuits which might cause judgment to be granted against them by courts on account of deliveries of those deposits they might make to belligerents, conquered territories, and so forth. Unless we do something of this kind, it seems to me there is a possibility that foreign governments may bring suit against our Federal Reserve banks, and get judgment, and thereby set in operation forces that will run contrary to all of the member banks which have their reserves deposited with the Federal Reserve bank and all of our citizens who have their funds deposited in the member banks which go to make up the Federal Reserve Banking System.

Mr. HINSHAW. Mr. Speaker, will the gentleman yield?

Mr. CRAWFORD. I yield to the gentleman from California.

Mr. HINSHAW. How did we get into a position where a foreign government, by placing its funds on deposit with us, could, in turn, ruin all the Federal Reserve banks in the United States?

Mr. CRAWFORD. As an illustration, suppose Germany forces France to consent to an absolute surrender of the deposits of the French Government or the Central Bank of France, now held by our Federal Reserve System, and suppose Germany makes some Low Country or some other country over there surrender title to their deposits over here under duress; and then suppose Germany demands that those deposits be turned over by our Federal Reserve bank to the German representatives; and suppose our banks refuse to do so and say, "No; we will not act until the courts say what the situation shall be." Immediately your Federal Reserve banks become involved in litigation. Now, suppose the banks, instead of saying we will wait until the courts act, make a delivery of the funds and later on some other suit is brought for payment to a third party? In other words, I feel, in spite of all the legal technicalities that may be wrapped around this thing, that, after all, we live in a practical world; and, after all, we are going to need bank facilities with which to do business even on a barter basis.

[Here the gavel fell.]

Mr. FISH. Mr. Speaker, I yield the gentleman from Michigan 5 additional minutes.

Mr. CRAWFORD. We are going to do business through banks if this civilization continues. Therefore, if the Congress is going to say what banks may or may not do, Congress might just as well make up its mind to assume some responsibilities in connection with banking in the years to come, par-

ticularly the immediate years now ahead of us. I think we are, perhaps, just starting into the woods and not getting out of them at all.

If that has not answered the gentleman's question, let me put it this way: So long as we permit our banking system to accept the deposits of foreign governments and other banking systems, we may or may not be faced with problems such as are involved in this bill.

Mr. HINSHAW. In other words, if these deposits had been accepted by some international bank like J. P. Morgan & Co. instead of the Federal Reserve System, then our Federal Reserve System would not be liable in the event Germany would make this demand for French deposits that are now here.

Mr. CRAWFORD. No; they certainly would not. The Federal Reserve bank is not liable for something it has no connection with whatsoever.

Mr. HINSHAW. Do I gather from the gentleman's statement that on account of the fact that the Federal Reserve bank has foreign government deposits, that that makes us liable for the protection of those deposits in case that foreign government goes down?

Mr. CRAWFORD. If our Federal Reserve banks accept these dollar deposits or deposits of gold bullion, there is a contractual relationship between the banks and the depositors. There is no getting away from that. I do not think this Congress is going to extend its neck by saying to the Federal Reserve banks, the fiscal agents of the United States Government, that they must not accept deposits of foreign countries or, say, of central banks.

Mr. HINSHAW. Do they not accept these deposits without liability in the first instance?

Mr. CRAWFORD. You cannot accept deposits without liability, because the laws and the courts and the precedents all show that there is a contractual legal debt and, certainly, the gentleman does not mean that.

Mr. HINSHAW. So we have gold down here at Fort Knox, Ky., with our soldiers standing guard over it day and night for and on behalf of the French Government?

Mr. CRAWFORD. No; the earmarked gold does not enter into your monetary system and therefore it does not go into your gold reserve deposits at Fort Knox, Ky.

Mr. HINSHAW. Where does it go?

Mr. CRAWFORD. But if a central bank of Europe wishes to deposit earmarked gold with our Federal Reserve Bank at New York, the Federal Reserve will accept the deposit, not a book transaction insofar as monetary transactions are concerned, but, of course, there is an account kept of the earmarked deposits made.

Mr. HINSHAW. Is that concerned in this bill—the earmarked gold?

Mr. CRAWFORD. It certainly is.

Mr. HINSHAW. If they demand that earmarked gold of the French Government from us and the French Government in their treaty of peace or by a declaration agrees to transfer that gold, then can our State Department still prevent that transfer under this act?

Mr. CRAWFORD. You are putting a lot of power here in the State Department, there is no question about that, and some may argue that therefore the State Department may get you into trouble with foreign governments. But the State Department, together with the President, very largely passes on all the other foreign relations, so I am not going to get scared about that and run down a back alley, so far as I am concerned. In other words, you are going to assume responsibility from here on, and plenty of it, and quite a bit by this proposition right here, and if you let the hot money come into this country, you are going to assume responsibilities in connection with that hot money as it relates to short-term and long-term investment.

Mr. VORYS of Ohio. Mr. Speaker, will the gentleman yield?

Mr. CRAWFORD. I yield.

Mr. VORYS of Ohio. As I understand this, the certification of the Secretary of State will exonerate the Federal Reserve System if they refuse to make a transfer, and will exempt them from any possible law suits.

Mr. CRAWFORD. I think if we pass this bill the Federal Reserve banks will not have to make refusal. They will simply act when the Secretary of State certifies to whom the payment shall be made.

Mr. VORYS of Ohio. Is the converse of that true, that if the Secretary of State orders a transfer, that no one can bring suit or test that transfer in law?

Mr. CRAWFORD. This language is very clear on that in my opinion. See lines 22, 23, 24, and 25 on page 2, and lines 1 to 3 on page 3.

Mr. VORYS of Ohio. Line 18, page 2, the following language is found:

> And so long as the Secretary of State recognizes and accepts the authority so certified to him, shall be conclusively presumed to be lawful, and shall constitute a complete discharge and release of any liability for or with respect to such property.

Mr. CRAWFORD. Yes.

Mr. VORYS of Ohio. Does the language preceding that mean that not only is a refusal to transfer protected, but that a transfer is protected, in that if the Secretary of State recognizes A as the proper government, and A makes a transfer, that B can in no wise come in and contend he has the proper and legal right to contest that?

Mr. CRAWFORD. I think the language is clear on page 3, line 3:

> No court shall, at the instigation of any third party, by attachment, injunction, or other similar proceeding, in any way, directly or indirectly, restrain or prevent a Federal Reserve bank from making any payment, transfer, delivery, or other disposal of property herein referred to.

In other words, I understand this bill protects the Federal Reserve Banking System going and coming, and if it does not, then, personally, I think proper legislation should be enacted.

The SPEAKER pro tempore. The time of the gentleman from Michigan has again expired.

Mr. FISH. Mr. Speaker, I yield the gentleman 3 minutes more.

Mr. CRAWFORD. Mr. Speaker, I want to make one other additional observation, if I may. Personally I have advocated that the Securities and Exchange Commission and the Treasury Department, and these other Government agencies which have jurisdiction over such matters, get control of this loot which the aggressor in Europe is picking up from these countries from time to time, and I think this bill moves in the direction which I have been asking, and I congratulate the Treasury Department and the Federal Reserve officials for bringing in this legislation. There is one other point I want to mention, and may I have permission to extend in my remarks at this point a statement in reference to the silver loot which Germany has taken up in connection with some of the countries that have been overrun?

The SPEAKER pro tempore. Is there objection?

There was no objection.

[From the New York Times of June 21, 1940]

MORGENTHAU TO SIFT RUMOR OF SALE BY NAZIS OF SILVER FROM INVASIONS—SECRETARY ACTS ON REPORTS LOOT IS REACHING TREASURY THROUGH MEXICO—RECEIPTS HELD USEFUL IN PROPAGANDA HERE

WASHINGTON, June 20.—Secretary Morgenthau will look into reports that Nazi invaders are selling looted silver to the United States by way of Mexico, he told his press conference today.

The Treasury is paying 35 cents an ounce for foreign silver under a policy of buying all that is offered by foreign sellers.

The Secretary confirmed today, however, that he had the power to prohibit purchase of foreign silver or limit it in any way which is found to be in the public interest.

Senator TOWNSEND'S bill to stop foreign silver buying has been passed by the Senate and is now before the House. An attempt to attach the Townsend measure as a rider to the defense tax bill was defeated in the Senate.

A check of Treasury records shows that the countries thus far invaded by Germany had at least 100,000,000 ounces of silver coins, many of which would be hoarded or carried away by refugees. On the other hand, it was believed a considerable amount might be in local banks, shops, and homes, easily available to the Nazis.

In addition to the silver coins which might be available, there would be a considerable amount of silver in the form of household

utensils, jewelry, and other ornamentation which could easily be melted down for foreign sale.

Reports reaching here from Mexico indicate that it was part of the Nazi war plan to "cash in" on silver looted during invasions by selling it to the United States Treasury by way of Mexico, which is normally a heavy seller of silver to this country.

Assuming that the Nazis obtained 100,000,000 ounces of silver in their conquests and could sell it to the Treasury at the current price, $35,000,000 would be added to the Nazi war chest. Opinion here is that the sum would be used for propaganda or trade purposes in the Western Hemisphere, since the proceeds would be available to Nazi agents in the form of dollar credits.

In addition to the silver the Germans may have looted, Germany itself has a small amount of silver bullion, and the Italian Government recently called in its silver coinage, amounting probably to more than 10,000,000 ounces.

Mr. CRAWFORD. Here is a case where something like 100,000,000 ounces of silver are involved. Germany can move that silver through Mexico and sell it to the United States at 35 cents an ounce and pick up $35,000,000 as a result of disposing of the loot. Also there is $3,000,000,000 of credits running in favor of France and other defeated European countries. Personally I do not want that kind of silver operation to be carried on and used as a "blitzkrieg" against our people, and in charge of some very capable man like Mr. Schacht, because they can raise the very devil with our people as when and if the opportunity is given, and this bill is one way of our getting control of that situation.

Mr. AUGUST H. ANDRESEN. Mr. Speaker, will the gentleman yield?

Mr. CRAWFORD. Yes; I yield.

Mr. AUGUST H. ANDRESEN. The gentleman knows that our country has approximately $14,000,000,000 of gold due it from many of these countries now being overrun. Does not the gentleman feel that before any of these funds are turned over to their conqueror we should attach the funds to apply on obligations due the United States rather than turn the funds over?

Mr. CRAWFORD. I would like very much to have the privilege of voting for such a bill, because why should an obligation of France to Germany be more sacred or important than an obligation of France to the United States, and if we are the holder of a billion dollars in gold and a billion or two dollars in credit, why have we to recognize the claim of Germany as against our claim against France?

Miss SUMNER of Illinois. While the bill was in the committee I suggested we should have an amendment to that section of the bill in order to make it clear that we intended to hold that money until the debts were paid in case there was a balance, but Mr. Eccles, of the Federal Reserve Bank, seemed to feel there was not time to draw such an amendment and consult the State Department.

The SPEAKER pro tempore. The time of the gentleman from Michigan has again expired.

Mr. FISH. Mr. Speaker, I yield 2 additional minutes to the gentleman, and hope that he will be kind enough to yield to the gentleman from Nebraska [Mr. STEFAN].

Mr. CRAWFORD. I yield first to the gentleman from Minnesota.

Mr. AUGUST H. ANDRESEN. We have $1,200,000,000 due us from Germany. Does the gentleman know of any reason why a citizen of the United States could not begin attachment proceedings in any Federal court in this country and attach the credits due those belligerent nations which now owe us money?

Mr. CRAWFORD. I am not qualified to answer that question, but I can express my opinion about it; that is, I hope we do not give up two or three billion dollars worth of gold when we have a chance to make some collections for our own pocketbook.

Mr. STEFAN. Mr. Speaker, will the gentleman yield?

Mr. CRAWFORD. I yield.

Mr. STEFAN. I wish the gentleman had more time to discuss the question of "hot" money. There is no security anywhere in Europe at this time for those who have deposited their money for safety—who have gone from Germany, France, and everywhere else. They have deposited it in Switzerland. Switzerland is shaky. Considerable amounts of this money are coming here and, as the gentleman has said, a lot of silver and gold has come here through the back door. The other day we voted $1,608,000 for the transportation of $8,000,000,000 worth of gold from New York to Fort Knox, making a total of $19,000,000,000 at Fort Knox.

Mr. CRAWFORD. Oh, no; the gentleman is mistaken about that. They have probably $7,000,000,000 worth of gold at Fort Knox. The balance is stored around in subtreasuries and elsewhere.

Mr. STEFAN. What is the balance?

Mr. CRAWFORD. About nineteen and one-half billion dollars altogether.

Mr. STEFAN. To whom does that other $9,000,000,000 belong that is not deposited at Fort Knox? As I understand it, none of the gold owned by foreign governments, individuals, and corporations is at Fort Knox at this time. Where is it located?

Mr. CRAWFORD. The earmarked gold does not enter into the Treasury account and does not enter into the monetary and banking system.

[Here the gavel fell.]

Mr. FISH. I yield the gentleman 1 additional minute.

Mr. STEFAN. The other $9,000,000,000 worth of gold belonging to foreign governments, do we have a record of that and to whom it belongs?

Mr. CRAWFORD. No; I do not understand that the foreign governments have $9,000,000,000 deposited in this country. The Treasury statement shows approximately nineteen and one-half or nineteen and three-quarters billion dollars in the hands of the Treasury. The Federal Reserve banks hold almost seventeen and one-half billion dollars' worth of certificates against the Treasury gold.

Mr. STEFAN. Of course, the gentleman understands that Federal Reserve banks are not Government banks as we know them.

Mr. CRAWFORD. That is true; but they hold certificates, which are warehouse receipts, you might call them, or claims against the gold. If you take those certificates out of the Federal Reserve banks you have to substitute something in their place to offset the liabilities with the Federal Reserve banks. So you cannot do any monkey business in that respect.

Mr. STEFAN. Has your committee made any suggestion to the Treasury Department whereby we can in some way secure information or secure in a material way some of this gold which is owned by governments, which perhaps may not be governments tomorrow and which owe us money?

Mr. CRAWFORD. We are securing it by issuing dollar credits against it at the rate of two or three hundred million dollars a week. So, apparently, we will get about all of it that we want.

Mr. VORYS of Ohio. Will the gentleman yield?

Mr. CRAWFORD. I yield to the gentleman from Ohio.

Mr. VORYS of Ohio. This bill not only refers to nations at war and this loot the gentleman is talking about, but to any nation where the laws, orders, or regulations of the United States impose controls or restrictions of any kind on the exporting or dealing in property in the United States.

[Here the gavel fell.]

Mr. FISH. Mr. Speaker, I yield to the gentleman from Pennsylvania [Mr. KINZER] such time as he may desire.

Mr. KINZER. Mr. Speaker, I desire to extend my remarks which I made this afternoon with reference to the death of Maj. Gen. Smedley Butler.

The SPEAKER pro tempore. Without objection, it is so ordered.

There was no objection.

Mr. FISH. Mr. Speaker, I yield the balance of my time to the gentlewoman from Illinois [Miss SUMNER].

Miss SUMNER of Illinois. Mr. Speaker, I think somebody should tell the House that this bill has not had any hearings; that it was reported out without our knowing very much about it; and that under this bill when countries are conquered we will be in the position of having to protect their property. There is great temptation under this bill, therefore,

for countries which fear aggression or are in the throes of battle with an aggressor, to send their property and their gold here in order that we shall protect it. The head of the Federal Reserve Bank told us it was very necessary that this bill go through quickly, but I do not mind saying it worries me to think of what might happen when frightened countries start shipping their property here. Congress is recessing quickly, yet some of us protested very loudly indeed, yesterday, at the bill coming out of committee.

Mr. VORYS of Ohio. Will the gentlewoman yield?

Miss SUMNER of Illinois. I yield.

Mr. VORYS of Ohio. Why is there emergency need for covering the property of nations that are not at war at all?

Miss SUMNER of Illinois. Mr. Eccles came to me after the committee meeting and said that the position I have just mentioned was right, and also that it was right for us to have the chance to hold foreign property in payment of war debts; yet he said this bill is necessary immediately on account of South American withdrawals. That is all I know in that respect.

Mr. GIFFORD. Mr. Speaker, will the gentlewoman yield?

Miss SUMNER of Illinois. I yield.

Mr. GIFFORD. We shall expect someone to assure us that this is only to protect the Federal Reserve against attachment and trouble.

Miss SUMNER of Illinois. That is right.

Mr. GIFFORD. The bill, if you read it carefully, means, does it not, "Germany, if you want this money we have held intact for other people, come and get it"?

Miss SUMNER of Illinois. I have found that often when these administration bills come over, such as the spend-lend bill and the housing bill, they look small and concise and harmless, but after 6 weeks or so of investigation you find out that you have opened up a well without a bottom.

[Here the gavel fell.]

Mr. SMITH of Ohio. Mr. Speaker, I move the previous question.

The previous question was ordered.

The resolution was agreed to.

A motion to reconsider was laid on the table.

Mr. RANKIN. Mr. Speaker, I ask unanimous consent that the address I delivered this morning may be printed in the Appendix of the RECORD.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

FEDERAL LAND-BANK AND COMMISSIONER LOANS

Mr. JONES of Texas. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 8450) to extend for 5 additional years the reduced rates of interest on Federal land-bank and land-bank commissioner loans, with Senate amendments, and agree to the Senate amendments.

The Clerk read the title of the bill.

The Clerk read the Senate amendments, as follows:

Page 2, line 8, strike out "1945" and insert "1942."

Page 2, line 14, after "section", insert "shall not exceed 4 percent per annum for all interest payable on installment dates occurring on or after July 22, 1937, and prior to July 1, 1940, and."

Page 2, line 17, strike out "22, 1937" and insert "1, 1940."

Page 2, line 17, strike out "1945" and insert "1942."

Amend the title so as to read: "A bill to extend for 2 additional years the reduced rates of interest on Federal land bank and Land Bank Commissioner loans."

The SPEAKER. Is there objection to the request of the gentleman from Texas?

Mr. HOPE. Mr. Speaker, reserving the right to object, will the gentleman explain the changes?

Mr. JONES of Texas. The only change in this measure is the length of time the bill is operative. As the House passed the bill it provided 3½ percent interest on land-bank and commissioner loans on farm mortgages for a 5-year period. The Senate limited it to a 2-year period. In view of the fact that the old rate goes back to July 1, after consulting with members of the committee we have thought it better to accept the limitation, as it makes no substantial change in the bill.

Mr. HOPE. I will say to the gentleman that while I would personally prefer to see the House provision retained, I agree with the gentleman that it is of sufficient importance to accept the Senate change and pass the bill at this time. I feel that the House is justified in concurring in the Senate amendments.

Mr. PACE. Mr. Speaker, will the gentleman yield?

Mr. JONES of Texas. I yield.

Mr. PACE. Does the Senate amendment change the interest rate on commissioner loans, or does that remain at 3½ percent?

Mr. JONES of Texas. The Senate did make a corrective change in that they permitted the 4-percent rate on commissioner's loans to continue until July 1 of this year, the end of the interest period.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

The Senate amendments were agreed to.

A motion to reconsider was laid on the table.

AMENDING THE FEDERAL RESERVE ACT

Mr. STEAGALL. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of the bill (H. R. 10127) to amend the Federal Reserve Act, and for other purposes.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union for the consideration of the bill (H. R. 10127) to amend the Federal Reserve Act, with the gentleman from California [Mr. COSTELLO] in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

The CHAIRMAN. The gentleman from Alabama [Mr. STEAGALL] is recognized for 30 minutes. The gentleman from Michigan [Mr. WOLCOTT] is recognized for 30 minutes.

Mr. STEAGALL. Mr. Chairman, this resolution is simply intended to protect instrumentalities of our Government against the possibility of multitudinous suits and unnecessary litigation. It so happens that quite recently a question confronted the Federal Reserve banks respecting a deposit made by a foreign government to be paid out to another government. The matter became involved in a controversy between the latter government and a banking institution. The Federal Reserve banks were then confronted with a problem such as this bill is designed to remedy. The Federal Reserve banks met that situation by pursuing their own judgment and the advice of its lawyers after consultation with other departments of the Government. They did so, however, at the risk of possible subsequent litigation.

The Federal Reserve banks, being instrumentalities of the Government, cannot sue or be sued without specific authority of law. The existing law confers that authority. What this bill undertakes to accomplish is to do away with the right to sue a Federal Reserve bank on the claim of a foreign government or the central bank or other agency of a foreign government in cases where the banks have discharged their liability by meeting the requirements outlined in this measure. These requirements are first that the Federal Reserve banks observe the licensing provisions of existing law respecting the payment of deposits or the delivery of properties to other governments or to the central banks of other governments. And second, by making payment to someone designated by the duly accepted representative of the foreign government.

This measure would authorize a Federal Reserve bank, when presented with a claim of another government or the central bank of another government, to avail itself of the protection provided by consulting the State Department, ascertaining the authority of the accredited representative of the foreign government, and acting upon the authority of that representative in determining to whom a claim for deposit should be paid. The provisions apply in case of

a foreign state engaged in war or in which insurrection exists.

Mr. HARE. Will the gentleman yield?

Mr. STEAGALL. In just a moment. That is all this bill undertakes to do. The world is in confusion. A number of governments or nations have been overrun, but there has been no final adjustment of their status, and as we see from the press, there will not be until the end of the war, when each and every government involved will have its status determined in a final settlement. Pending that, many of these governments have incurred obligations in the United States in carrying on their activities. They have representation that necessitates expenditures for various purposes in this country. They have made purchases of products in this country that have not been paid for, and, of course, some of these governments are indebted to the Government of the United States.

There are questions arising daily that must be determined by the Federal Reserve banks with respect to meeting the obligations created by deposits with our Federal Reserve banks and property held by them. It would be an unfortunate thing if there should be litigation involving enormous amounts, and that is highly possible, because there are enormous amounts of deposits held by the Federal Reserve banks, either earmarked or otherwise. It is not inconceivable that suits might be brought for stupendous amounts. This would be very unfortunate and disturbing. Something should be done to enable the banks to discharge their liability and to be able to do so with certainty that their rights will be protected. That is all this bill undertakes to do.

No one need fear that these deposits will be returned until the accredited representative of the Government involved certifies to the Federal Reserve banks, with the approval of the State Department, upon the authority of the representative of the foreign government, the proper person to whom these obligations shall be paid. It is only desired to bring about a simplification of the methods by which our Federal Reserve banks may discharge their responsibility and that they may do so from this date on without waiting for adjustments of world complications and difficulties. I yield to the gentleman from South Carolina.

Mr. HARE. Did I understand the gentleman to say that under the existing law a foreign nation would be able to sue the Federal Reserve bank, just as it would be able to sue the Government?

Mr. STEAGALL. May I say to the gentleman that these deposits are, in fact, carried in the name of the central banks of these foreign governments and, of course, they would have a right to proceed in the courts and enforce their claims against the Federal Reserve banks.

Mr. Chairman, I move that the Committee do now rise.

The motion was agreed to.

Accordingly, the Committee rose; and the Speaker having resumed the chair, the gentleman from California [Mr. COSTELLO] Chairman of the Committee of the Whole House on the state of the Union, reported that that committee, having had under consideration the bill (H. R. 10127) to amend the Federal Reserve Act, and for other purposes, had come to no resolution thereon.

DEFICIENCY APPROPRIATION BILL—1941

Mr. WOODRUM of Virginia. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 10104) making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1940, and prior fiscal years, to provide supplemental appropriations for the fiscal years ending June 30, 1940, and June 30, 1941, and for other purposes, with Senate amendments thereto, disagree to the Senate amendments and agree to the conference requested by the Senate and the appointment of conferees; also that the managers on the part of the House may have authority to agree to Senate amendments with or without amendments notwithstanding the provisions of clause 2, rule XX.

The SPEAKER. Is there objection to the request of the gentleman from Virginia [Mr. WOODRUM]?

There was no objection.

The Speaker appointed the following conferees on the part of the House: Messrs. TAYLOR, WOODRUM of Virginia, CANNON of Missouri, LUDLOW, SNYDER, O'NEAL, JOHNSON of West Virginia, TABER, WIGGLESWORTH, LAMBERTSON, and DITTER.

AMENDMENT TO FEDERAL RESERVE ACT

Mr. STEAGALL. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the state of the Union for the further consideration of the bill (H. R. 10127) to amend the Federal Reserve Act, and for other purposes.

The motion was agreed to.

Accordingly, the House resolved itself into the Committee of the Whole House on the state of the Union for the further consideration of the bill (H. R. 10127) with the gentleman from California [Mr. COSTELLO] in the chair.

The Clerk read the title of the bill.

Mr. HARE. Then, as I understand, the purpose of this bill is to give the Federal Reserve banks the right to oppose suits by foreign governments as it has the right to oppose suits by individuals in this country without authority of law from this Congress?

Mr. STEAGALL. I do not know that I catch the gentleman's question. As I said a moment ago, the deposits at this time are carried in the name of the central banks of other countries. Of course, the central banks of other countries would have a perfect right to sue the Federal Reserve banks in the United States.

Mr. HARE. Under existing law?

Mr. STEAGALL. That is right.

Mr. HARE. But, under the proposed law, they would not have the right to come in and bring suit without other authority of law or without the action contemplated by this act.

Mr. STEAGALL. This measure does not attempt to foreclose any right to apply to the courts for remedy in enforcing these claims against Federal Reserve banks except in cases where the property is claimed by a foreign government or its agencies or instrumentalities.

Mr. WHITE of Idaho. Will the gentleman yield?

Mr. STEAGALL. I yield to the gentleman from Idaho.

Mr. WHITE of Idaho. The gentleman has legislation here dealing with earmarked gold received from foreign sources. Do I understand that gold is used in connection with our monetary system?

Mr. STEAGALL. No.

Mr. WHITE of Idaho. I understand what earmarking means. But who pays the bills? First, where is this gold stored?

Mr. STEAGALL. It is stored in the Federal Reserve banks.

Mr. WHITE of Idaho. It is my understanding that as fast as gold is imported into the United States it is purchased by the Federal Government and stored at the expense of the Federal Government. Is this gold stored at the cost of the Government or the bank?

Mr. STEAGALL. I am not able to tell the gentleman the details of the transaction in handling earmarked gold. I assume that there are some charges covering the movement by the Federal Reserve banks, but I have not inquired into that. But such gold is not bought by the Government.

Mr. WHITE of Idaho. Is it not a fact that all gold must be owned by the Government, and nobody has a right to own gold but the Federal Government, not even the Federal Reserve System?

Mr. STEAGALL. No. The Federal Reserve System does not undertake to own earmarked gold. It is simply held in storage and it does not enter into our gold transactions at all. It is not different from what it would be if an individual simply had in his possession gold owned by some individual in a foreign country.

Mr. WHITE of Idaho. Is it the gentleman's understanding that large volumes of foreign-owned gold are deposited in this country for safekeeping with the Federal Reserve bank?

Mr. STEAGALL. Yes; I do not have the figures, but we know, of course, there are large amounts of earmarked gold. Earmarked gold, of course, is one of the things that is involved in this legislation, gold so held by the Federal Reserve banks.

Mr. WHITE of Idaho. Is there any obligation on this gold except the warehouse receipts or certificates of deposit?

Mr. STEAGALL. There is no necessity for anything other than the obligation of the Federal Reserve banks. The Federal Reserve banks, of course, would not undertake to secure a deposit of that sort, which is only held for safekeeping and cannot be used.

Mr. WHITE of Idaho. As a general proposition, the gold comes in here, and as fast as it comes in it is turned over to the Treasury and the Federal Reserve banks are paid in gold certificates?

Mr. STEAGALL. The gentleman is speaking about gold owned. That is another matter.

Mr. SIMPSON. Mr. Chairman, will the gentleman yield?

Mr. STEAGALL. I yield to the gentleman from Pennsylvania.

Mr. SIMPSON. I see by the papers that France accepts an armistice. One does not know what the terms will be, but assuming that one of the terms by which France gets peace is that France agrees to transfer to Germany certain credits it has in this country, will this bill in any way keep the Federal Reserve from paying that money to Germany if the established Government in France so orders?

Mr. STEAGALL. That would be determined under the provisions of this bill and dealt with when the occasion arises. That would depend upon the representatives of France sent here and what our State Department said as to the authority.

Mr. SIMPSON. In effect, then, our State Department is in a position where they can, if they see fit, operate contrary to the wishes of the French Government, who are trying hard at this time to make peace, and we might in one way or another, if our Secretary of State saw fit, make it extremely difficult for a nation at war seeking peace to get the peace they desire?

Mr. STEAGALL. What we are undertaking to do here is to protect the Federal Reserve banks of this country against unnecessary litigation and possible suits in the courts.

Mr. GORE. Mr. Chairman, will the gentleman yield?

Mr. STEAGALL. I yield to the gentleman from Tennessee.

Mr. GORE. Is not one of the purposes of this act to give authority to handle situations similar to that of which the gentleman is speaking?

Mr. STEAGALL. That is what the bill provides as to that responsibility. We would trust our State Department.

Miss SUMNER of Illinois. Mr. Chairman, will the gentleman yield?

Mr. STEAGALL. I yield to the gentlewoman from Illinois.

Miss SUMNER of Illinois. Does the gentleman know of any occasion when any foreign country ever did attempt to sue the Federal Reserve bank?

Mr. STEAGALL. No; there has been no such occasion, and it may never arise, but we are undertaking to protect the Federal Reserve banks against such contingencies.

Miss SUMNER of Illinois. Would it not be true that since the Federal Reserve bank is an agency of our Government it could not be sued except with the permission of the Congress?

Mr. STEAGALL. No; we gave specific authority to the Federal Reserve banks to sue and be sued. This bill takes away the right to sue the Federal Reserve banks after they have complied with the requirements of this bill.

Mr. CRAWFORD. Mr. Chairman, will the gentleman yield?

Mr. STEAGALL. I yield to the gentleman from Michigan.

Mr. CRAWFORD. I want to know if the chairman of our committee agrees with me, and I am sure I agree with him if this is his proposition, that it is far better for us to protect the people of the United States and our whole banking system through protecting the Federal Reserve banks in this manner than it is to let the goose run wild and have suits brought against the 12 Federal Reserve banks, which in turn involves our whole banking structure and all the deposits of our people.

Mr. STEAGALL. Absolutely. If it were not for the fact that the holdings of the member banks are limited in amount to 6 percent of their capital, as they are, it would be conceivable that a suit by one of these governments against the Federal Reserve banks might involve such an amount as would endanger the banking structure of the Nation.

Mr. BARTON of New York. Mr. Chairman, will the gentleman yield?

Mr. STEAGALL. I yield to the gentleman from New York.

Mr. BARTON of New York. Since, as the gentleman says, there has never been a suit of this kind, why is it necessary to bring in here a bill of this importance without any hearings? I understand the bill was reported out by the committee without any hearings.

Mr. STEAGALL. We had before the committee representatives of the different departments interested in this proposed legislation, and this measure is recommended by the Treasury, by the Governors of the Federal Reserve Board, by the Budget Bureau, and by the State Department. I have the letters here if the gentleman would care to see them. I did not care to take up time unnecessarily by reading the letters. We did not have time to reduce the hearings to writing and print them for the benefit of the House.

Mr. WHITE of Idaho. The gentleman says the committee did not have time. What is the reason the committee did not have time?

Mr. STEAGALL. Because this matter was presented to us a day or two ago and these are emergency conditions and developments that no man could foresee. There are conditions ahead of us that possibly no one can foresee. We are attempting to anticipate our difficulties as far as we can and protect the banking structure of the United States in the right to discharge their obligation by acting upon the authority of the Government interested in the deposits that are left here. We do not know of any better method by which to protect our banks.

Mr. BARTON of New York. That is the real purpose of the bill?

Mr. STEAGALL. Certainly; that is the purpose of the bill.

Mr. BARTON of New York. And if the Polish Government makes a treaty of peace with Germany, a part of which involves the handing over of Polish money in this country to Germany, it is not the purpose for the bill to be rushed through now so we can say that we are not going to hand the money over?

Mr. STEAGALL. No; we are not undertaking to deal with that situation. They are matters that will be left in the realm of our international relationships to be handled by the Department of State. This bill is here for the purpose of protecting the banking structure of the United States against unnecessary litigation.

Mr. Chairman, I reserve the balance of my time.

Mr. WOLCOTT. Mr. Chairman, I yield myself 10 minutes.

Mr. Chairman, I think, probably, the most important part of this bill is the first amendment, which changes the policy of the Federal Reserve System, and that amendment should be considered in the light of the Johnson Act and the Neutrality Act.

We provide in section 1 of the bill that we establish a council of foreign banks and bankers and for foreign states and governments, agencies, and instrumentalities thereof. This, for the first time since the Federal Reserve System was set up, authorizes the Federal Reserve banks to take private accounts. Heretofore the Federal Reserve banks could establish accounts for other Federal Reserve banks for exchange purposes and they might open and maintain correspondents and agents in foreign governments as agents of the Federal Reserve bank, and they might open accounts with these agents of the Federal Reserve banks, but up to the time that this bill was presented to us, no attempt had ever been made to make it possible for the Federal Reserve banks to take private accounts.

Now, if there is any danger in this bill, it is not in the second section, which not only safeguards the banking structure of the United States, but also keeps this property of foreign governments in a position where we can make some

use of it if we have to, but the danger, if there is any, lies in section 1 of the bill which makes the Federal Reserve banks the fiscal agents of belligerent countries.

Mr. KEAN. Mr. Chairman, will the gentleman yield?

Mr. WOLCOTT. I yield.

Mr. KEAN. The present law states that the Federal Reserve may have accounts for such foreign correspondents or agencies. Therefore, they can open accounts for practically anybody they want in foreign countries at present, the only thing being that they have to keep a deposit over there. By this amendment there is no deposit needed to be kept abroad, and it helps the Federal Reserve bank in saving them that.

Mr. WOLCOTT. My understanding is that the committee has made a mistake—we might as well be frank about it—in recommending that the language "by such correspondents or agents" be stricken out. I do not think the committee knew what it was doing when they did that, and I do not think the Federal Reserve knew what it was doing when they recommended it to the committee, because it is very obvious that these foreign correspondents or agents referred to the foreign correspondents and agents of the Federal Reserve System itself and not the agencies of any foreign government. However, that is subject to interpretation.

Mr. KEAN. They could name anybody as their foreign correspondent.

Mr. WOLCOTT. Yes; they can name anybody as their foreign correspondent, but they become the agent of the Federal Reserve System. They could name a foreigner as an agent, but nevertheless they are the agent of the Federal Reserve System and therefore the account which is opened for that agent in a foreign country is an account which is controlled by the bank for the benefit of this agent of the Federal Reserve System, and they have absolute control over it, and at no time have we ever authorized a foreign country or a foreign-controlled bank to open an account with a Federal Reserve bank in the United States as we are doing here.

The Johnson Act expressly exempts all Government agencies or corporations set up by the Congress or corporations in which the Federal Government owns a controlling amount of stock. So, of course, it follows that the Johnson Act does not prohibit the Federal Reserve banks from establishing credits and making loans to countries which owe the United States money at the present time.

When the Neutrality Act was up for consideration last fall it seemed necessary to call attention to the fact that the Neutrality Act might be interpreted in the light of the Johnson Act, and that the word "person" when it was used in the Neutrality Act, referring to these corporations and agencies, might be interpreted in the light of the Johnson Act, and if it was interpreted in the light of the Johnson Act then it would naturally follow that the Federal Reserve banks did not come within the provisions and inhibitions of the Neutrality Act. With that question arising, I happened to be present when the Governor of the Federal Reserve Bank of New York was called on the phone and inquiry was made if they had been receiving any accounts from foreign countries.

He gave us positive assurance that they had no accounts in foreign countries excepting what were authorized by law in the Gold Act and the Silver Act, that it was not their intention to take private accounts and become fiscal agents of foreign countries. Of course, we should know what we are doing when we pass this act. Frankly, I do not know whether we should do it or not. I am a little doubtful of the advisability of it. We provide that the Federal Reserve banks become the fiscal agents of any country which has now an account in the banks or which might later on acquire an account. Whether or not that is prejudicial to our neutrality I am not prepared to say, but I do know that at the present time there is $1,662,000,000 of gold held by the Federal Reserve System, earmarked for foreign accounts, and we do know that the bulk of this gold is held to the account of belligerent countries, and if we make the Federal Reserve banks the fiscal agents of foreign countries, then we have put them in a position where they can do two things, one of which is good in my opinion and the other of which is bad in my opinion.

The first, which I think is good, is that by providing that the Federal Reserve banks become the fiscal agent of a belligerent which at some time has earmarked to its account of gold in the Federal Reserve System, we are given reasonable assurance that gold will be put to use for the payment of goods purchased by belligerents in the United States.

The CHAIRMAN. The time of the gentleman from Michigan has expired.

Mr. WOLCOTT. Mr. Chairman, I yield myself 10 additional minutes. The thing which I consider is bad is the fact that upon the basis of these deposits, new credits will be established to the prejudice of this Nation, in the case of default by belligerent nations. In respect to section 2 it must be understood that the belligerents and others owe the taxpayers of the United States something like $12,000,000,000, and they have on deposit, as I have said, about $1,662,000,000. I can see in section 2 of this bill a possibility that under certain conditions there might be paid into the Federal Treasury as a set-off against that indebtedness, the amount of gold which is on deposit with the Federal Reserve, now to the account of the debtor nation, and unless this bill is passed, there is little likelihood that we are ever going to collect anything of the debt.

It safeguards the Nation from having to recognize the order or draft of the victor nation over a defeated creditor, and this amount will allow of our setting off against that situation any indebtedness which the defeated nation owes to the United States, and inasmuch as it has been universally held and understood that the Federal Government can impair the obligation of a contract, and has on other occasions done so in respect to our own citizens, we should not hesitate whatsoever to confiscate this gold which is now to the credit of the belligerent nation if it becomes necessary to safeguard it and prevent it from falling into the hands of those who might at some future date become an enemy of the United States. I think we should have it distinctly understood now that the United States has no enemies in the world—anything to the contrary notwithstanding.

Mr. VORYS of Ohio. Mr. Chairman, will the gentleman yield?

Mr. WOLCOTT. I yield.

Mr. VORYS of Ohio. As I read section 2, it would exonerate and protect the Federal Reserve System against suit in case of a transfer, but it does not protect them from suit by way of mandamus or otherwise in case of a refusal to transfer. Is that the gentleman's understanding?

Mr. WOLCOTT. The Federal Reserve will transfer or pay to the country claiming the deposit or the property which is found by the Secretary of State to be entitled to it. We mean by that that if a European country has made deposit of $200,000,000, say, of gold in the Federal Reserve, and that country is seized by another country and the seizure is not recognized by our Government, then the State Department would undoubtedly continue to hold that that gold could be released only upon the order of the accredited representative of the country which made the deposit, and in case the victor country, as a part of the peace terms, compelled the country which made the deposit to transfer the deposit to the victor country then the State Department would recognize the order of the country making the deposit in keeping with the terms of the armistice or the peace treaty.

Mr. VORYS of Ohio. This bill has to do with stopping lawsuits. Is not that correct?

Mr. WOLCOTT. It not only stops lawsuits, but it safeguards the Federal Reserve Banking System from having to pay out money twice.

Mr. VORYS of Ohio. Now, if any member who has a deposit in a Federal Reserve bank was held by the Federal Reserve bank to be the agency of some foreign organization and that member's money was transferred to some-

body else, under this legislation that member would be forever barred from suing anybody. Is that not correct?

Mr. WOLCOTT. I believe so. If it had been determined that the Federal Reserve System had paid in accordance with the license issued by the Secretary of State, they would be estopped from coming in and making any claim adverse to the finding of the Secretary of State as to which country or which organization or which agency loaned the money.

Mr. VORYS of Ohio. If it were merely a case involving such a question, no American citizen could even bring suit, as I understand this bill, because it includes any agency or instrumentality of any foreign organization or subdivision, and if that question is involved, suit cannot be brought.

Mr. WOLCOTT. It is not my understanding that this involves the rights of citizens to test these exchanges. If they have a substantial interest in the exchange or in the property, then they can contest it, but this has to do only with foreign property which is on deposit with the Federal Reserve System.

Mr. VORYS of Ohio. It does not say anywhere in this bill that the agency cannot be an American citizen or an American corporation.

Mr. WOLCOTT. That is right, and if the American citizen becomes the agent of a foreign country, then he is bound by the findings of our Secretary of State.

Mr. VORYS of Ohio. That question of agency is a question of law, which the citizen should have the right to test in court.

Mr. WOLCOTT. It is a question of common law, and we have abrogated common law on certain occasions recently. [Laughter.]

Mr. BARTON of New York. Will the gentleman yield?

Mr. WOLCOTT. I yield.

Mr. BARTON of New York. Did the Secretary of State appear before the committee in connection with these hearings?

Mr. WOLCOTT. No. I came into the committee a little late, as usual, and the bill had been reported out and they had started hearings. I mean that literally. The bill had been reported out, and they held hearings after the bill was reported out.

Mr. BARTON of New York. As the gentleman knows, we are remaining in session this summer because the American people have demanded it, because they are suspicious of any legislation brought out in this time and put through without any sort of explanation or debate. Does not the gentleman feel we are violating the mandate given to us by the American people if we consider a bill on which there has been no hearings and which the committee itself does not seem to know very much about?

Mr. WOLCOTT. I quite agree with the gentleman that the committee knows very little about this bill. I will also add to that, as one member of the committee, I was sorry I was not present at the time the bill was reported out to protest the fact that there was not such an emergency incident to the reporting of this bill that we could not afford to wait 48 hours to study the matter.

Mr. BARTON of New York. Does not the gentleman think it would be a good thing to vote against this on that ground?

Mr. MASON. Mr. Chairman, will the gentleman yield?

Mr. WOLCOTT. I yield to the gentleman from Illinois.

Mr. MASON. Would you not say that under the conditions under which this bill has been brought out, the best thing we can do is to vote to recommit it for further consideration? Would the gentleman be willing to go that far?

Mr. WOLCOTT. Well, I would not go that far, because I think that personally I have an understanding of the bill. I personally talked to Mr. Eccles after the hearing and I have been assured personally, but I do not know as I should take the responsibility of assuring the House that this bill is all right, because, after all, hearings by a legislative committee are for the purpose of informing the House and every Member of the House what goes on. Although I have been personally assured, I think that any other Member of the House who did not have the same opportunity for assurance that I had would be perfectly justified in voting to recommit the bill.

[Here the gavel fell.]

Mr. STEAGALL. Mr. Chairman, I move that the Committee do now rise.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. COSTELLO, Chairman of the Committee of the Whole House on the state of the Union, reported that that Committee, having had under consideration the bill (H. R. 10127) to amend the Federal Reserve Act, and for other purposes, had come to no resolution thereon.

FURTHER MESSAGE FROM THE SENATE

A further message from the Senate, by Mr. St. Claire, one of its Clerks, announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 10039) entitled "An act to provide for the expenses of national preparedness by raising revenue and issuing bonds, to provide a method for paying such bonds, and for other purposes."

The message also announced that the Senate requests the House to return to the Senate the bill (H. R. 9007) entitled "An act making appropriations for the Department of Labor, the Federal Security Agency, and related independent agencies, for the fiscal year ending June 30, 1941, and for other purposes."

DEPARTMENT OF LABOR AND FEDERAL SECURITY AGENCY APPROPRIATION BILL, 1941

The Speaker laid before the House the following request from the Senate:

Resolved, That the Secretary be directed to request the House of Representatives to return to the Senate the bill (H. R. 9007), entitled "An act making appropriations for the Department of Labor, the Federal Security Agency, and related independent agencies for the fiscal year ending June 30, 1941, and for other purposes."

The SPEAKER. Without objection, the request will be granted.

There was no objection.

AMENDING THE FEDERAL RESERVE ACT

Mr. STEAGALL. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the state of the Union for the further consideration of the bill H. R. 10127, to amend the Federal Reserve Act, and for other purposes.

The motion was agreed to.

Accordingly, the House resolved itself into the Committee of the Whole House on the state of the Union for the further consideration of the bill H. R. 10127, with Mr. COSTELLO in the chair.

The Clerk read the title of the bill.

Mr. WOLCOTT. Mr. Chairman, I yield to the gentlewoman from Illinois [Miss SUMNER] 3 minutes.

Miss SUMNER of Illinois. Mr. Chairman, I just heard that the gentleman from Ohio [Mr. SMITH] contemplated offering a motion to recommit. I shall not support that motion to recommit, because the committee has already heard the Governor of the Federal Reserve bank and his department. The only information that remains that is important for us to obtain is from the State Department. I believe that the information which we would like to get from the State Department and which would be necessary and proper for us to have from the Federal Reserve System is information that we cannot get for a very fundamental reason. That is, that whereas we have a democracy or a republic in our domestic affairs, we do not have a democracy in our foreign affairs. All we have ever had in this country where foreign matters are concerned is a one-man government—a dictatorship.

Every bill that comes to Congress that has anything to do with foreign affairs brings us right up against a big blank wall. The executive department hoards foreign secrets the

way a squirrel hoards hickory nuts, and always has—not only this administration, but in previous ones. It is otherwise in England, in France, and in other democracies. When, for instance, Mr. Chamberlain was Prime Minister of England and he went into the House of Commons the members had the right to question him up to the point that he could say it would be a violation of the interest of his country to give the information. But we do not have that right. We are fighting in the dark, and will be thus fighting blindly all the way through on our defense program in trying to defend our country from participation in war. [Applause.]

Mr. Chairman, I yield back the balance of my time.

Mr. WOLCOTT. Mr. Chairman, I yield 3 minutes to the gentleman from Ohio [Mr. SMITH].

Mr. SMITH of Ohio. Mr. Chairman, I wonder if this House has any conception at this moment of what it is actually doing?

The claim made here that this will give an opportunity to the United States to tie up foreign gold deposits is notice to the world that the United States formally places itself in a position where it may arbitrarily go off the international gold standard.

Make no mistake, this is a serious move. We have gone off the gold standard domestically, but we have not gone off the gold standard internationally. When we formally place ourselves in the position where we may arbitrarily go off the international gold standard, which this bill provides, we are taking a very serious step.

Mr. HINSHAW. Mr. Chairman, will the gentleman yield?

Mr. SMITH of Ohio. I yield.

Mr. HINSHAW. Does the gentleman mean to say that this bill would provide for an embargo against the shipment of gold from this country at the will of the Secretary of State?

Mr. SMITH of Ohio. Exactly so. Every nation in the world is going to observe what we do here today.

It is true under the Gold Reserve Act of 1934 the President could perhaps withhold gold payment to foreigners. Of course, he has not done so, nor would he think of doing this, for to do so would be an announcement to the outside world that we had renounced our contractual relations with them, that we intended to violate our bond. To withhold gold payment to any foreigners who might choose to be paid in gold for their goods, or to refuse gold payment for trade balances, would shake our international trade to its very foundation.

Such an act would cause the whole world to lose confidence in America. It would place our international trade squarely on a barter system.

It is one thing for the politicians to confiscate our gold, forbid us to use it domestically, and force us on irredeemable paper currency. It is quite another thing for the United States to attempt to force the rest of the world to accept a mere political promise to pay. It is one thing for our politicians to force our own people to value their services, labor, and goods in inconvertible paper currency, but it is quite another thing for the United States to attempt to do this with foreign nations.

It is the extraordinary conditions under which the grant of power contained in this bill would operate that make it dangerous. Many nations are now at war with each other. They hold varying amounts of gold, securities, and other property in the United States. The total value of these holdings runs into many billions of dollars. Undoubtedly, at the conclusion of the conflict, transfers of these holdings will be effected by voluntary agreement between the victors and the vanquished. Difficulties between them in making such transfers will, no doubt, be encountered.

What this bill virtually does is to give to the Chief Executive the sole power to determine whether any property, and if so how much, shall be transferred from the losing to the winning side. Bear in mind it gives him absolute power to prevent such transfer, even if the losing nation desires it, even if it may be to its vital interest to have the transfer made.

The right to exercise this power would add a most potent danger to push our Nation into the war. It can and likely would ensnare us in a sea of international ill will and hate that could not be undone for a hundred years. And it must not foolishly be thought that this ill will and hate would come only from the nations that might for the moment be in ill grace with the present administration. It could just as readily come from some, or for that matter all, of the nations with whom this administration is now in sympathy.

This bill should be returned to the Banking and Currency Committee for further consideration. I intend to offer a motion to recommit it.

Mr. REED of New York. Mr. Chairman, will the gentleman yield?

Mr. SMITH of Ohio. I yield.

Mr. REED of New York. If the gentleman is accurate in his statement, and I know he probably is, it would force the country into a dubious situation.

Mr. SMITH of Ohio. Exactly; it would force us into a most dubious situation.

Mr. SCHAFER of Wisconsin. Mr. Chairman, will the gentleman yield?

Mr. SMITH of Ohio. I yield.

Mr. SCHAFER of Wisconsin. Will the gentleman include in his motion to recommit instructions that the committee hold public hearings on the bill?

Mr. SMITH of Ohio. The motion to recommit will provide for the holding of public hearings.

Mr. KEAN. Mr. Chairman, will the gentleman yield?

Mr. SMITH of Ohio. I yield.

Mr. KEAN. This bill applies only when the Federal Reserve bank had received money from a foreign state which is in a state of war, or insurrection exists in such foreign state, or the laws, orders, and regulations of the United States impose controls. So it refers only to those nations which are at war, or to those nations on which we have imposed controls, nations which may go out of the war, where we have imposed controls to prevent the seizure of their gold by force by attacking nations.

Mr. SMITH of Ohio. It is a big question. Who is going to say when nations are at war or when they are at peace? Who will decide when a state of insurrection exists? These and many other questions would arise to plague us.

[Here the gavel fell.]

Mr. WOLCOTT. Mr. Chairman, I yield the balance of my time to the gentleman from Michigan.

The CHAIRMAN. The gentleman from Michigan [Mr. CRAWFORD] is recognized for 4 minutes.

Mr. CRAWFORD. Mr. Chairman, I wanted this additional time in order to ask the gentleman from Michigan [Mr. WOLCOTT] one or two questions with reference to his remarks.

Did I understand the gentleman from Michigan to say that the law as it now stands does permit our Federal Reserve banks to carry deposits in central banks of foreign governments and that this bill strikes out of the present law that privilege, so that hereafter our Federal Reserve banks cannot carry deposits in foreign countries? Is that what I understood the gentleman to say with reference to the amendment?

Mr. WOLCOTT. I think at the present time the Federal Reserve bank can establish agencies and correspondents in foreign countries, and they can open in their banks accounts for these agents. They appoint these correspondents and that is as far as they can go. It is not my understanding of the law that a Federal Reserve bank could take a deposit from a foreign country for the agent of the foreign country. I have been given to understand that they have on some occasions acted on behalf of the fiscal agents of foreign countries, for example the Bank of France, and the Bank of England; but that is about as far as they have gone, and they have not treated them as private deposits in the sense that a national of a foreign country could open an account with the Federal Reserve Bank of New York.

Mr. CRAWFORD. If this bill does resolve itself into a law which prevents our Federal Reserve banks carrying deposits in western European central banks, that step would please me very much. I do not care how much we interfere with Federal Reserve banks extending credit to these central

banks of western European countries. I consider the situation over there very uncertain and risky.

Mr. HINSHAW. Mr. Chairman, will the gentleman yield?

Mr. CRAWFORD. I yield.

Mr. HINSHAW. Is the gentleman willing that foreign governments should make this Government's banks a repository for their funds?

Mr. CRAWFORD. I certainly am, because if we are not willing to maintain some kind of a safe-deposit device in this country, why all of our shouting about preserving democracy for the world or making the world safe for democracy, or trying to pose as a friend to civilization subsequent to the cessation of war hostilities in western Europe? If we are going to lead I always believe in doing so in a very material way. In other words, I would like to have a little butter, bread, and bacon in the basement for reserve and if we can induce other people to have a little reserve on hand, perhaps that will prevent us from having to hand to them their entire grubstake when the battle is over and we start to rebuild the house. So, I see no reason at all why we should not accept safety deposits from nationals of other governments in this country; that is, dollar deposits or gold bullion and all for safe keeping. I am not in favor of creating dollar deposits by buying their gold, but if they want to send something here to deposit for safekeeping with us, let us give them the best safekeeping we can until the thing grows so hot over here they may want to take it to some other country, which they may want to do, and I think Switzerland will be running to this country with hundreds of millions, perhaps billions of dollars within the next few months because the situation will grow so hot that they will not want to keep it over there. We should not, of course, get out on a limb by intermingling this "hot money" with our domestic demand and savings and time deposits and our gold reserves. In that direction we have, no doubt, probably traveled too far. If we extend demand-deposit facilities out of proportion to our ability to meet, on demand, and with gold, the withdrawals, we thereby incur a liability that might prove disastrous to our economy. But safe-deposit devices for the accommodation of gold and silver bullion or for foreign or domestic currencies will not so involve us.

[Here the gavel fell.]

The Clerk read as follows:

Be it enacted, etc., That subsection (e) of section 14 of the Federal Reserve Act is amended by striking out at the end of the first sentence thereof the words "for such foreign correspondents or agencies", and inserting in lieu thereof the words "for foreign banks and bankers, and for foreign states and governments, agencies, and instrumentalities thereof."

SEC. 2. Section 25 (b) of the Federal Reserve Act is amended by adding at the end thereof a new paragraph reading as follows:

"Whenever any Federal Reserve bank has received from a foreign state recognized by the Government of the United States or a central bank of any such state, or holds or controls any property in which such a foreign state or a central bank thereof has, or may have, any interest and a state of war or insurrection exists in such foreign state or the laws, orders, or regulations of the United States impose controls or restrictions by licensing arrangement or otherwise on the export of, or dealing in, property in the United States belonging to such foreign state or central bank, payment, transfer, delivery, or other disposal of such property to or upon the order of the person who the representative of such foreign state duly accredited to the Government of the United States shall certify to the Secretary of State has authority to receive, control, dispose of, or otherwise exercise dominion over such property, provided and so long as the Secretary of State recognizes and accepts the authority so certified to him, shall be conclusively presumed to be lawful and shall constitute a complete discharge and release of any liability for or with respect to such property. The Federal Reserve bank shall not be subject to any claim or liability in any court by way of suit, counterclaim, set-off, recoupment, or other affirmative action or defense in its own name or in the name of any of its officers, agents, or employees, as a consequence of any action which it takes in accordance with this paragraph. No court shall, at the instigation of any third party, by attachment, injunction, or other similar proceeding, in any way, directly or indirectly, restrain or prevent a Federal Reserve bank from making any payment, transfer, delivery, or other disposal of property herein referred to. For the purposes of this paragraph, the term 'property' shall include, without limitation, gold, silver, currency, credits, deposits, securities, choses in action, and any other form of property, the proceeds thereof, and any right, title, or interest therein; the term 'foreign state' shall include, without limitation, any foreign government or any department, district, province, county, possession, or other similar governmental organization or subdivision of a foreign government, and any agency or instrumentality of any such foreign government or of any such organization or subdivision; the term 'central bank' shall include any foreign bank or banker which performs any one or more of the functions of a central bank; and the term 'person' shall include, without limitation, any corporation, partnership, association, or other similar organization."

With the following committee amendment:

Page 2, line 5, between "or" and "a" insert "from."

The committee amendment was agreed to.

Mr. HINSHAW. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I wish that I understood this bill. I do not believe that any of us understands the full import of it. On page 2 of the committee report, if I may read it to you, it is stated:

The legal principles upon which the bill is based are as follows: The power and authority of representatives of foreign governments are political in character, and when the executive branch of the Government through the State Department accepts or acts upon the representation of a foreign ambassador or minister concerning his powers or the powers of any other officer of his government, such representation is conclusive in our courts.

I do not know whether that places any additional powers in the hands of the State Department or not, nor whether it involves an important change in our foreign policy, but I presume it does, or it would not otherwise be necessary to make this statement. Then the report goes on to say:

The acts of a recognized foreign sovereign insofar as they apply to nationals of that sovereign are not limited to the territorial jurisdiction of the sovereign, and furthermore, as a matter of comity, the acts of a recognized foreign sovereign are given extraterritorial application, if so intended, unless to do so would be in violation of the public policy. This legislation would constitute a statement of the public policy involved.

I regret this matter has to come up at this late stage when we are expecting to recess over next week. I think we all could wish that this bill had also been referred to the Committee on Foreign Affairs, as I believe it has a great deal to do with our foreign relations and that great committee is very able in its understanding of these things. I wish that we could have had a further discussion of the bill, as it may involve things that are far away and beyond the protection of gold supplies in this country.

I find myself at sea in the matter of voting upon it, because I, along with a good many other Members, have difficulty in understanding what the bill does and what it purports to do. I would like to vote for its recommittal in order to obtain a further study of it and a clearer explanation, but, on the other hand, upon the representations of the able chairman of the Committee on Banking and Currency and upon the representations of the minority members of the committee that it is important the bill be passed today, I shall be impelled to vote in favor of the bill in spite of the inadequacy of the information presented in the brief time allotted for its discussion.

Mr. GIFFORD. Mr. Chairman, I rise in opposition to the pro forma amendment.

Mr. Chairman, I am a little disturbed. So many say they do not understand this bill. It is not a hard bill to understand if we read it and leave out some of the superfluous language. I said in 1937 when Congress convened that it would be the duty of the minority to know more about legislation than the majority and I reckoned that it would not be a difficult assignment. In this case it is refreshing to see the minority insisting on receiving full knowledge of the bill. It does not seem to interest the other side of the House. This is an administration bill and, of course, that is all they need to know about it.

Mr. Chairman, simply stated, section 1 is only an enlargement of power. Before this the Federal Reserve had its correspondents and agencies in foreign countries and they had to have reciprocal balances with each other. Now, they can do business directly with banks, any bank, any government, its subdivisions and its instrumentalities that wishes to send property here, and we will keep it safely on deposit for them.

When one nation conquers another nation their duly accredited representative will come to the Federal Reserve bank and demand the money for which he has a draft. The Federal Reserve says, "We cannot recognize this government. You are a conquering nation. We still recognize the other government. But we will call up the Secretary of State and ask his decision." The Secretary of State advises whether or not our Government has recognized this conqueror. He will say, "No; we still recognize the Government of Czechoslovakia and other invaded nations having their representatives still in Washington, and you must hold those funds for them." Then the conqueror may say, "We will go to the courts."

"Oh, no," Congress has said to the courts that they removed such jurisdiction. The Federal Reserve will be fully protected. They can keep the funds on deposit; they can sell the property, if desired, and can make any other disposal of it as they see fit. They may return it to the former Government representatives to bury it in the ground, where nobody may know its whereabouts.

Everybody knows how the President feels about recognizing a conquering country. The power to protect the property of invaded nations is greatly enlarged by this bill. If tomorrow the Czechoslovakian or Polish Ambassador appeared at the Federal Reserve bank and said, "I want that money because I want to hide it," and they called up the Secretary of State, he would say, "Why, certainly. That is the Government we now recognize," and the Federal Reserve would be obliged to hand it over to him.

The Federal Reserve does not want to be sued in the courts. It does not want to have to pay this money twice if, afterward, the Government makes a different decision or is forced to do so. They want to transfer to the Government the whole and complete responsibility. This is a simple bill and ought not to cause so much confusion.

It may be difficult for us to decide whether we want to vote for it, knowing the side our Government is taking. It is a political question. It says so in the report. The courts are debarred. The owner must be determined by the administration; therefore, it is a political question. Who shall we recognize as the proper party to claim the money? Is not that simple? Why say you do not understand it? There is but little to understand. Do we want to be the depository for defeated countries and say to the conqueror, "You cannot have it"? That is the edict that is gone forth. Is not that simple? We must buttress that policy. It is already declared.

Mr. JOHNS. Mr. Chairman, will the gentleman yield?

Mr. GIFFORD. I yield to the gentleman from Wisconsin.

Mr. JOHNS. I do not understand why our Federal Reserve System should go into the pawnbroker business. We have a lot of pawnbrokers in this country.

Mr. GIFFORD. Because this administration wants them to.

Mr. JOHNS. With what are we to credit these foreign countries when we sell their jewelry or gold?

[Here the gavel fell.]

Mr. SMITH of Ohio. Mr. Chairman, I move to strike out the last three words.

Mr. Chairman, I plead with this Congress not to enact this legislation. Let us return this bill to the Committee on Banking and Currency. If the purpose is to provide for a priority claim on the part of the United States Government against any gold held by a belligerent that owes us money, then it should be plainly written into this bill. I have no objection to that whatever. My objection to this bill is that it formally places our Nation in a position where it can say to the world at any moment, "We are going off the international gold standard." Certainly we do not wish to do anything like that. If this bill is passed, it will have repercussions that will extend throughout the world. Every nation that trades with us must take heed of our action and must say to itself, "At any moment my country may be forced upon a barter system with the United States." This bill touches the fundamental economy of the entire world. We are dealing with the gold problem. I plead with you to send this bill back to the committee and have public hearings on it so we may understand what it is and determine definitely what we really should write into it. What this bill actually does is to give to the President the green light to take our Nation off the international gold standard. I submit to you this is a serious matter.

Mr. RICH. Mr. Chairman, will the gentleman yield?

Mr. SMITH of Ohio. I yield to the gentleman from Pennsylvania.

Mr. RICH. Does not the gentleman believe it would be a wise thing for the United States to attach all moneys here belonging to any country that owes us, even on the war debts, so that if anything happens to them now we may attach that money and apply it on the debts?

Mr. SMITH of Ohio. I want to be fair about this matter. I am merely asking that the bill be sent back to the Committee on Banking and Currency so that questions like that may be given consideration. As this bill stands it is vicious and most dangerous. It should not be enacted into law. No measure since I have been in this Congress has been presented to this body for consideration that was more fundamental than this one now before us. This measure, if enacted into law, promises world repercussions that cannot help but be exceedingly inimical to our welfare.

Certainly no harm could possibly be done to recommit the bill and give it the consideration which it merits. I plead with each and every Member of this House to vote to recommit this measure.

I should be glad to do everything I can to rewrite it so as to achieve the purposes which the face of the bill indicates.

To give the Executive this vast power over our gold means, under the conditions of war that prevail and those that must present themselves when final settlement between the belligerent nations takes place, that in all likelihood this power will be used to prevent transfer of gold held by belligerents in this country. The point is that such an act will unquestionably involve the withholding of gold payment to foreigners. To the extent that this would be done, it would be a violation of the international gold standard. [Applause.]

[Here the gavel fell.]

The CHAIRMAN. Under the rule, the Committee rises.

Accordingly, the Committee rose; and the Speaker having resumed the chair, Mr. COSTELLO, chairman of the Committee of the Whole House on the state of the Union, reported that the Committee having had under consideration the bill (H. R. 10127) to amend the Federal Reserve Act, and for other purposes, pursuant to House Resolution 543, reported the same back to the House with an amendment adopted by the Committee of the Whole.

The SPEAKER. Under the rule, the previous question is ordered.

The question is on agreeing to the amendment.

The amendment was agreed to.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

Mr. SMITH of Ohio. Mr. Speaker, I offer a motion to recommit.

The SPEAKER. Is the gentleman opposed to the bill?

Mr. SMITH of Ohio. I am, Mr. Speaker.

The SPEAKER. The Clerk will report the motion to recommit.

The Clerk read as follows:

Mr. SMITH of Ohio moves to recommit the bill (H. R. 10127) to the Committee on Banking and Currency with instructions to that committee to hold hearings thereon.

Mr. STEAGALL. Mr. Speaker, I move the previous question on the motion to recommit.

The previous question was ordered.

The SPEAKER. The question is on the motion to recommit.

The question was taken; and on a division (demanded by Mr. SMITH of Ohio) there were—ayes 42, noes 121.

Mr. SMITH of Ohio. Mr. Speaker, I object to the vote on the ground that a quorum is not present.

The SPEAKER. The Chair will count. [After counting.] One hundred and ninety-three Members are present, not a quorum.

The Doorkeeper will close the doors, the Sergeant at Arms will notify absent Members, and the Clerk will call the roll.

The question was taken; and there were—yeas 102, nays 273, not voting 56, as follows:

[Roll No. 162]

YEAS—102

Alexander	Fish	Knutson	Routzohn
Andersen, H. Carl	Gerlach	Landis	Rutherford
Andresen, A. H.	Gillie	LeCompte	Sandager
Angell	Goodwin	Lewis, Ohio	Schafer, Wis.
Austin	Graham	McDowell	Schiffler
Barton, N. Y.	Grant, Ind.	McGregor	Seccombe
Bender	Gross	Marshall	Simpson
Blackney	Guyer, Kans.	Martin, Iowa	Smith, Ohio
Bolles	Gwynne	Martin, Mass.	Springer
Bradley, Mich.	Hall, Edwin A.	Mason	Sumner, Ill.
Brown, Ohio	Hall, Leonard W.	Michener	Sweet
Carlson	Harter, N. Y.	Monkiewicz	Talle
Case, S. Dak.	Hess	Mott	Thill
Church	Hoffman	Mundt	Thorkelson
Clason	Hope	Murray	Tibbott
Clevenger	Jarrett	O'Brien	Tinkham
Cluett	Jenks, N. H.	Oliver	Treadway
Corbett	Jensen	Reed, Ill.	Van Zandt
Crowther	Johns	Reed, N. Y.	Vorys, Ohio
Culkin	Johnson, Ill.	Rees, Kans.	Wheat
Curtis	Johnson, Ind.	Rich	Williams, Del.
Dondero	Jones, Ohio	Risk	Winter
Dworshak	Jonkman	Robsion, Ky.	Wolfenden, Pa.
Elston	Keefe	Rockefeller	Youngdahl
Englebright	Kilburn	Rodgers, Pa.	
Fenton	Kinzer	Rogers, Mass.	

NAYS—273

Allen, La.	Cummings	Hart	Marcantonio
Allen, Pa.	D'Alesandro	Hartley	Massingale
Anderson, Calif.	Darden, Va.	Havenner	Miller
Anderson, Mo.	Davis	Healey	Mills, Ark.
Andrews	Delaney	Hennings	Mills, La.
Arends	Dempsey	Hinshaw	Monroney
Arnold	DeRouen	Hobbs	Moser
Ball	Dickstein	Holmes	Murdock, Ariz.
Barden, N. C.	Dies	Hook	Murdock, Utah
Barnes	Dingell	Houston	Myers
Barry	Dirksen	Hull	Nichols
Bates, Ky.	Disney	Hunter	Norrell
Bates, Mass.	Doughton	Izac	Norton
Beam	Doxey	Jacobsen	O'Connor
Beckworth	Duncan	Jarman	O'Day
Bell	Dunn	Jeffries	O'Leary
Bland	Durham	Jennings	Osmers
Bloom	Eaton	Johnson, Luther A.	O'Toole
Boehne	Eberharter	Johnson, Lyndon	Pace
Boland	Edelstein	Johnson, Okla.	Parsons
Boren	Edmiston	Jones, Tex.	Patman
Boykin	Elliott	Kean	Patrick
Bradley, Pa.	Ellis	Kee	Patton
Brewster	Engel	Kefauver	Pearson
Brooks	Evans	Keller	Peterson, Fla.
Brown, Ga.	Faddis	Kennedy, Martin	Peterson, Ga.
Bryson	Fay	Kennedy, Md.	Pfeifer
Buck	Ferguson	Kennedy, Michael	Pierce
Buckler, Minn.	Fernandez	Keogh	Poage
Buckley, N. Y.	Fitzpatrick	Kerr	Polk
Bulwinkle	Flannagan	Kilday	Powers
Burch	Flannery	Kitchens	Rabaut
Burgin	Folger	Kleberg	Ramspeck
Byrne, N. Y.	Ford, Leland M.	Kocialkowski	Randolph
Byrns, Tenn.	Ford, Miss.	Kramer	Rankin
Byron	Ford, Thomas F.	Kunkel	Rayburn
Caldwell	Fries	Lanham	Reece, Tenn.
Camp	Fulmer	Larrabee	Richards
Cartwright	Gamble	Lea	Robertson
Casey, Mass.	Garrett	Leavy	Robinson, Utah
Celler	Gartner	Lesinski	Rogers, Okla.
Chapman	Gathings	Lewis, Colo.	Ryan
Clark	Gavagan	Luce	Sabath
Claypool	Gearhart	Lynch	Sacks
Cochran	Gehrmann	McAndrews	Sasscer
Coffee, Nebr.	Geyer, Calif.	McArdle	Satterfield
Coffee, Wash.	Gibbs	McCormack	Schaefer, Ill.
Cole, Md.	Gifford	McGehee	Schuetz
Colmer	Gilchrist	McGranery	Schulte
Cooley	Gore	McKeough	Schwert
Cooper	Gossett	McLaughlin	Secrest
Costello	Grant, Ala.	McLean	Seger
Courtney	Green	McLeod	Shanley
Cox	Gregory	McMillan, Clara	Shannon
Cravens	Griffith	McMillan, John L.	Sheppard
Crawford	Hancock	Maas	Sheridan
Creal	Hare	Magnuson	Smith, Conn.
Crowe	Harness	Mahon	Smith, Ill.
Cullen	Harrington	Maloney	Smith, Maine
Smith, Va.	Stefan	Vincent, Ky.	Welch
Smith, Wash.	Sumners, Tex.	Vinson, Ga.	West
Smith, W. Va.	Sutphin	Voorhis, Calif.	Whelchel
Snyder	Sweeney	Vreeland	Whittington
Somers, N. Y.	Tarver	Wadsworth	Williams, Mo.
Sparkman	Tenerowicz	Wallgren	Wolcott
Spence	Terry	Walter	Zimmerman
Starnes, Ala.	Thomas, Tex.	Ward	
Steagall	Thomason	Warren	
Stearns, N. H.	Tolan	Weaver	

NOT VOTING—56

Allen, Ill.	Drewry	Ludlow	Shafer, Mich.
Bolton	Flaherty	Maciejewski	Short
Burdick	Halleck	Mansfield	South
Cannon, Fla.	Harter, Ohio	Martin, Ill.	Sullivan
Cannon, Mo.	Hawks	May	Taber
Carter	Hendricks	Merritt	Taylor
Chiperfield	Hill	Mitchell	Thomas, N. J.
Cole, N. Y.	Horton	Mouton	White, Idaho
Collins	Jenkins, Ohio	Nelson	White, Ohio
Connery	Johnson, W. Va.	O'Neal	Wigglesworth
Crosser	Kelly	Pittenger	Wolverton, N. J.
Darrow	Kirwan	Plumley	Wood
Ditter	Lambertson	Romjue	Woodruff, Mich.
Douglas	Lemke	Scrugham	Woodrum, Va.

So the motion was rejected.

The Clerk announced the following pairs:

On this vote:

Mr. Jenkins of Ohio (for) with Mr. Wolverton of New Jersey (against).

Mrs. Bolton (for) with Mr. Sullivan (against).

Until further notice:

Mr. Drewry with Mr. Halleck.
Mr. Wood with Mr. Plumley.
Mr. Romjue with Mr. Chiperfield.
Mr. Collins with Mr. Thomas of New Jersey.
Mr. Crosser with Mr. Horton.
Mr. Hendricks with Mr. Carter.
Mr. South with Mr. White of Ohio.
Mr. Cannon of Florida with Mr. Burdick.
Mr. Merritt with Mr. Darrow.
Mr. Scrugham with Mr. Lemke.
Mr. Kelley with Mr. Ditter.
Mr. Ludlow with Mr. Taber.
Mr. Mansfield with Mr. Pittenger.
Mr. Nelson with Mr. Douglas.
Mr. O'Neal with Mr. Hawks.
Mr. May with Mr. Short.
Mr. Mouton with Mr. Cole of New York.
Mr. Harter of Ohio with Mr. Allen of Illinois.
Mr. Johnson of West Virginia with Mr. Wigglesworth.
Mr. Cannon of Missouri with Mr. Lambertson.
Mr. Woodrum of Virginia with Mr. Shafer of Michigan.
Mr. Kirwan with Mr. Woodruff of Michigan.
Mr. Flaherty with Mr. Maciejewski.
Mr. Martin of Illinois with Mr. Hill.
Mr. White of Idaho with Mr. Mitchell.

The result of the vote was announced, as above recorded.

The SPEAKER. The question is on the passage of the bill.

The question was taken, and the bill was passed.

A motion to reconsider was laid on the table.

ANNOUNCEMENT

Mr. MARTIN of Massachusetts. Mr. Speaker, I ask unanimous consent to proceed for 1 minute to make an announcement.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. MARTIN of Massachusetts. Mr. Speaker, Messrs. TAYLOR, CANNON of Missouri, WOODRUM of Virginia, JOHNSON of West Virginia, O'NEAL, TABER, WIGGLESWORTH, LAMBERTSON, LUDLOW, and DITTER are engaged in an important conference and were unable to vote on this roll call.

The SPEAKER. The Chair thinks that under the circumstances this is a proper announcement and does not contravene the position taken by the gentleman from Missouri.

PRAYERS OF THE CHAPLAIN OF THE HOUSE

Mr. JARMAN. Mr. Speaker, from the Committee on Printing, I report back favorably, without amendment, a privileged resolution (H. Res. 513) authorizing the printing of additional copies of the prayers of the Chaplain of the House, and I ask for its present consideration.

The Clerk read the resolution, as follows:

House Resolution 513

Resolved, That 2,500 copies of the prayers offered by the Reverend James Shera Montgomery, Chaplain of the House, at the opening

of the daily sessions of the House during the Seventy-fourth, Seventy-fifth, and Seventy-sixth Congresses, including the current session, be printed and bound for the use of the House of Representatives.

Mr. MICHENER. Mr. Speaker, will the gentleman yield?

Mr. JARMAN. I yield.

Mr. MICHENER. How are these copies to be distributed; through the folding room?

Mr. JARMAN. Through the folding room; yes.

The resolution was agreed to.

A motion to reconsider was laid on the table.

REPORT ON LABOR IN THE TERRITORY OF HAWAII

Mr. JARMAN. Mr. Speaker, from the Committee on Printing, I report back favorably, without amendment, a privileged resolution (H. Res. 519) authorizing the printing of a letter of the Secretary of Labor, together with a report on labor in the Territory of Hawaii, and I ask for its present consideration.

The Clerk read as follows:

House Resolution 519

Resolved, That the letter of the Secretary of Labor, transmitted to the House and referred to the Committee on the Territories on June 4, 1940, together with the report on "Labor in the Territory of Hawaii," which was prepared by the Bureau of Labor Statistics pursuant to the organic law of the Territory of Hawaii in 1900, as granted April 8, 1904, be printed as a document.

The resolution was agreed to.

A motion to reconsider was laid on the table.

HOUSE CONFERENCE ON UNEMPLOYMENT

Mr. JARMAN. Mr. Speaker, from the Committee on Printing, I report back favorably, without amendment, a privileged resolution (H. Res. 540) authorizing the printing of reports of the various committees of the House Conference on Unemployment.

The Clerk read as follows:

House Resolution 540

Resolved, That the manuscript of the reports of the various committees of the House Conference on Unemployment, composed of House Members who voluntarily made a general study of the causes of unemployment and the fundamental measures necessary to accomplish its solution, be printed as a House document.

The resolution was agreed to.

A motion to reconsider was laid on the table.

COMPOSITION OF THE UNITED STATES NAVY AND CONSTRUCTION OF CERTAIN NAVAL VESSELS

Mr. SABATH. Mr. Speaker, I call up House Resolution 538.

The Clerk read as follows:

House Resolution 538

Resolved, That immediately upon adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the state of the Union for consideration of H. R. 10100, a bill to establish the composition of the United States Navy, to authorize the construction of certain naval vessels, and for other purposes. That after general debate, which shall be confined to the bill and shall continue not to exceed 2 hours to be equally divided and controlled by the chairman and ranking minority member of the Committee on Naval Affairs, the bill shall be read for amendment under the 5-minute rule. At the conclusion of the reading of the bill for amendment, the Committee shall rise and report the same to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion, except one motion to recommit.

Mr. SABATH. Mr. Speaker, I shall, later on, yield 30 minutes to the gentleman from New York [Mr. FISH].

Mr. Speaker, to save the time of many Members who have inquired as to how long the debate will take, or when a vote may be expected, I call attention to the fact that about 40 minutes of the 1 hour on the rule will be utilized and the rule itself provides for 2 hours of general debate. I understand that not all of the 2 hours will be used and, consequently, we may conclude the consideration of the rule and the bill around 6 o'clock.

This is a broad rule, making in order an extremely important bill, a bill which provides for an increase in our Navy, if I am not mistaken, of 400,000 tons. The able chairman of the Committee on Naval Affairs will thoroughly explain the details of the bill to the satisfaction of Members of the House and I know that after you have listened to him there will be no question about your vote on the rule or on the bill.

Personally, Mr. Speaker, I regret that I am obliged to take a few minutes more than I expected on the rule, and I am doing so because I feel that we are here providing for appropriations of billions, not millions, but billions of dollars, for our national defense and while we are doing this I regret to say there are people within our midst who are undermining and therefore weakening us at home. I think this should stop. For instance, I now have in my hand many letters I have received, not as a Member of Congress, but as a delegate to the Democratic National Convention, from many so-called German organizations. Each and every one of them is exactly alike, and I feel that this kind of propaganda, which is not for the best interests of our country, should cease and that these misguided people should be set right.

Mr. Speaker, I hope during the last few days of this session some of those gentlemen in the Congress who have given aid and comfort to those whom I consider enemies of our country, will desist. Frankly, I do not blame the Republicans for wanting to remain in Washington They do not want to adjourn because they are afraid to go home.

In view of saving time, I shall not read the letters to which I have referred, but I ask unanimous consent that I may insert one of the many letters—and they are all alike—in the RECORD to familiarize the House with them.

The SPEAKER. Is there objection?

There was no objection.

Mr. SABATH. Mr. Speaker, here are a few of the organizations from which I have received identical letters within the last few days: Sachsenverein "Saxonia," Chicago, Ill.; Deutsch-Galizien Kranken-Unterstutzungs-Verein, Chicago, Ill.; Society of the Sudeten Germans, Chicago, Ill.; Karntner-Club Koschat, Chicago, Ill.; Arion Mannerchor Der Sudseite, Chicago, Ill.; Harlem Maennerchor, Forest Park, Ill.; German-Hungarian-American Citizen's Organization, Chicago, Ill.; Verein Deutscher Weltkriegs-Veteranen, Chicago, Ill. (association of German veterans of the World War).

Mr. Speaker, this is a sample of the type of letter that I am receiving by the hundreds:

SACHSENVEREIN "SAXONIA,"
Chicago, Ill., May 31, 1940.

DEAR NATIONAL CONVENTION DELEGATE:

If ever there were times when the fate of all Americans was at jeopardy, it is now. Your vote, as a delegate to the national convention of your party, will be one of the deciding factors in shaping the destiny of our country. Your aim is not only to benefit our country by your decision, but also you desire that the candidate of your organization shall win at the fall election, and thereby become the next President of the United States of America. The ultimate decision in this matter, however, rests with the people.

We, as Americans of Germanic ancestry, are interested at this time primarily not in political parties but in America, and shall vote for the best candidate nominated, irrespective of party, who is pledged to a platform which must answer the following:

1. That the Presidential candidate be an American and not an internationalist or a Tory;

2. That he have an honest desire to enforce the Constitution of the United States of America and abide thereby without slight-of-hand tricks;

3. That he refrain from entering into secret agreements and understandings with foreign nations;

4. That he agree to concern himself with the affairs at home and the welfare of our fellow citizens, rather than with the welfare of the rest of the world; and that he refrain from international meddling;

5. That he have an abiding desire and will to keep us out of Europe's present war, and that he pledge himself to work in favor of reinstating the arms embargo, which we deem necessary to safeguard the peace and neutrality of the United States;

6. That he be of such prior experience as would qualify him for the high office.

Believing, as we do, that all shortcomings at home can and will be adjusted if we will only concern ourselves about our domestic affairs instead of meddling in the affairs of every other nation in this world and instead of playing international power politics, we absolutely demand the fulfillment of the foregoing requirements, in addition to a sane program on all points usually outlined in a party's platform.

We trust that your action at the national convention of your party will aid in the construction of an inspiring platform and the nomination of a candidate for the office of President of the United States of America, who, above all, will truly be an American.

Very truly yours,

WALTER GERMER.

Mr. Speaker, all of us can understand the underlying reasons for the sending out of these letters. On the other hand, I have received thousands of petitions, letters, and telegrams urging that I stand by the President in his extraordinary efforts to keep the United States out of war.

GERMANY HAS LONG DREAMED OF OBTAINING A FOOTHOLD IN THE WESTERN HEMISPHERE

There is no longer the slightest doubt in the world but that Nazi-ists have been planted and are carrying on their propaganda in practically every country in South and Central America. Almost daily the press associations are carrying items about some newly discovered German plotting in almost every South American capital.

Bribery, sabotage, intrigue, and nefarious propagandizing has always been a part and parcel of German warfare. We have only to recall the brazen note of Zimmerman, the German foreign minister to the German legation in Mexico, to realize that this was so in the World War, and there is no reason to believe that since then the tiger has lost its stripes nor the leopard its spots. Zimmerman offered Mexico as a bait for its assistance against the United States the opportunity "to reconquer the lost territory of New Mexico, Texas, and Arizona," saying to his Mexican agents, "The details are left to you for settlement."

The text of Zimmermann's message, which was captured by American secret-service agents late in 1916, tells its own story, as follows:

On the 1st of February we intend to began the unlimited submarine warfare unrestricted. In spite of this, it is our intention to keep neutral the United States of America.

If this attempt is not successful, we propose an alliance on the following basis with Mexico. That we shall make war together and together make peace. We shall give general financial support and it is understood that Mexico is to reconquer the lost territory of New Mexico, Texas, and Arizona. The details are left to you for settlement.

You are instructed to advise the President of Mexico of the above in the greatest confidence as soon as it is certain that there will be an outbreak of the war with the United States, and suggest that the President of Mexico, on his own initiative, should communicate with Japan suggesting at once adherence to this plan. At the same time offer to mediate between Germany and Japan.

Please call the attention of the President of Mexico that the employment of ruthless submarine warfare now promises to compel England to make peace in a few months.

ZIMMERMANN.

Zimmerman had deposited $500,000 in New York banks for the exclusive purpose of his "Mexican campaign." It is believed that Huerta, a former Mexican general and President, received $100,000 of this sum and that he would probably have received more had he not died soon after.

There is no doubt that Hitler has some kind of designs on the Western Hemisphere; otherwise, why would he be sending so many of his agents to this continent? As a matter of fact, Hitler has always talked and dreamed of coming to South America. He told a German writer, one of his closest friends, Herman Rauschning, a member of the Reichstag, about it as long ago as 1933, and Rauschning wrote the story in his book, The Voice of Destruction. At the same time he told of his plans to capture Norway, Holland, Belgium, Denmark, Poland, and all or most of the things he said then have already come true. Speaking in the first person, Hitler declared excitedly:

My troops will appear in the streets of their capitals suddenly, and they will be fully uniformed and armed, and no one will stop them.

And they appeared just that way in the capitals of Denmark and Norway, after his "fifth column" had preceded them and prepared the ground. Referring to South America, Hitler said, away back in 1933, mind you, his mind inflamed just after he had been talking with a trusted leader, Sturmabtellung, who had recently returned from South America:

We shall create a new Germany there. * * * We shall find everything we need there. * * *

"Besides, we have a right to that continent," declared Hitler, his eyes wild with excitement, "for the Fuggers and Welsers had possession there."

The Fuggers were wealthy Germans who helped rape Spain 300 years ago. Hitler thought, as long as 7 years ago, that South Americans and Mexicans had lost confidence in the United States. He said:

They knew they were being exploited by them and had nothing to expect from them for the development of their country. * * * If ever there is a place where democracy is senseless and suicidal it is in South America. They must be enabled to throw both their liberalism and their democracy overboard.

JUNIOR CHAMBER OF COMMERCE

Mr. Speaker, just before I took the floor I was handed a statement which I was given to understand came from the junior chamber of commerce. I am pleased that such was not the case.

It pertained to another organization, and not being in the habit of doing anything that might reflect unfairly or unjustly on any organization or person, I withdraw the remarks and make due apology.

However, the demonstrations carried on for the past four nights by members or guests of that organization were extremely provoking to those of us who are obliged to reside in hotels. That they desired to excel in the pranks of other organizations may be understood. They are young, and I hope the hundreds of men and women resident in other hotels who were similarly disturbed will forgive and forget as I am doing.

Mr. Speaker, I also received today several releases from the so-called National Small Business Men's Association, which would have been more in keeping if they had been circulated by some Republican campaign committee. These releases carry willful and deliberate misstatements of facts and unjustifiably criticize the Army and the Navy. I feel that such a campaign and attacks, especially at this time, when we are doing all possible to strengthen our national defense, is harmful and encourages those within our midst who sympathize with the Nazi-Communist activities.

The bulletins published under the caption of the National Small Business Men's Association does not appear to me to be the representative attitude of small business toward the policies of the present administration.

The information contained in the two copies is a deliberate attempt at perversion of the facts and status of conditions now existing in the Army and Navy—smacking and closely resembling the type of insidious propaganda being spread by the Nazi agents in this country to undermine and malign public opinion. It is a deliberate, malicious, and vitriolic attack not only against the administration but the good sense of the American people. In such hours of emergency such attempts at malignment are certainly directed to thwart the unity of thought and the unity of action in standing solidly and united against our common enemies now within the country.

It certainly is evident from just a perusal of the bulletins that the information is sponsored by "fifth columnists"—persons actively engaged for the sole purpose of destroying democracy and the country as we know it.

The figures contained in the first few pages of the bulletin dated June 7 are grossly distorted and deliberate lies. The editors seem to forget that military equipment manufactured during these critical days become obsolete with continued invention of new weapons of war.

The editors, on page 4 of the same bulletin, complain that only 31 of the 1,500 airports built by W. P. A. can handle military aircraft. Query, Is it the writer's opinion that each commercial airport in this country, whether strategically or otherwise situated, is to become an armed encampment and military arsenal?

The writers further state that "if we had statesmen in Washington instead of politicians this country would not need fear attack from within or without." The editorial staff certainly does not reflect public opinion as indicated by the Gallup poll as to the rising popularity of the Roosevelt New Deal policies manifesting approval of the progress and program achieved and proposed for the tremendous strides in recovery during the past 7 years by the present administration.

The bulletins accuse the President of "warmongering" and fanflaring war hysteria. Are the writers aware of the Nazi-Fascist activity in South America, Mexico, and right here in our own midst? All they need do is read the recent speech by Dictator Vargas, Premier of Argentina.

The propaganda contained in the bulletins is vicious, and its attack, deliberately un-American, truly representative of the insidious type of stuff that is being fabricated in the high-geared "lie factories" under the direction of Dr. Goebbels and Streicher's Sturmer in Nazi Germany.

Those allegedly "respectable businessmen" who are behind this propaganda have not the manhood to identify themselves. I believe there are none such. I defy anyone to give me the name of even one respectable businessman who would subscribe to such anonymous and scurrilous attacks upon the President of the United States and our Army and Navy.

I am satisfied that in the near future I shall be able to ascertain the source of the funds for the printing of these bulletins. I believe I will be able to prove that it comes not only from a Republican campaign fund but from the coffers of those who are opposed to the best interests of our Nation.

Mr. Speaker, I intended to read an editorial appearing in the June 19 issue of the Chicago Daily Times, but in order to save the time of the House while such vitally important legislation is before us, I ask unanimous consent to insert it in the Appendix as an extension of remarks.

The SPEAKER. Is there objection?

There was no objection.

Mr. SABATH. Mr. Speaker, I reserve the remainder of my time and yield to the gentleman from New York [Mr. FISH].

Mr. FISH. Mr. Speaker, I yield myself 10 minutes.

Mr. SECCOMBE. Mr. Speaker, will the gentleman yield to me?

Mr. FISH. I yield.

Mr. SECCOMBE. The gentleman from Illinois [Mr. SABATH] just made the statement, if I am correct, that the Junior Chamber of Commerce holding those conventions here at this time are not patriotic. I say to that gentleman that the Junior Chamber of Commerce represents the finest and greatest patriotic organization in this country.

Mr. SABATH. If the gentleman had watched them perform in these various hotels of the city he would not make that statement.

Mr. SECCOMBE. Oh, they are not the first group that has had a good time here, and I am not making any apology for them, but that does not signify that they are not patriotic, and I resent that statement.

Mr. THILL. Mr. Speaker, will the gentleman yield?

Mr. FISH. Yes.

Mr. THILL. Mr. Speaker, I am sure the gentleman from Illinois [Mr. SABATH] does not mean what he said about the Junior Chamber of Commerce. That group is made up of representative young men from every State in the Union. The Members of Congress in the Texas delegation were instrumental in entertaining other Members of Congress and the convention delegates of the Junior Chamber of Commerce at a barbeque which I myself attended. I approve of the patriotic activities of the Junior Chamber of Commerce.

Mr. FISH. I join in upholding the patriotism of the Junior Chamber of Commerce.

Mr. Speaker, this is a fair rule. There is no opposition to the rule that I know of. It brings before the House a highly important bill involving the sum of $4,000,000,000, one of the greatest authorizations in the history of the Congress of the United States, and very possibly in the history of any deliberative body. I believe it is the will of both the Democrats and Republicans alike in this great national crisis to make America invincible on land and sea and in the air. This bill proposes to double the size of our Navy, the greatest navy today in the world, and when we vote for this bill we do so knowing that we are authorizing over a 6-year period funds to double the size of our present Navy.

Mr. DIES. Mr. Speaker, will the gentleman yield?

Mr. FISH. Yes.

Mr. DIES. Mr. Speaker, I did not hear the remarks of the gentleman from Illinois [Mr. SABATH], but certainly the gentleman did not mean to cast aspersion or reflection upon the members of the Junior Chamber of Commerce. There are no more patriotic citizens in America than those young men who attended this convention and I think something should be said to that effect.

Mr. FISH. I thoroughly agree with the gentleman in what he says and that is why I yielded to gentlemen on this side of the aisle. I think the gentleman from Illinois [Mr. SABATH] gave the wrong impression and that he should withdraw his adverse criticism. The gentleman has no right to speak for the gentleman from Illinois, nor have I, but I suggest, in view of the fact that he gave that impression to the House, he ought to withdraw those remarks.

Mr. SABATH. Mr. Speaker, I have been away for a minute.

Mr. FISH. The gentleman did not hear the remarks of the gentleman from Texas?

Mr. SABATH. No.

Mr. FISH. The gentleman suggested the gentleman from Illinois did not mean to make any reflection on these young men of the Junior Chamber of Commerce.

Mr. SABATH. I think in haste to get through with my remarks I may have been misunderstood. I said they did not behave.

Mr. FISH. The gentleman does not want to make any reflection upon their patriotism?

Mr. SABATH. No.

Mr. FISH. Mr. Speaker, contrary to the facts, the public back home is under the impression because of the war hysteria which has led them to believe that our Navy does not amount to much, that we are practically defenseless and in the same category as China, Abyssinia, Poland, or some of those other weaker nations. I asked the gentleman from Georgia [Mr. VINSON], who is the distinguished chairman of the Naval Affairs Committee in charge of this bill, the other day, in order to clarify this situation—and he agrees that we have the best navy in the world. I am frank to say there are many veterans in my district, good, personal friends of mine, that do not believe it when I tell them that we have got a great navy in America; that we have the greatest navy in the world. They tell me, "Why, you are just talking through your hat. We know better."

A little while ago when Senator WALSH, who knows as much about the strength of the Navy as anybody in Congress or out, went before the Daughters of the American Revolution convention and ventured the statement that we had a great Navy, he was hissed and booed by the convention. They knew better. The American people actually believe that our Navy is second or third rate and in no way equipped to defend our shores. So I asked about a week ago the chairman of the committee, my distinguished friend, with whom I have served so many years in the Congress, the gentleman from Georgia [Mr. VINSON], about the size of the Navy:

> Mr. FISH. Mr. Speaker, will the gentleman yield?
> Mr. VINSON of Georgia. I yield.
> Mr. FISH. I find there is a good deal of misunderstanding about the size of our Navy; a great deal of confusion and bewilderment in the minds of the people. Some people actually feel that we have no Navy at all. I would like to ask the gentleman, who is the greatest authority in the whole Congress on the Navy, if it is not a fact that we have the greatest, the most powerful, and efficient Navy in the world today?
> Mr. VINSON of Georgia. The gentleman from New York is absolutely correct. There is no navy in the world equal to the Navy of the United States.

Mr. FITZPATRICK. Mr. Speaker, will the gentleman yield right there?

Mr. FISH. I yield.

Mr. FITZPATRICK. It is not surprising that people on the outside would feel that our Navy was weak, when Members of the House will get up on the floor and say that we have not made any preparation.

Mr. FISH. Well, I do not think it comes so much from Members of the House. I thing it comes from these warmongers and these hysterical Communists or columnists—one is as bad as the other [laughter]—who are trying to promote war psychology; that we have got to go to war in defense of ourselves because we have no Navy and are about to be invaded.

Mr. VINSON of Georgia. Will the gentleman yield?

Mr. FISH. I yield.

Mr. VINSON of Georgia. I will state to the gentleman that Congress has not been negligent in its appropriation for ship construction. In the last 7 years there has been over $1,600,000,000 appropriated for building ships in the Navy—new construction.

Mr. FISH. Colonel Lindbergh was right when he said in one of his recent radio speeches:

> Let us stop this hysterical chatter about calamity and invasion that has been running rife these last few days. It is not fitting to the people who built this Nation. The only reason that we are in danger of becoming involved in this war is because there are powerful elements in America who desire to take part. They represent a small minority of the American people, but they control much of the machinery of influence and propaganda. They seize every opportunity to push us closer to the edge.

He refers to these interventionist columnists who want people to think that we are disarmed and to get us into war on some pretext of defense.

Now, starting from this premise that we have the greatest navy in the world—and thank God we have—for the first time in our history, since the Civil War. We have the greatest navy in the world, a navy greater than the British Navy, because the British Navy has lost a number of ships in the last few months. Ours is getting greater and greater every day. We are six or seven times greater than the German Navy. I believe that most Members of the House, however, have made up their minds that we should prepare now to have even a greater navy. This authorization will double our Navy in 6 years' time.

[Here the gavel fell.]

Mr. FISH. Mr. Speaker, I yield myself 10 additional minutes.

This Navy will become twice the size of our present Navy and unquestionably twice the size of any other navy. We will have a navy on each coast equal to any in the world. The admirals of our own Navy say that if any nation wants to come over here and attack us, they must have a navy two or three times as large as ours to even dare to attack us. So after our Navy has been increased to twice the size of the present Navy, if all the navies of the world combined to attack, they would make no impression on us if they came over to our shores looking for war. All I hope is that this navy—and I am going to vote for it—will not be used for offensive purposes and for aggression and to police and quarantine the world.

Mr. MAGNUSON. Will the gentleman yield?

Mr. FISH. I yield.

Mr. MAGNUSON. I wish the gentleman would point this out, that although we have the largest Navy in the world in tonnage, we have a two-ocean proposition, and should we split our navies, for instance, in the Pacific, then we would have a Navy in the Pacific that would be smaller than the present Japanese Navy. Therefore the necessity for this is obvious. We should have not only the largest Navy in the world, but we should have the largest Navy in each particular ocean.

Mr. FISH. That is the argument for the bill, and that is why Members of Congress largely are going to support it. I am going to vote for it from the same point of view as the gentleman has expressed.

Mr. HINSHAW. Mr. Speaker, will the gentleman yield?

Mr. FISH. I yield.

Mr. HINSHAW. How long will it be before this Navy we are authorizing today will be built and ready for service?

Mr. FISH. About 6 years.

Mr. HINSHAW. Will not a great part of our present Navy by that time be in a state of obsolescence and ready for the junk heap?

Mr. FISH. I do not know so much about that. It is a question how long these battleships are useful. I rather think our Navy is pretty efficient at the present time.

Mr. BENDER. Mr. Speaker, will the gentleman yield?

Mr. FISH. I yield.

Mr. BENDER. I have a telegram from a substantial organization in Chicago in which they say we have had a decrease of 35 fighting ships in the last 6 years. Is that statement correct?

Mr. FISH. I would rather refer the gentleman to the chairman of the Committee on Naval Affairs who knows exactly how much money we have appropriated, how much money we have spent, and how many ships we have in commission. I agree with him thoroughly in what he says that today we have the best Navy in the world. That ought to be sufficient, and I do not think any member of the Naval Affairs Committee denies it. They ought to know more about it than some of us who are not on that committee. I want the American people to realize these facts which are not understood at all, that we have the greatest, most efficient, and best Navy in the world.

Mr. BROWN of Ohio. Mr. Speaker, will the gentleman yield?

Mr. FISH. I yield.

Mr. BROWN of Ohio. If we appropriate this money and build this new Navy, what assurance have we that the President will not sell some of these ships to some other nation?

Mr. FISH. I am going to discuss that in some detail. That is the reason I took the time today. It is a matter that is very close to my heart; it is a matter practically of inheritance.

Mr. BROWN of Ohio. How long did the gentleman state it would take to build these ships?

Mr. FISH. Six years.

Mr. BROWN of Ohio. We will have another President by that time.

Mr. FISH. I hope so. Let me say to the gentleman that we have just launched two brand new 35,000-ton battleships a few weeks ago.

Mr. BROWN of Ohio. Have they been sold yet?

Mr. FISH. No; not that I know of—and that is a very proper question. I just communicated with Admiral Stark's office. I tried to get Admiral Stark on the telephone, but could not, and talked with an officer who contacted and spoke for him. I asked if any ship of the Navy had been sold, directly or indirectly, to any foreign nation—that is, through private sources or directly through the Navy—and the answer was "no," that no ship had been sold.

We all know that certain contracts have been entered into to sell some of the brand-new torpedo boats—I believe they call them mosquito boats, very fast submarine chasers. They had not been completed, but the intent was to take those ships and sell them to a belligerent power in violation of the law of the land. The contract had already been made. I am now informed, however, that the contract has been broken because the gentleman from South Dakota [Mr. CASE] discovered a Federal law and called the attention of the Navy Department to it, showing them that it was a criminal offense for any private concern to sell any armed ships. The contract has been withdrawn or canceled.

What I wanted to do was to call the attention of the House to our great American tradition that goes very much further and way beyond the selling of any naval vessel. That is absolutely in defiance of every law, our own law as well as international law, and common usage. It is unquestionably an act of war. When a neutral nation sells a naval vessel to a belligerent nation, that is an act of war and would be so recognized by all nations.

During the Civil War certain Confederate raiders were outfitted in England. The well-known *Alabama*, the *Florida*, the

Shenandoah, were equipped and outfitted in England. These were not English warships, they were Confederate merchant vessels that were outfitted in wartime in England. They left England and were equipped outside of the 3-mile limit with guns. Then they raided the Union ships, and they raided them very successfully and sunk hundreds of them, at the cost of great sums of money to their owners. After the war our administrations, one after the other, took this matter up with England and demanded reparations and indemnities for the depredations of these Confederate cruisers. At one time we verged on war with England over those claims. It was not a question of their selling their own Navy ships, but merely outfitting ships there that could be used as raiders. We almost went to war with Great Britain. Finally, under the Grant administration, we entered into the Treaty of Washington in 1871 that provided for a settlement of these claims through arbitration.

The reason I recall this so clearly is because at that time—and I am very proud of the fact—the Secretary of State who handled those treaties was my own grandfather. I am familiar with every detail of them. It was one of the first successful arbitration treaties between two great powers. The arbitrators were appointed and they held their meetings in Geneva, Switzerland. It is known as the Geneva Tribunal or the Geneva Award. That tribunal found for the United States against Great Britain in a sum of $15,500,000, a very large sum of money in those days, and held her responsible and accountable for merely outfitting these Confederate ships, not their own Navy ships—outfitting ships and letting them depart without due diligence to harass and destroy our Union merchant marine.

So Great Britain had to back down, the mistress of the seas had to apologize and give us one check in the amount of $15,500,000. From that time on it has been written into international law all over the world that no neutral power may sell any naval vessel to a belligerent power. It was put into article VI of the Hague Convention of 1907, of which Germany and ourselves are still parties. But more than that, we wrote it into our own law, and I want to commend the chairman of the committee, as I very often do, and the committee itself, for bringing in a bill, including the last paragraph of which reads as follows:

SEC. 7. No vessel, ship, or boat now in the United States Navy or being built therefor shall be disposed of by sale or otherwise or be chartered or scrapped without the consent of the Congress.

Mr. Speaker, that ought to settle the fear in the mind of any man or woman in this House that the President may attempt to sell naval vessels because we are now writing into the law here that no such action shall be taken without the consent and approval of the Congress of the United States

[Here the gavel fell.]

Mr. FISH. Mr. Speaker, I yield myself 2 additional minutes.

Mr. Speaker, I am very happy that this traditional and very well-known principle established long ago is about to be reaffirmed by the Congress of the United States. I submit that if we had proceeded with this contract and had sold our naval vessels it would have been tantamount to an act of war. It would probably have involved us in serious difficulties, if not in actual war. Certainly, if we had sold these naval vessels and they had sunk, let us say, German ships, after the war is over, and sooner or later peace is bound to come and the sooner it comes the better for the world, then the United States would be held responsible. We would be sued for the losses incurred and be obliged to arbitrate and we would lose. It would cost us hundreds and hundreds of millions of dollars. So I am glad we have put our stamp of approval against the sale of any naval vessels and in that way assure keeping us out of foreign wars. [Applause.]

Mr. SABATH. Mr. Speaker, I yield 10 minutes to the gentleman from Mississippi [Mr. COLMER].

PREPAREDNESS—A GUARANTY AGAINST WAR

Mr. COLMER. Mr. Speaker, in the 7 years that I have had the privilege of being a Member of this body, I have consistently and from time to time taken the floor of this House to advocate military preparedness as the road to peace; and I am happy in the thought that as we consider this additional authorization for the building up and improving of one arm of our national defense—the Navy—I am no longer in the minority. It is indeed gratifying to observe that the Congress and the American people generally are awakened to the necessity of this country building a national defense that will be adequate to meet any eventuality.

PROPHECY

In fact, Mr. Speaker, I hope that I will be pardoned for making the statement that as long as 4 or 5 years ago some of us had the foresight to envision the events which have and are now transpiring in such lightning order abroad. On March 19, 1936, in the Well of this House, I dared to prophesy some of these things that I regret to say have happened. In a speech on that date entitled "An Answer to the War Lords," I said, in part:

Mr. Chairman, there is an old adage to the effect that in times of peace we should prepare for war. I should like to paraphrase this for the purpose of this discussion and say, "In times of peace, prepare for peace." With Europe a veritable volcano of war at present, with the clouds of another gigantic war, the like of which possibly the world has never heretofore witnessed, hanging the lowest on the world's horizon, with the diplomatic endeavors of the Old World statesmen daily changing into kaleidoscopic patterns, with the whole of Europe jockeying for position, it must be manifest, even to him who reasons as he runs, that the enemy of civilization and Christianity, the all-powerful god of war, is busy about his task. War is imminent. Just how far distant it is no man can successfully predict. It may be 6 months; it may be 2 years. At the most it cannot be more than 5 years unless something not now apparent develops. In my opinion, conditions in the world today, from the standpoint of imminence of another World War, are more pronounced than they were 6 months before an all-powerful German war machine rode roughshod over Belgium in 1914. If you question the wisdom of this statement, I would point out to you the fact that today a powerful, militaristic Italy, under the domination of the war lord, Mussolini, bent upon expansion and conquest, is running at liberty over a weaker and almost defenseless black people in Ethiopia. The yellow race of Japan for the past decade, under the domination of the war lords of that nation, has been continually building up a powerful military machine likewise bent upon a conquest of expansion. Russia looks with uneasy expression and apprehensive eyes upon this program of Japan. The Chinese, powerful in potentiality but defenseless in reality, resent keenly and with a smouldering fire of national pride this aggression on the part of her more powerful yellow neighbor. To the west the mighty British lion paces uneasily but, withal, cunningly and wisely as he watches over his spreading dominions and counts the effect of these aggressive and hostile acts on his own proud kingdom. The ingenious and resourceful Germany, under the leadership of the new war lord of that country, has boldly discounted the Locarno pact and proclaimed the last vestige of the Treaty of Versailles as but another scrap of paper. France is diligent in her efforts to form new alliances, and is emotionally appealing to her neighbors and the other civilized countries to rally to her support in defending the Locarno pact and the Treaty of Versailles. America, the New World giant, once far removed from Europe but now, as a result of scientific advancements in communication and transportation, not so far removed from the Old World; America, a peace-loving nation, in spite of its suffering from a world-wide depression, with no necessity for expansion—no desire for conquest, rich, and happy in its own ideals of government—is wont to remain aloof from the turmoil and maelstrom of Old World diplomacy and warfare.

The all-important question now is, What is America going to do about it? What course shall we pursue?

Somewhere there must be a sane, sound policy for this country to pursue. To my conception there is but one answer—armed neutrality. We can be neutral, but we must be strong enough to demand the respect of those warlike nations who profess a desire for peace and at the same time are, with wanton abandonment, bent upon a policy of economic expansion and aggression.

Is it necessary for me to point out to my colleagues here that treaties, pacts, and agreements are worthless in a world of nations who are arming to the limit of their economic ability; when aggression and expansion are the ultimate desires of so many nations of the world? Is it necessary to call your attention to the fact that a peaceful overture of one powerful nation to another today is withdrawn almost before an opportunity for its acceptance has been given? The order of procedure among the nations of the world today is so selfish and so self-centered that one is reminded of a public auction where the highest bidder is the purchaser of the thing sought. A powerful nation, through its diplomatic circles, issues a strong denunciation today of the encroachment upon the national rights of a weaker nation. A few months later the same powerful nation, when it is either to the economic or strategic interest of that nation to do so, barters or negotiates with the same nation that it has so recently denounced. We have seen treaties, pacts, and agreements thrown overboard apparently without rhyme or reason other than that might makes right. Apparently, therefore,

we are driven to the conclusion that, however desirable and beautiful are world courts, leagues of nations, and international agreements for disarmament in their theory, we are confronted, as peace-loving as we are, with the realization that we are dealing with nations who, like men, have as their controlling factor a selfish desire to prosper at the other fellow's expense.

In this situation are we not driven, driven reluctantly, but nevertheless driven, to a little selfish consideration of our own national preservation? Because of this unfortunate situation our Navy and our Army—and more especially our Navy—must be built up to the point where it will be excelled by none, not even that of Great Britain. Our vast shore lines and outlying possessions must be protected. American integrity and American nationality must be conserved. The heritage purchased by our glorious ancestry, with its institutions and its ideals, must be maintained. When Europe and the rest of the world have awakened to the truth that peace is precious and that the race in armaments and warfare must end, then—and not until then—can America afford to cease its vigilance. * * * We are not unmindful of the fact that an adequate armed force for this country is an expensive necessity, costing as it does millions of dollars to maintain. Neither can we forget that our recent venture into the arena of the World War cost the taxpayers of this country in excess of $50,000,000,000 in money alone, and we have not seen the end yet. But, of more moment still, where is the American home that did not feel more keenly the loss or injury of some loved one who was called upon to offer his blood upon the fields of horror in the hellishness of modern warfare?

The American people are sending aloft to high heaven daily a fervent prayer that the United States may not be drawn into the vortex of this the greatest and most ruthless war in the history of mankind. But as commendable as prayer may be, there can be no assurance that the dove of peace will continue to flit about the American Continent unless we build up our national defense to the point that it will be respected abroad. The only language which we may expect the modern Caesars and Alexanders to respect is the language of guns and power—superior armies, navies, planes, and tanks.

Today, Mr. Speaker, civilization and Christianity are staggered by the picture of horror and bloodshed in a war-torn Europe. It is no wonder that at times the followers of Jesus Christ, the lowly Nazarene, have their moments of doubt whether 2,000 years of Christianity and civilization have been in vain. But as our eyes scan the world horizon and we witness the death struggle for power on the one hand and for national existence on the other, we realize that self-preservation and national existence, not to mention the heroic history and treasured traditions of America for more than 160 years, may perhaps fall victim to the same ruthless and unconscionable methods of modern warfare that are now in the process of destroying the democracies of the Old World. Assuredly America in all of its might, in its vast resources—both natural and manpower—in all of its patriotism, will not allow such a thing to happen. But assuredly it can and will happen unless we be prepared to meet that unconscionable and ruthless force with a superior force. [Applause.]

PRESENT AND AUTHORIZED DEFENSE

Mr. Speaker, the present armed forces of the United States are by no means insignificant. While it is true that we are not prepared to engage in a war or defend ourselves against a first-rate fighting machine such as is possessed by Germany and Italy, it is nevertheless true that we have made considerable strides in the program of national defense. For instance, we have appropriated during the past 7 years approximately $7,000,000,000 for our armed forces. This is exclusive of the $5,000,000,000 already approved this year and the present legislation which we are considering, which would authorize another $4,000,000,000. That means that we have authorized a total of nearly $16,000,000,000 for national defense during this administration. We will have authorized a standing Army of 400,000 men, by far the greatest peacetime Army this country has ever had. We have the greatest Navy that has ever sailed under the American flag. Our Navy in November of 1933 had an aggregate tonnage of a little more than a million tons. Our present program for the new Navy, which means ships now afloat plus the ones under construction, and plus those which Congress has authorized heretofore and which we are going to construct with all possible speed, when completed will have an aggregate tonnage of more than 2,000,000 tons. This will comprise a balanced Navy of approximately 522 vessels. We now have under construction 54 combatant ships. We have just launched 2 of the greatest—and possibly the greatest—battleships in the world. Now add to that the ships which are authorized in the bill which we are now considering—an additional tonnage of 1,325,000 tons at a cost of $4,000,000,000, and we have a grand total of approximately three and a half million tons of naval combatant craft. This bill, which the Congress in its wisdom will pass, authorizes capital ships, aircraft carriers, cruisers, destroyers, and submarines. If and when this program is completed the United States will have by far the greatest Navy that the world has ever seen. But the necessity for such a Navy is evident. Even as we debate this bill, the fate of the French Fleet—the third largest in the world—is in doubt. Just what will eventually happen to the British Fleet no one can foretell. At any rate, it is in the realm of possibility, whether we like it or not, that before another 6 months have elapsed a large portion of the British Fleet, as well as the entire French Fleet, may fall into the hands of the German and Italian war lords. We hope—yea, we even pray—that such a thing may not happen, but we have no assurance that it will not.

On the other hand, we are woefully unprepared by comparison in the air. We have less than 1,500 first-class airplanes, as against a possible 30,000 coalition of German and Italian planes. In tanks—the battleships of land—we possibly suffer even more by comparison.

NECESSITY FOR SPEED

So it is quite evident that in this chaotic condition of world affairs we as a nation can no longer as a neutral bystander go unprepared. We must, in the words of the President, go "full speed ahead." Mr. Henry Ford, the great industrial leader, assures us that he can build 1,000 planes a day. In fact, he and his staff, together with other great industrial leaders and their trained experts, are now busily engaged in setting up plans to turn out a maximum of planes. I am one of those who believe that Mr. Ford, if not hampered by too much governmental red tape, can make good his boast of a thousand planes a day, in time. In fact, we do not need the production of a thousand planes a day now, but what we do need is to have industry geared up to the point where industry can turn out 1,000 planes a day if necessary. Hand in hand with the development of the planes must go the training of the personnel to handle the planes. I am happy in the thought that by the time we have the pilots and the ground crew trained to handle the planes industry will be in position to produce them.

Mr. Speaker, how pitiful came the cry from the crushed Allied soldiers after the battle of Flanders in their request for planes, planes, and more planes. It would be nothing short of criminal for the President and the Congress of the United States to fail in their immediate duty to prepare the necessary planes, tanks, and other machines of war now and not after we get into a war. Now is the time to prepare and not after it is too late. Surely the President and the Congress would have the blood of millions of innocent young Americans on their hands if they should fail in this hour to profit by the experience of the Allies. Given 10,000 more modern war planes 30 days ago the Allies would have stopped Germany short of the French boundary. Under the hellish pounding and bombing of Nazi tanks and planes in greatly superior numbers, the gallant soldiers of Holland, of Belgium, of France, and of England were at the mercy of the invading hordes. Our slogan until we are fully prepared should be, Remember the fate of Poland, Czechoslovakia, Belgium, Norway, Holland, and France.

INVASION NOT IMMINENT

Mr. Speaker, I do not fear an immediate invasion of this country by the unholy coalition of Hitler and Mussolini, nor the invasion by any other war lords bent upon unconscionable aggression. We know not how long England can hold out. We hope for the best but fear the worst. America wants no war. America is and always has been a peace-loving nation. Never in its history has it unsheathed its sword in an unjust cause of aggression. America has no desire to become

a world empire. But America must be frank with itself and face the issue. Dark days may lie ahead.

Mr. Speaker, powerful influences are at work to get this country into the maelstrom of this modern bloody war. The intrigue of world statesmen and European diplomacy is about its task today even as it was in 1916. Events are moving swiftly. God in heaven knows that no one in this country condemns the ruthless and wanton aggression of Hitler and the cowardly action of Mussolini more than do I. But I am thinking of America. America is not prepared to go to war. I am thinking of the youth of this country who would have to be slaughtered in such a war. I am not thinking of big business and munition makers; I am thinking of the plain people who will have to fight such a war. I am thinking of my son, who has just qualified as an aviation pilot; of your sons, who would be called upon to shed their precious blood upon a foreign soil. I am thinking of the mothers of this land who love these tender youths more than their own lives. You and I are willing, yea, we would even take justifiable pride in seeing those precious lives sacrificed in defense of American soil and American institutions. But we pray that American statesmanship may not blindly lead us into the fatal error of embarking upon the bloody sea of European intrigue in another futile effort to settle European quarrels.

We can escape being drawn into this war if we will follow the dictates of common sense. First, we must carry out a program of preparedness, which we have started, to the point of perfection, regardless of cost—a program which will be so strong in its realization that the war lords will hesitate to provoke it. Strong nations do not provoke wars with stronger nations; they invade only the weaker nations. Force is the only language they respect. Second, we must refrain from aggressive and overt acts and intemperate speech on our own part. Wise people do not call bad men ugly and fighting names unless they are ready to fight. America is in no position now to fight, and it ill behooves us to commit acts of aggression and use intemperate speech. Third, we most emphatically must get our own house in order. Enjoying the benefits of the freest government in the world, American citizens must become unified in one great patriotic body. In these perilous times there is no room in this country for subversive activities, members of the "fifth column," or those who would commit sabotage. This is no time for maudlin sentiment and the prating about selfish rights. The selfish rights of the individual must yield to the collective selfishness of national preservation. Those who would benefit by the blessings of our form of government must realize their duty to their Government.

Moreover, Mr. Speaker, this is no time for either petty or partisan politics. On the occasion of the consideration by this body of the neutrality bill last year this house was generous in its approval of my opening statement in my discussion of that bill when I said: "Mr. Speaker, I think it is very important at the inception of this debate to take cognizance of the fact that we are trying to save this country from becoming involved in a European war rather than trying to elect somebody to office in 1940."

If that statement was worthy of your applause then, certainly its repetition now is more worthy. We have undertaken a big job, a job of preparing this Nation as it has never been prepared before—the job of protecting the Monroe Doctrine, the job of preventing this country from becoming involved in European politics and the bloodiest of all European wars. He who would play politics with this program might awaken some future day to realize that his toga of office was covered with the innocent blood of American youth. God forbid that this, the greatest democracy on earth, should ever fall prey to a foreign foe as the result of internal dissension, political aspirations, or the efforts of an undesirable and despicable "fifth column" element. May we, the beneficiaries of the foresight of the founding fathers in establishing the greatest democracy on earth, be equal to the occasion by observing these fundamental preventives of war.

DEMOCRACY CHALLENGED

Democracy is challenged by totalitarianism. We have seen a crushed Germany and a secondary power—Italy—under the leadership of ruthless dictatorships build gigantic war machines by the simple method of basing their whole economy around the building of those war machines. While France, England, and America were pursuing the peaceful pursuits of normal existence, these dictators were building up their armed forces for warfare. While we have built schoolhouses and spent billions for the more abundant life, they have built war machines. That their national economy would have fallen of its own weight and their nations have gone bankrupt without proceeding along the lines of aggression for which they had prepared is of no moment. We in America must of necessity—not of choice—prepare to meet that war machine with an equal or superior one. When we will have to meet it, if at all, is a debatable question. But if we are not prepared to meet it, our error will be fatal. All of the patriotism, all of our resplendent courage, all of our magnificent achievements in building the greatest model of human government in the history of the world, will avail us nothing if we fail to meet the challenge which has been thrown at us. God forbid that the descendants of Washington, of Lee, of Jackson, and of Jefferson should be found wanting. [Applause.]

Mr. SABATH. Mr. Speaker, I move the previous question.

The previous question was ordered.

The SPEAKER. The question is on agreeing to the resolution.

The resolution was agreed to.

FURTHER MESSAGE FROM THE SENATE

A further message from the Senate, by Mr. Baldridge, one of its clerks, announced that the Senate had passed without amendment a bill of the House of the following title:

H. R. 9633. An act to enlarge and extend the power and jurisdiction of the Board of Education over degree-conferring institutions operating within the District of Columbia.

The message also announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 5138) entitled "An act to make unlawful attempts to interfere with the discipline of the Army, the Navy, and the Coast Guard; to require the deportation of certain classes of aliens; to require the fingerprinting of aliens seeking to enter the United States; and for other purposes."

The message also announced that the Senate had passed, with amendments in which the concurrence of the House is requested, bills of the House of the following titles:

H. R. 8285. An act to limit the importation of articles, products, and minerals produced, processed, or mined under process covered by outstanding United States patents; to define unfair trade practices in certain instances, and for other purposes; and

H. R. 8692. An act to amend the act to regulate the practice of podiatry in the District of Columbia.

The message also announced that the Senate insists upon its amendments to the bill (H. R. 9877) entitled "An act authorizing the Secretary of the Interior to promulgate and to put into effect charges for electrical energy generated at Boulder Dam, providing for the application of revenues from said project, authorizing the operation of the Boulder power plant by the United States directly or through agents, and for other purposes," disagreed to by the House; agrees to the conference asked by the House on the disagreeing votes of the two Houses thereon, and appoints Mr. PITTMAN, Mr. ASHURST, Mr. ADAMS, Mr. MCNARY, and Mr. JOHNSON of California to be the conferees on the part of the Senate.

NAVAL SHIPBUILDING

Mr. VINSON of Georgia submitted a conference report and statement on the bill (H. R. 9822) to expedite naval shipbuilding, and for other purposes.

Mr. VINSON of Georgia. Mr. Speaker, I ask unanimous consent for the present consideration of the conference report on the bill (H. R. 9822) to expedite naval shipbuilding, and for other purposes.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Georgia?

Mr. CASE of South Dakota. Mr. Speaker, I reserve the right to object.

Mr. VINSON of Georgia. I will explain the conference report, I may say to the gentleman.

Mr. CASE of South Dakota. Will the gentleman also explain the amendment adopted by the Senate in paragraph (c) of section 14?

Mr. VINSON of Georgia. I am going to explain it all right now.

Mr. CASE of South Dakota. I have no objection, Mr. Speaker.

The SPEAKER. Is there objection to the request of the gentleman from Georgia?

There was no objection.

The Clerk read the conference report.

The conference report and statement are as follows:

CONFERENCE REPORT

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 9822) to expedite naval shipbuilding, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendments of the Senate numbered 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13, 15, 16, 17, 20, 21, 22, 23, 24, 25, 27, 28, 29, 30, 31, 32, 33, 35, 36, 37, 38, 39, and 40; and agree to the same.

Amendment numbered 14: That the House recede from its disagreement to the amendment of the Senate numbered 14, and agree to the same with an amendment, as follows: In lieu of the matters inserted by said amendment, insert the following: "similar equipment, with or without advertising or competitive bidding upon determination that the price is fair and reasonable, and deliveries of material under all orders placed pursuant to the authority of this section and all other naval contracts or orders and all Army contracts and orders shall, in the discretion of the President, take priority over all deliveries for private account or for export: *Provided*, That the Secretary of the Navy shall report every three months to the Congress the contracts entered into under the authority of this section: *Provided further*, That contracts negotiated pursuant to the provisions of this section shall not be deemed to be contracts for the purchase of such materials, supplies, articles, or equipment as may usually be bought in the open market within the meaning of section 9 of the Act entitled "An Act to provide conditions for the purchase of supplies and the making of contracts by the United States, and for other purposes", approved June 30, 1936 (49 Stat. 2036; U. S. C., Supp. V, title 41, secs. 35–45): *Provided further*, That nothing herein contained shall relieve a bidder or contractor of the obligation to furnish the bonds under the requirements of the Act of August 24, 1935 (49 Stat. 793; 40 U. S. C. 270 (a) to (d): *Provided further*, That the cost-plus-a-percentage-of-cost system of contracting shall not be used under the authority granted by this subsection to negotiate contracts; but this proviso shall not be construed to prohibit the use of the cost-plus-a-fixed-fee form of contract when such use is deemed necessary by the Secretary of the Navy: *And provided further*, That the fixed fee to be paid the contractor as a result of any contract entered into under the authority of this subsection, or any War Department contract entered into in the form of cost-plus-a-fixed-fee, shall not exceed 7 per centum of the estimated cost of the contract (exclusive of the fee as determined by the Secretary of the Navy or the Secretary of War, as the case may be).

"(b) After the date of approval of this Act no contract shall be made for the construction or manufacture of any complete naval vessel or any Army or Navy aircraft, or any portion thereof, under the provisions of this section or otherwise, unless the contractor agrees, for the purposes of section 3 of the Act of March 27, 1934 (48 Stat. 505; 34 U. S. C. 496), as amended—

"(1) to pay into the Treasury profit in excess of 8 per centum (in lieu of the 10 per centum and 12 per centum specified in such section 3) of the total contract prices of such contracts within the scope of this subsection as are completed by the particular contracting party within the income taxable year;

"(2) that any profit in excess of 8.7 per centum of the cost of performing such contracts except prime contracts made on a cost-plus-a-fixed-fee basis as are completed by the contracting party within the income taxable year shall be considered to be profit in excess of 8 per centum of the total prices of such contracts; and

"(3) that he will make no subcontract which is within the scope of such section 3, unless the subcontractor agrees to the foregoing conditions."

And the Senate agree to the same.

Amendment numbered 18: That the House recede from its disagreement to the amendment of the Senate numbered 18, and agree to the same with an amendment, as follows: In lieu of the matter inserted by said amendment, insert the following:

"SEC. 4. In the case of every contract or subcontract for the construction or manufacture of any complete naval vessel or Army or Navy aircraft or any portion thereof which is entered into (whether before or after the date of approval of this Act), the Secretary of War or the Secretary of the Navy, as the case may be, after agreement with the contractor or subcontractor, shall certify to the Commissioner of Internal Revenue as to (a) the necessity and cost of special additional equipment and facilities acquired to facilitate, during the national emergency declared by the President on September 8, 1939, to exist, the completion of such naval vessel or Army or Navy aircraft or portion thereof in private plants and (b) the percentage of cost of such special additional equipment and facilities to be charged against such contract or subcontract. For all purposes of section 3 of the Act of March 27, 1934 (48 Stat. 505; 34 U. S. C. 496), as amended, such certification shall be subject to such regulations as the President may prescribe, but shall be binding upon the Commissioner of Internal Revenue, unless within five days after receipt of such certification, he make formal objection thereto to the Secretary of the Navy or the Secretary of War as the case may be. The part of such cost chargeable against the contract or subcontract in pursuance of such certification, shall, for the purposes of such section 3, be considered to be a reduction of the contract price of the contract or subcontract. The amount charged against the contract or subcontract in pursuance of such certification shall, for the purposes of such section 3, be applied against and reduce the cost or other basis of such special additional equipment and facilities as of the date of installation thereof: *Provided*, That the Secretary of War or the Secretary of the Navy, as the case may be, shall report to the Congress, every three months, the cost of such special additional equipment and facilities to be borne by the Government under each contract.";

And the Senate agree to the same.

Amendment numbered 19: That the House recede from its disagreement to the amendment of the Senate numbered 19, and agree to the same with an amendment, as follows: In lieu of the matter inserted by said amendment, insert the following:

"SEC. 5. (a) Notwithstanding the provisions of any other law, the regular working hours of the Navy Department and the Coast Guard and their field services shall be eight hours a day or forty hours per week during the period of the national emergency declared by the President on September 8, 1939, to exist: *Provided*, That under such regulations as the head of the Department concerned may prescribe, and where additional employees cannot be obtained to meet the exigencies of the situation, these hours may be exceeded: *Provided further*, That compensation for employment in excess of forty hours in any administrative workweek computed at a rate not less than one and one-half times the regular rate shall be paid only to monthly, per diem, hourly, and piece-work employees, whose wages are set by the Act of July 16, 1862 (12 Stat. 587), as amended or modified; and also to professional and subprofessional employees and to blue printers, photostat and rotaprint operators, inspectors, supervisory planners and estimators, and supervisory progressmen, and assistants to shop and plant superintendents of the C. A. F. service, as defined by the Classification Act of March 4, 1923 (42 Stat. 1488; U. S. C. 5, ch. 13), as amended: *Provided further*, That in determining the overtime compensation of per annum Government employees the pay for one day shall be considered to be one three-hundred-and-sixtieth of their respective per annum salaries: *Provided further*, That the President is authorized to suspend, in whole or in part, for the War and Navy Departments and for the Coast Guard and their field services, during the period of the national emergency declared by him on September 8, 1939, to exist, the provisions of the Act of March 3, 1931 (46 Stat. 1482; U. S. C. 5, 26 (a)), if in his judgment such course is necessary in the interest of national defense, and any regulations issued pursuant to the Act of March 14, 1936 (49 Stat. 1161; U. S. C. Supp. V, title 5, sec. 29 (a)), may be modified accordingly: *And provided further*, That notwithstanding the provisions of any other law, the President is hereby authorized, in his discretion, to prescribe regulations to establish such uniformity among the War and Navy Departments and the Coast Guard and their field services in regard to hours of work and compensation for overtime of their civilian employees as he may deem necessary in the interest of national defense.

"(b) During the national emergency declared by the President on September 8, 1939, to exist, the provisions of the law prohibiting more than eight hours' labor in any one day of persons engaged upon work covered by Army, Navy and Coast Guard contracts shall be suspended."

And the Senate agree to the same.

Amendment numbered 26: That the House recede from its disagreement to the amendment of the Senate numbered 26, and agree to the same with an amendment, as follows: In lieu of the matter inserted by said amendment, insert the following:

"SEC. 8. (a) The limit of cost of the vessels authorized by the Act of July 30, 1937 (50 Stat. 544), and any statutory limitation with respect to the cost of any other individual naval project of construction are hereby increased as may be necessary to expedite national defense and otherwise effectuate the purposes of this Act: *Provided*, That the monetary limitations on payments out of appropriations available to the Navy Department for employees in the Navy Department and for employees in the field service assigned to group IV (b) and those performing similar services carried under the Native and Alien Schedules of Wages of civil

employees in the field services of the Navy Department shall be suspended during the limited national emergency declared by the President on September 8, 1939, to exist: *Provided further*, That the Secretary of the Navy is authorized to employ such additional personnel at the seat of government and elsewhere, and to provide out of any appropriations available to the Navy Department, for their salaries and for such printing and binding, communication service, supplies, and travel expenses, as he may deem necessary to carry out the purpose of this Act.

"(b) Whenever the Secretary of the Navy finds it impossible to make contracts or obtain facilities to effectuate the purposes of this Act in the procurement or construction of items authorized in connection with national defense he is hereby authorized to provide out of appropriations available to the Navy Department for such purposes, the necessary buildings, facilities, utilities and appurtenances thereto on government owned land or elsewhere, and to operate them, either by means of government personnel or otherwise: *Provided*, That the Secretary of the Navy is further authorized, under the general direction of the President, whenever he deems any existing manufacturing plant or facility necessary for the national defense, and whenever he is unable to arrive at an agreement with the owner of any such plant or facility for its use or operation, to take over and operate such plant or facility either by government personnel or by contract with private firms: *Provided further*, That the Secretary of the Navy is authorized to fix the compensation to the owner of such plant or facility: *And provided further*, That the Secretary of the Navy shall report to the Congress, every three months, the contracts entered into under the provisions of this subsection."

And the Senate agree to the same.

Amendment numbered 34: That the House recede from its disagreement to the amendment of the Senate numbered 34, and agree to the same with an amendment, as follows: In lieu of the matter inserted by said amendment in section (b), insert the following:

"(b) The Secretary of War and the Secretary of the Navy as the case may be are hereby requested and directed to furnish or cause to be furnished to the respective Chairman of the Committees on Military Affairs and the Committees on Naval Affairs of the Senate and House of Representatives a copy of each contract, order, or agreement covering exchange of deteriorated, unserviceable, obsolescent, or surplus military or naval equipment, munitions, or supplies exchanged for other military or naval equipment, munitions or supplies, and a copy of each contract, order or agreement shall be furnished regarding any other disposition of military or naval equipment, munitions and supplies by which the title passes, either de jure or de facto, from the United States, or by which delivery of material thereunder is deferred, where the original cost of such military or naval equipment, munitions or supplies exceeded or exceeds $2,000. The copies of each contract, order or agreement herein referred to shall be transmitted to the respective Chairmen of the Committees not later than twenty-four hours after such contract, order or agreement is made, and the Chairman of each Committee shall consider such contracts, orders or agreements confidential unless a majority of the members of his Committee shall direct the particular transaction to be made public."

And the Senate agree to the same.

CARL VINSON,
LEONARD W. SCHUETZ,
MELVIN J. MAAS,
Managers on the part of the House.

DAVID I. WALSH,
MILLARD E. TYDINGS,
FREDERICK HALE,
Managers on the part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 9822) to expedite naval shipbuilding, and for other purposes, submit the following written statement explaining the effect of the action agreed on by the conference committee and submitted in the accompanying conference report:

On amendments Nos. 1, 2, 12, 13, 16, 17, 23, and 24: Modifies House provision to specify any national emergency to be the emergency declared by the President on September 8, 1939, to exist.

On amendments Nos. 3 to 8, inclusive: Modifies House language to include the Secretary of the Treasury for Coast Guard contracts.

On amendments Nos. 9 and 10: Modifies House language to provide report to Congress every 3 months instead of the beginning of each regular session.

On amendment No. 11: Designates subsection (a) to section 2.

On amendment No. 14: Modifies House language to include the Army; to provide a report be made to Congress every 3 months; clarifies contracts that may be made under this authority; prohibits cost-plus-a-percentage-of-cost system of contracts, but allows cost-plus-a-fixed-fee form of contract; limits profit on cost-plus-a-fixed-fee contract to 7 percent of estimated cost of contract.

This amendment amends section 3 of the act of March 27, 1934, to limit the profit on contracts to 8 percent on contracts or 8.70 percent on cost of performing contracts.

On amendment No. 15: Modifies House language to include the Army in contracts for aircraft.

On amendment No. 18: Modifies House language to provide means by which contractors will know what can be allowed as a credit in determining excess profits.

On amendment No. 19: Modifies Senate provisions by refusing to allow time and one-half for overtime to per annum employees except those specifically stated—namely, professional and subprofessional employees and a few employees of the C. A. F. group, such as blueprinters, rotaprint operators, inspectors, supervisory planners, and estimators, etc. It denies overtime compensation to the clerks, stenographers, typists, etc.

On amendment No. 20: Modifies House language so as to include the War Department in reemploying retired civilian personnel.

On amendment No. 21: Modifies House provision relative to the procedure in removing a civil-service employee when national security is involved.

On amendments Nos. 22 and 25: Modifies House provisions to include employees of the Coast Guard who may be allowed to work for pay during their leave period and to make the section applicable to those who cannot be spared without detriment to the national defense.

On amendment No. 26: Extends House provision on limit of cost of vessels to include any other project whose cost is limited by statute as may be necessary to expedite national defense; it removes monetary limitations and appropriations for group IV employees; authorizes employment of additional personnel and payment of attendant expenses. It authorizes the Secretary of the Navy to use available appropriations to make contracts or obtain facilities to effectuate the purposes of the act and to take steps to obtain additional necessary facilities and to operate them.

On amendment No. 27: Eliminates House language no longer necessary due to Senate amendments.

On amendment No. 28: Authorizes Secretary of the Navy and the Secretary of the Treasury to modify existing contracts as may be necessary to expedite military and naval defenses.

On amendments Nos. 29 and 32: Modifies House provision to terminate certain provisions of this act on June 30, 1942, instead of for 3 years.

On amendment No. 30: Provides that the approval of the Secretary of the Navy, acting by direction of the President, shall be equivalent to Presidential approval required by act of April 25, 1939.

On amendment No. 31: Limits the extent to which aliens shall have access to certain plans and specifications and the work thereunder. It provides the penalty for willful violation. It also provides a penalty for aliens who obtain employment on certain classes of contracts by willful misrepresentations.

On amendment No. 33: Authorizes the President to suspend provision of the Walsh-Healey Act when necessary in the public interest.

On amendment No. 34: Prohibits the disposal of any military or naval weapon, ship, boat, aircraft, or other military supplies without certification of the Chief of Naval Operations or the Chief of Staff of the Army that such material is not essential to the defense of the United States. It provides that the Secretary of War and the Secretary of the Navy shall notify the chairman of the respective congressional committees the details of any transfer of any such material or equipment within 24 hours when the value exceeds $2,000 with copies of the contracts, orders, or agreements. This amendment is not to be construed to repeal or modify existing law relative to restriction on sending a vessel of war out of jurisdiction of the United States when the United States is a neutral during war.

On amendments Nos. 35 to 40, inclusive, comprising all of title II of the act: Provide for housing for military personnel (except officers) and for civilian workers under the War and Navy Departments and for workers in national defense industries, including their families. The two defense departments and the United States Housing Authority are authorized, jointly and severally, to provide such housing wherever needed by our rapidly growing defense program. No funds are provided, but any funds available to U. S. H. A. may be used. All projects will be subject to the approval of the President and a determination by him that an acute shortage of housing exists in the locality which impedes the national-defense program.

Low rentals will be charged, within the financial capacity of the workers, and in the case of the War and Navy Departments, the rentals reserved will be sufficient to return to the U. S. H. A. the cost of the project. Projects now under construction by U. S. H. A. may be devoted to the national-defense program.

The existing 450 public agencies located in all parts of the country will be utilized in expanding housing facilities.

Recruitment of personnel is already being hampered by lack of housing at many places, including the Panama Canal, Hawaii, Charleston, S. C., Vallejo, Calif., etc., and in the vicinity of isolated industrial plants.

The Housing to be provided is not only urgently necessary during the present emergency, but will thereafter represent permanent assets to the Nation. It will materially assist in keeping worthy American citizens and their families out of the slums.

CARL VINSON,
LEONARD W. SCHUETZ,
M. J. MAAS,
Managers on the part of the House.

Mr. VINSON of Georgia. Mr. Speaker, I ask unanimous consent that there be printed at this point in the RECORD the

bill as agreed to in conference in its entirety, leaving out the Senate amendment numbers.

The SPEAKER. Is there objection to the request of the gentleman from Georgia?

There was no objection.

The bill is as follows:

Be it enacted, etc., That whenever in the opinion of the President of the United States such course would be in the best interests of national defense during the national emergency declared by the President on September 8, 1939, to exist, the Secretary of the Navy, or the Secretary of the Treasury in the case of Coast Guard contracts, is authorized to advance, from appropriations available therefor, payments to contractors in amounts not exceeding 30 percent of the contract price, upon such terms as such Secretary shall prescribe, and adequate security for the protection of the Government for the payments so made shall be required. The Secretary concerned is further authorized in his discretion to make partial payments on the balance of the contract price from time to time during the progress of the work, such partial payments not to exceed the value of the work already done, but to be subject to a lien as provided by the act of August 22, 1911 (37 Stat. 32; U. S. C., title 34, sec. 582), entitled "An act authorizing the Secretary of the Navy to make partial payments for work already done under public contracts": *Provided*, That the Secretary concerned shall report every 3 months to the Congress the advance payments made under the authority of this section.

SEC. 2. (a) That whenever deemed by the President of the United States to be in the best interests of the national defense during the national emergency declared by the President on September 8, 1939, to exist, the Secretary of the Navy is hereby authorized to negotiate contracts for the acquisition, construction, repair, or alteration of complete naval vessels or aircraft, or any portion thereof, including plans, spare parts, and equipment therefor, that have been or may be authorized, and also for machine tools and other similar equipment, with or without advertising or competitive bidding upon determination that the price is fair and reasonable, and deliveries of material under all orders placed pursuant to the authority of this section and all other naval contracts or orders and all Army contracts and orders shall, in the discretion of the President, take priority over all deliveries for private account or for export: *Provided*, That the Secretary of the Navy shall report every 3 months to the Congress the contracts entered into under the authority of this section: *Provided further*, That contracts negotiated pursuant to the provisions of this section shall not be deemed to be contracts for the purchase of such materials, supplies, articles, or equipment as may usually be bought in the open market within the meaning of section 9 of the act entitled "An act to provide conditions for the purchase of supplies and the making of contracts by the United States, and for other purposes," approved June 30, 1936 (49 Stat. 2036; U. S. C., Supp. V, title 41, secs. 35–45): *Provided further*, That nothing herein contained shall relieve a bidder or contractor of the obligation to furnish the bonds under the requirements of the act of August 24, 1935 (49 Stat. 793; 40 U. S. C. 270 (a) to (d)): *Provided further*, That the cost-plus-a-percentage-of-cost system of contracting shall not be used under the authority granted by this subsection to negotiate contracts; but this proviso shall not be construed to prohibit the use of the cost-plus-a-fixed-fee form of contract when such use is deemed necessary by the Secretary of the Navy: *And provided further*, That the fixed fee to be paid the contractor as a result of any contract entered into under the authority of this subsection, or any War Department contract entered into in the form of cost plus a fixed fee, shall not exceed 7 percent of the estimated cost of the contract (exclusive of the fee as determined by the Secretary of the Navy or the Secretary of War, as the case may be).

(b) After the date of approval of this act no contract shall be made for the construction or manufacture of any complete naval vessel or any Army or Navy aircraft, or any portion thereof, under the provisions of this section or otherwise, unless the contractor agrees, for the purposes of section 3 of the act of March 27, 1934 (48 Stat. 505; 34 U. S. C. 496), as amended—

(1) to pay into the Treasury profit in excess of 8 percent (in lieu of the 10 percent and 12 percent specified in such section 3) of the total contract prices of such contracts within the scope of this subsection as are completed by the particular contracting party within the income taxable year;

(2) that any profit in excess of 8.70 percent of the cost of performing such contracts (except prime contracts made on a cost-plus-a-fixed-fee basis) as are completed by the contracting party within the income taxable year shall be considered to be profit in excess of 8 percent of the total contract prices of such contracts; and

(3) that he will make no subcontract which is within the scope of such section 3, unless the subcontractor agrees to the foregoing conditions.

SEC. 3. The provisions of section 3 of the act of March 27, 1934 (48 Stat. 505), as amended by the acts of June 25, 1936 (49 Stat. 1926), and April 3, 1939 (53 Stat. 560; U. S. C., Supp. V, title 34, sec. 496), and as made applicable to contracts for aircraft or any portion thereof for the Army by such act of April 3, 1939, shall, in the case of contracts or subcontracts entered into after the date of approval of this act and during the period of the national emergency declared by the President on September 8, 1939, to exist, be limited to contracts or subcontracts where the award exceeds $25,000.

SEC. 4. In the case of every contract or subcontract for the construction or manufacture of any complete naval vessel or Army or Navy aircraft or any portion thereof which is entered into (whether before or after the date of approval of this act), the Secretary of War or the Secretary of the Navy, as the case may be, after agreement with the contractor or subcontractor, shall certify to the Commissioner of Internal Revenue as to (a) the necessity and cost of special additional equipment and facilities acquired to facilitate, during the national emergency declared by the President on September 8, 1939, to exist, the completion of such naval vessel or Army or Navy aircraft or portion thereof in private plants and (b) the percentage of cost of such special additional equipment and facilities to be charged against such contract or subcontract. For all purposes of section 3 of the act of March 27, 1934 (48 Stat. 505; 34 U. S. C. 496), as amended, such certification shall be subject to such regulations as the President may prescribe, but shall be binding upon the Commissioner of Internal Revenue unless, within 5 days after receipt of such certification, he make formal objection thereto to the Secretary of the Navy or the Secretary of War, as the case may be. The part of such cost chargeable against the contract or subcontract in pursuance of such certification shall, for the purposes of such section 3, be considered to be a reduction of the contract price of the contract or subcontract. The amount charged against the contract or subcontract in pursuance of such certification shall, for the purposes of such section 3, be applied against and reduce the cost or other basis of such special additional equipment and facilities as of the date of installation thereof: *Provided*, That the Secretary of War or the Secretary of the Navy, as the case may be, shall report to the Congress, every 3 months, the cost of such special additional equipment and facilities to be borne by the Government under each contract.

SEC. 5. (a) Notwithstanding the provisions of any other law, the regular working hours of the Navy Department and the Coast Guard and their field services shall be 8 hours a day or 40 hours per week during the period of the national emergency declared by the President on September 8, 1939, to exist: *Provided*, That under such regulations as the head of the Department concerned may prescribe, and where additional employees cannot be obtained to meet the exigencies of the situation, these hours may be exceeded: *Provided further*, That compensation for employment in excess of 40 hours in any administrative workweek computed at a rate not less than one and one-half times the regular rate shall be paid only to monthly, per diem, hourly, and piece-work employees, whose wages are set by the act of July 16, 1862 (12 Stat. 587) as amended or modified; and also to professional, and subprofessional employees and to blue printers, photostat and rotaprint operators, inspectors, supervisory planners and estimators, and supervisory progressmen, and assistants to shop and plant superintendents of the C. A. F. service, as defined by the Classification Act of March 4, 1923 (42 Stat. 1488; U. S. C. 5, ch. 13), as amended: *Provided further*, That in determining the overtime compensation of per annum Government employees the pay for 1 day shall be considered to be one three-hundred-and-sixtieth of their respective per annum salaries: *Provided further*, That the President is authorized to suspend, in whole or in part, for the War and Navy Departments and for the Coast Guard and their field services, during the period of the national emergency declared by him on September 8, 1939, to exist, the provisions of the act of March 3, 1931 (46 Stat. 1482; U. S. C. 5, 26 (a)), if in his judgment such course is necessary in the interest of national defense, and any regulations issued pursuant to the act of March 14, 1936 (49 Stat. 1161; U. S. C., Supp. V, title 5, sec. 29 (a)), may be modified accordingly: *And provided further*, That notwithstanding the provisions of any other law, the President is hereby authorized, in his discretion, to prescribe regulations to establish such uniformity among the War and Navy Departments and the Coast Guard and their field services in regard to hours of work and compensation for overtime of their civilian employees as he may deem necessary in the interest of national defense.

(b) During the national emergency declared by the President on September 8, 1939, to exist, the provisions of law prohibiting more than 8 hours' labor in any 1 day of persons engaged upon work covered by Army, Navy, and Coast Guard contracts shall be suspended.

SEC. 6. Notwithstanding the provisions of section 2 of the act of May 29, 1930 (46 Stat. 468), and section 204 of the act of June 30, 1932 (47 Stat. 404), any person heretofore or hereafter retired under the Civil Service Retirement Act of May 29, 1930, as amended, may be reemployed in the service of the War and Navy Departments: *Provided*, That there shall be deducted and withheld from the basic salary, pay, or compensation of such person and credited to his account as provided in section 12 (a) of the act of May 29, 1930, as amended, the regular deductions prescribed by the said act: *Provided further*, That upon separation from the service for any cause such person may elect to receive a refund of the total deductions so withheld together with interest at 4 percent per annum compounded on June 30 of each year, or receive credit for the additional service in the computation of any annuity awarded thereafter: *Provided further*, That payment of the annuity of such person shall be suspended during the period of such employment: *Provided further*, That during the national emergency declared by the President on September 8, 1939, to exist, the provisions of section 6 of the act of August 24, 1912 (37 Stat. 555; U. S. C., title 5, sec. 652), shall not apply to any civil-service employee of the War or Navy

Departments or of the Coast Guard, or their field services, whose immediate removal is, in the opinion of the Secretary concerned, warranted by the demands of national security, but nothing herein shall be construed to repeal, modify, or suspend the proviso in that section. Those persons summarily removed under the authority of this section may, if in the opinion of the Secretary concerned, subsequent investigation so warrants, be reinstated, and if so reinstated shall be allowed compensation for the period of such removal at the rate they were receiving on the date of removal: *And provided further*, That within 30 days after such removal any such person shall have an opportunity personally to appear before the official designated by the Secretary concerned and be fully informed of the reasons for such removal, and to submit, within 30 days thereafter, such statement or affidavits, or both, as he may desire to show why he should be retained and not removed.

SEC. 7. The act of March 14, 1936, entitled "An act to provide for vacations to Government employees, and for other purposes" (49 Stat. 1161), is hereby amended by adding, after section 7, a new section to read as follows:

"SEC. 8. Employees of the Navy Department and the Naval Establishment and of the Coast Guard may, during the period of the national emergency declared by the President on September 8, 1939, to exist, be employed during the time they would otherwise be on vacation without deprivation of their vacation pay for the time so worked. Employees who forego their vacations in accordance with the provisions of this section may be paid, in addition to their regular pay, the equivalent of the pay they would have drawn during the period of such vacation. The provisions of this section shall be applicable only to employees whose services at the time cannot, in the judgment of the Secretary of the Navy or the Secretary of the Treasury, as the case may be, be spared without detriment to the national defense."

SEC. 8. (a) The limit of cost of the vessels authorized by the act of July 30, 1937 (50 Stat. 544), and any statutory limitation with respect to the cost of any other individual naval project of construction are hereby increased as may be necessary to expedite national defense and otherwise effectuate the purposes of this act: *Provided*, That the monetary limitations on payments out of appropriations available to the Navy Department for employees in the Navy Department and for employees in the field service assigned to group IV (b) and those performing similar services carried under the native and alien schedules of wages of civil employees in the field services of the Navy Department shall be suspended during the limited national emergency declared by the President on September 8, 1939, to exist: *Provided further*, That the Secretary of the Navy is authorized to employ such additional personnel at the seat of government and elsewhere, and to provide out of any appropriations available to the Navy Department, for their salaries and for such printing and binding, communication service, supplies, and travel expenses, as he may deem necessary to carry out the purposes of this act.

(b) Whenever the Secretary of the Navy finds it impossible to make contracts or obtain facilities to effectuate the purposes of this act in the procurement or construction of items authorized in connection with national defense, he is hereby authorized to provide, out of appropriations available to the Navy Department for such purposes, the necessary buildings, facilities, utilities, and appurtenances thereto on Government-owned land or elsewhere, and to operate them, either by means of Government personnel or otherwise: *Provided*, That the Secretary of the Navy is further authorized, under the general direction of the President, whenever he deems any existing manufacturing plant or facility necessary for the national defense, and whenever he is unable to arrive at an agreement with the owner of any such plant or facility for its use or operation, to take over and operate such plant or facility either by Government personnel or by contract with private firms: *Provided further*, That the Secretary of the Navy is authorized to fix the compensation to the owner of such plant or facility: *And provided further*, That the Secretary of the Navy shall report to the Congress, every 3 months, the contracts entered into under the provisions of this subsection.

SEC. 9. The Secretary of the Navy and the Secretary of the Treasury are hereby authorized to modify existing contracts, including Coast Guard contracts, as the Secretary concerned may deem necessary to expedite military and naval defense, and to otherwise effectuate the purposes of this act.

SEC. 10. Hereafter, the approval of the Secretary of the Navy, acting by direction of the President, shall constitute approval by the President as required by section 4 of the act approved April 25, 1939 (53 Stat. 590, 592), necessary to the validity of any contract entered into under authority contained in said section.

SEC. 11. (a) No aliens employed by a contractor in the performance of secret, confidential, or restricted Government contracts shall be permitted to have access to the plans or specifications, or the work under such contracts, or to participate in the contract trials, unless the written consent of the head of the Government department concerned has first been obtained, and any person who willfully violates or through negligence permits the violation of the provisions of this subsection shall be fined not more than $10,000 or imprisoned not more than 5 years, or both.

(b) Any alien who obtains employment on secret, confidential, or restricted Government contracts by willful misrepresentation of his alien status, or who makes such willful misrepresentation while seeking such employment, shall be fined not more than $10,000 or imprisoned not more than 5 years, or both.

(c) For the purpose of this section, the term "person" shall be construed to include an individual, partnership, association, corporation, or other business enterprise.

SEC. 12. The provisions of all preceding sections of this act shall terminate June 30, 1942, unless the Congress shall otherwise provide.

SEC. 13. Section 6 of the act approved June 30, 1936 (49 Stat. 2036; U. S. C., Supp. V, title 41, secs. 35–45), is hereby amended by adding "*Provided*, That whenever in his judgment such course is in the public interest, the President is authorized to suspend any or all of the representations and stipulations contained in section 1 of this act."

SEC. 14. (a) Notwithstanding the provision of any other law, no military or naval weapon, ship, boat, aircraft, munitions, supplies, or equipment, to which the United States has title, in whole or in part, or which have been contracted for, shall hereafter be transferred, exchanged, sold, or otherwise disposed of in any manner whatsoever unless the Chief of Naval Operations in the case of naval material, and the Chief of Staff of the Army in the case of military material, shall first certify that such material is not essential to the defense of the United States.

(b) The Secretary of War and the Secretary of the Navy, as the case may be, are hereby requested and directed to furnish or cause to be furnished to the chairman of each Committee on Naval Affairs of the Congress of the United States a copy of each contract, order, or agreement covering exchange of deteriorated, unserviceable, obsolescent, or surplus military or naval equipment, munitions, or supplies exchanged for other military or naval equipment, munitions or supplies, and a copy of each contract, order, or agreement shall be furnished regarding any other disposition of military or naval equipment, munitions, and supplies by which the title passes, either de jure or de facto, from the United States, or by which delivery of material thereunder is deferred, where the original cost of such military or naval equipment, munitions, or supplies exceeded or exceeds $2,000. The copies of each contract, order, or agreement herein referred to shall be transmitted to the respective chairman of the Committee on Naval Affairs not later than 24 hours after such contract, order, or agreement is made, and the chairman of each committee shall consider such contracts, orders, or agreements confidential unless a majority of the members of his committee shall direct the particular transaction to be made public.

(c) Nothing herein shall be construed to repeal or modify sections 3 and 6, title V of the act approved June 15, 1917 (40 Stat. 222; U. S. C., title 18, secs. 33 and 36).

TITLE II

SEC. 201. In connection with the national-defense program the Navy and War Departments and the United States Housing Authority are hereby authorized to cooperate in making necessary housing available for persons engaged in national-defense activities, as hereinafter provided. "Persons engaged in national-defense activities" (as that term is used in this title) shall include (i) enlisted men with families, who are in the naval and military service (excluding officers) and employees of the Navy and War Departments who are assigned to duty at naval or military reservations, posts, or bases, and (ii) workers with families, who are engaged or to be engaged in industries connected with and essential to the national-defense program. No project shall be developed or assisted for the purposes of this title except with the approval of the President and upon a determination by him that there is an acute shortage of housing in the locality involved which impedes the national-defense program.

SEC. 202. (a) Projects may be initiated hereunder by the Navy or War Department to provide dwellings on or near naval or military reservations, posts, or bases for rental to the enlisted men and employees of the Navy and War Departments prescribed in section 201. Such projects shall be developed by the Navy or War Department or by the Authority, whichever the President determines is better suited to the fulfillment of the purposes of this title with respect to any particular project. If the development of such project is to be undertaken by the Navy or War Department, the Authority is authorized to aid the development of the project by furnishing technical assistance and by transferring to such Department the funds necessary for the development of the project. Any project developed for the purpose of this section shall be leased to the Navy or War Department by the Authority (which shall have title to such project until repayment of the cost thereof to the Authority as prescribed in such lease) upon such terms as shall be prescribed in the lease, which may be the same terms as are authorized by the United States Housing Act of 1937, as amended, with respect to leases to public housing agencies. All the provisions of said act which apply to the development of projects by the Authority shall (insofar as applicable and not inconsistent herewith) apply to the development of projects by the Navy or War Department. Notwithstanding other provisions of this or any other law, the Department leasing a project shall have the same jurisdiction over such project as it has over the reservation, post, or base in connection with which the project is developed.

(b) The Navy or War Department, in connection with any project developed or leased by it, and the Authority, in connection with any project developed or assisted by it, for the purposes of this title, may acquire real or personal property or any interest therein by purchase, eminent domain, gift, lease, or otherwise. The provisions of section 355 of the Revised Statutes shall not apply to the acquisition of any real property by the Navy or War Department or by the Authority for the purposes of this title or to the project developed thereon, and the provisions of section 321 of the act of June 30, 1932 (U. S. C., 1934 edition, title 40, sec. 303b), shall

not apply to any lease of any project developed for the purposes of this title or of any dwelling therein. Condemnation proceedings instituted by the Authority shall be in its own name and the practice and procedure governing such proceedings by the United States shall be followed, and the Authority shall likewise be entitled to proceed in accordance with the provisions of the act of Congress approved February 26, 1931 (46 Stat. 1421), and an act of Congress approved March 1, 1929 (45 Stat. 1415). If the Authority acquires land in connection with a project to be assisted for the purposes of this title, it may convey such land to the public housing agency involved for a consideration equal to the cost of the land to the Authority. The Navy and War Departments and the Authority may negotiate, contract, and fix such fees as they determine are reasonable for the services of architects, engineers, surveyors, appraisers, title examiners, and real-estate negotiators in connection with specific projects developed by them under this title. The Secretaries of Navy and War are hereby authorized to make available to the Authority any land that is needed for a project to be developed by the Authority and leased to the Navy or War Department and to execute such leases, agreements, and other instruments with the Authority as may be necessary to carry out the purposes of this title.

SEC. 203. In any localities where the President determines that there is an acute shortage of housing which impedes the national-defense program and that the necessary housing would not otherwise be provided when needed for persons engaged in national-defense activities, the Authority may undertake the development and administration of projects to assure the availability of dwellings in such localities for such persons and their families, or the Authority may extend financial assistance to public housing agencies for the development and administration of such projects. Such financial assistance to public housing agencies shall be extended (except as otherwise provided herein and not inconsistent herewith) under the provisions of, and in the same manner and forms as provided in, title I of the United States Housing Act of 1937, as amended, with respect to other housing projects.

SEC. 204. Any contract made for financial assistance under the United States Housing Act of 1937, as amended, may be revised so as to provide that the project involved will be assisted for any of the purposes of this title. The Navy or War Department or the Authority, in the administration of any project developed for the purposes of this title, shall fix rentals for persons engaged in national-defense activities and their families which will be within their financial reach, and the Authority, in any contract for financial assistance or any lease of such a project, shall require the fixing of such rentals. Projects developed by the Navy or War Department, or developed or assisted by the Authority, for the purposes of this title shall not be subject to the elimination requirements of sections 10 (a) and 11 (a) of said act or to any provisions of section 9 of said act which would require any part of the development cost thereof to be met in any manner other than from funds loaned or furnished by the Authority. Funds expended for the purposes of this title shall be excluded in determining, for the purposes of section 21 (d) of said act, the amounts expended within each State. Except as otherwise provided herein or as may be inconsistent herewith, all the provisions of title I of said act shall apply to this title. During the period when the President determines that in any locality there is an acute need for housing to assure the availability of dwellings for persons engaged in national-defense activities, dwellings in a project developed or assisted in said locality which are devoted to the purposes of providing housing for persons engaged in national-defense activities shall not be subject to sections 2 (1) and 2 (2) of the United States Housing Act of 1937, as amended, and during such period such projects shall be deemed projects of a low-rent character for the purposes of any of the applicable provisions in title I of said act.

SEC. 205. The Authority may use for the purposes of this title any of the funds or authorizations heretofore or hereafter made available to it. The provisions of title I of this act shall not apply to this title.

Mr. VINSON of Georgia. Mr. Speaker, this is a very important bill. As you recall, it was before the House some days ago. It passed the House on the 28th day of May. The objective and purpose of the bill is to expedite ship construction. The main point in the bill is that it relates to the form of contract. The House conferees agreed to this provision:

That the cost-plus-a-percentage-of-cost system of contracting shall not be used under the authority granted by this subsection to negotiate contracts.

What we are really doing there is getting away from the old cost-plus system of contracts. In addition thereto we have this language:

But this proviso shall not be construed to prohibit the use of the cost-plus-a-fixed-fee form of contract when such use is deemed necessary by the Secretary of the Navy: *And provided further,* That the fixed fee to be paid the contractor as a result of any contract entered into under the authority of this subsection, or any War Department contract entered into in the form of cost-plus-a-fixed-fee, shall not exceed 7 percent of the estimated cost of the contract (exclusive of the fee as determined by the Secretary of the Navy or the Secretary of War, as the case may be).

Mr. BROWN of Ohio. Mr. Speaker, will the gentleman yield?

Mr. VINSON of Georgia. I yield to the gentleman from Ohio.

Mr. BROWN of Ohio. I have had this morning some telephone calls from manufacturers in Ohio who are interested in this particular section. They bring up the question of whether or not anything is to be done relative to the writing off of expansion facilities that will be necessary to take care of these contracts, or if the limitation of 7 percent will mean that they cannot afford to build additional plants that are necessary, or to do the experimental work that is necessary to take care of this Government work.

Mr. VINSON of Georgia. The gentleman's question does not bear directly on what I was reading, but in general it probably may be said that it does. There is a section, however, that deals with that situation by permitting advances to be made, and the Navy Department and the Bureau of Internal Revenue are trying to reach a decision as to whether or not they shall be charged against the particular contract or whether they shall be charged on an amortization basis. The 7 percent referred to here simply means that if a negotiated contract is entered into for the building of a ship the Navy Department estimates how much that ship will cost, for instance, $25,000,000, and at that time it fixes the fee. The fee cannot exceed 7 percent of the estimated cost. As to the facilities that the manufacturers have to construct to enable them to carry out their contract, the Treasury Department and the Navy Department adjudicate before the contract is entered into what can be charged against the contract and what cannot be charged against the contract.

Mr. BROWN of Ohio. I have been given to understand that the new tax bill that will be presented later in the fall will probably make provision for amortizing or depreciating property that it is necessary to install.

Mr. VINSON of Georgia. That is right.

Now, what we are trying to do is to be fair and square to the contractor and at the same time be fair and square with the Government.

Mr. BROWN of Ohio. That is right.

Mr. VINSON of Georgia. And I think we have done that and on these negotiated contracts the House can understand that by this cost-plus-a-fixed-fee plan we will save hundreds upon hundreds of millions of dollars.

Mr. BROWN of Ohio. I have asked these questions simply to clarify the record.

Mr. MAAS. And this will materially speed up the program by saving about a year.

Mr. VINSON of Georgia. That is right.

Another important matter that the House should understand is that under the law that is oftentimes referred to as the Vinson-Trammell Act, which deals with profits, the ceiling on what a contractor can make on a Navy contract is 10 percent. All over that is recaptured and paid back into the Treasury. We have changed this, and I think rightly so, by reducing it from 10 percent to 8 percent. So every man can understand that, when a contract has been awarded as the result of competitive bidding, the maximum amount that anyone can make, including aviation for the Army which heretofore was 12 percent, has been brought down now to 8 percent.

Mr. VORYS of Ohio. Mr. Speaker, will the gentleman yield?

Mr. VINSON of Georgia. I yield.

Mr. VORYS of Ohio. Does that mean that he is guaranteed 8 percent, or that he cannot make more than that?

Mr. VINSON of Georgia. He is not guaranteed anything. That is the ceiling and that is all he can make. If he makes over 8 percent the excess is recaptured and paid into the Treasury; and I may state that under this law some $3,000,000

or $4,000,000 on the first auditing of these shipbuilders' accounts has been recaptured and paid back to the Treasury.

The other matter that is of importance, as referred to a moment ago by the gentleman from New York [Mr. FISH], is this provision:

Nothwithstanding the provision of any other law, no military or naval weapon, ship, boat, aircraft, munitions, supplies, or equipment, to which the United States has title, in whole or in part, or which have been contracted for, shall hereafter be transferred, exchanged, sold, or otherwise disposed of in any manner whatsoever unless the Chief of Naval Operations in the case of naval material, and the Chief of Staff of the Army in the case of military material, shall first certify that such material is not essential to the defense of the United States.

So you see the protection that this amendment has thrown around ships, munitions, and airplanes. As long as they are essential for the defense of this country they cannot be sold.

Mr. CASE of South Dakota rose.

Mr. VINSON of Georgia. Now, what is the provision that the gentleman from South Dakota wanted to inquire about?

Mr. CASE of South Dakota. I wanted to call the attention of the gentleman to a subsequent paragraph in the section that the gentleman has already mentioned.

Mr. VINSON of Georgia. What section is that?

Mr. CASE of South Dakota. Section 14, paragraphs (b) and (c). I think the gentleman read paragraph (a).

Paragraph (b), as I read it from the RECORD, is an amendment considered in the Senate and provides that in case any sale is made, the Secretaries of War and Navy, respectively, shall make a report.

Mr. VINSON of Georgia. I have explained that.

Section 2 provides that if any profit in excess of 8.7 percent of the cost of performing such contracts—except prime contracts made on a cost-plus-a-fixed-fee basis as are completed by the contracting party within the taxable year—shall be considered to be profit in excess of 8 percent of the total contract prices of such contracts.

Mr. CASE of South Dakota. I think possibly I did not make myself clear. Under the section the gentleman was referring to just before I interrupted him there is another paragraph which I hoped the gentleman would call attention to.

Mr. VINSON of Georgia. That is amendment No. 14.

Mr. CASE of South Dakota. Yes; and in amendment No. 14 there are paragraphs (b) and (c), and the reason I want to call attention to that is that subparagraph (c) states:

Nothing herein shall be construed to repeal or modify sections 3 and 6, title V, of the act approved June 15, 1917.

Mr. VINSON of Georgia. That means that all of these subcontractors have got to agree to these provisions as well as the original contractors.

Mr. CASE of South Dakota. Yes; and, as I understand, paragraph (c) also provides that nothing in this act shall be construed to repeal the act of June 15, 1917, to which reference has been made as placing a bar against the sale or disposition of vessels to belligerents.

Mr. MAAS. That remains in the bill.

Mr. VINSON of Georgia. Yes. I may state to the House, so there will be no misunderstanding, that this bill relates to the War Department, the Coast Guard, and in the measure there is a title permitting the Housing Authority, the War Department, and Navy Department to get together with reference to building houses in the industrial centers where they have a shortage of houses today, and this has been worked out by the Housing Authority, the Secretary of War, and the Secretary of the Navy, and it is satisfactory to the Departments.

If there are no further questions, Mr. Speaker, I move the previous question on the conference report.

The previous question was ordered.

The conference report was agreed to.

A motion to reconsider was laid on the table.

EXTENSION OF REMARKS

Mr. TAYLOR. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD on conservation and the public domain.

The SPEAKER. Is there objection?

There was no objection.

CONSTRUCTION OF CERTAIN NAVAL VESSELS

Mr. VINSON of Georgia. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of the bill (H. R. 10100) to establish the composition of the United States Navy, to authorize the construction of certain naval vessels, and for other purposes.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union for the consideration of the bill H. R. 10100, with Mr. RAMSPECK in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

Mr. VINSON of Georgia. Mr. Chairman, I yield myself 20 minutes. It is, of course, unnecessary for me to dwell at length on the swiftly moving events in Europe. We are all awake to their full significance.

First, let us look into the situation that now confronts the United States. Then let us look into the situation that may confront us tomorrow, and finally consider the developments that the next few years may bring.

At the present we have to consider a German Navy which has demonstrated its bold efficiency in overseas expeditionary operations in the occupation of Norway, in the face of a greatly superior British Fleet.

The ports of Norway, Holland, Belgium, and France have now become bases for this fleet. It does not appear that it will be long before bases on the west coast of Africa will also become available to Germany's Navy. The possibility that the bases of Spain and Portugal will soon be added must be borne in mind.

The combatant tonnage of the German Fleet is about 485,000 tons, built and building.

Italy, the axis partner to Germany, has a combatant tonnage of about 700,000 tons. If this tonnage is added to that of the German Fleet, a combined axis fleet of 1,185,000 can be formed.

If the British Fleet is forced, through lack of repair and overhaul facilities, to leave the eastern Mediterranean, adequate oil supplies and other supplies by sea become available to the axis. The effect of the British blockade would then be very much reduced.

The French Fleet may remain with Britain, it may be sunk, it may be divided, it may be surrendered. The combatant tonnage of the French Fleet is about 792,000 tons. If surrendered to Germany, the various units of the French Fleet could be put in effective operation by German crews from time to time over a period of 12 months following the surrender. If this entire French Fleet were added to the axis, the combined combatant tonnage at the disposal of the axis would be about 1,977,000.

So much for the present and the immediately prospective future; so much for facts now on our doorstep that can no longer be ignored.

Looming as grave possibilities are the defeat of England, the loss of the British Fleet, or the surrender of the British Fleet. The combatant tonnage of the British Fleet is 1,995,000. If this amount were added to the German, Italian, and French Fleets, and, after 6 to 18 months, brought into effective operation by German crews, the total combatant tonnage would be 3,972,000 tons.

The Japanese Fleet has, in sight, a combatant tonnage of about 1,390,000. If this strength is added to the fleets of Germany and Italy the total combatant tonnage would be 2,575,000. If we consider the further addition of the French and British Fleets the total would be 5,362,000.

These are totals now in sight, or that could be in sight under the conditions assumed. But we must also consider additions that can be made to any of the axis combinations listed above during the building periods in which additions are made or can be made to the United States Fleet, as a result of expansion authorizations and appropriations either

already on the books or here recommended. The axis now has at its disposal the shipyards and munition factories of Germany, Italy, Poland, Denmark, Norway, Holland, Belgium, France, and possibly Spain. The axis may get British shipyards. Japan, of course, has its own shipyards.

Just how much building capacity this total is now, or how much it can be expanded into, would be difficult to estimate. But it would not perhaps be too wide of the mark to say that the capacity exceeds that of the United States perhaps five times.

During the past few years there has been considerable Nazi propaganda, Nazi economic aggression, and Nazi penetration in general into South America. There appears to be much evidence at the present time that Nazi agitation in these regions is boiling.

With victory approaching, the axis navies will have eliminated restraining commitments in Europe. They will have increasing naval strength, and will have west European and West African bases which will provide them springboards for operations in and across the Atlantic.

As of May 1, the built and building combatant tonnage of the United States is—under-age and over-age—1,905,205 tons. The authorized under-age combatant tonnage of the United States, as a result of the passage of the recent Expansion Act, H. R. 8026, is 1,724,480.

The gloomy possibilities that I have outlined may or may not be all realized. Some undoubtedly will be. Under practically any possible combination of circumstances it is imperative that we mobilize for an increase of naval armaments to the maximum degree possible.

It has become obvious that we must arm as rapidly as possible to meet our naval-defense requirements simultaneously in both oceans against a combination of powers concerting action against us. Our aim must always be to have forces sufficient to enable us to have complete freedom of action in either ocean while retaining forces in the other ocean for effective defense of our vital security. Anything less than this strength is hazardous to the security of the Nation.

This bill provides an increase in the authorized under-age tonnage of combatant ships by 1,325,000 tons as follows:

	Tons
Capital ships	385,000
Aircraft carriers	200,000
Cruisers	420,000
Destroyers	250,000
Submarines	70,000
Total	1,325,000

Proportionate increase in auxiliary ship tonnage, 100,000 tons.

While the above total tonnages at first glance may appear large, it cannot be definitely stated whether or not it will provide parity with possible coalition of powers such as actually exist today. The continuance of the development of world conditions along the lines indicated may necessitate an even larger expansion.

While it is true that the keels of the combatant ships cannot be laid immediately, nevertheless the preparation of material can parallel the rapid development of new construction facilities. This will enable us to complete new ships at the earliest possible time. Any delay in authorizing the new ships will, under the circumstances, result in a delay in their completion.

In presenting its program for the expansion of the Navy, the Navy Department has stated its desire that the numbers of the ships in each type should not be made public. The Navy Department feels, and your committee agrees with the Department, that it is contrary to the interests of the United States to broadcast any further in advance than is necessary the country's detailed rearmament plans.

Accordingly, the bill sets forth the additional authorized under-age tonnage of the various categories of combat ships only. The numbers of each type are not set forth. The total number will, however, be about 200 ships.

Section 3 authorizes the appropriation of funds not to exceed $150,000,000 for essential equipment and facilities at either private or naval establishments necessary for building or equipping vessels in this or previous programs. This provision is of very great urgency not only for the purpose of increasing our construction capacity as rapidly as possible, but for the construction of additional plants, located, if possible, in less exposed areas. These additional plants would place us in a position in which we would not have to depend on a single plant, as in the case of a single naval gun factory.

Section 5 of the bill authorizes the expenditure of not more than $25,000,000 for the procurement of patrol craft. This has reference to small vessels for protective effort around our harbors, a type of craft in which we are now very deficient, and which can be constructed in large numbers at small boat yards not capable of building larger ships. This section 5 also provides for the authorization for the procurement of 100,000 tons of auxiliary vessels. The construction of auxiliary vessels, or the acquirement and conversion of merchant vessels for auxiliary naval purposes has been to a large extent shoved aside during the course of years. We are now short of auxiliaries. As we increase our naval combatant strength and our naval aircraft strength, we must parallel these increases with additional auxiliary craft.

Section 6 of the bill is intended to remove from the maximum production of naval aircraft a possible obstacle in existing legislation. The act of 1934 required that 10 percent of naval aircraft be produced in Government factories. The 10,000-plane program recently passed by the Congress contemplates production of naval aircraft at a rate which will be more than 10 times greater than the maximum capacity of the existing Government plants. It is clearly not the intent of Congress, and not in accordance with the imperative needs of the country, that any such legislative restriction should operate to such a disadvantage to the country's naval-aircraft program.

Also, Mr. Chairman, I call attention to the fact that the Washington Gun Factory at the foot of Pennsylvania Avenue is the only naval gun factory in the United States. By this bill we authorize the Secretary, by the approval of the President, to build in the interior of the country, beyond the Allegheny Mountains, out in the steel regions, where labor is available, additional gun factories; and it is certainly highly in the interest of national defense that we have them no longer concentrated along the seaboard.

Mr. VORYS of Ohio. Mr. Chairman, will the gentleman yield?

Mr. VINSON of Georgia. Yes.

Mr. VORYS of Ohio. We were informed in our committee that the gun factory to which the gentleman has referred is the only naval-gun factory in the Western Hemisphere.

Mr. VINSON of Georgia. That is correct. In this bill we have authorized the appropriation of $15,000,000, not only to increase the present plant, but to construct others essential to carrying out this program, because as I have pointed out to you with this combination of powers, it is absolutely essential that this Government be prepared in its first line as early as possible.

Mr. JOHNSON of Oklahoma. Mr. Chairman, will the gentleman yield?

Mr. VINSON of Georgia. Yes.

Mr. JOHNSON of Oklahoma. I have been very much interested in the gentleman's informative address. As I understand it, this bill calls for 385,000 tons of capital battleships.

Mr. VINSON of Georgia. That is correct.

Mr. JOHNSON of Oklahoma. That means about 10 ships of 35,000 tons, or about 9 of 45,000 tons.

Mr. VINSON of Georgia. It all depends upon the tonnage. Either way you divide it would be correct, if that was the correct tonnage.

Mr. JOHNSON of Oklahoma. As I understand it, it takes at least 52 months to build one of these ships, and on most of these shipbuilding contracts they are running about 5 months behind the 52 months' schedule.

Mr. VINSON of Georgia. It is contemplated and hoped that the time can be speeded up whereby these ships will be completed within 36 months.

Mr. JOHNSON of Oklahoma. May I express the sincere hope that the gentleman is correct, but if we can judge the future by the past, it will take from 4 to 5 years to construct these capital battleships, which, in my judgment, is entirely too long.

Mr. VINSON of Virginia. The gentleman is correct, so far as normal peacetime construction is concerned, in the way in which they have been built, due to the fact that the bottleneck is at the armor plant, and we have been unable to get the armor, but by the provisions of this bill, and by the development of the Charleston, W. Va., armor plant, it is hoped that we can cut the Gordian knot, and get rid of the red tape, and break the bottleneck, and build these ships, in less time than heretofore.

Mr. JOHNSON of Oklahoma. If the gentleman will be good enough to yield further, permit me to say that I have no desire to be critical. I have always voted with the gentleman in matters of national defense. I have never at any time voted against a naval-defense program or any defense program in the sea, the air, or on land. There has been in the past a serious doubt in my mind as to the advisability of constructing too many large, expensive battleships, but I have resolved all doubts in favor of the views of the gentleman and his committee. It occurs to me, however, that instead of having 385,000 tons of capital battleships, that will take from 4 to 5 years to construct, that serious thought should be given to the suggestion to construct more and better pocket battleships, destroyers, and airplane carriers, and to greatly strengthen our air forces on land and on sea.

Mr. VINSON of Georgia. We, of course, build our Navy according to what other navies are doing. Germany is now building four new great battleships. She has just seized two that the French are building at Brest, and Japan is building battleships. We are forced to construct our defense along lines other nations are doing, and, therefore, it is imperative that we continue to build battleships as long as any other nation does. On the other hand, we are building airplane carriers, and we are providing in this bill for some 15,000 aviators and some 15,000 planes, and we are doing everything possible to work out a well-balanced national defense program for the Navy, because each unit must play its part if the team is to be effective.

Mr. JOHNSON of Oklahoma. If the gentleman will permit, let me add that I am sure all Members interested in adequate national defense appreciate very much not only the information that he is giving, but also the splendid patiotic service the distinguished and able chairman is rendering. I may add that no man in America knows more about the naval-defense needs and its program than does the distinguished gentleman from Georgia. [Applause.]

Mr. VINSON of Georgia. I thank the gentleman. In reply I desire to say in all sincerity that no Member of this House is more loyally supporting the President's defense program than is the able and distinguished gentleman from Oklahoma. Not only do I commend the gentleman from Oklahoma for his loyal and consistent support of national defense, but the State of Oklahoma is to be congratulated on sending a gentleman of his caliber to help represent it in this Congress. [Applause.]

Mr. MAGNUSON. Will the gentleman yield?

Mr. VINSON of Georgia. I yield.

Mr. MAGNUSON. Will the gentleman also point out to the House the further necessity for this program in this respect, that although we have a larger Navy, for instance, on the Pacific than the Japanese, if events would be such that we would have to split our Navy, then the Japanese Navy would be the largest navy on the Pacific coast.

Mr. VINSON of Georgia. That is right. Let the House understand what we are driving at here. This now becomes a hemispheric navy. The Congress has made it mandatory that it is the duty of the United States to defend this hemisphere, and by the bill which we passed recently it makes it absolutely imperative that we have a navy of this size. We not only must defend the continental limits of the United States, but we must defend the Monroe Doctrine. We must defend our insular possessions and we must have a navy in either ocean as large as that of those combinations to which I have called your attention in showing what the combinations could be.

Mr. PACE. Mr. Chairman, will the gentleman yield?

Mr. VINSON of Georgia. I yield.

Mr. PACE. In connection with the statement of building a balanced navy, why is it the naval authorities do not consider it necessary to have more submarines than are now authorized by this bill?

Mr. VINSON of Georgia. The building of submarines by nations depend upon their geographical situation. Our defense is not the same as that of Germany or England or France. We have a coast line which extends from Alaska to Cape Horn, on the Pacific, and this long coast line on the Atlantic. We are 3,000 miles away from the nearest navy across the Atlantic. We are six or seven thousand miles away from Japan. Therefore our defense is different and based upon a different viewpoint than that of countries in Europe, where, for instance, the English Channel separates France from England, or Holland or Norway or territories of that character, where submarines can be effectively used. However, submarines cannot be as effectively used in the ocean as in European countries, but, nevertheless, this program will give us some several hundred submarines.

[Here the gavel fell.]

Mr. VINSON of Georgia. Mr. Chairman, I move that the Committee do now rise.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. RAMSPECK, Chairman of the Committee of the Whole House on the state of the Union, reported that that Committee, having had under consideration the bill H. R. 10100, had come to no resolution thereon.

FURTHER MESSAGE FROM THE SENATE

A further message from the Senate, by Mr. Frazier, its legislative clerk, announced that the Senate still further insists upon its amendments Nos. 35 to 39, inclusive, to the bill (H. R. 9007) entitled "An act making appropriations for the Department of Labor, the Federal Security Agency, and related independent agencies, for the fiscal year ending June 30, 1941, and for other purposes"; and that it asks a still further conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. MCKELLAR, Mr. RUSSELL, Mr. MCCARRAN, Mr. BANKHEAD, Mr. O'MAHONEY, Mr. LODGE, and Mr. BRIDGES to be the conferees on the part of the Senate.

The message also announced that the Senate had passed, with amendments in which the concurrence of the House is requested, bills of the House of the following titles:

H. R. 6328. An act to amend the Tariff Act of 1930, as amended by section 34 (c) of the Customs Administrative Act of 1938 (U. S. C., 1934 ed., Supp. IV, title 19, sec. 1001, par. 1529 (a));

H. R. 7865. An act to amend the act for the regulation of the practice of dentistry in the District of Columbia, and for the protection of the people from empiricism in relation thereto, approved June 6, 1892, and acts amendatory thereof; and

H. R. 9791. An act to amend the District of Columbia Unemployment Compensation Act.

The message also announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 9850) entitled "An act to expedite the strengthening of the national defense."

The message also announced that the Senate had passed a bill of the following title, in which the concurrence of the House is requested:

S. 2842. An act to provide for an appeal to the Supreme Court of the United States from the decision of the Court of Claims in a suit instituted by George A. Carden and Anderson T. Herd.

Mr. TARVER. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 9007) making appropriations for the Department of Labor, the Federal Security Agency, and related independent agencies, for the

fiscal year ending June 30, 1941, and for other purposes, with Senate amendments, further disagree to the Senate amendments and agree to the further conference asked by the Senate.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Georgia? [After a pause.] The Chair hears none and appoints the following conferees: Messrs. TARVER, HOUSTON, SHEPPARD, HARE, ENGEL, and KEEFE.

PATENTS FOR LAND HELD UNDER COLOR OF TITLE

Mr. HILL. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 7736) authorizing the Secretary of the Interior to issue patents for lands held under color of title, with a Senate amendment, and concur in the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment as follows:

Page 1, line 5, after "in", insert "Monroe County in."

The SPEAKER. The Chair thinks it is proper to state that the minority Member, the gentleman from Michigan [Mr. MICHENER], who was interested in this matter, informed the Chair that he had no objection to this request.

Is there objection to the request of the gentleman from Washington?

There was no objection.

The Senate amendment was agreed to.

A motion to reconsider was laid on the table.

EXTENSION OF REMARKS

Mr. LUDLOW. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and include a letter by Mrs. Mary McLeod Bethune, of the National Council of Negro Women of the United States.

The SPEAKER. Is there objection?

There was no objection.

IMPORTATION OF ARTICLES, PRODUCTS, AND MINERALS PRODUCED, PROCESSED, OR MINED UNDER PROCESS COVERED BY OUTSTANDING UNITED STATES PATENTS

Mr. PETERSON of Florida. Mr. Speaker, by direction of the Committee on Mines and Mining, I ask unanimous consent to take from the Speaker's table the bill (H. R. 8285) to limit the importation of articles, products, and minerals produced, processed, or mined under process covered by outstanding United States patents; to define unfair trade practices in certain instances; and for other purposes, with Senate amendments, and concur in the Senate amendments.

The Clerk read the title of the bill.

The Clerk read the Senate amendments, as follows:

Strike out all after the enacting clause and insert:

"That the importation hereafter for use, sale, or exchange of a product made, produced, processed, or mined under or by means of a process covered by the claims of any unexpired valid United States letters patent, whether issued heretofore or hereafter, shall have the same status for the purposes of section 337 of the Tariff Act of 1930 as the importation of any product or article covered by the claims of any unexpired valid United States letters patent."

Amend the title so as to read: "An act to limit the importation of products made, produced, processed, or mined under process covered by unexpired valid United States patents, and for other purposes."

The SPEAKER. Is there objection to the request of the gentleman from Florida?

There was no objection.

The Senate amendments were agreed to.

A motion to reconsider was laid on the table.

NAVAL EXPANSION

Mr. VINSON of Georgia. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the state of the Union for the further consideration of the bill H. R. 10100.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union for the further consideration of the bill H. R. 10100, with Mr. RAMSPECK in the Chair.

The Clerk read the title of the bill.

The CHAIRMAN. The gentleman from Minnesota is recognized for 1 hour.

Mr. MAAS. Mr. Chairman, I yield myself 10 minutes.

The CHAIRMAN. The gentleman from Minnesota is recognized for 10 minutes.

Mr. MAAS. Mr. Chairman, this, of course, is a very important bill, but it is one I think that we all recognize we must accept as absolutely essential.

The entire defense policy and program of this Nation today is dependent upon the Panama Canal. To permit the entire safety and future of our great Nation with all that we have at stake to rest upon such a thin thread as a canal is altogether too dangerous. The security of the Nation and the hemisphere itself is involved in depending upon the safety of a canal. This is taking an unwarranted risk. Whether we like it or not, for 40 years the defense of the United States and its national policy has been dependent upon Great Britain. Unwritten or in any other way, we have had an understanding that the United States would take care of the Pacific and Great Britain would take care of the Atlantic.

The Monroe Doctrine could never have been enforced if it had been challenged at any time in the past 40 years under any other arrangements. We now see what a dangerous position that puts us in. Leaving out any question of sentiment in connection with aid to the Allies, we find ourselves today being told that we must save the British Empire in order to save our own defense, because we have no fleet in the Atlantic.

The time certainly has come when it must be clear to us all that the United States to remain independent and free must depend only upon itself for its defense. Since we are dependent upon a canal, the use of which at any time may be denied to us by sabotage or by air attack—and I frankly say to you that there is no system of defense that can be devised by mankind that can protect the Panama Canal, not even with all the antiaircraft guns you could put there and all the airplanes you could support there, the way war has come to be waged today, with wave after wave of enemy planes coming over—one plane landing one bomb on one gate of one lock, and the Canal is lost to us for the transit of our fleet from one ocean to the other.

Mr. REED of New York. Mr. Chairman, will the gentleman yield?

Mr. MAAS. I yield.

Mr. REED of New York. How many planes do we have at the Panama Canal now?

Mr. MAAS. The last time I was down there I counted 18 Army bombers and 12 pursuit planes.

Mr. REED of New York. When was that?

Mr. MAAS. In March.

Mr. DARDEN of Virginia. Mr. Chairman, will the gentleman yield?

Mr. MAAS. I yield.

Mr. DARDEN of Virginia. The gentleman is well aware that we have got to make our naval dispositions regardless of the number of planes in the Canal Zone. It is very questionable whether we can keep the Canal open for the use of our fleet in any desperate struggle in which this country might become engaged.

Mr. MAAS. I think that is correct. The defense of the Canal, of course, is not going to rest primarily on planes based on the Canal. They must be so based that they reach 1,000 miles at sea to keep enemy aircraft carriers from getting close enough to the Canal to get planes over the Canal Zone during daylight hours.

Mr. DARDEN of Virginia. Does not the gentleman feel that we are up against a hopeless problem in trying to keep the Canal open if a serious war should come?

Mr. MAAS. Absolutely, and even if we did not have the problem of keeping the Canal open we would still have the problem of distance. Distances in the Pacific are so great as against distances in the Atlantic that our fleet might be 10,000 miles away in the Pacific, leaving the Atlantic coast subject to attack from naval forces based only 3,000 miles

away in Europe. Our fleet in the Pacific might not be able to get into the Atlantic in time even though there were no question of keeping the Canal open. It is absolutely necessary for us to protect ourselves in both oceans.

Mr. MAGNUSON. Mr. Chairman, will the gentleman yield?

Mr. MAAS. I yield.

Mr. MAGNUSON. The gentleman and I together with the gentleman from Virginia [Mr. DARDEN] were at the Canal Zone in March and looked the situation over very carefully. As the gentleman has just pointed out, the defense of the Canal is not the defense based on the Canal Zone itself but more probably on a defense based 1,000 miles out to sea. The Members of this House should realize as some of us do all too well that if an enemy aircraft carrier could get within 1,500 miles of the Canal, a defense based on the Canal itself would not be sufficient to protect it.

Mr. MAAS. The gentleman is absolutely correct. Not only must we have a defense based 1,000 miles away from the Canal in one direction, but in two directions, for it could easily happen that while we were intercepting an enemy aircraft carrier 1,000 miles away on one side of the Canal another enemy aircraft carrier could come up on the other side of the Canal and destroy it.

Mrs. ROGERS of Massachusetts. Mr. Chairman, will the gentleman yield?

Mr. MAAS. I yield.

Mrs. ROGERS of Massachusetts. I am sure the gentleman is extremely glad the amendment to section 7 appears in the bill prohibiting the sale of ships to foreign countries without the consent of Congress. The sale of ships to foreign countries is dangerous. This is a thing that has troubled me a good deal, and something in which I am very much interested. It is vital that our own national defense be not weakened.

Mr. MAAS. I am glad the gentlewoman from Massachusetts called attention to section 7, because it is one of the most important things to the defense of this Nation. This provision was adopted unanimously by the committee when it was offered by the chairman. It provides that hereafter no vessel, ship, or boat now in the United States Navy or being built therefor shall be disposed of by sale or otherwise, or be chartered or scrapped, without the consent of Congress.

I wonder if the Members of this House realize that one of the reasons why France and England are in the desperate condition they are today—France has capitulated and England is in the most critical condition in its history—is because they shipped to Spain the very vital weapons so needed for their own defense that they left themselves woefully undefended, as they had not made provision to replace those weapons before they themselves became engulfed in the war.

Do the Members realize that if England and France had conserved their own guns, tanks, and airplanes instead of sending them for use in the Spanish Revolution there might have been a different story in Europe today? We must not permit ourselves to fall into that same trap. There can be no surplus of war materials in this country, because there is actually a deficit in them. There cannot be a surplus and a deficit at one and the same time of the same commodity. There is a deficit today in every category and every type of weapon needed in this country.

Mr. SUTPHIN. Will the gentleman yield?

Mr. MAAS. I yield to the gentleman from New Jersey.

Mr. SUTPHIN. Is it not a fact that in 1922 we destroyed 11 capital ships, the largest and most formidable vessels that were ever built?

Mr. MAAS. That is perfectly true.

Mr. BATES of Massachusetts. Will the gentleman yield?

Mr. MAAS. I yield to the gentleman from Massachusetts.

Mr. BATES of Massachusetts. We destroyed 29 battleships—18 in service and 11 under construction.

Mr. MAAS. We must see that that will not happen again.

Mr. LEWIS of Colorado. Will the gentleman yield?

Mr. MAAS. I yield to the gentleman from Colorado.

Mr. LEWIS of Colorado. Does the gentleman think this provision—that is to say, section 7 of H. R. 10100—will prevent any more treaties by which the United States might repeat our folly of 1922, when, as the gentleman says, the United States destroyed 11 capital ships, the largest and most formidable that were ever built, whereas the other naval powers merely tore up blueprints?

Mr. MAAS. Yes; I think it will. While it is true a treaty may be ratified by the Senate, nevertheless, this provides that no vessel of the Navy can be disposed of in any manner, not even scrapped, without the consent of the House, as well as the Senate.

Mr. LEWIS of Colorado. That is the gentleman's understanding of the meaning of the provisions of section 7 in this bill?

Mr. MAAS. Yes.

Mr. LEWIS of Colorado. I would like to have the RECORD show that there cannot be any more disarmament treaties of that sort.

Mr. MAAS. It is our intention to say that there can be no such disarmament treaties without the consent of the House as well as the Senate hereafter.

Mr. COLE of Maryland. Will the gentleman yield?

Mr. MAAS. I yield to the gentleman from Maryland.

Mr. COLE of Maryland. The gentleman is admittedly an authority on this subject.

Mr. MAAS. I thank the gentleman.

Mr. COLE of Maryland. I was interested a few moments ago when, in answer to a question asked by the distinguished gentleman from New York [Mr. FISH], the chairman of the Naval Affairs Committee [Mr. VINSON of Georgia] stated that we had at this time the strongest Navy in the world. I would like to have the gentlemans' observation along that line.

Mr. MAAS. I believe that is quite correct. Today the United States has the strongest Navy of any single power in the world, but we must remember that we will never be faced by a single power. We must prepare to defend ourselves against a combination of fleets, because while our Navy is superior to any single navy, in fact it is quite inferior to even such a coalition that could be brought against us in the Atlantic, even if we had our entire Navy in the Atlantic, and any combination added to the Japanese Navy in the Pacific would be superior to our entire fleet if it is kept in the Pacific.

Mr. DITTER. Will the gentleman yield?

Mr. MAAS. I yield to the gentleman from Pennsylvania.

Mr. DITTER. Referring back to that time in our history when we pursued a disarmament program, the gentleman will agree with me that any destruction that may have been made in the way of ships was due to agreements that had been made with other nations, will he not?

Mr. MAAS. Yes.

Mr. DITTER. And that there was a general world sentiment favoring disarmament?

Mr. MAAS. Oh, yes; and it was thoroughly agreed to by both parties in this country at that time.

Mr. DITTER. Not only in this country, but other nations of the world, realizing the futility of war, banned together in the hope that war might not recur. Is that a fair statement?

Mr. MAAS. Yes; I think that is a fair statement.

Mr. DITTER. I am correct in saying that one of the purposes of the last war was to end wars?

Mr. MAAS. That is what I thought when I went into it anyway.

Mr. DITTER. That was probably the inspiration out of which the disarmament program sprung. Then as to agreements I believe I am right that they grew out of treaties, did they not?

Mr. MAAS. Yes.

Mr. DITTER. And certainly the gentleman in his observation a moment ago did not intend to convey to the House the impression that we could override constitutional limitations and that the House would have a part in the making of treaties if such treaties were projected in the future?

Mr. MAAS. We will have this right when the pending measure is adopted, because while a treaty may be made and ratified by the Senate, to implement it will require action by the House thereafter if it involves sinking of any ships.

Mr. CHURCH. Will the gentleman yield?

Mr. MAAS. I yield to the gentleman from Illinois.

Mr. CHURCH. If the other body goes on record at this time in favor of this provision in the pending bill, then the other body is certainly powerless to agree to any treaty in later years that does not incorporate these provisions?

Mr. MAAS. Yes.

[Here the gavel fell.]

Mr. MAAS. Mr. Chairman, I yield myself 5 additional minutes.

Mr. BENDER. Will the gentleman yield?

Mr. MAAS. I yield to the gentleman from Ohio [Mr. BENDER].

Mr. BENDER. Is it a fact there are 35 fewer fighting ships today than there were 6 years ago?

Mr. MAAS. The figures are so confusing it is hard to say unless I knew the entire basis of your figures and whether you are talking about under-aged or total number of ships, or just what. The ships are becoming over-aged constantly, therefore the number at any one time may appear to decrease, but that does not mean we have fewer ships in the Navy. We may have fewer so-called treaty ships, which means ships under 20 years, or 26 years in the case of capital ships. This does not mean that the total number of ships, both over and under age, is less, however.

Mr. ENGLE. Will the gentleman yield?

Mr. MAAS. I yield to the gentleman from Michigan.

Mr. ENGEL. Is it not a tragic situation that we are confronted with war, and despite the fact that we have the largest Navy in the world, our foreign policy has been such that we are compelled to build against the world; that the only friends we have are those who are being defeated in the present European conflict?

Mr. MAAS. How is the gentleman certain they are our friends? That has not always been the case, at least. We have several times been at war with each of those countries. I think it is very unfortunate that we have ever permitted our defense system to rely upon some other government. Here we are announcing the policy that from now on the United States shall stand upon its own feet in its protection and in its defense.

Mr. ENGEL. I am for the bill; but does the gentleman advocate a policy of building in the future against the entire world?

Mr. MAAS. If necessary to defend ourselves against the world; yes.

Mr. LEWIS of Colorado. Referring to the gentleman's statement concerning the protection of the Canal by outposts, I should like to ask if the gentleman does not believe, after his recent trip to the Canal Zone, that we should secure a post in the Galapagos Islands, off Ecuador, and also another in Trinidad?

Mr. MAAS. I certainly do. I believe that Trinidad may be almost the key in that part of the defense, and it is almost vital to us that we have a base in Trinidad. Individually, I would go to almost any extreme to get such a base in Trinidad.

Mr. ANDREWS. Mr. Chairman, will the gentleman yield?

Mr. MAAS. I yield to the distinguished gentleman from New York.

Mr. ANDREWS. As I understand, this is merely a bill of authorization?

Mr. MAAS. Yes.

Mr. ANDREWS. Were any statements made in the committee as to when the department might ask for appropriations under this authorization?

Mr. MAAS. They have assured us that they intend to ask for an appropriation as soon as possible and to actually start this program within 6 months.

Mr. VINSON of Georgia. Mr. Chairman, will the gentleman yield?

Mr. MAAS. I yield to the distinguished chairman of the Committee on Naval Affairs.

Mr. VINSON of Georgia. In response to the question just asked, may I state that just as soon as this bill becomes law after the recess it is contemplated to ask for a deficiency appropriation of $175,000,000. The major portion of it will be used in developing facilities throughout the country for the purpose of carrying out this building program.

Mr. MAAS. I want to discuss several features of the bill. The committee added 75,000 tons of aircraft carriers. This is to provide three aircraft carriers for both training Marine squadrons aboard carriers and for operating as carriers for marine air squadrons in event of war. It is going to be essential that the Navy have at least three carriers over and above the actual number needed for air support of the fleets themselves to be assigned for Marine Corps operations in connection with the missions of the Marines in support of fleet operations. The main mission of the Marines is to support the fleet in securing advance naval bases, and then in holding such bases after the fleet moves on in its main operations.

To hold such bases an increasingly important element is aviation. The aviators and airplanes that must be left in support of such advance naval bases must be over and above the need of pilots and planes operating in support of the fleet itself. Therefore there must be separate aircraft carriers to supply Marine air support in taking advance bases, and to keep transporting Marine squadrons as replacements in the task of holding such bases.

I shall offer a committee amendment to raise the limit of naval planes from 10,000 to 15,000, with authority to make any necessary plans in excess of that number if the national defense requires it. This is necessary because of the increasing importance of aviation in successful naval operations.

To be successful a fleet must not only dominate the sea, but also the air. The war in Europe has certainly demonstrated this. To be all-powerful in our own defense we must therefore have the most powerful fleets in the world and the most powerful air fleets in the world.

Mr. REECE of Tennessee. Mr. Chairman, will the gentleman yield?

Mr. MAAS. I yield to the gentleman from Tennessee.

Mr. REECE of Tennessee. Regardless of what one's attitude may be toward our foreign policy, the program provided for in this bill is necessary and we should really be for it.

Mr. MAAS. Yes; regardless of any of the mistakes that have been made in the past by any administration in foreign policy or defense, the bitter fact confronts us that this is absolutely essential to the defense of this Nation, and we must do it now regardless of what has happened in the past. [Applause.]

[Here the gavel fell.]

Mr. VINSON of Georgia. Mr. Chairman, I ask that the bill be now read for amendment.

The Clerk read as follows:

Be it enacted, etc., That the authorized composition of the United States Navy in under-age vessels as established by the acts of May 17, 1938 (52 Stat. 401), and June 15, 1940, Public Law No. 629, Seventy-sixth Congress, is hereby further increased by 399,600 tons, as follows:

(a) Aircraft carriers, 79,500 tons.
(b) Cruisers, 198,000 tons.
(c) Destroyers, 80,100 tons.
(d) Submarines, 42,000 tons: *Provided*, That each of the foregoing increases in tonnage for aircraft carriers, cruisers, destroyers, and submarines may be varied upward or downward in the amount of 20 percent of the total increased tonnage authorized herein so long as the sum of the total increases in tonnages of these classes as authorized herein is not exceeded.

With the following committee amendments:

Page 1, line 5, after "June" strike out "15" and insert "14."

Page 1, line 7, strike out "three hundred and ninety-nine thousand six hundred" and insert "one million three hundred and twenty-five thousand."

Page 2, beginning in line 1, strike out down to and including the word "exceeded" in line 12, and insert the following:

"(a) Capital ships, 385,000 tons;
"(b) Aircraft carriers, 200,000 tons;

"(c) Cruisers, 420,000 tons.
"(d) Destroyers, 250,000 tons;
"(e) Submarines, 70,000 tons: *Provided*, That each of the foregoing increases in tonnages for capital ships, aircraft carriers, cruisers, destroyers, and submarines may be varied upward or downward in the amount of 30 percent of the total increased tonnage authorized herein so long as the sum of the total increases in tonnages of these classes as authorized herein is not exceeded."

The committee amendments were agreed to.

Mr. BENDER. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I have been listening attentively to all these remarks and comments made on both sides regarding this authorization bill. Because I read something between the lines, I rise to comment and make a few observations.

In the first place, there is no opposition to this measure. Everybody joins in support of it and I believe we will have a unanimous vote on it. However, there have been some things injected to indicate that possibly the responsibility for this condition rests elsewhere than where it belongs. I read from a document I got from the Congressional Library, known as the Campaign Book of the Democratic Party, Candidates and Issues, 1936, and in the Democratic Party platform of 1932 appears the following:

that the people in time of peace may not be burdened by an expenditure fast approaching a billion dollars annually.

In other words, there is criticism there of the previous administration because it appropriated as much as almost a billion dollars for national defense.

Further in this book I find the following, in the platform of 1936:

There has been no deviation with respect to the platform's deviation dealing with the sanctity of treaties and the maintenance of good faith and good will in financial obligations. Adherence to the World Court was recommended to the Congress. The Pact of Paris remains an instrument of national policy.

Further, I read on the back cover of this booklet this statement from a speech of President Roosevelt:

We can keep out of war if those who watch and decide have a sufficiently detailed understanding of international affairs to make certain that the small decisions of each day do not lead toward war, and if, at the same time, they possess the courage to say no to those who selfishly or unwisely would let us go to war.

I call your attention to these statements because this is the place to do it, and because I feel that possibly some reference may be made to the statements on the floor here at the convention next week, or the convention 3 weeks hence.

I further wish to call your attention to the words of a great President, Calvin Coolidge, who once said:

A country loaded with debt has lost its first line of defense.

To those who would say that the country was not ready for a greater defense program, let me quote an authority whom you enjoy quoting.

Mr. PARSONS. Mr. Chairman, a point of order.

The CHAIRMAN. The gentleman will state it.

Mr. PARSONS. Mr. Chairman, I make the point of order that the gentleman is not addressing his remarks to the amendment.

The CHAIRMAN. The gentleman from Ohio will proceed in order.

Mr. BENDER. Mr. Chairman, I know the gentleman knows that I am proceeding in order, because I have moved to strike out the last word.

In November 1935, the Gallup poll showed that 70 percent of the people were in favor of a bigger Army and 72 percent in favor of a bigger Navy.

Mr. PARSONS. Mr. Chairman, I make the point of order that the gentleman is not speaking to the amendment, and may I ask the word that the gentleman has moved to strike out?

The CHAIRMAN. The gentleman will proceed in order.

Mr. BENDER. In 1938 a similar poll showed 82 percent of the people were for a bigger Army.

Mr. PARSONS. A point of order, Mr. Chairman.

Mr. McCORMACK. Mr. Chairman, I ask unanimous consent that the gentleman from Ohio may be permitted to proceed out of order.

The CHAIRMAN. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. BENDER. In November 1938, according to the Gallup poll, 82 percent of the people of this country were for a bigger Army and 86 percent for a bigger armed force.

Now, let me call attention to the fact that in 1933 the Federal debt was $22,000,000,000. Today it is $45,000,000,000, or an increase of $23,000,000,000, of which only $8,766,000,000 has been appropriated and expended for national preparedness.

Recapitulation of expenditures—not appropriations—for national defense from 1933 through 1939 shows spent:

On the Army, $2,445,833,534; on the Navy, $3,402,541,099. This is a total of $5,848,374,633.

Figures show expenditures for national defense from 1933 through 1939 and appropriated for 1940 and 1941, as follows:

Fiscal year	Navy	Army	Total
1933	$349,361,924	$268,417,426	$617,779,350
1934	297,029,280	243,329,151	540,358,431
1935	430,477,860	273,485,711	703,933,571
1936	529,031,665	382,654,683	911,686,348
1937	548,801,242	374,260,148	923,061,390
1938	588,828,834	421,985,682	1,010,814,516
1939	659,040,284	480,900,733	1,139,941,017
1940	722,389,092	656,898,000	1,379,287,092
1941	851,751,000	687,693,000	1,539,444,000
Total	4,976,681,181	3,789,624,534	8,766,305,715

These billions of dollars were taken from the taxpayers. What defense have the taxpayers received for these billions?

THE ARMY

The largest peacetime appropriations in our history for the Army show a deplorable situation. We find our Regular Army to consist of only 183,447 officers and men. Add a National Guard of 197,188, and a Reserve force of 116,175, and we have a grand total of 496,810.

For this small Army we have spent and appropriated $3,789,624,534 since 1933. In the past 16 years, 1925–40, a total of $6,169,000,000 of "preparedness money" has been consumed by the Army alone, including its air force.

Of the more than $6,000,000,000, noted above, well over five billions was spent only for upkeep. In fact, only $854,526,000 of it went for real preparedness—new aircraft, new tanks, antiaircraft and antitank guns, semiautomatic rifles, field guns, machine guns, trucks, tractors—in the whole 16 years. While we thought we were building up a real modern Army, we were merely housing, feeding, and clothing an Army that wouldn't make a patch on a European army's pants.

Of the $854,526,000 spent for new defense equipment, $509,900,000 went to the Army Air Corps, and $344,626,000 to the ground forces. The balance of the $6,000,000,000 was spent for clothing, housing, and upkeep.

FOURTEEN CENTS FOR DEFENSE; 86 CENTS FOR UPKEEP

In other words, out of every dollar of the six billions preparedness money spent upon our well-fed, well-clothed little Army in 16 years, 86 cents was expended for its comfort and contentment—only 14 cents for actual national-defense equipment. Ponder on that, Mr. Businessman.

Remember also that the Reserve Army Corps of 116,175, included in the total, is made up of 113,177 officers and only 2,998 men, and the Reserve officers practically maintain themselves, receiving little or nothing from the Government.

How about tanks—that powerful factor of modern warfare? This semicivilian American Military Establishment has about 350 tanks, of which only 28 are modern. What would happen to such a handful of tanks as against the cavalcade that has been ripping through the Allied armies? The administration says "the defense expansion program contemplates a total of 928 light and heavy tanks." Two and a half billion dollars gone—and officialdom contemplates.

Another diversion of money from modern equipment is shown in the large-scale Army maneuvers which the War Department recently ordered "because of world conditions." This spring's activities called for an expenditure of $18,000,000. Investigation reveals that 50 percent of this, or $9,000,000, was spent for transporting troops to the maneuvering area.

THE NAVY

Expenditures for the Navy from 1933 through 1939 total $3,402,541,099, plus appropriations of $1,574,140,092 for 1940–41, making a grand total of $4,976,681,191. What do American taxpayers have to show for these billions?

THIRTY-FIVE LESS FIGHTING SHIPS

According to Navy Department records, as presented in the 1939 Statistical Abstract of the United States (p. 149), we had 457 fighting ships in 1934, 436 in 1935, 416 in 1936, 424 in 1937, and 422 on January 1, 1939—a decreas of 35 fighting ships.

Yet the President in his radio fireside chat of May 26, 1940, told the people:

> Between 1933 and 1940—7 fiscal years—your Government will have spent one and a half billion dollars more than it spent on the Navy during the 7 years before 1933.

The point is that for the $2,700,000,000 appropriated during the years 1933 to 1938, inclusive, no strengthening of the Navy occurred. All hope of protection and defense is in the future. All results to be had from these billions depends upon ships on order, laid down, expected to be delivered, and so forth.

The positive fact remains that we had 35 less fighting ships in 1939 than we had in 1933, in spite of the gigantic expenditures recited by the President.

AIR FORCE

Gen. George C. Marshall, Chief of the Army General Staff, tells our Washington representatives that "America faces a monumental task to overcome the deficiencies of past neglect" of its air forces. Which means that most of the hundreds of millions appropriated for that purpose during the defense-expenditure spree of the past 9 years has not been used for the purposes it was intended.

The President, in his recent Sunday evening fireside chat on preparedness, said, "In 1933 we had 1,127 useful aircraft—in the Navy—and today we have 2,892 on hand and on order." This is misleading and is not the kind of candor and frankness with which to win the confidence of the American people. What are the facts?

The number of planes on hand for the Navy is 1,755, and on order, 1,137. Read Admiral John H. Towers, Chief of the Bureau of Aeronautics, told the Naval Affairs Committee that the Navy "will have only 1,902 combat planes by July 1, 1941."

Major General Arnold, Chief of the Army Air Corps, testified that of the 2,752 planes in the Army Air Corps, "only 52 planes are fit for modern war," and that of the remaining 2,700 "perhaps a half dozen could be rendered fit."

Fifty-eight fighting planes in the Army, and Germany has 18,000.

Furthermore, of the 2,752 planes on hand in the Army, over 2,000 are training ships, leaving only 863 combat ships, all of which are obsolete. A combat plane today, under the Army's own specifications, requires self-sealing fuel tanks, heavy armor, and guns of light artillery caliber. In neither the Army nor the Navy does the United States have one such plane, save in an experimental phase.

As to planes "on order," the whole delivery schedule for American planes is now further delayed by the recent order giving the Allies priority on all American military production desired by them. Thus, the 3,837 planes "on order" are not in fact in production for our own use should the Allies elect to call for them.

ARTILLERY

Regarding artillery the President said:

> In 1933 we had only 24 modern infantry mortars in the entire Army. We now have on hand and "on order" more than 1,600.

Germany made the 105 millimeter howitzer its basic defense weapon. The United States, on May 1, last, did not have a single one of these weapons on hand. The 105 is heavier than the famous French 75, primary weapon of both the French and United States Armies, and throws twice as heavy a projectile the same distance. Maj. Gen. Charles M. Wesson, Chief of Ordnance, says the Army plans to replace about one-third of the 75's in each division with 105's. This calls for an initial supply of 120, with a final requirement of 300.

The Army so far has ordered just 48 of these howitzers, with delivery more than a year away.

Concerning antiaircraft guns, the President said:

> In 1933 we had only 355 antiaircraft guns. We now have more than 1,700 * * * on hand or "on order."

We actually have on hand 448 3-inch guns and 15 37-millimeter guns—a total of 463. The other 1,237 are "on order." The situation, therefore, is this—we had 355 guns in 1933 and we have 463 today. Yet from 1933 to 1940 expenditures by the Army and Navy for "defense" has totaled $5,847,374,623.

Mr. CHURCH. Mr. Chairman, I rise in opposition to the pro forma amendment and ask unanimous consent to revise and extend my remarks in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Illinois?

Mr. CHURCH. Mr. Chairman, when the President of the United States addressed the Congress in joint session on May 16 with regard to our national defense he used these words:

> Let us examine, without self-deception, the dangers which confront us. Let us measure our strength and our defense without self-delusion.

Later in the same address he said:

> Our task is plain. The road we must take is clearly indicated. Our defenses must be invulnerable, our security absolute.

I find my text in those two passages from the President's message. The American people are unanimous in their desire to have an impregnable defense for this hemisphere. I am determined they shall have it. It is important that our people know the facts and not be deceived as to our real strength in defending ourselves from foreign aggression.

The first factor to be considered is, of course, our military and naval facilities. The devastating war in Europe has shocked the American people to a realization of our lack of preparedness. Congress has never been reticent in giving the President all the funds he requested these last 8 years for the Army and Navy. Yet we find ourselves today totally lacking the essential equipment for adequate national protection. We find ourselves trying to accomplish in a few months what should have been done during the last several years.

It was no secret that Hitler was building the largest air force in the world and that he was developing a highly mechanized army. Indeed, he openly boasted about his superiority in air. Chamberlain was not impressed. Daladier was not disturbed. It was not until Munich that Great Britain and France began to awaken to the potential power of an air force and a mechanized army. Today the people of Great Britain and France are paying a very dear price for the neglect and lack of foresight on the part of their governments.

They have appealed to the United States for airplanes, for antitank guns, for tanks, for antiaircraft guns, for equipment with which to combat Nazi mechanized power on land and in the air. But there has been very little that the American people could do. Our own Government had been lacking in foresight. Roosevelt, like Chamberlain and Daladier, could not be convinced that a new method of warfare had developed. It was not until the actual invasion of France that our administration experienced a great awakening. We are now feverishly trying to recapture precious time that has been lost in establishing the kind of defense we should have. Our essential equipment is not on hand but only on order.

Take antitank guns, for instance. The War Department estimates our requirements to be 1,556. We have only 218 on hand; 526 are on order, and deliveries will not be completed until June of 1941.

We have on hand only 100 light tanks and 18 medium tanks. On order we have 724 of the former and 176 of the latter.

I do not intend to burden you with statistics, taken from the official records, of the different equipment we actually have on hand. It is no secret that our antiaircraft protection is inadequate. It is no secret that we are only really beginning to build up an air force.

In his message to Congress the President stated, "The American people must recast their thinking about national protection." That we must "recast our thinking" on the essentials for an impregnable defense I thoroughly agree. But it is somewhat disturbing to me, as it must be to the people generally, that it has taken the administration so long to recognize the need to "recast our thinking." Why has it taken these recent developments in the European war for those in charge of our Government to discover the power of an air force and mechanized units?

It cannot be said that the potential power of such a force has not many times been stressed by individual Members of Congress. I cannot recall a single Army or Navy authorization or appropriation bill debated on this floor but that the question was raised as to why more funds were not being allotted to tanks, airplanes, training of pilots and antiaircraft gunners. During the 6 years I have been a Member of Congress it has been my privilege to serve on the Committee on Naval Affairs. Time and again the question was asked at the sessions of this committee as to why it would not be more advisable to concentrate on aircraft development. But in every instance we were always assured that exactly what was requested by the Administration was exactly what was needed.

Let me read to you one paragraph from the minority report filed on March 7, 1938, by the gentleman from New York [Mr. COLE], the gentleman from Maine [Mr. BREWSTER], and myself, setting forth our views on the naval authorization bill, H. R. 9218, of that year. This paragraph, setting forth our objection to the bill, will be found on page 16 of that report:

> This bill limits naval aircraft when the importance of aircraft for defense is increasing with revolutionary rapidity and other nations are spending 10 times what we are for experimentation in aircraft development for defense.

On many occasions I have endeavored to focus attention on the need for aircraft development. Other Members of this House have done likewise.

Some of you may recall that on June 27 of last year I spoke somewhat at length on the degree to which the airplane had revolutionized warfare, the necessity of our developing this weapon of defense, and the necessity of moving our aircraft industries inland. If you will permit, I should like to read a few paragraphs from my remarks at that time:

> The airplane has revolutionized warfare. It has enlarged the field of battle to such an extent that the classification of combatants and noncombatants no longer exists. With the increased range, increased speed, and increased capacity of aircraft, I think it may be accurately said that the emphasis in modern warfare is gradually shifting from the objective of penetrating the enemy's lines to the objective of destroying the sources of production which sustain those lines. The airplane has produced a weapon of war for destroying a nation's will to survive, and its chief offensive power lies in its ability to spread consternation among a people and destroy their key-defense facilities.
>
> We need not cite the statements of Army officers and military strategists as authority to prove the thesis that the airplane today, and to a greater extent several years from now, is the most vital weapon of a nation's armament strength.

Those were my expressed views before the Nazi invasion of Norway and before the Nazi invasion of France. The experiences of the present war have served to confirm my conviction. But the point I wish to emphasize, Mr. Speaker, is that the administration could not be convinced. It is for that reason that we find ourselves today without the essential equipment for an impregnable defense. It is for that reason that our necessary defense equipment is largely on order rather than in existence. If, therefore, we "measure our strength and our defense without self-delusion," as the President suggested, we have to conclude that today our country is unprepared.

And there are other factors important to national defense to be considered aside from the Military and Naval Establishments. National defense involves more than the number of men under arms and in reserve. It involves more than the size and nature of the fleet and the air force. When we think of national defense, of being prepared for what the future may bring, we must get into the habit of thinking of more than men and equipment. We must consider our ability to finance a war.

With remarkable speed and admirable cooperation, Congress has been enacting legislation to enlarge our Military and Naval Establishments, to repair the deficiencies in matériel and personnel. We want our people to have peace and security. And our people are willing to make whatever sacrifices may be necessary.

It must be recognized that financial preparedness is as important as military preparedness. No country can be successful in a war unless it has the ability to finance its military and naval machinery. It behooves us to establish a sound fiscal policy. Unless we do this all our military and naval preparations may come to naught.

At the present time our national deficit approximates $45,000,000,000. This does not include the indirect obligations of the Federal Government. And we will shortly have to add to the debt the billions we are now appropriating for warships, planes, sea bases, air stations, guns, and all the other items imperative for our safety. In order to meet this need the Congress included a provision in the recent tax bill to increase the statutory debt limit $4,000,000,000.

Mr. Chairman, we simply cannot continue to follow the policy of deficit accumulation. We are headed for financial chaos. At this session of Congress we made certain changes in the permanent income-tax law and we levied a general tax increase of 10 percent. But only around $1,000,000,000 additional will be realized, and sources of Federal taxation are tapped virtually to the limit.

If we are to realize a truly adequate national defense so earnestly desired by our people, we must be willing to remain in session so that we may revise the entire tax structure, and at the same time give consideration to ways and means for reducing the cost of government. Ninety-two percent of the additions to the public debt during the last 7 years has been due to excess spending for purposes other than national defense. There are innumerable places where money can be saved.

There is still a third factor in connection with our national defense to be considered. I refer to our capacity to produce. It is self-evident that our entire preparedness program, as well as our ability to meet the needs of defensive warfare, must depend upon private enterprise. A recent report by Brookings Institution states that the deficit financing policy of the administration, the taxation policies, and regulatory policies have stopped the flow of capital into productive channels. It is quite unnecessary for me to take the time to enumerate the various laws now on the statute books that have discouraged industrial progress in the United States.

One of the reasons why France was not prepared to resist the ruthless Nazi invasion was the fact that her economic power was weakened by the policies of the Blum government. During the last several years our Government has been following those same policies and making the same mistakes. Business has been harassed. Strife between employees and employer has been encouraged. Private investments in new enterprises have been discouraged. In a word, our economic system has been so disrupted by governmental policies that our country lacks the sustaining power necessary to defend itself properly.

Mr. Chairman, we do not have an impregnable national defense. Let us not deceive ourselves. We are unprepared on the military and naval fronts. We are financially unprepared. We are industrially unprepared. It is a disturbing picture. To make large appropriations for the Army and Navy is not enough. We must put our economic house in order. We must establish a competent government.

The people of the United States appreciate the great dangers confronting us. They ask that we do not become involved in the war in Europe. They want peace. They ask that we make certain we have the strongest defense it is

possible to establish. They want safety. I pray that when the war clouds of Europe have lifted that the United States will point the way to a new order, where the blessings of liberty and the blessings of peace will be enjoyed by all men. Let this great Republic of ours be impregnable. The responsibility rests with us. [Applause.]

Mr. POAGE. Mr. Chairman, I move to strike out the last three words and ask unanimous consent to revise and extend my own remarks in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. POAGE. Mr. Chairman, the stark tragedy of the collapse of the great French Republic, with all its far-flung world empire, is a source of grief and sorrow to every friend of free government throughout the world. Today, the sands of democracy are running fast, and it may well be that, within a short space of weeks, government by the people will be found nowhere in the Old World. Only in the Western Hemisphere has democracy so far escaped the blighting breath of the beasts of war and destruction so wantonly loosed by the self-appointed dictators of great peoples in Europe and Asia. We of America have just witnessed the horrible agony of death administered to a sister republic by a pack of international wolves, who, working together, planned for the larger to attack the Low Countries, and in that way lure France from the protection of the cover of her great defensive line to make a brave but hopeless effort to save the little neutrals, whose own refusal to consult with the French staff prior to actual invasion, brought about their destruction and subjected their would-be savior to flank attack and pursuit, only to find Italy, whose very existence as a united nation free of German control was effected by the aid of France, but under totalitarian control and playing the ignoble part of a full-grown jackal ready to jump upon the reeling form of hopeless freedom. A tragedy to civilization—a black and bloody page in the history of the world.

But, Mr. Chairman, if we look no further than the effect of this awful mischief, we shall leave our own and all democratic institutions open to the same unhappy fate. The contemptible attack of Benito Mussolini could not have destroyed France had not Hitler's mechanized legions already rained death from the skies and sprayed destruction along the highways of the north. But France had a great army of brave and well-trained men, commanded by able officers. She had a powerful fleet, a matchless system of fixed defenses. She was a wealthy and powerful land. How, then, can we explain her present loss and suffering? Whatever we may think of the advisability of the course followed by a portion of her leaders in their decision to accept an ignoble and cruel peace in what seems to us to be a useless and unavailing effort to save further loss, we cannot say that the French soldier did not give a brave account of himself so long as he had any of the means with which to combat the mechanized terror he was forced to face.

We therefore see stark force victorious. We see clearly that no living man, no matter how brave, can long stand up to such overwhelming superiority of equipment. But do we realize that, but for those bleeding and broken forms that once were men but which now lie unburied in northern France, our own boys might be now meeting these machines of death practically barehanded? Thanks to their sacrifices, we are being given an opportunity to prepare to meet this Central European terror with the only force that it respects—armed might equal to its own. It will, however, take even our great industries months of intensive work to turn out the engines of war which the pressure of unrestrained international madmen makes essential to our own defense. In the meantime, there lies just one little group of islands, about one-third the size of my native State, between America and this maelstrom of destruction. On the British Isles there are 45,000,000 free men who are determined that the fate of France, of Belgium, of Holland, Norway, Denmark, of Poland, of Czechoslovakia, and all the rest shall not be reenacted there. They have the will to resist. They have the fighting heart. They are engaged, not simply in the defense of their lives. They are defending much more. They are the immediate defenders of their loved ones, of their homeland, of their free institutions. And not simply of their own free institutions, but of free institutions everywhere. They hold the last outpost of liberty in Europe, and they constitute the last barrier between the all-absorbing and destroying ambition of the dictators on the one hand and the American Republics on the other.

The need for improvement of our own defenses is no longer a matter of discussion. The most ardent isolationist, as well as the most sincere pacifist, must now recognize that we must prepare for national defense as we have never done before. The preparation must involve not only the building of a great air fleet, of tanks, artillery, of a 2-ocean Navy, and of greatly augmented forces of trained troops. It must also include adequate defense against enemies at home as well as abroad. It must include preparation to detect and destroy all disloyal and subversive groups, whether native or alien.

Though there is no dispute as to these needs, is it not crystal clear that the very first step in our own program of national defense, the defense of America, if you please, must be directed toward the securing of time—time to carry out the ambitious programs we have envisioned? Are we as well prepared today as was Poland last September? Can we be as well prepared 3 months hence as was France 3 months ago? Yet these great nations were not well enough prepared. They had the men, just as we do, but they did not have the machines. We likewise lack machines. We have no need to fear America's ability to provide them, but it will take time. And only the British—and some French remnants—are holding the dike while we make the needed preparations.

I trust, therefore, that there can be little disagreement with the vital importance of rushing every possible material aid to the last bulwark of democracy. I speak not from any sentimental or philosophical standpoint, but solely from the standpoint of American self-interest. If one doubts that self-interest requires America to send all possible aid, short of men, to Great Britain at once, let him answer the question "Why do we arm at all?" To that question there can be but one answer. We arm because the dictators are armed, and they are coming in our direction. They are moving westward and we see clearly that they are not being stopped. We arm because Germany and Italy have conquered France and may conquer England. If that danger did not exist we would not arm as we are doing. If you feel that there is no danger to America in the steady march of the dictators, then you should not have voted for the vast armament appropriations which you and I so recently supported. There is no other reason for these expenditures.

Next, what do we expect to do with our armaments? What is our purpose? It is to defend ourselves, not somebody else but ourselves, against certain consequences that would follow a totalitarian victory. We arm against German possession of the British Fleet, against German control of Canada, against German possession of British West Indies, close to our shores, and to the Panama Canal; we arm against German or Italian menace to us by way of Latin America. In short, we arm for one purpose and reason only. We arm to be able to prevent consequences which would follow a totalitarian victory over Great Britain.

Now, if we are to prevent the consequences of such a victory, would it not be better for us to take all possible steps to prevent such a victory? Must we sit idle and see the last obstruction removed from the path to America? Must we stand by while Germany gains the fleet she needs to complete and round out her equipment to cross to our side of the Atlantic? Is it not better, far better, for us to make available to Great Britain every material resource at our command, now? To help supply this sister democracy with the arms she will need to defend her shores? Certainly, so long as Britain fights on, America is safe, and American industry is being given the time it so desperately needs. The best way, possibly the only way, for America to arm herself is to arm Great Britain. This does not mean sending American troops to Europe.

Our great President is right. We must redouble our efforts to get what airplanes, tanks, and other armament we have into British hands before it is too late. A 1939 model airplane will do America more good in England in June 1940 than it will as an out-of-date "crate" in the United States in June 1941.

I recognize full well that there is a possibility that, even with our supplies, Great Britain may be defeated. She fights against great odds. I recognize that even after extending aid to the limit of our ability we may later have to defend ourselves, but such aid will not have weakened us. On the contrary, by using our factories now to make arms for Great Britain we shall get them speeded up into quantity production in the shortest possible time. By sending existing equipment we shall be able to make it most effective at the moment, and shall strengthen our own force by replacing it with new material. And, in any event, we shall have gained the thing we need most—time.

Therefore, the first step in American armament must be aid to Great Britain. We can only hope that this will give us time to take the second step—the development of an armament industry. This Congress has already made available vast funds for the construction of needed equipment, but we must all realize that money alone never stopped a tank or brought down an airplane. That money must be converted into arms. That takes time. You cannot walk into a department store and buy a dozen modern bombers, or even a 60-ton tank. Nor can these things be ordered for delivery next week. To produce such machines our factories must have time to install new tools and equipment and train their workmen. We have the greatest industrial plants in the world. We have the executives and the laborers needed to do this tremendous job. But we need time. We will not need as much time as if we were undertaking a peacetime job. We know that our great industrial leaders like Henry Ford, W. C. Knudsen, and their fellows stand ready to and are even now transforming their plants into armament works. We know that American labor recognizes the gravity of the situation and we may confidently expect the sincere and wholehearted cooperation of labor. Mr. Chairman, we can and we will do the job of rearmament and do it in a big way—the only way that will be of any value—if we can but have the needed time.

The American people and the American Government fully recognize the need of arms. We are not delaying. We are now working strenuously to enlarge our forces and to increase our productive capacity. The Congress and the President have acted, but all that we have done is not enough. We must make the home front safe. We must know that the men and industries now struggling to give us our industrial production are not stabbed in the back by the now well-known "fifth column." We must deal sternly and promptly with all those who would undermine our Government or who would sabotage our industry. We must promptly deport those aliens who take advantage of the hospitality we offer. To accomplish this purpose, Mr. Chairman, I introduced a bill which this House has already passed, and which I sincerely hope may receive favorable action by the Senate without delay. We cannot, however, assume that all of the disloyal elements are composed of aliens. Let us bow our heads in shame, but let us nevertheless realize that there are American citizens, both native-born and naturalized, who, like Hacha and Quisling would gladly betray our country for a few pieces of silver, just as Judas Iscariot betrayed our Lord 2,000 years ago. We must be on guard at every cross road. We must drive the snakes out of the garden lest they make ineffective our preparations against foreign aggression, but in so doing we must be equally careful that we do not in the name of liberty commit the very crimes of intolerance which we so condemn in others.

To summarize, America must prepare at once. To do so, we must do these things:

First. We must give all possible aid to the last-remaining European democracy as she fights to give us the time we need.

Second. We must rush the actual fabrication of needed airplanes, tanks, guns, and other needed equipment. We must enlist and begin to train the men to handle this equipment. To do this we must cut all red tape, let vast contracts with existing plants, train the necessary labor, as well as soldiers, sailors, and aviators; supply the needed raw materials, and allow nothing to stand in the way.

Third. We must protect ourselves against the traitor, the spy, and the foreign sympathizers. To do this we must keep ever on the alert, training hundreds and possibly thousands of G-men to combat their activities. We must make our preparedness all-inclusive.

While we prepare with the purpose of maintaining peace, not with the purpose of engaging in war, we must never overlook the fact that in this new cruel world of dictators and armed might, only by making prompt and adequate preparation for war can America hope to avoid war. May our purpose always be to avoid war, but if we are forced into war, let us know that our troops will be trained and possessed of adequate and modern equipment. Let us be practical. Let us recognize and profit by the mistakes of others. Let American statesmen be guilty of no Munich. Let American labor be guilty of no such sabotage as wrecked French industry for several years prior to the outbreak of war. Let American capital forego any thought of war profits. Let all American citizens recognize their responsibility to protect the home front from spies and traitors such as betrayed Norway and Holland. Let us do these things and we will not find our boys subjected to the terrors of a retreat from Flanders. Let America, indeed, walk softly but let us never forget to carry a big stick. [Applause.]

The clerk read as follows:

SEC. 2. The President of the United States is hereby authorized to construct such vessels, including replacements authorized by the act of March 27, 1934 (48 Stat. 503), as may be necessary to provide the total under-age composition authorized in section 1 of this act.

SEC. 3. There is hereby authorized to be appropriated, out of any money in the Treasury of the United States not otherwise appropriated, such sums as may be necessary to effectuate the purposes of this act, including not to exceed $50,000,000 for essential equipment and facilities at either private or naval establishments for building or equipping any ship herein or heretofore authorized.

With the following committee amendment:

On page 3, line 9, strike out "$50,000,000" and insert "$150,000,000."

The committee amendment was agreed to.

The clerk read as follows:

At the end of line 11, change the period to a comma and insert: "$50,000,000 for essential equipment and facilities for the manufacture of ordnance material at either private or naval establishments, which shall include the authority to purchase land, erect buildings, and acquire the necessary machinery and equipment, and $20,000,000 for the expansion of facilities, which shall include the authority to acquire land and erect buildings for the production of armor at either private or naval establishments."

Mr. VINSON of Georgia. Mr. Chairman, I offer an amendment to the committee amendment.

The Clerk read as follows:

Amendment offered by Mr. VINSON of Georgia to the committee amendment: On page 3, in line 15, insert, after the word "land" the words "at such locations as the Secretary of the Navy with the approval of the President may deem best suited to the purpose" and insert after the word "buildings" the word "thereon."

The amendment to the committee amendment was agreed to.

The committee amendment, as amended, was agreed to.

Mr. VINSON of Georgia. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. VINSON of Georgia: On page 3, line 11, delete the word "ship" and insert in lieu thereof the words "complete naval vessel or portion thereof."

The amendment was agreed to.

Mr. MAGNUSON. Mr. Chairman, I move to strike out the last word and I ask unanimous consent to extend my remarks in the RECORD at this point.

The CHAIRMAN. Is there objection to the request of the gentleman from Washington?

There was no objection.

Mr. MAGNUSON. This, Mr. Chairman, is an extraordinary bill, being put through under extraordinary circumstances, but these are extraordinary times. Events require this action. I doubt that there will be a dissenting vote. This speaks well for the important House Committee on Naval Affairs, upon which I have had the privilege of serving during my tenure in this body.

This committee has worked hard for many months. The necessity of increase of naval activity has been apparent to its members, both Republican and Democratic for years. We set ourselves to that task. Through the fine cooperation of the Department itself, we have set in motion legislation these past years, the culmination of which gives us now the finest and one of the largest navies in the world. The House and Senate have backed us up admirably. Congress has not been asleep to the Navy's needs. Recent events require a greater program and a speeding up of the program in motion. The past months have seen the committee devoted to that duty. The opposition charge that we have been neglectful of the naval needs of this country is wholly without foundation. The Republican members of this committee, for whom I have the profoundest respect, whose patriotism cannot be questioned, will bear testimony that such a charge is not correct. The defense effort has been wholly nonpartisan. I think the House will agree that I have some knowledge on this subject.

Mr. BOLAND. Will the distinguished gentleman from Washington yield?

Mr. MAGNUSON. I yield to the whip of the House.

Mr. BOLAND. I served some time with the gentleman on the Naval Affairs Committee. I know of the gentleman's devotion to the cause of adequate naval defense; particularly has the gentleman, at least during my service, been insistent for the building up of the defense of the Pacific Northwest area. I remember the fight conducted by the gentleman from Washington for the establishment of the Alaskan bases, a section of the country heretofore, and prior to his service in Congress, without defense establishments of any character.

Mr. MAGNUSON. I thank the gentleman from Pennsylvania.

Mr. BOLAND. Will the gentleman yield further?

Mr. MAGNUSON. I yield.

Mr. BOLAND. Is not the gentleman from Washington now the ranking majority member of that committee from the Pacific coast and chairman of the important subcommittee of yards and docks?

Mr. MAGNUSON. I am, and may I enlarge a little upon the gentleman's reference to the Alaskan bases to show what has been done. The committee, and the Congress, and the Navy have now in process of construction some very adequate and fine bases in Alaska as well as Puget Sound. They are——

Mr. BOLAND. Yes; the gentleman has been very insistent about Puget Sound. There are some new drydocks being built there, are there not? I remember the gentleman from Washington's activity for their approval way back during the close of the Seventy-fifth Congress.

Mr. MAGNUSON. That is correct. I intend to speak of them later. But the Alaskan bases are now rapidly rounding into shape. The committee and the Congress authorized and appropriated for the bases at Sitka and Kodiak some time ago. This session saw the passage of bills and money forthcoming for additional bases at Unalaska and Anchorage. Few Members here realize the proximity of the Japanese bases to the coast of Alaska, the encroachment of Japanese fishing on the Alaskan coast; and now the Russians are eyeing a naval base and intend to construct one, on their territory within a stone's throw of Alaska. Therefore, it seems to me that the establishment of the first two bases at Sitka and Kodiak were farsighted upon the part of the committee. The new bases round out the picture. Twelve million will be spent at Anchorage, more than that at Kodiak, which base has been under construction for some time; six or seven million will go into Sitka, and an auxiliary base will be built at Unalaska, completing the defense arc from Panama to Hawaii to the Aleutians. The committee and the Navy have been working on this for some years. The Hepburn report advocated this. The bases are to be combined air, submarine, and destroyer bases. Puget Sound will be the mother base.

Mr. McCORMACK. Will the gentleman yield?

Mr. MAGNUSON. I yield to the able gentleman from Massachusetts.

Mr. McCORMACK. The gentleman from Washington will recall that over 3 years ago I advocated to the House the speeding up of the air program of the Navy. I introduced and sponsored a bill for 10,000 additional airplanes and 5,000 additional pilots. I remember the gentleman's strong endorsement of this measure and his work to aid in its passage. This was long before events had shaped up in Europe and the world. I think that now this House will agree that we were right.

Mr. MAGNUSON. I recall that and that same farsighted program advocated by the gentleman from Masssachusetts is now conceded necessary.

Some of us have not been asleep to these defense needs. I can speak, I believe, authoritatively about the Pacific Northwest area. Take Puget Sound, for example.

The Puget Sound Navy Yard has been the recipient of congressional attention long before my service in this body. It grew in efficiency and adequacy along with the general development of the Navy ever since the beginning of this administration. But since 1936 it has experienced an enlargement unparalleled until today it is one of the most efficient and adequate navy yards in the world. At one time in early 1936 less than 2,500 men were employed there. Today, there are close to 7,000 workmen in the yard. These are civilian employees. Thousands of naval officers and men move in and out the yard every year. A torpedo station nearby has been added to. I have advocated manufacture of torpedoes there for the west coast. That will come. Now the station can repair any and all torpedo parts. A large ammunition dump lies close to the base. It is being added to.

The Puget Sound base has the finest harbor, protected by bays and the Sound, in the country. Deep water makes it admirably suited for capital ships. Since 1936 two large battleship drydocks have been added. One a cruiser dock and the other the latest, most up-to-date dock in the world. It is to be dedicated soon. Concrete for the other dock is beginning to pour this month. One, the largest, cost over four million. Its construction employed thousands of workmen. It can take the largest ship the Navy has afloat. The other is designed for enlargement. We are working on a third. These docks will make the yard available for repair of all capital ships and aircraft carriers in the Pacific Fleet.

One of the finest machine shops in the country adjoins the docks. Repair work can be done at a minimum expense and speed. In the past 2 years that has been added to. The foundry has been enlarged. Electric lines have been made handy. Without going into too much detail, Mr. Speaker, with what has been done at the yard and what is contemplated, the Puget Sound Navy Yard is one of the finest in the country for either construction and repair and one of the few yards available for large ship construction.

Its now present pay roll is the largest single pay roll in the whole State of Washington. I need not tell my people what this means to the economic conditions of the section. The little up-to-date city of Bremerton, where the yard is located, experienced one of the greatest growths of any city in the country the past few years, according to the census.

Now, Mr. Speaker, I know that no one can challenge that record for Puget Sound and Alaska in the matter of defense. These are things that have been going on since my membership on this committee. I appreciate the fine cooperation and aid of the other members. Possibly these things have not been given enough publicity. But they are there. Recent events, as has been well stated here today, call for further enlargement and better adequacy to the Navy's needs in the Pacific. Millions have already been spent.

Mr. SABATH. Will the gentleman yield?

Mr. MAGNUSON. I yield to the dean of the House.

Mr. SABATH. I am not so familiar with the gentleman's activity on the Naval Affairs Committee, but the naval activity in the Puget Sound area will speak, I think, for it; but I think the gentleman should mention briefly another activity in the area, the Sand Point air base.

Mr. MAGNUSON. I am glad the gentleman from Illinois mentioned that.

More proof of the pudding that we have not been deaf and have been working in the area, and I do not wish to bring these things up to in any way minimize the importance of other defenses in other naval areas of the country, for the committee has considered all parts in their defense efforts, but I speak of these merely because I participated in detail on these bases. After all, national defense is a national matter and not sectional, and the committee these past few years has attacked the problem with this in mind, but I can say that the Puget Sound area was given special consideration because of the lack of defenses there in the first place, its growth is, however, also indicative of the growth in other sections. It continues to be focal point in national defense.

Seven years ago the Sand Point naval air base was merely a bad landing field with only one small hangar. It was without adequate repair facilities. Today it is not the largest but the finest air base in the country. People in my home town are amazed at its growth in the past 3 years.

The field is enlarged. It is the mother base for the Alaskan squadrons. Machine and repair shops have been built, and so forth.

The pay roll alone in the thirteenth naval district runs well over a million a month. More has been spent in this section the past 4 years than in any comparable district.

The Naval Affairs Committee is proud of its activity and the results toward the adequate defense of this country. I am proud of my membership on the committee. We have been helping build the Navy to be second to none. Recent happenings have made us realize that even more than that is necessary. We can no longer rely upon any balance of sea power. We must build so as to protect ourselves from any combination of naval powers. It is not sufficient to have just sea power stronger than any one nation. It must be stronger than any combination of nations. Although we have the largest Navy in the Pacific, if we had to split it to form an Atlantic squadron, the remainder, in those waters, would be insufficient to cope with, say, Japanese power. That is why this House should be for this further expanse. We have gone over this thing carefully; we believe we are advising the Members soundly, and surely consistent with recent events in the world.

These things cost money. We believe this is the best insurance for America. It is unfortunate we have not had more time to sound out public opinion, but the public, I believe, are willing and ask this be done. They have overwhelmingly approved of the program of the past years referred to by myself heretofore. At least, I am convinced the people of my State have approved of my efforts along these lines. And so——

Mr. McGRANERY. Will the gentleman yield?

Mr. MAGNUSON. I do.

Mr. McGRANERY. I know the gentleman is an authority on naval defense, and I value his opinion. He has spoken of these matters of—built and to be built. I call his attention to section 7 of the bill. Is the gentleman in favor of that?

Mr. MAGNUSON. Not only in favor of it, but the committee gave this matter considerable thought before it was placed in the bill. We believe the restriction necessary. If we are going to build ships we should reserve them for our own use. The section is specific; it reads:

No vessel, ship, or boat now in the United States Navy, or being built therefor shall be disposed of by sale or otherwise, or to be charted or scrapped without the consent of Congress.

And so, Mr. Chairman, the United States sets out this week to build the greatest Navy in the history of the world. Two hundred additional ships with a total tonnage of 1,250,000, taking about 6 or 7 years to complete.

Its effect would give us a two-ocean Navy. A fleet of perhaps about 700 ships capable of meeting simultaneous attacks in both oceans. It will be larger by far than the British Navy and larger than projected fleets of the Rome-Berlin-Tokyo axis, even with the French Fleet. It does not contemplate as yet the defeat of the British Fleet and its being added to the axis fleets. We have added more than 75,000 tons of aircraft carriers than originally asked for. We have boosted the naval plane limit from 10,000 to 15,000.

Considerable expansion of shipbuilding facilities are required. The testimony before the committee is to the effect that the Bureau wants most of the new facilities in the private yards of the Pacific coast. Too little shipbuilding has taken place there——

Mr. WALLGREN. Will the gentleman yield?

Mr. MAGNUSON. I yield to my colleague.

Mr. WALLGREN. I am glad the Department feels that way about the west-coast yards; you have been urging that for some time.

Mr. MAGNUSON. Yes; we all, on the committee from the Pacific coast, as well as yourself here on the floor. The Department now realizes this need. It is my understanding that immediately upon the passage of this authorization that the Department will ask the Appropriations Committee for about one hundred and seventy-five million to be used to expand the ways and facilities of the west-coast yards. Admiral Robinson, head of the Bureau of Ships, testified before the committee that they had surveyed the West and found three immediate yards that could be enlarged at minimum cost to make way for this ship construction, one in Seattle, one in San Francisco, and one in Los Angeles. Others in these sections can be used with a little more time. The Navy, under this appropriation, would finance the private yards for ways, and so forth, in part or in whole, and the yards in these strategic localities could begin and become experienced in the building of these necessary fighting ships. It provides an excellent opportunity for the basis of a revival of all shipbuilding on the west coast, especially Puget Sound.

The bill also provides authorization for the building of such small craft as the President may desire and sets aside $25,000,000 for this. These torpedo boats are, and have become, a vital part of naval warfare. They could be built in the small yards around Puget Sound, as my colleague from Washington well knows. I believe we have made the program as available for the Puget Sound shipbuilders as possible. I hope they take advantage of the law. We need this work out there. It can be started within 6 months, at least, the enlargements to the private yards. We need the private activity in Puget Sound to supplement the navy-yard activity.

The program in tonnage compares with the available figure of the other contemplated navies of the world, as follows:

	Tons
United States	3,745,000
Great Britain	2,101,804
Japan	1,457,734
France	819,000
Italy	717,738
Germany	578,444

These totals are as of May 1940. Germany is building swiftly, and Japanese totals are incomplete, as no official information is being released but should be fairly accurate.

By ships, the totals for us are as follows:

	Built	Building	Projected	Total
Aircraft carriers	5	2	12	19
Battleships	15	10	9	34
Cruisers	35	10	50	85
Destroyers	219	48	156	423
Submarines	95	25	68	188
Total	369	95	295	749

We have been moving toward this objective for many months. Its completion will leave no stone unturned for the

protection of America. We urge your support, and I know the House will vote this bill promptly. [Applause.]

Mr. Chairman, because this statement has been comprehensive in nature, and because I believe the people of the country should be informed on this important naval program, especially those in the section of the great Pacific Northwest, I am going to have additional copies printed from the RECORD and sent to those interested, and I know this House and the Naval Affairs Committee will welcome opinions from those citizens. Copies will be available for Members of the House as well as the committee report and the hearings.

Mr. IZAC. Mr. Chairman, I rise in opposition to the pro forma amendment.

Mr. Chairman, we hear so much about armament today, I want to draw your attention to the fact that the fleet at the present time is undermanned. We have not enough officers even for the peacetime organization. There is no effort being made at the present time to increase the facilities at the Naval Academy in order to get more officers.

I shall not take very much time, but I want to draw your attention to just a few of the things that I think should be attended to immediately.

The second statement I want to make has to do with the gun factory. All of the large guns mounted on the vessels of the fleet are manufactured in the Naval Gun Factory here at Washington. I deem it advisable at this time to say that the gun factory will have to be doubled, at least, in order to take care of the needs of the increased fleet we are providing for here today.

Mr. MAAS. Mr. Chairman, will the gentleman yield?

Mr. IZAC. I yield.

Mr. MAAS. Is the gentleman familiar with the fact that the bill provides for such facilities, but puts them back in the mountains for protection?

Mr. IZAC. I have not seen any effort made at the present time to build another naval gun factory at another point.

Mr. MAAS. It is provided for in this bill.

Mr. VINSON of Georgia. Section 3 is the one that authorizes and provides for it, and I just offered an amendment that the location of it, and the location of what activities are necessary, shall be by direction of the Secretary, approved by the President of the United States. The testimony shows that it is the thought of the Navy Department to try to utilize the Charleston armor plant in connection with the building of the gun factory, because it is essential, and we may have to build one or two more and may have to build them in other sections of the country. That is the reason we put in section 3, to expend $150,000,000 for the expansion and carrying out of the program.

Mr. IZAC. Another point I would like to mention is the fact that you have but one place in this country where you can manufacture torpedoes. It is true, of course, that we have Alexandria now, but with the fleet in the Pacific it seems to me vital we have close to the Pacific another torpedo station to turn out torpedoes for the fleet on the west coast.

Mr. VINSON of Georgia. Of course, the Pacific coast Representatives are vitally interested in the statement that I am about to make. The Department officials stated that by this expansion program they hope to be able to develop and bring back to life the shipbuilding industry on the Pacific coast from Tacoma, Wash., down to San Diego.

Mr. IZAC. I thank the gentleman, and, of course, that satisfies me.

Mrs. ROGERS of Massachusetts. Is it not also true that there is likely to be a shortage of clothing for the increased Navy personnel. That will make a great deal of employment.

Mr. IZAC. I believe that will give employment to people in all sections of the country, and does not vitally affect any one section.

Mrs. ROGERS of Massachusetts. It affects all sections. I understand that much more clothing is needed.

Mr. IZAC. Yes. The gentlewoman is correct.

Mr. CHURCH. I might also inform the gentleman from California that in this $4,000,000,000 naval authorization bill it has to be recognized that it is necessary to place many of these activities in the interior of the country, away from the seacoast.

Mr. IZAC. But, of course, the gentleman will agree with me that we do not expect to have the ships themselves go up into the mud flats of the interior.

The Clerk read as follows:

SEC. 4. The allocation and contracts for construction of the vessels herein authorized shall be in accordance with the terms and conditions provided by the act of March 27, 1934 (48 Stat. 503), as amended.

With the following committee amendment:

Page 5, at the end of the bill insert a new section, as follows:

"SEC. 5. The President of the United States is hereby further authorized to acquire and convert or to undertake the construction of—

"(a) Patrol craft at a total cost not to exceed $25,000,000; and

"(b) One hundred thousand tons of auxiliary vessels of such size, type, and design as he may consider best suited for the purposes of national defense."

The CHAIRMAN. The question is on agreeing to the committee amendment.

The committee amendment was agreed to.

The CHAIRMAN. The Clerk will report the next committee amendment.

The Clerk read as follows:

Committee amendment: Following section 5, as amended, insert:

"SEC. 6. The provisions of the act of March 27, 1934 (48 Stat. 504), requiring not less than 10 percent of the aircraft, including the engines therefor, procured subsequent to that act to be constructed or manufactured in Government aircraft factories or other plants or factories owned and operated by the United States Government, shall not operate to curtail procurement so long as production at the said Government plants and factories is maintained at the limit of their capacity as determined by the Secretary of the Navy."

The committee amendment was agreed to.

The CHAIRMAN. The Clerk will report the next committee amendment.

The Clerk read as follows:

Committee amendment: After section 6, insert the following committee amendment:

"SEC. 7. No vessel, ship, or boat now in the United States Navy or being built therefor shall be disposed of by sale or otherwise, or be chartered or scrapped, without the consent of the Congress."

Mr. VORYS of Ohio. Mr. Chairman, I offer the following amendment to the committee amendment which I send to the desk.

The Clerk read as follows:

Amendment offered by Mr. VORYS of Ohio to the committee amendment: On page 4, line 19, after the word "built", insert "or hereafter built".

Mr. VORYS of Ohio. Mr. Chairman, this amendment will prevent any vessel now in the Navy or being built "or hereafter built" from being disposed of without the consent of Congress. It will prevent not only the present but the future weakening of our national defense for the benefit of other countries.

I am supporting the "two-ocean Navy" authorized by this bill, although it is my hope and expectation that the full program will never need to be completed. I feel we are overpessimistic as to the threat to our safety involved in present developments abroad. On the other hand, we dare not be unprepared for the worst possible outcome, and we are therefore prudent in thus authorizing a Navy that will make us independent of all other nations in maintaining our hemisphere defense.

If future events do not bear out our present fears for our safety, if the world within a year or so turns again toward peace, we can then consider the curtailing of this program. If the sea battles which may be fought shortly in European waters prove that the vessels now authorized should be changed, the Navy will have the time and the power to do this under the provisions of this bill. If the worst comes to the worst, we have by this bill prepared ourselves to meet any possible combination of enemies in any ocean.

I was part of the Naval Limitations Conference in 1921–22. I believe that we acted wisely then, helped to create an era

of peace and saved billions of dollars. If the opportunity should again arise when America, strongly armed, could take the lead in bringing about peace and disarmament, I hope we shall do so once more. I feel that this bill places us in a strategic position for either war or peace and I hope that we will use this position to promote peace rather than war.

Mr. VINSON of Georgia. Mr. Chairman, I accept that amendment.

The CHAIRMAN. The question is on agreeing to the amendment offered by the gentleman from Ohio to the committee amendment.

The amendment was agreed to.

The committee amendment, as amended, was agreed to.

Mr. VORYS of Ohio. Mr. Chairman, I ask unanimous consent to extend my remarks in the RECORD.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. MAAS. Mr. Chairman, I offer the following amendment, which I send to the desk.

The Clerk read as follows:

Amendment offered by Mr. MAAS: Page 4, after line 21, add a new section as follows:

"SEC. 8. The President of the United States is hereby authorized to acquire or construct naval airplanes and spare parts, and equipment, as may be necessary to provide and maintain the number of useful naval airplanes at a total of 15,000: *Provided,* That if, in the judgment of the Secretary of the Navy, the total number of airplanes authorized herein is not sufficient to meet the needs of the national defense, he may, with the approval of the President, make such plans for procurement as the situation may demand."

The CHAIRMAN. The question is on agreeing to the amendment offered by the gentleman from Minnesota.

The amendment was agreed to.

Mr. BRADLEY of Pennsylvania. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I just want to say for the RECORD, so that there will be no further question about it at some future date, that with regard to the committee amendment in section 6, with respect to the construction of 10 percent of aircraft at Government factories, it is the intention of the Naval Affairs Committee, and it will be the intention of the Congress in the passage of this bill, that the Navy Department shall use the full facilities of the Philadelphia naval aircraft factory and maintain maximum production at all times. I would like to put that in the RECORD. [Applause.]

[Here the gavel fell.]

The CHAIRMAN. Without objection, the committee amendment as amended will be agreed to.

There was no objection.

The CHAIRMAN. Under the rule, the Committee will now rise.

Accordingly the Committee rose; and the Speaker having resumed the chair, the gentleman from Georgia [Mr. RAMSPECK], Chairman of the Committee of the Whole House on the state of the Union, reported that that Committee, having had under consideration the bill (H. R. 10100) to establish the composition of the United States Navy, to authorize the construction of certain naval vessels, and for other purposes, pursuant to House Resolution 538, he reported the bill back to the House with sundry amendments adopted in Committee of the Whole.

The SPEAKER. Under the rule, the previous question is ordered.

Is a separate vote demanded on any amendment? If not, the Chair will put them en gros.

The amendments were agreed to.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time and was read the third time.

The SPEAKER. The question is on the passage of the bill.

The bill was passed.

A motion to reconsider was laid on the table.

DEPARTMENT OF LABOR-FEDERAL SECURITY AGENCY APPROPRIATION BILL, 1941—CONFERENCE REPORT

Mr. TARVER. Mr. Speaker, I submit a conference report and statement on the bill (H. R. 9007) making appropriations for the Department of Labor, the Federal Security Agency, and related independent agencies, for the fiscal year ending June 30, 1941, and for other purposes.

Mr. TARVER. Mr. Speaker, I ask unanimous consent for the immediate consideration of the conference report on the bill H. R. 9007.

The SPEAKER. Is there objection?

There was no objection.

Mr. TARVER. Mr. Speaker, I ask unanimous consent that the Clerk read the statement in lieu of the report.

The Clerk read the statement.

The conference report and statement are as follows:

CONFERENCE REPORT

The committee of conference on the disagreeing votes of the two Houses on certain amendments of the Senate to the bill (H. R. 9007) making appropriations for the Department of Labor, the Federal Security Agency, and related independent agencies, for the fiscal year ending June 30, 1941, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendments numbered 36, 37, 38, and 39.

Amendment numbered 35: That the House recede from its disagreement to the amendment of the Senate numbered 35, and agree to the same with an amendment, as follows: Restore the matter stricken out by said amendment, and at the end of the matter so restored insert the following: ": *Providing further,* That this section shall not apply to positions in the Civilian Conservation Corps outside the District of Columbia"; and the Senate agree to the same.

M. C. TARVER,
JOHN M. HOUSTON,
HARRY R. SHEPPARD,
BUTLER B. HARE,
ALBERT J. ENGEL,
Managers on the part of the House.

KENNETH MCKELLAR,
RICHARD B. RUSSELL,
PAT MCCARRAN,
J. H. BANKHEAD,
JOSEPH C. O'MAHONEY,
Managers of the part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 9007) making appropriations for the Department of Labor, the Federal Security Agency, and related independent agencies, for the fiscal year ending June 30, 1941, and for other purposes, submit the following statement in explanation of the effect of the action agreed upon and recommended in the accompanying conference report as to each of such amendments:

On No. 35: Restores language inserted by the House requiring apportionment on the basis of population of non-civil-service positions in the agencies provided for in the bill, amended so as to exempt field employees of the Civilian Conservation Corps from the operations of the provision.

On Nos. 36, 37, 38, and 39: Corrects section numbers.

M. C. TARVER,
JOHN M. HOUSTON,
HARRY R. SHEPPARD,
BUTLER B. HARE,
ALBERT J. ENGEL,
Managers on the part of the House.

Mr. TARVER. Mr. Speaker, I move the adoption of the conference report.

Mr. RICH. Mr. Speaker, will the gentleman yield?

Mr. TARVER. I yield.

Mr. RICH. Was this bill increased by the Senate over what the House appropriated?

Mr. TARVER. That is a subject matter that I discussed with the gentleman when the first conference report was adopted, and I gave him at that time the exact figures. This conference report has no relation to the amount of money included in the bill at all.

The SPEAKER. The question is on agreeing to the conference report.

The conference report was agreed to.

A motion to reconsider was laid on the table.

AMENDING TARIFF ACT OF 1930

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 6328) to amend the Tariff Act of 1930, as amended by section 34 (c) of the Customs Administrative Act of 1938 (U. S. C., 1934 ed., Supp. IV, title 19, sec. 1001, par. 1529 (a)), with a Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment as follows:

After line 7, insert:

"Section 520 of the Tariff Act of 1930, as amended, is amended by adding thereto the following subsection:

"'d. No duties collected prior to June 26, 1938, under paragraph 1115 (b) of this Act shall be refunded, unless the claimant establishes to the satisfaction of the Secretary in accordance with regulations prescribed by him, or to the satisfaction of the trial court, under conditions set forth in section 902 (a) and section 902 (b) of the Revenue Act of 1936, that he bore the burden of such duties.'"

The SPEAKER. Is there objection?

There was no objection.

The Senate amendment was agreed to.

A motion to reconsider was laid on the table.

REGULATION OF THE PRACTICE OF DENTISTRY IN THE DISTRICT OF COLUMBIA

Mr. RANDOLPH. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 7865), to amend the act for the regulation of the practice of dentistry in the District of Columbia, and for the protection of the people from empiricism in relation thereto, approved June 6, 1892, and acts amendatory thereof, with Senate amendments, and concur in the Senate amendments.

The Clerk read the title of the bill.

The Clerk read the Senate amendments as follows:

(1) Page 1, line 8, strike out [2] and insert: *1.*
(2) Page 2, line 12, strike out [3] and insert: *2.*
(3) Page 2, line 18, strike out [limiting] and insert: *limited.*
(4) Page 3, line 5, strike out all after "act" down to and including "act", in line 7.
(5) Page 3, line 8, strike out [4] and insert: *3.*
(6) Page 3, line 10, after "licensee," insert: *and.*
(7) Page 3, line 11, strike out [by it].
(8) Page 3, line 15, strike out [5] and insert: *4.*
(9) Page 4, line 1, strike out [books and papers] and insert: *documents.*
(10) Page 4, line 4, strike out [books or papers] and insert: *documents.*
(11) Page 4, line 11, strike out [6] and insert: *5.*
(12) Page 5, line 3, strike out [7] and insert: *6.*
(13) Page 5, line 7, strike out [8] and insert: 7.
(14) Page 5, line 11, after "States" insert: *or has duly declared his intention to become a citizen of the United States,*
(15) Page 5, line 15, after "applicant." insert: *Any license issued to a person who is a citizen of a foreign country and who has duly declared his intention to become a citizen of the United States shall automatically terminate and the registration of the candidate be annulled in the event such candidate shall fail to submit to the Board satisfactory evidence within six years from the date of such license that he has become a citizen of the United States.*
(16) Page 5, line 16, strike out [9] and insert: *8.*
(17) Page 6, line 25, strike out [10] and insert: *9.*
(18) Page 7, line 9, strike out [11] and insert: *10.*
(19) Page 7, line 19, strike out [12] and insert: *11.*
(20) Page 7, line 19, strike out [Board] and insert: *District Court of the United States for the District of Columbia.*
(21) Page 7, line 21, strike out [Board] and insert: *court.*
(22) Page 8, lines 2 and 3, strike out [or afflicted with a contagious or infectious disease].
(23) Page 10, line 1, after "to" insert: *knowingly.*
(24) Page 10, line 10, strike out [Board] and insert: *said court.*
(25) Page 10, strike out lines 13 to 20, inclusive.
(26) Page 10, strike out lines 21 to 25, inclusive, and lines 1 to 15, inclusive, on page 11.
(27) Page 11, after line 15, insert:

"Sec. 12. The District Court of the United States for the District of Columbia may suspend or revoke any license issued and any registration upon evidence showing to the satisfaction of the court that the licentiate or registrant, as the case may be, has been guilty of misconduct or is professionally incapacitated.

"Proceedings looking toward the suspension or revocation of a license or registration shall be begun by petition filed in the District Court of the United States for the District of Columbia in the name of the Board of Dental Examiners and shall be verified by oath. Proceedings shall be conducted according to the ordinary rules of equity practice and such supplementary rules as said court may deem expedient to carry into effect the purposes and intent of this act; and said court is hereby authorized to make such supplementary rules. An appeal may be taken from the decision of the District Court of the United States for the District of Columbia to the United States Court of Appeals of said District. Any such appeal on behalf of the Board of Dental Examiners may be filed without bond. The District Court of the United States for the District of Columbia may determine whether a license or registration shall be suspended or revoked, and if such license is to be suspended said court may determine the duration of such suspension and the conditions under which such suspension shall terminate.

(28) Page 11, line 16, strike out [15] and insert: *13.*
(29) Page 12, line 5, strike out [16] and insert: *14.*
(30) Page 13, line 6, strike out [17] and insert: *15.*
(31) Page 14, line 7, strike out [written clinical].
(32) Page 14, line 21, after "colleges." insert: *Notwithstanding the provisions of this section, no person shall be deemed to be practicing dentistry who on the date of the enactment of this act is operating a radiographic laboratory for the purpose of making radiographs, or giving written clinical interpretations or readings of dental radiographs, to be used solely by dentists and physicians in making diagnoses.*
(33) Page 14, line 22, strike out [18] and insert: *16.*
(34) Page 15, line 9, strike out [by said Board].
(35) Page 15, line 10, strike out [19] and insert: *17.*
(36) Page 15, line 25, strike out [20] and insert: *18.*
(37) Page 16, line 6, strike out [21] and insert: *19.*
(38) Page 16, line 15, strike out [22] and insert: *20.*
(39) Page 16, line 24, strike out [23] and insert: *21.*
(40) Page 17, line 5, strike out [24] and insert: *22.*
(41) Page 17, line 9, strike out [25] and insert: *23.*
(42) Page 17, line 22, strike out [26] and insert: *24.*
(43) Page 18, line 8, strike out [27] and insert: *25.*
(44) Page 18, line 12, strike out [are not] and insert: *shall not be.*
(45) Page 18, line 21, strike out [Board] and insert: *District Court of the United States for the District of Columbia.*
(46) Page 18, line 22, after "suspend," insert: *or.*
(47) Page 18, line 22, strike out [with power to reinstate,].
(48) Page 19, line 1, strike out [with power of reinstatement,].
(49) Page 19, lines 3 and 4, after "suspension," insert: or.
(50) Page 19, line 4, strike out [or reinstatement].
(51) Page 19, line 5, after "suspension," insert: *or.*
(52) Page 19, line 6, strike out [or reinstatement].
(53) Page 19, line 7, strike out [28] and insert: *26.*
(54) Page 20, line 3, strike out [29] and insert: *27.*
(55) Page 20, line 13, strike out [30] and insert: *28.*
(56) Page 20, line 19, strike out [31] and insert: *29.*
(57) Page 20, line 20, strike out [21, 22, 23, and 30] and insert: *19, 20, 21, and 28.*
(58) Page 20, line 24, strike out [32] and insert: *30.*
(59) Page 21, line 6, strike out [33] and insert: *31.*
(60) Page 21, line 13, strike out [34] and insert: *32.*
(61) Page 21, line 19, strike out [35] and insert: *33.*

The SPEAKER. Is there objection to the request of the gentleman from West Virginia [Mr. RANDOLPH]?

Mr. RICH. Mr. Speaker, reserving the right to object, is this bill reported by the full committee?

Mr. RANDOLPH. Yes. It comes with a unanimous agreement from the House Committee on the District of Columbia. The ranking minority member the gentleman from Illinois [Mr. DIRKSEN] has been apprised of my action in bringing this before the House at this time and is in full agreement, I may say.

The SPEAKER. Without objection, the amendments will be agreed to.

There was no objection.

The Senate amendments were agreed to.

A motion to reconsider was laid on the table.

REGULATING THE PRACTICE OF PODIATRY IN THE DISTRICT OF COLUMBIA

Mr. RANDOLPH. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 8692) to amend the act to regulate the practice of podiatry in the District of Columbia, with Senate amendments, and agree to the Senate amendments.

The Clerk read the title of the bill.

The Clerk read the Senate amendments as follows:

(1) Page 3, line 1, after "candidates," insert: *and.*
(2) Page 3, line 4, strike out [such] and insert: *each.*
(3) Page 3, line 4, after "licensee," insert: *and.*
(4) Page 3, line 5, strike out [by it].
(5) Page 4, line 25, after "States" insert: *or has duly declared his intention to become a citizen of the United States.*
(6) Page 5, line 3, after "Board." insert: *Any license issued to a person who is a citizen of a foreign country and who has duly declared his intention to become a citizen of the United States*

shall automatically terminate and the registration of the candidate be annulled in the event such candidate shall fail to submit to the Board satisfactory evidence within six years from the date of such license that he has become a citizen of the United States.

(7) Page 6, line 18, strike out [Board] and insert: *District Court of the United States for the District of Columbia.*

(8) Page 6, line 20, strike out [Board] and insert: *court.*

(9) Page 8, line 12, after "or" where it appears the first time insert: *to knowingly violate.*

(10) Page 8, line 20, strike out [Board] and insert: *said court.*

(11) Page 8, strike out lines 22 to 25, inclusive, and lines 1 to 23, on page 9, inclusive, and insert:

"Sec. 8. The District Court of the United States for the District of Columbia may suspend or revoke any license issued and any registration upon evidence showing to the satisfaction of the court that the licentiate or registrant, as the case may be, has been guilty of misconduct or is professionally incapacitated.

"Proceedings looking toward the suspension or revocation of a license or registration shall be begun by petition filed in the District Court of the United States for the District of Columbia in the name of the Board of Podiatry Examiners and shall be verified by oath. Proceedings shall be conducted according to the ordinary rules of equity practice and such supplementary rules as said court may deem expedient to carry into effect the purposes and intent of this act; and said court is hereby authorized to make such supplementary rules. An appeal may be taken from the decision of the District Court of the United States for the District of Columbia to the United States Court of Appeals of said District. Any such appeal on behalf of the Board of Podiatry Examiners may be filed without bond. The District Court of the United States for the District of Columbia may determine whether a license or registration shall be suspended or revoked, and if such license is to be suspended said court may determine the duration of such suspension and the conditions under which such suspension shall terminate.

(12) Page 9, line 24, strike out [heretofore].

(13) Page 11, line 1, strike out [will] and insert: *shall.*

(14) Page 12, lines 13 and 14, strike out [physician or surgeon] and insert: *practitioner of the healing arts.*

The SPEAKER. Is there objection to the request of the gentleman from West Virginia?

There was no objection.

The Senate amendments were agreed to, and a motion to reconsider was laid on the table.

DISTRICT OF COLUMBIA UNEMPLOYMENT COMPENSATION ACT

Mr. RANDOLPH. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 9791) to amend the District of Columbia Unemployment Compensation Act, with Senate amendments, and agree to the Senate amendments.

The Clerk read the title of the bill.

The Clerk read the Senate amendments, as follows:

Page 1, line 6, insert the following: "Title I."

Page 9, line 5, strike out the word "this act" and insert "the District of Columbia Unemployment Compensation Act, approved August 28, 1935, as amended by this title."

Page 9, line 22, strike out the word "act" and insert in lieu thereof the word "title."

Page 9, line 25, strike out the word "nonassembled."

Page 10, line 14, strike out the word "act" and insert the word "title."

Page 10, line 16, strike out the word "act" and insert the word "title."

Page 12, line 5, strike out the word "act" and insert the word "title."

Page 12, line 7, insert a new title, as follows:

"TITLE II

"AMENDMENT—DISTRICT OF COLUMBIA REVENUE ACT OF 1939

"Section 2 (d) of the act entitled 'An act to provide revenue for the District of Columbia, and for other purposes,' approved July 26, 1939, is amended to read as follows:

"'(d) Exemptions from tax: There shall be exempt from taxation under this title the following organizations: Corporations, including any community chest, fund, foundation cemetery, association, teachers' retirement fund association, church, or club, organized and operated exclusively for religious, charitable, scientific, literary, educational, or social purposes, or for the prevention of cruelty to children or animals, no part of the net earnings of which inures to the benefit of any private shareholder or individual and no substantial part of the activities of which is carrying on propaganda, or otherwise attempting to influence legislation; and labor organizations, trade associations, boards of trade, chambers of commerce, citizens' associations, or organizations, not organized for profit and no part of the net earnings of which inures to the benefit of any private shareholder or individual, farmers' associations organized and operated on a cooperative basis exempt from income tax under section 101 (12) and (13) of the Internal Revenue Code; banks, insurance companies, building and loan associations, and companies, incorporated or otherwise, which guarantee the fidelity of any individual or individuals, such as bonding companies, all of which pay taxes upon gross premiums or earnings under existing laws of the District of Columbia; voluntary employees' beneficiary associations providing for the payment of life, sick, accident, or other benefits to the members of such association or their dependents, if (1) no part of their net earnings inures (other than such payments) to the benefit of any private shareholder or individual, and (2) 85 percent or more of the income consists of amounts collected from members for the sole purpose of making such payments and meeting expenses; and corporations organized under act of Congress, if such corporations are instrumentalities of the United States.'"

The SPEAKER. Is there objection to the request of the gentleman from West Virginia?

There was no objection.

The Senate amendments were agreed to, and a motion to reconsider was laid on the table.

DISTRICT OF COLUMBIA REVENUE ACT

Mr. RANDOLPH. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill H. R. 10106, to amend the District of Columbia Revenue Act of 1937, as amended.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the present consideration of the bill?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That article III of title V of the District of Columbia Revenue Act of 1937, as amended by title V of the District of Columbia Revenue Act of 1939, is amended by adding after section 14 thereof the following new section:

"SEC. 15. Credits, securities, and other intangible personal property within the District not employed in carrying on any business therein by the owner shall be deemed to be located at the domicile of the owner for purposes of taxation under this title, and, if held in trust, shall not be deemed to be located in the District for purposes of taxation under this title solely because of the trustee being domiciled in the District: *Provided further,* That this section shall not apply to property owned by alien decedents, and that nothing herein contained shall affect the taxation by the District of any property owned by alien decedents which, at the time of the death of such decedents, shall be under the jurisdiction of the District or over which the District has control."

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

EXTENSION OF REMARKS

Mr. MAGNUSON. Mr. Speaker, I ask unanimous consent that I may insert in the RECORD on Monday or Tuesday three speeches I am in process of preparing. They are my own remarks.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. McGRANERY. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include therein a speech delivered by the Solicitor General of the United States, Francis Biddle, before the Pennsylvania Bar Association.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. ALLEN of Pennsylvania. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include therein a communication from a local newspaper.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. PATMAN. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include therein a letter from the Secretary of State.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. DIMOND. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include therein a few brief excerpts.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. MURDOCK of Arizona. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD in regard to the production of rubber on this continent.

The SPEAKER. Without objection it is so ordered.

There was no objection.

Mr. THORKELSON. Mr. Speaker, I ask unanimous consent to insert a letter which I have received and an article from the Jewish Forum, and also a letter I wrote in reply.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. SECCOMBE. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include therein a proposal to the Republican Platform Committee as given by Millard W. Rice, national legislative representative of the Veterans of Foreign Wars.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. LEWIS of Ohio. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include therein a letter which I have received from two constituents.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. O'BRIEN. Mr. Speaker, I ask unanimous consent that my colleague, the gentleman from Michigan [Mr. BRADLEY] may be permitted to extend his own remarks in the RECORD and to include therein a communication which he received from the National Maritime Union of America.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. JARRETT. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include therein a short editorial from a local paper in my district.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. DINGELL. Mr. Speaker, I ask unanimous consent to revise and extend my remarks on two separate subjects.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

RECESS

The SPEAKER. Without objection, the House will stand in recess until 6:40. Ten minutes' notice by the ringing of the bells will be given before the expiration of the recess.

There was no objection.

Accordingly (at 6 o'clock and 10 minutes p. m.), the House stood in recess until 6:40 p. m.

AFTER RECESS

The recess having expired, the House was called to order by the Speaker at 6:40 o'clock p. m.

FURTHER MESSAGE FROM THE SENATE

A further message from the Senate, by Mr. St. Claire, one of its clerks, announced that the Senate had passed, with amendments in which the concurrence of the House is requested, a bill of the House of the following title:

H. R. 8172. An act to amend section 5 of the act of Congress approved June 26, 1906, relative to the Alaska salmon fishery.

The message also announced that the Senate insists upon its amendments to the foregoing bill, requests a conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. OVERTON, Mr. JOHNSON of Colorado, and Mr. SHEPPARD to be the conferees on the part of the Senate.

The message also announced that the Senate had passed, with amendments in which the concurrence of the House is requested, a bill of the House of the following title:

H. R. 6572. An act to amend the Merchant Marine Act, 1936, as amended, to provide for marine war-risk insurance and reinsurance and for marine risk reinsurance and for other purposes.

The message also announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 9822) entitled "An act to expedite naval shipbuilding, and for other purposes."

The message also announced that the Senate requests the House to return to the Senate the bill (S. 3464) entitled "An act to amend the Perishable Agricultural Commodities Act, 1930, as amended."

The message also announced that the Senate had passed a joint resolution of the following title, in which the concurrence of the House is requested:

S. J. Res. 283. Joint resolution authorizing Col. Donald H. Connolly to hold the office of Administrator of Civil Aeronautics in the Department of Commerce.

COMPENSATION OF FORMER EMPLOYEES OF RAILWAY MAIL SERVICE

Mr. SWEENEY. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (H. R. 9491) relating to compensation of former employees of the Railway Mail Service in certain positions and reinstated prior to August 14, 1937.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Ohio [Mr. SWEENEY]?

Mr. TABER. Mr. Speaker, reserving the right to object, will the gentleman tell us what this bill is and what it does?

Mr. SWEENEY. The bill seeks to correct an injustice done an individual who was separated from the Railway Mail Service some years ago. She enjoyed a position in grade 4, Railway Mail Division. When she was reinstated as a result of investigation she was put back in grade 2, because Congress, in the meantime, had modified the Reclassification Act.

This bill involves no money. It simply corrects an injustice and has been reported with the full consent of the Post Office and Post Roads Committee.

The SPEAKER. Is there objection to the request of the gentleman from Ohio [Mr. SWEENEY]?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the thirteenth paragraph of section 7 of the act entitled "An act reclassifying the salaries of postmasters and employees of the Postal Service, readjusting their salaries and compensation on an equitable basis, increasing postal rates to provide for such readjustment, and for other purposes," approved February 28, 1925 (U. S. C., title 39, sec. 621), as amended, is amended by inserting before the period at the end thereof a colon and the following new proviso: "*And provided further*, That former employees of the Railway Mail Service reinstated to stenographic positions prior to August 14, 1937, may be promoted successively to their grade at the time of separation from the service, but not to a higher grade than grade 4."

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

EXTENSION OF REMARKS

Mr. FISH. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include a radio speech by me to be delivered this evening.

The SPEAKER. Is there objection to the request of the gentleman from New York [Mr. FISH]?

There was no objection.

Mr. EDWIN A. HALL. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include a recent editorial from the Binghamton Press.

The SPEAKER. Is there objection to the request of the gentleman from New York [Mr. EDWIN A. HALL]?

There was no objection.

DEFICIENCY APPROPRIATION BILL, 1941—CONFERENCE REPORT

Mr. WOODRUM of Virginia. Mr. Speaker, I present a conference report on the bill (H. R. 10104) making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1940, and prior fiscal years, to provide supplemental appropriations for the fiscal years ending June 30, 1940, and June 30, 1941, and for other purposes.

Mr. Speaker, I ask for the immediate consideration of the conference report.

The Clerk read the title of the bill.

The Clerk read the report.

The conference report is as follows:

CONFERENCE REPORT

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 10104) making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1940, and prior fiscal years, to provide supplemental appropriations for the fiscal

years ending June 30, 1940, and June 30, 1941, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendments numbered 11, 16, 18, 27, 38, 52, 53, 54, 55, and 56.

That the House recede from its disagreement to the amendments of the Senate numbered 1, 2, 3, 4, 5, 6, 7, 8, 14, 17, 19, 22, 23, 24, 25, 26, 29, 33, 34, 35, 36, 37, 39, 40, 41, 42, 43, 44, 45, 46, 47, 49, 50, 51, 57, 60, 61, 62, 63, 64, 65, 66, 67, 68, 69, 70, 71, 72, 73, 74, and 75; and agree to the same.

Amendment numbered 9: That the House recede from its disagreement to the amendment of the Senate numbered 9, and agree to the same with an amendment, as follows: In lieu of the matter inserted by said amendment insert:

"For payment to Preston L. George, William S. Houston, John G. Nalley, and William H. Wannall, messengers on night duty during the third session of the Seventy-sixth Congress, $450 each; in all, $1,800, to be paid from the appropriation for printing and binding for Congress for the fiscal year 1941."

And the Senate agree to the same.

Amendment numbered 10: That the House recede from its disagreement to the amendment of the Senate numbered 10, and agree to the same with an amendment as follows: In lieu of the sum of "$3,000,000" proposed in said amendment insert "$2,000,000"; and the Senate agree to the same.

Amendment numbered 12: That the House recede from its disagreement to the amendment of the Senate numbered 12, and agree to the same with an amendment as follows: In lieu of the sum of "$16,200,000" proposed in said amendment insert "$15,000,000"; and the Senate agree to the same.

Amendment numbered 13: That the House recede from its disagreement to the amendment of the Senate numbered 13, and agree to the same with an amendment, as follows: In lieu of the matter inserted by said amendment insert the following:

"FOOD AND DRUG ADMINISTRATION

"Enforcement of Tea Importation Act: For enabling the Federal Security Administrator to carry into effect the provisions of the Act approved March 2, 1897 (21 U. S. C. 41–50), entitled 'An Act to Prevent the Importation of Impure and Unwholesome Tea,' as amended, including payment of compensation and expenses of the members of the Board appointed under section 2 of the Act and all of the necessary officers and employees, both in Washington and in the field, fiscal year 1941, $30,094: *Provided*, That on and after July 1, 1940, no tea, or merchandise described as tea, shall be examined for importation into the United States, or released by the Collector, under said Act unless the importer or consignee of such tea or merchandise, prior to such examination, has paid for deposit into the Treasury of the United States as miscellaneous receipts, a fee of 3.5 cents for each hundred weight or fraction thereof of such tea and merchandise."

And the Senate agree to the same.

Amendment numbered 15: That the House recede from its disagreement to the amendment of the Senate numbered 15, and agree to the same with an amendment, as follows: In lieu of the matter inserted by said amendment insert:

"Appraisers Stores Building, Houston, Texas: The limit of cost of the Appraisers Stores Building Project at Houston, Texas, is hereby increased by $75,000."

And the Senate agree to the same.

Amendment numbered 21: That the House recede from its disagreement to the amendment of the Senate numbered 21, and agree to the same with an amendment, as follows: In lieu of the figure "$75,000,000" proposed in said amendment insert "$50,000,000."

And the Senate agree to the same.

Amendment numbered 28: That the House recede from its disagreement to the amendment of the Senate numbered 28, and agree to the same with an amendment, as follows: In lieu of the sum of "$13,980" proposed in said amendment insert "$7,000"; and the Senate agree to the same.

Amendment numbered 30: That the House recede from its disagreement to the amendment of the Senate numbered 30, and agree to the same with an amendment, as follows: In lieu of the sum proposed insert "$800,000"; and the Senate agree to the same.

Amendment numbered 31: That the House recede from its disagreement to the amendment of the Senate numbered 31, and agree to the same with an amendment, as follows: In lieu of the matter inserted by said amendment insert: ": *Provided*, That no part of this sum allocated for expenditure in connection with the control and prevention of spread of the white-fringed beetle shall be used in any State without the request of the Governor of such State"; and the Senate agree to the same.

Amendment numbered 48: That the House recede from its disagreement to the amendment of the Senate numbered 48, and agree to the same with an amendment, as follows: In the matter inserted by said amendment strike out the following: "to remain available until expended"; and the Senate agree to the same.

Amendment numbered 58: That the House recede from its disagreement to the amendment of the Senate numbered 58, and agree to the same with an amendment, as follows: In lieu of the matter inserted by said amendment insert:

"All moneys available on July 1, 1940, under the appropriation "Construction of Buildings, Utilities, and Appurtenances at Military Posts" may be used in connection with the purposes of such appropriation for the employment of personnel at the seat of Government or elsewhere without regard to civil-service requirements and restrictions of law relating thereto."

And the Senate agree to the same.

Amendment numbered 59: That the House recede from its disagreement to the amendment of the Senate numbered 59, and agree to the same with an amendment, as follows: In lieu of the matter inserted by said amendment insert:

"Not to exceed 5 per centum of any of the appropriations for the Military Establishment for the fiscal year 1941 may be transferred with the approval of the Director of the Bureau of the Budget to any other of such appropriations, but no appropriation shall be increased more than 5 per centum thereby."

And the Senate agree to the same.

The committee of conference report in disagreement amendments numbered 20 and 32.

EDWARD T. TAYLOR,
C. A. WOODRUM,
CLARENCE CANNON,
LOUIS LUDLOW,
J. BUELL SNYDER,
EMMET O'NEAL,
GEO. W. JOHNSON,
JOHN TABER,
R. B. WIGGLESWORTH,
W. P. LAMBERTSON,
J. W. DITTER,
Managers on the part of the House.

ALVA B. ADAMS,
KENNETH MCKELLAR,
CARL HAYDEN,
JAMES F. BYRNES,
FREDERICK HALE,
JOHN G. TOWNSEND,
Managers on the part of the Senate.

Mr. WOODRUM of Virginia. Mr. Speaker, I yield 1 minute to the gentleman from California [Mr. ANDERSON].

Mr. ANDERSON of California. Mr. Speaker, I am gratified to note that the Senate has placed in this bill the sum of $500,000 to be used for investigating the possibilities of producing rubber in the Western Hemisphere. As I stated to the House last Thursday, I felt that we were adopting a short-sighted policy in refusing to appropriate any funds in the deficiency bill for rubber development. I congratulate the House conferees on having agreed to the item and trust that it will be wisely used.

However, it is regrettable that some portion of the funds has not been earmarked for investigating the possibility of producing rubber commercially in this country from the guayule rubber plant. As I have previously pointed out to Members of this body, the development of the guayule rubber plant might go a long way toward helping to solve the farm problem in the United States. Guayule is a native of Mexico and can be successfully grown in Texas, New Mexico, Arizona, Nevada, and California. Further investigations might prove that it can be profitably grown in other States. If proven commercially valuable, it could well replace many thousands of acres now growing surplus crops. Certainly its possibilities should not be ignored.

I can see no good reason for spending all of the sum appropriated in either South or Central America. I trust that the Department of Agriculture will see fit to use a portion of the appropriation in the United States for guayule development. We may be taking a long step toward reducing crop surpluses, providing employment, and raising a supply of one of the most vital materials essential to our national defense. [Applause.]

Mr. WOODRUM of Virginia. Mr. Speaker, I yield 2 minutes to the gentleman from Georgia [Mr. TARVER].

Mr. TARVER. Mr. Speaker, I note with a great deal of gratification that the conferees have agreed to one-half of the sum inserted by the Senate for the control and eradication of the white-fringed beetle. The Budget estimate was $600,000, and, as I understand the conference report, the amount carried or approved in the report is $300,000. That amount in all probability will be insufficient. May I ask whether or not it is the thought of the conferees that if additional money might be necessary for this purpose it will be provided from the general funds for insect-pest control and eradication?

Mr. WOODRUM of Virginia. I may say to the gentleman that the conferees have no information as to just what funds

may be available by the Department of Agriculture for that purpose, but inasmuch as the Congress will be in session here, we hope that the $300,000 will be sufficient to at least start the program.

Mr. TARVER. Of course, the gentleman realizes that some $3,000,000 have been appropriated by the Congress for insect control and eradication and that money is subject to being used for the specific purpose of beetle control and eradication.

Mr. WOODRUM of Virginia. If the Department has the funds, they may be used for that purpose.

Mr. RICH. Will the gentleman yield?

Mr. WOODRUM of Virginia. I yield to the gentleman from Pennsylvania.

Mr. RICH. How much did you allow to chase that beetle?

Mr. WOODRUM of Virginia. Just one-half of the Budget estimate. We saved $300,000 toward balancing the Budget.

Mr. Speaker, I move the previous question.

The previous question was ordered.

The conference report was agreed to.

The SPEAKER. The Clerk will report the first amendment in disagreement.

The Clerk read as follows:

Amendment No. 20: On page 11, after line 5, insert:

"Work Projects Administration. The appropriations for the Work Projects Administration for the fiscal year 1941 shall be available for the prosecution of projects, subject to the approval of the President, for training for manual occupations in industries engaged in production for national-defense purposes."

Mr. WOODRUM of Virginia. Mr. Speaker, I move to recede and concur with an amendment.

The Clerk read as follows:

Mr. WOODRUM moves that the House recede from its disagreement to Senate amendment No. 20 and agree to the same with an amendment as follows: In lieu of the matter inserted, insert the following:

"WORK PROJECTS ADMINISTRATION

"Subdivision (3) of subsection (b) of section 1 of the Emergency Relief Appropriation Act, fiscal year 1941, is hereby amended by inserting the following after the word 'training', 'for manual occupations in industries engaged in production for national defense purposes,'."

Mr. WOODRUM of Virginia. Mr. Speaker, I yield 5 minutes to the gentleman from New York [Mr. TABER].

Mr. TABER. Mr. Speaker, I recognize the difficulty of bringing up a matter of this kind on this occasion, but this is the most ridiculous thing I ever heard of in legislation. We have provided on pages 9, 10, and 11 a total of $17,000,000 for vocational training of those who register for it in the technical high schools and other schools of the country. This money will produce machinists, toolmakers, and other skilled workers.

The proposition on which you will soon vote is to let the W. P. A. send its employees to that school and pay them while they are going to school. This means that side by side with the boys who are going to school regularly and who are not getting paid for it will be these W. P. A. employees, most of them beyond the age where they can learn the job right, and they will be getting paid for going to school. Did you ever hear of anything quite so ridiculous? It will demoralize the entire vocational training program to produce toolmakers, machinists, and so on. It does seem as though the Congress ought to have some sense about the way it legislates and not agree to such a proposition as this. I hope the motion will be rejected. [Applause.]

Mr. WOODRUM of Virginia. Mr. Speaker, I yield to the gentleman from Missouri [Mr. CANNON] such time as he may desire.

Mr. CANNON of Missouri. Mr. Speaker, this is the most salutary provision in the entire bill. It does not cost an extra penny. It provides no additional charge against the Treasury. It will provide training for W. P. A. workers which will be useful to them in finding private employment. It not only provides work relief and relief for their families, but it provides training that will make them useful citizens after they leave W. P. A. In addition, it utilizes facilities which would otherwise be idle and it gives these workers training such as they can get nowhere else outside of vocational schools.

Mr. Speaker, I ask unanimous consent to include in my remarks a letter on the subject from the Director of the Work Projects Administration.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

JUNE 22, 1940.

The Honorable CLARENCE CANNON,
House of Representatives.

MY DEAR MR. CANNON: Reference is made to your request for information in connection with the desirability for legislation which would make it possible for the Work Projects Administration to train workers for manual occupations in industries engaged in production for national-defense purposes. This legislation, as you know, was provided for by the Senate in Senate amendment No. 4 to House Joint Resolution No. 544, which was later stricken out in conference.

In connection with the operation of a training program of this nature by the Work Projects Administration, I would like to state briefly the methods I propose to follow.

First, I propose to utilize to the fullest extent possible, in cooperation with the United States Office of Education, the available facilities of the presently established public vocational schools. The facilities of these schools, including the trained personnel, can be utilized for the purpose of training during the summer months that are just ahead to a greater extent than in any other period during the year. It is, therefore, important that the training program get under way quickly in order that the Federal Government may take full advantage of the facilities of the established vocational schools.

Second, there are literally hundreds of thousands of persons who are either now employed by the Work Projects Administration or are eligible for such employment who, with a limited amount of training, can be developed into a group of trained workmen ready and qualified to perform useful services in industries which are engaged in production for national-defense purposes. The work histories, work habits, and abilities of these persons are known to the Work Projects Administration, and this Administration is in a position to select the best qualified personnel from this group for assignment to the training program.

It would be my intention to establish, on the same basis as other work projects are set up, a training project to which selected persons from the relief rolls would be assigned. By doing this it would be possible for the Work Projects Administration to accomplish a dual purpose, that of providing employment to needy unemployed persons and, at the same time, to provide training which would equip needy unemployed persons to secure jobs in occupations in industries which are vital to the national defense.

There is no doubt but that industry, within the next few months, will demand a large reservoir of trained labor from which their needs may be filled. The Work Projects Administration has the raw material which, with a limited amount of training and retraining, can be developed into potential employees in industry. I am convinced that this job of training should be instituted immediately in order that the Federal Government may take full advantage of the vacation period of the vocational schools during the summer months and utilize the facilities of these schools to the greatest extent possible.

I wish to assure you that no additional appropriation will be required or requested to finance the proposed training, inasmuch as the funds expended would accomplish the dual purpose of payment of wages to needy unemployed persons as well as provide training in occupations which are vital to the national defense.

Very truly yours,

F. C. HARRINGTON,
Commissioner.

Mr. MURDOCK of Arizona. Mr. Speaker, will the gentleman yield?

Mr. CANNON of Missouri. I yield to the gentleman from Arizona.

Mr. MURDOCK of Arizona. Does this program provide that the high schools and colleges which have been giving industrial and vocational training shall continue with increased emphasis because of increased financial aid?

Mr. CANNON of Missouri. Yes; and it uses their facilities, their laboratories, and their equipment at times when they would not otherwise be in use.

Mr. MURDOCK of Arizona. I must say that it is a most wholesome thing to plan to use the machinery, the plants, and shops we have already prepared in peacetime to magnify this work in the present crisis. Such training is highly important now, and we should make use of existing facilities.

Mr. CANNON of Missouri. I think it will meet with the approval of every citizen who is interested in making the

W. P. A. not merely a temporary stopgap but a stepping stone to a useful profession.

Mr. BATES of Massachusetts. Mr. Speaker, will the gentleman yield?

Mr. CANNON of Missouri. I yield to the gentleman from Massachusetts.

Mr. BATES of Massachusetts. There seems to be a little confusion between the thought expressed by the gentleman and that expressed by the gentleman from New York [Mr. TABER]. This does not apply to high-school training or vocational training in the C. C. C. camps.

Mr. CANNON of Missouri. It applies to vocational training in the W. P. A. through the employment of laboratories, equipment, and facilities of schools at a time when they are not in use for the usual school purposes.

Mr. BATES of Massachusetts. Does this compel the school authorities in any community to accept the W. P. A. workers in the vocational divisions of the high schools?

Mr. CANNON of Missouri. No; it will be W. P. A. training, separate from the vocational schools but using their facilities.

Mr. RICH. Mr. Speaker, will the gentleman yield?

Mr. CANNON of Missouri. I yield to the gentleman from Pennsylvania.

Mr. RICH. We have made appropriations for vocational education to train the boys in the high schools. Now, with respect to this W. P. A. project, are you going to pay the individuals that go into the schools under this proposal, while the boys in the high schools who are working under the vocational educational program get the same training yet get no pay for it?

Mr. CANNON of Missouri. The only difference is that the men who, if you do not pass this authorization, would otherwise spend their time at unskilled work and who otherwise would leave the W. P. A. with no proficiency except the knowledge they had when they went there, will be able when they leave W. P. A. to go immediately into industrial life, equipped to take up a skilled or semiskilled vocation.

Mr. LEWIS of Colorado. Mr. Speaker, will the gentleman yield?

Mr. CANNON of Missouri. I yield to the gentleman from Colorado.

Mr. LEWIS of Colorado. Does this refer to W. P. A. workers or C. C. C. workers?

Mr. CANNON of Missouri. It applies to employees on the Work Projects Administration, and will contribute more than any other one feature to rehabilitating and preparing these men for self-support and qualifying them for American citizenship.

The SPEAKER. The question is on agreeing to the motion offered by the gentleman from Virginia [Mr. WOODRUM].

The question was taken, and on a division (demanded by Mr. TABER) there were—ayes 119, noes 55.

So the motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Amendment No. 32. Page 22, after line 21, insert the following: "Pink bollworm and thurberia weevil control: For an additional amount for the control and prevention of spread of the thurberia weevil and the pink bollworm, including the objects specified under this head in the Department of Agriculture appropriation bill, 1941, $380,000."

Mr. WOODRUM of Virginia. Mr. Speaker, I move that the House further insist on its disagreement to the Senate amendment.

Mr. KLEBERG. Mr. Speaker, I offer a preferential motion.

The Clerk read as follows:

Mr. KLEBERG moves that the House recede from its disagreement to Senate amendment No. 32 and concur therein.

Mr. WOODRUM of Virginia. Mr. Speaker, I yield 5 minutes to the gentleman from Texas [Mr. KLEBERG].

Mr. KLEBERG. Mr. Speaker, I shall not take the 5 minutes, but I desire to lay before the membership here a situation which deserves serious consideration. There have been occasions when matters involving insect pests have been referred to with all sorts of facetiousness. The measure proposed here is one which does not involve a pest which has come into this country and fastened itself upon it, but one which we desire to keep out of the country, one which history shows that in the country where it functions it has been more destructive than all the pests combined that affect the cotton-producing industry of this Nation and elsewhere.

In days like this, when we are appropriating for things that we feel are imminent, we should be reasonable enough in such an hour to meet this situation, especially when those who have urged these appropriations have complied with every requirement, including statements from doctors and messages from the President and from the Budget Director recommending such legislation. We should not on this occasion overlook the fact that now, with the problem of preparing this Nation for national defense, it will be necessary to continue to try to take up the slack with respect to employment, and cotton as an agency for employment, Mr. Speaker, is the most important single product produced by man.

I have nothing more to say, Mr. Speaker, and I hope in order to expedite the adoption of this conference report and in order to prepare for the defense of the cotton industry of this country, this motion will prevail.

Mr. WOODRUM of Virginia. Mr. Speaker, I yield 5 minutes to the gentleman from Missouri [Mr. CANNON].

Mr. CANNON of Missouri. Mr. Speaker, the committees of the House are at a great disadvantage in defending these appropriation bills. We come here on the 1st of December, a month ahead of the rest of the Members of the House, although we would much rather stay at home with our families in the preholiday season. We come here on the 1st day of December and we stay and hold hearings day after day on these appropriation bills under trying conditions.

To begin with, the departmental representatives who appear before these committees asking for money have every advantage. They demand more and more money every year for more and more diverse purposes. We have no way of checking the accuracy of their statements or the weight of their opinions. We have to take their ipsi dixit and while the vast majority of them are sincere, we find every session some that were mistaken in their conclusions and in many instances which I could cite if there were time, we are the victims of deliberate fraud. We endeavor as best we can to make a fair appraisal of the needs of the Government and hold the appropriations down to the minimum required by the project and administer it as wisely as possible. But always we are under a heavy handicap in our efforts to protect the Treasury, and if we do make mistakes, the mistakes inevitably are in making the appropriation too large rather than too small.

Having finally arrived at as equitable a bill as we can write we must then run the gantlet of the whole committee and then the bill is reported to the House. Here we are assailed from every side by Members who want to load the bill with appropriations for their districts or their States or their industries. It is their duty to represent their constituency and we have no complaint when they ask for these appropriations but that does not lessen the burden and responsibility of the committee to keep the bill as free as possible from unjustified charges against the Treasury. And too often it is difficult to escape the conviction that there are interests which are thinking more of what they can get out of the Government than of what service they can render the Government. In all these debates we wage an unequal struggle against coalitions formed for mutual assistance in putting over appropriations which by themselves would not be agreed to. So invariably there are millions of dollars in every general appropriation bill that ought not to be there. Every one of these appropriation bills we have passed this session carries large sums in excess of the actual needs of the service.

Then we come to the floor of the House and again we have to fight to protect the bill.

Mr. Speaker, the membership of the House should be a little more charitable toward the members of the Committee on Appropriations. We do not want to cut these appropriations. We do not want to deny our colleagues who come in and ask for things in which they are interested.

We would rather be in your favor; we would rather go along with you; we would rather be good fellows than crabs. For while Members as a rule understand, too frequently Members whose appropriations are denied make a personal matter of it. "Oh, well, the committee just does not like me and that is the reason they do not put my project in the bill."

There is no ground for such opinion. Even meritorious proposals must be rejected, not because the money would not be wisely spent, but because we have only so much money to spend and we cannot include everything. If we put in everything that is asked, any one bill would of itself exhaust the entire Treasury. There is nothing personal in these bills. We have no personal interest to serve by denying appropriations. But there must be a limit somewhere.

Then the bill goes to the Senate and the Senate adds everything anybody can suggest and we have to go to conference and fight it all over again. The pending amendment is a case in point.

This item has been before this House four different times and four different times the House has voted against it, and here in the last minute of the last hour of the last day, they come in again with the same old moth-eaten request for an appropriation which the House has four times defeated.

Now, Mr. Speaker, it is up to the House. We have tried to hold these appropriations down within some limit of reason. Try as we may, they are mushrooming at an alarming rate. The agricultural appropriation bill, for example, has grown in 2 decades over 1,500 percent.

In 1920 the bill carried only $33,000,000 and today we have appropriated for the same purpose $1,534,000,000.

In 20 years, by just such amendments as this, you have helped to raise it from $33,000,000 to $1,534,000,000. At that rate what are we coming to? Where is the end? Somebody must sit on the lid, and the members of the committee have to do that if it is done at all.

If you have any regard for a balanced Budget, if you want the Government conducted on a business basis, if you wish to maintain our form of government you will have to keep us out of national bankruptcy. We ask you to stand by the committee.

Mr. WOODRUM of Virginia. Mr. Speaker, I yield 2 minutes to the gentleman from Texas [Mr. MAHON].

Mr. MAHON. Mr. Speaker, I represent the greatest cotton-producing district in the United States. In that district we have such extremely cold weather in most winters that the pink bollworm cannot well survive, though about half of my district is under quarantine; but in the great majority of the cotton-producing counties of the South the pink bollworm can survive the winter. Believe me, he is the most devastating pest that ever hit a cottonfield. In view of climatic conditions my district would probably profit if the pink bollworm should destroy competing cotton areas.

You have heard about this idea of penny-wise and pound-foolish. It is a foolish thing, in my opinion, for the Congress and for the House of Representatives to turn down this item. The President says we need it, the Budget says we need it, and the Senate says we need it, and everybody who is familiar with the cotton-growing conditions in this country knows that we need this item in order to protect the economic security of millions of men in many communities throughout the South.

Mr. KLEBERG. Mr. Speaker, will the gentleman yield?

Mr. MAHON. Yes.

Mr. KLEBERG. The item adopted by the House just preceding this item had no Budget recommendations or support. I feel somewhat offended with being charged by the gentleman who just spoke against the amendment with raiding the Treasury, when I see instances such as that to which I have just referred.

Mr. MAHON. I trust the House will agree to the motion of the gentleman from Texas.

Mr. WOODRUM of Virginia. Mr. Speaker, I move the previous question.

The previous question was ordered.

The SPEAKER. The question is on the preferential motion of the gentleman from Texas.

The question was taken; and on a division (demanded by Mr. KLEBERG), there were—ayes 32, noes 118.

So the motion to recede and concur was rejected.

The SPEAKER. The question now recurs on the motion of the gentleman from Virginia to further insist on the disagreement of the House to the Senate amendment.

The motion was agreed to.

A motion to reconsider the vote by which the motion was agreed to was laid on the table.

Mr. WOODRUM of Virginia. Mr. Speaker, this completes the action of the House on the deficiency appropriation bill, with the exception of this amendment, which has just been acted on. That has to go back to the Senate for their action. If the Senate should recede, that completes the action. If the Senate should insist, the bill has to come back for further consideration of the House.

LEAVE OF ABSENCE

By unanimous consent leave of absence was granted to Mr. PITTENGER for 2 days on account of official business.

ADJOURNMENT RESOLUTION

Mr. RAYBURN. Mr. Speaker, I offer the following concurrent resolution which I send to the desk and ask to have read.

The Clerk read as follows:

House Concurrent Resolution 83

Resolved, by the House of Representatives (the Senate concurring), That when the two Houses adjourn on Saturday, June 22, 1940, they stand adjourned until 12 o'clock meridian, Monday, July 1, 1940.

The SPEAKER. The question is on agreeing to the concurrent resolution.

The concurrent resolution was agreed to.

Mr. RAYBURN. Mr. Speaker, I offer a further resolution.

House Resolution 545

Resolved, That notwithstanding the recess or the adjournment of the House until July 1, 1940, the Clerk of the House is hereby authorized to receive messages from the Senate and the Speaker be, and he is hereby, authorized to sign any enrolled bills or joint resolutions duly passed by the two Houses and which have been examined by the Committee on Enrolled Bills and found truly enrolled.

The resolution was agreed to.

MARINE WAR-RISK INSURANCE

Mr. BLAND. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 6572) to amend the Merchant Marine Act of 1936, as amended, to provide for marine war-risk insurance and reinsurance, and for marine-risk reinsurance, and for other purposes, with Senate amendments, and concur in the Senate amendments.

The Clerk read the title of the bill.

The Clerk read the Senate amendments as follows:

(1) Page 1,, line 10, after "commerce," insert: *due to extraordinary risks arising under existing war conditions.*

(2) Page 2, line 25, strike out [war property] and insert: *war, property.*

(3) Page 4, after line 23, insert:

"SEC. 225. *In the event of disagreement as to a claim for losses or the amount thereof, on account of insurance under this subtitle, an action on the claim may be brought and maintained against the United States in the district court of the United States sitting in admiralty in the district in which the claimant or his agent may reside, or in case the claimant has no residence in the United States, in a district court in which the Attorney General of the United States shall agree to accept service. Said suits shall proceed and shall be heard and determined according to the provisions of an Act entitled 'An Act authorizing suits against the United States in admiralty, suits for salvage services, and providing for the release of merchant vessels belonging to the United States from arrest and attachment in foreign jurisdictions, and for other purposes', approved March 9, 1920, as amended (known as the*

Suits in Admiralty Act), insofar as such provisions are not inapplicable and are not contrary to or inconsistent with the provisions of this subtitle."

(4) Page 6, line 16, strike out [law."] and insert: *law.*

(5) Page 6, after line 16, insert:

"SEC. 228. *All the provisions of this subtitle shall expire by limitation March 10, 1942, or sooner upon a proclamation by the President that the extraordinary condition upon which it is predicated is passed.*"

The SPEAKER. Is there objection to the request of the gentleman from Virginia?

Mr. SCHAFER of Wisconsin. Reserving the right to object, what is the amendment, Mr. Speaker?

Mr. THILL. Mr. Speaker, I object.

Mr. BLAND. I would ask the gentleman not to object. The amendments are rather restrictive in character.

Mr. DITTER. I wonder whether the gentleman would explain the amendments as they came over. Probably we might be able to adjust them.

Mr. BLAND. The amendments put on by the Senate are restrictive in character. This is a bill for marine insurance. The first amendment makes the operation of the bill due to extraordinary risks under existing war conditions so that it meets the objection that the Government might be going generally into the insurance business, which is not intended.

The second amendment is purely a matter of punctuation.

The third amendment is a section that was in the bill reported to the House, and deals with procedural matter as to suits and things of that kind. It was favorably reported. There was never any objection made to it, and by inadvertence it was omitted from the bill that was passed. That is restored.

The last amendment is a new section that has been placed on the bill in the Senate that limits the operation of this bill to March 10, 1942. It provides that all the provisions of this subtitle shall expire by limitation on March 10, 1942, or sooner, upon a proclamation by the President that the extraordinary conditions upon which it is predicated are passed.

So that, with these amendments, they meet all the objections, even those urged here upon the floor.

Mr. DITTER. Mr. Speaker, will the gentleman yield?

Mr. BLAND. I yield.

Mr. DITTER. I believe my distinguished colleague the gentleman from Wisconsin [Mr. SCHAFER] would like to interrogate the gentleman on certain features of the bill. I wonder whether he would yield to him for a moment?

Mr. SCHAFER of Wisconsin. As much as I regret it, I cannot sit on the floor of the House and give my consent to pass this bill by unanimous consent, and permit the Government to go into unlimited subsidized competition in private insurance fields, with the sky the limit, as to the amount of public money which can be spent.

Mr. BLAND. This is not going into subsidized competition. It is simply to provide legislation whereby, if the condition arises that this insurance is needed, the Government can supply it and commerce can move.

Mr. SCHAFER of Wisconsin. Has the Maritime Commission definitely and positively informed your committee that they do not intend to go into the general insurance business and unfairly compete with private business?

Mr. BLAND. Absolutely.

Mr. SCHAFER of Wisconsin. They only intend to use this authority in an emergency, most generally for the purpose of reinsurance?

Mr. BLAND. That is the purpose.

Mr. SCHAFER of Wisconsin. And the Senate amendment limits the date as to the operation of the act, thereby indicating that it is a temporary program by reason of uncertain world conditions?

Mr. BLAND. That is true. It fixes the date at March 10, 1942, and possibly earlier.

Mr. SCHAFER of Wisconsin. In view of the statement of the very distinguished gentleman from Virginia [Mr. BLAND], who is one of the ablest Members of the House, and in view of the fact that the bill now has a limitation, I, as a humble Member, will withdraw my objection to the consideration of this bill. [Applause.]

Mr. THILL. Mr. Speaker, will the gentleman yield?

Is there any immediate necessity for this legislation?

Mr. BLAND. No one can tell what conditions may be in which there is needed marine insurance and reinsurance, and if marine insurance cannot be obtained, commerce cannot move on the waters. There is immediate necessity in being prepared to take care of any condition that may arise.

Mr. THILL. This country is not at war at the present time.

Mr. BLAND. That is true.

Mr. THILL. We do not expect to get into the war, nor do we expect to send our ships into war zones or regions.

Mr. BLAND. We do not; but although we have been building up marine insurance for the last 20 years, we have not yet built it up sufficiently in this country to take care of all our needs for coverage. I hope the gentleman will not press his objection. I urge upon him that it is more for the benefit of the exporters and importers of America than it is otherwise, so that their commerce may move. Without insurance, commerce does not move on the seas.

Mr. THILL. Mr. Speaker, will the gentleman yield further?

Mr. BLAND. Certainly.

Mr. THILL. There is no intention, then, to put our ships into war zones?

Mr. BLAND. Absolutely not.

Mr. THILL. And then make the Government carry the insurance on these ships, assume the risks, and pay the losses?

Mr. BLAND. I can assure the gentleman that that is not the intention.

Mr. THILL. With that assurance and understanding, I will not press my objection.

Mr. BLAND. I thank the gentleman very much.

The SPEAKER. Is there objection to the request of the gentleman from Virginia?

There was no objection.

The Senate amendments were agreed to.

A motion to reconsider was laid on the table.

ALASKAN SALMON FISHERY

Mr. BLAND. Mr. Speaker, I ask unanimous consent to take from the table the bill (H. R. 8172) to amend section 5 of the act of Congress approved June 26, 1906, relative to the Alaska salmon fishery, with a Senate amendment and concur in the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment, as follows:

Line 5, strike out all after "amended" where it appears the second time down to and including "thereon" in line 13, and insert: "By inserting after the word 'border' in the first sentence of said section a comma and the following: 'and except by hook and line for either personal or commercial use.'"

The SPEAKER. The gentleman from Virginia is recognized.

Mr. BLAND. Mr. Speaker, the Senate amendment does exactly what the House intended to do, but does it in a slightly different way. We wanted to give the trawlers an opportunity to operate and not be bound by the weekly closed period.

The amendment is acceptable to the Delegate from Alaska.

Mr. DITTER. Mr. Speaker, will the gentleman yield?

Mr. BLAND. I yield.

Mr. DITTER. And I understand that the minority members of the committee approve the suggestion.

Mr. BLAND. Both these bills have the approval of the minority members.

The SPEAKER. Is there objection to the request of the gentleman from Virginia?

There was no objection.

The Senate amendment was agreed to, and a motion to reconsider was laid on the table.

EXTENSION OF REMARKS

Mr. SNYDER. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include a de-

tailed procedure as to how the W. P. A. will operate under the vocational-training plan.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

RECESS

The SPEAKER. Without objection, the House will again stand in recess subject to the call of the Speaker. Five minutes' notice will be given by the ringing of the bells.

Thereupon (at 7 o'clock and 25 minutes p. m.) the House stood in recess subject to the call of the Chair.

AFTER RECESS

The recess having expired, the House was called to order by the Speaker at 8:58 o'clock p. m.

EXTENSION OF REMARKS

Mr. DINGELL. Mr. Speaker, under a previous order of the House I was accorded the privilege of addressing the House for 10 minutes. I ask unanimous consent that I may be permitted to revise and extend my own remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Michigan [Mr. DINGELL]?

There was no objection.

WARREN K. RABY, LIKE THE UNIFORM HE WORE WITH CREDIT, WAS "TRUE BLUE"

Mr. DINGELL. Mr. Speaker, June 23 of this year marks the anniversary of the passing of Patrolman Warren K. Raby, an officer of the law who served faithfully the people of Detroit for a period of a little more than eleven years. I rise at this time to pay tribute to a man who has rendered a full measure of distinguished service and who has served the Police Department in accordance with the highest and noblest traditions.

He was a soldier who valiantly fought the unending battle with the thug, the gangster, and the racketeer. He defended the home and the fireside of every citizen within the borders of the city of Detroit. He has acquitted himself with valor on countless occasions. He was modest and reticent about his brave exploits. Yet, in spite of his silence and modesty, the greatness of his heroic acts reached his superior officers and through them relayed to the highest authority within the department. The Commissioner of Police then and there issued a "citation for meritorious service." Six times, for acts of bravery beyond the ordinary requirement of the service, Warren K. Raby has been cited and properly decorated. He was permeated with the highest code of the bluecoat. Every thought and every act of this valiant policeman was actuated by the highest motives and traditions of the department; he stood on guard against the might of the underworld, a challenge to their encroachment upon the rights of upright and decent citizens.

Uppermost in his mind and in his heart at all times was the defense of the rights of our people, and the maintenance of peace. He was a soldier in the truest sense. Upon his manly breast were pinned citations for merit and valor. He performed his duties faithfully and well. His record was spotless. As a husband and father, as a policeman and citizen he was in every sense of the word a gentleman. Like the uniform which he wore with credit, he was true blue.

On the fateful day of June 23, Warren K. Raby left his wife and baby to assume his place in the defense line, never to return. A true soldier, he always followed orders implicitly and promptly. It was in the line of duty that he forfeited his life for the people of Detroit. Seated alone in a scout car, he heard the report of a daylight burglary. There was no time to wait for his colleague, who at that particular moment was at lunch and properly absent. The urge to act without delay and to carry out orders prompted his stout heart to move forward into battle. One less brave and virile would have hesitated, but not Patrolman Warren K. Raby. Memorizing the description given by the screeching radio voice, he determined to do or die. He headed off the thug and his gangster moll and even when he faced extreme danger, he was not only brave and generous with his adversary but chivalrous in the extreme.

It would be of no avail, Mr. Speaker, to recite in detail all that happened in the few brief moments excepting to say that the cowardly thug, with a contemptible and worthless hag as a shield, without warning or provocation, opened fire upon this noble servant of the law. Patrolman Raby asked no quarter and gave none when he discerned the true character of his adversary. Mortally wounded though he was, Patrolman Raby whipped out his service revolver and blazed away to end the career of another worthless scoundrel who preyed upon the honest people of a great community. Patrolman Warren K. Raby answered the last command. He was rushed to a hospital. He died the death of a hero.

Seldom is a privilege to eulogize accorded a Member of Congress, because only on rare occasion does a comparable act of nobility and heroism occur and come to our attention. I could go on at length extolling the character, the virtues, the service, and the accomplishments of Patrolman Warren K. Raby. It is sufficient to say that unto the end he was faithful to the service, faithful to the people of Detroit, and that at all times he was actuated and prompted by the noblest and highest ideals. His actions were exemplary. They were an inspiration and symbolic of all that is good and great within the Police Department.

He was a tender and loving husband, a devoted and provident father, who loved his baby girl, Roberta. He loved her with all of the tenderness and devotion of a typical American daddy and as usual she waited for him on this tragic day. For her there was special significance attached to this day for everything was packed and ready for a weekend of childish fun and frolic. There was no way to explain the tragedy—there was no way to assuage the crushing blow or to dispel the sorrow which came to this little girl, who is as sweet and as loving as yours and mine. The little home at 595 Philip Avenue, which until now was so happy and bright, became overcast with the pall of tragedy and sorrow. The happy family consisting of Lucille Raby, the loving wife and mother, and the lovely daughter, Roberta, just six years old at the time, was shattered by the irreplaceable loss of the husband and daddy. He had gone to his reward, he had given his all to the service, to the Department, and to the people of Detroit, and it is intended here and now, Mr. Speaker, that this act of bravery and heroism should be entered upon the RECORD of the Congress of the United States as an inspiration and as a mark of deference and recognition, which is rightfully due the memory of the late Warren K. Raby. He was more than an ordinary citizen, he was more than an ordinary patrolman—he was a symbol and an example worthy of emulation. He was actuated by the highest ideals of a genuine American. Acts such as his should be recorded for posterity and brought to the attention of others so that they might stimulate those left behind to continued and greater efforts. While I am about it, Mr. Speaker, may I take this occasion to say that in instances such as this when the book of life has been closed in tragedy, we, as citizens, must ever remember our obligation and responsibility to these peacetime soldiers who are carrying on a relentless and bitter war against the roving and predatory armies of the underworld. A tribute such as this would be meaningless, it would be but a brassy tinkle, if it did not to the fullest extent arouse in our hearts a desire to reward such actions.

This anniversary should awaken in our minds and in our hearts the responsibility which we, as citizens and as taxpayers, owe to the faithful personnel of the Police Department as a whole. Warren K. Raby was an individual and, in this instance, a noble symbol and an example, but he was not an exception in the true sense of the word. The record of the Department is inscribed with many names of heroic officers who gave their lives for the people. A few of these I shall insert in the permanent RECORD as soon as they are available. There are a thousand more potential Warren K. Rabys in the police department today who are ready to bare their breasts to the bullets of the gangsters

and the underworld thugs. Never a day passes when these men in blue, in the discharge of their routine duties, do not risk their lives and the happiness and security of their loved ones, for the benefit of the people of Detroit. Therefore, I say that my remarks today would be meaningless if we did not arouse ourselves from our stupor long enough to provide properly for those who fall by the wayside and, in similar and generous manner, provide for those who have rendered useful and faithful service over a period of many years and are retired. A pension system superior to any in the world should be evolved by the city of Detroit and should be maintained in perpetuity. It should be based upon sound, actuarial advice. It should be a retirement system not only a name but actuality. To conform with my ideas, the plan must be more than a mere pension system. It should provide for retirement which will guarantee the comfort and the happiness of the recipient. Extraneous considerations should not be permitted to dominate or even influence the retirement plan. Scientific calculations and actuarial advice should be the guiding force upon which a retirement plan should be built. Maximum support of the people of Detroit will, I am sure, be marshaled behind any substantial and generous plan which might be perfected. While this discussion applies to the police pension fund and to the acts of heroism in the Police Department, it applies in every respect with equal force to the firemen, where examples of heroism are as lofty and proportionately as numerous.

It is rather late to attempt to analyze the cause and the reason for the pitiful condition of the municipal pension fund. It would be utterly useless to try to place the blame for its insolvency upon any individual official or department at this time. It is perhaps just as well that this responsibility be not fixed. Since, however, we have learned that the municipal retirement fund has become insolvent, it now becomes the responsibility of every taxpayer and every citizen of Detroit, who should demand the reestablishment of this fund on a sound, permanent, and a generous basis.

I am willing to stand my share of the burden and, as a taxpayer and citizen, I am not an exception. The generous people of Detroit are willing to pay their fair share of the cost of creating and maintaining such a retirement fund. It must be made permanent; it must be made financially solvent at all times; it must be made to withstand the maximum possible drain, regardless of consequences or costs. It is one thing to extol posthumously the virtues and the heroism of members of the Police Department or of the Fire Department, but it is the practical, the Christian, the American way to reward not only valor and heroism, but faithful service among those who, having fulfilled all expectations during the required span of active service, become superannuated and retire.

EXTENSION OF REMARKS

Mr. KRAMER. Mr. Speaker, I ask unanimous consent to insert at this point in the RECORD an announcement of a golf game that is going to be played on July 4, and the benefits will all go to the Red Cross. I give notice to all Members to attend.

The SPEAKER. Is there objection to the request of the gentleman from California [Mr. KRAMER]?

There was no objection.

Mr. KRAMER. Mr. Speaker and Members of the House, for the benefit of the American Red Cross, the ever faithful helper of humanity, which organization deserves at all times and especially in these days of distress and suffering the fullest cooperation of all Americans, a golf tournament and entertainment will be held on Thursday, July 4, at the Indian Spring Country Club, to which you are all cordially invited to attend.

It is most fitting that this benefit be held in the suburbs of the Nation's capital where the leaders of our Government may cooperate with those who are donating their services to this great cause which is sanctioned by the Red Cross and who will receive 100 percent of the profits. Certainly we can show our appreciation for the splendid work which has been done and will be done in the future by the American Red Cross by attending this affair at a very nominal admission of $1.

Headliners in golf have offered their services and will come to Washington to participate in this event—Gene Sarazen, Horton Smith, Paul Runyon, Jimmy Thompson, Tony Penna, Bobby Cruickshank, Dick Metz, and Henry Picard. Nationally known entertainers will appear on the day's program to assist in making this benefit the most successful ever held for the American Red Cross.

It is highly commendable of the Indian Spring Country Club to throw open their gates on Independence Day to every man, woman, and child who are always willing and ready to do their small part in assisting the Red Cross to accomplish their most worthy work in any emergency or crisis which befalls the Nation or the world.

Indian Spring Country Club extends a most cordial invitation to you all to take advantage of this opportunity to see nationally known golfers in action as well as entertainers amidst pleasant surroundings and at the same time to lend your support to the aid of the Red Cross. This affair which is less than 2 weeks away deserves the sympathetic and wholehearted cooperation of every American citizen. Decide today that you will be present on Independence Day at the Indian Spring Country Club to assist in making the benefit affair for the American Red Cross the most successful that has ever been held in the Nation's Capital.

Needless to say, it is a privilege to be given this opportunity to participate in a benefit for such a far-reaching and worthy cause. The high motives impelling the holding of this affair in Washington might well be followed in other communities throughout the United States on this Fourth of July and thereby give every American citizen an opportunity to participate in assisting the Red Cross to carry on their miraculous work particularly at this time when the demands are so heavy not only for service but for materials and supplies. It is only by the continued financial and moral support of every citizen of this country that this ever-necessary and worth-while work can be carried on by the mother of humanity—the American Red Cross.

Mr. Speaker, I ask unanimous consent to extend in the RECORD my own remarks and to include an address by George W. Wheeler, of Bell, Calif.

The SPEAKER. Is there objection to the request of the gentleman from California [Mr. KRAMER].

There was no objection.

EXTENSION OF REMARKS

Mr. TENEROWICZ asked and was given permission to extend his own remarks in the Appendix of the RECORD.

Mr. CANNON of Missouri. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include a statement from the Department of Justice.

The SPEAKER. Is there objection to the request of the gentleman from Missouri [Mr. CANNON]?

There was no objection.

Mr. CANNON of Missouri. Mr. Speaker, Mr. O. John Rogge, the Assistant Attorney General in charge of the investigations conducted by the Department of Justice in Louisiana, has just reported and makes the statement:

> Our investigations have not disclosed any criminal conduct on the part of any responsible official of the Work Projects Administration.

In view of the prominence which was given to conditions in Louisiana in the report of the committee investigating the Work Projects Administration, this statement is particularly pertinent at this time, and I quote the entire statement, as follows:

STATEMENT OF O. JOHN ROGGE, ASSISTANT ATTORNEY GENERAL, CONCERNING THE OPERATIONS OF THE WORK PROJECTS ADMINISTRATION IN LOUISIANA

In the course of our investigations in Louisiana during the last year we have received numerous complaints alleging violations of

the penal laws of the United States with respect to the operations of the Work Projects Administration. These complaints have chiefly charged the illegal diversion of labor and materials of the Work Projects Administration to private uses.

All cases coming to our attention were referred to the Division of Investigation of the Federal Work Projects Administration, which has its headquarters in Washington and is responsible directly to Col. F. C. Harrington, Commissioner of Work Projects. This Division has also made independent investigations of the operations of the Work Projects Administration in Louisiana. The actual investigative work was carried on under the supervision of Mr. Paul Hansen, a member of said Division of Investigation. Under his direction, a total of 158 cases were investigated in Louisiana during the period from June 1, 1939, to June 1, 1940. The various grand juries of the eastern and western districts of Louisiana participated in these investigations, with the aid of representatives of this Department.

A number of indictments were returned by the grand juries of the two Federal districts against various persons for violations of the Emergency Relief Act or the mail-fraud statute of the Federal Criminal Code. The largest group of indictments involved the use for illegal purposes of W. P. A. labor and materials that were to be used in connection with the construction program of Louisiana State University. These indictments involved the illegal diversion of W. P. A. materials from W. P. A. projects at the University to the personal use of individuals in the construction of private homes and for the benefit of subcontractors who had construction contracts with the university and were to be paid from university funds.

The persons who were indicted in these cases were George A. Caldwell, who was employed by the university as superintendent of its construction program, his assistant, Eugene Barksdale, and a number of contractors and supply men, who were alleged to have colluded with Caldwell in the wrongful diversion of such labor and materials. Caldwell has pleaded guilty to the indictments against him and is now serving aggregate sentences of 4 years in the penitentiary. Barksdale was fined $500 on a guilty plea to his indictment. A number of the other cases where indictments have been returned have already been disposed of by pleas of guilty, and, in one case, by a dismissal of the indictment by the Government.

The indictments which have been filed have almost exclusively involved private persons, although certain minor employees of the Work Projects Administration may have been implicated. Our investigations have not disclosed any criminal conduct on the part of any responsible official of the Work Projects Administration.

The investigations of complaints with respect to the operations of the Work Projects Administration in Louisiana will continue in accordance with the regular routine wherever justifiable. The matter of the alleged misuse of W. P. A. labor in connection with the manufacture of certain asphalt for private benefit is still under investigation. In addition to the indictments that have been returned, the Government is endeavoring to recover the value of materials and labor wrongfully used for private purposes.

PERMISSION TO ADDRESS THE HOUSE

Mr. WOODRUM of Virginia. Mr. Speaker, I ask unanimous consent to address the House for 5 minutes.

The SPEAKER. Is there objection to the request of the gentleman from Virginia [Mr. WOODRUM]?

There was no objection.

Mr. WOODRUM of Virginia. Mr. Speaker, except for the fact we have to wait for a few minutes on a message from the Senate, I would not detain my colleagues at this hour of the night, but inasmuch as we have to wait I would like to say this in the closing hours of the session before we take a recess.

In the last few critical weeks of this Congress, responding to the call to service, in my judgment, has written a notable chapter in legislative achievement. Laying aside partisan feeling, new dealers, conservative Democrats, Republicans, and what have you, have become Americans [applause] and have responded to the bugle call of service. Under the leadership of the Commander in Chief we have provided for America as best the legislative branch could provide for her defense and security. This Congress has appropriated the funds. It has made possible the legislative machinery. It is now up to the administrative branch of the Government to translate that into speedy action. [Applause.]

The Appropriations Committee of the House, acting with a degree of unanimity that is most commendable, has received, considered, and reported to the House and piloted through the House more than $5,000,000,000 of appropriations for the defense of America and the Western Hemisphere. In many instances, Mr. Speaker, we have foregone careful, minute scrutiny and inquiry that ordinarily would have accompanied such mountainous appropriations, but we felt there was an emergency and that in an emergency you have to trust people. We received the recommendations of the Army, Navy, and the other agencies, and we acted upon them. But I want to say now that we shall expect in days to come an accurate accounting from every agency of the Government for every red copper penny that this Congress has appropriated. [Applause.] And for whatever it may be worth, let the message go down to administrative heads that they may not infer from our speedy action that we are going to forego the right hereafter to demand an accurate accounting and to demand for the American people 100 pennies worth of defense for every dollar that we have appropriated to date. [Applause.]

Mr. SUMNERS of Texas. Mr. Speaker, I ask unanimous consent to proceed for 2 minutes.

The SPEAKER. Is there objection to the request of the gentleman from Texas [Mr. SUMNERS]?

There was no objection.

Mr. SUMNERS of Texas. Mr. Speaker, we are taking this recess at a period when we are all conscious of the tremendous responsibility which rests upon the Members of the Congress as the elected representatives of the people. We have been complimentary of what the House and the Senate have done, and they well deserve that compliment.

To me the most magnificent, the most enheartening thing connected with the period is to see the American people who just a short time ago were careless of responsibility, like children at play, unwilling to give attention to matters of serious concern, respond now to the demands of the Nation. The most wonderful thing in this dark period is this people, standing stalwart, determined, conscious of danger, unafraid, a nation reborn. It is a great thing to see men and women and children of America becoming again fitted to live in a free government, to see the men, women, and children of America no longer considering the Government as an "it" thing, no longer speaking of Government responsibility as responsibility of "they," to see the people of this great country conscious of the fact that they are the Government. [Applause.] To see the sons and daughters of America, the people in the communities of this country, as they resolve, and we can tell by the letters they have written us, and to see those people determined that under God they are going to defend this country, preserve its liberties, and bequeath to their children an opportunity to live under a free government. [Applause.]

Tonight I pay my tribute to a people, my people, aroused, regenerated, and as I believe rapidly becoming fit to guide and to govern the great Republic. The most magnificent spectacle on the earth today is the American people rallying to the defense of free government and demonstrating again that they are fit to govern. We will go home and pay our compliments to our people, our people upon whom the hope of the ages for free government depends. [Applause.]

[Here the gavel fell.]

EXTENSION OF REMARKS

Mr. GARRETT asked and was given permission to extend his own remarks in the RECORD.

Mr. JOHNSON of Oklahoma. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and include therein certain communications I have received.

The SPEAKER. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

Mr. HARE. Mr. Speaker, I ask unanimous consent to extend my own remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from South Carolina?

There was no objection.

Mr. HARE. Mr. Speaker, the recent disastrous developments in Europe are too tragic for a democratic, liberty-loving people to contemplate. We are shocked with surprise at the strength of the German forces and the weakness of the defense offered by the Allies. Like Napoleon, Mr. Hitler "seems to have robbed fortune of her secrets, and bewildered nations gaze in silence while he turns the streams of success according to his vacillating whims."

No one is able to furnish definite and satisfactory reasons for the success of one and the failure of others. It is true there are many suggestions and various reasons assigned, but the opinion of one informed person is just about as good as another. Some say that Mr. Hitler is a genius or a man of destiny and that his success is due to his personal magnetism coupled with his advanced implements of war in the hands of a better trained and more determined soldiery. Others say that the failure of the allied nations is due to the propagandized sentiment of peace at any price promoted and stimulated by organized agencies and influences of the Nazi government in recent years, and that this sentiment is responsible for the failure of the Allies to make the necessary preparation for their own defense. Coupled with this lack of implements of war the people had forgotten that "eternal vigilance is the price of liberty," and as a consequence were dispossessed of that spirt of patriotism so essential in any army to wage a successful war.

There are others who say that the lack of preparedness on the part of the Allies can be attributed to the actions of the labor parties in England and France influenced and directed by communistic activities from other nations. They had propagandized the Allied nations to the point where they had reduced their armaments and the people led to believe that "war drums would throb no longer and the battle flags were all furled in the brotherhood of man and the federation of the world."

Regardless of what the causes or influences, there is no denying the fact that Mr. Hitler within the past half decade has equipped his country with every deadly device of warfare and has inspired his people to the point where they were ready and prepared for vengeance, whereas at the same time the Allies "slumbered and slept." The result is not surprising in the light of present-day information.

The thought that startles the people of this Nation is to realize that we have unconsciously drifted into the same boat with the Allied nations insofar as being prepared to defend our Government and its institutions against a powerful and ruthless invader. The question now is what are we going to do about it and how are we going to proceed? There is little doubt but that the Congress will vote for the appropriation provided for in the bill reported by the gentleman from Georgia [Mr. VINSON], because if I interpret the sentiment of the House the Members are willing to make whatever sacrifice is necessary to provide adequate defense to protect our Government and its cherished institutions from the invasions from any foreign foe, although I am convinced that the membership of the present Congress is decidedly opposed to this country becoming involved in any foreign war. [Applause.]

RECESS

Mr. RAYBURN. Mr. Speaker, I ask unanimous consent that the House stand in recess, subject to the call of the Chair, to await a message from the Senate.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

Accordingly (at 9 o'clock and 8 minutes p. m.) the House stood in recess subject to the call of the Chair.

AFTER RECESS

The recess having expired, the House was called to order by the Speaker at 9:09 o'clock p. m.

FURTHER MESSAGE FROM THE SENATE

A further message from the Senate, by Mr. Frazier, its legislative clerk, announced that the Senate had agreed, without amendment, to a concurrent resolution of the House of the following title:

H. Con. Res. 83. Concurrent resolution providing for a recess of Congress until July 1, 1940.

The message also announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 9007) entitled "An act making appropriations for the Department of Labor, the Federal Security Agency, and related independent agencies, for the fiscal year ending June 30, 1941, and for other purposes."

The message also announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 10104) entitled "An act making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1940, and prior fiscal years, to provide supplemental appropriations for the fiscal years ending June 30, 1940, and June 30, 1941, and for other purposes."

The message also announced that the Senate had passed, with amendments in which the concurrence of the House is requested, a bill of the House of the following title:

H. R. 9575. An act to amend the Federal Aid Act, approved July 11, 1916, as amended and supplemented, and for other purposes.

ENROLLED BILLS AND JOINT RESOLUTIONS SIGNED

Mr. PARSONS, from the Committee on Enrolled Bills, reported that that committee had examined and found truly enrolled bills and joint resolutions of the House of the following titles, which were thereupon signed by the Speaker:

H. R. 2354. An act for the relief of S. T. Enloe;

H. R. 2901. An act conferring jurisdiction upon the United States District Court for the Middle District of Georgia to hear, determine, and render judgment upon the claim of Geraldine Ash;

H. R. 3774. An act for the relief of Albert L. Barnholtz;

H. R. 3964. An act for the relief of H. S. Wayman;

H. R. 4801. An act for the relief of Mary Camastro, a minor;

H. R. 5211. An act conferring jurisdiction upon the United States District Court for the Eastern District of Kentucky to hear, determine, and render judgment upon the claims of Mat Hensley, Arnold Blanton, Lillie Price, Clyde Thorpe, and D. L. Mason;

H. R. 5464. An act for the relief of Don E. Hicks;

H. R. 5571. An act for the relief of Minnie Lowery and Winell Lowery;

H. R. 5930. An act for the relief of Raymond C. Knight;

H. R. 6095. An act for the relief of Wilbur P. Riddlesbarger and Josephine Riddlesbarger;

H. R. 6548. An act for the relief of Isobell Shanks;

H. R. 6553. An act for the relief of the Pennsylvania State College;

H. R. 6598. An act for the relief of Charles H. Upton;

H. R. 6845. An act for the relief of Anthony Borsellino;

H. R. 6967. An act for the relief of Thomas Boyd;

H. R. 7116. An act to authorize defraying cost of necessary work between the Yuma project and Boulder Dam;

H. R. 7608. An act for the relief of J. Montrose Edrehi;

H. R. 7858. An act for the relief of Mary D. Briggs and Simeon G. Rigor;

H. R. 7959. An act for the relief of Nathan A. Buck;

H. R. 8076. An act to authorize the furnishing of steam from the Central Heating Plant to the National Academy of Sciences, and for other purposes;

H. R. 8202. An act making appropriations for the Department of Agriculture for the fiscal year ending June 30, 1941, and for other purposes;

H. R. 8258. An act for the marking, care, and maintenance of the Mount of Victory plot in the Cypress Hills Cemetery, in Brooklyn, N. Y.;

H. R. 8356. An act for the exchange of lands adjacent to the San Juan National Forest and the Rio Grande National Forest in Colorado;

H. R. 8414. An act for the relief of Charles E. Molster, former disbursing clerk for the Department of Commerce and the National Recovery Administration; J. L. Summers, deceased, former chief disbursing clerk, Division of Disbursement, Treasury Department; and Guy F. Allen, chief disbursing officer, Division of Disbursement, Treasury Department;

H. R. 9274. An act to amend the act entitled "An act to provide for the establishment of the Cape Hatteras National

Seashore in the State of North Carolina, and for other purposes," approved August 17, 1937 (50 Stat. 669);

H. R. 9296. An act to authorize the attendance of the Marine Band at the convention of the Grand Army of the Republic to be held at Springfield, Ill., September 8 to 13, inclusive, 1940;

H. R. 9445. An act for the acquisition of Indian lands for the Grand Coulee Dam and Reservoir, and for other purposes;

H. R. 10039. An act to provide for the expenses of national preparedness by raising revenue and issuing bonds to provide a method for paying for such bonds, and for other purposes;

H. J. Res. 517. Joint resolution to clear title to certain real estate; and

H. J. Res. 544. Joint resolution making appropriations for work relief and relief for the fiscal year ending June 30, 1941.

The SPEAKER announced his signature to enrolled bills and joint resolutions of the Senate of the following titles:

S. 2047. An act to divest prize-fight films of their character as subjects of interstate or foreign commerce, and for other purposes;

S. 3927. An act to provide for the administration of the Washington National Airport, and for other purposes;

S. J. Res. 260. Joint resolution to make emergency provision for the maintenance of essential vessels affected by the Neutrality Act of 1939, and for adjustment of obligations with respect to such vessels; and

S. J. Res. 279. Joint resolution to amend section 4 of Public Resolution No. 54, approved November 4, 1939, entitled "Joint resolution to preserve the neutrality and the peace of the United States and to secure the safety of its citizens and their interests."

BILLS AND JOINT RESOLUTION PRESENTED TO THE PRESIDENT

Mr. PARSONS, from the Committee on Enrolled Bills, reported that that committee did on this day present to the President, for his approval, bills of the House of the following titles:

H. R. 2354. An act for the relief of S. T. Enloe;

H. R. 2901. An act conferring jurisdiction upon the United States District Court for the Middle District of Georgia to hear, determine, and to render judgment upon the claim of Geraldine Ash;

H. R. 3774. An act for the relief of Albert L. Barnholtz;

H. R. 3964. An act for the relief of H. S. Wayman;

H. R. 4801. An act for the relief of Mary Camastro, a minor;

H. R. 5211. An act conferring jurisdiction upon the United State District Court for the Eastern District of Kentucky to hear, determine, and render judgment upon the claims of Mat Hensley, Arnold Blanton, Lillie Price, Clyde Thorpe, and D. L. Mason;

H. R. 5464. An act for the relief of Don E. Hicks;

H. R. 5571. An act for the relief of Minnie Lowery and Winell Lowery;

H. R. 5930. An act for the relief of Raymond C. Knight;

H. R. 6095. An act for the relief of Wilbur P. Riddlesbarger and Josephine Riddlesbarger;

H. R. 6548. An act for the relief of Isobell Shanks;

H. R. 6553. An act for the relief of the Pennsylvania State College;

H. R. 6598. An act for the relief of Charles H. Upton;

H. R. 6845. An act for the relief of Anthony Borsellino;

H. R. 6967. An act for the relief of Thomas Boyd;

H. R. 7116. An act to authorize defraying cost of necessary work between the Yuma project and Boulder Dam;

H. R. 7608. An act for the relief of J. Montrose Edrehi;

H. R. 7858. An act for the relief of Mary D. Briggs and Simeon G. Rigor;

H. R. 7959. An act for the relief of Nathan A. Buck;

H. R. 8076. An act to authorize the furnishing of steam from the Central Heating Plant to the National Academy of Sciences, and for other purposes;

H. R. 8258. An act for the marking, care, and maintenance of the Mount of Victory plot in the Cypress Hills Cemetery, in Brooklyn, N. Y.;

H. R. 8356. An act for the exchange of lands adjacent to the San Juan National Forest and the Rio Grande National Forest in Colorado;

H. R. 8414. An act for the relief of Charles E. Molster, former disbursing clerk for the Department of Commerce and the National Recovery Administration; J. L. Summers, deceased, former chief disbursing clerk, Division of Disbursement, Treasury Department; and Guy F. Allen, chief disbursing officer, Division of Disbursement, Treasury Department;

H. R. 9274. An act to amend the act entitled "An act to provide for the establishment of the Cape Hatteras National Seashore in the State of North Carolina, and for other purposes," approved August 17, 1937 (50 Stat. 669);

H. R. 9296. An act to authorize the attendance of the Marine Band at the convention of the Grand Army of the Republic to be held at Springfield, Ill., September 8 to 13, inclusive, 1940;

H. R. 9445. An act for the acquisition of Indian lands for the Grand Coulee Dam and Reservoir, and for other purposes; and

H. J. Res. 517. Joint resolution to clear title to certain real estate.

ADJOURNMENT

Mr. RAYBURN. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to.

The SPEAKER. In accordance with House Concurrent Resolution 83, the Chair declares the House adjourned until 12 o'clock meridian on July 1 next.

Thereupon (at 9 o'clock and 10 minutes p. m.), pursuant to House Concurrent Resolution 83, the House adjourned until Monday, July 1, 1940, at 12 o'clock noon.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII,

Mr. MURDOCK of Arizona: Committee on Indian Affairs. H. R. 9808. A bill to authorize exchanges of lands within the Navajo Indian Reservation, Ariz.; without amendment (Rept. No. 2701). Referred to the Committee of the Whole House on the state of the Union.

Mr. JARMAN: Committee on Printing. House Resolution 513. Resolution authorizing the printing of the prayers of the Chaplain of the House of Representatives (Rept. No. 2703). Ordered to be printed.

Mr. JARMAN: Committee on Printing. House Resolution 540. Resolution authorizing the printing of the reports of the various committees of the House Conference on Unemployment as a document (Rept. No. 2704). Ordered to be printed.

Mr. JARMAN: Committee on Printing. House Resolution 519. Resolution authorizing the printing of the report on Labor in the Territory of Hawaii, prepared by the Bureau of Labor Statistics, as a document (Rept. No. 2705). Ordered to be printed.

Mr. VINSON of Georgia: Committee of conference on the disagreeing votes of the two Houses. H. R. 9822. An act to expedite naval shipbuilding, and for other purposes (Rept. No. 2706). Referred to the Committee of the Whole House on the state of the Union.

Mr. SECREST: Committee on Flood Control. House Joint Resolution 406. Joint resolution to authorize compacts or agreements between the States of Nebraska, Colorado, and Kansas with respect to the control and distribution of the waters of the Republican River and its tributaries; with amendment (Rept. No. 2707). Referred to the Committee of the Whole House on the state of the Union.

Mr. TARVER: Committee of conference on the disagreeing votes of the two Houses. H. R. 9007. An act making appropriations for the Department of Labor, Federal Security Agency and related independent agencies, for the fiscal year ending June 30, 1941, and for other purposes (Rept. No. 2708). Referred to the Committee of the Whole House on the state of the Union.

Mr. TAYLOR: Committee of conference on the disagreeing votes of the two Houses. H. R. 10104. An act making deficiency appropriations for the years ending June 30, 1940, and June 30, 1941 (Rept. No. 2709). Referred to the Committee of the Whole House on the state of the Union.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of rule XIII,

Mr. SMITH of Connecticut: Committee on Military Affairs. H. R. 8774. A bill for the relief of the widow of Donald D. Elliott; without amendment (Rept. No. 2699). Referred to the Committee of the Whole House.

Mr. MAAS: Committee on Naval Affairs. H. R. 9854. A bill to authorize certain officers and enlisted men of the United States Navy, the United States Marine Corps, the Naval Reserve, and the Marine Corps Reserve to accept such medals, orders, decorations, and presents as have been tendered them by foreign governments; with amendment (Rept. No. 2700). Referred to the Committee of the Whole House.

Mrs. O'DAY: Committee on Immigration and Naturalization. S. 2760. An act for the relief of Mijo Stanisic; without amendment (Rept. No. 2702). Referred to the Committee of the Whole House.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. HARE:

H. R. 10142. A bill to amend the Employees' Compensation Act of September 7, 1916, to provide additional compensation for the loss of hands, feet, or eyes; to the Committee on the Judiciary.

By Mr. McCORMACK:

H. R. 10143. A bill to amend and enlarge the laws of the United States dealing with the deportation of the immoral classes; to the Committee on Immigration and Naturalization.

By Mr. MACIEJEWSKI:

H. R. 10144. A bill authorizing the reappointment to the active list of the Army of certain experienced former officers; to the Committee on Military Affairs.

By Mr. RICH:

H. R. 10145. A bill to promote the national defense and prevent sabotage by requiring that all persons employed in the manufacture, processing, handling, or delivering any machine, tool, chemical, instrument, article of war, foodstuff, or other material prepared in whole or in part for delivery to the Government of the United States or any agency thereof, shall be formally registered, photographed, fingerprinted, and otherwise permanently identified as a necessary requisite and condition of employment; to the Committee on the Judiciary.

By Mr. WEAVER:

H. R. 10146. A bill to provide for the imposition of import quotas upon articles bound on the free list in foreign-trade agreements; to the Committee on Ways and Means.

By Mr. VOORHIS of California:

H. R. 10147. A bill to require the registration of certain organizations carrying on activities within the United States, and for other purposes; to the Committee on the Judiciary.

By Mr. LELAND M. FORD:

H. Con. Res. 81. Concurrent resolution memorializing the late Will Rogers; to the Committee on the Library.

By Mr. McCORMACK:

H. Con. Res. 82. Concurrent resolution exonerating Col. William Mitchell; to the Committee on Military Affairs.

By Mr. HARRINGTON:

H. Con. Res. 84. Concurrent resolution relating to the free exchange of commodities within the Western Hemisphere; to the Committee on Foreign Affairs.

By Mr. ENGLEBRIGHT:

H. Res. 546. Resolution to provide additional compensation for certain minority employees; to the Committee on Accounts.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. HARRINGTON:

H. R. 10148. A bill for the relief of Fred H. Pollman; to the Committee on Invalid Pensions.

By Mr. TAYLOR:

H. R. 10149. A bill for the relief of Jose Mendez (Anthony Sayer); to the Committee on Immigration and Naturalization.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

8904. By Mr. COLE of Maryland: Resolution adopted by the Italian-American professional and businessmen of Baltimore City, supporting the national-defense program; to the Committee on Military Affairs.

8905. By Mr. DEROUEN: Petition of citizens of Crowley, La., urging Congress to keep the United States out of the European war; to the Committee on Foreign Affairs.

8906. By Mr. EDELSTEIN: Petition of the American Labor Party, protesting against any legislation which would tend to draw the United States into war; to the Committee on Foreign Affairs.

8907. By Mr. FLAHERTY: Petition of the Bar Association of the City of Cambridge, Cambridge, Mass., favoring the O'Toole bill (H. R. 8349); to the Committee on the Judiciary.

8908. By Mr. HOOK: Petition of the board of directors of the Michigan League of Women Voters, resolving that the Senators and Representatives of Michigan in Congress be, and they hereby are, urged to oppose all further action toward the adoption of the so-called equal-rights amendment; to the Committee on the Judiciary.

8909. By Mr. JARRETT: Petition of H. L. McClurg and other residents of Greenville, Pa., urging assistance to the Allies; to the Committee on Foreign Affairs.

8910. By Mr. MICHAEL J. KENNEDY: Petition of the Social Service Employees Union, opposing enactment of the Smith bill into law; to the Committee on Labor.

8911. Also, petition of the National Economy League, advocating restriction on appropriations for the national-defense program; to the Committee on Military Affairs.

8912. Also, petition of the National Cooperative Milk Producers Federation, urging support of the Bilbo amendment to House Joint Resolution 544, providing $100,000,000 for expenditure under section 32 of the Agricultural Adjustment Administration Act, for disposal of surplus agricultural commodities in domestic and foreign markets; to the Committee on Agriculture.

8913. Also, petition of the American Locomotive Co., of New York City, opposing section 2B of House bill 9822, a revision of the Vinson Act; to the Committee on Naval Affairs.

8914. Also, petition of the New York Committee to Aid Agricultural Workers, relating to the national-defense program and urging that progressive social legislation also be enacted by the Congress; to the Committee on Ways and Means.

8915. Also, petition of the National Association of Life Underwriters, urging that Congress remain in session during the present emergency; to the Committee on Ways and Means.

8916. Also, petition of the Amateur Athletic Union of the United States, relating to National Sports Week, during which time it is proposed to mobilize the recreational activities of the American people in behalf of good health habits; to the Committee on Interstate and Foreign Commerce.

8917. By Mr. STEARNS of New Hampshire: Petition of the Lions Club of Newport, N. H., urging appropriate legislation for adequate national defense; to the Committee on Military Affairs.

8918. By Mr. SUTPHIN: Petition of the Board of Chosen Freeholders, County of Middlesex, N. J., extending to the Federal administration its offer to aid in every possible way and to pledge itself to continue that aid and extend the

services and facilities of the county during the present emergency; to the Committee on Military Affairs.

8919. Also, petition of the Italian Progressive Club, of Asbury Park, N. J., condemning Premier Mussolini and the Italian Government for becoming involved in the European War; to the Committee on Foreign Affairs.

8920. By Mr. THOMASON: Petition of the Wink (Tex.) Lions Club and other residents of Wink, urging that in view of the challenge that is being hurled at American democracy Congress remain in session throughout the crisis; to the Committee on Foreign Affairs.

8921. By Mr. WHEAT: Resolution of the Harry G. Maxted Post, No. 154, the American Legion, Department of Illinois, located at Western Springs, Ill., urging action to expedite initial orders for tool-made material accepted by the War Department, etc.; to the Committee on Military Affairs.

8922. By the SPEAKER: Petition of R. B. Mortensen and others, of Chicago, Ill., urging consideration of their resolution with reference to the national-defense program; to the Committee on Military Affairs.

8923. Also, petition of Women's Auxiliary, No. 1, to the Maritime Federation, San Francisco, Calif., urging consideration of their resolution with reference to foreign affairs; to the Committee on Foreign Affairs.

8924. Also, petition of the Workers Alliance, Oroville, Calif., urging consideration of their resolution with reference to foreign affairs; to the Committee on Foreign Affairs.

8925. Also, petition of C. E. Camek and others of Chicago, Ill., urging consideration of their resolution with reference to the national-defense program; to the Committee on Military Affairs.

8926. Also, petition of the Minneapolis Building Trades Council, Minneapolis, Minn., urging consideration of their resolution with reference to the national-defense program; to the Committee on Military Affairs.

8927. Also, petition of the Bergen County Women's Republican Club, Hackensack, N. J., urging consideration of their resolution with reference to the adjournment of this session of Congress of the United States; to the Committee on the Judiciary.

8928. Also, petition of the Ninth Ward Improvement and Protective Association, New Orleans, La., urging consideration of their resolution with reference to the national-defense program; to the Committee on Military Affairs.

8929. Also, petition of the Ninth Ward Improvement and Protective Association, New Orleans, La., urging consideration of their resolution with reference to foreign affairs; to the Committee on Foreign Affairs.

8930. Also, petition of the Newport Lions International Club, Newport, N. H., urging consideration of their resolution with reference to the national-defense program; to the Committee on Military Affairs.

8931. Also, petition of the Ribault Woman's Club of the Beaches, urging consideration of their resolution with reference to the national-defense program; to the Committee on Military Affairs.

8932. Also, petition of the Oil Workers' International Union, Quincy Local, No. 366, East Braintree, Mass., urging consideration of their resolution with reference to the United States Housing Authority; to the Committee on Banking and Currency.

SENATE

MONDAY, JULY 1, 1940

In accordance with the provisions of House Concurrent Resolution 83, adopted June 22, 1940, the Senate met at 12 o'clock meridian.

Rev. Elnathan Tartt, Jr., rector of Grace Church, Canton, Miss., offered the following prayer:

O Eternal God and Heavenly Father, Thou who hast made all nations of mankind to dwell on the face of the whole earth and who dost will for all Thy children that peace of God which passeth all understanding: We humbly beseech Thee that, with tender pity and compassion, Thou wouldst look down upon the nations of the earth in this hour of their troubled confusion and great uncertainty. Instead of fear, give us faith; instead of despair, give us hope to meet victoriously the problems of our world crisis.

Teach us to know that war, social injustice, and the suffering of the innocent are unholy conditions which prevail today, not according to Thine own blessed will and purpose but that war and turmoil are the results of our racial hatreds, our unspeakable selfishness, and our cruel intolerance.

As colaborers with God and as brethren one of another, may we work together to right wrong, and to establish international brotherhood. May we recognize our responsibility to keep peace at home and to assist in restoring the peace of the world.

That we may find inspiration and strength for our task, grant unto us a vision of Jesus, the Prince of Peace, that in His light we may see light, and in His wisdom may not stumble; so shall we ourselves enter and bring many others into the experience of that abundant life of happiness, peace, and prosperity, which it is Thine alone, O God, to give, through Jesus Christ our Lord. Amen.

THE JOURNAL

On request of Mr. HARRISON, and by unanimous consent, the reading of the Journal of the proceedings of the calendar day of Saturday, June 22, 1940, was dispensed with, and the Journal was approved.

ORDER FOR RECESS TO WEDNESDAY

Mr. HARRISON. I ask unanimous consent that when the Senate concludes its business today it take a recess until 12 o'clock noon on Wednesday next.

The VICE PRESIDENT. Without objection, it is so ordered.

ENROLLED BILLS AND JOINT RESOLUTIONS SIGNED DURING ADJOURNMENT

Under authority of the order of the Senate of June 22, 1940,

Subsequent to the adjournment of the Senate on the above-mentioned date, the Vice President signed the following enrolled bills and joint resolutions, which had been signed previously by the Speaker of the House of Representatives:

H. R. 159. An act to amend an act entitled "An act relating to the naturalization of certain women born in Hawaii," approved July 2, 1932;

H. R. 382. An act for the relief of Gus Roth;

H. R. 1167. An act for the relief of the Black Hills Methodist Hospital of Rapid City, S. Dak.;

H. R. 1178. An act for the relief of Lester R. Taylor;

H. R. 1846. An act for the relief of Malachy Ryan;

H. R. 2014. An act for the relief of Margaret Redmond;

H. R. 2070. An act for the relief of Edwin Forsman;

H. R. 2083. An act for the relief of Dan Yancey;

H. R. 2106. An act for the relief of Charles Flack;

H. R. 2151. An act for the relief of James P. Bruce, Jr.;

H. R. 2489. An act for the relief of Angie Ward;

H. R. 2513. An act for the relief of C. B. Reagh;

H. R. 2628. An act for the relief of John Engblom;

H. R. 2946. An act for the relief of Naoma Kinder, a minor;

H. R. 3142. An act for the relief of Leland G. Myers;

H. R. 3163. An act for the relief of Rose Bilatis;

H. R. 3402. An act to authorize the appropriation for payment of the cost of providing additional water for the Wapato Indian irrigation project, Washington;

H. R. 3713. An act for the relief of Joe Carter;

H. R. 3925. An act for the relief of Evelyn L. Ratcliffe;

H. R. 4113. An act for the relief of Maude Sullivan;

H. R. 4142. An act for the relief of Mary Reid Hudson;

H. R. 4148. An act for the relief of Mary S. Arthur, as executrix of the estate of Richard M. Arthur, deceased;

H. R. 4185. An act to repatriate native-born women residents of the United States who have heretofore lost their citizenship by marriage to an alien;

H. R. 4412. An act for the relief of Beatrice Lois Rucker;

H. R. 4587. An act to give the Supreme Court of the United States authority to prescribe rules of pleading, practice, and procedure with respect to proceedings in criminal cases prior to and including verdict, or finding or plea of guilty;

H. R. 5138. An act to prohibit certain subversive activities; to amend certain provisions of law with respect to the admission and deportation of aliens; to require the fingerprinting and registration of aliens; and for other purposes;

H. R. 5156. An act for the relief of Adolph Ernest Helms;

H. R. 5297. An act for the relief of Stanley V. Smith;

H. R. 5388. An act for the relief of Thomas Lewellyn and Drusilla Lewellyn;

H. R. 5424. An act for the relief of Mrs. E. J. McCardle;

H. R. 5569. An act for the relief of Stuart Bastow;

H. R. 5592. An act for the relief of Vernon Atkison;

H. R. 5823. An act for the relief of Morrissey Construction Co.;

H. R. 6145. An act for the relief of Elizabeth L. Riley;

H. R. 6207. An act to amend section 2810 (a), Internal Revenue Code, to exclude petroleum stills from the requirement of registration;

H. R. 6328. An act to amend the Tariff Act of 1930, as amended by section 34 (c) of the Customs Administrative Act of 1938 (U. S. C., 1934 ed., Supp. IV, title 19, sec. 1001, par. 1529 (a));

H. R. 6408. An act to extend the times for commencing and completing the construction of a dam and dike for preventing the flow of tidal waters into North Slough in Coos County, Oreg.;

H. R. 6443. An act to permit certain aliens whose childhood was spent in the United States, if eligible to citizenship, to become naturalized without filing declaration of intention;

H. R. 6507. An act to provide for leave of absence with pay for any employee of the United States or of the District of Columbia who may be called upon for jury service in any State court of the United States;

H. R. 6572. An act to amend the Merchant Marine Act, 1936, as amended, to provide for marine war-risk insurance and reinsurance and for marine risk reinsurance, and for other purposes;

H. R. 6583. An act for expenditure of funds for cooperation with the public-school board, Cass County, Minn., for the construction, extension, equipment, and improvement of public-school facilities to be available to Indian children in the district;

H. R. 6686. An act for the relief of T. Jack Neal;

H. R. 6730. An act for the relief of Edward P. Glenn, Jr.;

H. R. 6737. An act for the relief of Clarence D. Green;

H. R. 6822. An act for the relief of Eliza Warren and George T. Warren;

H. R. 6889. An act for the relief of Frances M. Hannah;

H. R. 6891. An act for the relief of William M. Irvine;

H. R. 7254. An act authorizing the temporary detail of John L. Savage, an employee of the United States, to service under the Government of the State of New South Wales, Australia, and the Government of the Punjab, India;

H. R. 7343. An act to amend certain laws governing Federal prisoners, and for other purposes;

H. R. 7563. An act for the relief of Salomon Georg Kaufmann; his wife Doris Kaufmann, nee Stern; and their child John Michael Peter Kaufmann;

H. R. 7736. An act authorizing the Secretary of the Interior to issue patents for lands held under color of title;

H. R. 7821. An act for the relief of Anna T. Sifferman Varga;

H. R. 7825. An act for the relief of C. S. Hobson;

H. H. 7865. An act to amend the act for the regulation of the practice of dentistry in the District of Columbia, and for the protection of the people from empiricism in relation thereto, approved June 6, 1892, and acts amendatory thereof;

H. R. 7880. An act for the relief of Edna Emery;

H. R. 7914. An act for the relief of Simon A. Brieger, as legal representative of the estate of Thomas Gerald Brieger, a deceased minor;

H. R. 7955. An act for the relief of Louis Rosenstone;

H. R. 8046. An act to amend section 1 of the act entitled "An act for the retirement of employees of the Alaska Railroad, Territory of Alaska, who are citizens of the United States," approved June 29, 1936;

H. R. 8099. An act for the relief of James L. Kinney;

H. R. 8172. An act to amend section 5 of the act of Congress approved June 26, 1906, relative to the Alaska salmon fishery;

H. R. 8202. An act making appropriations for the Department of Agriculture for the fiscal year ending June 30, 1941, and for other purposes;

H. R. 8252. An act for the relief of John Owen;

H. R. 8285. An act to limit the importation of products made, produced, processed, or mined under process covered by unexpired valid United States patents, and for other purposes;

H. R. 8316. An act authorizing the Secretary of the Interior to sell certain land to the Conconully Cemetery Association;

H. R. 8350. An act permitting official mail of the Pan American Sanitary Bureau to be transmitted in penalty envelopes;

H. R. 8399. An act to prohibit the receipt, possession, or disposition of money or property feloniously taken from a bank organized or operating under the laws of the United States or any member of the Federal Reserve System;

H. R. 8450. An act to extend for 2 additional years the reduced rates of interest on Federal land bank and Land Bank Commissioner loans;

H. R. 8628. An act to amend the Perishable Agricultural Commodities Act, 1930, as amended, to include as a perishable agricultural commodity cherries in brine, and for other purposes;

H. R. 8692. An act to amend the act to regulate the practice of podiatry in the District of Columbia;

H. R. 8708. An act for the relief of Harold C. Preble, naval architect;

H. R. 8815. An act to grant per diem compensation to the appointed members of the Board of Steam and Other Operating Engineers of the District of Columbia, and for other purposes;

H. R. 8910. An act providing for the extension of nonquota status to Frederick Beck;

H. R. 8919. An act to authorize the setting aside of an area within the Canal Zone to preserve and conserve its natural features for scientific study, for providing and maintaining facilities for such study, and for other purposes;

H. R. 9007. An act making appropriations for the Department of Labor, the Federal Security Agency, and related independent agencies, for the fiscal year ending June 30, 1941, and for other purposes;

H. R. 9063. An act authorizing the Administrator of the Federal Works Agency to transfer certain property in San Francisco, Calif., to the city and county of San Francisco for street purposes;

H. R. 9139. An act to amend an act entitled "An act to establish a uniform system of bankruptcy throughout the United States," approved July 1, 1898, and acts amendatory thereof and supplementary thereto;

H. R. 9299. An act to amend section 10 of chapter 5 of Public Act No. 436, Seventy-third Congress, approved June 19, 1934;

H. R. 9391. An act to amend section 40, National Defense Act, as amended, relating to the organization of the Reserve Officers' Training Corps, so as to provide for an exception with respect to the University of Alaska;

H. R. 9453. An act to provide a license to the Atlantic Refining Co., and for other purposes;

H. R. 9509. An act to extend the times for commencing and completing the construction of a bridge across the Ohio River at or near Shawneetown, Ill.;

H. R. 9594. An act to amend the Soil Conservation and Domestic Allotment Act, as amended; the Agricultural Adjustment Act of 1938, as amended; and for other purposes;

H. R. 9618. An act to extend the times for commencing and completing the construction of a bridge across the Susquehanna River at or near the city of Harrisburg, Pa.;

H. R. 9633. An act to enlarge and extend the power and jurisdiction of the Board of Education over degree-conferring institutions operating within the District of Columbia;

H. R. 9651. An act for the relief of Meier Langermann, his wife, Friederike, and son, Joseph;

H. R. 9765. An act to provide for exercising the right with respect to red-cedar shingles reserved in the trade agreement concluded November 17, 1938, between the United States of America and Canada, and for other purposes;

H. R. 9791. An act to amend the District of Columbia Unemployment Compensation Act;

H. R. 9804. An act to amend and clarify section 6, subsection 2, of the act approved June 1, 1938, known as Juvenile Court Act of the District of Columbia, and for other purposes;

H. R. 9822. An act to expedite national defense, and for other purposes;

H. R. 9850. An act to expedite the strengthening of the national defense;

H. R. 9864. An act amending the Bankruptcy Act with respect to the basis of property;

H. R. 9896. An act to authorize appropriations for construction at military posts, and for other purposes;

H. R. 9897. An act to authorize the acquisition of additional land for military purposes;

H. R. 9899. An act extending the jurisdiction of the Civil Aeronautics Authority over certain air-mail services, and for other purposes;

H. R. 9907. An act to provide for the recording and releasing of liens by entries on certificates of title for motor vehicles and trailers, and for other purposes;

H. R. 9920. An act authorizing the county of Lawrence, Ohio, to acquire and operate as a unit certain privately owned toll bridges across the Ohio River adjoining such county;

H. R. 9927. An act declaring a forfeiture of certain land heretofore granted by the United States to the board of commissioners of the Orleans levee district, in the city of New Orleans, State of Louisiana, for levee and street purposes;

H. R. 10009. An act to amend section 13 (d) of the Railroad Unemployment Insurance Act;

H. R. 10039. An act to provide for the expenses of national preparedness by raising revenue and issuing bonds, to provide a method for paying for such bonds, and for other purposes;

H. R. 10055. An act making supplemental appropriations for the national defense for the fiscal year ending June 30, 1941, and for other purposes;

H. R. 10058. An act to amend the act relating to preventing the publication of inventions in the national interest, and for other purposes;

H. R. 10087. An act for the relief of the Continental Aerosurveys Corporation;

H. R. 10104. An act making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1940, and prior fiscal years, to provide supplemental appropriations for the fiscal years ending June 30, 1940, and June 30, 1941, and for other purposes;

H. R. 10112. An act to amend the Immigration Act of 1924 to require aliens admitted into the United States as officials of foreign governments either to maintain their status or to depart from the United States, with the approval of the Secretary of State;

H. J. Res. 544. Joint resolution making appropriations for work relief and relief for the fiscal year ending June 30, 1941; and

H. J. Res. 559. Joint resolution authorizing a reduction in the rate of interest to be paid on certain loans and advances made to the District of Columbia by the United States of America through the Public Works Administration.

PETITIONS AND MEMORIALS

The Vice President laid before the Senate the following resolution of the House of Representatives of the State of Ohio, which was ordered to lie on the table:

Whereas the United States Congress has been ordered by the President to adjourn by June 22, and

Whereas it has been said that the President has threatened to prorogue the Congress, and, if he does it will be the first time in America that such power has been used by any President; and

Whereas it is admitted America is faced with a grave national emergency; and

Whereas United States Senator JOHN THOMAS has just said:

"If adjournment should take place on June 22, no power on earth but the President could call us back.

"Until we are called back, the sole control over our foreign policy would remain in the hands of the President.

"The responsibility for the sole direction of the foreign policy of the United States is too much for one man to have."; and

Whereas, if the President should prorogue the Congress, such act would lend color to the belief that he desires dictatorial powers: Now be it

Resolved by the members of this house of representatives, That we hereby urge the Congress to continue in session indefinitely, and thereby function as is contemplated by our Constitution, our democracy, and our traditions.

We assert that those Senators and Congressmen who desire to leave Washington now should be kept home by the voters forever.

We urge the Congress to keep dictatorial powers out of the hands of any President, regardless of his party; be it further

Resolved, Copies of this resolution be sent to the President, to the Vice President, to the Speaker of the United States House of Representatives, and to Senator THOMAS.

The VICE PRESIDENT also laid before the Senate a resolution of the Screen Publicists and Advertisers Guild, New York City, N. Y., protesting against adoption of the so-called Smith amendments to the National Labor Relations Act, which was referred to the Committee on Education and Labor.

He also laid before the Senate a resolution adopted by a recent executive session of the American Neurological Association, favoring the establishment of a central neuropsychiatric institute in the Public Health Service to carry on research work in nervous and mental diseases, which was referred to the Committee on Education and Labor.

He also laid before the Senate a resolution of the Ninth Ward Improvement and Protective Association, New Orleans, La., relative to interpretation of the Monroe Doctrine, which was referred to the Committee on Foreign Relations.

He also laid before the Senate memorials of several citizens of the State of Michigan, remonstrating against taking any steps leading toward war, and also against participation of the United States in European war, which were referred to the Committee on Foreign Relations.

He also laid before the Senate a resolution of the Miami, Dade County (Fla.) Chapter, Committee to Defend America, favoring the prompt enactment of legislation to place an embargo upon the shipment of scrap iron to any country outside the Western Hemisphere, which was referred to the Committee on Foreign Relations.

He also laid before the Senate a resolution recently adopted by a public meeting at Springfield, Tenn., favoring the granting of all possible aid, short of war, to the Allies, the adoption of an adequate rearmament and national-defense program, and the stopping of "fifth column" activities in the Nation, which was referred to the Committee on Foreign Relations.

He also laid before the Senate a resolution of Marion Post, No. 661, Veterans of Foreign Wars of the United States, Salem, Oreg., favoring an investigation as to the alleged diversion of large quantities of Army, Navy, and Air Corps equipment to foreign nations, which was referred to the Committee on the Judiciary.

He also laid before the Senate a letter in the nature of a petition from Spirit of Liberty Chapter, Daughters of the American Revolution, Salt Lake City, Utah, praying for the enactment of legislation to require international organizations operating in the United States to register with the State Department, which was referred to the Committee on the Judiciary.

He also laid before the Senate the memorial of Ed Swigert, of Hannibal, Mo., remonstrating against the enactment of a draft law to establish military-training camps in peacetime, which was referred to the Committee on Military Affairs.

He also laid before the Senate a resolution of the Washington (D. C.) Committee for Democratic Action, protesting against the adoption of a universal compulsory training system of youth, which was referred to the Committee on Military Affairs.

He also laid before the Senate a resolution of the Greater Miami (Fla.) Chapter, Military Order of the World War, favoring the prompt enactment of a selective-service law for

the armed forces, which was referred to the Committee on Military Affairs.

He also laid before the Senate a resolution of the Miami (Dade County, Fla.) Chapter, Committee to Defend America, favoring the prompt enactment of a military selective-service law and the training of a large citizen army without delay, which was referred to the Committee on Military Affairs.

He also laid before the Senate a letter in the nature of a petition from Mrs. M. E. Leedy, of Sandy Lake, Pa., praying that relief be granted her as the widow of a Union veteran, which was referred to the Committee on Pensions.

He also laid before the Senate a resolution of the convention of the General Society Sons of the Revolution, assembled at Philadelphia, Pa., endorsing the adoption of an adequate national-defense program, which was ordered to lie on the table.

He also laid before the Senate a resolution of the Ninth Ward Improvement and Protective Association, New Orleans, La., favoring the adoption of a strong national-defense program, which was ordered to lie on the table.

He also laid before the Senate the petition of Mrs. Edward H. Sewall, of Redlands, Calif., praying for the adoption of a national-defense program without war, which was ordered to lie on the table.

He also laid before the Senate a telegram in the nature of a petition from the Twentieth Encampment, Department of Arizona, Veterans of Foreign Wars, Prescott, Ariz., praying for the enactment of pending legislation to aid small mine operators and claim owners, which was ordered to lie on the table.

He also laid before the Senate a telegram in the nature of a petition from Williamsbridge Post, No. 1070, American Legion, Department of New York, dated at Westwood, N. J., praying that Congress remain in session during the existing emergency, which was ordered to lie on the table.

He also laid before the Senate a resolution adopted by the annual convention of the New York State Shoe Retailers Association, held at Syracuse, N. Y., favoring an adequate national-defense program, which was ordered to lie on the table.

He also laid before the Senate a resolution of the Harbor District Chambers of Commerce, in the State of California, endorsing an adequate national-defense program and the suppression of subversive activities, which was ordered to lie on the table.

He also laid before the Senate a resolution of the Women's Welfare League of Dallas, Tex., favoring the adoption of an adequate national-defense program, and also that Congress remain in session during the existing emergency, which was ordered to lie on the table.

He also laid before the Senate several resolutions adopted by the American Legion Convention of the Fifteenth Congressional District, held at Mercedes, Tex., relative to making provision for sufficient beds in the local veterans' hospital, the suppression of "fifth column" activities, etc., which were ordered to lie on the table.

He also laid before the Senate a resolution adopted by a meeting of citizens at Braintree, Mass., endorsing the President's national-defense program and the rendering of all needed aid in the present war situation, which was ordered to lie on the table.

He also laid before the Senate resolutions adopted by citizens of Ellis County, Tex., favoring an adequate national-defense program and the rendering of needed aid in the present war situation, etc., which were ordered to lie on the table.

He also laid before the Senate resolutions of the Lions Clubs of Springhill, La., Burlington, Vt., Carthage, Tex., Moundsville, W. Va., Kosciusko, Miss., and the convention of the New York State Lions Club, held at Saratoga Springs, N. Y., favoring the adoption of an adequate national-defense program and the suppression of all subversive activities, which were ordered to lie on the table.

He also laid before the Senate resolutions of the Coordinating Council for Peace; Ship Scalers and Painters I. L. W. U. Local 1-2; International Union United Auto Workers, No. 271 (C. I. O.); Marine Cooks' and Stewards' Association of the Pacific Coast (C. I. O.); and the San Francisco Branch of the National Maritime Union of America (C. I. O.), all of San Francisco, Calif., favoring an adequate system of national defense and the preservation of all economic interests, which were ordered to lie on the table.

Mr. TYDINGS presented petitions of sundry citizens of the State of Maryland, praying that the United States keep out of war, which were referred to the Committee on Foreign Relations.

He also presented a petition of sundry citizens of Baltimore, Md., praying that the United States keep out of war and that no American troops be sent to foreign soil, which was referred to the Committee on Foreign Relations.

He also presented a resolution of Cissel-Saxon Post, No. 41, American Legion, Department of Maryland, favoring the adoption of an adequate national-defense program, which was ordered to lie on the table.

He also presented a petition of sundry citizens of the State of Maryland, praying that peace be preserved through immediate preparedness, which was ordered to lie on the table.

He also presented petitions numerously signed by sundry citizens of the State of Maryland, praying that the United States do all that it effectively and expediently can to insure the victory of the Allies, which were referred to the Committee on Foreign Relations.

AID TO THE ALLIES—PETITIONS, ETC.

Mr. TYDINGS presented petitions of sundry citizens of the State of Maryland, together with a letter and related papers, which were referred to the Committee on Foreign Relations, and the body of one of the petitions, with letter and related papers, were ordered to be printed in the RECORD, as follows:

Believing that a victory of Hitler and his fellow dictators would be a direct menace to the United States and that his defeat would keep the threat of war from this side of the Atlantic:

We, the undersigned citizens of Maryland, call upon the Congress and Executive of the United States to make available to those forces that are still resisting the dictators in Europe all possible material aid for keeping up the fight, and to expand our industrial facilities for defense at once.

This does not involve sending an expeditionary force but arms and supplies.

MARYLAND COMMITTEE TO DEFEND AMERICA BY AIDING THE ALLIES,
Baltimore, July 1, 1940.

Hon. MILLARD E. TYDINGS,
United States Senate, Washington, D. C.

DEAR SENATOR TYDINGS: We hand you herewith our petitions, signed by 17,947 citizens of Maryland, which, with those presented June 10, make a grand total of 41,522 signers. Appended is a list of 20 organizations who have volunteered unanimous official endorsement of the petition.

We respectfully request that you, as our representative in the Senate, read the short petition herewith to the Senate of the United States, and request that it be spread on the Journal of that honorable body, along with the figures recited above.

With deep appreciation of your consideration, we are,

Very respectfully yours,

KATHARINE JEANNE GALLAGHER,
ALEXANDER G. PORTER,
WM. D. WHITE, *Delegation.*

MEN'S ORGANIZATIONS THAT HAVE ENDORSED OUR PETITION

Harford County Bar Association; Fred A. Ingram Post, No. 114, American Legion; Oakland Civic Club; Harford Post, 39, American Legion; Polish-American Students' Association; Joseph L. Davis Post, American Legion, Havre de Grace.

Out of State: Civitan Club, Bristol, Va.-Tenn.; Lyons Clubs, Bristol, Va.-Tenn.

WOMEN'S ORGANIZATIONS THAT HAVE ENDORSED OUR PETITION

National Woman's Party, Maryland branch; Daughters of the Confederacy; Maryland Industrial, Business, and Professional Women's Club; Senior Free Loan and Charity League; the Woman's Club of Roland Park; the Women's Club of Hamilton; Hagerstown Woman's Club; Women's Loyal Democratic Pleasure Club of the Ninth Ward; the Woman's Club of Glyndon; the Hytheham Club, Port Deposit, Md.; the Suitland Homemakers' Club, of Suitland, Md., Mrs. Fred Hegel, secretary; Alameda Harford Neighborhood Association, Inc., C. Agnes, secretary.

POINTS RELATING TO CONFIRMATION OF COLONELS KNOX AND STIMSON IN PRESENTING PETITIONS TO SENATOR TYDINGS, JULY 1, 1940

In urging the confirmation of Colonels Knox and Stimson to positions in the Cabinet to which President Roosevelt has ap-

pointed them, may I point out two all-controlling reasons which transcend any possible political considerations:

1. We must have complete unity of action in a time of national emergency. The appointment of two outstanding citizens of the opposition party will be a large factor in securing the needed support of all political elements.

2. We must recognize the elementary fact that the first step needed for keeping America out of war is to keep the threat of war away from America by doing everything practicable toward the defeat on the other side of the Atlantic of the only power whose victory would threaten the Americas. This fact Messrs. Knox and Stimson have clearly seen. Indeed, it is because they have recognized and called attention to this important element of defense that they have been attacked in some quarters. I feel certain that all of those who have signed our petitions and the vast majority of your other constituents will approve of an affirmative vote in the matter of these confirmations.

PETITION OF WE THE AMERICANS

Mr. REYNOLDS presented a petition from We the Americans, Philadelphia, Pa., which was referred to the Committee on Foreign Relations and ordered to be printed in the RECORD, as follows:

WE THE AMERICANS,
Philadelphia, Pa., June 21, 1940.

To the Congress of the United States:

We the Americans, a national organization for the protection of constitutional government, having recorded our unanimous disapproval of our republic's participation in European affairs in any respect, affirming Washington's principle of no European entanglements and upholding the Monroe Doctrine, and demanding that no armed forces of the United States of America be sent to participate in the present European conflict and that our foreign policy be supervised and directed as required by the Constitution of the United States and not in the manner it is at present directed, and having resolved that we demand of our Government adequate and complete armament for the defense of our country from any and all possible enemies, together with an adequate Army and Navy personnel, and being resolved that each and every member of We the Americans actively fulfill his pledge "to combat every alien and foreign influence which may be destructive of our American form of government," and as actively to combat those who attempt to encroach upon our Constitution and to usurp our rights and liberties, hereby petition the Congress of the United States of America to take such procedure as will effectuate the purposes herein expressed.

Respectfully submitted.

WE THE AMERICANS, INC.,
By HERBERT J. KOEHLER,
President.

EIGHT-HOUR WORKING DAY

Mr. DOWNEY. Mr. President, I present a telegram addressed to me by E. F. Burke, secretary, Marine Cooks' and Stewards' Association, of San Francisco, Calif., relating to a pending labor controversy in San Francisco as indicated in the telegram. I ask unanimous consent that the telegram be printed in the RECORD and referred to the appropriate committee.

There being no objection, the telegram was referred to the Committee on Education and Labor and ordered to be printed in the RECORD, as follows:

SAN FRANCISCO, CALIF., *June 25, 1940.*

Hon. SHERIDAN DOWNEY,
Washington, D. C.:

The Marine Cooks' and Stewards' Association wishes to acquaint you with the following facts in relation to our present negotiations. The employers are utilizing the present war hysteria in an endeavor to break down the conditions we have enjoyed in the past by refusing to complete negotiations in good faith on our proposed agreements. We have been negotiating for the past 9 months and during that time were able to come to a mutual agreement on many points in dispute. At the present time the union finds itself in a position where there is one basic issue; that is our demand for an 8-hour working day, which was adopted by the United States Congress in 1892. We have been unable to arrive at an agreement on this point. This agreement terminates on June 30. If the present attitude of the shipowners continues a disruption of maritime commerce on the Pacific coast will inevitably result. The marine cooks and stewards want to prevent this happening and sincerely believe this situation can be avoided, provided the employers immediately cease using the war hysteria subterfuge to evade bona fide negotiations. We are therefore calling upon you to use your good offices to see that a satisfactory agreement is amicably contracted at an early date. Please insert this wire in the CONGRESSIONAL RECORD.

E. F. BURKE,
Secretary, Marine Cooks' and Stewards' Association.

RESOLUTION OF BURLINGTON (VT.) POST, NO. 2, AMERICAN LEGION

Mr. AUSTIN presented a resolution of Burlington Post, No. 2, American Legion, Department of Vermont, which was ordered to lie on the table and to be printed in the RECORD, as follows:

Whereas the American Legion has heard with profound sorrow and deep regret the announcement of the death of Hon. Ernest W. Gibson, Sr., late a Senator from the State of Vermont;

Whereas it has pleased Almighty God to take from our midst our beloved comrade, Senator Gibson, member of the Brattleboro Post, No. 5, of the American Legion of Vermont; and

Whereas this comrade was well beloved by all who knew him for his courage, patriotism, and deep human interest in his comrades, which was exemplified by a devoted life of service to the members of the American Legion and to the veterans of all wars; and

Whereas Senator Gibson was a superior husband, father, soldier, statesman, and citizen, having served faithfully and well his home town, his State, and the Nation, both in peace and in war: Therefore be it

Resolved, That Burlington Post, No. 2, of the American Legion, Department of Vermont, in special meeting held in the city of Burlington, this 21st day of June 1940, hereby extends its deepest sympathy to the bereaved family in their great loss and our own high appreciation of his devoted service to our great organization; and be it further

Resolved, That a copy of this resolution be forwarded forthwith to the family of our departed comrade at Brattleboro, Vt., and that a copy of this resolution be spread upon our permanent records, and that copies of it be sent to the American Legion of Vermont and to the national organization at Indianapolis, Ind.

J. Howard O'Neill, chairman; Christie L. Merrill, Clarence E. Lynch, Dr. Allston L. Fogg, Edwin R. Forrest, James J. Carney, Stanley E. Whittle, Ray S. White, Sr., J. Glover Fletcher, resolutions committee, Burlington Post, No. 2, the American Legion, Department of Vermont.

OSAGE TRIBE OF INDIANS—REFERENCE OF BILL TO THE COURT OF CLAIMS

Mr. BURKE. Mr. President, from the Committee on Claims I report a resolution referring to the Court of Claims a bill now pending and ask unanimous consent for the immediate consideration of the resolution.

The VICE PRESIDENT. Is there objection?

There being no objection, the resolution (S. Res. 288) was read, considered by unanimous consent, and agreed to, as follows:

Resolved, That the bill (S. 2926) entitled "A bill for the relief of the Osage Tribe of Indians in Oklahoma," now pending in the Senate, together with all the accompanying papers, be, and the same is hereby, referred to the Court of Claims of the United States, in pursuance of the provisions of section 151 of the Judicial Code (28 U. S. C., sec. 257); and said court shall proceed to investigate and determine the facts and submit such report as may be required or warranted under the provisions of said act.

BILLS INTRODUCED

Bills were introduced, read the first time and, by unanimous consent, the second time, and referred as follows:

By Mr. SHEPPARD:

S. 4175. A bill to amend section 61 of the National Defense Act of June 3, 1916, by adding a proviso which will permit States to organize military units not a part of the National Guard, and for other purposes; and

S. 4176. A bill for the relief of First Lt. John Albert Goodpasture, Jr.; to the Committee on Military Affairs.

HOUSE BILLS REFERRED

The following bills were each read twice by their titles and referred as indicated below:

H. R. 9491. An act relating to the compensation of former employees of the Railway Mail Service in certain positions and reinstated prior to August 14, 1937; to the Committee on Post Offices and Post Roads.

H. R. 10100. An act to establish the composition of the United States Navy, to authorize the construction of certain naval vessels, and for other purposes; to the Committee on Naval Affairs.

AMENDMENT OF INTERSTATE COMMERCE ACT—PIPE LINES

Mr. JOHNSON of Colorado submitted an amendment intended to be proposed by him to the bill (S. 3753) to amend the Interstate Commerce Act, as amended, which was referred to the Committee on Interstate Commerce and ordered to be printed.

EXPEDITION OF NATIONAL-DEFENSE PROGRAM

Mr. CONNALLY. Mr. President, I submit a Senate resolution for appropriate reference. It expresses the sentiment

of the Senate that in the preparation of articles for preparedness both for the Army and the Navy the War and Navy Departments should insist on contractors putting on more than one shift of workmen, trying to utilize 24 hours rather than a shorter period. I ask that the resolution be appropriately referred.

The resolution (S. Res. 289) was read and referred to the Committee on Military Affairs, as follows:

Resolved, That it is the sense of the Senate that the program of strengthening the national defense should go forward with the greatest possible speed, and that all contracts entered into by the United States or any agency thereof for the purpose of carrying out such program should provide for utilizing to the fullest practicable extent the productive capacities of the contractors, including the employment of personnel in as many shifts as possible during each period of 24 hours.

ADDRESS BY SENATOR THOMAS OF UTAH AT GRADUATION EXERCISES OF F. B. I. POLICE ACADEMY

[Mr. McKELLAR asked and obtained leave to have printed in the RECORD an address delivered by Senator THOMAS of Utah at the graduation exercises of the fourteenth session of the Federal Bureau of Investigation National Police Academy, which appears in the Appendix.]

ADDRESS BY SENATOR TRUMAN ON NATIONAL DEFENSE

[Mr. TRUMAN asked and obtained leave to have printed in the RECORD a radio address on national defense, delivered by him at St. Louis, Mo., on June 30, 1940, which appears in the Appendix.]

T. V. A.—EXPERIMENT IN DEMOCRACY—ARTICLE BY WILLIAM R. CLARK, O. P.

[Mr. NORRIS asked and obtained leave to have printed in the RECORD an article by William R. Clark, O. P., entitled "T. V. A.—Experiment in Democracy," which appears in the Appendix.]

WATER FOR CALIFORNIA—ARTICLE BY RICHARD L. NEUBERGER

[Mr. NORRIS asked and obtained leave to have printed in the RECORD an article by Richard L. Neuberger entitled "Water for California," which appears in the Appendix.]

LETTER BY SENATOR HOLT

[Mr. HOLT asked and obtained leave to have printed in the RECORD a letter written by him, which appears in the Appendix.]

ORDER DISPENSING WITH CALL OF CALENDAR

The VICE PRESIDENT. The routine morning business is closed. The calendar under rule VIII is in order.

Mr. BYRNES. Mr. President, I ask unanimous consent that the call of the calendar be dispensed with.

The VICE PRESIDENT. Is there objection? The Chair hears none, and it is so ordered.

MESSAGES FROM THE PRESIDENT—APPROVAL OF BILLS AND JOINT RESOLUTION

Messages in writing from the President of the United States were communicated to the Senate by Mr. Latta, one of his secretaries, who also announced that the President had approved and signed the following bills and joint resolution:

On June 24, 1940:

S. 2059. An act authorizing a grant to the city of Fargo, N. Dak., of an easement in connection with the construction of water and sewer systems;

S. 2611. An act authorizing the purchase of a site and the erection of a building in the State of Massachusetts for use as a radio-monitoring station, and for other purposes;

S. 2983. An act to authorize the sale of lumber and other forest products obtained from the forests on Indian reservations by Indian enterprises;

S. 2984. An act authorizing the transfer of title of the Hayward Indian School to the State of Wisconsin;

S. 3352. An act to amend the act of August 27, 1935 (49 Stat. 2194), and for other purposes; and

S. 3667. An act to provide for the local delivery rate on certain first-class mail matter.

On June 25, 1940:

S. 3018. An act to amend section 210 of the Communications Act of 1934, approved June 19, 1934 (48 Stat. 1073; 47 U. S. C. 210), so as to permit communication utilities to contribute free service to the national defense;

S. 3237. An act to amend section 301 (a) of the Sugar Act of 1937;

S. 3958. An act to authorize the Secretary of the Treasury to grant to the Road Department of the State of Florida an easement for a road right-of-way over the Coast Guard Reservation at Flagler Beach, Fla.; and

S. 4027. An act to transfer the active list of the Construction Corps to the line of the Navy, and for other purposes.

On June 26, 1940:

S. J. Res. 279. Joint resolution to amend section 4 of Public Resolution No. 54, approved November 4, 1939, entitled "Joint resolution to preserve the neutrality and the peace of the United States and to secure the safety of its citizens and their interests."

REPORT OF UNITED STATES DELAWARE VALLEY TERCENTENARY COMMISSION (H. DOC. NO. 856)

The VICE PRESIDENT laid before the Senate the following message from the President of the United States, which was read and referred to the Committee on the Library:

To the Congress of the United States:

In compliance with the request of the United States Delaware Valley Tercentenary Commission, which was established in accordance with the provisions of Public Resolution No. 102, Seventy-fourth Congress, approved June 5, 1936, and extended under Public Resolution No. 71, Seventy-fifth Congress, approved August 25, 1937, I transmit herewith the Commission's report setting forth the incidents and activities in connection with the celebration which was held at Wilmington, Del., Philadelphia, Pa., and Swedesboro and Salem, N. J., in the year 1938.

FRANKLIN D. ROOSEVELT.

THE WHITE HOUSE, *July 1, 1940.*

[NOTE.—Report accompanied similar message to the House of Representatives.]

NOMINATION OF WENDELL WILLKIE

Mr. PEPPER. Mr. President, I ask unanimous consent to address the Senate.

The VICE PRESIDENT. Without objection, the Senator from Florida is given permission to address the Senate. The Chair hears no objection.

Mr. PEPPER. Mr. President, in the last 2 or 3 days there have been two names prominent in the headlines of the press of the country, and two photographs have appeared upon almost every front page. The first gentleman carrying the attention of the country was Adolf Hitler, and the second was the Honorable Wendell Willkie, Republican nominee for President of the United States. I take it, Mr. President, that a great deal of the adoration which has been extended to both those men arises from a recognition of the fact that both are masters of the modern technique called the "blitzkrieg."

We have in this Chamber those who have felt the sharp point of the "blitzkrieg" dagger at the Republican convention. While honorable Senators of this body went out to speak to the people in behalf of their candidacy for the high office of President, while they traveled thousands of miles, while they addressed hundreds of thousands of Republican and independent voters the country over, this master of the political "blitzkrieg" remained comfortably under the awnings of Wall Street and took over the control of the Republican Party from the inside, the way Wall Street is accustomed to take over another corporation—by negotiation and purchase. That is the way money—big money—works. And this was the best job of corporate reorganization Wall Street has done since the "good old American" days of 1929.

So I want to commiserate with the very able Senator from Michigan [Mr. VANDENBERG] for the effort that he uselessly spent in trying to serve the American people in this high and powerful office. I hope that he will not lose sympathy for the normal political processes because they failed in his particular case, for there have been many others in his company.

The able Senator from New Hampshire [Mr. BRIDGES] traveled the length and breadth of this great Nation addressing himself to the voters, telling them what he stood for, what he proposed to do if there were conferred upon him the majestic powers of the Presidency of the United States, but he also learned that the political "blitzkrieg" does not condone the machinery of that process.

There was another able Senator upon this floor, the distinguished Senator from Ohio [Mr. TAFT], the champion of a great cause, the leader of a mighty phalanx which advanced upon that convention, receiving its impetus not from many little, sequestered offices where magic buttons may be magically pressed and the telephone line may communicate with fidelity, suggestion or direction to some obedient hearer, but from many sincere, loyal followers. They were proud of his illustrious name, for his father had adorned the Presidency of the United States and had lent the ornament of his great name to the position of Chief Justice of the Supreme Court of the United States. Following in the illustrious footsteps of his eminent parent, the able Senator from Ohio aspired, with laudable ambition, to serve, as his father had served, the people of the United States. The only mistake he made, Mr. President, was in not being up on modern political methods. But the eminent and honest Senator from Ohio need not feel badly, because it is tough to fight a billion-dollar utilities executive who was smart enough to say:

In my business it pays to have dandruff on your shoulders.

We have seen what happened to the Maginot line. The French thought it the best defense the world could conceive of, but it did not last long against the "blitzkrieg" of modern warfare. So I want to commiserate with our colleagues, to tell them that we have not lost faith in the processes they followed, and we hope in another day that the old American method will bear richer fruit than it did in this particular case.

But now, Mr. President, what the country is interested in is what has been said by this new champion of the Republican cause. I was not one of those who looked with misgiving or regret upon the holding of our political conventions. Instead of having to read the editorials of a thousand newspapers and to await Mr. Gallup's poll to see what Republicans were thinking about, instead of having to rely upon the divided counsel of our Republican colleagues here upon the Senate floor, I knew that the Republican convention would elect fresh from a Republican convention a new champion and that he would be able to speak as one with authority.

The American people could then turn their ears toward the appeal of his voice; they could listen to the magic of his solution of the country's problems. I was gratified, therefore, that the people who were in the Republican ranks would have an opportunity to adopt a platform, and to select a nominee who could be regarded by all as the responsible Republican spokesman.

Mr. President, that is all romantic history today. This colorful figure from Wall Street, in the company of his colleagues in that community, has now been adopted as the standard bearer of the grand old party. Of course, he is not so old as a member of that party; but it is an old party, and there are still many who think it is a grand party. So the prestige of republicanism, and the great name that republicanism is in this country, are now embodied and epitomized in Wendell Willkie.

Mr. President, Mr. Willkie has already declared himself to the American people. He says that his purpose is unity in America. What I ask, what other Senators on this floor are asking, what the American people are asking, is, What kind of unity, and unity at what price? Does unity mean the unity that Wall Street would impose on America by the adoption of its policies and its principles?

Now we are engaged in the greatest program of preparation this country has ever engaged in, in peacetime. It is absolutely necessary that every unit of this Nation's great economy be concentrated upon that single effort and objective.

I want to know what kind of unity Mr. Willkie thinks of when he says there must be unity in America. Does it mean the unity that will come from cooperation with the Government's program; or does it mean that the segments of industry will lay down their own terms upon which they will prepare America to defend herself?

Is he going to encourage or discourage industrial leaders like Henry Ford, who says, "I will have a foreign policy of my own. I will make planes for whomsoever I choose to make them. I will not follow the policy of the President and the policy of the Congress and coordinate my efforts with their Defense Council, who come and appeal to me to take a part. No. I will set myself up as a sacrosanct individual in this economy, and I will do what I like to do."

Is Mr. Wendell Willkie going to believe in that kind of unity, or is he going to mean to the Nation the kind of unity that comes from asking and demanding that every phase of our economy put itself as a willing servant at the command of the duly constituted Government of the American people?

Mr. President, when President Wilson's great program, the T. V. A. project, a defense project for this Nation, was proposed by the administration and adopted by the Government, did Mr. Wendell Willkie join in that great defense effort? Did he believe in unity at that time; or did he spend his energy day and night, in the matchless way in which he can exert himself, in trying to sabotage that kind of a defense program and that kind of unity?

We had in this body a Major Berry, who had a little stone quarry down in the Tennessee Valley. He wanted to sell that stone quarry to the United States Government. He asked a few hundred thousand dollars for it; and, as a result, he was denounced from one end of the country to the other for trying to hold up the Government and the T. V. A. program. And then what happened? A little bit later this new champion of unity, then the champion of disunity, made his chief objective the destruction of that program except it go forward on his terms. It was not enough that the Congress, the people's Congress—not enough that the President, the people's President—had laid down a utility policy for the Nation which he had tried to sabotage in Congress and lost. He employed in his efforts to destroy that program the same "blitzkrieg" methods, by sending tens of thousands of telegrams here, that he succeeded with in Philadelphia.

I say that was a case in which the people's representatives and the people's President laid down a defense program, and, instead of cooperating with that program as a matter of unity, he was the champion of those who willed to destroy it.

So, Mr. President, we have a right to ask, upon what terms does Mr. Wendell Willkie expect the American people to rally? I say the American people will rally to a program that offers an honorable unity; that pursues the democratic and the American way; but they will not unify themselves upon anything less honorable and less American than that kind of a unified program.

If private enterprise wants a kind of unity which will permit it to write the ticket, instead of the Government telling private enterprise—as they will some of these days, I am afraid, have to tell the boys—what to do and see that they do it, is Mr. Wendell Willkie going to say "no"?

If the Government cracks on the head some recalcitrant industrialist because he does not obey the Government's command, is Mr. Willkie going to believe in a policy of unity that would appease and soothe that disgruntled man, rather than challenging him to a unified effort in defending America? And if the Government decides to prepare in one way, and somebody decides that another way is better, is Mr. Willkie going to support the kind of unity that will come from the people's representatives and their policy, or the kind of unity that may be dictated by avaricious and greedy private enterprise?

If to prepare and defend America it becomes necessary for the Government to take over industries to make war materials, is Mr. Willkie going to agree to that, or insist on a unity which gives individual enterprise what it wants, whatever happens to the country?

Mr. President, when we speak about unity, I recall that a long time ago a Being was led up on a mountain top, and He was shown a rich valley below. The devil appealed to the

Christ for unity. "Why struggle," he said, "when you can have all the soul can wish for?" But the Christ could not subscribe to unity in His day, because to admit into the councils of the church the demons of the underworld was not only to destroy any possibility of unity, but to contaminate in its inception the holy birth of Christ's church.

So the American people are entitled to know what is the program of Mr. Willkie for the defense of America, because that one thing stands up to challenge, more than all else, our concern.

I want to know, therefore, upon what terms does Mr. Willkie propose to unify America? I, for one, am not willing to let Mr. Thomas Lamont, who was instrumental in the management of Mr. Willkie's campaign at Philadelphia, write the ticket of Americanism upon which I shall be expected to join in unity, unless Mr. Lamont changes his whole background and political philosophy; and I am not willing to let a man who was the exalted leader of the group that wanted to destroy the cooperative effort under this Government which has given the greatest measure of benefit the masses of the people of this country have ever enjoyed say now with impunity, "That is the thing that is the danger to the American people—this bureaucracy that was written by the people's Congress"—while he lauds a bureaucracy which dwells in some skyscraper and weaves the pattern of life for millions of supposedly free Americans.

Mr. President, I have heard some of Mr. Willkie's speeches, and I pay tribute to the artistry with which they have been delivered, to the matchless glamor that has been exhibited, to a showman who is the equal of any that American politics has ever had—a man who is a master of the modern technique.

You know how the modern lobbyists operate in legislature or in Congress. They do not go up to Senator X or Senator Y and say, "Senator, won't you vote for my bill?" or "Won't you vote against the bill I dislike?" No. They go to the telephone and call up the local manager in your State, or in your county if you are in the legislature, and they tell him what they want him to do. Then he goes and sees the local newspaper editor, the local lawyer, the local banker, a few prominent businessmen, some local political character, and those people start showering you with telegrams. You read them and say, "I am astonished at the support there is back home for this measure, which I did not think perhaps my people would approve." That is the modern technique of lobbying, and this is the first time it has ever been successfully applied to a national political convention.

Mr. Willkie has already revealed in his speeches the attempted explanation for his change of position. He says, "I was a Democrat but I was against the power of exploitation. I saw huge private monopolies, I saw bureaucracies of private industry that were closing their grasp upon the economic throat of the people of America; I, a great liberal, fought those bureaucracies." But now there is a shift in the salient, and the argument now is, "As long as private enterprise was the champion of monopoly, the one who exercised unlimited power, I was on the side of the opposition." But now a new monster has arisen, a new Goliath, that threatens to destroy the liberties of our people. "Now private enterprise has been humbled, monopoly has been destroyed, industrial and financial bureaucracy has been obliterated, there is but one danger to the liberties of the people, and that is the bureaucracy which the people have created in their government."

One of the differences is that the people's government is elected, elected by the people, but the bureaucrats of industry and finance are not elected by the people. They do not go to the street corners as you and I do, as Members of the House of Representatives do, almost the way the President does, and speak to the people, looking them in the face, telling them what they propose to do and what they oppose. No, they get a fractional percentage of a large number of stockholders to back their leadership, and they elect a board of directors, and the board of directors elects a president and a chairman of the board, and that is the bureaucracy there is in the private oligrachy of finance.

Mr. President, the American people will have an opportunity to make up their minds about what kind of a policy of unity will appeal to the people of America.

I am even more concerned about one other phase of this matter. I was very much troubled to read in the New York Times of yesterday the following news article:

WEYGAND ACCUSED OF FAILING FRANCE—PETIT PARISIEN'S FORMER EDITOR SAYS GENERAL LED DEFEATISTS—RED ALARMS CITED

(By Elie J. Bois, former editor of the Petit Parisien)

LONDON, June 30.—At Tours on June 12 and 13 General Maxime Weygand told the discouraged French Cabinet of Allied armies in confusion and columns of refugees machine-gunned by the invaders. Then, referring to the Russian debacle of 1917 and the Soviet menace, he said, "We must not let it come to that."

This gave the defeatists in the Cabinet their chance to come forward, since the commander in chief not only justified but actually covered them. Didn't he tell them that, according to an admiralty report, there were riots in Paris and that Maurice Thorez, Communist leader, had occupied the Elysee Palace, the President's official residence?

George Mandel, the Minister of Interior, who had only just seen Chief of Police Langeron in Paris, at once denied the rumors so obligingly spread by General Weygand. Indeed, M. Mandel rang up M. Langeron on the telephone and succeeded in this way in reassuring the Cabinet, including President Albert Lebrun, that the President's bed in Elysee Palace was not being slept in by the Communist Thorez and that if the Germans advanced far enough to make an entry into Paris the next day they would find the city sad and deserted but quiet.

The courteous altercation between M. Mandel and General Weygand showed what was behind the suggestion of asking Chancellor Hitler for an armistice. General Weygand did not even attempt to hide it. He almost shouted that the battle was lost, the army more or less broken up, and that, since honor had been saved by him, the rest of the organized troops must be saved to maintain order and quiet in the country.

PÉTAIN HIS CHIEF SUPPORT

General Weygand's chief support was Premier Henri Philippe Pétain himself, who willingly confirmed everything General Weygand said. It is a mystery how the aged marshal could have staked his prestige on something that one day, when the ramifications have been laid bare, will turn out to have been the most questionable hoax in our history.

But it must be remembered that Marshal Pétain is past 80 years. He has all the clearness of mind of an octogenarian, but no more. It is no injustice to him to assume that his judgment is not as keen and quick as it used to be. The clouding over of his fine, blue, soldierly eyes, after even a slight effort, shows it clearly enough. His natural stubbornness has increased with age and he resents any opposition to his decisions. Attacked by some, flattered by others, he put all the weight of his popularity in favor of capitulation.

Behind Marshal Pétain and General Weygand are Paul Baudoin, Foreign Minister, and Camille Chautemps, Vice Premier, the latter carefully choosing his words to betray the ayes and noes into unanimity. He failed, but his specious arguments left some of his colleagues in doubt—sufficient for a majority at a tragic moment. The figureheads in the Cabinet think of nothing but of keeping their portfolios and their seats in Parliament. They would rather lose the war and be reelected than win the war and be out of office.

It has even been said that, while trying to save his face by a pretense of indomitable energy, Paul Reynaud, who was succeeded by Marshal Pétain as Premier, secretly favored the attitude of his followers. We should not believe a word of it, and we have proof to the contrary in the fact that he showed moments of weakness in private, which he would not have done if he had agreed, however little, with their personal views.

PROMISED TO FIGHT ON

I can still see M. Reynaud as he was on the afternoon of June 13 at the Tours Town Hall. I almost ran into him as he was coming out of the council chamber from the meeting at which Winston Churchill spoke so movingly. I merely said to Reynaud, "You are not going to capitulate?" To which he replied quickly, "Never! Never!"

"You will have a strong backing if you are for resistance at all costs," I said.

"Rest assured that I am," he answered.

M. Reynaud and France with him, fell a victim to his followers and collaborators, and he made several mistakes. His most serious mistake, into which he was probably led by one of his collaborators, was the publication of his message to President Roosevelt. This was so worded as to make him appear in a difficult position before his defeatists if the President of the United States did not at once declare war on Germany—a thing he could not do.

President Roosevelt went to the extreme limit of his powers in his reply; he left the future open and, if we understand him aright, the future is not for Germany, but for France and England.

One Frenchman fought with intelligence, stubbornness, and patriotism for faith to an ally and war to the end for the honor of France. He had no time to eat and hardly any to sleep from morning till night. He animated the discouraged, inspired the brave, and shamed the weak. He downed every poor argument; he forestalled all maneuvers.

When General Weygand pleaded for capitulation, he replied: "You may take the responsibility for it as commander in chief, but it will not move the Government any more than the capitulation of Bazaine prevented Gambetta from going to Tours." (Marshal François Bazaine surrendered Metz to the Germans on October 27, 1870, when Léon Gambetta was Premier, and was later court-martialed and imprisoned.)

To M. Chautemps, who wanted Prime Minister Churchill to give the Cabinet a release for a separate peace, this brave Frenchman replied: "It is not done. We must honor our undertaking."

Those who whined, "Where shall be go? All France will be occupied," were told: "There is a French empire—Algiers, Morocco, Tunisia. France is where the Government is. There is a colonial army; there is England, who will not yield; there is America, who cannot avoid sooner or later coming to help France and England. England and America will win the war with us or without us. I want it to be with us. If we capitulate, the war will continue just the same on and over French territory. You will not gain peace by surrendering, but will have lost your honor."

In these historic days this man was the soul of France. Georges Mandel showed himself to be the true spiritual son of Clemenceau—the Clemenceau of 1918, who won the war because, when Paris was threatened in 1918 and the whole front seemed to crumble, he shouted, "I shall keep on fighting."

M. Mandel followed in his footsteps when he said to the defeatists at a Cabinet meeting, "I am surprised to hear of capitulation from Ministers newly appointed to strengthen the war Cabinet."

IMPOSSIBLE AT BORDEAUX

The cause which, with a little luck, might have been won at Tours could no longer be won at Bordeaux, which swarmed with politicians who, to quote one of them, "preferred kicks to bullets." M. Mandel might have won had not the plotters exploited his "non-Aryan" origin, in spite of his obvious patriotism. He might have won if he had been Premier, for he would not have made some of Reynaud's honorable mistakes and would not have tolerated any insolent intrigues around him.

Mr. President, I ask unanimous consent to have incorporated in the RECORD as part of my remarks an article in the New York Times, headed "Laval seen aiding French Nazis' rule."

The PRESIDING OFFICER (Mr. HATCH in the chair). Is there objection?

There being no objection, the article was ordered to be printed in the RECORD, as follows:

LAVAL SEEN AIDING FRENCH NAZIS' RULE—FORMER PREMIER IS EXPECTED TO ADOPT ANTICAPITALIST LINE TO FORM NEW REGIME

(By George Axelsson)

PARIS, June 29.—Wednesday evening Parisians learned for the first time the armistice conditions imposed by Germany. The newspaper Paris-Soir published the first six paragraphs, prefacing them as follows:

"Anxious to inform readers as rapidly as possible, we hasten to communicate the first paragraphs on the agreements covering the Franco-German armistice. With the approval of the German censorship, we will in the next edition publish the total agreement."

In the six introductory clauses of the agreement those Frenchmen who want to see the bright side of things and the possibility of reconstruction point to paragraph 5, which stipulated that Germany does not intend to maintain her occupation of the western coast of France after the end of hostilities against Britain and to fix its own seat. If France moved the capital back to Paris the Germans promise to facilitate communications with all parts of France.

"What next, France?" is the question confronting Frenchmen here who worry about the country's political future. Political circles, who now abound with those who say, "I told you so," more or less declare that France was bound downward after 1934.

Typical of this opinion is Michel Gorel, former Paris Midi writer, who predicts the formation of a French national socialist government minus an Aryan plank. This government would be founded by Adrian Marquet, who with Pierre Laval leads the new Bordeaux government; Marcel Deat, and the French Social Party under Col. François de la Rocque.

M. Gorel says he can reveal that M. Laval, during the European voyage of Sumner Welles, United States Under Secretary of State, tried to bring about a compromise peace. Following is what M. Laval is supposed to have told Edouard Daladier, then Foreign Minister and Premier:

"You have uselessly irritated Russia by promising support to Finland, but you could not prevent the Finnish defeat. You drove Italy into Germany's arms. The French Army is demoralized, the blockage is a myth, and the British Empire will be slow to get under way. We must make peace."

M. Daladier was finally ousted, according to M. Gorel, because of a plot against him by Paul Reynaud and Leon Blum.

M. Laval is supposed to have promised mediation by his intimate friend, Premier Mussolini, with whom he remained in close contact throughout the winter. Together they are supposed to have created the slogan, "A white peace to offset the 'red' danger," which is said to have found much resonance in capitalist and rightist circles.

Although striving for this type of peace, M. Laval is said to have observed interestedly scattered efforts by certain circles looking toward the establishment of French fascism, definitely anticapitalist and much advanced as to social legislation.

REPORTED BID TO REDS

To achieve his end of "saving France from herself," M. Laval, as reported by M. Gorel, sought every means to return to power, including that of making advances to Communists, saying: "It is I who signed in April 1935, the Franco-Soviet pact and it is once more I who will reknit friendly relations between Paris and Moscow."

M. Gorel predicts M. Laval will meet the new situation by making an anticapitalist policy and will support the French National Socialism that military defeat has placed in the forefront and which has yet to find a doctrine and methods.

Mr. PEPPER. Mr. President, I also ask unanimous consent to have incorporated as a part of my remarks an article on page L–29 of the June 30 issue of the New York Times, headed "Labor chief urges Chamberlain to go."

There being no objection, the article was ordered to be printed in the RECORD, as follows:

LABOR CHIEF URGES CHAMBERLAIN TO GO—STRABOLGI, LEADER IN HOUSE OF LORDS, ASKS HALIFAX AND HOARE ALSO TO RESIGN—HITS APPEASEMENT LINK—THEIR QUITTING OF POSTS WOULD AID CAUSE FOR WHICH BRITAIN IS FIGHTING, HE ASSERTS

(By Raymond Daniell)

LONDON, June 29.—Baron Strabolgi, Labor leader in the House of Lords, in an open letter tonight called on Neville Chamberlain, Lord President of the Council; Viscount Halifax, the Foreign Minister; and Sir Samuel Hoare, now Ambassador to Spain, to resign their offices as a service to the country and "the cause for which we are fighting."

Lord Strabolgi's letter, addressed to British editors, was prompted by an interview given yesterday by Mr. Chamberlain, former Prime Minister, in which he denied that he favored opening peace negotiations with Germany.

Lord Strabolgi, who as Lt. Comdr. J. M. Kenworthy was a frequent Labor spokesman in the House of Commons, said that he did not question Mr. Chamberlain's denial; but he declared it would not have been necessary for the former Prime Minister to make one if his earlier policy of appeasement had not provided so much basis for suspicion abroad.

TEXT OF STRABOLGI LETTER

The letter by Lord Strabolgi read:

"Mr. Neville Chamberlain has found it necessary to give an interview to the American press denying that he is in favor of asking Germany for peace negotiations.

"We can accept Mr. Chamberlain's word, especially as we know of his anger at Hitler's double-crossing over the Munich agreement when he invaded Czechoslovakia in March of last year. We also appreciate Lord Hallifax's moral indignation at the Nazi enormities.

"Unfortunately, the past of these two statesmen is so identified with the appeasement policy that, so long as they are in the inner war Cabinet, the German propagandists will find credence for their fairy tales about Britain suing for an armistice.

"The presence of Sir Samuel Hoare, with his past record and association with Mr. Laval (former Premier and Foreign Minister Pierre Laval, of France, who joined with Sir Samuel when the latter was British Foreign Secretary, in 1935, in an Ethiopian proposal to Italy), as British Ambassador in Madrid, also lends color to these deliberately circulated rumors.

"The effect is most serious in the two most important neutral countries in the world—the United States of America and Russia.

"If Messrs. Chamberlain, Halifax, and Hoare could see their way to retire for a space from public life it would be the greatest service they could do to their country, and to the cause for which we are fighting, and an act of high patriotism."

WROTE ON JUNE 10 OF "UNEASINESS"

LONDON, June 29.—Lord Strabolgi's letter today recalled the fact that, on June 10, he wrote in the Times, of London, that Parliament reflected the "uneasiness in the country at the continuance in high office of men primarily responsible for the present state of affairs."

"Those of use who are trying to sustain public morale in these difficult times would be greatly assisted if this cause of criticism and complaint were removed," he added then, in an article that mentioned no names.

Mr. PEPPER. Mr. President, I have read those articles and referred to them, because even in France, when France was threatened with dissolution, there existed the champions of appeasement, and those champions were in the Government of France itself. They followed the same policy which manifested itself in other ways, opening doors of fortresses to the enemy, letting bridges remain intact so that the enemy might pass over them without a single obstacle.

I now come to an astonishing quotation. In Dorothy Thompson's column in the New York Herald Tribune of June 29, 1940, I read these words—and they are not about France, they are not about Great Britain's appeasers—they are a warning to Mr. Wendell Willkie about his own advisers

who are suspected of leading him to the adoption of a policy of appeasement for the United States of America.

Dorothy Thompson, as every Senator knows, has almost shrieked for Wendell Willkie. She has almost regarded him as a God's annointed in the political arena. So she is no critic, but a friend of the nominee of the Republican Party. Here is what Dorothy Thompson says about Wendell Willkie:

But they will make it hard for you, Wendell Willkie.

Who will? These people who gave Wendell Willkie the nomination. These people who are his confidants. These people who are his business and political associates. So Dorothy Thompson says to Wendell Willkie:

But they will make it hard for you, Wendell Willkie. The men who want to defeat something or other more than they want to save America.

Defeat whom? Could it be that there is anyone in America who would rather defeat Franklin D. Roosevelt than to prepare America? I am reading what Dorothy Thompson said, Mr. President, not what I have said:

The men who are bringing the faceless ones into our midst. They are all for you, now, Wendell Willkie—the men who hold up the Christian cross and make it into a symbol of fear! The men who marry the cross to the swastika, in unholy union. They speak in the name of Jesus of Nazareth and plan His crucifixion.

They do not read the words of the One whose name they take in vain. They do not remember that He said, "And I, if I be lifted up from the earth, will draw all men unto me."

Do not let them make your standard into a standard of terror and fear, Wendell Willkie.

Then she adds:

We have great hopes of you.

So I rose primarily today, Mr. President, to say that the American people also have great hopes of Wendell Willkie. They hope he will not succumb to the wily companions who would like to make peace with Hitlerism because it might save something they do not want to jeopardize. It might save a business, it might save profits, it might save prestige for them not to have to incur the enmity of Adolf Hitler. At least Dorothy Thompson says:

Wendell Willkie, they are all with you now.

I say the American people are not thinking in terms of partisanship. They are expecting Wendell Willkie not to become an evading politican, not a quibbling nominee, not a side-stepping candidate—they expect Wendell Willkie, out of the courage that he has been portrayed as having, to stand up on his own hind legs, without his arms being held up by Mr. Anybody, and say—

People of America, I denounce Adolf Hitler and his policies!

That is one of the things I mean when I say, I will to preserve the American way of life and the democratic way.

Let Wendell Willkie say, "My fellow Americans, under the solemn consciousness of the position I hold, I say that I favor aid short of war to the Allies."

Has Wendell Willkie said that since he has been nominated? Did he give any comfort to the isolationists at Philadelphia? Why was it the only clear-cut statement he has made was made before the convention, and not afterward? What compromises of policy did he have to make to get that nomination? Is it not rather strange that he is now off on a yacht with Roy Howard, or in smoke-filled rooms with political leaders, trying to make up his mind as to what he should say about foreign policy?

Mr. President, is that that bold knight who came out of the business world upon a magic charger to lead the people of his country over the hills into the green valley of the most glorious future they have ever had? Men on horseback—the Hitlers and the Mussolinis and Stalins and the great of every generation—do not make up their minds off on somebody else's yacht, or conferring with a few political leaders about a solemn policy that means more than everything else to their country and the kind of a world their country loves. They do not ask others; they tell others.

So, in the name of people who respect the intellectual honesty of Wendell Willkie, who respect his courage, who respect his patriotism, and believe in their hearts that he puts America above his own election—they the people of America expect Wendell Willkie now to come out and say, in English that is understandable by the man on the street, what he thinks America's foreign policy should be tomorrow, and next week, and next month, and next year, and in the days that lie so challengingly ahead of the country and Congress.

We will see in a few days how bold Mr. Willkie is, how patriotic he is, how courageous he is. We will see whether or not these champions of appeasement have had their way with him.

Must I read the Scripps-Howard newspapers to see what Roy Howard thinks about foreign policy before I know what Wendell Willkie thinks? Must I consult the champions of Wall Street to see whether they favor appeasement in order to know whether Wendell Willkie favors it or not?

I say to Mr. Wendell Willkie—and as it has not been so long since he was a Democrat, perhaps he would not resent a little counsel from a Democrat—I say to Mr. Wendell Willkie that the one way that he may challenge and receive the admiration of the American people is to show them that he is a statesman and a leader, that he does think enough of the American way of life to be willing, if necessary, to sacrifice his own political fortune for it.

Of course, the Presidency is a high prize. Of course, men will sell their souls for it, as they have nearly always sold their souls for power. But, Mr. President, I may recite an interview that I learned about recently from what I believe is a reliable source.

Stanley Baldwin was speaking to some people at Geneva. He made to that group the statement that if, in the election of, I believe, 1937—the last election in which he participated—he had told the truth about the dangers from Germany, if he had challenged and demanded that Great Britain subordinate everything else to the defense of that island, that he could not have won the election because the British sentiment at that time had not been worked up to that point of view.

Stanley Baldwin may have won an election and lost the British Empire. I think that history will judge sternly with a man who makes that kind of a selfish statement.

Was Wendell Willkie nominated upon the wave of popular enthusiasm? Does he come straight from the heart of the people? Is he worthy of being the people's leader? In the next few days he will indicate whether or not he is to add to a background of 23 Wall Street, to a coat of arms, bearing the electric meter and the ticker tape—another symbol that has come to mean to the consciousness of the world, mourning—mourning for destroyed people, mourning for fallen governments, mourning for broken traditions, mourning for lost glory—the somber figure of a black umbrella—the umbrella under which another businessman from Birmingham, England, another champion of business enterprise, led the democracies of the world down, down, down into the dungeons of despair if not of dissolution and permanent destruction.

BOULDER DAM—CONFERENCE REPORT

Mr. PITTMAN. Mr. President, I ask that the unfinished business be laid before the Senate.

The PRESIDING OFFICER laid before the Senate the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 9877) authorizing the Secretary of the Interior to promulgate and to put into effect charges for electrical energy generated at Boulder Dam, providing for the application of revenues from said project, authorizing the operation of the Boulder power plant by the United States directly or through agents, and for other purposes.

Mr. PITTMAN. Mr. President, several Senators who are directly interested in this matter, and who are unavoidably absent from Washington, have requested that it go over until the next meeting of the Senate. I therefore ask that the conference report go over, and remain the unfinished business.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT OF DISTRICT OF COLUMBIA REVENUE ACT

Mr. KING. Mr. President, at the last session of the Senate the bill (S. 4161) to amend the District of Columbia Revenue Act of 1937, as amended, was passed. The House passed a similar bill—in fact, textually the same—which came to the Senate a few moments after the Senate bill had been passed. I ask unanimous consent for the present consideration of the House bill.

The PRESIDENT pro tempore. The Sentaor from Utah asks unanimous consent for the present consideration of House bill 10106. Is there objection?

There being no objection, the Senate proceeded to consider the bill (H. R. 10106) to amend the District of Columbia Revenue Act of 1937, as amended, which was read the first time by its title, and the second time at length, as follows:

Be it enacted, etc., That article III of title V of the District of Columbia Revenue Act of 1937, as amended by title V of the District of Columbia Revenue Act of 1939, is amended by adding after section 14 thereof the following new section:

"SEC. 15. Credits, securities, and other intangible personal property within the District not employed in carrying on any business therein by the owner shall be deemed to be located at the domicile of the owner for purposes of taxation under this title, and, if held in trust, shall not be deemed to be located in the District for purposes of taxation under this title solely because of the trustee being domiciled in the District: *Provided further*, That this section shall not apply to property owned by alien decedents, and that nothing herein contained shall affect the taxation by the District of any property owned by alien decedents which, at the time of the death of such decedents, shall be under the jurisdiction of the District or over which the District has control."

The PRESIDENT pro tempore. The question is on the third reading and passage of the bill.

The bill was ordered to a third reading, read the third time, and passed.

Mr. KING. Mr. President, I assume, of course, that the House will disregard the Senate bill, inasmuch as we have passed the House bill, which is textually the same.

SECRETARY LANSING'S VIEWS ON PARTICIPATION IN WORLD WAR

Mr. HOLT. Mr. President, I ask unanimous consent to have printed in the body of the RECORD a statement prepared by me concerning the views of the then Secretary of State, Hon. Mr. Lansing, on the entry of the United States into the World War in 1917.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR HOLT

The writings of Robert Lansing are interesting to compare with present-day happenings.

As Secretary of State he had charge of the foreign affairs of the United States. We were repeatedly told that the United States would stay out of the World War of 1914–18. "He kept us out of war" echoed throughout the country in 1916. Assurances had been made that we would not be involved in the conflict. After the damage had been done, the story of the involvement was made public. Is that policy being duplicated today?

The facts show not only from Lansing's statements but from many other sources that the process to get us in that conflict had been going on for a long period of time while the people were told that "No one wants to enter the war." Today certain Government officials are telling the people that they are not for going to war, not for intervention, not for involvement. Their official acts show to the contrary. Shall their memoirs be a duplication of those shown after the World War?

Shall the boys be killed, wounded, shell shocked, and destroyed—and then we find that behind the scenes commitments had been made, assurances had been given that we were to enter?

The words of Secretary of State Lansing show the story of 1914–17. Read them and compare with 1939–40. They follow:

"The effect upon me personally of the inhumanity of the Germans in their conduct of submarine warfare had been such as to remove any doubt that I had previously held that sooner or later the United States would be forced to enter the war on the side of the Allies, for it seemed certain at that time that the German Government had no intention of abandoning its lawless methods, whatever civilized nations might think of its conduct. Though convinced of this, I believed that it was unwise to attempt to obtain from Congress a declaration of war until American public opinion was practically unanimous in demanding such action. While it was hard to await the slow process of complete conversion to the cause of the Allies and to a right appreciation of the menace to human liberty in the possibility of a triumphant Germany, which then seemed more remote than in the autumn of 1914, there was no other course for the administration to take, even though it aroused bitter criticism in many quarters.

"It seemed to me that anyone who had followed the course of events since August 1914 and analyzed with impartiality the purposes of the German Government as evidenced by its acts and utterances could really have little doubt as to the result, or the part the United States would ultimately be compelled to take in the struggle for world supremacy. I felt sure in my own mind, but I did not find that the same certainty existed in the minds of all my associates in the Government. Several of them hoped, and I think believed, that the United States would not be drawn into the conflict. The President certainly cherished this hope as was indicated in his adherence to a strict neutrality when facts justified its abandonment, and also in his subsequent efforts to become an impartial mediator for the purpose of restoring peace between the belligerents before a military decision had been reached.

"This disposition of some of the chief officials of the administration was even more general and more evident among leading Members of the Senate and House of Representatives, who were emphatically in support of our continuing neutral. Thus, the open announcement that the foreign policies of the administration would be based on the presumption that the United States would finally declare war against Germany would have been a serious mistake, if the President had been won over to that course of action, which I am sure he could not have been in the summer of 1915, or at any time prior to March 1917.

"Having, however, the settled conviction that eventually this country would enter the war on the side of the Allies, I prepared for my own guidance a memorandum as to our foreign policies based on the hypothesis that the United States would join in the conflict against the Central Powers. That memorandum shows what was in my mind during the preparation of the reply to the German note of July 8 regarding the Lusitania case, and it will explain certain other official acts in connection with our foreign affairs.

"The memorandum, which is entitled 'Consideration and Outline of Policies,' is dated July 11, 1915, and reads as follows:

"MEMORANDUM OF SECRETARY LANSING

"'I have come to the conclusion that the German Government is utterly hostile to all nations with democratic institutions because those who compose it see in democracy a menace to absolutism and the defeat of the German ambition for world domination. Everywhere German agents are plotting and intriguing to accomplish the supreme purpose of their Government.

"'Only recently has the conviction come to me that democracy throughout the world is threatened. Suspicions of the vaguest sort only a few months ago have been more and more confirmed. From many sources evidence has been coming until it would be folly to close one's eyes to it.

"'German agents have undoubtedly been at work in Mexico arousing anti-American feeling and holding out false hopes of support. The proof is not conclusive but is sufficient to compel belief. Germans also appear to be operating in Haiti and San Domingo and are probably doing so in other Latin American republics.

"'I think that this is being done so that this Nation will have troubles in America and be unable to take part in the European war if a repetition of such outrages as the Lusitania sinking should require us to act. It may even go further and have in mind the possibility of a future war with this Republic in case the Allies should be defeated.

"'In these circumstances, the policies we adopt are vital to the future of the United States and, I firmly believe, to the welfare of mankind, for I see in the perpetuation of democracy the only hope of universal peace and progress for the world. Today, German absolutism is the great menace to democracy.

"'I think that we should, therefore, adopt the following for the present and pursue these policies until conditions materially change:

"'1. The settlement, for the time being at least, of the present submarine controversy because the American people are still much divided on the merits of the war. As it progresses, I believe that the real objects of the German Government will be disclosed and there will be united opposition. Meanwhile, we should get ready to meet the worst.

"'2. A rigorous and continuing prosecution of all plots in this country and a vigilant watch on Germans and their activities here.

"'3. Secret investigation of German activities in Latin America, particularly Mexico, and the adoption of means to frustrate them.

"'4. The cultivation of a Pan American doctrine with the object of alienating the American republics from European influence, especially the German influence.

"'5. The maintenance of friendly relations with Mexico. To do this it will be necessary to recognize Carranza's faction, which seems to be the stronger. Union with the other American republics will have a good effect upon them.

"'6. The purchase of the Danish West Indies as soon and as secretly as possible, because Germany may conquer Denmark and come in that way into legal title. If Denmark believes that Germany covets the islands she will sell to us and prevent their possession being a menace to Danish independence. The Danish Government must be told this.

"'7. The prevention by all means in our power of German influence becoming dominant in any nation bordering the Caribbean or near the Panama Canal. In this connection, we should settle in some way with Colombia, for the Germans are particularly active there.

"'8. The actual participation of this country in the war in case it becomes evident that Germany will be the victor. A triumph for

German imperialism must not be. We ought to look forward to this possibility and make ready to meet it.'

"There is a future possibility which does not change the foregoing policies but which emphasizes the last one. It is that the war may end in a draw or with the German Empire dominant over its enemies.

"The argument could then be made by the German Government that, in spite of the fact that the world was arrayed against it, it succeeded in preventing the defeat of the Empire, and that having thus proved its superior efficiency, it should be continued and supported as the agency best fitted to restore the German Nation to a state of prosperity.

"I believe that this argument would be potent with the German people, who are in the habit of unquestioning obedience to their rulers in thought as well as action. Of course, the terrible cost of war, when the time to consider that arrives, will weaken the argument, for the people will ask, What is the recompense for the great sacrifices they have made, the great suffering which they have endured, and the Government will have nothing to show? The nation may then rise and demand a change to a political system in which their voice will be supreme. But if the argument should prevail and the present military oligarchy be perpetuated, then what?

"My judgment is that the German Government, cherishing the same ambition of world power which now possesses it, would, with its usual vigor and thoroughness, prepare to renew its attack on democracy. I think, however, that it would not pursue the course taken in this war, which has failed, because it would realize that the democratic nations would be more watchful and less trustful and better prepared to resist. It would probably endeavor to sow dissensions among the nations with liberal institutions and seek an alliance with other governments based to a more or less degree on the principle of absolutism.

"The remedy seems to me to be plain. It is that Germany must not be permitted to win this war or to break even, though to prevent it this country is forced to take an active part. This ultimate necessity must be constantly in our minds in all our controversies with the belligerents. American public opinion must be prepared for the time, which may come, when we will have to cast aside our neutrality and become one of the champions of democracy.

"THEY CLUNG TO WASHINGTON'S FAREWELL ADDRESS

"While my personal views as to the ultimate position of the United States were thus clear, the time was not ripe to take definite action. The opposition to entering the war on the side of the Allies was strong in 1915 in spite of the *Lusitania* affair. It came from several elements of the population, which were inspired by different motives and influenced by different reasons. Of these, the largest body were undoubtedly Americans who thought that the war was not our affair but a European quarrel with which we had nothing to do. They had not reasoned out the underlying principles at stake, nor were they disposed to consider them as important. They could see no reason for the United States becoming involved in what they believed did not concern this country. They clung tenaciously to the traditional policy of aloofness from European questions as they interpreted the words of Washington's Farewell Address.

"Among other groups of citizens who opposed the entrance of the United States into the war were the bulk of the naturalized citizens of German and Austrian extraction and many Americans of German and Austrian descent, together with the Irish-Americans who sympathized with those who were striving to free Ireland from British domination. Then there were also the Americans whose business and commercial enterprises were affected by the activities of the British Navy. These saw their expectations of large profits waning. To these groups should be added the pacifists, who were opposed to all war out of principle, and, though this group was not numerous, it was sincere almost to the point of fanaticism in its opposition, and carried on a vigorous propaganda against the idea of the United States in any way participating in the conflict.

"ATTACKS SCHOOL BOOKS

"There was also an influence which affected unconsciously many Americans in their sympathy toward the belligerents and caused them to hesitate in giving approval to the United States joining the Allies. This influence was a product of the textbooks used in teaching American history to the youth of the land. Unavoidably there was implanted in the minds of the student in our public schools the idea that England was our hereditary foe. Our two principal foreign wars, that for independence and that of 1812, were waged against Great Britain. These two conflicts were emphasized in our school histories and embellished with numerous anecdotes illustrating American patriotism and valor, while the unrighteousness of the British Government in causing our people to take up arms in defense of their rights was bitterly denounced. The general consequence of the feeling thus engendered was to keep alive a spirit of antagonism toward the British Empire and an unwillingness to join with it in any enterprise of a political or military nature. While studious Americans knew that this attitude of mind was unreasonable in view of the new conditions which prevailed and of the ties of blood and common language, the prejudice of childhood and the traditions handed down from generation to generation were not easily cast aside or forgotten. They unquestionably weakened American sympathy toward the Allies, though their influence was offset in no small degree by the time-honored friendship for France, whose timely aid with troops, ships, and money during the American Revolution was also given a prominent place in textbooks.

"A GRADUAL PROCESS OF EDUCATION FOR WAR

"Many Americans were deeply incensed at the interference of Great Britain with our sea-borne commerce and with the detentions and seizures by British naval ships of American vessels and cargoes destined to neutral ports. Under the accepted rules of international law these detentions and seizures were illegal and indefensible, as were the lists of contraband issued from time to time by the British Government, which included numerous commodities lacking entirely in the qualities which are usually supposed to impress articles with contraband character. Many more Americans were directly affected by these British practices than were affected by the activities of the German submarines.

"Thus, while I was convinced that this country would ultimately become a belligerent because of the peril to the world if autocratic Germany were victor, and while my ideas as to foreign policies were based upon this conviction, I, like some other believers in active support of the cause of the Allies, realized that the sensible thing to do was to defer action until, by a gradual process of education and enlightenment, the American people had been brought to a full understanding of the design of the German Government to become overlord of the World.

"In writing to the President on July 14, 1915, concerning our answer to the German note of the 8th, I commented thus on American public opinion at that time:

"As I read the state of mind of the majority of the people, it is that they do not want war, that no war spirit exists, but at the same time they want the Government not to recede a step from its position but to compel Germany to submit to our demands. Of course this attitude, if I read it aright, is most difficult to meet. To carry out both ideas is well-nigh impossible.

"GETTING THE PEOPLE READY

"Yet it was this problem which the Government had to face. There was only one solution possible, and that was delay.

"Judgment as to the wisdom of delay until the temper of the people had changed was confirmed as time passed. The majority of my callers during the summer and autumn of 1915, and for many months after that time, Senators, Representatives, and men high in financial and business circles, frankly said that they were against war, or else stated that, though they favored it, the bulk of the people with whom they came in contact were opposed to it. Even in December 1916, a year and a half after the sinking of the *Lusitania*, when other submarine outrages had been added to the long score against Germany, one of the most prominent and influential of the Democratic leaders in the House of Representatives, Henry D. Flood, chairman of the Committee on Foreign Affairs, said that he had quietly made a personal canvass of the House, and that there was unquestionably a majority opposed to a declaration of war against Germany. He himself, he said, favored a declaration but was not in favor of attempting to obtain it until it was certain of passage by a decisive vote. He said, in commenting further on the situation, that he believed that Congress was gradually becoming convinced that this was unavoidable, but that it would not abandon hope of keeping this country out of the struggle until the President's efforts as a peacemaker proved of no avail.

"If such was the situation at the Capitol in December 1916, 6 weeks after Mr. Wilson's reelection as President when the campaign cry, 'He kept us out of war,' had been so potent, the passage of a declaration of war against Germany in the summer of 1915 was certainly impossible, for the war feeling was then much weaker. To have attempted it and to have failed would have been an irreparable disaster to the cause of the Allies. In fact, it might have been America's final decision, for it would have discouraged those who were seeking to arouse the people to the true meaning of the war. What then would have been the consequences? Would the Allied Powers have triumphed in the war? The whole course of history might have been changed if President Wilson had attempted and failed to obtain a declaration of war against the German Empire soon after the *Lusitania* disaster. The uncertainty of the result was too great to warrant the attempt, and Mr. Wilson wisely adopted a policy of delay which also accorded with his declared hopes of restoring peace.

"TWO YEARS TO EDUCATE THE PEOPLE FOR WAR

"As the submarine controversy progressed and the attitude of the public mind was disclosed, the wisdom of the President's policy of delay was confirmed. It became more and more evident to those in the administration who were friendly to the Allies that it was necessary before definite action was taken to convince the people of the evil nature of the German Government's aims and of the menace of those aims to our own national safety as well as to the principles of democracy, in the maintenance of which the United States was vitally interested. It was a long, slow process, the process of enlightenment. It covered a period of almost 2 years. It might have failed even then but for the crass stupidity of the Germans in declaring their purpose of renewing unrestricted submarine warfare on February 1, 1917, in later attacking and sinking American merchant ships, and, finally, in attempting to induce Mexico to make war upon the United States in the event that we declared war against Germany. The German Admiralty's obstinacy in refusing to heed the admonitions of Count von Bernstorff as to the fateful consequences of renewed submarine warfare and the folly of the German Secretary of Foreign Affairs in directing the German Minister in Mexico to propose to that country that if the United States entered the war she should invade her northern neighbor, offering as a bribe the return of the territory which the Mexican

Republic had lost in the war of 1848, turned the scale, and the American people, with only a few opposing voices, demanded a declaration of war against a government which was plotting secretly to involve this country in a conflict with the Latin-American republic across the Rio Grande.

"It was difficult to restrain one's feelings and to conduct a dispassionate correspondence with the German Government concerning the *Lusitania* affair when nature revolted at the callousness of the perpetrators of the crime and of the officials who so unhesitatingly defended the act. Expressions of good will and courteous phrases seemed very much out of place. To conduct such a correspondence was all the harder for me, in view of my sympathy with the Allies and of my steadfast conviction that their cause was in truth the cause of all liberty-loving peoples throughout the world. Satisfied, however, that the preponderance of public opinion in the United States, or at least a very large majority of the people, favored a continuance of neutrality and the avoidance of a rupture of diplomatic relations with Germany, there was no other course to take. Though it was hostile to one's natural inclinations, notes had to be written and interviews held without exhibiting in any way the real repugnance one felt toward those who attempted to justify inhumanity and crime. How much more satisfying it would have been to have denounced the whole wicked business, to have sent Bernstorff home, and to have declared war against the government which was the instigator and defender of the barbarous outrages."

EDUCATING THE PEOPLE FOR WAR—1940?

Raymond Moley, former close confidant to President Roosevelt, and official of the Department of State, writes in his book, After Seven Years, a book which will be read by future historians as a valuable contribution to the story of the present administration:

"Observers recognized in these dramatic maneuverings signs of a State Department campaign to educate the American public to the need for a stronger foreign policy."

Compare the use of the word "educate" to the statement of Secretary Lansing made in January 1916, 15 months before our entrance in that war:

"Public opinion is not yet ready to accept this point of view. The American people will have to be educated to a true vision of the menace that Germany is to liberty and democracy in America as well as in Europe."

Yes; even in 1915 Secretary Lansing had used the word "educate." He wrote:

"I, like some other believers in active support of the cause of the Allies, realized that the sensible thing to do was to defer action until, by a gradual process of education and enlightenment, the American people had been brought to a full understanding of the design of the German Government to become overlord of the world."

Also note the comparison of the phrase "like some other believers in active support of the cause of the Allies," and then compare it with the statements of the same viewpoint as expressed by the active supporters such as the Committee to Defend America by Aiding the Allies and individuals connected with that organization. Are they hopeful in 1940 that the American people would be educated and enlightened as did Secretary Lansing in 1915?

Their policy—that is the policy of most of them—is to say they are against going to war but they want acts of the United States Government that are provocative of war and in some instances acts that are acts of war.

Secretary Lansing waited until the people were convinced, as shown by the statement made in 1916:

"I believe, therefore, that for the present we must endeavor to keep out of the war and avoid, if we can, being forced by German aggressions to employ severe measures. We must be patient and endure indignities and injustice until the people of this country realize that the German Government is the inveterate foe of all the ideals we hold sacred and for which the Republic stands. When the mass of our people are convinced of the real character of the German Government and are awake to its sinister designs, the time for action will have arrived. We must wait patiently for that day and not act before if action can possibly be avoided."

PROTESTS TO ENGLAND FOR HOME CONSUMPTION

It is also interesting to compare the Lansing words with recent events as they pertain to Anglo-American relations. Secretary Lansing wrote:

"Sympathetic as I felt toward the Allies and convinced that we would in the end join with them against the autogratic governments of the Central Empires, I saw with apprehension the tide of resentment against Great Britain rising higher and higher in this country. It was becoming increasingly difficult to avoid bringing the controversies between our two Governments to a head and to keep from assuming positions which went beyond the field of discussion. I did all that I could to prolong the disputes by preparing, or having prepared, long and detailed replies, and before the extended interchange of arguments came to an end something would happen to change the current of American public opinion or make the American people perceive that German absolutism was a menace to their liberties and to democratic institutions everywhere. Fortunately this hope and effort were not in vain.

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"I have already mentioned that in dealing with the British Government there was always in my mind the conviction that we would ultimately become an ally of Great Britain and that it would not do, therefore, to let our controversies reach a point where diplomatic correspondence gave place to action. There was another reason for prolonging discussion and avoiding too rigid an attitude, a reason which grew out of the same conviction, and of which I often thought as I studied the correspondence. On more than one occasion I felt concerned lest we had gone too far when it looked as if the positions assumed by us were closing the door to further discussion.

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"If my conviction was right as to the United States' entry into the war—and I never doubted it after the sinking of the *Lusitania*—it was of the highest importance that we should not become a belligerent with our hands too tightly tied by what we had written. We would presumably wish to adopt some of the policies and practices which the British had adopted, though certainly not all of them, for our object would be the same as theirs, and that was to break the power of Germany and destroy the morale of the German people by an economic isolation, which would cause them to lack the very necessaries of life. If we went too far in insisting that Great Britain must cease certain practices as violative of our neutral rights, our utterances would certainly be cited against us by other neutrals if we, as belligerents, attempted to do the same thing. While our conduct might be illegal, we would not be flagrantly inconsistent.

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"That reason was never lost sight of during the correspondence which passed between the two Governments concerning the British restraints upon American trade. The notes that were sent were long and exhaustive treatises which opened up new subjects of discussion rather than closing those in controversy. Short and emphatic notes were dangerous. Everything was submerged in verbosity. It was done with deliberate purpose. It insured continuance of the controversies and left the questions unsettled, which was necessary in order to leave this country free to act and even to act illegally when it entered the war."

Check Secretary Lansing's statement as to arguments with Great Britain and then compare with the following:

First. A statement in the New York Times in February by Edwin James, managing editor:

"In some quarters the belief is expressed that this very favoritism [for the Allies], at times made so plain by the President, is the cause of the vigorous correspondence. This theory is that by continued public emphasis on our complaints against British policy, the administration sought to disarm criticisms that it is unneutral and openly favoring one side in the war."

Second. A statement in Newsweek, a paper that has a close personal tie-up with the President through one of its able writers:

"The protests to Britain are chiefly for the home consumption of indignant American citizens."

Third. The newspaper stories of February 1940, in which it is stated that the strong representations to Great Britain would be stopped because of the fear of generation of anti-Ally feeling.

More could be added, but these are significant enough to point to the conclusion.

THE ALLIES MUST NOT BE BEATEN

Compare the statements today with this:

"The Allies must not be beaten. It would mean the triumph of autocracy over democracy, the shattering of all our moral standards, and a real, though it may seem remote, peril to our independence and institutions."

This statement was made the year before our entrance in the 1914–17 World War by Lansing.

One Government official has spoken of "Hitler and his gang of barbarians." Compare that with Lansing's wish:

"While I claim no prophetic vision, I believe that I can declare that by this time next year Americans will be killing those German barbarians or at least getting ready to do their part in this war against the Kaiser and his military gang who rule over Germany."

"I HATE WAR"

In the closing words of the radio address of President Roosevelt, delivered September 3, 1939, one finds:

"Even a neutral has a right to take account of facts. Even a neutral cannot be asked to close his mind or his conscience.

"I have said not once but many times that I have seen war and that I hate war."

Secretary Lansing, preceding our entrance in the war in 1917, said:

"I hate the horrors of war but I hate worse the horrors of German mastery."

Many comparisons with the President's statements and those of Secretary Lansing will show almost identical language.

DEADLY PARALLEL

Shall the terrible story of 1917 be repeated?

Shall the memoirs of the future show the same things as shown by the Lansing papers?

Let us bring to light these secrets.

Arthur Krock wrote:

"The President not even yet is saying openly what he has said to individuals and committees of Congress."

I recall the President saying in a radio speech to the people these words:

"Your Government has no information which it has any thought of withholding from you."

A recent book, War Propaganda in the United States, says:

"Mr. Roosevelt's precise thoughts as peace ebbed away are the property of future explorers. They are concealed in memoirs 'Not to be opened now.' "

Hartley Grattan has written a book, Deadly Parallel. I fear so.

What America wants is:
First. A strong national defense.
Second. No secret understandings or agreements with foreign nations.
Third. Less provocative incidents on the part of Government officials.
Fourth. The preservation of the Monroe Doctrine, of the principles of Washington's Farewell Address.
The boys who have to die have a right to know the reasons. They have a right to know about these secrets, these things kept for memoirs under the notation "Not to be opened now."
We want no more Lansing memoranda kept secret until after the fatal step has been taken.

GRADUATED EXCESS-PROFITS TAX (H. DOC. NO. 854)

The PRESIDING OFFICER (Mr. HATCH in the chair) laid before the Senate the following message from the President of the United States, which was read and referred to the Committee on Finance:

To the Congress of the United States:

We are engaged in a great national effort to build up our national defenses to meet any and every potential attack.

We are asking even our humblest citizens to contribute their mite.

It is our duty to see that the burden is equitably distributed according to ability to pay so that a few do not gain from the sacrifices of the many.

I therefore recommend to the Congress the enactment of a steeply graduated excess-profits tax, to be applied to all individuals and all corporate organizations without discrimination.

FRANKLIN D. ROOSEVELT.

THE WHITE HOUSE, *July 1, 1940.*

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Chaffee, one of its reading clerks, returned to the Senate, in complance with its request, the bill (S. 3464) to amend the Perishable Agricultural Commodities Act, 1930, as amended.

The message also announced that the House had disagreed to the amendments of the Senate to the bill (H. R. 9575) to amend the Federal Aid Act, approved July 11, 1916, as amended and supplemented, and for other purposes; asked a conference with the Senate on the disagreeing votes of the two Houses thereon, and that Mr. CARTWRIGHT, Mr. WARREN, Mr. WHITTINGTON, Mr. WOLCOTT, and Mr. MOTT were appointed managers on the part of the House at the conference.

EXECUTIVE SESSION

Mr. HARRISON. I move that the Senate proceed to the consideration of executive business.

The motion was agreed to; and the Senate proceeded to the consideration of executive business.

EXECUTIVE MESSAGES REFERRED

The PRESIDENT pro tempore laid before the Senate messages from the President of the United States submitting several nominations, which were referred to the appropriate committees.

(For nominations this day received, see the end of Senate proceedings.)

EXECUTIVE REPORTS OF A COMMITTEE

Mr. McKELLAR, from the Committee on Post Offices and Post Roads, reported favorably the nominations of sundry postmasters.

The PRESIDENT pro tempore. If there be no further reports of committees, the clerk will state the nominations on the calendar.

DEPARTMENT OF COMMERCE

The Chief Clerk read the nomination of Robert H. Hinckley to be Assistant Secretary of Commerce.

The PRESIDENT pro tempore. Without objection, the nomination is confirmed.

COAST GUARD

The Chief Clerk proceeded to read sundry nominations in the Coast Guard.

The PRESIDENT pro tempore. Without objection, the nominations in the Coast Guard are confirmed en bloc.

IN THE NAVY

The Chief Clerk proceeded to read sundry nominations in the Navy.

The PRESIDENT pro tempore. Without objection, the nominations in the Navy are confirmed en bloc.

That completes the calendar.

RECESS TO WEDNESDAY

Mr. HARRISON. Under the order made earlier today, I move that the Senate take a recess until Wednesday next.

The motion was agreed to; and (at 12 o'clock and 52 minutes p. m.) the Senate took a recess, the recess being, under the order previously entered, until Wednesday, July 3, 1940, at 12 o'clock meridian.

NOMINATIONS

Executive nominations received July 1, 1940

UNITED STATES TARIFF COMMISSION

Fred H. Brown, of New Hampshire, to be a member of the United States Tariff Commission for the remainder of the term expiring June 16, 1941.

PUBLIC UTILITIES COMMISSION OF THE DISTRICT OF COLUMBIA

Riley E. Elgen, of the District of Columbia, to be a member of the Public Utilities Commission of the District of Columbia for a term of 3 years from July 1, 1940. (Reappointment.)

CONFIRMATIONS

Executive nominations confirmed by the Senate July 1, 1940

DEPARTMENT OF COMMERCE

Robert H. Hinckley to be Assistant Secretary, Department of Commerce.

COAST GUARD OF THE UNITED STATES

TO BE LIEUTENANT COMMANDERS

Frank E. Pollio
Henry J. Betzmer
George C. Whittlesey
Beverly E. Moody

PROMOTIONS IN THE NAVY

TO BE CAPTAINS

Elmer L. Woodside
Glenn B. Davis
Norman C. Gillette

TO BE COMMANDERS

Walter H. Roberts
Lewis Corman
Charles B. McVay 3d

TO BE LIEUTENANT COMMANDERS

William L. Messmer
John J. Laffan
George A. Leahey, Jr.
John G. Johns
Everett E. Mann
William E. Hank
Thomas J. Hickey
Cameron Briggs
Clement R. Criddle
William L. Wright
Rex S. Caldwell
Russell S. Smith
George J. Dufek
Edward L. Beck
William A. New
William H. Standley, Jr.
Frank P. Tibbitts

TO BE LIEUTENANTS

Joseph H. Kuhl
Howard R. Prince
Leon S. Kintberger
John R. Leeds
Max Silverstein
Robert E. Vandling
Ray M. Pitts
Max C. Mather
Francis M. Douglass
Charles C. Gold
Robert H. Kerr
Archibald W. Greenlee
William Outerson

TO BE LIEUTENANTS (JUNIOR GRADE)

Jack A. Obermeyer
Emery A. Grantham
Richard E. Ball
Mark H. Jordan
John M. Ballinger
Parkman B. Moore
Herbert J. Hartman
Frank F. Menefee

TO BE MEDICAL DIRECTOR

Virgil H. Carson

TO BE MEDICAL INSPECTOR

Jacob W. Troxell

TO BE ASSISTANT PAYMASTER

William N. McGibony

TO BE NAVAL CONSTRUCTOR

Walter F. Christmas

TO BE CIVIL ENGINEER

Gaylord Church

TO BE ASSISTANT CIVIL ENGINEER

Joseph H. Barker, Jr.

HOUSE OF REPRESENTATIVES

MONDAY, JULY 1, 1940

The House met at 12 o'clock noon.

The Reverend John W. Rustin, D. D., pastor of Mount Vernon Place Methodist Church, Washington, D. C., offered the following prayer:

Eternal God, Father of us all, high above us and yet living in each one of us, our hearts are filled with infinite gratitude to Thee for Thy goodness to us.

While Thou art very great, still art Thou very near to us. Lift us into a new sense of life's meaning and dignity. Little are we, O God, and transient children of the day against the vast background of Thine eternity. Yet is this greatness ours, that Thou canst be released through us into the world. Grant us this dignity. Make us channels of Thy peace. Let the divine be released through us among men.

Bless, we pray Thee, our Nation and her leaders. In this hour when men are confused, perplexed, and uncertain, give us a calmness of mind; not the calmness of indifference but the calmness that comes from inner stability of character.

Blow through us, Thou clear wind of God, purifying the spirits of Thy people, so that the abundant resources of Thy grace and power may be found in us today. Amen.

The Journal of the proceedings of Saturday, June 22, 1940, was read and approved.

MESSAGE FROM THE SENATE

Pursuant to House Resolution 545, on June 24, 1940, the Clerk of the House received from the Secretary of the Senate the following message announcing that the Senate had passed without amendment bills and a joint resolution of the House of the following titles:

H. R. 159. An act to amend an act entitled "An act relating to the naturalization of certain women born in Hawaii," approved July 2, 1932;

H. R. 382. An act for the relief of Gus Roth;

H. R. 1167. An act for the relief of the Black Hills Methodist Hospital of Rapid City, S. Dak.;

H. R. 1178. An act for the relief of Lester R. Taylor;

H. R. 1846. An act for the relief of Malachy Ryan;

H. R. 2014. An act for the relief of Margaret Redmond;

H. R. 2070. An act for the relief of Edwin Forsman;

H. R. 2083. An act for the relief of Dan Yancey;

H. R. 2106. An act for the relief of Charles Flack;

H. R. 2151. An act for the relief of James P. Bruce, Jr.;

H. R. 2489. An act for the relief of Angie Ward;

H. R. 2513. An act for the relief of C. B. Reagh;

H. R. 2628. An act for the relief of John Engblom;

H. R. 2946. An act for the relief of Naoma Kinder, a minor;

H. R. 3142. An act for the relief of Leland G. Myers;

H. R. 3163. An act for the relief of Rose Bilaitis;

H. R. 3402. An act to authorize the appropriation for payment of the cost of providing additional water for the Wapato Indian irrigation project, Wash.;

H. R. 3713. An act for the relief of Joe Carter;

H. R. 3925. An act for the relief of Evelyn L. Ratcliffe;

H. R. 4113. An act for the relief of Maude Sullivan;

H. R. 4142. An act for the relief of Mary Reid Hudson;

H. R. 4148. An act for the relief of Mary S. Arthur, as executrix of the estate of Richard M. Arthur, deceased;

H. R. 4185. An act to repatriate native-born women residents of the United States who have heretofore lost their citizenship by marriage to an alien;

H. R. 4412. An act for the relief of Beatrice Lois Rucker;

H. R. 4587. An act to give the Supreme Court of the United States authority to prescribe rules of pleading, practice, and procedure with respect to proceedings in criminal cases prior to and including verdict, or finding or plea of guilty;

H. R. 5156. An act for the relief of Adolph Ernest Helms;

H. R. 5297. An act for the relief of Stanley V. Smith;

H. R. 5388. An act for the relief of Thomas Lewellyn and Drusilla Lewellyn;

H. R. 5424. An act for the relief of Mrs. E. J. McCardle;

H. R. 5569. An act for the relief of Stuart Bastow;

H. R. 5592. An act for the relief of Vernon Atkison;

H. R. 5823. An act for the relief of Morrissey Construction Co.;

H. R. 6145. An act for the relief of Elizabeth L. Riley;

H. R. 6207. An act to amend section 2810 (a), Internal Revenue Code, to exclude petroleum stills from the requirement of registration;

H. R. 6408. An act to extend the times for commencing and completing the construction of a dam and dike for preventing the flow of tidal waters into North Slough in Coos County, Oreg.;

H. R. 6443. An act to permit certain aliens whose childhood was spent in the United States, if eligible to citizenship, to become naturalized without filing declaration of intention;

H. R. 6507. An act to provide for leave of absence, with pay, for any employee of the United States or of the District of Columbia who may be called upon for jury service in any State court or court of the United States;

H. R. 6583. An act for expenditure of funds for cooperation with the public-school board, Cass County, Minn., for the construction, extension, equipment, and improvement of public-school facilities to be available to Indian children in the district;

H. R. 6686. An act for the relief of T. Jack Neal;

H. R. 6730. An act for the relief of Edward P. Glenn, Jr.;

H. R. 6737. An act for the relief of Clarence D. Green;

H. R. 6822. An act for the relief of Eliza Warren and George T. Warren;

H. R. 6889. An act for the relief of Frances M. Hannah;

H. R. 6891. An act for the relief of William M. Irvine;

H. R. 7254. An act authorizing the temporary detail of John L. Savage, an employee of the United States, to service under the Government of the State of New South Wales, Australia, and the Government of the Punjab, India;

H. R. 7343. An act to amend certain laws governing Federal prisoners, and for other purposes;

H. R. 7563. An act for the relief of Salomon Georg Kaufmann; his wife Doris Kaufmann, nee Stern; and their child John Michael Peter Kaufmann;

H. R. 7821. An act for the relief of Anna T. Sifferman Varga;

H. R. 7825. An act for the relief of C. S. Hobson;

H. R. 7880. An act for relief of Edna Emery;

H. R. 7914. An act for the relief of Simon A. Brieger as legal representative of the estate of Thomas Gerald Brieger, a deceased minor;

H. R. 7955. An act for the relief of Louis Rosenstone;

H. R. 8046. An act to amend section 1 of the act entitled "An act for the retirement of employees of the Alaska Railroad, Territory of Alaska, who are citizens of the United States," approved June 29, 1936;

H. R. 8099. An act for the relief of James L. Kinney;

H. R. 8252. An act for the relief of John Owen;

H. R. 8316. An act authorizing the Secretary of the Interior to sell certain land to the Conconully Cemetery Association;

H. R. 8350. An act permitting official mail of the Pan American Sanitary Bureau to be transmitted in penalty envelopes;

H. R. 8399. An act to prohibit the receipt, possession, or disposition of money or property feloniously taken from a bank organized or operating under the laws of the United States or any member of the Federal Reserve System;

H. R. 8628. An act to amend the Perishable Agricultural Commodities Act, 1930, as amended, to include as a perishable agricultural commodity cherries in brine, and for other purposes;

H. R. 8708. An act for the relief of Harold C. Preble, naval architect;

H. R. 8815. An act to grant per diem compensation to the appointed members of the Board of Steam and Other Operating Engineers of the District of Columbia, and for other purposes;

H. R. 8910. An act providing for the extension of nonquota status to Frederick Beck;

H. R. 8919. An act to authorize the setting aside of an area within the Canal Zone to preserve and conserve its natural features for scientific study, for providing and maintaining facilities for such study, and for other purposes;

H. R. 9063. An act authorizing the Administrator of the Federal Works Agency to transfer certain property in San Francisco, Calif., to the city and county of San Francisco for street purposes;

H. R. 9139. An act to amend an act entitled "An act to establish a uniform system of bankruptcy throughout the United States," approved July 1, 1898, and acts amendatory thereof and supplementary thereto;

H. R. 9299. An act to amend section 10 of chapter 5 of Public Act No. 436, Seventy-third Congress, approved June 19, 1934;

H. R. 9391. An act to amend section 40, National Defense Act, as amended, relating to the organization of the Reserve Officers' Training Corps, so as to provide for an exception with respect to the University of Alaska;

H. R. 9453. An act to provide a license to the Atlantic Refining Co., and for other purposes;

H. R. 9509. An act to extend the times for commencing and completing the construction of a bridge across the Ohio River at or near Shawneetown, Ill.;

H. R. 9618. An act to extend the times for commencing and completing the construction of a bridge across the Susquehanna River at or near the city of Harrisburg, Pa.;

H. R. 9651. An act for the relief of Meier Langermann, his wife, Friederike, and son, Joseph;

H. R. 9765. An act to provide for exercising the right with respect to red-cedar shingles reserved in the trade agreement concluded November 17, 1938, between the United States of America and Canada, and for other purposes;

H. R. 9804. An act to amend and clarify section 6, subsection 2, of the act approved June 1, 1938, known as Juvenile Court Act of the District of Columbia, and for other purposes;

H. R. 9864. An act amending the Bankruptcy Act with respect to the basis of property;

H. R. 9896. An act to authorize appropriations for construction at military posts, and for other purposes;

H. R. 9897. An act to authorize the acquisition of additional land for military purposes;

H. R. 9899. An act extending the jurisdiction of the Civil Aeronautics Authority over certain air-mail services, and for other purposes;

H. R. 9907. An act to provide for the recording and releasing of liens by entries on certificates of title for motor vehicles and trailers, and for other purposes;

H. R. 9920. An act authorizing the county of Lawrence, Ohio, to acquire and operate as a unit certain privately owned toll bridges across the Ohio River adjoining such county;

H. R. 9927. An act declaring a forfeiture of certain land heretofore granted by the United States to the board of commissioners of the Orleans Levee District, in the city of New Orleans, State of Louisiana, for levee and street purposes;

H. R. 10009. An act to amend section 13 (d) of the Railroad Unemployment Insurance Act;

H. R. 10058. An act to amend the act relating to preventing the publication of inventions in the national interest, and for other purposes;

H. R. 10087. An act for the relief of the Continental Aerosurveys Corporation;

H. R. 10112. An act to amend the Immigration Act of 1924 to require aliens admitted into the United States as officials of foreign governments either to maintain their status or to depart from the United States, with the approval of the Secretary of State; and

H. J. Res. 559. Joint resolution authorizing a reduction in the rate of interest to be paid on certain loans and advances made to the District of Columbia by the United States of America through the Public Works Administration.

The message also announced that the Senate had passed, with amendments in which the concurrence of the House is requested, bills of the House of the following titles:

H. R. 3976. An act for the relief of Violet Knowlen, a minor.

H. R. 4828. An act to amend the law limiting the operation of statutes of limitations in certain cases;

H. R. 5640. An act to admit Richard Paul Rehn permanently to the United States;

H. R. 5641. An act to admit Johann Rudolf Hueneberg permanently to the United States;

H. R. 6056. An act for the relief of Antal or Anthony or Tony Zaicek or Zaiczek;

H. R. 6061. An act for the relief of Hazel Thomas;

H. R. 6424. An act to provide for the transportation and distribution of mails on motor-vehicle routes;

H. R. 6884. An act to encourage travel in the United States, and for other purposes;

H. R. 7696. An act to amend the United States Grain Standards Act, to provide for the grading of soybeans, and for other purposes;

H. R. 7826. An act for the relief of R. F. Brazelton;

H. R. 7843. An act for the relief of Clifford J. Williams;

H. R. 8605. An act for the relief of Mary Janiec and Ignatz Janiec; and

H. R. 9114. An act authorizing advancements from the Federal Emergency Administration of Public Works for the construction of a recorder of deeds building in the District of Columbia, and for other purposes.

The message also announced that the Senate had passed bills of the following titles, in which the concurrence of the House is requested:

S. 820. An act providing for the granting of leave to certain employees of the United States to enable them to vote at elections;

S. 2524. An act to incorporate the Military Order of the Purple Heart;

S. 2758. An act for the relief of Wade Crawford, formerly superintendent of the Klamath Indian Agency;

S. 2930. An act to provide for reimbursement to the holders of cotton-pool participation trust certificates, and for other purposes;

S. 3248. An act to amend section 2, chapter 368, Forty-sixth Statutes at Large, page 1467, March 2, 1931, relating to extra compensation of inspectors and employees of the Immigration and Naturalization Service;

S. 3361. An act for the relief of Aron Pitt and Cecilia Pitt;

S. 3550. An act to make unlawful the transportation of convict-made goods in interstate and foreign commerce;

S. 3596. An act to enable Eva Sofia Bildstein and her minor son, Jorg Bildstein, to remain permanently in the United States;

S. 3619. An act relating to changes in the administration of the National Guard of the United States bearing on Federal recognition, pay, allotment of funds, drill, training, etc.;

S. 3703. An act for the relief of Vasil Dimitroff Techoff;

S. 3720. An act to create and establish a Board of Funeral Directors and Embalmers for the District of Columbia and to prescribe its powers and duties;

S. 3741. An act for the relief of Charles P. Madsen;

S. 3795. An act to authorize the transportation of employees of the Alaska Road Commission, and to validate payments made for that and other purposes;

S. 3870. An act to amend the act entitled "An act authorizing the Commissioners of the District of Columbia to furnish Potomac water without charge to charitable institutions, etc., in the District of Columbia," approved February 23, 1905;

S. 3929. An act to extend the times for commencing and completing the construction of a bridge across the Mississippi River at or near Memphis, Tenn.;

S. 3931. An act for the acquisition of Indian lands for the Parker Dam and Reservoir project, and for other purposes;

S. 3934. An act authorizing the State of Michigan, acting through the International Bridge Authority of Michigan, to construct, maintain, and operate a toll bridge or series of bridges, causeways, and approaches thereto, across the St. Marys River, from a point in or near the city of Sault Ste. Marie, Mich., to a point in the Province of Ontario, Canada;

S. 3936. An act to extend the provisions of the act of May 22, 1934, known as the National Stolen Property Act;

S. 3952. An act to provide relief for and to promote the interest of the landowners on the Uintah Indian irrigation project, Utah, and for other purposes;

S. 3954. An act relating to the issuance by the Secretary of the Interior of a patent to the State of Minnesota for certain lands in that State;

S. 3972. An act to authorize exchanges of lands within the Navajo Indian Reservation, Ariz.;

S. 3974. An act to clarify section 3709 (U. S. C., 1934 ed., title 41, sec. 5);

S. 3975. An act granting to certain claimants the preference right to purchase certain public lands in the State of Florida;

S. 3990. An act to transfer the essential language of section 518, title IV, of the Tariff Act of 1930, approved June 17, 1930, into the Judicial Code of the United States, and to provide for its reenactment as part of said Judicial Code, to take effect the date of its passage, including the allowance to the judges of the United States Customs Court, Government counsel, and stenographic clerks as set forth therein for traveling expenses incurred for maintenance while absent from New York on official business, and to repeal all acts inconsistent therewith to the extent of such inconsistency, and for other purposes;

S. 3993. An act to authorize employees of the United States to testify on behalf of the District of Columbia and employees of the District of Columbia to testify on behalf of the United States and of the District of Columbia without loss of salary or annual leave;

S. 4007. An act to amend the Agricultural Adjustment Act of 1938, as amended, for the purposes of extending the marketing-quota provisions thereof to lettuce and to melons, and for other purposes;

S. 4011. An act to authorize the Secretary of the Interior to accept payment of an annual equitable overhead charge in connection with the repayment contract between the United States and the Strawberry Water Users' Association of Payson, Utah, in full satisfaction of delinquent billings upon the basis of an annual fixed overhead charge, and for other purposes;

S. 4042. An act to provide for the acquisition of flowage rights and the payment of certain damages in connection with the operation of the Fort Hall Indian irrigation project, Idaho;

S. 4045. An act to authorize the acceptance of donations of property for the Mammoth Cave National Park, in the State of Kentucky, and for other purposes;

S. 4048. An act for the relief of Elizabeth K. Peeples;

S. 4090. An act to authorize the Attorney General to donate on behalf of the United States to H. S. Scott, D. W. Collins, Fred M. Gross, trustees, Ashland District Council, Boy Scouts of America, the log house known as the John Secrest home, located on the site of the Federal Correctional Institution near Ashland, Ky.;

S. 4098. An act relating to claims for refund of processing and related taxes;

S. 4107. An act to transfer the jurisdiction of the Arlington Farm, Va., to the jurisdictions of the War Department and the Department of the Interior, and for other purposes;

S. 4126. An act for the relief of Anne Howard Lay;

S. 4137. An act relating to transportation of foreign mail by aircraft.

The message also announced that the Senate had passed joint resolutions of the following titles, in which the concurrence of the House is requested:

S. J. Res. 258. Joint resolution to provide for the use and disposition of the bequest of the late Justice Oliver Holmes to the United States, and for other purposes; and

S. J. Res. 267. Joint resolution providing for the acquisition by the Railroad Retirement Board of data needed in carrying out the provisions of the Railroad Retirement Acts.

ARMY BANDMASTERS—VETO MESSAGE (H. DOC. NO. 853)

The SPEAKER laid before the House the following communication from the Clerk of the House:

OFFICE OF THE CLERK,
HOUSE OF REPRESENTATIVES,
Washington, D. C., June 25, 1940.

The SPEAKER,
The House of Representatives.

SIR: There is transmitted herewith a sealed envelope containing a message from the President of the United States, received by me on June 25, 1940.

Very respectfully,

SOUTH TRIMBLE,
Clerk of the House of Representatives.

The Clerk read the veto message of the President as follows:

To the House of Representatives:

I return herewith, without my approval, H. R. 3840, "to amend the act entitled 'An act for making further and more effectual provision for the national defense, and for other purposes,' approved June 3, 1916, as amended, and for other purposes."

It is the purpose of the bill to give to Army bandmasters the status of commissioned officers. Under the present organization of the Army, bandmasters are warrant officers. The legislation constitutes a novel departure in the organization of the Army for which there is no necessity from a military standpoint. The grade of warrant officer now accorded to bandmasters in the Army is fully adequate for the duties and responsibilities devolving on them.

Moreover, the bill would single out a special group of warrant officers for preferential treatment by way of increases in rank and compensation, without regard to the status of other warrant officers who perform duties and have responsibilities that are equal to and in certain cases greater than those of bandmasters.

In view of the foregoing considerations, I am constrained to withhold my approval of the bill.

FRANKLIN D. ROOSEVELT.

THE WHITE HOUSE, *June 24, 1940.*

The SPEAKER. The objections of the President will be spread at large upon the Journal.

Mr. MAY. Mr. Speaker, I move that the message, together with the bill, be referred to the Committee on Military Affairs and ordered printed.

The motion was agreed to.

ENROLLED BILLS AND JOINT RESOLUTION SIGNED

The SPEAKER. The Chair desires to announce that pursuant to the authority granted him on June 22, 1940, he did on June 25, 1940, sign the following enrolled bills and joint resolution of the House:

H. R. 159. An act to amend an act entitled "An act relating to the naturalization of certain women born in Hawaii," approved July 2, 1932;

H. R. 382. An act for the relief of Gus Roth;

H. R. 1167. An act for the relief of the Black Hills Methodist Hospital of Rapid City, S. Dak.;

H. R. 1173. An act for the relief of Lester R. Taylor;

H. R. 1846. An act for the relief of Malachy Ryan;

H. R. 2014. An act for the relief of Margaret Redmond;

H. R. 2070. An act for the relief of Edwin Forsman;

H. R. 2083. An act for the relief of Dan Yancey;

H. R. 2106. An act for the relief of Charles Flack;

H. R. 2151. An act for the relief of James P. Bruce, Jr.;

H. R. 2489. An act for the relief of Angie Ward;
H. R. 2513. An act for the relief of C. B. Reagh;
H. R. 2628. An act for the relief of John Engblom;
H. R. 2946. An act for the relief of Naoma Kinder, a minor;
H. R. 3142. An act for the relief of Leland G. Myers;
H. R. 3163. An act for the relief of Rose Bilaitis;
H. R. 3402. An act to authorize the appropriation for payment of the cost of providing additional water for the Wapato Indian irrigation project, Washington;
H. R. 3713. An act for the relief of Joe Carter;
H. R. 3925. An act for the relief of Evelyn L. Ratcliffe;
H. R. 4113. An act for the relief of Maude Sullivan;
H. R. 4142. An act for the relief of Mary Reid Hudson;
H. R. 4148. An act for the relief of Mary S. Arthur, as executrix of the estate of Richard M. Arthur, deceased;
H. R. 4185. An act to repatriate native-born women residents of the United States who have heretofore lost their citizenship by marriage to an alien;
H. R. 4412. An act for the relief of Beatrice Lois Rucker;
H. R. 4587. An act to give the Supreme Court of the United States authority to prescribe rules of pleading, practice, and procedure with respect to proceedings in criminal cases prior to and including verdict, or finding or plea of guilty;
H. R. 5138. An act to prohibit certain subversive activities; to amend certain provisions of law with respect to the admission and deportation of aliens; to require the fingerprinting and registration of aliens; and for other purposes;
H. R. 5156. An act for the relief of Adolph Ernest Helms;
H. R. 5297. An act for the relief of Stanley V. Smith;
H. R. 5388. An act for the relief of Thomas Lewellyn and Drusilla Lewellyn;
H. R. 5424. An act for the relief of Mrs. E. J. McCardle;
H. R. 5569. An act for the relief of Stuart Bastow;
H. R. 5592. An act for the relief of Vernon Atkison;
H. R. 5823. An act for the relief of Morrissey Construction Co.;
H. R. 6145. An act for the relief of Elizabeth L. Riley;
H. R. 6207. An act to amend section 2810 (a), Internal Revenue Code, to exclude petroleum stills from the requirement of registration;
H. R. 6328. An act to amend the Tariff Act of 1930, as amended by section 34 (c) of the Customs Administrative Act of 1938 (U. S. C., 1934 ed., Supp. IV, title 19, sec. 1001, par. 1529 (a));
H. R. 6408. An act to extend the times for commencing and completing the construction of a dam and dike for preventing the flow of tidal waters into North Slough in Coos County, Oreg.;
H. R. 6443. An act to permit certain aliens whose childhood was spent in the United States, if eligible to citizenship, to become naturalized without filing declaration of intention;
H. R. 6507. An act to provide for leave of absence, with pay, for any employee of the United States or of the District of Columbia who may be called upon for jury service in any State court of the United States;
H. R. 6572. An act to amend the Merchant Marine Act, 1936, as amended, to provide for marine war-risk insurance and reinsurance and for marine risk reinsurance, and for other purposes;
H. R. 6583. An act for expenditure of funds for cooperation with the public-school board, Cass County, Minn., for the construction, extension, equipment, and improvement of public-school facilities to be available to Indian children in the district;
H. R. 6686. An act for the relief of T. Jack Neal;
H. R. 6730. An act for the relief of Edward P. Glenn, Jr.;
H. R. 6737. An act for the relief of Clarence D. Green;
H. R. 6822. An act for the relief of Eliza Warren and George T. Warren;
H. R. 6889. An act for the relief of Frances M. Hannah; and
H. R. 6891. An act for the relief of William M. Irvine.
H. R. 7254. An act authorizing the temporary detail of John L. Savage, an employee of the United States, to service under the Government of the State of New South Wales, Australia, and the Government of the Punjab, India;
H. R. 7243. An act to amend certain laws governing Federal prisoners, and for other purposes;
H. R. 7563. An act for the relief of Salomon Georg Kaufmann; his wife Doris Kaufmann, nee Stern; and their child John Michael Peter Kaufmann;
H. R. 7736. An act authorizing the Secretary of the Interior to issue patents for lands held under color of title;
H. R. 7821. An act for the relief of Anna T. Sifferman Varga;
H. R. 7825. An act for the relief of C. S. Hobson;
H. R. 7865. An act to amend the act for the regulation of the practice of dentistry in the District of Columbia, and for the protection of the people from empiricism in relation thereto, approved June 6, 1892, and acts amendatory thereof;
H. R. 7880. An act for the relief of Edna Emery;
H. R. 7914. An act for the relief of Simon A. Brieger as legal representative of the estate of Thomas Gerald Brieger, a deceased minor;
H. R. 7955. An act for the relief of Louis Rosenstone;
H. R. 8046. An act to amend section 1 of the act entitled "An act for the retirement of employees of the Alaska Railroad, Territory of Alaska, who are citizens of the United States," approved June 29, 1936;
H. R. 8099. An act for the relief of James L. Kinney;
H. R. 8172. An act to amend section 5 of the act of Congress approved June 26, 1906, relative to the Alaska salmon fishery;
H. R. 8252. An act for the relief of John Owen;
H. R. 8285. An act to limit the importation of products made, produced, processed, or mined under process covered by unexpired valid United States patents, and for other purposes;
H. R. 8316. An act authorizing the Secretary of the Interior to sell certain land to the Conconully Cemetery Association;
H. R. 8350. An act permitting official mail of the Pan American Sanitary Bureau to be transmitted in penalty envelopes;
H. R. 8399. An act to prohibit the receipt, possession, or disposition of money or property feloniously taken from a bank organized or operating under the laws of the United States or any member of the Federal Reserve System;
H. R. 8450. An act to extend for 2 additional years the reduced rates of interest on Federal land bank and land bank commissioner loans;
H. R. 8628. An act to amend the Perishable Agricultural Commodities Act, 1930, as amended, to include as a perishable agricultural commodity cherries in brine, and for other purposes;
H. R. 8692. An act to amend the act to regulate the practice of podiatry in the District of Columbia;
H. R. 8708. An act for the relief of Harold C. Preble, naval architect;
H. R. 8815. An act to grant per diem compensation to the appointed members of the Board of Steam and Other Operating Engineers of the District of Columbia, and for other purposes;
H. R. 8910. An act providing for the extension of nonquota status to Frederick Beck;
H. R. 8919. An act to authorize the setting aside of an area within the Canal Zone to preserve and conserve its natural features for scientific study, for providing and maintaining facilities for such study, and for other purposes;
H. R. 9007. An act making appropriations for the Department of Labor, the Federal Security Agency, and related independent agencies, for the fiscal year ending June 30, 1941, and for other purposes;
H. R. 9063. An act authorizing the Administrator of the Federal Works Agency to transfer certain property in San Francisco, Calif., to the city and county of San Francisco for street purposes;
H. R. 9139. An act to amend an act entitled "An act to establish a uniform system of bankruptcy throughout the United States," approved July 1, 1898, and acts amendatory thereof and supplementary thereto;
H. R. 9299. An act to amend section 10 of chapter 5 of Public Act No. 436, Seventy-third Congress, approved June 19, 1934;

H. R. 9391. An act to amend section 40, National Defense Act, as amended, relating to the organization of the Reserve Officers' Training Corps, so as to provide for an exception with respect to the University of Alaska;

H. R. 9453. An act to provide a license to the Atlantic Refining Co., and for other purposes;

H. R. 9509. An act to extend the times for commencing and completing the construction of a bridge across the Ohio River at or near Shawneetown, Ill.;

H. R. 9594. An act to amend the Soil Conservation and Domestic Allotment Act, as amended, the Agricultural Adjustment Act of 1938, as amended, and for other purposes;

H. R. 9618. An act to extend the times for commencing and completing the construction of a bridge across the Susquehanna River at or near the city of Harrisburg, Pa.;

H. R. 9633. An act to enlarge and extend the power and jurisdiction of the Board of Education over degree-conferring institutions operating within the District of Columbia;

H. R. 9651. An act for the relief of Meier Langermann, his wife, Friederike, and son, Joseph;

H. R. 9765. An act to provide for exercising the right with respect to red-cedar shingles reserved in the trade agreement concluded November 17, 1938, between the United States of America and Canada, and for other purposes;

H. R. 9791. An act to amend the District of Columbia Unemployment Compensation Act;

H. R. 9804. An act to amend and clarify section 6, subsection 2, of the act approved June 1, 1938, known as "Juvenile Court Act of the District of Columbia," and for other purposes.

H. R. 9822. An act to expedite national defense, and for other purposes;

H. R. 9850. An act to expedite the strengthening of the national defense;

H. R. 9864. An act amending the Bankruptcy Act with respect to the basis of property;

H. R. 9896. An act to authorize appropriations for construction at military posts, and for other purposes;

H. R. 9897. An act to authorize the acquisition of additional land for military purposes;

H. R. 9899. An act extending the jurisdiction of the Civil Aeronautics Authority over certain air-mail services, and for other purposes;

H. R. 9907. An act to provide for the recording and releasing of liens by entries on certificates of title for motor vehicles and trailers, and for other purposes;

H. R. 9920. An act authorizing the county of Lawrence, Ohio, to acquire and operate as a unit certain privately owned toll bridges across the Ohio River adjoining such county;

H. R. 9927. An act declaring a forfeiture of certain land heretofore granted by the United States to the board of commissioners of the Orleans Levee District, in the city of New Orleans, State of Louisiana, for levee and street purposes;

H. R. 10009. An act to amend section 13 (d) of the Railroad Unemployment Insurance Act;

H. R. 10055. An act making supplemental appropriations for the national defense for the fiscal year ending June 30, 1941, and for other purposes;

H. R. 10058. An act to amend the act relating to preventing the publication of inventions in the national interest, and for other purposes;

H. R. 10087. An act for the relief of the Continental Aerosurveys Corporation;

H. R. 10104. An act making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1940, and prior fiscal years, to provide supplemental appropriations for the fiscal years ending June 30, 1940, and June 30, 1941, and for other purposes;

H. R. 10112. An act to amend the Immigration Act of 1924 to require aliens admitted into the United States as officials of foreign governments either to maintain their status or to depart from the United States, with the approval of the Secretary of State; and

H. J. Res. 559. Joint resolution authorizing a reduction in the rate of interest to be paid on certain loans and advances made to the District of Columbia by the United States of America through the Public Works Administration.

Mr. PARSONS, from the Committee on Enrolled Bills, reported that that committee had, on June 24, 1940, examined the foregoing bills and joint resolution and found them truly enrolled.

ORDER OF BUSINESS

Mr. RAYBURN. Mr. Speaker, I ask uanimous consent to proceed for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. RAYBURN. Mr. Speaker, a great many Members have asked what the program is for this week in order that they may make their plans. Today the Consent Calendar will be called, and I understand the Speaker will recognize for one suspension on the so-called emergency officers' bill. This will conclude the legislative program for the day. Tomorrow the Private Calendar will be called, and that will be all for that day. Wednesday one or two committees will probably be called on the calendar, but which ones I have not looked up. After that there will be no more business transacted this week. Of course, we will have to meet either Thursday or Friday in order to adjourn over until Monday, but if we have a session at all on Thursday it will be only for the purpose of adjourning over until Monday. [Applause.]

AMENDMENT OF PERISHABLE AGRICULTURAL COMMODITIES ACT, 1930, AS AMENDED

The SPEAKER laid before the House the following request from the Senate of the United States:

IN THE SENATE OF THE UNITED STATES,
June 22 (legislative day, June 21), 1940.

Ordered, That the Secretary be directed to request the House of Representatives to return to the Senate bill S. 3464, entitled "An act to amend the Perishable Agricultural Commodities Act, 1930, as amended."

Attest:

EDWIN A. HALSEY, *Secretary.*

The SPEAKER. Is there objection to the request of the Senate?

There was no objection.

ORDER OF BUSINESS

Mr. DITTER. Mr. Speaker, I ask uanimous consent to proceed for 1 minute, in order to direct a question to the majority leader.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. DITTER. Mr. Speaker, I wonder if the majority leader would supplement the statement he has just made by giving us some indication of what will be the program for next week or at least the beginning of the week, if he has any program in mind.

Mr. RAYBURN. Of course, Monday will be District Day, and in all probability the so-called Mexican claims bill will follow that program on Monday. Just what rule will be called up on Tuesday has not been determined, but that will be announced before the Wednesday session is over.

Mr. DITTER. I thank the gentleman.

LEAVE TO ADDRESS THE HOUSE

Mr. JONES of Texas. Mr. Speaker, I ask unanimous consent that today after the disposition of the legislative business I be permitted to address the House for 30 minutes.

The SPEAKER. Is there objection?

There was no objection.

THE LATE BURNET MITCHELL CHIPERFIELD

Mr. DIRKSEN. Mr. Speaker, I ask unanimous consent to proceed for 1 minute.

The SPEAKER. Is there objection?

There was no objection.

Mr. DIRKSEN. Mr. Speaker, I rise to announce to the House with great sorrow the passing of a former Member of this House, Hon. Burnet Mitchell Chiperfield, father of ROBERT CHIPERFIELD, presently a member of this House. Burnet M. Chiperfield served in the Sixty-fourth Congress and also in the Seventy-first and the Seventy-second. He died June 24, 1940, at the age of 70 years. He was a distinguished

soldier. He was a distinguished lawyer and practiced at the bar for more than 40 years. He had been identified with the Illinois National Guard for more than a generation, and he was cited for both gallantry and meritorious service in the World War. At some future time I will address myself at greater length to the memory of a former Member of this House, the father of ROBERT B. CHIPERFIELD.

Older Members of Congress will remember B. M. Chiperfield for the diligence and capacity with which he addressed himself to the affairs of the Nation. They will remember his fine patriotic fiber and his intense interest in orderly processes of government and in the preservation of freedom of action and the free institutions of this country.

On occasion he has inspired the Congress with his masterly presentations of contemporary subjects. When called upon to deliver an address on the occasion of Lincoln's birthday, he forged a masterpiece, which is still being read widely everywhere in America.

Everyone remembers him as a man of physical and mental magnetism, who made a great contribution to his country and who now joins that numberless host of public servants who gave their bit that the Nation might move forward.

His passing marks a distinct loss of a great American, a great lawyer, a great legislator, a loving father, and a good neighbor.

EXTENSION OF REMARKS

Mr. WOODRUFF of Michigan. Mr. Speaker, I ask unanimous consent to extend my remarks and to include therein a speech delivered by me at the Republican National Convention in Philadelphia last week.

The SPEAKER. Is there objection?

There was no objection.

Mr. LEAVY. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD.

The SPEAKER. Is there objection?

There was no objection.

LEAVE TO ADDRESS THE HOUSE

Mr. COX. Mr. Speaker, I ask unanimous consent that tomorrow, after the disposition of the regular order of business, I be permitted to address the House for 30 minutes.

The SPEAKER. Is there objection?

There was no objection.

EXTENSION OF REMARKS

Mr. PACE. Mr. Speaker, I ask unanimous consent to extend my remarks and to include an address delivered last Friday in Los Angeles by Hon. Milo Perkins.

The SPEAKER. Is there objection?

There was no objection.

Mr. CARTWRIGHT. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD upon two subjects: One, a statement of Hon. Walter A. Jones, before the House Committee on Roads, relative to the Pennsylvania Turnpike; and the other, a resolution adopted by the Veterans of Industry of Le Flore County, Okla.

The SPEAKER. Is there objection?

There was no objection.

AMENDMENT OF FEDERAL AID ACT

Mr. CARTWRIGHT. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 9575) to amend the Federal Aid Act, approved July 11, 1916, as amended and supplemented, and for other purposes, with Senate amendments thereto, disagree to the Senate amendments and agree to the conference asked by the Senate.

The SPEAKER. Is there objection?

There was no objection.

The SPEAKER appointed the following conferees: Mr. CARTWRIGHT, Mr. WARREN, Mr. WHITTINGTON, Mr. WOLCOTT, and Mr. MOTT.

EXTENSION OF REMARKS

Mr. HARE. Mr. Speaker, I ask unanimous consent to extend my remarks and to include a resolution passed by American Legion Post, No. 24, of Newberry, S. C.

The SPEAKER. Is there objection?

There was no objection.

Mr. BROOKS. Mr. Speaker, I ask unanimous consent to extend my remarks and to include a resolution with reference to national defense.

The SPEAKER. Is there objection?

There was no objection.

Mr. LUTHER A. JOHNSON. Mr. Speaker, I ask unanimous consent to extend my remarks and to include a brief address by Mr. Elliott on the subject of soil conservation.

The SPEAKER. Is there objection?

There was no objection.

Mr. JARMAN. Mr. Speaker, I ask unanimous consent to extend my remarks and to include a resolution recently adopted by the Alabama Writers Conclave in session at Alabama College, in my congressional district.

The SPEAKER. Is there objection?

There was no objection.

Mr. O'CONNOR. Mr. Speaker, I ask unanimous consent to extend my remarks on the question of national farm program.

The SPEAKER. Is there objection?

There was no objection.

Mr. SMITH of Washington. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and to include therein certain editorial comment.

The SPEAKER. Is there objection?

There was no objection.

Mr. TAYLOR. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and include therein a report from the Secretary of the Interior on the workings of the reindeer law and other matters in Alaska.

The SPEAKER. Is there objection?

There was no objection.

Mr. STARNES of Alabama. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD.

The SPEAKER. Is there objection?

There was no objection.

Mr. SNYDER. Mr. Speaker, I ask unanimous consent to extend my remarks under two headings.

The SPEAKER. Is there objection?

There was no objection.

Mr. KNUTSON. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD by printing an address delivered by me before the Republican National Convention at Philadelphia.

The SPEAKER. Is there objection?

There was no objection.

Mr. SCHAFER of Wisconsin. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD by including a speech delivered at the Republican National Convention by Hon. Herbert Hoover, former President of the United States.

The SPEAKER. Is there objection?

Mr. RANKIN. Mr. Speaker, reserving the right to object—of course, I shall not object, but I wish the gentleman would underscore that part of Mr. Hoover's speech in which he said he hoped they would have an election and not an auction.

Mr. KNUTSON. We have had enough auctions.

The SPEAKER. Is there objection?

There was no objection.

Mr. ANGELL. Mr. Speaker, I ask unanimous consent to extend my remarks on two subjects and to include in one a short telegram and a short article on New Use for Wood.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. PITTENGER. Mr. Speaker, I have two unanimous-consent requests: First, to extend my remarks in connection with the death of Senator Gibson, of Vermont; second, to extend my remarks in connection with the adjournment of Congress and to insert a short editorial.

The SPEAKER. Is there objection?

There was no objection.

CONSENT CALENDAR

The SPEAKER. This is Consent Calendar day. The Clerk will call the first bill on the Consent Calendar.

PASSAMAQUODDY BAY TIDAL POWER

The Clerk called the first business on the Consent Calendar, Senate Joint Resolution 57, authorizing the Secretary of War to cause a completion of surveys, test borings, and foundation investigations to be made to determine the advisability and cost of putting in a small experimental plant for development of tidal power in the waters in and about Passamaquoddy Bay, the cost thereof to be paid from appropriations heretofore or hereafter made for such examinations.

The SPEAKER. Is there objection?

Mr. CHURCH. Mr. Speaker, I ask unanimous consent that this joint resolution be passed over without prejudice.

The SPEAKER. Is there objection?

There was no objection.

BRIDGE ACROSS MISSOURI RIVER NEAR FLORENCE STATION, CITY OF OMAHA

The Clerk called the next bill, H. R. 7069, authorizing Douglas County, Nebr., to construct, maintain, and operate a toll bridge across the Missouri River at or near Florence Station, in the city of Omaha, Nebr.

The SPEAKER. Is there objection?

Mr. CHURCH. Mr. Speaker, I ask unanimous consent that this bill be passed over without prejudice.

The SPEAKER. Is there objection?

There was no objection.

AMENDING CROP-LOAN LAW

The Clerk called the next bill, H. R. 7878, to amend the crop-loan law relating to the lien imposed thereunder, and for other purposes.

The SPEAKER. Is there objection?

Mr. WOLCOTT. Mr. Speaker, I ask unanimous consent that this bill be passed over without prejudice.

The SPEAKER. Is there objection?

There was no objection.

COMPENSATION OF SPECIAL COUNSEL FOR THE UNITED STATES

The Clerk called the next bill, H. R. 4366, to authorize the payment of additional compensation to special assistants to the Attorney General in the case of United States against Doheny Executors.

The SPEAKER. Is there objection?

Mr. WOLCOTT. Mr. Speaker, I ask unanimous consent that this bill be passed over without prejudice.

The SPEAKER. Is there objection?

There was no objection.

CHANGING THE TIME OF APPOINTMENT OF PRESIDENTIAL ELECTORS, ETC.

The Clerk called the next bill, H. R. 8700, to change the time of the appointment of Presidential electors and the election of Senators and Representatives in Congress.

The SPEAKER. Is there objection?

Mr. WOLCOTT. Mr. Speaker, I ask unanimous consent that this bill be passed over without prejudice.

The SPEAKER. Is there objection?

There was no objection.

EDMUND BURKE MEMORIAL COMMISSION

The Clerk called the next business, House Joint Resolution 307, to provide for the printing of the speeches and writings of Edmund Burke as a House document.

The SPEAKER. Is there objection?

Mr. KEAN. Mr. Speaker, I ask unanimous consent that this bill be passed over without prejudice.

The SPEAKER. Is there objection?

There was no objection.

BIOGRAPHICAL DIRECTORY OF THE AMERICAN CONGRESS

The Clerk called the next business, House Concurrent Resolution 54, authorizing the printing of a revised edition of the Biographical Directory of the American Congress up to and including the Seventy-sixth Congress.

The SPEAKER. Is there objection to the present consideration of the resolution?

Mr. KEAN. Mr. Speaker, I ask unanimous consent that this resolution may be passed over without prejudice.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

DESIGNATING THE PERSON TO ACT AS PRESIDENT UNDER CERTAIN CIRCUMSTANCES

The Clerk called the next bill, H. R. 9462, designating the person who shall act as President if a President shall not have been chosen before the time fixed for the beginning of his term, or when neither a President-elect nor a Vice President-elect shall have qualified.

Mr. WOLCOTT. Mr. Speaker, I ask unanimous consent that this bill may be passed over without prejudice.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

UTE INDIANS

The Clerk called the next bill, S. 72, to amend the act entitled "An act conferring jurisdiction upon the United States Court of Claims to hear, examine, adjudicate, and render judgment on any and all claims which the Ute Indians or any tribe or band thereof may have against the United States, and for other purposes," approved June 28, 1938.

Mr. COCHRAN. Mr. Speaker, reserving the right to object, practically the identical provisions of this bill were added to a bill that came out of the Public Lands Committee 2 weeks ago, but some of us who are interested in this bill did not know that the amendments were on that bill. The Public Lands Committee bill passed the House. I want to ask the gentleman from Montana [Mr. O'CONNOR], who reported this bill, if he is not willing to ask now that this bill be laid on the table.

Mr. O'CONNOR. Mr. Speaker, I may say to the gentleman from Missouri that that amendment was put on the bill before the Public Lands Committee at a time when I was not present, though if I had been present I would not have objected to its being put on this bill. I did not know the amendment was on the bill. So far as I personally am concerned, I am perfectly willing for the bill to be laid upon the table. The gentleman from Utah [Mr. ROBINSON], however, is concerned with the bill personally; I am not. He may object.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. COCHRAN. Mr. Speaker, I object.

ENROLLED INDIANS

The Clerk called the next bill, H. R. 5944, to carry out certain obligations to certain enrolled Indians under tribal agreement.

Mr. WOLCOTT. Mr. Speaker, I ask unanimous consent that this bill may be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

DISTRIBUTION OF NATIONAL PARK REVENUES

The Clerk called the next bill, H. R. 9535, to authorize the participation of States in certain revenues from national parks, national monuments, and other areas under the administrative jurisdiction of the National Park Service, and for other purposes, having considered the same, report favorably thereon without amendment and recommend that the bill do pass.

Mr. WOLCOTT. Mr. Speaker, I ask unanimous consent that this bill may be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

MACKINAC STRAITS BRIDGE AUTHORITY

The Clerk called the next bill, S. 1379, granting the consent of Congress to the Mackinac Straits Bridge Authority to construct, maintain, and operate a toll bridge or series of bridges, causeways, and approaches thereto, across the Straits of Mackinac at or near a point between St. Ignace, Mich., and the Lower Peninsula of Michigan.

Mr. CRAWFORD. Mr. Speaker, I ask unanimous consent that this bill may be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

SIOUX INDIANS

The Clerk called the next bill, H. R. 953, to liquidate the liability of the United States for the massacre of Sioux Indians—men, women, and children—at Wounded Knee on December 29, 1890.

Mr. COCHRAN. Mr. Speaker, I ask unanimous consent that this bill may be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

SMITHSONIAN GALLERY OF ART

The Clerk called the next bill, H. R. 9806, to permit the Smithsonian Gallery of Art Commission to purchase a model of the winning design for the proposed Smithsonian Gallery of Art, and for other purposes.

Mr. TABER. Mr. Speaker, I ask unanimous consent that this bill may be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

RETIREMENT BENEFITS FOR CHINESE, JAPANESE, AND HINDU INTERPRETERS

The Clerk called the next bill, H. R. 8181, granting retirement benefits to Chinese, Japanese, and Hindu interpreters in the United States Immigration and Naturalization Service.

Mr. TABER. Mr. Speaker, I ask unanimous consent that this bill may be passed over without prejudice.

Mr. RAMSPECK. Mr. Speaker, reserving the right to object, this bill deals with about 25 employees of the Immigration Service who have rendered many years of service interpreting these languages on the Pacific coast. I hope the gentleman will withdraw his request. It is desired to give these interpreters the benefit of the retirement legislation. They are American citizens. The bill in itself is limited to American citizens who have been employed in this very difficult service. I cannot imagine why the gentleman from New York should object.

Mr. TABER. Why were they not included in the Retirement Act at the time it was passed?

Mr. RAMSPECK. For the reason that they were not under the classified civil service. It is so difficult to get competent interpreters of these languages that they are excepted from the civil service.

Mr. TABER. It would seem to me, since the Retirement Act was originally designed to cover only those under civil service that we should make no more exceptions.

Mr. RAMSPECK. We have made quite a number of exceptions in the Retirement Act. The F. B. I. and other agencies have been given the benefit of the Retirement Act although they are not under civil service. I hope the gentleman will not press his request.

Mr. HAVENNER. Mr. Speaker, will the gentleman yield?

Mr. TABER. I yield.

Mr. HAVENNER. These interpreters are American citizens and have devoted many years of their lives to the Government service. It would seem to me unfair not to give them this right.

Mr. TABER. But their employment is intermittent, is it not?

Mr. HAVENNER. No; it is not intermittent, it is continuous. The bill is limited to regular employees of the Immigration Service. These employees have a particularly difficult job, that of interpreting these oriental languages.

We put an amendment in the bill to limit it to American citizens.

Mr. TABER. I think we should not do this. I ask unanimous consent, Mr. Speaker, that the bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from New York [Mr. TABER]?

Mr. RAMSPECK. Mr. Speaker, I object.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. TABER. Mr. Speaker, I object.

CIVIL SERVICE FOR ASSISTANT DEPUTY COMMISSIONERS OF GENERAL LAND OFFICE AND BUREAU OF INDIAN AFFAIRS

The Clerk called the next bill, H. R. 9041, to provide that assistant or deputy heads of certain bureaus in the Department of the Interior shall be appointed under the civil-service laws, and for other purposes.

Mr. SCHAFER of Wisconsin. Mr. Speaker, I ask unanimous consent that this bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Wisconsin [Mr. SCHAFER]?

Mr. RAMSPECK. Mr. Speaker, I object.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. SCHAFER of Wisconsin. Mr. Speaker, I object.

CREATING MOUNTAIN DISTRICT IN STATE OF TENNESSEE

The Clerk called the next bill, S. 1681, to amend section 107 of the Judicial Code to create a mountain district in the State of Tennessee, and for other purposes.

Mr. KEAN. Mr. Speaker, I ask unanimous consent that this bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from New Jersey [Mr. KEAN]?

There was no objection.

ACCEPTING CESSION BY STATE OF WASHINGTON OF JURISDICTION OVER LANDS EMBRACED IN OLYMPIC NATIONAL PARK

The Clerk called the next bill, H. R. 65559, to accept the cession by the State of Washington of exclusive jurisdiction over the lands embraced within the Olympic National Park, and for other purposes.

Mr. SMITH of Washington. Mr. Speaker, I ask unanimous consent that this bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Washington [Mr. SMITH]?

There was no objection.

TORT CLAIMS AGAINST THE UNITED STATES

The Clerk called the next bill, H. R. 7236, to provide for the adjustment of certain claims against the United States and to confer jurisdiction in respect thereto on the Court of Claims and the district courts of the United States, and for other purposes.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. WOLCOTT. Mr. Speaker, reserving the right to object, this is somewhat of a departure from existing laws. As I understand it, under existing laws, these agencies may adjust certain damages resulting from contractual relationship. This extends the power of the departments to adjust tort actions. It seems to me this puts altogether too much power in the hands of the head of a department to deteremine whether a tort has been committed. Sometimes attorneys and courts have difficulty in determining whether a tort has been committed.

Mr. CELLER. This does not place the matter in the hands of the Department of Justice. It simply sets up a right to proceed in a court of law, which right now is denied a person who has been injured by a tort committed by the Government.

Mr. WOLCOTT. This waives the Government's immunity to suit.

Mr. CELLER. That is all it does. It takes away the Government's right to be sued in a tort, but we nevertheless proceeded very slowly on the matter. It was very, very carefully considered by the Committee on the Judiciary. We preclude action against the Government in many cases. For instance, we exempt libel and slander. Only ordinary torts can be brought against the Government by this bill.

Mr. WOLCOTT. It sets up an entirely new field in which the Government might be sued without specific consent. I

think we should give a little more consideration to it than we can when we are considering bills on the Consent Calendar, and for this reason I ask unanimous consent, Mr. Speaker, that the bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Michigan [Mr. WOLCOTT]?

There was no objection.

AUTHORIZING LAND TO BE HELD IN TRUST FOR KLAMATH INDIANS

The Clerk called the next bill, H. R. 8922, relating to lands of the Klamath and Modoc Tribes and the Yahooskin Band of Snake Indians.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Interior be, and he hereby is, authorized to receive on behalf of the United States from individual members of the Klamath Tribe of Indians voluntarily executed deeds to such lands as said Indians may own in fee simple free from all encumbrances, said lands to be held in trust by the United States for said Indians and their heirs; and, whenever restricted funds are used for the purchase of lands for individual members of the Klamath Tribe of Indians, the Secretary of the Interior is authorized, in his direction, to take title to said lands in the United States, the same to be held in trust for said individual Indians: *Provided, however*, That while any of the foregoing lands are held in trust by the United States for said Indians, the same shall be subject to the same restrictions, immunities, and exemptions as homesteads purchased out of trust or restricted funds of individual Indians pursuant to section 2 of the act of June 20, 1936 (ch. 622; 49 Stat. 1542), as amended by the act of May 19, 1937 (ch. 227; 50 Stat. 188, sec. 2), except the restrictions, immunities of exemptions, of the second proviso of said act as so amended.

SEC. 2. The Secretary of the Interior is hereby authorized and directed, upon the request of the general council of the Klamath Tribe of Indians, to purchase out of tribal funds of said Indians such lands as may be selected for that purpose by said council. Title to lands purchased pursuant to this section shall be taken in the name of the United States in trust for said Indians, and said lands shall be subject to the same restrictions, immunities, and exemptions as lands held in trust for individual Indians under section 1 of this act.

SEC. 3. As used in this act, the term "Klamath Tribe of Indians" includes the Klamath and Modoc Tribes and the Yahooskin Band of Snake Indians.

With the following committee amendments:

Page 1, line 6, after the word "lands", insert "in Oregon, California, and Oklahoma."

Page 1, line 7, after "may", insert the word "now."

Page 2, line 1, after the word "used", insert the word "hereafter."

Page 2, line 4, strike out "direction" and insert "discretion."

Page 2, line 18, after the word "lands", insert "in Oregon, California, and Oklahoma."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

FRED B. WOODARD

The Clerk called the next bill, H. R. 9432, to limit the operation of sections 109 and 113 of the Criminal Code and section 190 of the Revised Statutes of the United States with respect to certain counsel.

Mr. COSTELLO. Mr. Speaker, I ask unanimous consent that this bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from California [Mr. COSTELLO].

There was no objection.

AMENDMENT TO ACT ENTITLED "AN ACT GRANTING ADDITIONAL QUARANTINE POWERS AND IMPOSING ADDITIONAL DUTIES UPON THE MARINE HOSPITAL SERVICE"

The Clerk called the next bill, S. 2111, to amend the act entitled "An act granting additional quarantine powers and imposing additional duties upon the Marine Hospital Service," approved February 15, 1893, as amended.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the fourth paragraph of section 2 of the act entitled "An act granting additional quarantine powers and imposing additional duties upon the Marine Hospital Service," approved February 15, 1893, as amended (U. S. C., 1934 ed., title 42, sec. 82), is amended by striking out the words "adjacent thereto."

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

AUTHORIZING THE ATTORNEY GENERAL TO APPROVE TITLE TO LOW-VALUE LANDS SUBJECT TO INFIRMITIES

The Clerk called the next bill, H. R. 9736, to amend section 355 of the Revised Statutes, as amended, to authorize the Attorney General to approve the title to low-valued lands and interests in lands acquired by or on behalf of the United States subject to infirmities, and for other purposes.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That section 355 of the Revised Statutes of the United States (U. S. C., title 33, sec. 733; title 34, sec. 520; title 40, sec. 255; and title 50, sec. 175) be, and the same is hereby, amended to read as follows:

SEC. 355. No public money shall be expended upon any site or land purchased by the United States for the purposes of erecting thereon any armory, arsenal, fort, fortification, navy yard, customhouse, lighthouse, or other public building of any kind whatever, until the written opinion of the Attorney General shall be had in favor of the validity of the title.

Notwithstanding the provisions of this or any other law whenever the average value of any lands or interests in land to be acquired by or on behalf of the United States under a single option or contract of sale or by exchange or donation does not exceed $10 per acre (hereinafter referred to as "low-value lands"), the title may be accepted subject to such infirmities as, in the opinion of the Attorney General, may, without jeopardizing the interests of the United States, be left for removal by condemnation or other appropriate proceedings, if and when necessary: *Provided*, The total value of any lands or interests to be acquired under a single option or contract of sale subject to an infirmity does not exceed $3,500. No public money shall hereafter be expended for the acquisition of such low-value lands or interests in land by or on behalf of the United States for any purpose, nor in cases of donation and exchange shall grants be accepted until the written opinion of the Attorney General has been had approving the title subject, if expedient, to infirmities as herein provided. However, no money in excess of $2,500 shall be expended for the construction of buildings, works, or other improvements (except roads, trails, and fire-protection improvements) on any site, tract, or parcel of land the title to which is subject to infirmities, until the written opinion of the Attorney General in favor of the validity of the title has been had as in the case of other lands. For the purpose of this act values of lands and interests in land shall be determined in cases of purchase by the consideration paid or to be paid and in cases of donation and exchange by the acquiring authority's appraisal.

The Attorney General is hereby authorized to approve the title to easements or rights-of-way to be acquired by or on behalf of the United States, subject to such infirmities as, in his opinion, will not jeopardize the interests of the United States.

Nothing in this act shall be construed to limit the authority now or hereafter delegated to any officer in exercising the power of eminent domain for or on behalf of the United States, to take title to or possession of or to expend money for or upon any land or interest in land, or to expend money as security for an ultimate award in advance of final judgment in any proceedings to determine just compensation; nor shall this act be construed to preclude any acquiring agency from expending money for the erection of any preliminary and temporary structure upon any land.

The head or other authorized officer of any department, independent establishment, or agency, shall procure any evidence of title which the Attorney General may deem necessary, and the expenses of procurement, except where otherwise authorized by law or provided by contract, may be paid out of the appropriations for the acquisition of land or out of the appropriations made for the contingencies of the acquiring department, independent establishment, or agency.

The Attorney General may, in his discretion, base any opinion as to title required either by this act or any other law upon either or both of the following: Certificates of title of title companies or such evidence of title as he may deem satisfactory.

Notwithstanding any other provision of law, the obtaining of exclusive jurisdiction in the United States over lands or interests therein which have been or shall hereafter be acquired by it shall not be required; but the head or other authorized officer of any department or independent establishment or agency of the Government may, in such cases and at such times as he may deem desirable, accept or secure from the State in which any lands or interests therein under his immediate jurisdiction, custody, or control are situated, consent to or cession of such jurisdiction, exclusive or partial, not theretofore obtained, over any such lands or interests as he may deem desirable and indicate acceptance of such jurisdiction on behalf of the United States by filing a notice of such acceptance with the Governor of such State or in such other manner as may be prescribed by the laws of the State where such lands are situated. Unless and until the United States has accepted jurisdiction over lands hereafter to be acquired as aforesaid, it shall be conclusively presumed that no such jurisdiction has been accepted.

With the following committee amendment:

Page 4, after line 14, insert the following:

"The foregoing provisions of this section shall not be construed to affect in any manner any existing provisions of law which are applicable to the acquisition of lands or interests in land by the Tennessee Valley Authority. Nor shall the foregoing provisions of

this section, or the provisions of any other law, be construed to require any opinion of the Attorney General in connection with the acquisition or improvement of easements and rights-of-way for military or naval purposes; or for the acquisition or improvement of easements and rights-of-way by the Department of Agriculture for forest and other conservation purposes where the cost of any such easement or right-of-way acquired under a single instrument of conveyance and the cost of any improvement thereon does not exceed $2,500; and the Attorney General may, in his discretion, waive the requirement for his opinion in connection with the acquisition or improvement of easements and rights-of-way for other purposes when, in his opinion, such waiver will not jeopardize the interests of the United States."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

FORT MARION NATIONAL MONUMENT, FLORIDA

The Clerk called the next bill, H. R. 8353, to change the designation of the Fort Marion National Monument, in the State of Florida, and for other purposes.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. WOLCOTT. Reserving the right to object, Mr. Speaker, may I ask the esteemed gentleman from Florida [Mr. HENDRICKS] whether the people of St. Augustine are in favor of this change? Have they requested it?

Mr. HENDRICKS. I am glad to say that the local chapter of the Florida State Historical Society and all civic organizations in St. Augustine are in favor of changing the name of this national monument. It was originally known as Fort Castillo de San Marcos. The Department of the Interior has also reported favorably on the bill.

Mr. WOLCOTT. I have no objection, Mr. Speaker.

The SPEAKER. Is there objection to the present consideration of the bill?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the area now within the Fort Marion National Monument, in the State of Florida, shall hereafter be known as the "Castillo de San Marcos National Monument," under which name the aforesaid national monument shall be entitled to receive and to use all moneys heretofore or hereafter appropriated for the Fort Marion National Monument.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

EXTENSION OF CERTAIN OIL- AND GAS-PROSPECTING PERMITS

The Clerk called the next bill, H. R. 8448, to provide for the extension of certain oil- and gas-prospecting permits.

Mr. COSTELLO. Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

DEATH VALLEY NATIONAL MONUMENT

The Clerk called the next bill, H. R. 8646, to authorize the exchange of certain patented lands in the Death Valley National Monument for Government lands in the monument.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the owner of the east half of the northeast quarter, section 35, township 15 south, range 44 east, of the Mount Diablo base meridian, Inyo County, Calif., within the Death Valley National Monument, is hereby permitted and authorized to convey the fee-simple title thereto to the United States, and select in lieu thereof the west half of the southeast quarter, section 36, township 15 south, range 44 east, of the Mount Diablo base meridian; and the Secretary of the Interior is hereby authorized and empowered to accept such conveyance, and thereafter cause a patent for the lands so selected to be issued to such owner, reserving to the United States, however, such rights-of-way as may be needed for the construction and maintenance of roads in the national monument: *Provided*, That the lands so conveyed to the United States shall become and be a part of the said national monument, and also subject to all laws and regulations relating to other lands therein: *And provided further*, That the owner of such privately owned lands within said national monument shall, before any exchange is effective, furnish to the Secretary of the Interior evidence satisfactory to him of title to the patent lands offered in exchange.

With the following committee amendments:

Page 1, line 5, strike out "base."
Page 2, line 1, strike out "base."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

PATENT TO THE STATE OF MINNESOTA FOR CERTAIN LANDS IN THAT STATE

The Clerk called the next bill, H. R. 9732, relating to the issuance by the Secretary of the Interior of a patent to the State of Minnesota for certain lands in that State.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Interior may cancel the patent issued on August 24, 1886, to Joe Blair, as allottee No. 4 of the Fond du Lac Indian Reservation, Minn., for the north half of the northeast quarter of section 30, township 49 north, range 17 west, of the fourth principal meridian in Minnesota, and may issue to the State of Minnesota a fee-simple patent for the tract of land described. If issued, the fee-simple patent shall operate as a full and complete conveyance of any and all right, title, or interest that the heirs of Joe Blair, deceased allottee No. 4 of the Fond du Lac Indian Reservation, Minn., and that the United States of America may have in and to said described lands. Prior to the issuance of such patent the Secretary of the Interior may require the State of Minnesota, at its expense, to furnish satisfactory evidence that there are no outstanding liens, encumbrances, or other conveyances of record against said lands other than the original patent issued under date of August 24, 1886, to the said Joe Blair covering the lands hereinabove described.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

CIVIL WORKS ADMINISTRATION AND FEDERAL EMERGENCY RELIEF ADMINISTRATION

The Clerk called the next bill, H. R. 9514, for the relief of certain former disbursing officers for the Civil Works Administration and the Federal Emergency Relief Administration.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. COSTELLO. Reserving the right to object, Mr. Speaker, I notice that this bill gives general authority to the Civil Works Administration to correct the accounts of any disbursing officers who may have some errors in their accounts. The only requirement that is made is that the Commissioner of Work Projects or his representative must certify that the payments appear to be free from fraud or collusion.

It seems to me this bill is too far reaching and is contrary to the ordinary practice as employed by other departments of the Government. Previously the Department submitted a list of the names with the amounts of money to the Congress and a bill covering them was passed. Subsequently the amounts of money were found to be in error, and as a result the President vetoed that bill. However, because of the failure of that bill to pass, it does not seem to me we are justified in passing general legislation on this subject giving permanent authority to the Department at all times to correct the accounts of the employees. It seems to me the proper procedure would be to submit a new bill giving the amounts as now found to be correct, and let the Congress pass such a bill.

For that reason, Mr. Speaker, I ask unanimous consent that this bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

PLACES OF CONFINEMENT OF PERSONS CONVICTED OF A FEDERAL OFFENSE

The Clerk called the next bill, H. R. 9954, to amend section 7 of the act of May 14, 1930 (46 Stat. 326; U. S. C., title 18, sec. 753 f), relating to places of confinement and transfer of persons convicted of an offense against the United States.

Mr. WOLCOTT. Mr. Speaker, I ask unanimous consent that this bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

BRIDGE OR CAUSEWAY BETWEEN DAUPHIN ISLAND AND CEDAR POINT, ALA.

The Clerk called the next bill, S. 3780, authorizing Alabama Bridge Commission (an agency of the State of Alabama) to construct, maintain, and operate a toll bridge and causeway between Dauphin Island and the mainland at or near Cedar Point, within the State of Alabama.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That Alabama Bridge Commission (an agency of the State of Alabama), its successors and assigns, be, and they are hereby, authorized to construct, maintain, and operate a toll bridge and causeway and approaches thereto at a point suitable to the interests of navigation, between Dauphin Island and the mainland at or near Cedar Point, within the State of Alabama, in accordance with the provisions of an act entitled "An act to regulate the construction of bridges over navigable waters," approved March 23, 1906, subject to the exemptions provided in section 1 of the act of August 21, 1935 (49 Stat. 670): *Provided*, That when the period during which the Alabama Bridge Commission is authorized to operate and maintain such bridge for toll, pursuant to Act No. 580, General and Local Laws of Alabama, 1939, approved September 22, 1939, has been completed the bridge shall be operated free of toll.

SEC. 2. Public Law No. 232, Seventy-sixth Congress, approved July 26, 1939, is hereby repealed.

SEC. 3. The right to alter, amend, or repeal this act is hereby expressly reserved.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

BRIDGE ACROSS MISSOURI RIVER NEAR ARROW ROCK, MO.

The Clerk called the next bill, S. 3807, to extend the times for commencing and completing the construction of a bridge across the Missouri River at or near Arrow Rock, Mo.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the times for commencing and completing the construction of a bridge across the Missouri River, at or near Arrow Rock, Mo., authorized to be built by the St. Louis-Kansas City Short Line Railroad Co. by the act of Congress approved March 2, 1929, heretofore extended by acts of Congress approved April 15, 1932, August 30, 1935, and May 24, 1937, are hereby further extended 1 and 3 years, respectively, from the date of approval thereof.

SEC. 2. The right to alter, amend, or repeal this act is hereby expressly reserved.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

BRIDGE ACROSS MISSISSIPPI RIVER NEAR SAUK RAPIDS, MINN.

The Clerk called the next bill, H. R. 9561, granting the consent of Congress to the Minnesota Department of Highways and the counties of Benton and Stearns in Minnesota, to construct, maintain, and operate a free highway bridge across the Mississippi River at or near Sauk Rapids, Minn.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the consent of Congress is hereby granted to the Minnesota Department of Highways and the counties of Benton and Stearns in Minnesota to construct, maintain, and operate a free highway bridge and approaches thereto across the Mississippi River, at a point suitable to the interests of navigation, at or near Sauk Rapids, Minn., in accordance with the provisions of the act entitled "An act to regulate the construction of bridges over navigable waters," approved March 23, 1906, and subject to the conditions and limitations contained in this act.

SEC. 2. The right to alter, amend, or repeal this act is hereby expressly reserved.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

BRIDGE ACROSS THE MISSISSIPPI RIVER NEAR MEMPHIS, TENN.

The Clerk called the next bill, H. R. 9678, to extend the times for commencing and completing the construction of a bridge across the Mississippi River at or near Memphis, Tenn.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the present consideration of the bill?

There was no objection.

Mr. COSTELLO. Mr. Speaker, I ask unanimous consent that a similar Senate bill (S. 3929) may be considered in lieu of the House bill.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the times for commencing and completing the construction of a bridge across the Mississippi River, at or near Memphis, authorized to be built by the Memphis and Arkansas Bridge Commission by an act of Congress approved August 10, 1939, are hereby extended 1 and 3 years, respectively, from August 10, 1940.

SEC. 2. The right to alter, amend, or repeal this act is hereby expressly reserved.

Mr. COSTELLO. Mr. Speaker, I offer an amendment to make the Senate bill conform to the House bill.

The Clerk read as follows:

Amendment offered by Mr. COSTELLO: After line 8, insert the following:

"SEC. 2. The act approved August 10, 1939 (Public Law No. 365 of the 76th Cong.), is amended by adding at the end of section 6 of the said act the following new paragraph:

" 'If tolls are charged, either before or after the Commission is dissolved, for the use of such bridge and its approaches, the rates of toll shall be so adjusted as to provide a fund sufficient to pay the reasonable cost of maintaining, repairing, and operating the bridge and its approaches under economical management, and to provide a sinking fund sufficient to amortize the cost of such bridge and its approaches, including interest at not more than 5 percent per annum and reasonable financing costs, as soon as possible under reasonable toll charges, but within a period not to exceed 20 years from the completion of the bridge. After the sinking fund sufficient for such amortization shall have been so provided, such bridge and its approaches shall thereafter be maintained and operated free of tolls. An accurate record of the costs of the bridge and its approaches, the expenditures for maintaining, repairing, and operating the same, and the daily tolls collected, shall be kept and shall be available for the information of all persons interested.' "

In line 9, strike out the figure 2 and insert the figure 3.

The amendment was agreed to.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

A House bill (H. R. 9678) was laid on the table.

BRIDGE ACROSS MONONGAHELA RIVER IN ALLEGHENY COUNTY, PA.

The Clerk called the next bill, H. R. 9828, to extend the times for commencing and completing the construction of bridges across the Monongahela River in Allegheny County, Pa.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the times for commencing and completing the construction of a bridge in Allegheny County, Pa., across the Monongahela River at a point suitable to navigation from the Borough of Dravosburg, in Allegheny County, Pa., to a point at or adjacent to the dividing line between the city of McKeesport, Pa., and the Borough of Glassport, Pa., and a bridge across the Monongahela River at a point suitable to navigation from the Borough of Rankin, Pa., to the Borough of Whitaker, Pa., construction of which bridges was authorized by an act of Congress approved July 25, 1939, be, and it is hereby, extended 1 and 3 years, respectively, from July 25, 1940.

SEC. 2. The right to alter, amend, or repeal this act is hereby expressly reserved.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

PERMITTING WIRE TAPPING IN CERTAIN CASES

The Clerk called the next business, House Joint Resolution 571, to authorize the Federal Bureau of Investigation of the Department of Justice to conduct investigations in the interests of national defense, and for that purpose to permit wire tapping in certain cases.

Mr. SCHAFER of Wisconsin. Mr. Speaker, I ask unanimous consent that this resolution be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

JURISDICTION OF UNITED STATES COURT, HAWAII

The Clerk called the bill (S. 1114) to extend the jurisdiction of the United States District Court, Territory of Hawaii, over the Midway Islands, Wake Island, Johnston Island, Sand Island, Kingman Reef, Kure Island, Baker Island, Howland Island, Jarvis Island, Canton Island, Enderbury Island, and for other purposes.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the jurisdiction of the United States District Court, Territory of Hawaii, be, and the same is hereby, extended to all civil and criminal cases arising on or within the Midway Islands, Wake Island, Johnston Island, Sand Island, Kingman Reef, Kure Island, Baker Island, Howland Island, Jarvis Island, and the waters adjacent thereto, and that, having regard to the special status of Canton and Enderbury Island in which the Governments of the United States and of the United Kingdom have agreed to set up a regime for their use in common, the said jurisdiction be, and the same is hereby, extended to all civil and criminal cases arising on or within Canton Island, Enderbury Island, and the waters adjacent thereto. All civil acts and deeds consummated and taking place on any of these islands or in the waters adjacent thereto, and all offenses and crimes committed thereon, or on or in the waters adjacent thereto, shall be deemed to have been consummated or committed on the high seas on board a merchant vessel or other vessel belonging to the United States and shall be adjudicated and determined or adjudged and punished according to the laws of the United States relating to such civil acts or offenses on such ships or vessels on the high seas, which laws for the purpose aforesaid are extended over such islands, rocks, and keys.

The situs for the trial of such civil and criminal cases shall be the situs of the United States District Court, Territory of Hawaii.

Appeals in such cases from said district court shall be had and allowed to the Circuit Court of Appeals for the Ninth Judicial Circuit in the same manner as appeals are allowed from district courts to courts of appeal of the United States as provided by law; and the laws of the United States relating to juries and jury trials shall be applicable to the trial of such cases before said district court.

Mr. TINKHAM. Mr. Speaker, I offer the following amendment, which I send to the desk and ask to have read.

The Clerk read as follows:

Page 1, line 8, strike out the word "and" at the end of the line, and on page 2, strike out the following in lines 1 to 7, inclusive: "that, having regard to the special status of Canton and Enderbury Islands in which the Governments of the United States and of the United Kingdom have agreed to set up a regime for their use in common, the said jurisdiction be, and the same is hereby, extended to all civil and criminal cases arising on or within Canton Island, Enderbury Island, and the waters adjacent thereto."

The amendment was agreed to.

The bill as amended was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

TERM OF UNITED STATES DISTRICT COURT, RALEIGH, N. C.

The Clerk called the bill (H. R. 9122) to provide a mixed civil and criminal term of 2 weeks at Raleigh of the United States District Court for the Eastern District of North Carolina.

The SPEAKER. Is there objection?

Mr. TABER. Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice.

The SPEAKER. Is there objection?

There was no objection.

HAWAII NATIONAL PARK

The Clerk called the bill (S. 3676) to withdraw certain portions of land within the Hawaii National Park and to transfer the same to the jurisdiction and control of the Secretary of War for military purposes.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That a tract of land containing six thousand four hundred fifty acres, more or less, on the island of Hawaii in the Territory of Hawaii, located in the Hawaii National Park, created by the act of August 1, 1916 (39 Stat. 432), as amended, and described as follows, to wit:

Beginning at a place called Na Puu O na Elemakule located at the southeastern corner of the Hawaii National Park, said point being marked by a triangle on a large flat stone, thence by azimuth (measured clockwise from true south) and distances as follows: Eighty-nine degrees twenty-seven minutes thirty seconds, three thousand three hundred feet along the southern boundary of Hawaii National Park; one hundred and seventy-nine degrees twenty-seven minutes thirty seconds, fourteen thousand five hundred and fifty feet over and across Pali to a point on Kau Desert Plateau; two hundred and forty-three degrees fifty-seven minutes no seconds, eighteen thousand four hundred and fifty feet to a point located above Hilina Pali; three hundred and fifty-nine degrees twenty-seven minutes thirty seconds, twelve thousand nine hundred and ninety feet more or less to high-water line; thence in southwesterly direction along the high-water line to the point of beginning; containing an area of six thousand four hundred and fifty acres, more or less; is hereby withdrawn from the Hawaii National Park and from the control and jurisdiction of the Secretary of the Interior and is transferred to the jurisdiction and control of the Secretary of War for use as an Air Corps bombing target range, and for such other military purposes and uses as may be prescribed by the Secretary of War.

With the following committee amendments:

On page 1, line 3, after the word "That", insert the word "within."

On page 2, line 10, change the spelling of the fourth word to "Hilina."

(3) On page 2, line 15, after the semicolon, strike out the words "is hereby" and insert in lieu thereof the words "there shall be."

On page 2, line 16, strike out the words "from Hawaii National Park and."

On page 2, line 18, strike out the word "is."

On page 2, line 19, after the word "War", insert "so much thereof as may be agreed upon between the Secretaries of War and Interior."

The committee amendments were agreed to.

The bill as amended was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

GEN. ANDREW PICKENS

The Clerk called the next business, House Joint Resolution 369, to provide for the erection of a shrine or monument to the memory of Gen. Andrew Pickens.

Mr. KEAN. Mr. Speaker, I ask unanimous consent that the joint resolution be passed over without prejudice.

The SPEAKER. Is there objection?

There was no objection.

FACILITIES OF NATIONAL PARKS FOR SCHOOL PURPOSES

The Clerk called the bill (S. 29) to authorize the use of certain facilities of national parks and national monuments for elementary-school purposes.

The SPEAKER. Is there objection?

Mr. CASE of South Dakota. Mr. Speaker, I reserve the right to object. Would the gentleman from Montana, the author of the bill, have any objection to including the words "Indian reservations"?

Mr. O'CONNOR. No; I would not. I think those words should be in the bill.

Mr. CASE of South Dakota. They have the same situation.

Mr. O'CONNOR. Yes. The gentleman is right.

The SPEAKER. Is there objection?

Mr. WOLCOTT. Mr. Speaker, I reserve the right to object for some explanation.

Mr. O'CONNOR. Mr. Speaker, this bill simply provides that the people living in the national parks who have children and have no way of going to school except within the park, may attend school in the buildings owned by the Government within the park where the buildings are available, without detriment to the buildings or interfering in any way with other necessary use. It is simply a convenience to the children who live in the parks, where in the wintertime the snow gets from 4 to 8 feet deep in places. There is no way provided for them to get to school unless this provision is made.

Mr. WOLCOTT. I have no objection to the bill, but as I understand it an amendment is to be proposed to open this to Indian children.

Mr. CASE of South Dakota. Oh, no; simply the children of employees.

Mr. CHURCH. Mr. Speaker, may we ask to have the amendment stated by the Clerk in the usual way?

The SPEAKER. The Clerk will report the proposed amendment.

The Clerk read as follows:

Amendment offered by Mr. CASE of South Dakota: Page 1, line 5, after the words "residence in", insert the words "Indian reservations", and on page 2, line 1, after the word "such", insert "Indian reservations", and amend the title.

Mr. WOLCOTT. Mr. Speaker, as I understand it, this amendment does not change the existing law with respect to the education of Indian children.

Mr. O'CONNOR. No; it does not.

Mr. WOLCOTT. It authorizes that Government employees on Indian reservations may have the same advantages as the Government employees in the national parks?

Mr. O'CONNOR. Yes.

Mr. WOLCOTT. And applies only to Government employees and not to Indian children?

Mr. O'CONNOR. That is the purpose of the amendment.

The SPEAKER. Is there objection to the consideration of the bill?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That in order to facilitate the providing of educational opportunities for children of Government employees and other residents in the national parks and national monuments the Secretary of the Interior is hereby authorized in his discretion to make available for elementary school purposes therein, without charge, space in Government-owned buildings, when such space may be available for such purposes without detriment to the official business of such national parks and national monuments.

The amendment was agreed to.

The bill as amended was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

AUTHORIZING THE SECRETARY OF THE INTERIOR TO FURNISH MATS FOR THE REPRODUCTION IN MAGAZINES OF PHOTOGRAPHS OF NATIONAL PARK SCENERY

The Clerk called the next bill, S. 769, authorizing the Secretary of the Interior to furnish mats for the reproduction in magazines and newspapers of photographs of national park scenery.

The SPEAKER. Is there objection?

Mr. COSTELLO. Mr. Speaker, I ask unanimous consent that this bill be passed over without prejudice.

The SPEAKER. Is there objection?

Mr. O'CONNOR. Mr. Speaker, will the gentleman yield?

Mr. COSTELLO. I yield.

Mr. O'CONNOR. Mr. Speaker, may I say to the gentleman that this is a very worthy measure. It only provides for the use of $3,000 to furnish mats to small newspapers throughout the country, which show the scenic beauties and various other attractions in those parks. It will not only serve a good purpose but will stimulate travel in all of the parks. Of course, these mats may be purchased by the small newspapers now, but they come at such a price that it is prohibitive. In the first instance, they can be furnished by the Government very cheaply, and it seems to me it would be a small sum of money very wisely spent. I hope the gentleman will not object.

The SPEAKER. Is there objection to the request of the gentleman from California?

Mr. SMITH of Ohio. Mr. Speaker, I object to the consideration of the bill.

AUTHORIZING SPECIAL AGENTS OF DEPARTMENT OF THE INTERIOR TO ADMINISTER OATHS

The Clerk called the next bill, S. 2627, to empower and authorize special agents and such other employees of the Division of Investigations, Department of the Interior, as are designated by the Secretary of the Interior for that purpose, to administer oaths in the performance of their official duties.

The SPEAKER. Is there objection?

Mr. TABER. Mr. Speaker, is there any possible reason why these folks should have this authority?

I ask unanimous consent, Mr. Speaker, that this bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

RENTALS IN CERTAIN OIL AND GAS LEASES

The Clerk called the next bill, S. 2915, relating to rentals in certain oil and gas leases issued under authority of the act of February 25, 1920, as amended.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. WOLCOTT. Mr. Speaker, reserving the right to object, I wonder if somebody will explain this? It looks to me like a rather important bill.

Mr. O'CONNOR. Mr. Speaker, will the gentleman yield?

Mr. WOLCOTT. I yield.

Mr. O'CONNOR. This bill simply provides that the rentals on the leases for exploration in nonproven fields be waived for 2 years out of the 3 years. Remember, this is in nonproven fields. If any gas or oil is produced, then, of course, the waiver does not apply.

It is a very worthy bill. It will assist the little fellow who is trying to develop the lands upon which he has a lease. I sincerely hope that the gentleman will not object, because if the bill is not passed, many of these places where there may be oil and gas will go undeveloped, unproven, and the Government will receive nothing and nobdy else will receive anything. So I hope the gentleman will not object.

Mr. HORTON. Mr. Speaker, will the gentleman yield?

Mr. WOLCOTT. I yield.

Mr. HORTON. The statement made by the gentleman from Montana [Mr. O'CONNOR] is entirely correct. The law itself is very stringent, but the regulations are even more so. Instead of imposing the rental of 25 cents an acre, which is provided by law, they have increased it to 50 cents an acre on lands that are outside of any proven field. It makes it absolutely impossible for any small operator to hold his lease. The bill as drawn waived the rental for the second and third year. We in the committee felt that it should be waived for the first and second year, because it is the first year that is tougher on the little fellow, and it will give him an opportunity to hold his lease until he can develop his land.

Mr. MURDOCK of Arizona. Will the gentleman yield?

Mr. WOLCOTT. I yield.

Mr. MURDOCK of Arizona. I am a member of the Committee on the Public Lands which voted out this bill and I favored it. I am thinking of it in connection with mining, which is a little different, but in this respect, that we ought to encourage these hardy pioneers who go out there and exploit the natural resources of our country. We want to do everything we can to shield the fellow who has a small claim, so that he may go ahead and prove up on his claim.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. SCHAFER of Wisconsin. Mr. Speaker, reserving the right to object, I understood the gentleman from Arizona [Mr. MURDOCK] to state that he favored this bill because it permitted certain persons to exploit our natural resources?

Mr. MURDOCK of Arizona. I meant develop the natural resources.

Mr. SCHAFER of Wisconsin. The gentleman meant "develop"? I thought it was rather remarkable if the self-styled "Honest Harold" Ickes supported this bill on the premise the gentleman has given, that a few people would exploit these natural resources.

Mr. MURDOCK of Arizona. I used the word "exploit" in a proper and a better sense.

Mr. SCHAFER of Wisconsin. The gentleman really means to develop.

Mr. MURDOCK of Arizona. I mean to develop; yes.

Mr. SCHAFER of Wisconsin. Mr. Speaker, in view of the gentleman's statement I withdraw my reservation of objection.

Mr. COSTELLO. Mr. Speaker, reserving the right to object, the provisions of this bill as it passed the Senate provided for a waiver of payment during the second and third years of the lease. Under the terms of the bill as amended by the House Committee the waiver has been changed to the first and second years. It seems to me to be rather ridiculous to expect anyone signing a lease for Government land, not having to pay any rental during the first 2 years, would, if he did not desire to employ the land further, pay rental on it the third year. In other words, the Government would receive no revenue whatsoever from the occupation of this lease during the period of the last year. If the committee amendment is withdrawn or rejected I shall have no objection to the bill. In other words, I shall not object to the bill if the lessee is required to make payment during the first year, but payment is waived during the second and third years; or if the gentleman wishes to reduce the amount of

the payment from 50 to 25 cents an acre during the first year, that could be done.

The SPEAKER. Does the gentleman care to accept the amendment proposed?

Mr. COSTELLO. Mr. Speaker, I suggest that the committee withdraw this amendment as to the first and second years.

Mr. HORTON. The gentleman will object to the bill unless this change is made?

Mr. COSTELLO. Yes.

Mr. HORTON. I think that will prove to be a mistake, because it is during the first year that the prospector finds it difficult to meet his payments. To require him to pay the first year will make it just that much harder, but if the gentleman is going to object unless that change is made I shall have to agree to the change.

Mr. O'CONNOR. Mr. Speaker, will the gentleman yield?

Mr. COSTELLO. I yield.

Mr. O'CONNOR. I would suggest that we eliminate the second year. Then it would provide only for a waiver of the rental during the first and third years, and if he wishes to keep the land he will have to pay rental on it during the second year.

Mr. COSTELLO. I think the best thing to do is for the committee to withdraw its amendment.

Mr. O'CONNOR. Mr. Speaker, will the gentleman yield further?

Mr. COSTELLO. I yield.

Mr. O'CONNOR. We do not like to withdraw this amendment, Mr. Speaker, but on the theory that half a loaf is better than no loaf at all, if the gentleman is going to object, we reluctantly yield and will ask that the committee amendment be voted down.

The SPEAKER. Is there objection to the present consideration of the bill?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Interior, in the case of lands not within any known geologic structure of a productive oil or gas field, shall waive the rentals stipulated in oil and gas leases issued pursuant to section 17 of the act of February 25, 1920, as amended by the act of August 21, 1935 (49 Stat. 674), for the second and third lease years, unless a valuable deposit of oil or gas be sooner discovered.

The SPEAKER. The Clerk will report the committee amendment.

The Clerk read as follows:

Page 2, line 1, strike out "second" and insert "first"; and strike out "third" and insert "second."

The committee amendment was rejected.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

UNITED STATES COMMISSIONER ON FEDERAL RESERVATIONS

The Clerk called the next bill, H. R. 1999, to confer jurisdiction upon certain United States commissioners to try petty offenses committed on Federal reservations.

Mr. CASE of South Dakota. Mr. Speaker, reserving the right to object, will not some member of this committee tell us whether or not this bill will apply to Indian reservations?

Mr. MURDOCK of Utah. Mr. Speaker, it is my understanding that the bill applies to Indian reservations. I asked that question in the committee and was answered in the affirmative.

Mr. CASE of South Dakota. I am glad to have the gentleman make that statement, and I would be glad to yield for a further explanation.

Mr. HOBBS. The gentleman understands that this bill would apply to those trivial instances where on Federal reservations, such as parks, forests, historical sites, battlefields, and for Indians, petty offenses have been committed, the United States commissioner in the vicinity may act immediately, if the offender so desires. Such permissive practice would obviate unreasonable delay and travel, in many cases. Suppose you were touring in your own automobile, and while driving through Yosemite you violate a traffic rule, or pick a flower. Suppose you live in Boston. You might be arrested and placed under bond to appear for trial 2 or 3 months later in a Federal court, of course, in California. If so, you would have to stay in California, forfeit your bond, or travel from Boston to appear. This bill, if it becomes law, would permit you to settle the case within a few minutes.

Mr. CASE of South Dakota. The bill, as I read it, on page 1, applies to persons charged with petty offenses against the law, or rules and regulations made in pursuance of law.

Mr. HOBBS. That is right.

Mr. CASE of South Dakota. That would probably mean that the United States commissioners, under the terms of this bill, would have jurisdiction to try a person charged with a petty offense against rules and regulations made by an Indian tribal council which are made in pursuance of law if the accused so desired. Personally I have no objection to that; it might provide a change of venue, something not now offered and yet something that is essential in a well-considered system of justice.

Mr. SCHAFER of Wisconsin. Mr. Speaker, reserving the right to object, I am interested in this bill because of the Indian reservation feature which was mentioned. Under existing law—that is, under the Wheeler-Howard Act—the Indians elect their own judges to try these petty and trivial offenses. Under this bill, if it applies to Indian reservations, we are going to take away the right of these duly elected Indian judges to try these petty and trivial cases.

Mr. HOBBS. No, sir; not if they acquire jurisdiction.

Mr. SCHAFER of Wisconsin. They will then be tried by an appointed bureaucrat.

Mr. HOBBS. The gentleman is mistaken, but I honor him for his zeal. This does not deprive any citizen of any right, nor does it deprive a court of any right which has attached. It simply makes available to anyone who is arrested on a petty charge an immediate disposition of his case, if the offense occurred on a Federal reservation.

Mr. SCHAFER of Wisconsin. Let us take a specific case, a trivial offense under the code of laws adopted by an Indian tribe under the Wheeler-Howard Act. Under that code of laws an Indian judge elected by the Indians tries these cases. If this bill is passed, would not jurisdiction be taken away from the duly elected Indian judge, elected by the Indians on the reservation, and let an appointed bureaucrat, a commissioner, try the case?

Mr. HOBBS. No, sir; not exactly. The duly authorized courts would sit, and if they functioned promptly and expeditiously, and if they desired jurisdiction and assumed it, they could have it. If, on the other hand, it was agreeable to them and to all parties concerned, and the visitor wished immediate hearing, then they might leave it to the commissioner.

Mr. SCHAFER of Wisconsin. Then, with reference to an Indian reservation, in case of a violation of a trivial law, the commissioner would not take jurisdiction away from the duly elected Indian judge except by permission of the Indian authorities?

Mr. HOBBS. The sole purpose of the bill, as I understand it, is to facilitate disposition of petty cases. It is not compulsory, but voluntary. It would not change the jurisdiction of any court, nor oust the jurisdiction once it had been asserted. I do not mean to say that expressed permission of Indian authorities is required.

Mr. CASE of South Dakota. If the gentleman will yield, let me read this sentence from the bill:

The commissioner before whom the defendant is arraigned shall apprise the defendant of his right to make such election and shall not proceed to try the case unless the defendant after being so apprised, signs a written consent to be tried before the commissioner.

Mr. SCHAFER of Wisconsin. The gentleman has appeared before the Indian Affairs Committee in connection with Indian legislation. How about the judge elected by the Indians under the Wheeler-Howard Act? You are going to permit the defendant by signing a statement to be tried by an appointed commissioner instead of by the duly elected judge who has been elected by the Indians on the reservation.

Mr. CASE of South Dakota. I may say, after considerable observation of these Indian courts that the accused per-

sons, whether Indian or white, should have an opportunity for a change of venue. I hope this bill gives it to them.

The so-called law-and-order system now operating in a great deal of the Indian country often violates five basic principles of justice.

First, most of these Indian courts are fee courts. Judges and officers are tempted to go after the prisoners where they think fines can be collected.

Second, jury trial is denied in most of the reservations. If you lack faith in the justice of peace in my State, you can demand a jury trial, but not in these Indian courts.

Third, most of these Indian courts deny the right of counsel. Not all the offenses are so petty. I recall one Indian who was charged with bastardy. He maintained, with evidence, that the charge was a frame-up, yet he was not permitted to employ counsel for his defense.

Fourth, the judges, although elected by the Indians, are sometimes elected by a small minority vote. There are no primaries, no run-offs. With half a dozen candidates, the judge elected may represent less than 20 percent of the eligible voters. Yet he may pass on charges against persons against whom he has a personal grudge growing out of the election.

Fifth, most of these so-called law-and-order courts do not permit a change of venue. They have a system of junior and senior judges, but in operation they do not always provide the element of appeal or change of venue which is basic in our idea of Anglo-Saxon justice.

True, in most instances these courts have jurisdiction only over members of the tribes, but the Indians are entitled to justice, as well as the white man. In some instances, jurisdiction is asserted over whites on or passing through reservations. It will be remembered by the gentleman that a bill to extend the jurisdiction of these courts was before this House last year, H. R. 5409. I objected time after time until it was stricken from the calendar.

Now the bill before us seems to offer a chance for the accused, whether Indian or white, to take his case before the United States commissioner for a speedy trial if he feels that his trial would otherwise be delayed or that justice might be hard to obtain. The United States commissioner is not a bureaucrat as has been suggested; he is an officer of the United States district court, responsible to the Federal judge in the district. Certainly, if this bill offers a chance to correct the distressing conditions I have outlined, we should have an opportunity to consider it.

Mr. SCHAFER of Wisconsin. In view of the gentleman's statement, I will withdraw my objection, but I shall offer an amendment to exclude Indian reservations.

Mr. O'CONNOR. Reserving the right to object, to ask a question. In the instance cited by the gentleman from Wisconsin, under a special act passed by Congress in 1934, known as the Reorganization Act, it is therein provided for holding an election to elect judges to try such offenses as are contemplated in this bill. To say the least, it seems to me if this bill becomes law, at least on the surface it so appears, there will be a conflict of jurisdiction between the person who is legally elected under the law already in existence and the law contemplated to be passed here.

Mr. HOBBS. That is entirely possible under the gentleman's hypothesis, but may I answer him in this way: If any Indian court created under the act the gentleman has cited desires to inconvenience a citizen of the United States traveling through its jurisdiction, and spending his money on an Indian reservation and will not allow him to pay a fine of 50 cents or a dollar, with costs, so that the visitor may not be delayed unduly, then I suggest to the gentleman, if he wants to safeguard the rights of his Indian courts, that he offer an amendment eliminating Indian reservations from the purview of the bill. It will be accepted, so far as I am concerned. If he is sincere in his position, let him eliminate the Indian reservations.

Mr. O'CONNOR. I am trying only to prevent a conflict of jurisdiction where Indians are being tried and where no white person is involved at all.

Mr. HOBBS. Offer your amendment.

Mr. O'CONNOR. I am going to object to the bill unless that amendment is included.

Mr. HOBBS. That is your privilege.

The SPEAKER. Is there objection to the present consideration of the bill?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That any United States commissioner specially designated for that purpose by the court by which he was appointed shall have jurisdiction to try and, if found guilty, to sentence persons charged with petty offenses against the law, or rules and regulations made in pursuance of law, committed in any place over which the Congress has exclusive power to legislate or over which the United States has concurrent jurisdiction, and within the judicial district for which such commissioner was appointed. The probation laws shall be applicable to persons so tried before United States commissioners. For the purposes of this Act the term "petty offense" shall be defined as in section 335 of the Criminal Code (U. S. C., title 18, sec. 541). If any person charged with such petty offense shall so elect, however, he shall be tried in the district court of the United States which has jurisdiction over the offense. The commissioner before whom the defendant is arraigned shall apprise the defendant of his right to make such election and shall not proceed to try the case unless the defendant after being so apprised, signs a written consent to be tried before the commissioner.

SEC. 2. In all cases of conviction by United States commissioners an appeal shall lie from judgment of the commissioner to the district court of the United States for the district in which the offense was committed. The Supreme Court shall prescribe rules of procedure and practice for the trial of cases before commissioners and for taking and hearing of appeals to the said district courts of the United States.

SEC. 3. United States commissioners specially designated under authority of section 1 of this Act shall receive for services rendered under this Act the same fees, and none other, as provided for like or similar services in other cases under section 21 of the Act of May 28, 1896 (29 Stat. 184; U. S. C., title 28, sec. 597).

SEC. 4. This Act shall not be construed as in any way repealing or limiting the existing jurisdiction, power, or authority of United States commissioners, including United States commissioners appointed for the several national parks and United States commissioners in Alaska.

SEC. 5. The provisions of this Act shall not apply to the District of Columbia.

Mr. O'CONNOR. Mr. Speaker, I object to the consideration of the bill without that amendment.

The SPEAKER. The Chair waited for the gentleman to offer his amendment.

Mr. O'CONNOR. Mr. Speaker, I object to the consideration of the bill.

Mr. WALTER. Mr. Speaker, I make the point of order that the objection comes too late.

The SPEAKER. The Chair is inclined to sustain the point of order, but the Chair will give the gentleman an opportunity to offer an amendment.

Mr. CHURCH. Mr. Speaker, I ask unanimous consent that the bill be passed over temporarily without prejudice.

The regular order was demanded.

The SPEAKER. The Chair heard no objection to the consideration of the bill. The question is now on the passage of the bill.

Mr. SCHAFER of Wisconsin. Mr. Speaker, I offer an amendment. At the end of the bill insert an amendment:

Provided, That this act shall not apply to any Indian reservation in the United States.

Mr. CASE of South Dakota. Mr. Speaker, I object.

The SPEAKER. The gentleman from Wisconsin has a right to offer an amendment.

Mr. MICHENER. Mr. Speaker, I ask unanimous consent that the bill be passed over temporarily without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Michigan [Mr. MICHENER]?

There was no objection.

REGISTRATION OF CERTAIN ORGANIZATIONS

The Clerk called the next bill, H. R. 10094, to require the registration of certain organizations carrying on activities within the United States, and for other purposes.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That for the purposes of this act—

(a) The term "Attorney General" means the Attorney General of the United States;

(b) The term "organization" means any group, club, league, society, committee, association, political party, or combination of individuals, whether incorporated or otherwise, but such term shall not include any church, corporation, community chest, fund, or

foundation which the Attorney General determines is organized for, and engaged in good faith exclusively in, activities in furtherance of religious, charitable, scientific, scholastic, or academic pursuits, or in furtherance of the fine arts;

(c) The term "political activity" means any activity the purpose or aim of which, or one of the purposes or aims of which, is the establishment, control, conduct, seizure, or overthrow of a government or political subdivision thereof;

(d) An organization shall be deemed to be engaged in "civilian military activity" if (1) it gives instruction to, or prescribes instruction for, its members in the use of firearms or other weapons or any substitute therefor, or military or naval science, or (2) it receives from any other organization or from any individual instruction in military or naval science, or (3) it engages in any military or naval maneuvers or activities, or (4) it engages, either with or without arms, in drills or parades of a military or naval character, or (5) it engages in any other form of organized activity which in the opinion of the Attorney General constitutes preparation for military action; and

(e) An organization shall be deemed "subject to foreign control" if (1) it solicits or accepts financial contributions, loans, or support of any kind, directly or indirectly, from, or is affiliated directly or indirectly with, a foreign government or a political subdivision thereof, or an agent, agency, or instrumentality of a foreign government or political subdivision thereof, or a political party in a foreign country, or an international political organization; or (2) its policies, or any of them, are determined by or at the suggestion of, or in collaboration with, a foreign government or political subdivision thereof, or an agent, agency, or instrumentality of a foreign government or a political subdivision thereof, or a political party in a foreign country, or an international political organization.

SEC. 2. (a) The following organizations shall be required to register with the Attorney General as hereinafter provided:

(1) Every organization subject to foreign control which engages in political activity;

(2) Every organization which engages both in civilian military activity and in political actvity;

(3) Every organization subject to foreign control which engages in civilian military activity; and

(4) Every organization, the purpose or aim of which, or one of the purposes or aims of which, is the establishment, control, conduct, seizure, or overthrow of a government or subdivision thereof by the use of force, violence, military measures, or threats of any one or more of the foregoing.

Every such organization shall register by filing with the Attorney General, on such forms and in such detail as the Attorney General may by rules and regulations prescribe, a registration statement containing the information and documents prescribed in subsection (c) and shall within 30 days after the expiration of each period of 6 months succeeding the filing of such registration statement, file with the Attorney General, on such forms and in such detail as the Attorney General may by rules and regulations prescribe, a supplemental statement containing such information and documents as may be necessary to make the information and documents previously filed under this section accurate and current with respect to such preceding 6 months' period. Every statement required to be filed by this section shall be subscribed, under oath, by all of the officers of the organization.

(b) Nothing in subsection (a) shall be deemed to require registration or the filing of any statement with the Attorney General by (1) the armed forces of the United States, or (2) the organized militia or National Guard of any States, Territory, District, or possession of the United States, or (3) any law-enforcement agency of the United States or of any Territory, District, or possession thereof, or of any State or political subdivision of a State, or of any agency or instrumentality of one or more States, or (4) any duly established diplomatic mission or consular office of a foreign government which is so recognized by the Department of State.

(c) Every registration statement required by subsection (a) to be filed by any organization shall contain the following information and documents:

(1) The name and post-office address of the organization in the United States, and the names and addresses of all branches, chapters, and affiliates of such organization;

(2) The name, address, and nationality of each officer, and of each person who performs the functions of an officer, of the organization, and of each branch, chapter, and affiliate of the organization;

(3) The qualifications for membership in the organization;

(4) The existing and proposed aims and purposes of the organization, and all the means by which these aims or purposes are being attained or are to be attained;

(5) The address or addresses of meeting places of the organization, and of each branch, chapter, or affiliate of the organization, the times of such meetings, and a copy of the minutes or journal of every such meeting;

(6) The name and address of each person who has contributed any money, dues, property, or other thing of value to the organization or to any branch, chapter, or affiliate of the organization;

(7) A detailed statement of the assets of the organization, and of each branch, chapter, and affiliate of the organization, the manner in which such assets were acquired, and a detailed statement of the liabilities and income of the organization and of each branch, chapter, and affiliate of the organization;

(8) A detailed description of the activities of the organization, and of each chapter, branch, and affiliate of the organization;

(9) A description of the uniforms, badges, insignia, or other means of identification prescribed by the organization, and worn or carried by its officers or members, or any of such officers or members;

(10) A copy of each book, pamphlet, leaflet, or other publication or item of written, printed, or graphic matter issued or distributed directly or indirectly by the organization, or by any chapter, branch, or affiliate of the organization, or by any of the members of the organization under its authority or within its knowledge;

(11) A description of all firearms or other weapons owned by the organization, or by any chapter, branch, or affiliate of the organization, identified by the manufacturer's number thereon.

(12) In case the organization is subject to foreign control, the manner in which it is so subject;

(13) A copy of the charter, articles of association, constitution, bylaws, rules, regulations, agreements, resolutions, and all other instruments relating to the organization, powers, and purposes of the organization, and of each branch, chapter, and affiliate of the organization, and to the powers of the officers of the organization, and of each chapter, branch, and affiliate of the organization; and

(14) Such other information and documents pertinent to the purposes of this act as the Attorney General may from time to time require.

All statements filed under this section shall be public records and open to public examination and inspection at all reasonable hours under such rules and regulations as the Attorney General may prescribe.

SEC. 3. The Attorney General is authorized at any time to make, amend, and rescind such rules and regulations as may be necessary to carry out the provisions of this act, including rules and regulations governing the statements required to be filed by this act.

SEC. 4. Any violation of any of the provisions of this act shall be punishable by a fine of not more than $10,000 or by imprisonment for not more than 5 years, or both. Whoever in a statement filed pursuant to section 2 willfully makes any false statement or willfully omits to state any fact which is required to be stated, or which is necessary to make the statements made not misleading, shall, upon conviction, be subject to a fine of not more than $2,000 or to imprisonment for not more than 5 years, or both.

SEC. 5. If any provision of this act, or the application thereof to any person or circumstances, is held invalid, the remainder of the act, and the application of such provisions to other persons or circumstances, shall not be affected thereby.

SEC. 6. This act shall take effect on the ninetieth day after the date of its enactment, except that prior to such ninetieth day the Attorney General may make, amend, or rescind such rules and regulaions as may be necessary to carry out the provisions of this act.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

LEASE, DEVELOPMENT, AND MAINTENANCE OF KELLEY HOMESTEAD, NEAR ELK RIVER, MINN.

The Clerk called the joint resolution (H. J. Res. 376) authorizing the Secretary of Agriculture to accept from the National Grange a lease of the Kelley homestead, near Elk River, Minn., and providing for its development and maintenance.

The SPEAKER. Is there objection to the present consideration of the joint resolution?

Mr. KEAN. Reserving the right to object, Mr. Speaker, I notice in the letter from the Secretary that he states he does not recommend any appropriation, and I note that in this bill there is an appropriation of $20,000.

Mr. JONES of Texas. I may say to the gentleman that we had some discussion about that feature. It is intended to make a sort of a shrine out of this homestead. It is to be leased without cost or at nominal cost to the Government. This is the homestead of the founder of the National Grange, which is the oldest farm organization in America. After some discussion, the committee thought it was such a desirable objective that it might be wise to authorize an appropriation—it is not an appropriation, it is simply an authorization—of not to exceed $20,000, so that whatever plans were made within that reasonable limitation they might proceed to carry out. For that reason, the committee, after going into the matter, unanimously reported the joint resolution without the restriction.

Mr. SMITH of Ohio. Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

PROVISIONAL OFFICERS WHO SERVED DURING THE WORLD WAR

The Clerk called the next bill, S. 458, extending the benefits of the Emergency Officers' Retirement Act of May 24,

1928, to provisional, probationary, or temporary officers of the Army, Navy, Marine Corps, and Coast Guard who served during the World War.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the benefits of the act of May 24, 1928, as amended, entitled "An act making eligible for retirement, under certain conditions, officers and former officers of the Army, Navy, and Marine Corps of the United States, other than officers of the Regular Army, Navy, or Marine Corps, who incurred physical disability in line of duty while in the service of the United States during the World War," are hereby extended to provisional, probationary, or temporary officers of the military or naval forces or Coast Guard, who served subsequent to April 6, 1917, and who are now in a status of honorable separation from the military, naval, or Coast Guard Service, if application for such benefits is filed with the Administrator of Veterans' Affairs within 12 months after the passage of this act: *Provided*, That the benefits under this act shall take effect from the date of application, if approved.

With the following committee amendments:

Page 1, beginning in line 3, after "1928", strike out the remainder of page 1 and all of line 1 on page 2 and insert the following:

"(Public, No. 506, 70th Cong.), subject to the limitations contained in section 10 of the act of March 20, 1933 (Public, No. 2, 73d Cong.), as now or hereafter amended."

The committee amendment was agreed to.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

AMENDMENT OF SECTION 3493 OF THE INTERNAL REVENUE CODE

The Clerk called the next bill, H. R. 10080, to amend section 3493 of the Internal Revenue Code, formerly section 404 of the Sugar Act of 1937.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That section 3493 of the Internal Revenue Code (53 Stat. —, pt. 1) be, and it is hereby, amended to read as follows:

"SEC. 3493. Exportation.

"(a) Refund of tax paid: Upon the exportation from the United States to a foreign country, or the shipment from the United States to any possession of the United States except Puerto Rico, of any manufactured sugar, or any article manufactured wholly or partly from manufactured sugar, with respect to which tax under the provisions of section 3490 has been paid, the amount of such tax shall be paid by the Commissioner of Internal Revenue to the consignor named in the bill of lading under which the article was exported or shipped to a possession, or to the shipper, or to the manufacturer of the manufactured sugar or of the articles exported, if the consignor waives any claim thereto in favor of such shipper or manufacturer: *Provided*, That no such payment shall be allowed with respect to any manufactured sugar, or article, upon which, through substitution or otherwise, a draw-back of any tax paid under section 3500 has been or is to be claimed under any provisions of law made applicable by section 3501.

"(b) Period for filing refund claim: No payment shall be allowed under this section unless within 2 years after the right to such payment has accrued a claim therefor is filed by the person entitled thereto."

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

TRANSPORTATION OF CONVICT-MADE GOODS IN INTERSTATE COMMERCE

The Clerk called the next bill, H. R. 10101, to make unlawful the transportation of convict-made goods in interstate commerce, and for other purposes.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. ALEXANDER. Reserving the right to object, Mr. Speaker, is the committee going to add the amendment which I submitted last week?

Mr. HOBBS. The committee has no power to add an amendment to a bill without House action. We are going to offer it as a committee amendment and urge its passage.

Mr. ALEXANDER. Will that be done before the bill is adopted?

Mr. HOBBS. It will be offered to the bill if unanimous consent is granted to consider the bill.

Mr. MICHENER. Reserving the right to object, Mr. Speaker, the gentleman presented his amendment to the committee, and it was the consensus of the Committee on the Judiciary that the bill should not pass unless it contained that amendment. The bill was reported out that way. As I understand, and I believe the other members of the committee will bear me out, the bill would not be here unless the intention was to include that amendment.

The SPEAKER. Is there objection to the present consideration of the bill?

The Chair calls attention to the fact that there is a similar Senate bill pending on the Speaker's table.

Mr. WOLCOTT. Mr. Speaker, reserving the right to object, may the amendment submitted by the gentleman from Minnesota and which will be offered as a committee amendment be read for the information of the House?

The SPEAKER. The Clerk will report the amendment proposed to be offered, for the information of the House.

The Clerk read as follows:

Amendment offered by Mr. HOBBS, from the Committee on the Judiciary: On page 2, line 12, after the semicolon in line 12, strike out "to parts for the repair of farm machinery" and insert "to farm machinery, parts thereof, and binder twine."

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. MICHENER. Reserving the right to object, Mr. Speaker, this takes care of the objections raised before the committee as far as certain penal institutions throughout the country were concerned.

Mr. ALEXANDER. I submitted that amendment, and it is agreeable with me that the bill be considered if the amendment is inserted in the bill. Otherwise, I shall have to object to the consideration of the bill.

The SPEAKER. Is there objection to the present consideration of the bill?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That whoever shall knowingly transport or knowingly cause to be transported in interstate commerce, in any manner, or by any means whatsoever, or aid or assist, knowingly, in obtaining transportation for or in transporting any goods, wares, and merchandise manufactured, produced, or mined, wholly or in part by convicts or prisoners (except convicts or prisoners on parole or probation) or in any penal or reformatory institution, from one State, Territory, Puerto Rico, Virgin Islands, or District of the United States, or place noncontiguous but subject to the jurisdiction thereof, or from any foreign country, into any State, Territory, Puerto Rico, Virgin Islands, or District of the United States, or place noncontiguous but subject to the jurisdiction thereof, shall be punished by a fine of not more than $1,000 or by imprisonment of not more than 1 year, or both: *Provided*, That nothing herein shall apply to commodities manufactured in Federal penal and correctional institutions for use by the Federal Government or to commodities manufactured in any State penal or correctional institution for use by any other State, or States, or political subdivisions thereof; to parts for the repair of farm machinery; or to agricultural commodities: *Provided further*, That this act shall go into effect 1 year after its approval by the President.

Mr. HOBBS. Mr. Speaker, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. HOBBS from the Committee on the Judiciary: On page 2, line 12, after the semicolon in line 12, strike out "to parts for the repair of farm machinery" and insert "to farm machinery, parts therefor, and binder twine."

The amendment was agreed to.

Mr. COSTELLO. Mr. Speaker, I ask unanimous consent that a similar Senate bill, S. 3550, be substituted for the House bill, and that the language of the Senate bill be stricken out and the language of the House bill as amended be inserted in lieu thereof.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

The Senate bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

A House bill (H. R. 10101) was laid on the table.

DISPOSITION OF ESTATES OF AMERICAN CITIZENS WHO DIE ABROAD

The Clerk called the next bill, H. R. 10015, to provide for the disposition of estates of American citizens who die abroad.

The SPEAKER. Is there objection to the present consideration of the bill?

There was no objection.

Mr. BLOOM. Mr. Speaker, I ask unanimous consent that a similar Senate bill, S. 4097, be considered in lieu of the House bill.

There being no objection, the Clerk read the Senate bill, as follows:

Be it enacted, etc., That sections 1709 and 1711 of the Revised Statutes, as amended (U. S. C., title 22, secs. 75 and 77), are hereby amended to read as follows:

"1709. It shall be the duty of a consular officer, or if no consular officer is present a diplomatic officer, under such procedural regulations as the Secretary of State may prescribe—

"First. To take possession and to dispose of the personal estate left by any citizen of the United States, except a seaman who is a member of the crew of an American vessel, who shall die within or is domiciled at time of death within his jurisdiction: *Provided*, That such procedure is authorized by treaty provisions or permitted by the laws or authorities of the country wherein the death occurs, or the decedent is domiciled, or that such privilege is accorded by established usage: *Provided further*, That the decedent shall leave in the country where the death occurred or where he was domiciled, no legal representative, partner in trade, or trustee by him appointed to take care of his personal estate. A consular officer or, in his absence, a diplomatic officer shall act as the provisional conservator of the personal property within his jurisdiction of a deceased citizen of the United States but, unless authorized by treaty provisions, local law, or usage, he shall not act as administrator of such personal property. He shall render assistance in guarding, collecting, and transmitting the property to the United States to be disposed of according to the law of the decedent's domicile.

"Second. After having taken possession of the personal property, as provisional conservator, to inventory and carefully appraise the effects, article by article, with the assistance of two competent persons who, together with such officer, shall sign the inventory and annex thereto an appropriate certificate as to the accuracy of the appraised value of each article.

"Third. To collect the debts due to the decedent in his jurisdiction and pay from the estate the obligations owed there by the decedent.

"Fourth. To sell at auction, after reasonable public notice, unless the amount involved does not justify such expenditure, such part of the estate as shall be of a perishable nature, and such further part, if any, as shall be necessary for the payment of the decedent's debts incurred in such country, and funeral expenses, and expenses incident to the disposition of the estate. If, at the expiration of 1 year from the date of death (or for such additional period as may be required for final settlement of the estate), no claimant shall appear, the residue of the estate, with the exception of investments of bonds, shares of stocks, notes of indebtedness, jewelry or heirlooms, or other articles having a sentimental value, shall be sold.

"Fifth. To transmit to the General Accounting Office the proceeds of the sale (and any unsold effects, such as investments of bonds, shares of stocks, notes of indebtedness, jewelry or heirlooms, or other articles having a sentimental value), there to be held in trust for the legal claimant. If, however, at any time prior to such transmission, the decedent's legal representative should appear and demand the proceeds and effects in the officer's hands, he shall deliver them to such representative after having collected the prescribed fee therefor.

"The Comptroller General of the United States, or such member of the General Accounting Office as he may duly empower to act as his representative for the purpose, shall act as conservator of such parts of these estates as may be received by the General Accounting Office or are in its possession, and may, when deemed to be in the interest of the estate, sell such effects, including bonds, shares of stock, notes of indebtedness, jewelry or other articles, which have heretofore or may hereafter be so received, and pay the expenses of such sale out of the proceeds: *Provided*, That application for such effects shall not have been made by the legal claimant within 6 years after their receipt. The Comptroller General is authorized, for and in behalf of the estate of the deceased, to receive any balances due to such estates, to draw therefor on banks, safe deposits, trust or loan companies, or other like institutions, to endorse all checks, bills of exchange, promissory notes, and other evidences of indebtedness due to such estates, and take such other action as may be deemed necessary for the conservation of such estates. The net proceeds of such sales, together with such other moneys as may be collected by him, shall be deposited into the Treasury to a fund in trust for the legal claimant and reported to the Secretary of State.

"If no claim to the effects the proceeds of which have been so deposited shall have been received from a legal claimant of the deceased within 6 years from the date of the receipt of the effects by the General Accounting Office, the funds so deposited, with any remaining unsold effects, less transmittal charges, shall be transmitted by that Office to the proper officer of the State or Territory of the last domicile in the United States of the deceased citizen, if known, or, if not, such funds shall be covered into the general fund of the Treasury as miscellaneous receipts on account of proceeds of deceased citizens, and any such remaining unsold effects shall be disposed of by the General Accounting Office in such manner as, in the judgment of the Comptroller General, is deemed appropriate, or they may be destroyed if considered no longer possessed of any value: *Provided*, That when the estate shall be valued in excess of $500, and no claim therefor has been presented to the General Accounting Office by a legal claimant within the period specified in this paragraph or the legal claimant is unknown, before disposition of the estate as provided herein, notice shall be given by publishing once a week for 4 consecutive weeks in a newspaper published in the county of the last-known domicile of the deceased in the United States, the expense thereof to be deducted from the proceeds of such estate, and any lawful claim received as the result of such advertisement shall be adjusted and settled as provided for herein."

"1711. When a citizen of the United States dies in a foreign country and leaves, by any lawful testamentary disposition, special directions for the custody and management, by the consular officer, or, in his absence, a diplomatic officer, within whose jurisdiction the death occurred, of the personal property in the foreign country which he possessed at the time of death, such officer shall, so far as the laws of the foreign country permit, strictly observe such directions if not contrary to the laws of the United States. If such citizen has named, by any lawful testamentary disposition, any other person than a consular officer or diplomatic officer to take charge of and manage such property, it shall be the duty of the officer, whenever required by the person so named, to give his official aid in whatever way may be practicable to facilitate the proceedings of such person in the lawful execution of his trust, and, so far as the laws of the country or treaty provisions permit, to protect the property of the deceased from any interference by the authorities of the country where such citizen died. To this end it shall be the duty of the consular officer, or, if no consular officer is present, a diplomatic officer, to safeguard the decedent's property by placing thereon his official seal and to break and remove such seal only upon the request of the person designated by the deceased to take charge of and manage his property."

Mr. BLOOM. Mr. Speaker, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. BLOOM: Strike out all after the enacting clause and insert the provisions of H. R. 10015, as amended, as follows:

"That sections 1709, 1710, and 1711 of the Revised Statutes, as amended (U. S. C., title 22, secs. 75 and 77), are hereby amended to read as follows:

" '1709. It shall be the duty of a consular officer, or, if no consular officer is present, a diplomatic officer, under such procedural regulations as the Secretary of State may prescribe—

" 'First. To take possession and to dispose of the personal estate left by any citizen of the United States, except a seaman who is a member of the crew of an American vessel, who shall die within or is domiciled at time of death within his jurisdiction: *Provided*, That such procedure is authorized by treaty provisions or permitted by the laws or authorities of the country wherein the death occurs, or the decedent is domiciled, or that such privilege is accorded by established usage: *Provided further*, That the decedent shall leave in the country where the death occurred or where he was domiciled, no legal representative, partner in trade, or trustee by him appointed to take care of his personal estate. A consular officer or, in his absence, a diplomatic officer shall act as the provisional conservator of the personal property within his jurisdiction of a deceased citizen of the United States but, unless authorized by treaty provisions, local law, or usage, he shall not act as administrator of such personal property. He shall render assistance in guarding, collecting, and transmitting the property to the United States to be disposed of according to the law of the decedent's domicile.

" 'Second. After having taken possession of the personal property, as provisional conservator, to inventory and carefully appraise the effects, article by article, with the assistance of two competent persons who, together with such officer, shall sign the inventory and annex thereto an appropriate certificate as to the accuracy of the appraised value of each article.

" 'Third. To collect the debts due to the decedent in his jurisdiction and pay from the estate the obligations owed there by the decedent.

" 'Fourth. To sell at auction, after reasonable public notice, unless the amount involved does not justify such expenditure, such part of the estate as shall be of a perishable nature, and after reasonable public notice and notice to next of kin if they can be ascertained by reasonable diligence such further part, if any, as shall be necessary for the payment of the decedent's debts incurred in such country, and funeral expenses, and expenses incident to the disposition of the estate. If, at the expiration of 1 year from the date of death (or for such additional period as may be required for final settlement of the estate), no claimant shall appear, the residue of the estate, with the exception of investments of bonds, shares of stocks, notes of indebtedness, jewelry or heirlooms, or other articles having a sentimental value, shall be sold.

" 'Fifth. To transmit to the General Accounting Office the proceeds of the sale (and any unsold effects, such as investment of bonds, shares of stocks, notes of indebtedness, jewelry or heirlooms, or other articles having a sentimental value), there to be held in trust for the legal claimant. If, however, at any time prior to such transmission, the decedent's legal representative should appear and demand the proceeds and effects in the officer's hands, he shall deliver them to such representative after having collected the prescribed fee therefor.

" 'The Comptroller General of the United States, or such member of the General Accounting Office as he may duly empower to act as his representative for the purpose, shall act as conservator of such parts of these estates as may be received by the General Accounting Office or are in its possession, and may, when deemed to be in the interest of the estate, sell such effects, including bonds, shares of stock, notes of indebtedness, jewelry, or other articles, which have heretofore or may hereafter be so received, and pay the expenses of such sale out of the proceeds: *Provided*, That application for such effects shall not have been made by the legal claimant within 6 years after their receipt. The Comptroller General is authorized, for and in behalf of the estate of the deceased, to re-

ceive any balances due to such estates, to draw therefor on banks, safe deposits, trust or loan companies, or other like institutions, to endorse all checks, bills of exchange, promissory notes, and other evidences of indebtedness due to such estates, and take such other action as may be deemed necessary for the conservation of such estates. The net proceeds of such sales, together with such other moneys as may be collected by him, shall be deposited into the Treasury to a fund in trust for the legal claimant and reported to the Secretary of State.

"'If no claim to the effects the proceeds of which have been so deposited shall have been received from a legal claimant of the deceased within 6 years from the date of the receipt of the effects by the General Accounting Office, the funds so deposited, with any remaining unsold effects, less transmittal charges, shall be transmitted by that office to the proper officer of the State or Territory of the last domicile in the United States of the deceased citizen, if known, or, if not, such funds shall be covered into the general fund of the Treasury as miscellaneous receipts on account of proceeds of deceased citizens, and any such remaining unsold effects shall be disposed of by the General Accounting Office in such manner as, in the judgment of the Comptroller General, is deemed appropriate, or they may be destroyed if considered no longer possessed of any value: *Provided*, That when the estate shall be valued in excess of $500, and no claim therefor has been presented to the General Accounting Office by a legal claimant within the period specified in this paragraph or the legal claimant is unknown, before disposition of the estate as provided herein, notice shall be given by publishing once a week for 4 consecutive weeks in a newspaper published in the county of the last known domicile of the deceased, in the United States, the expense thereof to be deducted from the proceeds of such estate, and any lawful claim received as the result of such advertisement shall be adjusted and settled as provided for herein."

"'1710. For the information of the representative of the deceased, the consular officer, or, if no consular officer is present, a diplomatic officer, in the settlement of his estate shall immediately notify his death in one of the gazettes published in the consular district, and also to the Secretary of State, that the same may be notified in the State to which the deceased belonged; and he shall, as soon as may be, transmit to the Secretary of State an inventory of the effects of the deceased taken as before directed.

"'1711. When a citizen of the United States dies in a foreign country and leaves, by any lawful testamentary disposition, special directions for the custody and management, by the consular officer, or in his absence a diplomatic officer, within whose jurisdiction the death occurred, of the personal property in the foreign country which he possessed at the time of death, such officer shall, so far as the laws of the foreign country permit, strictly observe such directions if not contrary to the laws of the United States. If such citizen has named, by any lawful testamentary disposition, any other person than a consular officer or diplomatic officer to take charge of and manage such property, it shall be the duty of the officer, whenever required by the person so named, to give his official aid in whatever way may be practicable to facilitate the proceedings of such person in the lawful execution of his trust, and, so far as the laws of the country or treaty provisions permit, to protect the property of the deceased from any interference by the authorities of the country where such citizen died. To this end it shall be the duty of the consular officer, or if no consular officer is present a diplomatic officer, to safeguard the decedent's property by placing thereon his official seal and to break and remove such seal only upon the request of the person designated by the deceased to take charge of and manage his property.'"

The amendment was agreed to.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

A House bill (H. R. 10015) was laid on the table.

PAYMENT OF COMPENSATION TO CERTAIN RECESS APPOINTEES

The Clerk called the next bill, S. 2773, to authorize the payment of compensation to recess appointees in certain cases.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That section 1761 of the Revised Statutes be, and it is hereby, amended to read as follows:

"SEC. 1761. No money shall be paid from the Treasury, as salary, to any person appointed during the recess of the Senate, to fill a vacancy in any existing office, if the vacancy existed while the Senate was in session and was by law required to be filled by and with the advice and consent of the Senate, until such appointee has been confirmed by the Senate. The provisions of this section shall not apply (a) if the vacancy arose within 30 days prior to the termination of the session of the Senate; or (b) if, at the time of the termination of the session of the Senate, a nomination for such office, other than the nomination of a person appointed during the preceding recess of the Senate, was pending before the Senate for its advice and consent; or (c) if a nomination for such office was rejected by the Senate within 30 days prior to the termination of the session and a person other than the one whose nomination was rejected thereafter receives a recess commission: *Provided*, That a nomination to fill such vacancy under (a), (b), or (c) hereof, shall be submitted to the Senate not later than 40 days after the commencement of the next succeeding session of the Senate."

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

SECTION 3709 OF THE REVISED STATUTES

The Clerk called the next bill, H. R. 10061, to consolidate certain exceptions to section 3709 of the Revised Statutes and to improve the United States Code.

Mr. WOLCOTT. Mr. Speaker, I ask unanimous consent that this bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

EXTENSION OF BENEFITS OF UNITED STATES EMPLOYEES' COMPENSATION ACT TO MEMBERS OF THE OFFICERS' RESERVE CORPS AND OF THE ENLISTED RESERVE CORPS OF THE ARMY

The Clerk called the next bill, S. 3131, to extend the benefits of the United States Employees' Compensation Act to members of the Officers' Reserve Corps and of the Enlisted Reserve Corps of the Army who were physically injured in line of duty while performing active duty or engaged in authorized training between dates of February 28, 1925, and July 15, 1939, both inclusive, and for other purposes.

Mr. TABER. Mr. Speaker, reserving the right to object, is there anyone here who can explain this bill and why it should be here?

Mr. EDMISTON. Mr. Speaker, I do not see the gentleman from Alabama [Mr. SPARKMAN] here. I know something about the bill as it came before our committee. This bill takes care largely of Air Corps commissioned and noncommissioned officers who, prior to the last National Defense Act, were not protected, but are now protected. This puts them under the Federal Employees' Compensation Act and applies to men, for instance, who are still living with a broken back or something of that sort. There are only about eight cases to which the bill will apply, and they are all Reserve officers or Reserve noncoms.

Mr. TABER. Why should we have the Employees' Compensation Act apply to officers of the Reserve Corps or noncommissioned officers of the Reserve Corps?

Mr. EDMISTON. Because prior to the passage of the last National Defense Act that was the only Government agency under which they could get compensation. They were not members of the Army, and until we put this particular clause in the last act that was the only agency from which they could get relief.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That where in time of peace any member of the Officers' Reserve Corps or of the Enlisted Reserve Corps of the Army was physically injured in line of duty (1) while on active duty, or (2) while engaged in authorized travel to and from such duty, or (3) while engaged in authorized training without pay, or dies or has died as the result of such physical injury, where such injury or death occurred between the dates of February 28, 1925, and July 15, 1939, both inclusive, he or his beneficiary shall be entitled to all the benefits prescribed by law for civil employees of the United States who are physically injured in line of duty or who die as a result thereof, and the United States Employees' Compensation Commission shall have jurisdiction in such cases and shall perform the same duties with reference thereto as in the cases of civil employees of the United States so injured: *Provided*, That the benefits shall accrue to any such member, or his beneficiary, whether the disability or death is the result of sickness or disease contracted in line of duty while on active duty when such sickness or disease is proximately caused by service on active duty: *Provided further*, That employees' compensation under this act shall not be paid concurrently with active-duty pay or pension based upon military service, and in the event a person becomes eligible for the benefits of the United States Employees' Compensation Act and is also eligible for, or is in receipt of, a pension based upon military service, he shall elect which benefit to receive: *Provided further*, That authorized training without pay is defined as inactive-status training under written authorization by competent military authority covering a specific training assignment and prescribing a time limit: *Provided further*, That for the purpose of determining benefits to which entitled under the provisions of this act members of the Officers' Reserve Corps or of the Enlisted Reserve Corps of the Army physically injured when engaged in authorized training without pay will be held and considered as receiving the pay and allowances they would have received if in a pay status: *Provided further*, That Reserve officers entitled to the benefits of the last proviso of section 5 of the act of April 3, 1939 (Public, No. 18, 76th Cong.), shall not be entitled to the benefits of this act: *And provided further*, That nothing herein shall be construed to authorize compensation benefits which may have accrued

for any period prior to the approval of this act but eligibility for compensation benefits shall be determined as of the date of approval of this act and any benefits payable shall date only from such approval.

Where injury or death has been sustained by any member of the Officers' Reserve Corps or Enlisted Reserve Corps while performing authorized training without pay upon inactive status it shall be presumed that such training was being performed under written authorization of competent military authority covering a specific training assignment and prescribing a time limit and thus subject to the provision of this act unless a duly appointed examining board, appointed at the time of said accident, has found and reported to the contrary.

All claims for disability or death benefits allowed under the provisions of this act shall be made within 1 year from its approval by the President.

With the following committee amendments:

On page 2, line 4, after the comma following the word "inclusive", insert the following language: "when such injury or death results from an accident involving a military hazard such as flying in military aircraft, participation in military drills, target practice and tactical exercises, and in injury cases where such injury has resulted in permanent partial or permanent total disability."

On page 3, line 13, strike out the following proviso: "*Provided further*, That Reserve officers entitled to the benefits of the last proviso of section 5 of the act of April 3, 1939 (Public, No. 18, 76th Cong.), shall not be entitled to the benefits of this act."

On page 3, line 17, after the word "approval", insert the following: "and the 8-year period of limitation in section 10–G of the Federal Employees' Compensation Act of September 7, 1916, shall be computed for purposes of this act from the date of approval thereof."

The committee amendments were agreed to.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

UNITED STATES BUILDING POLICE

The Clerk called the bill (H. R. 9116) designating building guards employed in buildings under jurisdiction of the Federal Works Agency as United States Building Police, and for other purposes.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the building guards providing service in any buildings in the District of Columbia, under the jurisdiction of the Federal Works Agency, shall hereafter be known as United States Building Police and shall have the same powers and shall perform the same kind of duties as the United States Park Police and the Metropolitan Police of the District of Columbia: *Provided*, That the jurisdiction and policing power of such United States Building Police shall be restricted to the public buildings, grounds, and other areas under the control of the Federal Works Agency. The United States Building Police shall be under the direction of a separate division of the Public Buildings Administration of the Federal Works Agency and this division shall be directly responsible to the Commissioner of Public Buildings.

The annual salaries of the United States Building Police without reference to the Classification Act of March 4, 1923, as amended, shall be as follows:

Chief inspector: $3,500 for the first year, with an increase of $100 for each following year of satisfactory service until a maximum of $4,000 per annum has been attained.

Inspector: $2,700 for the first year, with an increase of $100 for each following year of satisfactory service until a maximum of $3,100 per annum has been attained.

Fire marshal: $2,800 for the first year, with an increase of $100 for each following year of satisfactory service until a maximum of $3,200 per annum has been attained.

Assistant fire marshal: $2,300 for the first year, with an increase of $100 for each following year of satisfactory service until a maximum of $2,700 per annum has been attained.

Captain: $2,300 for the first year, with an increase of $100 for each following year of satisfactory service until a maximum of $2,700 per annum has been attained.

Lieutenant: $1,900 for the first year, with an increase of $100 for each following year of satisfactory service until a maximum of $2,300 per annum has been attained.

Sergeant: $1,700 for the first year, with an increase of $100 for each following year of satisfactory service until a maximum of $2,100 per annum has been attained.

Private: $1,500 for the first year, with an increase of $100 for each following year of satisfactory service until a maximum of $1,900 per annum has been attained.

No private shall be promoted to a higher grade unless he shall have served satisfactorily for a period of at least 1 year.

The members of the United States Building Police force shall be instructed in their duties through appropriate training courses and furnished with complete uniforms and such other equipment as may be necessary for the proper performance of their duties, including badges, arms, ammunition, masks, etc. This equipment shall be handled by a property clerk for the force, who shall be responsible for the issuance, upkeep, and distribution thereof.

The Administrator of the Federal Works Agency is authorized and directed to make, modify, and enforce necessary rules and regulations for the proper government, conduct, discipline, and good name of the said United States Building Police force. No person shall be removed from the said United States Building Police force except upon written charges preferred against him in the name of the officer in charge of the Protection Division or his duly authorized representative, to a trial board or boards which shall be established to hear such cases by the Administrator of the Federal Works Agency, said board or boards to be similar to the trial board provided by law for the Metropolitan Police of the District of Columbia.

Nothing herein contained shall operate to deprive the members of the United States Building Police force from any benefits arising from the act of May 22, 1920, as amended, entitled "An act for the retirement of employees in the classified civil service, and for other purposes."

The application of this act shall not result in the demotion in salary or grade of any employee, nor shall the application of these provisions be permitted to cause the dismissal of any employee from the service without just cause.

That to provide for the increased salaries and compensation of the United States Building Police, so much as is necessary, is hereby authorized to be appropriated, out of any money in the Treasury not otherwise appropriated, to supplement the amounts which have heretofore been appropriated for the payment of the salaries of the building guards in the buildings in the District of Columbia under the jurisdiction of the Federal Works Agency.

All acts or parts of acts in conflict with this act are hereby repealed.

This act shall take effect immediately upon its passage.

With the following committee amendments:

Page 2, line 2, after the word "Agency" and the period, strike out the remainder of the paragraph.

Page 2, line 23, after the word "attained" and the period, insert the following:

"Investigators: $2,300 for the first year, with an increase of $100 for each following year of satisfactory service until a maximum of $2,700 per annum has been attained."

Page 3, lines 15 to 22, strike out all of the paragraph and insert the following:

"The members of the United States Building Police force shall be instructed in their duties through appropriate training courses and furnished with uniforms and such other equipment as may be necessary for the proper performance of their duties, including badges, arms, ammunition, masks, and so forth, and other articles of clothing shall be furnished at cost."

Page 4, line 6, after the word "charge", strike out "of the Protection Division."

Page 4, lines 17 to 20, inclusive, strike out all of the paragraph.

Page 5, lines 4 and 5, strike out all of the paragraph.

Page 5, line 6, strike out all of the paragraph.

Page 5, line 3, following the word "Agency" and the period, insert the following new paragraph:

"No portion of the appropriation authorized under this bill shall be used to pay any compensation to any person who advocates, or who is a member of an organization that advocates the overthrow of the Government of the United States through force or violence."

The committee amendments were agreed to.

The bill as amended was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

TRIAL OF PETTY OFFENSES BY UNITED STATES COMMISSIONERS

The Clerk called the bill (H. R. 1999) to confer jurisdiction upon certain United States commissioners to try petty offenses committed on Federal reservations.

The SPEAKER. Is there objection?

Mr. CASE of South Dakota. Mr. Speaker, may I ask the gentleman from Wisconsin [Mr. SCHAFER] if it is his intention to press his amendment at this time?

Mr. SCHAFER of Wisconsin. It certainly is my intention to press the amendment at this time. I believe that the members of the Committee on Indian Affairs who are present will agree that it should be pressed at this time.

Mr. CASE of South Dakota. Then I shall have to object to the consideration of the bill.

The SPEAKER. Is there objection?

Mr. CASE of South Dakota. Mr. Speaker, I object.

SUNDRY MESSAGES FROM THE PRESIDENT

Sundry messages in writing from the President of the United States were communicated to the House by Mr. Latta, one of his secretaries, who also informed the House that on the following dates the President approved and signed bills and joint resolutions of the House of the following titles:

On June 14, 1940:

H. R. 8026. An act to establish the composition of the United States Navy, to authorize the construction of certain naval vessels, and for other purposes.

On June 15, 1940:

H. R. 6044. An act to regulate the number of warrant and commissioned warrant officers in the Marine Corps;

H. R. 7643. An act to facilitate and simplify national-forest administration;

H. R. 8429. An act for the relief of Maj. L. P. Worrall, and for other purposes;

H. R. 9848. An act to authorize the construction or acquisition of naval aircraft, the construction of certain public works, and for other purposes; and

H. J. Res. 367. Joint resolution to authorize the Secretaries of War and of the Navy to assist the governments of American republics to increase their military and naval establishments, and for other purposes.

On June 17, 1940:

H. R. 2417. An act to facilitate the control of soil erosion and/or flood damage originating upon lands within the exterior of boundaries of the Sequoia National Forest, Calif.;

H. R. 2418. An act to extend the provisions of the Forest Exchange Act, as amended, to certain lands, so that they may become parts of the Whitman, Malheur, or Umatilla National Forests; and

H. R. 6446. An act to amend the act entitled "An act to authorize the city of Pierre, S. Dak., to construct, equip, maintain, and operate on Farm Island, S. Dak., certain amusement and recreational facilities; to charge for the use thereof; and for other purposes," approved August 16, 1937.

On June 18, 1940:

H. R. 8745. An act making appropriations for the Department of the Interior for the fiscal year ending June 30, 1941, and for other purposes; and

H. R. 8913. An act making appropriations for the legislative branch of the Government for the fiscal year ending June 30, 1941, and for other purposes.

On June 19, 1940:

H. R. 7074. An act to amend an act to authorize the Secretary of War and the Secretary of the Navy to make certain disposition of condemned ordnance, guns, projectiles, and other condemned material in their respective departments.

On June 20, 1940:

H. R. 808. An act to confer jurisdiction upon the District Court of the United States for the Southern District of Florida to hear, determine, and render judgment upon the claim of Zook Palm Nurseries, Inc.; and

H. R. 8096. An act for the relief of certain disbursing officers of the Army of the United States and for the settlement of individual claims approved by the War Department.

On June 24, 1940:

H. R. 8668. An act making appropriations for the fiscal year ending June 30, 1941, for civil functions administered by the War Department, and for other purposes;

H. R. 9117. An act to eliminate the tax on brandy and wine spirits used in the fortification of wine; to increase the tax on wine; to compensate for the loss of revenue occasioned by the elimination of the tax on brandy and wine spirits used in the fortification of wine; and for other purposes; and

H. R. 9909. An act to amend sections 2803 (c) and 2903 of the Internal Revenue Code.

On June 25, 1940:

H. R. 1827. An act to allow moving expenses to employees in the Railway Mail Service;

H. R. 5982. An act for the protection against unlawful use of the badge, medal, emblem, or other insignia of veterans' organizations incorporated by act of Congress, and providing penalties for the violation thereof;

H. R. 8202. An act making appropriations for the Department of Agriculture for the fiscal year ending June 30, 1941, and for other purposes;

H. R. 9958. An act to authorize the purchase by the Reconstruction Finance Corporation of stock of Federal home-loan banks; to amend the Reconstruction Finance Corporation Act, as amended, and for other purposes; and

H. R. 10039. An act to provide for the expenses of national preparedness by raising revenue and issuing bonds, to provide a method for paying for such bonds, and for other purposes.

On June 26, 1940:

H. R. 3774. An act for the relief of Albert L. Barnholtz;

H. R. 3964. An act for the relief of H. S. Wayman;

H. R. 6095. An act for the relief of Wilbur P. Riddlesbarger and Josephine Riddlesbarger;

H. R. 6967. An act for the relief of Thomas Boyd;

H. R. 9007. An act making appropriations for the Department of Labor, the Federal Security Agency, and related independent agencies, for the fiscal year ending June 30, 1941, and for other purposes;

H. R. 9296. An act to authorize the attendance of the Marine Band at the convention of the Grand Army of the Republic to be held at Springfield, Ill., September 8 to 13, inclusive, 1940;

H. R. 10055. An act making supplemental appropriations for the national defense for the fiscal year ending June 30, 1941, and for other purposes; and

H. J. Res. 544. Joint Resolution making appropriations for work relief and relief, for the fiscal year ending June 30, 1941.

On June 27, 1940:

H. R. 10104. An act making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1940, and prior fiscal years, to provide supplemental appropriations for the fiscal years ending June 30, 1940, and June 30, 1941, and for other purposes.

On June 28, 1940:

H. R. 5138. An act to prohibit certain subversive activities; to amend certain provisions of law with respect to the admission and deportation of aliens; to require the fingerprinting and registration of aliens; and for other purposes;

H. R. 9139. An act to amend an act entitled "An act to establish a uniform system of bankruptcy throughout the United States," approved July 1, 1898, and acts amendatory thereof and supplementary thereto; and

H. R. 9822. An act to expedite national defense, and for other purposes.

On June 29, 1940:

H. R. 8450. An act to extend for 2 additional years the reduced rates of interest on Federal land bank and land bank commissioner loans.

EXCESS PROFITS (H. DOC. NO. 854)

The SPEAKER laid before the House the following message from the President of the United States, which was read, and referred to the Committee on Ways and Means and ordered printed:

To the Congress of the United States:

We are engaged in a great national effort to build up our national defenses to meet any and every potential attack.

We are asking even our humblest citizens to contribute their mite.

It is our duty to see that the burden is equitably distributed according to ability to pay so that a few do not gain from the sacrifices of the many.

I, therefore, recommend to the Congress the enactment of a steeply graduated excess-profits tax, to be applied to all individuals and all corporate organizations without discrimination.

FRANKLIN D. ROOSEVELT.

THE WHITE HOUSE, *July 1, 1940.*

MARGARET REDMOND—VETO MESSAGE (H. DOC. NO. 855)

The SPEAKER also laid before the House the following message from the President of the United States, which was read:

To the House of Representatives:

I am returning herewith, without approval, H. R. 2014, entitled "An act for the relief of Margaret Redmond."

The bill would direct the payment of $5,257.50 to Margaret Redmond, widow of James Redmond, as back pension allegedly due the veteran, under the pension laws applicable to veterans of Indian wars, for the period extending from December 1, 1923, to September 30, 1935, it being contended

that the veteran executed an application for pension in the month of December 1923, and that said application was lost or mislaid without fault on his part.

The only application of James Redmond for pension on file in the Veterans' Administration, to which the records of the former Pension Bureau were transferred in 1930, is an application filed on September 30, 1935, on account of which an award was approved in the amount of $50 per month. Subsequently, the veteran contended that he should have been allowed a pension from March 4, 1917, for the reason that he had previously made an application for such benefit in the year 1923. However, the alleged application of 1923 was not mailed by the claimant to the then Pension Bureau. He alleged that he merely filled out the application in the office of a Congressman and depended upon the particular Representative to forward such application to the proper Government department. A thorough search has failed to reveal the existence of this application and there is no correspondence of record showing that inquiry had been made by the veteran, or those interested in his behalf, as to why benefits had not been paid. He also failed to produce the customary notification card or other satisfactory evidence showing that an application had been received by the Pension Bureau. Furthermore, the veteran stated in his application of September 1935, that he had not previously made a claim for pension. A period of over 12 years elapsed between the time the veteran alleged he filed an application until his application of September 1935 was received.

In view of the determinations made in this case, including that of the Board of Veterans' Appeals, that there is a total absence of any official information to establish the fact that the veteran submitted a properly executed application for pension in 1923, or at any time other than September 30, 1935, I am of the opinion that approval of the bill is not justified.

It is in order to point out that soon after the veteran's death in 1936, Mrs. Margaret Redmond, the veteran's widow and beneficiary under the bill, filed a claim for and was awarded a pension in the amount of $30 per month, which pension is being currently paid.

FRANKLIN D. ROOSEVELT.

THE WHITE HOUSE, *July 1, 1940.*

The SPEAKER. The message of the President will be spread at large upon the Journal.

Mr. WOOD. Mr. Speaker, I move that the message and bill be referred to the Committee on War Claims and ordered printed.

The motion was agreed to.

REPORT OF UNITED STATES DELAWARE VALLEY TERCENTENARY COMMISSION (H. DOC. NO. 856)

The SPEAKER also laid before the House the following message from the President of the United States, which was read, and, with the accompanying papers, referred to the Committee on Foreign Affairs and ordered printed:

To the Congress of the United States:

In compliance with the request of the United States Delaware Valley Tercentenary Commission, which was established in accordance with the provisions of Public Resolution No. 102, Seventy-fourth Congress, approved June 5, 1936, and extended under Public Resolution No. 71, Seventy-fifth Congress, approved August 25, 1937, I transmit herewith the Commission's report setting forth the incidents and activities in connection with the celebration which was held at Wilmington, Del., Philadelphia, Pa., and Swedesboro and Salem, N. J., in the year 1938.

FRANKLIN D. ROOSEVELT.

THE WHITE HOUSE, *July 1, 1940.*

REDUCTION OF POLLUTION, OHIO RIVER DRAINAGE BASIN

Mr. SPENCE. Mr. Speaker, I ask unanimous consent for the present consideration of the bill S. 3617, granting the consent and approval of Congress to an interstate compact relating to control and reduction of pollution in the Ohio River drainage basin, which I send to the desk.

The SPEAKER. Is there objection?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That the consent and approval of Congress is hereby given to an interstate compact relating to the control and reduction of the pollution of the streams of the Ohio River drainage basin negotiated and entered into or to be entered into under authority of Public Resolution No. 104, Seventy-fourth Congress, approved June 8, 1936, and now ratified by the States of New York, Illinois, Kentucky, and Indiana, and by the State of Ohio (whose ratification is to go into effect at the time at which the States of New York, Pennsylvania, and West Virginia enter into said compact as parties and signatory States), also by the State of West Virginia (whose ratification is to go into effect at the time at which the States of New York, Ohio, Virginia, and Pennsylvania enter into said compact as parties and signatory States), which compact reads as follows:

"SECTION 1.—

"OHIO RIVER VALLEY WATER SANITATION COMPACT

"BETWEEN THE STATES OF ILLINOIS, INDIANA, KENTUCKY, NEW YORK, OHIO, PENNSYLVANIA, TENNESSEE, AND WEST VIRGINIA

"Pursuant to authority granted by an act of the 74th Congress of the United States, Public Resolution 104, approved June 8, 1936, conferences of delegates appointed to draft the compact were held at Cincinnati, Ohio, on November 20, 1936; January 17, 1938; May 24, 1938; June 13, 1938; October 11, 1938.

"Whereas, a substantial part of the territory of each of the signatory states is situated within the drainage basin of the Ohio River; and

"Whereas, the rapid increase in the population of the various metropolitan areas situated within the Ohio drainage basin, and the growth in industrial activity within that area, have resulted in recent years in an increasingly serious pollution of the waters and streams within the said drainage basin, constituting a grave menace to the health, welfare, and recreational facilities of the people living in such basin, and occasioning great economic loss; and

"Whereas, the control of future pollution and the abatement of existing pollution in the waters of said basin are of prime importance to the people thereof, and can best be accomplished through the cooperation of the States situated therein, by and through a joint or common agency;

Now, therefore, the States of Illinois, Indiana, Kentucky, New York, Ohio, Pennsylvania, Tennessee, and West Virginia do hereby covenant and agree as follows:

"ARTICLE I

"Each of the signatory States pledges to each of the other signatory States faithful cooperation in the control of future pollution in and abatement of existing pollution from the rivers, streams, and waters in the Ohio River Basin which flow through, into, or border upon any of such signatory States, and in order to effect such object, agrees to enact any necessary legislation to enable each such State to place and maintain the waters of said basin in a satisfactory sanitary condition, available for safe and satisfactory use as public and industrial water supplies after reasonable treatment, suitable for recreational usage, capable of maintaining fish and other aquatic life, free from unsightly or malodorous nuisance due to floating solids or sludge deposits, and adaptable to such other uses as may be legitimate.

"ARTICLE II

"The signatory States hereby create a district to be known as the 'Ohio River Valley Water Sanitation District,' hereinafter called the District, which shall embrace all territory within the signatory States, the water in which flows ultimately into the Ohio River or its tributaries.

"ARTICLE III

"The signatory States hereby create the 'Ohio River Valley Water Sanitation Commission,' hereinafter called the Commission, which shall be a body corporate, with the powers and duties set forth herein, and such additional powers as may be conferred upon it by subsequent action of the respective legislatures of the signatory States or by act or acts of the Congress of the United States.

"ARTICLE IV

"The Commission shall consist of three commissioners from each State, each of whom shall be a citizen of the State from which he is appointed, and three commissioners representing the United States Government. The commissioners from each State shall be chosen in the manner and for the terms provided by the laws of the States from which they shall be appointed, and any commissioner may be removed or suspended from office as provided by the law of the State from which he shall be appointed. The commissioners representing the United States shall be appointed by the President of the United States, or in such other manner as may be provided by Congress. The commissioners shall serve without compensation, but shall be paid their actual expenses incurred in and incident to the performance of their duties; but nothing herein shall prevent the appointment of an officer or employee of any State or of the United States Government.

"ARTICLE V

"The Commission shall elect from its number a chairman and vice chairman, and shall appoint, and at its pleasure remove or discharge, such officers and legal, clerical, expert, and other assistants as may be required to carry the provisions of this compact into effect, and shall fix and determine their duties, qualifications, and compensation. It shall adopt a seal and suitable bylaws, and shall adopt and promulgate rules and regulations for its management and control. It may establish and maintain one or more offices within the District for the transaction of its business, and may meet at any time or place. One or more commissioners from a majority of the member States shall constitute a quorum for the transaction of business.

"The Commission shall submit to the Governor of each State, at such time as he may request, a budget of its estimated expenditures for such period as may be required by the laws of such State for presentation to the legislature thereof.

"The Commission shall keep accurate books of account, showing in full its receipts and disbursements, and said books of account shall be open at any reasonable time to the inspection of such representatives of the respective signatory States as may be duly constituted for that purpose.

"On or before the first day of December of each year, the Commission shall submit to the respective Governors of the signatory States a full and complete report of its activities for the preceding year.

"The Commission shall not incur any obligations of any kind prior to the making of appropriations adequate to meet the same; nor shall the Commission pledge the credit of any of the signatory States, except by and with the authority of the legislature thereof.

"ARTICLE VI

"It is recognized by the signatory States that no single standard for the treatment of sewage or industrial wastes is applicable in all parts of the District due to such variable factors as size, flow, location, character, self-purification, and usage of waters within the District. The guiding principle of this compact shall be that pollution by sewage or industrial wastes originating within a signatory State shall not injuriously affect the various uses of the interstate waters as hereinbefore defined.

"All sewage from municipalities or other political subdivisions, public or private institutions, or corporations, discharged or permitted to flow into these portions of the Ohio River and its tributary waters which form boundaries between, or are contiguous to, two or more signatory States, or which flow from one signatory State into another signatory State, shall be so treated, within a time reasonable for the construction of the necessary works, as to provide for substantially complete removal of settleable solids, and the removal of not less than 45 percent of the total suspended solids; provided that, in order to protect the public health or to preserve the waters for other legitimate purposes, including those specified in article I, in specific instances such higher degree of treatment shall be used as may be determined to be necessary by the Commission after investigation, due notice, and hearing.

"All industrial wastes discharged or permitted to flow into the aforesaid waters shall be modified or treated, within a time reasonable for the construction of the necessary works, in order to protect the public health or to preserve the waters for other legitimate purposes, including those specified in article I, to such degree as may be determined to be necessary by the Commission after investigation, due notice, and hearing.

"All sewage or industrial wastes discharged or permitted to flow into tributaries of the aforesaid waters situated wholly within one State shall be treated to that extent, if any, which may be necessary to maintain such waters in a sanitary and satisfactory condition at least equal to the condition of the waters of the interstate stream immediately above the confluence.

"The Commission is hereby authorized to adopt, prescribe, and promulgate rules, regulations, and standards for administering and enforcing the provisions of this article.

"ARTICLE VII

"Nothing in this compact shall be construed to limit the powers of any signatory State, or to repeal or prevent the enactment of any legislation or the enforcement of any requirement by any signatory State, imposing additional conditions and restrictions to further lessen or prevent the pollution of waters within its jurisdiction.

"ARTICLE VIII

"The Commission shall conduct a survey of the territory included within the District, shall study the pollution problems of the District, and shall make a comprehensive report for the prevention or reduction of stream pollution therein. In preparing such report, the Commission shall confer with any national or regional planning body which may be established, and any department of the Federal Government authorized to deal with matters relating to the pollution problems of the District. The Commission shall draft and recommend to the Governors of the various signatory States uniform legislation dealing with the pollution of rivers, streams and waters, and other pollution problems within the District. The Commission shall consult with and advise the various States, communities, municipalities, corporations, persons, or other entities with regard to particular problems connected with the pollution of waters, particularly with regard to the construction of plants for the disposal of sewage, industrial and other waste. The Commission shall, more than 1 month prior to any regular meeting of the legislature of any State which is a party thereto, present to the Governor of the State its recommendations relating to enactments to be made by any legislature in furthering the intents and purposes of this compact.

"ARTICLE IX

"The Commission may from time to time, after investigation and after a hearing issue an order or orders upon any municipality, corporation, person, or other entity discharging sewage or industrial waste into the Ohio River or any other river, stream or water, any part of which constitutes any part of the boundary line between any two or more of the signatory States, or into any stream any part of which flows from any portion of one signatory State through any portion of another signatory State. Any such order or orders may prescribe the date on or before which such discharge shall be wholly or partially discontinued, modified or treated or otherwise disposed of. The Commission shall give reasonable notice of the time and place of the hearing to the municipality, corporation or other entity against which such order is proposed. No such order shall go into effect unless and until it receives the assent of at least a majority of the commissioners from each of not less than a majority of the signatory States; and no such order upon a municipality, corporation, person or entity in any State shall go into effect unless and until it receives the assent of not less than a majority of the commissioners from such state.

"It shall be the duty of the municipality, corporation, person or other entity to comply with any such order issued against it or him by the Commission, and any court of general jurisdiction or any United States district court in any of the signatory States shall have the jurisdiction, by mandamus, injunction, specific performance or other form of remedy, to enforce any such order against any municipality, corporation or other entity domiciled or located within such State or whose discharge of the waste takes place within or adjoining such State, or against any employe, department or subdivision of such municipality, corporation, person or other entity; provided, however, such court may review the order and affirm, reverse or modify the same upon any of the grounds customarily applicable in proceedings for court review of administrative decisions. The Commission or, at its request, the Attorney General or other law enforcing official, shall have power to institute in such court any action for the enforcement of such order.

"ARTICLE X

"The signatory States agree to appropriate for the salaries, office and other administrative expenses, their proper proportion of the annual budget as determined by the Commission and approved by the Governors of the signatory States, one-half of such amount to be prorated among the several States in proportion to their population within the District at the last preceding federal census, the other half to be prorated in proportion to their land area within the District.

"ARTICLE XI

"This compact shall become effective upon ratification by the legislatures of a majority of the States located within the District and upon approval by the Congress of the United States; and shall become effective as to any additional States signing thereafter at the time of such signing."

SEC. 2. Without further submission of said compact, the consent of Congress is hereby given to the State of Virginia or any other State with waters in the Ohio River drainage basin, entering into said compact as a signatory State and party in addition to the States therein named or any of them.

SEC. 3. The commissioners to represent the United States, as provided in article IV of said compact, shall be appointed by the President.

SEC. 4. The right to alter, amend, or repeal the provisions of section 1 is hereby expressly reserved.

Mr. SPENCE. Mr. Speaker, I offer the following committee amendment, which I send to the desk and ask to have read.

The Clerk read as follows:

Committee amendment: Page 12, line 8, after section 3, insert:

"SEC. 4. Nothing contained in this act or in the compact herein approved shall be considered as impairing or affecting the sovereignty of the United States or any of its rights or jurisdictions in and over the area or waters which are the subject of such compact."

Line 9, page 12, change the figure "4" to the figure "5."

The committee amendments were agreed to.

The bill, as amended, was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider laid on the table.

COST OF RETURNING REMAINS, ETC., OF UNITED STATES EMPLOYEES DYING ABROAD

Mr. COCHRAN. Mr. Speaker, I ask unanimous consent for the present consideration of the bill (S. 3899) to defray the cost of returning to the United States the remains, families,

and effects of officers and employees dying abroad, and for other purposes, which I send to the desk.

The SPEAKER. Is there objection?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That in case any civilian officer or employee of the United States dies (1) while in a travel status away from his official station in the United States or (2) while performing official duties in a Territory or possession of the United States or in a foreign country or in transit thereto or therefrom, the head of the department, independent establishment, agency, or federally owned or controlled corporation, hereinafter called department, in the service of which such officer or employee was engaged, is hereby authorized, under regulations to be prescribed by the President and except as otherwise provided by law, to pay from the appropriation available for the activity in which he was engaged—

(a) In case of the death of the officer or employee in such travel status in the United States, or in the case of the death of the officer or employee while performing official duties in a Territory or possession of the United States or in a foreign country or in transit thereto or therefrom, the expenses of preparing and transporting the remains of such officer or employee to his home or official station or such other place as the head of the department concerned shall determine to be the appropriate place of interment.

(b) In case of the death of the officer or employee while performing official duties in a Territory or possession of the United States or in a foreign country or in transit thereto or therefrom, the transportation expenses of his dependents, including expenses incurred in packing, crating, drayage, and transportation of household effects and other personal property to his former home or such other place as the head of the department shall determine.

SEC. 2. The benefits of section 1 of this act shall not be denied in any case on the ground that the deceased was temporarily absent from duty when death occurred.

SEC. 3. This act shall become effective 60 days after its enactment.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

ACQUISITION OF INDIAN LANDS FOR PARKER DAM

Mr. MURDOCK of Arizona. Mr. Speaker, I ask unanimous consent for the present consideration of the bill (H. R. 9707) for the acquisition of Indian lands for the Parker Dam and Reservoir project, and for other purposes.

The SPEAKER. Is there objection to the request of the gentleman from Arizona?

There was no objection.

Mr. MURDOCK of Arizona. Mr. Speaker, there is a similar Senate bill, S. 3931, and I ask unanimous consent that the Senate bill may be substituted.

The SPEAKER. Without objection, the Clerk will report the Senate bill.

Mr. WOLCOTT. Mr. Speaker, reserving the right to object, is the Senate bill identical with the House bill, H. R. 9707?

Mr. MURDOCK of Arizona. The bills are identical.

Mr. WOLCOTT. The Senate bill is identical with the House committee amendment; is that right?

Mr. MURDOCK of Arizona. That is right.

The SPEAKER. Is there objection?

There being no objection, the Clerk read the Senate bill, as follows:

Be it enacted, etc., That, in aid of the construction of the Parker Dam project, authorized by the act of August 30, 1935 (49 Stat. 1028), there is hereby granted to the United States, its successors and assigns, subject to the provisions of this act, all the right, title, and interest of the Indians in and to the tribal and allotted lands of the Fort Mohave Indian Reservation in Arizona and the Chemehuevi Reservation in California as may be designated by the Secretary of the Interior.

SEC. 2. The Secretary of the Interior shall determine the amount of money to be paid to the Indians as just and equitable compensation for the rights granted under section 1 hereof. Such amount of money shall be paid to the Secretary of the Interior by the Metropolitan Water District of Southern California, a public corporation of the State of California, in accordance with the terms of the contract made and entered into on February 10, 1933, between the United States of America, acting through the Secretary of the Interior, and the Metropolitan Water District of Southern California. In the case of tribal lands, the amount due to the appropriate tribe shall be deposited by the said Secretary in the Treasury of the United States, pursuant to the provisions of the act of May 17, 1926 (44 Stat. 560), as amended. The amounts due individual allottees, their heirs, or devisees shall be deposited by the said Secretary to the credit of the superintendent of the Colorado River Indian Agency, or such other officer as shall be designated by the Secretary, for the credit on the books of the said agency to the accounts of the individual Indians concerned.

SEC. 3. Funds deposited to the credit of the allottees, their heirs, or devisees may be used, in the discretion of the Secretary of the Interior, for the acquisition of other lands and improvements now in Indian ownership, or the construction of improvements for the allottees, their heirs, or devisees whose lands and improvements are acquired under the provisions of this act. Lands so acquired shall be held in the same status as those from which the funds were derived.

SEC. 4. The Secretary of the Interior is hereby authorized to perform any and all acts and to prescribe such regulations as may be deemed appropriate to carry out the provisions of this act.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

A House bill (H. R. 9707) was laid on the table.

EXCHANGE OF NAVAJO INDIAN LANDS, ARIZONA

Mr. MURDOCK of Arizona. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (H. R. 9808) to authorize exchanges of lands within the Navajo Indian Reservation, Ariz.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Arizona?

There was no objection.

Mr. MURDOCK of Arizona. Mr. Speaker, there is an identical Senate bill, S. 3972, which I ask to be substituted.

The SPEAKER. Is there objection?

Mr. SCHAFER of Wisconsin. Mr. Speaker, reserving the right to object, may I ask the gentleman if the House bill, as reported by our Committee on Indian Affairs, is identical with the Senate bill?

Mr. MURDOCK of Arizona. These bills are identical. I have checked them very carefully just a moment ago—H. R. 9808 and S. 3972.

The SPEAKER. Is there objection?

There being no objection, the Clerk read the Senate bill, as follows:

Be it enacted, etc., That the Secretary of the Interior be, and he is hereby, authorized, in his discretion, to exchange tribal lands within the Navajo Indian Reservation in Arizona for privately owned mineral lands of approximately equal value within the boundary of such reservation. Upon conveyance to the United States in trust for the Navajo Indians of the lands being acquired by the United States, the Secretary of the Interior is authorized to issue a patent in fee covering the lands granted in exchange: *Provided*, That the sufficiency of title to all such lands acquired by the United States shall be approved by the Secretary of the Interior.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

A House bill (H. R. 9808) was laid on the table.

ADOPTION OF MINORS BY INDIANS

Mr. ROGERS of Oklahoma. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H. R. 8499) relating to adoption of minors by Indians, with a Senate amendment, and agree to the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment, as follows:

Page 2, line 17, strike out "of" where it appears the first time, and insert "or."

The SPEAKER. Is there objection to the request of the gentleman from Oklahoma?

Mr. TABER. Mr. Speaker, reserving the right to object, is there any member of the minority here who has been consulted about this?

Mr. ROGERS of Oklahoma. The amendment was called to the attention of the committee. It is just a change of the word "of" for the word "or."

Mr. TABER. It was called to the attention of the minority members?

Mr. ROGERS of Oklahoma. Yes. It is just a change of the word "of" to the word "or."

Mr. SCHAFER of Wisconsin. I wish to assure the gentleman that I, a member of the minority on the Indian Affairs Committee, have been consulted. The Senate amendment

does not change the bill. The bill was reported by our committee by a unanimous vote. We shall continue to watch these bills so that nothing will be slipped in.

The SPEAKER. Is there objection?

There was no objection.

The Senate amendment was agreed to.

A motion to reconsider was laid on the table.

LEASING OF RESTRICTED ALLOTMENTS OF DECEASED INDIANS

Mr. ROGERS of Oklahoma. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 8024) to provide for the leasing of restricted allotments of deceased Indians in certain circumstances, and for other purposes, with a Senate amendment, and agree to the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment, as follows:

Line 3, after "leased", insert "except for oil and gas mining purposes."

The SPEAKER. Is there objection?

There was no objection.

The Senate amendment was agreed to.

A motion to reconsider was laid on the table.

EXPLANATION

Mr. HENDRICKS. Mr. Speaker, I ask unanimous consent to proceed for 1 minute.

The SPEAKER. Is there objection?

There was no objection.

Mr. HENDRICKS. Mr. Speaker and Members of the House, I was supposed to have been at the Townsend convention today in St. Louis, and it would have been a very great pleasure to have attended. However, to keep the record straight, I wish to give two reasons why it was impossible to leave Washington at this time: First, the people of this Nation, including my own constituents, have insisted that Congress remain in session during the present crisis in Europe, and for that reason I felt that I should remain as close to my post of duty as possible. The second reason is that the Speaker of the House has informed me that he might recognize us for the suspension of the rules to bring up Senate Concurrent Resolution 40, a resolution dealing with the reimbursement of the people of Florida for losses sustained during the Mediterranean fruitfly campaign. Under the suspension of the rules it takes two-thirds of the Members voting to pass a bill. Senate Concurrent Resolution 40 affects hundreds of constituents in my district, and I am sure that none of them would understand my absence from the Capitol if this resolution is brought up. In addition to this, I have a bill on both the Consent and Private Calendars for today and tomorrow. For these reasons I must forego the pleasure of attending the convention. [Applause.]

[Here the gavel fell.]

EXTENSION OF REMARKS

Mr. LEAVY. Mr. Speaker, I ask unanimous consent to modify the request that I made earlier to extend my remarks, to include therein a copy of a telegram sent by myself to a Legion post, and extracts from editorials, as well as citations from legal authorities.

The SPEAKER. Is there objection?

There was no objection.

PERMISSION TO ADDRESS THE HOUSE

Mr. SHANNON. Mr. Speaker, I ask unanimous consent that on Wednesday, July 3, after the disposition of the legislative program for the day I be permitted to address the House for 30 minutes.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

METROPOLITAN WATER DISTRICT OF SOUTHERN CALIFORNIA

Mr. DEROUEN. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 6831) to authorize the Secretary of the Interior to lease certain of the public lands to the Metropolitan Water District of Southern California for the extraction of sodium chloride for water-conditioning purposes, with Senate amendments and agree to the Senate amendments.

The Clerk read the title of the bill.

Mr. DITTER. Mr. Speaker, reserving the right to object, will the gentleman advise the House whether the minority members have been advised of the request just made?

Mr. DEROUEN. The minority members of the committee have been advised and they are agreeable.

The SPEAKER. Is there objection to the request of the gentleman from Louisiana?

There was no objection.

The Clerk read the Senate amendments, as follows:

Page 2, line 1, after "sodium", insert "solely."

Page 2, line 2, strike out "purposes", and insert "purposes: *Provided*, That nothing in this act shall be construed to empower the said district to produce sodium chloride or any other valuable deposit in said lands for commercial purposes."

The Senate amendments were agreed to.

A motion to reconsider was laid on the table.

EXTENSION OF REMARKS

Mr. HENNINGS. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include therein two editorials from the St. Louis Globe-Democrat.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

TO ENCOURAGE TRAVEL IN THE UNITED STATES

Mr. LEA. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 6884) to encourage travel in the United States, and for other purposes, with a Senate amendment to disagree to the Senate amendment and ask for a conference.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from California? [After a pause.] The Chair hears none and appoints the following conferees: Messrs. LEA, BULWINKLE, and WOLVERTON.

UNITED STATES COMMISSIONERS ON FEDERAL RESERVATIONS

Mr. HOBBS. Mr. Speaker, I ask unanimous consent to return to Calendar No. 867, H. R. 1999, to confer jurisdiction upon certain United States commissioners to try petty offenses committed on Federal reservations. I understand that the gentleman from Wisconsin [Mr. SCHAFER], and the gentleman from Oklahoma [Mr. O'CONNOR] do not desire to press their objections.

Mr. DITTER. Mr. Speaker, reserving the right to object, I must object because I had understood that we had left the calendar and there would be no further requests made to return to the calendar. I have just talked to the gentleman from Michigan who has suggested to me that in his absence he does object to returning to the calendar.

Mr. HOBBS. I hope the gentleman will not press his objection. The vacation season is now upon us and this bill is designed to expedite travel in the national parks. It is not a bill of any moment.

Mr. DITTER. I wonder if the gentleman will not withhold his request temporarily until we dispose of the suspension that is coming up.

Mr. HOBBS. Certainly. Mr. Speaker, I withdraw my request for the time being.

WORLD WAR ARMY, NAVY, AND MARINE CORPS OFFICERS

Mr. EDMISTON. Mr. Speaker, I move to suspend the rules and pass the bill (S. 134) providing for continuing retirement pay, under certain conditions, of officers and former officers of the Army, Navy, and Marine Corps of the United States, other than officers of the Regular Army, Navy, or Marine Corps, who incurred physical disability while in the service of the United States during the World War, and for other purposes as amended.

The Clerk read the title of the bill.

The Clerk read the amended bill, as follows:

Be it enacted, etc., That, notwithstanding the provisions of any law of the United States, any person who served as an officer of the Army, Navy, or Marine Corps of the United States during the World War, other than as an officer of the Regular Army, Navy, or Marine Corps during the World War, who made valid application for retire-

ment under the provisions of Public Law No. 506, Seventieth Congress, enacted May 24, 1928 (U. S. C., Supp. VII, title 38, secs. 581 and 582), and who prior to the passage of this act has been granted retirement with pay and is shown to have been heretofore correctly rated, shall be entitled to continue to receive retirement pay at the monthly rate paid him on March 19, 1933, if the disability for which he has been retired resulted from disease or injury or aggravation of a preexisting disease or injury incurred in such service in fact in line of duty and directly resulting from the performance of duty: *Provided*, That such person rendered active service as a commissioned officer within the period between April 6, 1917, and November 11, 1918: *Provided further*, That where the disability is now or hereafter determined to be clearly shown by all of the evidence to have been incurred in or aggravated by active service, in fact in line of duty without benefit of any statutory or regulatory presumption of any kind, it will be considered to have directly resulted from performance of duty: *Provided further*, That the Administrator of Veterans' Affairs is hereby authorized and directed to adjudicate claims for emergency officers' retirement in accordance with the provisions of the act of May 24, 1928 (Public Law No. 506, 70th Cong.), subject to limitations contained in section 10 of the act of March 20, 1933 (Public Law No. 2, 73d Cong.), as modified by the provisions of this act, in any case where the disability resulted from injury or disease incurred in combat with an enemy of the United States, and where entitlement is established based upon such injury or disease the Administrator of Veterans' Affairs is hereby authorized to grant retirement with pay as provided in the said act of May 24, 1928, notwithstanding the failure of the person to file claim within the period required by said act of May 24, 1928.

SEC. 2. No beneficiary under this act shall receive any retirement pay for any period prior to the date of this act.

SEC. 3. That subsection (b) of section 212 of Public Law No. 212, Seventy-second Congress, shall be amended to read as follows:

"(b) This section shall not apply to any person whose retired pay, plus civilian pay, amounts to less than $3,000: *Provided*, That this section shall not apply to Regular or emergency commissioned officers retired for disability incurred in combat with an enemy of the United States or for disabilities resulting from an explosion of an instrumentality of war in line of duty during an enlistment or employment as provided in Veterans Regulation No. 1 (a), part I, paragraph I."

The SPEAKER pro tempore (Mr. COOPER). Is a second demanded? [After a pause.] If not, the Chair will put the question.

The question is, Shall the rules be suspended and the bill pass?

The question was taken; and two-thirds having voted in favor thereof, the rules were suspended and the bill was passed.

A motion to reconsider and a similar House bill (H. R. 483) were laid on the table.

UNITED STATES COMMISSIONERS ON FEDERAL RESERVATIONS

Mr. HOBBS. Mr. Speaker, I renew my request to return to Calendar No. 867, H. R. 1999, to confer jurisdiction upon certain United States commissioners to try petty offenses committed on Federal reservations.

The SPEAKER. Is there objection to the request of the gentleman from Alabama?

There was no objection.

Mr. HOBBS. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Alabama?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That any United States commissioner specially designated for that purpose by the court by which he was appointed shall have jurisdiction to try and, if found guilty, to sentence persons charged with petty offenses against the law, or rules and regulations made in pursuance of law, committed in any place over which the Congress has exclusive power to legislate or over which the United States has concurrent jurisdiction, and within the judicial district for which such commissioner was appointed. The probation laws shall be applicable to persons so tried before United States commissioners. For the purposes of this act the term "petty offense" shall be defined as in section 335 of the Criminal Code (U. S. C., title 18, sec. 541). If any person charged with such petty offense shall so elect, however, he shall be tried in the district court of the United States which has jurisdiction over the offense. The commissioner before whom the defendant is arraigned shall apprise the defendant of his right to make such election and shall not proceed to try the case unless the defendant, after being so apprised, signs a written consent to be tried before the commissioner.

SEC. 2. In all cases of conviction by United States commissioners an appeal shall lie from the judgment of the commissioner to the district court of the United States for the district in which the offense was committed. The Supreme Court shall prescribe rules of procedure and practice for the trial of cases before commissioners and for taking and hearing of appeals to the said district courts of the United States.

SEC. 3. United States commissioners specially designated under authority of section 1 of this act shall receive for services rendered under this act the same fees, and none other, as provided for like or similar services in other cases under section 21 of the act of May 28, 1896 (29 Stat. 184; U. S. C., title 28, sec. 597).

SEC. 4. This act shall not be construed as in any way repealing or limiting the existing jurisdiction, power, or authority of United States commissioners, including United States commissioners appointed for the several national parks and United States commissioners in Alaska.

SEC. 5. The provisions of this act shall not apply to the District of Columbia.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

The SPEAKER pro tempore. Under a previous special order, the gentleman from Texas [Mr. JONES] is recognized for 30 minutes.

THE LAND—OUR ULTIMATE SECURITY

OUTLINE

Mr. JONES of Texas. Mr. Speaker, at the close of the decade ending with 1932, what did the farmers of America have?

They had the Farm Board and the panic.

What has been done for them since that time?

They have:

First, the soil and water conservation program.

Second, the lowest farm interest rates in our history.

Third, rural electrification.

Fourth, marketing agreements.

Fifth, commodity loans.

Sixth, parity payments.

Seventh, research into new uses and new markets.

Eighth, the stamp plan and distribution of surplus commodities.

Six million farmers are voluntarily cooperating in the various wings of the program.

Would anyone advocate the repeal of any of these acts?

OUR GREATEST INDUSTRY

Mr. Speaker, farming is as old as history. It was the original occupation of man. It produces the basic essentials of practically all other activities. "When tillage begins, the other arts follow. The farmers, therefore, are the founders of human civilization."

It need no longer be argued that the permanent success of industry is linked with the success of the producer. That is now accepted as axiomatic.

The business of farming is the largest individual business in America. Thirty million people produce billions in the value of cattle, sheep, hogs, and great quantities of corn, wheat, cotton, barley, rice, flax, and more than 100 other commodities. In value, volume, and number of people affected, it surpasses any other industry in our land.

For more than 100 years, legislation has been enacted in favor of various groups, and business practices have added to the cost of the farmers' supplies. Tariffs, trade barriers, wage scales, trusts, monopolies, transportation costs, and many other laws and practices have interfered with his original freedom of operation. Out of these things has grown the farm problem.

A remedy must be applied. It should be broad enough to cover the entire field. It is not a simple assignment. The scores of commodities require different methods, different facilities, different marketing, different forms of credit, and different approaches to the problem.

It is easy to criticize. It is difficult to construct. Just what has been done within the last few years?

SOIL CONSERVATION

In the first place, we have adopted a program of conserving and rebuilding the soil. Every man, woman, and child in America, in the long road of the future, is vitally interested in this program. A simple visit to the broken or worn-out soils of some of the older countries is a tragic lesson in the value of productive land. Anyone who will visit the north central and the great western, as well as the southern por-

tions of our country cannot fail to be impressed with the marvelous work that has been done on millions of acres of American soil. This area constitutes the source of our food and clothing material. On this the future life of our Nation depends.

I think this activity should be made more strictly a soil-conserving and soil-building program. But does any thoughtful person want to repeal this phase of the law and thus end this great conservation program?

INTEREST RATES

Second. We established the Farm Credit Administration which covers all types of agricultural credit. More farmers were refinanced in the first 4 years of this activity than in the 16 previous years of the land banks' history. These were refinanced at the lowest farm interest rates that have ever prevailed in this or any other great country. In addition cooperatives have been financed. The Production Credit Corporation and the Crop Loan activities have financed the current credit needs of agriculture. These credit needs have been financed and are now being financed at the lowest agricultural interest rates in our history.

High interest rates have been the curse of the farmer for generations. They have kept him in debt. The low interest rates are provided not to get him into debt. They have been provided primarily to enable him to pay his obligations, to get him out of debt, and thus enable him at last to be free—free to pitch his crops in their season, to grow them in independence, and "to sell them in his own chosen markets in his own time and manner, and not at a master's bidding"—yes, free as the air he breathes, free as the country he loves, free as the hills and valleys to which he feels himself akin and which he calls his own.

MARKETING AGREEMENTS

Third. We have the marketing-agreement provision under which on a district, regional, or national basis producers may secure marketing agreements establishing prices and apportioning the market for the respective commodities on a fair basis.

There are now in effect 43 different marketing agreements covering 16 different commodities, and in many instances covering different types of each commodity. Milk and its products, fruits and vegetables, and many different activities are included. These marketing agreements now in operation affect 1,300,000 farmers.

RURAL ELECTRIFICATION

Fourth. We have the Rural Electrification Administration. At the time it began to function about 10 percent of the farms in America had the advantage of electricity. Most of these were small farms near city plants. Now more than 25 percent of the farms of America have the advantages of electricity. For the 5-year span the increase has been nearly 200,000 electrified farms per year, or a total increase of nearly a million farms.

Produced in volume, electricity is one of the cheapest commodities in all the world. It is one of the most powerful and one of the most useful of all of the elements that have ever been harnessed to relieve the drudgery of man. Since the dawn of history the farmer has been engaged in hard, back-breaking work, covering long hours. In this work the women and children of the rural areas have been called upon to engage. Under this program this work has been greatly lightened. Electric irons, radios, ranges, vacuum cleaners, washing machines, bathroom facilities have been installed, and business increased in many lines of industry, as well as new hope and joy brought to many thousands of homes. What a superb accomplishment. Would anyone pronounce this work a failure or desire to end its fine accomplishments? I want to see an electrified America.

COMMODITY LOANS

Fifth. We have provided commodity loans for all agricultural commodities to prevent complete price collapse which always comes when surplus production of a commodity gluts the market. This enables the commodity to be tided over until the market can normally absorb it.

WATER USE

Sixth. We have enacted the Water Facilities Act, which provides for the utilizing of water in the Great Plains area near where it falls, thus treating water as a blessing instead of a curse.

For many years by building levees down near the mouth of the great streams, we tried to channel the water into the sea, thus working against nature with the consequent result that the beds of the streams became filled up above the surrounding valleys, and bringing about periodic floods that destroy the homes and properties of many people living in those valleys.

By starting at the sources and utilizing the water, holding it where it falls and in the tributary streams, water is being made to serve a great and useful purpose. Thus by working with nature from the time the water falls as rain, following it down through the tributary streams and on to the sea, the double purpose can be served of making use of this great essential of nature and at the same time preventing many of the great floods that have caused broken homes and cost millions of treasure.

HOMES

Seventh. We have established the home-purchase program, which provides a method of purchase and payment of family-sized farms on a long-time amortization basis. No one can deny the value of a home in adding strength to our national life. Communism and the various other "isms" can gain little foothold among a home-owning citizenship. This program strikes deep at the heart of our national security. Contact with the soil adds a vital spark to the patriotism of the people.

PRICE AND INCOME

Eighth. The most important element in any farm program is the price of the product and the income of the farmer. The price of the product is too low. Much remains to be done along this line. Even so, we have come a long way from the days of 15-cent corn, 30-cent wheat, and 5-cent cotton that prevailed during the dark days of 1932.

In addition, the cash income of the farmer for the past year has been more than double the cash income of the farmer in the year 1932. Of course, the other wings of the program have helped both in the income and the living standards. Farm buying power was 72 percent greater in 1939 than in 1932. The added purchasing power of the farmer has stimulated industrial activity throughout the land, thus adding greatly to our national income.

There are some 200 basic farm commodities produced within the United States. They differ so widely in their nature, production methods, and marketing conditions that it is difficult to keep the price and income from all of them at a proper level. The changing demands frequently complicate the problem. For instance, the price of hogs is relatively lower than for most other farm commodities. This is partially due to the fact that for several years doctors have recommended the discontinuance of lard as a cooking compound. They have recommended against the use of fried meats. They have frequently recommended that in their diets people refrain from eating pork and pork products. In many homes of our land, lard has fallen into almost complete disuse. This loss of the demand has been a hard blow to the hog producer. You will recall during the war the slogan, "Eat less beef." It took the cattle producer many years after the war to sell the American people again on the thought of eating beef.

In addition, all of the farm commodities, especially those produced in surplus quantities, have been handicapped because of unsettled world conditions and the fact that the purchasing power of other nations has greatly diminished.

During the twenties we artificially sustained our foreign markets for farm and other products by lending more than $8,000,000,000 to foreign countries between 1921 and 1929, for the purpose of stimulating foreign purchases. If a man were running a grocery store, he could maintain a good business by financing the purchases of all his customers, but of course pay day would finally come.

In addition, we further curtailed our world trade by the passage of the ultra high Tariff Act of 1930. The only way foreign nations could possibly pay us the loans or any part

of the loans which we made either during the war or in the 10 years following the war, was by accepting some of their production in exchange. We saw fit to largely exclude foreign products from our markets. In doing so, we struck a tremendous blow to all our commodities which are produced in surplus quantities. A number of our major products fall in this classification.

THE LAND

One of the tragedies connected with the question of price of farm products has been the fact that land speculation has come into the picture every time farm prices have reached anything like a fair basis. This has been true not only in our country but in every other country. It is a historical fact in every country where the rights of private property are recognized. A fair price for farm products is the most vital and essential thing that can be accomplished. In order to prevent the tragic ups and downs and the foreclosures that have always come when depressions have followed booms and land speculation, a land program is essential if we are to approach a solution of the farm problem.

For this reason many of us have advocated all along that soil and other benefit payments should be on a graduated scale and that the amount of them going to any one person, firm, or corporation should be drastically limited. In other words, that the encouragement in this whole field be, insofar as practical, on a family-size basis.

God created the land as man's greatest inheritance. It is essential to life. If one man owned and controlled all of the land in the United States, all other people would be subject to his whims. While land titles are a State matter, the National Government should avoid any action that would tend to place that ownership in fewer hands. The States and counties could assist in this matter by limiting the taxes on small homes.

PRICE FIXING

For many years some have advocated an upset price for farm products. This has been tried in many fields and in many countries, covering hundreds of years. It has never worked out satisfactorily except on a temporary basis. It was first tried nearly 1,700 years ago. Over a period of time it has often worked out to the disadvantage of the ones it was intended to serve.

It may be tried again. It is possible that we have learned some of the difficulties and could make it effective.

I want to say this, however. I feel that it would be absolutely necessary, if such a plan were tried out as to any one or more commodities, to make an individual allotment to the various farms or farmers of that part of the domestic consumption which it would be their privilege to market. Otherwise, too great a portion would be produced on a large-scale basis by mechanized and power farming. If some provision were not made, the tenants would in many instances be driven from the land by the suitcase farmer and those who own or control large tracts and who would produce great quantities of the commodity.

If such a program were fashioned, I think the penalty clauses should be removed so that anyone might produce for the foreign market without restriction.

RESEARCH

Ninth. We have made provision for research into new uses and wider markets for the products of the farm. In the field of chemurgy much can be accomplished. As a matter of fact, a chemical revolution is going on throughout the world. Many new and useful articles are being made out of the basic raw material that is produced on the farm. We have established four great laboratories in the major farm-producing areas of America for the sole purpose of studying new uses of all of the different farm commodities that are grown in our land. When these four great laboratories are in full operation, supplemented by the intensive work that has been provided through the various land-grant colleges and supplemented by the further activity which is being carried on by many of the different States, a wider field of distribution can be achieved. There can be no difference of opinion about the wisdom of this field of activity.

THE CAUSE

More than 160 years ago Thomas Jefferson, whom I regard as the greatest political philosopher who ever lived on earth, wrote the Declaration of Independence. In the first part of that declaration he laid down what I regard as the most basic fundamental of free government, that of equality for all citizens in the application of its laws. His expression, "All men are created equal" has been quoted as often as any phrase in our language.

Just a few years later, while that statement was still fresh in the minds of the people, and after they had won their independence, Alexander Hamilton, the first Secretary of the Treasury, submitted his report on manufactures on December 5, 1791, advocating for the first time in this country the adoption of the principle of protection. This is a very interesting treatise of about 80 pages.

The philosophy of protection was advanced as being in the interest of infant industries, which in no other way, he claimed, could compete with the established industries of the Old World.

I do not accept the political philosophy of Alexander Hamilton, but whatever one may think of his views, he had intellectual integrity. He realized it would be charged that his proposal was in the interest of special groups. He realized that it would be especially burdensome upon the farmer. Hamilton knew that he would be attacked by the other group of political philosophers. In this report he comments on the fact and suggests as a remedy that the farmers be paid a bounty as an offset to the tariff. I quote:

> Bounties are sometimes not only the best but the only proper expedient for uniting the encouragement of a new object of agriculture with that of a new object of manufacture. * * *
>
> It cannot escape notice that a duty upon the importation of an article cannot otherwise aid the domestic production of it than by giving the latter greater advantages in the home market. * * *
>
> The true way to conciliate these two interests is to lay a duty on foreign manufactures of the material the growth of which is desired to be encouraged and to apply the produce of that duty, by way of bounty, either upon the production of the material itself or upon its manufacture at home, or upon both. In this disposition of the thing the manufacturer commences his enterprise under every advantage which is attainable as to quanity or price of the raw material; and the farmer, if the bounty be immediately to him, is enabled by it to enter into a successful competition with the foreign material.

The tariff was not adopted at that time, but a few years later certain groups came together and took one wing of that philosophy. They took the protective wing, but forgot, in their eagerness to secure some advantage, to take up the other wing. The farmer thus became the first forgotten man.

NOT A SUBSIDY

Some of the critics have complained of the amount of money that is being expended on the program and have repeatedly referred to it as a subsidy. Everything that is being expended on every wing of the agricultural program can be fully justified, not as a subsidy but by way of restitution.

The value of manufactured commodities in the United States in the year 1937 was $60,000,000,000. More than 80 percent of these items are protected by the tariff. The average rate of the tariff, reduced to an ad valorem basis, is approximately 36 percent, according to the Tariff Commission. If this tariff is 33⅓ percent effective, it means increased industrial prices of nearly $6,000,000,000; in other words, a subsidy to business of the major portion of that amount.

Producers of what are known as surplus agricultural commodities receive no benefit from the tariff. Cotton farmers, for instance, are in this class. At the same time they assume the burden of increased prices on the articles they must buy.

So long as we have a tariff the surplus-producing farmer is entitled to an offset. This is a right. It is only restoration. Alexander Hamilton, patron saint of the tariff, recognized this fact. Thomas Jefferson wrote the principle of equality into the Declaration of Independence before we had a Constitution.

I am not arguing the merits of the tariff, although I have never believed in the high protective system. I am simply stating that so long as we have that system the surplus-producing farmers should have some provision for placing them on an equality under the law.

THE STAMP PLAN

Tenth. Provision has also been made for widening the distribution of the surplus products of the farm, both at home and abroad, emphasis being placed on widening the distribution of these commodities and the products thereof among low-income groups within our own land.

I am very proud of the fact that the provisions of section 32 were worked out by the members of the House Committee on Agriculture, which provides for a direct appropriation of 30 percent of all tariff collections for the purpose of this section. Under this provision, together with supplemental funds appropriated for the same purpose, the so-called stamp plan has been put into operation.

This plan has proved both effective and popular. It serves a three-way purpose: In the first place, it assists in disposing of our surplus products. Second, it tends to furnish additional food and clothing for the low-income groups in our land. And third, it tends to provide further employment. In truth, it stimulates employment in the regular channel of commerce activity. When an additional bale of cotton is grown and thus distributed, it furnishes additional employment in the plowing, in the planting, cultivating, and picking of the crop; also in the ginning, weaving, garment making, and wholesaling and retailing of the product that is made therefrom. The same is true of a bushel of wheat, a bushel of corn, or of milk and its products, as well as any other useful commodity that is produced on a surplus basis.

I am not quite sure but that it would be wise for some of the work-relief funds to be expended in this way. I am rather impressed with the thought that $100 expended in this fashion would provide more work in the whole field of activity than would be provided by the use of the same sum in direct work relief.

To make available to our own citizens who need them, food and clothing is one of the fine purposes accomplished in this activity. The additional work made possible all along the line is an added argument that is irresistible. Counties and cities throughout our country are clamoring for the advantages of this ideal method of using the basic wealth of our land.

After all our main problem is one of distribution. We have mastered the machinery of production to a far greater degree than we have mastered the machinery of distribution. I have always felt that in the final analysis there has never been in the history of our country an actual surplus.

There has never been a bale of cotton produced but that somewhere, here or abroad, is a man, woman, or child that needs the clothing which that product makes possible. There has never been an article of building material manufactured but that somewhere in this or other lands there is some person who needs the shelter that that commodity can furnish. There has never been a bushel of wheat, a bushel of corn, or any farm commodity grown by the blessings of Mother Nature but that somewhere out yonder under the stars is a hungry mouth that needs to be fed.

I have never believed much in the penalty clauses. They are temporary expedients. They are used only when two-thirds of the farmers producing a commodity feel that they are necessary. In the process of the years we should produce all that the people of our country can use, as well as all that may be appropriately supplied in the markets of the world. Whatever may be necessary to handle the difficulties of the time the major objective must always be a full supply for every need of the human race.

Amid all the divergent opinions, the confusion of suggestions, the wealth, and the multitude of plans we have worked out a program and are improving it from time to time. This effort has crossed party lines and found men who were willing to submerge themselves in the interest of the cause.

WAR CHANGES

The war may bring vast changes in the trade and marketing practices of the world. This may make it necessary to have drastic changes in the farm program, both as to marketing and producing. In the light of these rapidly changing conditions no one can foretell just what legislation may be needed. The Congress will pass the requisite legislation to fit these conditions when they have become settled. But whatever changes may be made necessary the essentials of the present program, to wit, soil and water conservation, low interest rates, research, rural electrification, home ownership, and surplus distribution will remain the basic foundation for the future of American agriculture.

My one message to the American farmer is to stick—stick to those who are honestly trying to find a solution for this great problem. Progress is being made. Six million farmers are now cooperating voluntarily in the various wings of the farm program. Operating as a unit this is a mighty army. Behind the farm program is more than 50 years of discrimination. To remove that discrimination and thus restore our Government to first principles is our primary national duty and is worth the effort of years.

Before you join the anvil chorus ask the farmer if he believes in soil and water conservation, if he believes in the lower interest rates, research, surplus distribution, rural electrification, and marketing agreements. Ask the 6,000,000 farmers who are now complying if they wish to repeal all these acts and again chase the rainbow.

I am not afraid of what their answer will be. [Applause.]

Mr. MURDOCK of Arizona. Will the gentleman yield?

Mr. JONES of Texas. I yield to the gentleman from Arizona.

Mr. MURDOCK of Arizona. In my brief stay in the House of Representatives I have found no Member who has such a broad view and keen analysis of this whole farm situation as has the gentleman who has been addressing us. No Member can surpass him and few equal him in disinterested service to American farmers. [Applause.]

Mr. JONES of Texas. I thank the gentleman.

Mr. MURDOCK of Arizona. I mean every word very sincerely. The best friend which the farmers have in Congress is now facing us in the well of the House. We have listened to a masterly address from him.

I want to recall a point or two, referring to No. 6, for instance, which the gentleman made in regard to water conservation. Out in the West where he and I come from, where water is life, it is not only a matter of storing it on the big waters and little waters of these great river systems to prevent floods, but a matter of conserving it in surface or underground reservoirs to make possible the use of this indestructible element over and over again. We must conserve it and utilize it as if it were lifeblood—and indeed it is very similar to lifeblood.

May I ask a question? Is this wishful thinking on my part or is it possible with the right system that this great, rich country of ours can feed all the American people all they need to eat, and half the world besides, and do it without grinding down our farm labor? Is there a future for our farm people as happy as it is useful?

Mr. JONES of Texas. I agree with the gentleman as to the value of water conservation and with all he has stated in reference to that great western country. In history many times the valley of the Nile has been referred to as a rich country.

There is no spot of its size on earth that is anything like as rich as the valley, the water from which runs into the Mississippi from the various tributary streams that flow into that great river. There are some places in that Great Plains area where the soil is approximately 3 feet deep. I know of no other country, except where the sediment has formed near the mouth of rivers, where there is anything like the depth and richness of soil that prevails in that great western country. What it needs most is a proper use of the water that falls.

We have for many years treated water as a sort of a curse instead of a blessing. We tried to get rid of it. We channeled it to the seas. We built great levees near the mouths of rivers and allowed the sediment to build up the bed of the river higher than the outside territory, thus complicating the problem. The soil gets hard out in the Great Plains areas and when rain comes with a dash, it runs off in these streams. That is a tremendous area. I have seen the Canadian River, for instance, which is nearly dry a good portion of the time in New Mexico and the Panhandle of Texas, become such a roaring current that the Santa Fe Railway for a period of 3 days had to cease running its trains through.

It carried its passengers across on a basket attached to a wire cable. Those fast California trains would come up to one side of the stream and the passengers would be carried across by these baskets.

I think there is a great chance to develop that country so that it can feed the Nation by itself. It is a vast reserve of strength for the Nation.

[Here the gavel fell.]

Mr. PIERCE. Mr. Speaker, I ask unanimous consent that the gentleman's time may be extended 5 minutes.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Oregon [Mr. PIERCE]?

There was no objection.

Mr. PIERCE. Will the gentleman yield?

Mr. JONES of Texas. Mr. Speaker, I yield to the gentleman from Oregon [Mr. PIERCE].

Mr. PIERCE. Did the gentleman notice that the political party meeting in Philadelphia last week resolved that the control of production should be abolished?

Mr. JONES of Texas. Yes.

Mr. PIERCE. What would be the effect if that policy was carried out and there was no control of production of cotton, wheat, and the various articles we have to produce?

Mr. JONES of Texas. There is a great deal of speculation as to what would be the result if industry, having control, controlled its output, and agriculture makes no effort to provide a method of doing so in an emergency. I have always felt that the other program, properly safeguarded, would largely remedy the situation and control was only placed in the bill as a last emergency when surplus piled up to where they could not be properly handled. The difficulty of not having some machinery for control of surpluses is that they get completely out of hand.

Mr. MURDOCK of Arizona. Our critics have condemned us severely, and I believe unjustly, for what they charge as "paying farmers for keeping land out of cultivation." The gentleman envisions a brighter and better future for American agriculture. This system which he supports, with its controls, is by no means an economy of scarcity, is it? The gentleman does not contemplate what would really be a policy of restriction on agricultural productivity, does he?

Mr. JONES of Texas. On the other hand, by linking it with storage reserves it assures against shortage. I never have believed in the philosophy of scarcity. I believe we should grow all that the market both at home and abroad will absorb. But as long as industry has a method of regulating its production, I do not see why the farmer should not have the privilege of doing that in emergency. It can only be done on vote of two-thirds of the farmers.

The law does not provide for pay for keeping land out of cultivation. It provides pay for soil conservation. In order to prevent the one-crop system, it conditions those payments on not putting too much land in any one crop.

Mr. PIERCE. Is it not more necessary now in the face of our lost foreign markets than ever before?

Mr. JONES of Texas. I do not believe anybody can forecast the future, because you cannot forecast conditions. The whole world picture is changing so rapidly that it is pretty difficult to make any predictions.

Mr. PIERCE. May I say to the gentleman that I have served 8 years on the Committee on Agriculture with its chairman, the gentleman from Texas [Mr. JONES], and I wish to say that the farmers of America owe him a debt of gratitude that they can never pay.

Mr. JONES of Texas. I appreciate the gentleman's statement.

[Here the gavel fell.]

Mr. JOHNSON of Oklahoma. Mr. Speaker, I ask unanimous consent that the gentleman be permitted to proceed for 2 additional minutes.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

Mr. JOHNSON of Oklahoma. Mr. Speaker, will the gentleman yield?

Mr. JONES of Texas. I yield to the gentleman from Oklahoma.

Mr. JOHNSON of Oklahoma. I merely wish to join other Members in expressions of admiration and sincere affection for the distinguished chairman of the House Committee on Agriculture. I am sure I express the sentiment of all Members of this body when I say that no other Member has served more devotedly to his duty or has enjoyed a deeper respect from his colleagues than the gentleman from Texas, the chairman of the House Committee on Agriculture. [Applause.] I am sure that all will appreciate his informative and interesting address today. May I add that inasmuch as he is soon to leave this body, where he has served with so much distinction, we shall miss him and his wise counsel very much, and that his promotion to the bench will be an irreparable loss to this House. [Applause.]

Now may I ask the gentleman a question? With reference to the problem of solving the farm surplus, which is undoubtedly one of the most serious problems now facing our farmers, does not the gentleman believe that an extension of the operations of the Federal Surplus Commodities Corporation into every nook and corner of the United States would help solve the problem of surplus farm commodities?

Mr. JONES of Texas. I believe they do a very valuable work in preventing price collapses. Otherwise, when there are overwhelming surpluses, the price simply sinks to ruinous levels.

[Here the gavel fell.]

Mr. MASSINGALE. Mr. Speaker, I ask unanimous consent that the gentleman be permitted to speak for 2 additional minutes.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

Mr. MASSINGALE. Mr. Speaker, will the gentleman yield?

Mr. JONES of Texas. I yield to the gentleman from Oklahoma.

Mr. MASSINGALE. I am very fond of the chairman of the Committee on Agriculture, and I know of his sincere work in behalf of the agricultural classes of the country, but, inasmuch as the gentleman figures on retiring from his legislative career, I should like to know just why he has not been able to bring his committee around to the point where they would agree that there should be price fixing for the essential farm commodities produced in America and consumed in America, so there would be some real security to farm life in the United States.

Mr. JONES of Texas. I should like to take 2 or 3 minutes to discuss that question. I do not know whether or not the gentleman was here when I discussed it briefly a while ago. It is not a simple matter to have price fixing. This remedy may be finally necessary, but it is a very far-reaching step. It would be difficult to tell where to stop. There are many commodities involved. It would be necessary to have penalties against the paying of different prices, or at least the paying of a less price. It would be absolutely necessary, in my judgment, if you had price fixing to have an allotment to the individual farm or farmer, otherwise the suitcase farmer and the mechanized farmer would run away with the ball.

I believe in a higher price for farm commodities, but one of the difficulties in all the nations of the world has been that land speculation comes in and eats up much of the profits of the farmers. There are people with money who can get control. People who have had a hard time, when prices get good and the price of land sometimes goes up, do sell out, and large land holdings develop. For that reason, if we are going to have such a system, if it should ever become necessary, it would be necessary to have a limitation on the amount that anyone may produce for the home market, and also a land program in connection with it.

There are 200 farm commodities. It is difficult to draw a dividing line among them. Then, it will be difficult to stop there because a great many producers of industrial products will want their prices fixed. I do not know whether a price-fixing economy will work out completely. I know that in

many instances where they have tried price fixing it has not worked out to the final benefit of the people. Competing fabrics and products made the field. Also the genius of man invents substitutes and synthetic commodities. It is difficult to force buying. We fixed the railway rates, for instance, and the railways are nearly all broke. It was fine as long as they had a monopoly, but their competitors have come in and invaded the field.

This is not a simple proposition. It has to be studied thoroughly and worked up to gradually. We have many fine things in the present program that should never be abandoned. We should build on solid ground. At any rate, as the gentleman knows, I have been interested in this problem, and have tried to keep an open mind on it. I try not to foreclose on ideas. We are building. We are building for the future. Age-old ideas are being discarded. We must meet new conditions, but we must not lose what we have gained. We must make any changes gradually. We must be sure of the steps we take. I do feel that the present program has accomplished much, and that it is thoroughly justified as the farmers' right in connection with any tariff system the country may adopt. [Applause.]

[Here the gavel fell.]

STREAM-POLLUTION BILL

Mr. MANSFIELD. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. MANSFIELD. Mr. Speaker, on May 1 of last year what is known as the Barkley stream-pollution bill passed the Senate. On March 1 of this year it passed the House with amendments. Conferees have been appointed and have had several meetings. There is one amendment on which the conferees are unable to agree, and that is what is known as the Mundt amendment. I want to give notice that on next Tuesday I expect to call up a privileged resolution asking for the instruction of the House as to what the House conferees shall do with regard to that amendment.

Mr. HINSHAW. Does the gentleman mean tomorrow or a week from tomorrow?

Mr. MANSFIELD. A week from tomorrow. I want to give this notice now so that all parties may have an opportunity to be here.

[Here the gavel fell.]

EXTENSION OF REMARKS

Mr. DARDEN of Virginia. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and to include therein a short newspaper article.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Virginia?

There was no objection.

Mr. HINSHAW. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD on the subject of the bill H. R. 6831, which today was passed by the House.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. FENTON. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and to include therein a short radio address on citizenship by Dr. Ruth Miller Steese, State legislative chairman of the American Legion Auxiliary of Pennsylvania.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

PERMISSION TO ADDRESS THE HOUSE

Mr. PIERCE. Mr. Speaker, I ask unanimous consent that on tomorrow, after the disposition of the Private Calendar and the business on the Speaker's desk, and following any special orders heretofore entered, I may be permitted to address the House for 30 minutes.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Oregon?

There was no objection.

POTOMAC VALLEY CONSERVANCY DISTRICT

Mr. SMITH of Virginia. Mr. Speaker, I ask unanimous consent for the present consideration of the joint resolution (S. J. Res. 222) granting the consent of Congress to the States of Maryland and West Virginia and the Commonwealths of Virginia and Pennsylvania and the District of Columbia as signatory bodies, to enter into a compact for the creation of a Potomac Valley conservancy district and the establishment of the Interstate Commission on the Potomac River Basin.

The Clerk read the title of the Senate joint resolution.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Virginia?

There being no objection, the Clerk read the Senate joint resolution, as follows:

Whereas the State of Maryland, by chapter 320 of its acts of 1939, approved May 3, 1939, and the Commonwealth of Virginia, by chapter 324 of its laws of 1940, approved March 29, 1940, and the Board of Commissioners of the District of Columbia acting pursuant to Public Resolution Numbered 74 of the Seventy-fifth Congress, chapter 891, of the first session, approved August 31, 1937, by resolution adopted April 16, 1940, have approved and desire to enter into a compact to create a Potomac Valley Conservancy District and to establish an Interstate Commission on the Potomac River Basin, to which compact by its terms the State of West Virginia and the Commonwealth of Pennsylvania are empowered to enter, and which compact by its terms becomes effective when ratified by a majority of the five signatory bodies thereto, and approved by the Congress of the United States, and which compact is as follows:

"COMPACT

"Whereas it is recognized that abatement of existing pollution and the control of future pollution of interstate streams can best be promoted through a joint agency representing the several states located wholly or in part within the area drained by any such interstate stream; and

"Whereas the Congress of the United States has given its consent to the States of Maryland and West Virginia, the Commonwealths of Pennsylvania and Virginia, and the District of Columbia to enter into a compact providing for the creation of a conservancy district to consist of the drainage basin of the Potomac River and the main and tributary streams therein, for 'the purpose of regulating, controlling, preventing, or otherwise rendering unobjectionable and harmless the pollution of the waters of said Potomac drainage area by sewage and industrial and other wastes';

"Now therefore the States of Maryland and West Virginia, the Commonwealths of Pennsylvania and Virginia, and the District of Columbia, hereinafter designated signatory bodies, do hereby create the Potomac Valley Conservancy District, thereinafter designated the Conservancy District, comprising all of the area drained by the Potomac River and its tributaries; and also, do hereby create the Interstate Commission on the Potomac River Basin, hereinafter designated the Commission, under the articles of organization as set forth below.

"ARTICLE I

"The Interstate Commission on the Potomac River Basin shall consist of three members from each signatory body and three members appointed by the President of the United States. Said Commissioners, other than those appointed by the President, shall be chosen in a manner and for the terms provided by law of the signatory body from which they are appointed and shall serve without compensation from the Commission but shall be paid by the Commission their actual expenses incurred and incident to the performance of their duties.

"(A) The Commission shall meet and organize within thirty days after the effective date of this compact, shall elect from its number a chairman and vice chairman, shall adopt suitable bylaws, shall make, adopt, and promulgate such rules and regulations as are necessary for its management and control, and shall adopt a seal.

"(B) The Commission shall appoint and, at its pleasure, remove or discharge such officers and legal, engineering, clerical, expert and other assistants as may be required to carry the provisions of this compact into effect, and shall determine their qualifications and fix their duties and compensation. Such personnel as may be employed shall be employed without regard to any civil service or other similar requirements for employees of any of the signatory bodies. The Commission may maintain one or more offices for the transaction of its business and may meet at any time or place within the area of the Conservancy District.

"(C) The Commission shall keep accurate accounts of all receipts and disbursements and shall make an annual report thereof and shall in such report set forth in detail the operations and transactions conducted by it pursuant to this compact. The Commission, however, shall not incur any obligations for administrative or other expenses prior to the making of appropriations adequate to meet the same nor shall it in any way pledge the credit of any of

the signatory bodies. Each of the signatory bodies reserves the right to make at any time an examination and audit of the accounts of the Commission.

"(D) A quorum of the Commission shall, for the transaction of business, the exercise of any powers, or the performance of any duties, consist of at least a majority of the members of the Commission: *Provided, however,* That no action of the Commission relating to policy shall be binding on any one of the signatory bodies unless at least two of the Commissioners from such signatory body shall vote in favor thereof.

"ARTICLE II

"The Commission shall have the power and its duties shall be:

"(A) To coordinate, tabulate, and summarize technical and other data now available, or as shall become available in the future from any source, on the pollution of the streams of the Conservancy District and on the character and conditions of such streams, and to prepare reports thereon annually and at such other times as may be deemed advisable by the Commission.

"(B) To supplement existing information and data, and to secure new data by such investigations, analyses, or other means as may be necessary to secure adequate information on the character and condition of the streams of the Conservancy District as they now exist or may be affected by the future discharge of sewage and industrial and other wastes into the said stream.

"(C) To cooperate with the legislative and administrative agencies of the signatory bodies, or the equivalent thereof, and with other interested commissions and similar organizations for the purpose of promoting uniform laws, rules or regulations for the abatement and control of pollution of streams in the said Conservancy District.

"(D) To disseminate to the public information on the aims and purposes of the Commission and on the harmful and uneconomical results of stream pollution, through the issuance of bulletins, circulars, correspondence, literature and reports.

"(E) To cooperate with other organizations engaged in fact-finding and research activities on the treatment of sewage and industrial wastes or other wastes, and if deemed advisable, to institute and conduct such research and fact-finding activities.

"(F) To make and, if needful from time to time, revise and to recommend to the signatory bodies, reasonable, minimum standards for the treatment of sewage and industrial or other wastes now discharged or to be discharged in the future to the streams of the Conservancy District, and also, for cleanliness of the various streams in the Conservancy District.

"ARTICLE III

"The moneys necessary to finance the Commission in the administration of its business in the Conservancy District shall be provided through appropriations from the signatory bodies and the United States, in the manner prescribed by the laws of the several signatory bodies and of the United States, and in amounts as follows:

"The pro rata contribution shall be based on such factors as population, the amount of industrial and domestic pollution; and a flat service charge, as shall be determined from time to time by the Commission, subject, however, to the approval, ratification and appropriation of such contribution by the several signatory bodies. And, further provided, that the total of such sums from signatory bodies shall not exceed a total of $30,000 per annum.

"ARTICLE IV

"Pursuant to the aims and purposes of this compact, the signatory bodies mutually agree:

"1. Faithful cooperation in the abatement of existing pollution and the prevention of future pollution in the streams of the Conservancy District.

"2. The enactment of adequate and, in so far as is practicable, uniform legislation for the abatement and control of such pollution.

"3. The appropriation of biennial sums on the proportionate basis as set forth in Article III.

"ARTICLE V

"This compact shall become effective immediately after it shall have been ratified by the majority of the legislatures of the States of Maryland and West Virginia, the Commonwealths of Pennsylvania and Virginia, and by the Commissioners of the District of Columbia, and approved by the Congress of the United States: *Provided, however, That this compact shall not be effective as to* any signatory body until ratified thereby.

"ARTICLE VI

"Any signatory body may by legislative act, after one year's notice to the Commission, withdraw from this compact." Now, therefore, be it

Resolved, etc., That the consent of Congress is hereby given to the States of Maryland and West Virginia and the Commonwealths of Virginia and Pennsylvania and the District of Columbia to enter into the compact hereinbefore recited, and to each and every part and article thereof: *Provided,* That nothing contained in such compact shall be construed as impairing or in any manner affecting any right or jurisdiction of the United States in and over the region which forms the subject of this compact.

SEC. 2. The right to alter, amend, or repeal this joint resolution is hereby expressly reserved.

The joint resolution was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

LEAVE OF ABSENCE

By unanimous consent leave of absence was granted as follows:

To Mr. BURCH, indefinitely, on account of illness.

To Mr. BRADLEY of Pennsylvania, indefinitely, on account of illness.

To Mr. CUMMINGS, indefinitely, on account of illness.

To Mr. BUCK, for 3 days, on account of illness.

BILLS AND JOINT RESOLUTIONS PRESENTED TO THE PRESIDENT

Mr. PARSONS, from the Committee on Enrolled Bills, reported that that committee did, on the following dates, present to the President, for his approval, bills and joint resolutions of the House of the following titles:

On June 24, 1940:

H. R. 8202. An act making appropriations for the Department of Agriculture for the fiscal year ending June 30, 1941, and for other purposes;

H. R. 10039. An act to provide for the expenses of national preparedness by raising revenue and issuing bonds, to provide a method for paying for such bonds, and for other purposes; and

H. J. Res. 544. Joint resolution making appropriations for work relief and relief, for the fiscal year ending June 30, 1941.

On June 26, 1940:

H. R. 159. An act to amend an act entitled "An act relating to the naturalization of certain women born in Hawaii," approved July 2, 1932;

H. R. 382. An act for the relief of Gus Roth;

H. R. 1167. An act for the relief of the Black Hills Methodist Hospital, of Rapid City, S. Dak.;

H. R. 1178. An act for the relief of Lester R. Taylor;

H. R. 1846. An act for the relief of Malachy Ryan;

H. R. 2014. An act for the relief of Margaret Redmond;

H. R. 2070. An act for the relief of Edwin Forsman;

H. R. 2083. An act for the relief of Dan Yancey;

H. R. 2106. An act for the relief of Charles Flack;

H. R. 2151. An act for the relief of James P. Bruce, Jr.;

H. R. 2489. An act for the relief of Angie Ward;

H. R. 2513. An act for the relief of C. B. Reagh;

H. R. 2628. An act for the relief of John Engblom;

H. R. 2946. An act for the relief of Naoma Kinder, a minor;

H. R. 3142. An act for the relief of Leland G. Myers;

H. R. 3163. An act for the relief of Rose Bilaitis;

H. R. 3402. An act to authorize the appropriation for payment of the cost of providing additional water for the Wapato Indian irrigation project, Washington;

H. R. 3713. An act for the relief of Joe Carter;

H. R. 3925. An act for the relief of Evelyn L. Ratcliffe;

H. R. 4113. An act for the relief of Maude Sullivan;

H. R. 4142. An act for the relief of Mary Reid Hudson;

H. R. 4148. An act for the relief of Mary S. Arthur, as executrix of the estate of Richard M. Arthur, deceased;

H. R. 4185. An act to repatriate native-born women residents of the United States who have heretofore lost their citizenship by marriage to an alien;

H. R. 4412. An act for the relief of Beatrice Lois Rucker;

H. R. 4587. An act to give the Supreme Court of the United States authority to prescribe rules of pleading, practice, and procedure with respect to proceedings in criminal cases prior to and including verdict, or finding or plea of guilty;

H. R. 5138. An act to prohibit certain subversive activities; to amend certain provisions of law with respect to the admission and deportation of aliens; to require the fingerprinting and registration of aliens; and for other purposes;

H. R. 5156. An act for the relief of Adolph Ernest Helms;

H. R. 5297. An act for the relief of Stanley V. Smith;

H. R. 5388. An act for the relief of Thomas Lewellyn and Drusilla Lewellyn;

H. R. 5424. An act for the relief of Mrs. E. J. McCardle;

H. R. 5569. An act for the relief of Stuart Bastow;

H. R. 5592. An act for the relief of Vernon Atkison;

H. R. 5823. An act for the relief of Morrissey Construction Co.;

H. R. 6145. An act for the relief of Elizabeth L. Riley;

H. R. 6207. An act to amend section 2810 (a), Internal Revenue Code, to exclude petroleum stills from the requirement of registration;

H. R. 6328. An act to amend the Tariff Act of 1930, as amended by section 34 (c) of the Customs Administratove Act of 1938 (U. S. C., 1934 ed., Supp. IV, title 19, sec. 1001, par. 1529 (a));

H. R. 6408. An act to extend the times for commencing and completing the construction of a dam and dike for preventing the flow of tidal waters into North Slough, in Coos County, Oreg.;

H. R. 6443. An act to permit certain aliens whose childhood was spent in the United States, if eligible to citizenship, to become naturalized without filing declaration of intention;

H. R. 6507. An act to provide for leave of absence with pay for any employee of the United States or of the District of Columbia who may be called upon for jury service in any State court of the United States;

H. R. 6572. An act to amend the Merchant Marine Act, 1936, as amended, to provide for marine war-risk insurance and reinsurance and for marine risk reinsurance, and for other purposes;

H. R. 6583. An act for expenditure of funds for cooperation with the public-school board, Cass County, Minn., for the construction, extension, equipment, and improvement of public-school facilities to be available to Indian children in the district;

H. R. 6686. An act for the relief of T. Jack Neal;

H. R. 6730. An act for the relief of Edward P. Glenn, Jr.;

H. R. 6737. An act for the relief of Clarence D. Green;

H. R. 6822. An act for the relief of Eliza Warren and George T. Warren;

H. R. 6889. An act for the relief of Frances M. Hannah;

H. R. 6891. An act for the relief of William M. Irvine;

H. R. 7254. An act authorizing the temporary detail of John L. Savage, an employee of the United States, to service under the Government of the State of New South Wales, Australia, and the Government of the Punjab, India;

H. R. 7343. An act to amend certain laws governing Federal prisoners, and for other purposes;

H. R. 7563. An act for the relief of Salomon Georg Kaufmann; his wife Doris Kaufmann, nee Stern; and their child John Michael Peter Kaufmann;

H. R. 7736. An act authorizing the Secretary of the Interior to issue patents for lands held under color of title;

H. R. 7821. An act for the relief of Anna T. Sifferman Varga;

H. R. 7825. An act for the relief of C. S. Hobson;

H. R. 7865. An act to amend the act for the regulation of the practice of dentistry in the District of Columbia, and for the protection of the people from empiricism in relation thereto, approved June 6, 1892, and acts amendatory thereof;

H. R. 7880. An act for the relief of Edna Emery;

H. R. 7914. An act for the relief of Simon A. Brieger as legal representative of the estate of Thomas Gerald Brieger, a deceased minor;

H. R. 7955. An act for the relief of Louis Rosenstone;

H. R. 8046. An act to amend section 1 of the act entitled "An act for the retirement of employees of the Alaska Railroad, Territory of Alaska, who are citizens of the United States," approved June 29, 1936;

H. R. 8099. An act for the relief of James L. Kinney;

H. R. 8172. An act to amend section 5 of the act of Congress approved June 26, 1906, relative to the Alaska salmon fishery;

H. R. 8252. An act for the relief of John Owen;

H. R. 8285. An act to limit the importation of products made, produced, processed, or mined under process covered by unexpired valid United States patents, and for other purposes;

H. R. 8316. An act authorizing the Secretary of the Interior to sell certain land to the Conconully Cemetery Association;

H. R. 8350. An act permittitng official mail of the Pan American Sanitary Bureau to be transmitted in penalty envelopes;

H. R. 8399. An act to prohibit the receipt, possession, or disposition of money or property feloniously taken from a bank organized or operating under the laws of the United States or any member of the Federal Reserve System;

H. R. 8450. An act to extend for 2 additional years the reduced rates of interest on Federal land bank and land-bank Commissioner loans;

H. R. 8628. An act to amend the Perishable Agricultural Commodities Act, 1930, as amended, to include as a perishable agricultural commodity cherries in brine, and for other purposes;

H. R. 8692. An act to amend the act to regulate the practice of podiatry in the District of Columbia;

H. R. 8708. An act for the relief of Harold C. Preble, naval architect;

H. R. 8815. An act to grant per diem compensation to the appointed members of the Board of Steam and Other Operating Engineers of the District of Columbia, and for other purposes;

H. R. 8910. An act providing for the extension of nonquota status to Frederick Beck;

H. R. 8919. An act to authorize the setting aside of an area within the Canal Zone to preserve and conserve its natural features for scientific study, for providing and maintaining facilities for such study, and for other purposes;

H. R. 9007. An act making appropriations for the Department of Labor, the Federal Security Agency, and related independent agencies, for the fiscal year ending June 30, 1941, and for other purposes;

H. R. 9063. An act authorizing the Administrator of the Federal Works Agency to transfer certain property in San Francisco, Calif., to the city of San Francisco for street purposes;

H. R. 9139. An act to amend an act entitled "An act to establish a uniform system of bankruptcy throughout the United States," approved July 1, 1898, and acts amendatory thereof and supplementary thereto;

H. R. 9299. An act to amend section 10 of chapter 5 of Public Act No. 436, Seventy-third Congress, approved June 19, 1934;

H. R. 9391. An act to amend section 40, National Defense Act, as amended, relating to the organization of the Reserve Officers' Training Corps, so as to provide for an exception with respect to the University of Alaska;

H. R. 9453. An act to provide a license to the Atlantic Refining Co., and for other purposes;

H. R. 9509. An act to extend the times for commencing and completing the construction of a bridge across the Ohio River at or near Shawneetown, Ill.;

H. R. 9594. An act to amend the Soil Conservation and Domestic Allotment Act, as amended, the Agricultural Adjustment Act of 1938, as amended, and for other purposes;

H. R. 9618. An act to extend the times for commencing and completing the construction of a bridge across the Susquehanna River at or near the city of Harrisburg, Pa.;

H. R. 9633. An act to enlarge and extend the power and jurisdiction of the Board of Education over degree-conferring institutions operating within the District of Columbia;

H. R. 9651. An act for the relief of Meier Langermann, his wife, Friederike, and son, Joseph;

H. R. 9765. An act to provide for exercising the right with respect to red-cedar shingles reserved in the trade agreement concluded November 17, 1938, between the United States of America and Canada, and for other purposes;

H. R. 9791. An act to amend the District of Columbia Unemployment Compensation Act;

H. R. 9804. An act to amend and clarify section 6, subsection 2, of the act approved June 1, 1938, known as "Juvenile Court Act of the District of Columbia," and for other purposes;

H. R. 9822. An act to expedite national defense, and for other purposes;

H. R. 9850. An act to expedite the strengthening of the national defense;

H. R. 9864. An act amending the Bankruptcy Act with respect to the basis of property;

H. R. 9896. An act to authorize appropriations for construction at military posts, and for other purposes;

H. R. 9897. An act to authorize the acquisition of additional land for military purposes;

H. R. 9899. An act extending the jurisdiction of the Civil Aeronautics Authority over certain air-mail services, and for other purposes;

H. R. 9907. An act to provide for the recording and releasing of liens by entries on certificates of title for motor vehicles and trailers, and for other purposes;

H. R. 9920. An act authorizing the county of Lawrence, Ohio, to acquire and operate as a unit certain privately owned toll bridges across the Ohio River adjoining such county;

H. R. 9927. An act declaring a forfeiture of certain land heretofore granted by the United States to the board of commissioners of the Orleans Levee District, in the city of New Orleans, State of Louisiana, for levee and street purposes;

H. R. 10009. An act to amend section 13 (d) of the Railroad Unemployment Insurance Act;

H. R. 10055. An act making supplemental appropriations for the national defense for the fiscal year ending June 30, 1941, and for other purposes;

H. R. 10058. An act to amend the act relating to preventing the publication of inventions in the national interest, and for other purposes;

H. R. 10087. An act for the relief of the Continental Aerosurveys Corporation;

H. R. 10104. An act making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1940, and prior fiscal years, to provide supplemental appropriations for the fiscal years ending June 30, 1940, and June 30, 1941, and for other purposes;

H. R. 10112. An act to amend the Immigration Act of 1924 to require aliens admitted into the United States as officials of foreign governments either to maintain their status or to depart from the United States, with the approval of the Secretary of State; and

H. J. Res. 559. Joint resolution authorizing a reduction in the rate of interest to be paid on certain loans and advances made to the District of Columbia by the United States of America through the Public Works Administration.

ADJOURNMENT

Mr. SMITH of Virginia. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 2 o'clock and 32 minutes p. m.) the House adjourned until tomorrow, Tuesday, July 2, 1940, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1809. A letter from the Chairman, Reconstruction Finance Corporation, transmitting a report of the activities and expenditures of the Reconstruction Finance Corporation for the month of May 1940 (H. Doc. No. 852); to the Committee on Banking and Currency and ordered to be printed.

1810. A communication from the President of the United States, transmitting an estimate of appropriation for the United States Maritime Commission to establish the marine and war-risk insurance fund, amounting to $50,000,000, to be immediately available (H. Doc. No. 851); to the Committee on Appropriations and ordered to be printed.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII,

Mr. HALLECK: Committee on Interstate and Foreign Commerce. H. R. 9952. A bill authorizing the Indiana State Toll Bridge Commission to construct, maintain, and operate a toll bridge across the Wabash River at or near Mount Vernon, Posey County, Ind.; without amendment (Rept. No. 2710). Referred to the House Calendar.

Mr. SHAFER of Michigan: Committee on Military Affairs. H. R. 9875. A bill to provide that payments made to States or Territories to aid in the maintenance of disabled veterans in State or Territorial homes shall be used solely for such purpose; without amendment (Rept. No. 2714). Referred to the Committee of the Whole House on the state of the Union.

Mr. MURDOCK of Arizona: Committee on Irrigation and Reclamation. H. R. 10069. A bill to authorize the Secretary of the Interior to accept payment of an annual equitable overhead charge in connection with the repayment contract between the United States and the Strawberry Water Users' Association of Payson, Utah, in full satisfaction of delinquent billings upon the basis of an annual fixed overhead charge, and for other purposes; without amendment (Rept. No. 2715). Referred to the Committee of the Whole House on the state of the Union.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of rule XIII,

Mr. SMITH of Connecticut: Committee on Military Affairs. S. 2686. An act authorizing the reenlistment of John Mudry in the United States Army; without amendment (Rept. No. 2711). Referred to the Committee of the Whole House.

Mr. FADDIS: Committee on Military Affairs. H. R. 8333. A bill for the relief of Ralph W. Daggett, formerly lieutenant, Quartermaster Corps, United States Army; without amendment (Rept. No. 2712). Referred to the Committee of the Whole House.

Mr. SMITH of Connecticut: Committee on Military Affairs. H. R. 5874. A bill to amend the act entitled "An act to recognize the high public service rendered by Maj. Walter Reed and those associated with him in the discovery of the cause and means of transmission of yellow fever," approved February 28, 1929, by including therein the name of Gustaf E. Lambert; without amendment (Rept. No. 2713). Referred to the Committee of the Whole House.

Mr. COFFEE of Washington: Committee on Claims. H. R. 532. A bill for the relief of W. J. Hance; with amendment (Rept. No. 2716). Referred to the Committee of the Whole House.

Mr. LEONARD W. HALL: Committee on Claims. H. R. 716. A bill for the relief of Barbara Healy; with amendment (Rept. No. 2717). Referred to the Committee of the Whole House.

Mr. COFFEE of Washington: Committee on Claims. H. R. 1912. A bill for the relief of the estate of Alfred Batrack; with amendment (Rept. No. 2718). Referred to the Committee of the Whole House.

Mr. KEOGH: Committee on Claims. H. R. 2262. A bill for the relief of Pauline Jenkins and Mable Daugherty; with amendment (Rept. No. 2719). Referred to the Committee of the Whole House.

Mr. LEONARD W. HALL: Committee on Claims. H. R. 3787. A bill for the relief of Nathan and Amelia Rice; with amendment (Rept. No. 2720). Referred to the Committee of the Whole House.

Mr. POAGE: Committee on Claims. H. R. 4441. A bill for the relief of Eleanor Goldfarb; with amendment (Rept. No. 2721). Referred to the Committee of the Whole House.

Mr. GATHINGS: Committee on Claims. H. R. 4571. A bill for the relief of La Vera Hampton; with amendment (Rept. No. 2722). Referred to the Committee of the Whole House.

Mr. WINTER: Committee on Claims. H. R. 5053. A bill for the relief of Fred Walter; with amendment (Rept. No. 2723). Referred to the Committee of the Whole House.

Mr. SASSCER: Committee on Claims. H. R. 5264. A bill for the relief of Maj. Clarence H. Greene, United States Army, retired; with amendment (Rept. No. 2724). Referred to the Committee of the Whole House.

Mr. POAGE: Committee on Claims. H. R. 6060. A bill for the relief of John P. Hart; with amendment (Rept. No. 2725). Referred to the Committee of the Whole House.

Mr. COFFEE of Washington: Committee on Claims. H. R. 6512. A bill for the relief of F. W. Heaton; without amendment (Rept. No. 2726). Referred to the Committee of the Whole House.

Mr. WINTER: Committee on Claims. H. R. 428. A bill for the relief of Edward Workman; with amendment (Rept. No. 2727). Referred to the Committee of the Whole House.

Mr. GATHINGS: Committee on Claims. H. R. 1174. A bill for the relief of Euel Caldwell; with amendment (Rept. No. 2728). Referred to the Committee of the Whole House.

Mr. LEONARD W. HALL: Committee on Claims. H. R. 6457. A bill for the relief of Wallie Motor Co.; without amendment (Rept. No. 2729). Referred to the Committee of the Whole House.

Mr. JENNINGS: Committee on Claims. H. R. 7131. A bill for the relief of C. M. Kiser; with amendment (Rept. No. 2730). Referred to the Committee of the Whole House.

Mr. CRAVENS: Committee on Claims. H. R. 7139. A bill for the relief of Joe L. McQueen; with amendment (Rept. No. 2731). Referred to the Committee of the Whole House.

Mr. WINTER: Committee on Claims. H. R. 7815. A bill for the relief of Boston & Maine Railroad; with amendment (Rept. No. 2732). Referred to the Committee of the Whole House.

Mr. KENNEDY of Maryland: Committee on Claims. H. R. 10141. A bill for the relief of the First National Steamship Co., the Second National Steamship Co., and the Third National Steamship Co.; with amendment (Rept. No. 2733). Referred to the Committee of the Whole House.

Mr. EBERHARTER: Committee on Claims. S. 3308. An act authorizing the Comptroller General of the United States to settle and adjust the claim of Robert E. Newton; without amendment (Rept. No. 2734). Referred to the Committee of the Whole House.

Mr. GATHINGS: Committee on Claims. S. 3354. An act for the relief of Nannie E. Teal; with amendment (Rept. No. 2735). Referred to the Committee of the Whole House.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mrs. O'DAY:

H. R. 10150. A bill to provide for increased immigration visas to children under the age of 14 years into the United States from certain European countries; to the Committee on Immigration and Naturalization.

By Mr. BARRY:

H. R. 10151 (by request). A bill extending patent No. 1,492,972; to the Committee on Patents.

By Mr. FULMER:

H. J. Res. 576. Joint resolution to investigate the apparent monopolistic purchasing of pulp wood by pulp and paper mills under a contract purchase system from farmers and other owners, price fixing of paper and other pulp products under trade-practice rules and regulations, including cost of distribution; to the Committee on Agriculture.

MEMORIALS

Under clause 3 of rule XXII, memorials were presented and referred as follows:

By the SPEAKER: Memorial of the Legislature of the State of Ohio, memorializing the President and the Congress of the United States to consider their House Resolution No. 3, dated June 19, 1940, with reference to adjournment of the Congress of the United States of America; to the Committee on Ways and Means.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. GAVAGAN:

H. R. 10152 (by request). A bill for the relief of Siegfried Heinsfurter; to the Committee on Immigration and Naturalization.

By Mr. KEE:

H. R. 10153. A bill for the relief of Grover C. Pool; to the Committee on Claims.

H. R. 10154. A bill for the relief of Anne P. Clark; to the Committee on Claims.

By Mr. KENNEDY of Maryland:

H. R. 10155 (by request). A bill for the relief of William M. Irvine; to the Committee on Claims.

By Mr. REECE of Tennessee:

H. R. 10156. A bill for the relief of Elmer Wilson; to the Committee on Military Affairs.

H. R. 10157. A bill for the relief of John L. Summers, deceased; to the Committee on Claims.

By Mr. SCHWERT:

H. R. 10158. A bill for the relief of Marian Cichy; to the Committee on Immigration and Naturalization.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

8933. By Mr. KEOGH: Petition of the Chamber of Commerce of the State of New York, concerning Federal taxation for national defense; to the Committee on Military Affairs.

8934. Also, petition of the Chamber of Commerce of the State of New York, favoring the Burke-Wadsworth selective military training; to the Committee on Military Affairs.

8935. Also, petition of the Chamber of Commerce of the State of New York, concerning the Wagner Labor Act revision; to the Committee on Labor.

8936. Also, petition of the United Hatters, Cap, and Millinery Workers, International Union, New York City, endorsing the President's program for national defense and for allied aid; to the Committee on Military Affairs.

8937. Also, petition of the American Committee for the Defense of Lithuania, Brooklyn, N. Y., concerning the withdrawal of recognition extended to the Soviet Union; to the Committee on Foreign Affairs.

8938. Also, petition of the Forty Plus Club of New York, supporting national defense; to the Committee on Military Affairs.

8939. Also, petition of the National Maritime Union of America, New York City, pledging full support and cooperation in building the national defense of the country so that it will be second to none; to the Committee on Military Affairs.

8940. By Mr. LYNCH: Resolution of the Transcontinental & Western Air, Inc., offering cooperation in furtherance of national defense; to the Committee on Military Affairs.

8941. By Mr. TENEROWICZ: Resolution of the Common Council of the city of Hamtramck, Mich., urging passage of House bill 9635, authorizing the organization of a full regiment of colored combat troops as a part of the National Guard of the State of Michigan; to the Committee on Military Affairs.

8942. Also, resolutions of the Wayne County Council, Veterans of Foreign Wars of United States, urging the mobilization and equipment of an antiaircraft regiment of the Michigan National Guard for the Detroit area and equipping the One Hundred and Eighty-second Field Artillery Regiment; to the Committee on Military Affairs.

8943. By the SPEAKER: Petition of M. Mottelson and others of San Francisco, Calif., petitioning consideration of their resolution with reference to foreign affairs; to the Committee on Foreign Affairs.

8944. Also, petition of the Coordinating Council for Peace, San Francisco, Calif., petitioning consideration of their resolution with reference to the national defense program; to the Committee on Military Affairs.

8945. Also, petition of the National Maritime Union of America, New York, N. Y., petitioning consideration of their resolution with reference to foreign affairs; to the Committee on Foreign Affairs.

8946. Also, petition of F. Rogers and others from Chicago, Ill., petitioning consideration of their resolution with reference to foreign affairs; to the Committee on Foreign Affairs.

8947. Also, petition of the General Society Sons of the Revolution, White Plains, N. Y., petitioning consideration of their resolution with reference to the national-defense program; to the Committee on Military Affairs.

8948. Also, petition of the General Society Sons of the Revolution, White Plains, N. Y., petitioning consideration of their

resolution with reference to un-American activities and the Dies committee; to the Committee on Rules.

8949. Also, petition of the International Union United Auto Workers, No. 271, Congress of Industrial Organizations, San Francisco, Calif., petitioning consideration of their resolution with reference to the national-defense program; to the Committee on Military Affairs.

8950. Also, petition of Marion Post, No. 661, Veterans of Foreign Wars, Salem, Oreg., petitioning consideration of their resolution with reference to the defense program; to the Committee on Military Affairs.

8951. Also, petition of the United Hatters, Cap, and Millinery Workers, New York, petitioning consideration of their resolution with reference to the national-defense program; to the Committee on Military Affairs.

8952. Also, petition of the Women's Welfare League, Dallas, Tex., petitioning consideration of their resolution with reference to the national-defense program; to the Committee on Military Affairs.

8953. Also, petition of the Thayer Academy, South Braintree, Mass., petitioning consideration of their resolution with reference to foreign affairs; to the Committee on Foreign Affairs.

8954. Also, petition of the American Neurological Association, New York City, N. Y., petitioning consideration of their resolution with reference to the United States Public Health Service; to the Committee on Interstate and Foreign Commerce.

8955. Also, petition of Anthony Marquiz Pier F, Jersey City, N. J., and others, petitioning consideration of their resolution with reference to a bill to deport Harry Bridges; to the Committee on Immigration and Naturalization.

8956. Also, petition of the Steel Workers Organizing Committee, Local No. 1414, Los Angeles, Calif., and the United Cannery, Agricultural, Packing, and Allied Workers of America, Local 75, Congress of Industrial Organizations, petitioning consideration of their resolution with reference to a bill to deport Harry Bridges; to the Committee on Immigration and Naturalization.

8957. Also, petition of I. F. A., C. I. O., and A. E. C. and T., New York City, N. Y., petitioning consideration of their resolution with reference to the Dies committee; to the Committee on Rules.

8958. Also, petition of the International Workers Order, Los Angeles, Calif., petitioning consideration of their resolution with reference to House bill 9858, immigration legislation; to the Committee on Immigration and Naturalization.

8959. Also, petition of the American Committee for the Defense of Lithuania, Brooklyn, N. Y., petitioning consideration of their resolution with reference to foreign affairs; to the Committee on Foreign Affairs.

8960. Also, petition of the New York State Shoe Retailers Association, Rochester, N. Y., petitioning consideration of their resolution with reference to the national-defense program; to the Committee on Military Affairs.

8961. Also, petition of the Marine Cooks' and Stewards' Association, San Francisco, Calif., petitioning consideration of their resolution with reference to the national-defense program; to the Committee on Military Affairs.

8962. Also, petition of the Committee to Defend America, Miami, Fla., petitioning consideration of their resolution with reference to the national-defense program; to the Committee on Military Affairs.

8963. Also, petition of the Citizens Committee, Waxahachie, Tex., petitioning consideration of their resolution with reference to the national-defense program; to the Committee on Military Affairs.

8964. Also, petition of the Washington Committee for Democratic Action, Washington D. C., petitioning consideration of their resolution with reference to universal compulsory training; to the Committee on Military Affairs.

8965. Also, petition of the United Automobile Workers of America, Local 259, New York, N. Y., petitioning consideration of their resolution with reference to Senate bill 591, United States Housing Authority; to the Committee on Banking and Currency.

8966. Also, petition of B. Johnson and M. Weakley, of Springfield and Robertson County, Tenn., petitioning consideration of their resolution with reference to the national-defense program; to the Committee on Military Affairs.

8967. Also, petition of the Lions Club, Burlington, Vt.; Springhill, La.; Kosciusko, Miss.; Moundsville, W. Va.; Marshfield, Oreg.; and Carthage, Tex., petitioning consideration of their resolution with reference to the national-defense program; to the Committee on Military Affairs.

HOUSE OF REPRESENTATIVES

TUESDAY, JULY 2, 1940

The House met at 12 o'clock noon.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

Almighty God, unto whom all hearts are open, all desires are known, and from whom no secrets are hid, cleanse the thoughts of our hearts by the inspiration of Thy Holy Spirit, that we may perfectly love Thee and worthily magnify Thy holy name, through Jesus Christ our Lord.

Our Father who art in Heaven, hallowed be Thy name, Thy kingdom come. Thy will be done in earth, as it is in Heaven. Give us this day our daily bread. And forgive us our trespasses, as we forgive those who trespass against us. And lead us not into temptation, but deliver us from evil: For Thine is the kingdom, and the power, and the glory, forever. Amen.

The Journal of the proceedings of yesterday was read and approved.

SUNDRY MESSAGES FROM THE PRESIDENT

Sundry messages in writing from the President of the United States were communicated to the House, by Mr. Latta, one of his secretaries, who also informed the House that on the following dates the President approved and signed bills and joint resolutions of the House of the following titles:

On June 29, 1940:

H. J. Res. 517. Joint resolution to clear title to certain real estate;

H. R. 2070. An act for the relief of Edwin Forsman;

H. R. 2083. An act for the relief of Dan Yancey;

H. R. 2106. An act for the relief of Charles Flack;

H. R. 2151. An act for the relief of James P. Bruce, Jr.;

H. R. 2354. An act for the relief of S. T. Enloe;

H. R. 2489. An act for the relief of Angie Ward;

H. R. 2628. An act for the relief of John Engblom;

H. R. 3142. An act for the relief of Leland G. Myers;

H. R. 3163. An act for the relief of Rose Bilaitis;

H. R. 3713. An act for the relief of Joe Carter;

H. R. 4113. An act for the relief of Maude Sullivan;

H. R. 4587. An act to give the Supreme Court of the United States authority to prescribe rules of pleading, practice, and procedure with respect to proceedings in criminal cases prior to and including verdicts, or finding or plea of guilty;

H. R. 4801. An act for the relief of Mary Camastro, a minor;

H. R. 5211. An act conferring jurisdiction upon the United States District Court for the Eastern District of Kentucky to hear, determine, and render judgment upon the claims of Mat Hensley, Arnold Blanton, Lillie Price, Clyde Thorpe, and D. L. Mason;

H. R. 5297. An act for the relief of Stanley V. Smith;

H. R. 5388. An act for the relief of Thomas Lewellyn and Drusilla Lewellyn;

H. R. 5464. An act for the relief of Don E. Hicks;

H. R. 5571. An act for the relief of Minnie Lowery and Winell Lowery;

H. R. 5930. An act for the relief of Raymond C. Knight;

H. R. 6145. An act for the relief of Elizabeth L. Riley;

H. R. 6507. An act to provide for leave of absence, with pay, for any employee of the United States or of the District of Columbia who may be called upon for jury service in any State court or court of the United States;

H. R. 6553. An act for the relief of the Pennsylvania State College;

H. R. 6572. An act to amend the Merchant Marine Act, 1936, as amended, to provide for marine war-risk insurance and reinsurance, and for marine risk reinsurance, and for other purposes;

H. R. 6598. An act for the relief of Charles H. Upton;

H. R. 6822. An act for the relief of Eliza Warren and George T. Warren;

H. R. 6889. An act for the relief of Frances M. Hannah;

H. R. 7254. An act authorizing the temporary detail of John L. Savage, an employee of the United States, to service under the Government of the State of New South Wales, Australia, and the Government of the Punjab, India;

H. R. 7343. An act to amend certain laws governing Federal prisoners, and for other purposes;

H. R. 7608. An act for the relief of J. Montrose Edrehi;

H. R. 7825. An act for the relief of C. S. Hobson;

H. R. 7858. An act for the relief of Mary D. Briggs and Simeon G. Rigor;

H. R. 7959. An act for the relief of Nathan A. Buck;

H. R. 8046. An act to amend section 1 of the act entitled "An act for the retirement of employees of the Alaska Railroad, Territory of Alaska, who are citizens of the United States," approved June 29, 1936;

H. R. 8076. An act to authorize the furnishing of steam from the central heating plant to the National Academy of Sciences, and for other purposes;

H. R. 8099. An act for the relief of James L. Kinney;

H. R. 8258. An act for the marking, care, and maintenance of the Mount of Victory plot in the Cypress Hills Cemetery, in Brooklyn, N. Y.;

H. R. 8316. An act authorizing the Secretary of the Interior to sell certain land to the Conconully Cemetery Association;

H. R. 8350. An act permitting official mail of the Pan American Sanitary Bureau to be transmitted in penalty envelopes;

H. R. 8356. An act for the exchange of lands adjacent to the San Juan National Forest and the Rio Grande National Forest in Colorado;

H. R. 8399. An act to prohibit the receipt, possession, or disposition of money or property feloniously taken from a bank organized or operating under the laws of the United States or any member of the Federal Reserve System;

H. R. 8628. An act to amend the Perishable Agricultural Commodities Act, 1930, as amended, to include as a perishable agricultural commodity cherries in brine, and for other purposes;

H. R. 8692. An act to amend the act to regulate the practice of podiatry in the District of Columbia;

H. R. 8708. An act for the relief of Harold C. Preble, naval architect;

H. R. 8815. An act to grant per diem compensation to the appointed members of the Board of Steam and Other Operating Engineers of the District of Columbia, and for other purposes;

H. R. 9274. An act to amend the act entitled "An act to provide for the establishment of the Cape Hatteras National Seashore in the State of North Carolina, and for other purposes," approved August 17, 1939 (50 Stat. 669);

H. R. 9445. An act for the acquisition of Indian lands for the Grand Coulee Dam and Reservoir, and for other purposes;

H. R. 9896. An act to authorize appropriations for construction at military posts, and for other purposes; and

H. R. 9897. An act to authorize the acquisition of additional land for military purposes.

On July 1, 1940:

H. J. Res. 559. Joint resolution authorizing a reduction in the rate of interest to be paid on certain loans and advances made to the District of Columbia by the United States of America through the Public Works Administration;

H. R. 159. An act to amend an act entitled "An act relating to the naturalization of certain women born in Hawaii," approved July 2, 1932;

H. R. 382. An act for the relief of Gus Roth;

H. R. 2901. An act conferring jurisdiction upon the United States District Court for the Middle District of Georgia to hear, determine, and render judgment upon the claim of Geraldine Ash;

H. R. 3402. An act to authorize the appropriation for payment of the cost of providing additional water for the Wapato Indian irrigation project, Washington;

H. R. 6583. An act for expenditure of funds for cooperation with the public-school board, Cass County, Minn., for the construction, extension, equipment, and improvement of public-school facilities to be available to Indian children in the district;

H. R. 7116. An act to authorize defraying cost of necessary work between the Yuma project and Boulder Dam;

H. R. 7821. An act for the relief of Anna T. Sifferman Varga;

H. R. 7955. An act for the relief of Louis Rosenstone;

H. R. 9453. An act to provide a license to the Atlantic Refining Co., and for other purposes;

H. R. 9765. An act to provide for exercising the right with respect to red-cedar shingles reserved in the trade agreement concluded November 17, 1938, between the United States of America and Canada, and for other purposes;

H. R. 9864. An act amending the Bankruptcy Act with respect to the basis of property;

H. R. 10058. An act to amend the act relating to preventing the publication of inventions in the national interest, and for other purposes; and

H. R. 10112. An act to amend the Immigration Act of 1924 to require aliens admitted into the United States as officials of foreign governments either to maintain their status or to depart from the United States, with the approval of the Secretary of State.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Baldridge, one of its clerks, announced that the Senate had passed without amendment a bill of the House of the following title:

H. R. 10106. An act to amend the District of Columbia Revenue Act of 1937, as amended.

The message also announced that the Senate had passed, with amendments in which the concurrence of the House is requested, a bill of the House of the following title:

H. R. 7233. An act to amend the act entitled "An act to provide for the disposition, control, and use of surplus real property acquired by Federal agencies, and for other purposes," approved August 27, 1935 (Public, No. 351, 74th Cong.), and for other purposes.

LEAVE TO ADDRESS THE HOUSE

Mr. RANKIN. Mr. Speaker, I ask unanimous consent that after the completion of matters on the Speaker's desk today and the disposition of the legislative program, together with the special orders of the day, I be permitted to address the House for 1 hour.

The SPEAKER. Is there objection?

Mr. THOMAS of New Jersey. Mr. Speaker, I reserve the right to object, to ask the gentleman if he thinks he can say everything he wants to say on that subject in an hour.

Mr. RANKIN. I can say everything that the gentleman wants to hear in an hour.

Mr. SCHAFER of Wisconsin. Mr. Speaker, I reserve the right to object. Does the gentleman intend to discuss the Government electric business and the alleged Power Trust?

Mr. RANKIN. Probably I shall touch upon that. I am going to discuss the state of the Union.

Mr. SCHAFER of Wisconsin. Will the gentleman in that discussion also include the testimony of Mr. Robert E. Healy, a New Deal leader, who at the Senate stock-exchange-practices hearing referred to the robbing of the American people of more than $1,000,000,000 by Henry L. Doherty, of Cities Service Corporation, who our New Deal President selected to take charge of his birthday balls?

Mr. RANKIN. O Mr. Speaker, the gentleman from Wisconsin is wilder than the Republican Convention.

Mr. DIRKSEN. Mr. Speaker, I reserve the right to object. As a matter of information, I ask the gentleman with a little more particularity what he is going to discuss.

Mr. RANKIN. I am going to discuss, among other things, the state of the Union and shall probably touch upon the convention recently held, or started, rather, by the Republican Party in Philadelphia.

Mr. DIRKSEN. I shall be here to listen to the gentleman with great pleasure.

Mr. RANKIN. I shall feel honored.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

EXTENSION OF REMARKS

Mr. KRAMER. Mr. Speaker, I ask unanimous consent to extend my remarks by including therein an address by Hon. Colonel Harrington, over the radio last Sunday evening.

The SPEAKER. Is there objection?

There was no objection.

Mr. RANDOLPH. Mr. Speaker, I ask unanimous consent to extend my remarks and to include a brief editorial comment on the subject of my remarks.

The SPEAKER. Is there objection?

There was no objection.

Mr. PEARSON. Mr. Speaker, I ask unanimous consent to extend my remarks and to include an address delivered by David Lilienthal on June 22.

The SPEAKER. Is there objection?

There was no objection.

LEAVE TO ADDRESS THE HOUSE

Mr. BROOKS. Mr. Speaker, at the conclusion of the business on the Speaker's desk today and the special orders, I ask unanimous consent to address the House for 15 minutes.

The SPEAKER. Is there objection?

There was no objection.

EXTENSION OF REMARKS

Mr. DICKSTEIN. Mr. Speaker, I ask unanimous consent to extend my remarks and to include a radio address I delivered over WJSV Sunday.

The SPEAKER. Is there objection?

There was no objection.

NATIONAL RIFLE ASSOCIATION

Mr. DICKSTEIN. Mr. Speaker, I ask unanimous consent to proceed for 1 minute, and to extend my remarks in the RECORD.

The SPEAKER. Is there objection?

There was no objection.

Mr. DICKSTEIN. Mr. Speaker, on May 21 I discussed some matter concerning the National Rifle Association. Since that time someone in Washington saw fit to spread a lot of propaganda indicating that I was responsible for an Executive order by the President, suspending the selling of firearms to the National Rifle Association. I had nothing to do with that suspension or with the Executive order.

Some of my colleagues have taken a lot of responsibility in extending their remarks on a pamphlet, which is propaganda, sent out by the National Rifle Association, without checking further into the matter. The gentleman from Alabama on page 4195 in the Appendix of the RECORD stated that he did not know where I got the information and that whatever information I got was not true. Mr. Speaker, it is undignified and unethical to make such a statement and I think the gentleman ought to know better than to charge another Member of the House with uttering statements that are untrue. In view of his accusation I shall put into the RECORD evidence showing that certain members of the National Rifle Association have solicited members among the Nazi bund, and that they have obtained certain members from the Christian Front. I want to stress again at this point that I am not charging the National Rifle Association as a whole of un-American activities. All I ask them to do is to clean their own house and to remove from their membership rolls certain groups that in my opinion are subversive.

In my files there are many letters commending me for my remarks on the National Rifle Association. But, there are also a number of letters criticizing me for my remarks and charging me with a desire to cast aspersion on the association as a whole.

I must again call attention to the exact wording of my speech, which appears on page 9915 of the RECORD, in which I stated—

> Mr. Speaker, the National Rifle Association of Washington, D. C., is being used and abused by the members of the German-American Bund.

I did not charge the association with doing anything improper but specifically charged that the association was being used and abused by the German-American Bund.

It is obvious that I did not intend to cast aspersion on the association as a whole, but merely charged that some individuals connected with the association saw fit to ally themselves with subversive organizations and solicit memberships from those organizations. The National Rifle Association, however, saw fit to put out a pamphlet in which it charges me with making destructive remarks, and with being responsible for the suspension by the President of their permission to sell and issue Government rifles and ammunition.

I wish to make it clear that it was not my exposure which was responsible for this action, but perhaps complaints coming from various sources, which will make it necessary for the association to purge itself of subversive elements, and perform its activities in accordance with the best interests of the country.

I also feel that it is the duty of each Member of Congress to prevent subversive organizations from taking over respectable institutions for their own nefarious ends.

The pamphlet of the National Rifle Association shows that some individuals connected with the Christian Front have been members of the association, and have been actively soliciting other memberships. It is these individuals who should be removed from the association, and then, I believe, no criticism could be made of its activities.

I have before me a statement by a respectable citizen of New York City, as well as other statements, showing the particular matter mentioned in my speech in Congress, and wish to refer to it at this time. I shall read it in full:

> On or about January 1938 I found a leaflet in my letter box announcing a meeting to be held at the Turn Halle at Eighty-fifth Street and Lexington Avenue, New York City, by the Citizens Protective League, of which a Mr. Murtig was president. This organization is an offshoot of the German-American Bund.
>
> The subject of the meeting was to be The Impeachment of President Roosevelt. No admission charge appeared on the notice. I attended a meeting, over which Mr. Murtig presided and the swastika was very much in evidence.
>
> Petitions asking for impeachment of the President were signed by those present.
>
> During the course of the evening Mr. Murtig introduced a speaker who said he was a lawyer. The speaker reminded the audience that they were all aware of the fact that the black day was coming, and they could not afford to be unprepared as they knew who would be the first ones to be attacked. He said, "Now you boys know how to shoot, and in order to shoot you must have guns, guns of a uniform caliber." He let it be known that he was connected with the N. R. A. (National Rifle Association) in Washington, and he would vouch for all those who desired to become members and obtain these rifles at $3 a year membership. This met with a loud approval.
>
> Although no admission was charged, I was approached by a man after I was seated and was asked for a quarter for admission. This was probably due to the fact that I was recognized and it was thought that I would leave if I did not wish to pay admission. I paid the quarter and all the while he stood beside me. When I was ready to go I was followed all the way to the street.

In the association's pamphlet, some question is raised of the fact that I personally did not serve in the Army of the United States during the World War. Evidently the author of the pamphlet overlooked the fact that many members of my family were in the service, and that my brother was killed in action. This effectively disposes of any question of serving with the armed forces of the United States. I was also a member of the Advisory Council of the Draft Board of my district, acting on behalf of the Government on appeals, as well as in other similar capacities which required action on behalf of the Government. It is significant that a post of the Veterans of Foreign Wars is named after my brother, viz, Morris Dickstein Post, No. 462.

There is no question that the National Rifle Association was founded with the loftiest of principles, interested in the promotion of education in the field of arms and ammunition for the private American citizen. Thousands of Americans interested in hunting and in gun sports have found the N. R. A. invaluable in the purchase of guns, ammunition, and for the promotion of gun clubs, which in my opinion is an asset in both peacetime and at times when our great democracy is threatened by aggressor warlike nations. For the youth and adult to be familiar with firearms, in my mind, is of paramount importance.

My quarrel is certainly not with the splendid personnel at the head of this national organization. My issue is the lack of scrutiny as to interested people desirous of affiliating themselves with the N. R. A. for the sole purpose of carrying on activity inimical to our form of government.

In New York City a Dr. Sohler Bryant, a physician attached to the Murray Hill Hospital at 30 West Fortieth Street, has abused the purposes of the N. R. A. It is so arranged that members have the privilege of securing others for the N. R. A. Dr. Bryant, in his great zeal to carry on activities in the interest of the Nazi Government, has distributed application blanks at bund meetings, mobilizer meetings, and also at Christian Front meetings—especially active at the Manhattan unit of which Joseph Conlon was the leader. For further proof have the National Rifle Association check the records and they will find that my personal investigator, Richard Rollins, has become a member from the very blank distributed at a Christian Mobilizer meeting. In this application you will find the name of Dr. Bryant as the sponsor. Were the records to be carefully checked, the N. R. A. will find scores of bundsters and members of subversive groups who have used the identification card and purchased rifles for the day when they will use them against us.

The SPEAKER. The time of the gentleman from New York has expired.

Mr. TABER. Mr. Speaker, I ask unanimous consent to proceed for 1 minute.

The SPEAKER. Is there objection?

There was no objection.

Mr. TABER. Mr. Speaker, in view of the statement by the gentleman from New York [Mr. DICKSTEIN], who has just preceded me, I wish to say that up in my part of the country the most patriotic citizens we have are members of the National Rifle Association. There is nothing of a subversive character about them, nor is there about the national organization. I do not believe that the national organization in any way approves of any subversive activities. I think a great many of the statements made by the gentleman from New York [Mr. DICKSTEIN] in what he placed in the RECORD a short time ago, are very unfortunate and I think it has done a great wrong to a large number of patriotic Americans. I believe if he had called to the attention of the officers of this association, privately, anything of that character, if he has a legitimate complaint, they would have been cleaned up immediately. [Applause.]

[Here the gavel fell.]

EXTENSION OF REMARKS

Mr. PACE. Mr. Speaker, on yesterday I asked unanimous consent to extend my remarks and include an address by Hon. Milo Perkins. A report from the Printing Office states that it will cover approximately 4 pages at a cost of $180.

I renew my request to extend my remarks and to include that address, notwithstanding.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. LUTHER A. JOHNSON. Mr. Speaker, I ask unanimous consent to extend my remarks and include a brief resolution by some of my constituents with reference to international affairs and national defense.

The SPEAKER. Is there objection?

There was no objection.

Mr. PIERCE. Mr. Speaker, I ask unanimous consent to revise and extend my remarks and include therein an address by Paul J. Raver, administrator of the Bonneville project.

The SPEAKER. Is there objection?

There was no objection.

Mr. SECCOMBE. Mr. Speaker, I ask unanimous consent to extend my remarks and include an address by Dr. Silver.

The SPEAKER. Is there objection?

There was no objection.

PERMISSION TO ADDRESS THE HOUSE

Mr. DIRKSEN. Mr. Speaker, after the special order of the gentleman from Mississippi [Mr. RANKIN] today, I ask unanimous consent to address the House for 15 minutes.

The SPEAKER. There is already a previous order following the gentleman from Mississippi.

Mr. DIRKSEN. I amend my request, Mr. Speaker, to follow whatever other special orders that have already been made.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

EXTENSION OF REMARKS

Mr. SPRINGER, by unanimous consent, was granted permission to extend his own remarks in the RECORD.

Mr. GILLIE. Mr. Speaker, I ask unanimous consent to extend my remarks and include therein an editorial concerning one of my colleagues.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. COLE of New York. Mr. Speaker, I ask unanimous consent that my colleague the gentleman from New York [Mr. DOUGLAS] may be permitted to extend his remarks by including a telegram which was sent to the President.

The SPEAKER. Is there objection?

There was no objection.

Mr. LECOMPTE. Mr. Speaker, I ask unanimous consent to extend my remarks and include a brief editorial from the Newton, Iowa, Daily News.

The SPEAKER. Is there objection?

There was no objection.

Mr. MICHENER. Mr. Speaker, I ask unanimous consent to extend my remarks and include therein two editorials.

The SPEAKER. Is there objection?

There was no objection.

Mr. MILLER. Mr. Speaker, I ask unanimous consent to extend my remarks and include a short article by Mr. Alsop on the bottleneck in the aviation industry.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. HOFFMAN. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. HOFFMAN. Mr. Speaker, I also ask unanimous consent to extend my own remarks and to include therein a letter.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

PERMISSION TO ADDRESS THE HOUSE

Mr. ANGELL. Mr. Speaker, after the conclusion of the legislative business and other special orders of the day, I ask permission to speak for 5 minutes.

The SPEAKER. Is there objection?

There was no objection.

EXTENSION OF REMARKS

Mr. HENDRICKS. Mr. Speaker, I ask unanimous consent to extend my own remarks and include a letter from one of my constituents.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

REPORTS AND COMMUNICATIONS FROM THE DEPARTMENT OF STATE

Mr. BLOOM. Mr. Speaker, by direction of the Committee on Foreign Affairs, I present a privileged resolution (H. Res. 539) and ask for its consideration.

The Clerk read as follows:

House Resolution 539

Resolved, That the President of the United States is hereby requested, if not incompatible with the public interest, to transmit to the House of Representatives, for the information of its Committee on Foreign Affairs, the essential substance of reports and communications received by him or by the Department of State, from diplomatic sources or otherwise, concerning conditions in war zones in foreign countries.

Mr. BLOOM. Mr. Speaker, I ask unanimous consent that the letter from the Secretary of State be read.

The SPEAKER. Without objection, the Clerk will read the letter.

There being no objection, the Clerk read as follows:

DEPARTMENT OF STATE,
Washington, June 22, 1940.

The Honorable SOL BLOOM,
Chairman, Committee on Foreign Affairs, House of Representatives.

MY DEAR MR. BLOOM: I have received your letter of June 22, 1940, enclosing for my comment copies of House Resolution 539, requesting the President to send information to the Committee on Foreign Affairs.

As you are aware, I am always glad to cooperate with your committee and to supply it with all possible information that I properly can to assist it. I regret, however, that the pending resolution covers such a wide range and involves research and editorial tasks of such magnitude that it would be practically a physical impossibility for the President to comply with it. In view of the foregoing, I see no reason for the enactment of this resolution.

Sincerely yours,

CORDELL HULL.

Mr. BLOOM. Mr. Speaker, I move that the resolution be laid on the table.

The motion was agreed to.

A motion to reconsider was laid on the table.

EXTENSION OF REMARKS

Mr. CANNON of Missouri. Mr. Speaker, I ask unanimous consent to extend my own remarks and to include therein a statement by William Hirth, president of the Missouri Farmers' Association.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

CONTINENTAL AEROSURVEYS CORPORATION—VETO MESSAGE OF THE PRESIDENT (H. DOC. NO. 861)

The SPEAKER laid before the House the following veto message from the President of the United States, which was read by the Clerk:

To the House of Representatives:

I return herewith, without my approval, H. R. 10087, Seventy-sixth Congress, third session, entitled "An act for the relief of the Continental Aerosurveys Corporation."

This bill provides that the contract of the Continental Aerosurveys Corporation of New York City with the Department of Agriculture, dated June 29, 1938, for the furnishing by such corporation to such Department, of aerial photographs of lands within certain counties of northwestern Pennsylvania, is extended to and including November 15, 1940. The bill recites that the contract expires, by its terms, on June 30, 1940, that the performance by the corporation has been virtually completed, and that irreparable loss will result both to the corporation and to the Department of Agriculture unless the time is extended.

In fact, the contract contains no fixed time for completion, but, according to its terms and subject to various provisions for liquidated damages, the contract is required to be pursued with diligence. It was contemplated by the Department of Agriculture that the contract would long since have been completed, and, in the case of three other contracts entered into with other contractors at about the same time, and for areas of similar size in Pennsylvania, flying was completed on April 5, 1939, July 4, 1939, and July 16, 1939, respectively, payment and final completion following within 30 to 60 days.

The Department of Agriculture finds that the failure of the contractor to complete its contract within a reasonable period has been due to the contractor's failures and delinquencies, and recent investigation at the site of work by officials of the Department of Agriculture produced convincing evidence of the contractor's unlikelihood to perform expeditiously the balance of the contract. Wherefore, if the Department were to be bound under the terms of this bill to wait until November 15, 1940, for this contractor to perform, it would be deprived of the early receipt of photographic materials for which there has continuously been an urgent need.

I feel, therefore, that I am not justified in giving my approval to this bill.

FRANKLIN D. ROOSEVELT.

THE WHITE HOUSE, *July 2, 1940.*

The SPEAKER. The objections of the President will be spread at large upon the Journal.

Mr. JONES of Texas. Mr. Speaker, I move that the veto message of the President, together with the bill, be referred to the Committee on Agriculture and ordered to be printed.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

MEIER LANGERMANN—VETO MESSAGE OF THE PRESIDENT (H. DOC. NO. 862)

The SPEAKER laid before the House the following veto message from the President of the United States, which was read by the Clerk:

To the House of Representatives:

I return herewith, without my approval, the bill (H. R. 9651) which would provide that Meier Langermann, his wife and son, formerly of Germany, although citizens of Poland, shall be admitted to the United States for permanent residence, notwithstanding any provision of the immigration laws.

It will be observed that, unlike some other bills of this class, it does more than merely waive the requirements of the Quota Act, but would also set aside the limitations of all immigration statutes in respect to this alien and his family. It does not seem to me to be advisable to grant an exception of such a broad scope in an instance, as is the case here, in which the proper administrative authorities have not had an opportunity to determine as to whether any member of this family would be barred by any substantive provision of the immigration laws other than the Quota Act.

In the light of these considerations, I find myself unable to approve this legislation in its present form.

FRANKLIN D. ROOSEVELT.

THE WHITE HOUSE, *July 2, 1940.*

The SPEAKER. The objections of the President will be spread at large upon the Journal.

Mr. DICKSTEIN. Mr. Speaker, I move that the veto message of the President, together with the bill, be referred to the Committee on Immigration and Naturalization and ordered to be printed.

The motion was agreed to.

WILLIAM M. IRVINE—VETO MESSAGE OF THE PRESIDENT (H. DOC. NO. 860)

The SPEAKER laid before the House the following veto message from the President of the United States, which was read by the Clerk:

To the House of Representatives:

I return herewith, without my approval, in its present form, H. R. 6891, entitled "An act for the relief of William M. Irvine."

The purpose of the enactment is to remove the statutory inhibition against the use of appropriated funds for the payment of compensation to aliens in the case of William M. Irvine, who was inadvertently employed by the Post Office Department during the period, July 1 to August 25, 1938, prior to the time he was admitted to United States citizenship, in order to authorize payment to him of compensation for such service including compensation withheld from him and compensation he had received, but later refunded.

To accomplish this purpose the Committees on Claims of both Houses of the Congress apparently intended that the first sentence of section 2 of the bill as reported should be worded to authorize and direct payment to Mr. Irvine of "such part of $304.05 as has not been paid to him, or, having been paid to him, has been refunded by the payee." See page 1 of the committee reports.

However, the print of the bill, as reported to each House and enacted, contained, in the first sentence of section 2, authorization and direction for payment of "such part of $304.05 as has not been refunded by the payee."

As enacted, the bill would improperly authorize double compensation to be paid to the employee for a part of his service, a purpose not intended, but would not authorize any payment to him for the larger part of his service, that part as to which he has refunded the compensation received, which was the principal purpose intended.

Under the circumstances I have no alternative, but to withhold my approval of the enactment.

FRANKLIN D. ROOSEVELT.

THE WHITE HOUSE, *July 2, 1940.*

The SPEAKER. The objections of the President will be spread at large upon the Journal.

Mr. KENNEDY of Maryland. Mr. Speaker, I move that the message of the President and the bill be referred to the Committee on Claims and ordered printed.

The motion was agreed to.

FRANK E. SHANKS—VETO MESSAGE OF THE PRESIDENT (H. DOC. NO. 857)

The SPEAKER laid before the House the following veto message from the President of the United States, which was read by the Clerk:

To the House of Representatives:

I am returning herewith, without my approval, H. R. 6548, a bill for the relief of Isobell Shanks.

The bill proposes to pay to Frank E. Shanks, father and legal guardian of Isobell Shanks, of Waveland, Ind., the sum of $3,500, in settlement of his claims against the United States on account of injuries sustained by his minor daughter when the automobile in which she was a passenger was struck, on June 24, 1938, by a truck operated by the Civilian Conservation Corps.

The evidence in this case indicated that the injuries sustained by the child might not prove of a permanently serious character; and if not, it is my opinion that they would not justify a payment of as much as $3,500. The attending physician made a statement on July 10, 1939, approximately 1 year after the accident, that the child's recovery might eventually be complete, although expressing some doubt on this point. In view of the question thus raised as to the present condition of the child, an investigation and medical examination has been made by an agency of the Government since the bill was enacted by the Congress to determine the present actual condition of the injured party. This investigation and medical examination disclose that the child has no permanent partial disability; that she appears to be well nourished and plays normally; that she has led her class in studies and has shown no change in personality since the accident; that the wounds received have healed in a satisfactory manner and there are no scars present causing disfiguration; and that there is no indication of any future pathological conditions or necessity for future treatment.

In view of the facts hereinabove set forth, I do not feel justified in approving the bill.

FRANKLIN D. ROOSEVELT.

THE WHITE HOUSE, *July 2, 1940.*

The SPEAKER. The objections of the President will be spread at large upon the Journal.

Mr. KENNEDY of Maryland. Mr. Speaker, I move that the message of the President and the bill be referred to the Committee on Claims and ordered printed.

The motion was agreed to.

MARY REID HUDSON—VETO MESSAGE OF THE PRESIDENT (H. DOC. NO. 858)

The SPEAKER laid before the House the following veto message from the President of the United States, which was read by the Clerk:

To the House of Representatives:

I am returning herewith, without my approval, H. R. 4142, for the relief of Mary Reid Hudson.

It is the purpose of the bill to pay to Mary Reid Hudson, of Henryetta, Okla., the sum of $3,000 in settlement of her claims against the United States on account of personal injuries received on March 27, 1937, when the automobile which she was driving was struck by a trailer which became detached from a truck in the service of the Works Progress Administration.

While there appears to be no question in this case but what there was negligence on the part of the Government truck driver, the information available does not indicate that the injuries sustained by the claimant were of such a serious character as to justify a payment of $3,000. A medical examination held on June 16, 1937, indicated that certain rib fractures would be healed within a short time; that the nerve injuries would probably clear up within about 6 months; and that if the wrist and spine condition did not improve, surgical attention could be resorted to. There is no medical or other evidence as to the condition of the claimant since June 16, 1937; and in the absence of evidence that the claimant did not completely recover from the accident within a relatively short time, I do not feel that I would be justified in approving the present bill.

FRANKLIN D. ROOSEVELT.

THE WHITE HOUSE, *July 2, 1940.*

The SPEAKER. The objections of the President will be spread at large upon the Journal.

Mr. KENNEDY of Maryland. Mr. Speaker, I move that the message of the President and the bill be referred to the Committee on Claims and ordered to be printed.

The motion was agreed to.

VERNON ATKISON—VETO MESSAGE OF THE PRESIDENT (H. DOC. NO. 859)

The SPEAKER laid before the House the following veto message from the President of the United States, which was read by the Clerk:

To the House of Representatives:

I return herewith, without my approval, H. R. 5592, for the relief of Vernon Atkison.

It is the purpose of the bill to pay to the legal guardian of Vernon Atkison, a minor of Greenville, S. C., the sum of $2,000 in settlement of claims against the United States for personal injuries received by the minor and property damage when he was struck on the morning of December 30, 1937, by a truck in the service of the Civilian Conservation Corps.

The minor child, hereinabove referred to, sustained a broken limb as a result of the accident, but there is no medical or other evidence available to indicate that the injured party has not fully recovered.

In the absence of current authoritative information as to the condition of the injured minor, I do not feel justified in approving the bill which involves a payment of $2,000 in settlement of this claim. It seems to me that the amount of $1,150 recommended by the Department of Agriculture, after having carefully investigated this accident and the injury resulting therefrom, would be a liberal recognition of the damages sustained.

FRANKLIN D. ROOSEVELT.

THE WHITE HOUSE, *July 2, 1940.*

The SPEAKER. The objections of the President will be spread at large upon the Journal.

Mr. KENNEDY of Maryland. Mr. Speaker, I move that the message of the President and the bill be referred to the Committee on Claims, and ordered to be printed.

The motion was agreed to.

DISTRIBUTION OF MAILS ON MOTOR VEHICLE ROUTES

Mr. ROMJUE. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 6424) to provide for the transportation and distribution of mails on motor-vehicle routes, with a Senate amendment, and concur in the Senate amendment.

The SPEAKER. The Clerk will report the title of the bill and the Senate amendment.

The Clerk read as follows:

Page 1, line 3, after "that", insert "wherever it is found that adequate railroad facilities are not available."

Mr. DITTER. Mr. Speaker, reserving the right to object, can the gentleman advise the House as to whether the minority members have been consulted with reference to the amendment that is proposed and whether or not the minority members have approved?

Mr. ROMJUE. The bill as originally passed by the House had the unanimous support of the entire Post Office Committee, both Democrats and Republicans. In the Senate this slight amendment was added. I think it is a very good amendment. I understand there is no objection to it.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

The Senate amendment was agreed to, and a motion to reconsider was laid on the table.

FORT MIFFLIN MILITARY RESERVATION

Mr. FADDIS. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (S. 3926) to authorize the Secretary of War to provide a license for the construction of a pile dolphin and walkway at Fort Mifflin Military Reservation, and for other purposes.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of War be, and he is hereby, authorized and empowered, under such terms and conditions as are deemed advisable by him, to grant to the Atlantic Refining Co., its successors and/or assigns, a license to construct and maintain a pile dolphin and walkway thereto in the Delaware River at the Fort Mifflin Military Reservation, in the State of Pennsylvania: *Provided,* That such license shall be granted only upon a finding by the Secretary of War that the same will be in the public interest and will not substantially injure the interest of the United States in the property affected thereby: *Provided further,* That all or any part of such license may be annulled and forfeited by the Secretary of War if the property is needed for governmental purposes or for failure to comply with the terms or conditions of any grant hereunder, or for nonuse or for abandonment of rights granted under authority hereof.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

EXTENSION OF REMARKS

Mr. HARRINGTON. Mr. Speaker, I ask unanimous consent to extend my own remarks on two subjects.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

THE PRIVATE CALENDAR

The SPEAKER. This is Private Calendar Day. The Clerk will call the first bill on the calendar.

GEORGE A. CARDEN AND ANDERSON T. HERD

The Clerk called the first bill on the Private Calendar, H. R. 7230, to provide for an appeal to the Supreme Court of the United States from the decision of the Court of Claims in a suit instituted by George A. Carden and Anderson T. Herd.

Mr. COSTELLO. Mr. Speaker, I ask unanimous consent that this bill be passed over and that it remain on the calendar.

The SPEAKER. Is there objection to the request of the gentleman from California [Mr. COSTELLO]?

There was no objection.

VLADAS BARCIAUSKAS

The Clerk called the next bill, H. R. 8294, to enable Vladas Barciauskas to remain permanently in the United States.

Mr. COSTELLO and Mr. HANCOCK objected, and, under the rule, the bill was recommitted to the Committee on Immigration and Naturalization.

JOSE MAURI

The Clerk called the next bill, S. 2774, for the relief of Jose Mauri.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That in the administration of the immigration and naturalization laws Jose Mauri, of Los Angeles, Calif., shall be held and considered to have been legally admitted to the United States for permanent residence on the date of his entry into the United States.

SEC. 2. The Secretary of Labor is authorized and directed to cancel any warrants of arrest or orders of deportation which may have been issued with respect to the said Jose Mauri upon the ground of illegal entry into the United States.

SEC. 3. Upon the enactment of this act the Secretary of State shall instruct the proper quota-control officer to deduct one number from the nonpreference category of the quota during the current year.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

MRS. E. V. MAKI

The Clerk called the next bill, H. R. 1874, for the relief of E. V. Maki.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to E. V. Maki, of Escatawpa, Jackson County, Miss., the sum of $5,000. The payment of such sum shall be in full settlement of all claims against the United States for damages sustained by the said E. V. Maki on account of the loss of his son, Gaston Maki, who was killed on November 1, 1935, when the truck on which he was riding collided with a truck of the Civilian Conservation Corps bearing United States Department of Agriculture tag No. 12–171 and operated by an enrollee of the Civilian Conservation Corps named Howard Jones, said collision having occurred approximately 1 mile north of McHenry, Miss., on United States Highway No. 49: *Provided,* That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or agents, attorney or attorneys, on account of services rendered in connection with said claim. It shall be unlawful for any agent or agents, attorney or attorneys, to exact, collect, withhold, or receive any sum of the amount appropriated in this act in excess of 10 percent thereof on account of services rendered in connection with said claim, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

With the following committee amendments:

Page 1, line 5, after the word "to", insert "Mrs."

Page 1, line 9, after the word "said", insert "Mrs."

Page 1, line 9, strike out the word "his" and insert in lieu thereof "her."

Page 2, beginning with the word *"Provided"*, in line 6, strike out the remaining language of the bill and insert in lieu thereof: "*Provided,* That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

The title was amended so as to read: "A bill for the relief of Mrs. E. V. Maki."

LOUIS J. BANDERET

The Clerk called the next bill, H. R. 3768, for the relief of Louis J. Banderet.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Louis J. Banderet, of Bay St. Louis, Miss., the sum of $83.82. Such sum shall be in full settlement of

his claim against the United States for compensation for service rendered as temporary carrier on Rural Route No. 1, Bay St. Louis, Miss., from March 24 to April 6, 1938, inclusive, which payment has been denied due to the fact that at the time he was a star-route contractor: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or agents, attorney or attorneys, on account of services rendered in connection with said claim. It shall be unlawful for any agent or agents, attorney or attorneys, to exact, collect, withhold, or receive any sum of the amount appropriated in this act in excess of 10 percent thereof on account of services rendered in connection with said claim, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

With the following committee amendments:

Page 1, line 3, strike out the word "is" and insert in lieu thereof "be, and he is hereby,".

Beginning with the word *"Provided"* in line 12, strike out the remaining language of the bill and insert in lieu thereof: *"Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000."

The committee amendments were agreed to.

Mr. COLMER. Mr. Speaker, I offer an amendment, which I send to the Clerk's desk.

The Clerk read as follows:

Amendment offered by Mr. COLMER: On page 2, line 1, after the word "contractor", strike out the colon, insert a period, and insert a new paragraph, as follows:

"SEC. 2. That Louis J. Banderet is hereby released from any liability to refund to the United States the sum of $251.07 received by him as compensation for service rendered as temporary carrier on rural route No. 1, Bay St. Louis, Miss., from June 16 to June 30, 1937; from August 1 to August 15, 1937; from December 1 to December 15, 1937; from December 16 to December 31, 1937; from January 1 to January 15, 1938; from January 16 to January 31, 1938; and from February 1 to February 15, 1938."

Mr. THOMAS of New Jersey. Mr. Speaker, I rise in opposition to the amendment. Will the gentleman explain to the House what the purpose of the amendment is?

Mr. COLMER. Mr. Speaker, the bill as originally filed was for $82 and some cents, as I recall it, for services rendered for carrying the rural mail because the rural carrier had died suddenly. The question involved was whether or not he could be paid because he already had a contract as a star carrier for another route. This question was raised by the Comptroller. The committee approved the bill for $82.

After the committee approved the bill for $82 the Department, upon the recommendation of the Comptroller, came back on this man for the sum of $251 that had already been paid him and demanded that he pay this back. Obviously if he is entitled to the $82 he is entitled to the $251.

Mr. THOMAS of New Jersey. Has the committee considered this amendment at all?

Mr. COLMER. I have submitted it to them.

Mr. THOMAS of New Jersey. The whole committee has not considered the amendment?

Mr. COLMER. That is correct.

The SPEAKER. The question is on the amendment offered by the gentleman from Mississippi [Mr. COLMER].

The amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

JOHN J. REIBER, ADA BELL REIBER, AND ARTHUR JOSEPH REIBER

The Clerk called the next bill, H. R. 5040, for the relief of John J. Reiber, Ada Bell Reiber, his wife, and Arthur Joseph Reiber, their minor son.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to John J. Reiber, Ada Bell Reiber, his wife, and Arthur Joseph Reiber, their minor son, the sum of $1,000 in full settlement of all claims against the United States for personal injuries incurred in a collision with a Government truck on the road to Potter Valley, approximately one-fourth mile from Soda Creek in the county of Lake, State of California, on or about May 19, 1936: *Provided*, That no part of the amount appropriated in this act in excess of 10 per centum thereof shall be paid or delivered to or received by any agent or agents, attorney or attorneys on account of services rendered in connection with said claim. It shall be unlawful for any agent or agents, attorney or attorneys to exact, collect, withhold or receive any sum of the amount appropriated in this act in excess of 10 per centum thereof on account of services rendered in connection with said claim any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any amount not exceeding $1,000.

With the following committee amendments:

Page 1, line 6, strike out "Ada Bell Reiber, his wife, and Arthur Joseph Reiber, their" and insert "as legal guardian of Arthur Joseph Reiber, his".

Line 8, strike out "$1,000" and insert "$100."

Line 9, strike out "incurred in a collision with a Government truck" and insert "sustained by the said Arthur Joseph Reiber, as a result of a collision between the automobile in which he was riding and a Civilian Conservation Corps truck".

Page 2, line 6, after *"Provided,"* strike out the remainder of line 6 and all down to and including line 18 and insert "That no part of the amount appropriated in this act in excess of 10 per centum thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

The title was amended so as to read: "A bill for the relief of Arthur Joseph Reiber, a minor."

EVYLINE VAUGHN

The Clerk called the next bill, H. R. 5400, for the relief of Evyline Vaughn.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, the sum of $3,500 to Evyline Vaughn in full settlement of her claim against the United States for permanent injuries received by her, through no fault of her own, when struck by a car driven by Joseph Vanhorn, an employee of the United States Forest Service, while on duty, on April 25, 1938, in the city of Clarksville, Ark.: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

With the following committee amendment:

Page 1, line 5, strike out "the sum of $3,500 to Evyline Vaughn in full settlement of her claim against the United States for permanent injuries received by her, through no fault of her own," and insert "the sum of $102.50 to Earle H. Munt, M. D.; the sum of $93.50 to George L. Hardgrave, M. D.; the sum of $35 to G. Reginald Siegel, M. D.; and $21.75 to the Johnson County Hospital, in full settlement of their respective claims against the United States for hospital and medical services rendered Evyline Vaughn, who received personal injuries."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

The title was amended so as to read: "A bill for the relief of those rendering medical and hospital services to Evyline Vaughn."

REGINA HOWELL

The Clerk called the next bill, H. R. 6108, for the relief of Regina Howell.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury allocated for the maintenance and operation of the Civilian Conservation Corps, to Regina Howell, of Farwell, Mich., widow of Joseph Paul Howell, the sum of $5,000. The payment of such sum shall be in full settlement of all claims against the United States

for damages sustained by the widow of Joseph Paul Howell on account of the loss of the life of her husband, who was killed on March 5, 1938, near Harrison, Mich., by a Civilian Conservation Corps truck: *Provided,* That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

With the following committee amendments:

Page 1, line 5, strike out "allocated for the maintenance and operation of the Civilian Conservation Corps" and insert "not otherwise appropriated."

Line 10, strike out "the widow of Joseph Paul Howell" and insert "her."

Line 11, after "husband", insert "the said Joseph Paul Howell."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

JOHN TOEPEL, ROBERT SCOTT, WIDMER SMITH, AND LOUIS KNOWLTON

The Clerk called the next bill, H. R. 6456, for the relief of John Toepel, Robert Scott, Widmer Smith, and Louis Knowlton.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to John Toepel, Robert Scott, Widmer Smith and Louis Knowlton, all of Ashland, Wis., the sum of $360 each. The payment of such sums shall be in full settlement of all claims against the United States arising out of work performed by them as senior technicians, Works Progress Administration, Ashland County, Wis., during the period from July 6 to November 5, 1936, in connection with official project No. 65–53–25. The services of the said John Toepel, Robert Scott, Widmer Smith, and Louis Knowlton were requisitioned by the conservation engineer, Works Progress Administration District No. 7, but payment for such services has been denied on the grounds that such appointments were made without proper procedure or authority.

With the following committee amendments:

Page 1, line 3, strike out "is" and insert "be, and he is hereby."

Line 7, strike out "$360" and insert "$276."

Page 2, after line 8, insert the following: "*Provided,* That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

BETTY JANE BEAR ROBE

The Clerk called the next bill, H. R. 7910, for the relief of Betty Jane Bear Robe.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to the superintendent of the Pine Ridge Indian Reservation, S. Dak., for the account of Betty Jane Bear Robe, minor child and sole heir to the estate of Bessie Bear Robe, the sum of $2,000. Subject to the approval of the Secretary of the Interior, not to exceed $500 of such sum may be expended by such superintendent to pay debts outstanding against the estate of the said Bessie Bear Robe. The payment of such sum of $2,000 shall be in full settlement of all claims against the United States on account of the death of Aloysius Spotted Bear, minor son of the said Bessie Bear Robe, who was killed on March 30, 1938, when struck by an automobile of the United States Indian Service while alighting from an Indian Service school bus on United States Highway No. 18 within the boundaries of the Pine Ridge Indian Reservation, S. Dak.

With the following committee amendment:

Page 2, after line 8, insert the following: "*Provided,* That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

ZOE HOYT WAGNER AND IO F. HOYT

The Clerk called the next bill, H. R. 8028, for the relief of Zoe Hoyt Wagner and Io F. Hoyt.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated and in full settlement against the Government the sum of $200, to Zoe Hoyt Wagner and the sum of $945.60 to Io F. Hoyt, compensating the said parties for injuries received in an automobile collision with a car, bearing license D A 43083, being owned by the Bureau of Biological Survey, United States Department of Agriculture, and being operated by Ralph H. Imler, said collision taking place at the intersection of highways Nos. 66 and 77 just east of Edmond, Okla., and being due to the negligence of Mr. Imler, who did not obey the traffic signs in bringing his car to a stop before entering the intersection.

With the following committee amendments:

Page 1, line 6, strike out "against the Government" and insert "of all claims against the United States."

Page 2, line 3, after "Oklahoma", insert "on November 18, 1938."

After line 6, insert the following: "*Provided,* That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act, shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

MORRIS MENSCH

The Clerk called the next bill, H. R. 8214, for the relief of Morris Mensch.

Mr. REES of Kansas, Mr. SPRINGER, Mr. HANCOCK, and Mr. MOTT objected, and, under the rule, the bill was recommitted to the Committee on Claims.

PAUL SANFORD

The Clerk called the next bill, S. 3647, for the relief of the legal guardian of Paul Sanford, a minor.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized to pay, out of any money in the Treasury not otherwise appropriated, the sum of $3,500 to the legal guardian of Paul Sanford, a minor, of Goodsprings, Walker County, Ala., in full settlement of all claims against the Government of the United States for injuries received by said minor on the 17th day of October 1939 as the result of blasting operations by Work Projects Administration employees of the United States Government at or near Goodsprings, Walker County, Ala.: *Provided,* That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

NATIONAL REEMPLOYMENT SERVICE

The Clerk called the next bill, S. 3978, for the relief of certain former employees of the National Reemployment Service.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to John Brown Bethea, Jr., the sum of $247.55; to Oliver Hardy Stone, the sum of $78.26; to Mamie Bolling Ham, the sum of $71.14; to Grover Cleveland Harris, Jr., the sum of $95.14; to Katherine Diffly, the sum of $42.83; to Irene Scott Boyd, the sum of $31.33; to Samuel Earle Greene, the sum of $83.71; to Franklin Millard Houston, the sum of $136.71; to John Henry Jones, the sum of $211.57; to David Lloyd Hairston, the sum of $75.86; to William Francis Russell, the sum of $78.14; to Herbert Spence Sutton, the sum of $299.58; to Lloyd William Taylor, the sum of $63.75; to Shelby Chadwick Patton, the sum of $139.02; to John Burns Wood, the sum of $93.32; such sums being in full satisfaction of all claims against the United States for accrued annual leave while claimants were in the employ of the National Reemploy-

ment Service: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

COTHRAN MOTORS, INC.

The Clerk called the next bill, S. 1376, for the relief of Cothran Motors, Inc.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to the Cothran Motors, Inc., of Raleigh, N. C., the sum of $356.75, in full and final settlement of all its claims against the Government of the United States for repairs to elevator and lighting equipment in property leased by the Treasury Department as temporary quarters for the Raleigh post office from March 10, 1937, to April 9, 1938, said lease providing that the lessor maintain the same in repair: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

ANNE HOWARD LAY

The Clerk called the next bill, H. R. 9932, for the relief of Anne Howard Lay.

The SPEAKER. Is there objection to the present consideration of the bill?

There was no objection.

Mr. COSTELLO. Mr. Speaker, I ask unanimous consent that a similar Senate bill (S. 4126) may be considered in lieu of the House bill.

There being no objection, the Clerk read the Senate bill, as follows:

Be it enacted, etc., That there shall be paid from the Foreign Service retirement and disability fund to Anne Howard Lay, widow of Julius Lay, a retired Foreign Service officer whose death occurred on August 28, 1939; that is, after July 1, 1939, the effective date of the act of April 24, 1939, but before the date fixed in accordance with law by the President by Executive order; that is, September 1, 1939, as the effective date of the provisions of the aforesaid act which authorize the establishment by retired Foreign Service officers of survivorship annuities in behalf of their widows as beneficiaries, an annuity at a rate equivalent to one-half the maximum annuity which her late husband could have established for her as beneficiary, in accordance with the provisions of the act of April 24, 1939, and amendments thereto.

This act shall take effect on the first day of the calendar month following its approval by the President.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

A House bill (H. R. 9932) was laid on the table.

RELIEF OF CERTAIN NAVAJO INDIANS

The Clerk called the next bill, S. 3794, for the relief of certain Navajo Indians, and for other purposes.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury of the United States not otherwise appropriated, to the Secretary of the Interior the sum of $30,000, which amount shall be deposited as individual Indian money to the credit of the estates of the following-named deceased Navajo Indians, and in the respective amounts stated for distribution to the heirs of such deceased Indians as determined by the Secretary of the Interior in accordance with existing law: Wilson Platero, $5,000; Meguelius Sacatero, $5,000; Tom Wood, $5,000; John Apachite, $5,000; Roy Chavez, $5,000; and John Chavez, $5,000.

SEC. 2. The Secretary of the Treasury is also authorized and directed to pay to the Secretary of the Interior the sum of $3,000, which amount shall be deposited as individual Indian money to the credit of Dempsey Sacatero and Jose Mexicano, or their heirs, in the sum of $1,500 each.

SEC. 3. The amounts herein appropriated shall be in full compensation for claims for deaths or injuries sustained in an accident occurring near Gallup, N. Mex., on December 6, 1936: *Provided*, That the amounts herein appropriated shall be expended in accordance with the regulations governing the handling of individual Indian money: *Provided further*, That no part of the amount herein appropriated shall be paid to or received by any agent or attorney on account of services rendered in connection with these claims, and any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

ROSA PAONE

The Clerk called the next bill, H. R. 4954, for the relief of Rosa Paone.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, in the administration of the immigration and naturalization laws, the Secretary of Labor is hereby authorized and directed to cancel the warrant of arrest and the order of deportation against Rosa Paone heretofore issued on the ground that on June 11, 1933, admission to the United States had been fraudulently gained pursuant to the commission of a passport or visa offense which, subsequent to such admission, has heretofore been held by the Attorney General of the United States to be within the purview of crimes involving moral turpitude, and thereupon Rosa Paone shall hereafter be deemed to have been lawfully admitted to the United States for permanent residence at New York, N. Y., on June 11, 1933. Any declaration of intention to become a citizen or any petition for citizenship heretofore filed by or any admission to citizenship ordered and certificate of naturalization heretofore issued to Rosa Paone, which were predicated upon the claim of lawful admission to the United States for permanent residence upon June 11, 1933, shall hereafter be deemed valid unless the original 7-year period of validity of such declaration of intention has heretofore expired or Rosa Paone has heretofore been found otherwise not eligible to such benefit under the naturalization laws.

With the following committee amendment:

On page 2, after line 13, insert a new paragraph, as follows:

"Upon the enactment of this act the Secretary of State shall instruct the proper quota-control officer to deduct one number from the Italian quota for the first year that the said Italian quota is available."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

ALICE F. THOMAS

The Clerk called the next bill, S. 537, granting a pension to Alice F. Thomas.

Mr. MOSER and Mr. SPRINGER objected; and, under the rule, the bill was recommitted to the Committee on Invalid Pensions.

BERT W. HELMER

The Clerk called the next bill, S. 1009, granting a pension to Bert W. Helmer.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Administrator of Veterans' Affairs be, and he is hereby, authorized and directed to place on the pension roll, subject to the provisions and limitations of the pension laws, the name of Bert W. Helmer, late of the United States Coast Guard, and pay him a pension at the rate of $30 per month.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

MARY JANE BLACKMAN

The Clerk called the next bill, S. 1138, granting a pension to Mary Jane Blackman.

Mr. MOSER and Mr. SPRINGER objected; and, under the rule, the bill was recommitted to the Committee on Invalid Pensions.

ARMINDA BAUMAN

The Clerk called the next bill, S. 2413, granting a pension to Arminda Bauman.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Administrator of Veterans' Affairs be, and he is hereby, authorized and directed to place on the pension roll, subject to the provisions and limitations of the pension laws, the name of Arminda Bauman, widow of Jacob K. Bauman, late of Troop H, Sixth Regiment United States Cavalry, and pay her a pension at the rate of $30 per month.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

PENSIONS AND INCREASE OF PENSIONS TO CERTAIN DEPENDENTS OF VETERANS OF THE CIVIL WAR

The Clerk called the next bill, H. R. 10025, granting pensions and increase of pensions to certain dependents of veterans of the Civil War.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Administrator of Veterans' Affairs be, and he is hereby, authorized and directed to place on the pension roll, subject to the provisions and limitations of the pension laws—

The name of Penira Williams Massey, former widow of Ballard Williams, late of Capt. William Turner's Company of State Troops, Raleigh County, W. Va., also known as William Turner's Independent Scouts, West Virginia Volunteer Troops, and pay her a pension at the rate of $30 per month.

The name of Amelia H. Cummings, widow of Alfred Cummings, late of Company K, One Hundred and Ninety-fourth Regiment Pennsylvania Infantry, and pay her a pension at the rate of $30 per month.

The name of Mary Jessie Drehmer, widow of William H. Drehmer, late a captain, Company D, One Hundred and Eighty-eighth Regiment New York Infantry, and pay her a pension at the rate of $30 per month.

The name of Amelia B. Rice, widow of George C. Rice, late of Company H, One Hundred and Ninety-second Regiment New York Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Harry E. Duffield, helpless and dependent son of Henry D. Duffield, late of Company F, Second Regiment Iowa Infantry, and pay him a pension at the rate of $20 per month.

The name of Lenora Royal, former widow of George T. Elder, late a lieutenant colonel, One Hundred and Fifteenth Regiment United States Colored Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Sarah C. Freeland, widow of Fleming H. Freeland, late of Company I, Eleventh Regiment Illinois Cavalry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Jane Vanskiver, widow of Orlando Vanskiver, late of Company D, Fifth Regiment Ohio Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Myra Struchen, helpless and dependent daughter of Abraham Struchen, late a landsman, United States Navy, and pay her a pension at the rate of $20 per month.

The name of Emma E. Doll, widow of Abraham Doll, late of Company L, First Regiment Ohio Light Artillery, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Martha K. Holcomb, widow of Judson W. Holcomb, late a musician, Company D, One Hundred and Sixth Regiment Pennsylvania Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Laura McBratney, widow of Andrew C. McBratney, late of Company G, Twenty-fourth Regiment New York Cavalry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Mabel McBratney, helpless and dependent daughter of Andrew C. McBratney, late of Company G, Twenty-fourth Regiment New York Cavalry, and pay her a pension at the rate of $20 per month.

The name of Eva Case, helpless and dependent daughter of Malon Case, late of Company L, Eighth Regiment Illinois Cavalry, and pay her a pension at the rate of $20 per month.

The name of Mary C. Low, widow of John H. Low, late of Company F, Fifth Regiment West Virginia Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Mary Jane Patterson, helpless and dependent daughter of Hiram L. Patterson, late of Company K, Sixty-eighth Regiment United States Colored Infantry, and pay her a pension at the rate of $20 per month.

The name of Hattie C. Wheeler, widow of John Wheeler, late of Company G, Twenty-third Regiment and Unassigned Twenty-ninth Regiment Iowa Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Anna M. W. Diggles, widow of John P. Diggles, late of Company M, First Regiment New Hampshire Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Marie R. Sharp, widow of Christian L. Sharp, late of Company I, Twenty-fourth Regiment New Jersey Infantry, and pay her a pension at the rate of $20 per month and increase the rate to $30 per month from and after the date she shall have attained the age of 60 years, which fact shall be determined by the submission of satisfactory evidence by the beneficiary to the Veterans' Administration.

The name of Mary M. Green, widow of Samuel Green, late of Company E, Twenty-eighth Regiment Iowa Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Barbara Nowak, widow of Frank Nowak, late of Company B, Twenty-second Regiment Iowa Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Lillie E. Chambers, widow of Charles W. Chambers, late of Company B, One Hundred and Fourth Regiment, and Company K, Thirty-fourth Regiment Illinois Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

FRANCIS G. M'DOUGALL

The Clerk called the bill (H. R. 719) for the relief of Francis G. McDougall.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Francis G. McDougall, of Lowell, Mass., the sum of $600 in reimbursement of the amount paid by him in settlement of judgments rendered against him in favor of Louis Guillemette and Ernest Ouellette, both of Lowell, Mass., who were injured on October 22, 1934, as the result of being struck by a United States mail truck operated by the said Francis G. McDougall in the regular performance of his duties as an employee of the Post Office Department.

With the following committee amendment:

Strike out all after the enacting clause and insert:

"That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, the sum of $600 as follows: That portion of the sum of $300 each which may still be unpaid by Francis G. McDougall, of Lowell, Mass., at the time of the approval of this act, to Louis Guillemette and Ernest Ouellette, both of Lowell, Mass. Said sums shall be accepted by the said Louis Guillemette and Ernest Ouellette in full settlement of all claims against the United States or against Francis G. McDougall as the result of their being struck by a United States mail truck operated by the said Francis G. McDougall in the regular performance of his duties as an employee of the Post Office Department on October 22, 1934. The balance of the $600 appropriated by this act shall be paid to Francis G. McDougall in full settlement of his claim against the United States for reimbursement of the amount paid by him in settlement of judgments rendered against him in favor of the said Louis Guillemette and Ernest Ouellette in connection with the accident described: *Provided,* That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000."

The bill as amended was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

HERBERT M. GREGORY

The Clerk called the bill (H. R. 4390) to confer jurisdiction upon the Court of Claims to hear, determine, and render judgment upon the claim of Herbert M. Gregory.

Mr. COSTELLO and Mr. HANCOCK objected, and the bill was recommitted to the Committee on Claims.

WILLIAM F. KLIEWE

The Clerk called the bill (H. R. 5154) for the relief of William F. Kliewe.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated to William F. Kliewe, of Pearl River, N. Y., the sum of $5,000. The payment of such sum shall be in full settlement of all claims against the United States for loss sustained by the said William F. Kliewe on account of the personal injury sustained by his minor child, Charles Kliewe, who was injured on March 14, 1938, by a tree felled by the Dutch elm eradication crew of the Department of Agriculture.

With the following committee amendments:

Line 3, strike out the word "is" and insert "be, and he is hereby."

Line 5, after the name "Kliewe", insert "as legal guardian of his son, Charles Kliewe, a minor."

Lines 6 and 7, strike out "$5,000. The payment of such sum shall be" and insert in lieu thereof "$2,500."

Line 8, strike out "for loss sustained by the said William F. Kliewe."

Line 9, strike out "his minor child" and insert "the said."

Line 11, after the word "elm", insert the word "disease."

At the end of the bill add:

"*Provided,* That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or

received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000."

The committee amendments were agreed to.

The bill as amended was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider laid on the table.

The title was amended so as to read: "A bill for the relief of Charles Kliewe."

FISHING BOAT "UNIONE NUMBERED 1"

The Clerk called the bill (H. R. 5254) for the relief of the captain and the crew of the fishing boat *Unione Numbered 1.*

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc, That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, the sum of $289.87 to Matteo Giacalone, captain; the sum of $70 to Bonao Matteo, member of the crew; the sum of $217 to Anthony Busalacki, member of the crew; and the sum of $462 to Andrew Asaro, member of the crew of the fishing boat *Unione Numbered 1*: *Provided,* That the payment of such sums shall be, in full satisfaction of all claims for damages sustained by the said Capt. Matteo Giacalone, Bonao Matteo, Anthony Busalacki, and Andrew Asaro, on account of personal injuries, loss of work, and loss of earnings resulting from a collision on March 1, 1937, between the fishing boat *Unione Numbered 1* and a Navy airplane piloted by a naval officer.

With the following committee amendments:

Page 1, line 3, strike out the word "is" and insert in lieu thereof "be, and he is hereby."

Page 1, lines 9 and 10, strike out "*Provided,* That the payment of such sums shall be."

Line 11, after the word "claims", insert "against the United States."

Page 2, at the end of the bill, add "*Provided,* That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000."

The committee amendments were agreed to.

The bill as amended was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

ROBERT L. TAYLOR

The Clerk called the bill (H. R. 5309) for the relief of Robert L. Taylor.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury allocated by the President for the maintenance and operation of the Civilian Conservation Corps, the sum of $2,500 to Robert L. Taylor, of Kingston, Tenn., in full settlement of all claims against the United States for personal injuries sustained by him, and medical and hospital expenses incident thereto, as a result of a collision of an automobile in which he was riding with a Government Civilian Conservation Corps truck, which truck was being recklessly operated, causing said collision, on United States Highway No. 27, 2 miles south of Harriman, Tenn., on December 24, 1936.

With the following committee amendments:

Lines 5 and 6, strike out the language "allocated by the President for the maintenance and operation of the Civilian Conservation Corps", and insert in lieu thereof "not otherwise appropriated."

Line 7, strike out "$2,500" and insert "$1,640."

The committee amendments were agreed to.

The bill as amended was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

EPIFANIO RIVERA

The Clerk called the bill (H. R. 5863) for the relief of Epifanio Rivera.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay Epifanio Rivera the sum of $10,000, in full settlement of all claims against the Government of the United States resulting from the death of his son, James A. Rivera, who was struck and killed by an Army truck of the United States at Fort Jay, N. Y., on the 17th day of September 1936, and the said sum of $10,000 is hereby appropriated to carry out the provisions of this act.

SEC. 2. That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or agents, attorney or attorneys, on account of services rendered in connection with said claim. It shall be unlawful for any agent or agents, attorney or attorneys, to exact, collect, withhold, or receive any sum of the amount appropriated in this act in excess of 10 percent thereof on account of services rendered in connection with said claim, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

With the following committee amendments:

Page 1, line 4, strike out the name "Epifanio Rivera" and insert in lieu thereof the language "out of any money in the Treasury not otherwise appropriated, to Francisca F. Rivera, mother of James A. Rivera."

Page 1, line 5, strike out the sign and figures "$10,000" and insert in lieu thereof "$5,000."

Page 1, line 6, strike out the word "his" and insert "her."

Page 1, line 7, after the word "son", insert "the said."

Beginning with the "colon" in line 9, page 1, strike out the remaining language of the bill and insert in lieu thereof ": *Provided,* That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000."

The committee amendments were agreed to.

The bill as amended was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider laid on the table.

GEORGE F. KERMATH

The Clerk called the bill (H. R. 6639) for the relief of George F. Kermath.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to George F. Kermath, of Rochester, N. Y., the sum of $682.34 in full satisfaction of his claim against the United States for the reimbursement of medical expenses incurred by him between June 23 and July 12, 1938, as the direct result of an emergency caused by his service-connected disability.

With the following committee amendments:

Page 1, line 6, strike out "$682.34" and insert "$640.34."

Page 1, lines 6 and 7, strike out "satisfaction of his claim" and insert "settlement of all claims".

The committee amendments were agreed to.

The bill as amended was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

SCHOOL DISTRICT NO. 2, BROWARD COUNTY, FLA.

The Clerk called the next bill, H. R. 6699, for the relief of special tax school district No. 2, Broward County, Fla.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to the special tax school district No. 2, Broward County, Fla., the sum of $100, in full settlement of all claims against the United States for refund of special deposit in said amount paid by the claimant at the request of the clerk of the United States District Court, Southern District of Florida, Miami Division, in case No. 1542–M under provisions of the Municipal Bankruptcy Act (secs. 78, 79, and 80, ch. IX, Acts of Congress relating to Bankruptcy; 48 Stat. 798, approved May 24, 1934) which act was declared unconstitutional by the United States Supreme Court on May 25, 1936 (56 S. Ct. 892, 80 L. Ed. 1309; 289 U. S. C. 513), said suit having been filed about 2 months before said act was declared unconstitutional and under which no proceedings were had because said Act was declared unconstitutional: *Provided,* That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or agents, attorney or attorneys, on account of services rendered in connection with said claim. It shall be unlawful for any agent or agents, attorney or attorneys, to exact, collect, withhold, or receive any sum of the amount appropriated in this act in excess of 10 percent thereof on account of services rendered in connection with said claim, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

With the following committee amendment:

Page 1, strike out all after the enacting clause and insert:

"That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to the special tax school district No. 2, Broward County, Fla., the sum of $100; to the special tax school district No. 3, Broward County, Fla., the sum of $100; to the special tax school district No. 4, Broward County, Fla., the sum of $100; to the special tax school district No. 5, Broward County, Fla., the sum of $100; in full settlement of all claims against the United States for refund of special deposits in said amounts paid by the claimants at the request of the clerk of the United States District Court for the Southern District of Florida, Miami Division, in cases Nos. 1542–M, 1543–M, 1544–M, and 1545–M, respectively, under provisions of the Municipal Bankruptcy Act (secs. 78, 79, and 80, ch. IX, acts of Congress relating to bankruptcy; 48 Stat. 798, approved May 24, 1934), which act was declared unconstitutional by the United States Supreme Court on May 25, 1936 (56 S. Ct. 892, 80 L. Ed. 1309; 289 U. S. C. 513), said suits having been filed about 2 months before said act was declared unconstitutional and under which no proceedings were had because said act was declared unconstitutional: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

The title was amended so as to read: "A bill for the relief of special tax school districts Nos. 2, 3, 4, and 5, Broward County, Fla."

RUFUS E. FARMER

The Clerk called the next bill, H. R. 6842, for the relief of Rufus E. Farmer.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc, That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Rufus E Farmer, Berryville, Ark., the sum of $10,000, in full settlement of his claim against the United States for personal injuries sustained when the vehicle in which he was riding was struck by a truck of the United States Civilian Conservation Corps, camp SCS–16, Department of Agriculture, near United States Highway No. 62 near said camp, on May 31, 1938: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

With the following committee amendments:

Page 1, line 6, strike out the sign and figures "$10,000" and insert in lieu thereof "$5,000."

Page 1, line 7, strike out the words "his claim" and insert in lieu thereof "all claims."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

WALTER B. M'DOUGALL AND HERBERT MAIER

The Clerk called the next bill, H. R. 7276, for the relief of Walter B. McDougall and Herbert Maier.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That Walter B. McDougall, wildlife technician, and Herbert Maier, associate regional director, both of the National Park Service, Department of the Interior, stationed at Santa Fe, N. Mex., are hereby released from any liability to refund or pay to the United States the sums of $112.85 and $14.75, in total sum of $127.60, for the cost of transportation and per diem allowance in lieu of subsistence of said Walter B. McDougall and Herbert Maier for the periods February 26, 1936, to March 6, 1936, and February 26, 1936, to February 27, 1936, from Deming, N. Mex., to Washington, D. C., and return to Oklahoma City, Okla., and from Deming, N. Mex., to Denver, Colo., both respectively, who, at the request of the Office of the Director, National Park Service, Washington, D. C., accompanied the bodies of Roger W. Toll, then superintendent of Yellowstone National Park, and George M. Wright, then wildlife expert, both of the National Park Service, killed in an accident on February 25, 1936, while traveling on a highway near Deming, N. Mex., on official business, which claims therefor were disallowed by the General Accounting Office after payment, which disallowance has been upheld by the Acting Comptroller General by notices of exception dated June 18, 1937, taken against the accounts of G. F. Allen, disbursing officer, Washington, D. C., No deduction on account of such payment of such sums shall hereafter be made from any amount due or payable out of Government funds to the said Walter B. McDougall or Herbert Maier.

With the following committee amendments:

Line 7, strike out the sign and figures "$112.85" and insert in lieu thereof "$113.14."

Line 8, strike out the sign and figures "$127.60" and insert in lieu thereof "$127.89."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

BERNICE JAMES

The Clerk called the next bill, H. R. 7304, for the relief of Bernice James.

The SPEAKER. Is there objection?

Mr. HANCOCK, Mr. MOTT, and Mr. SPRINGER objected; and the bill, under the rule, was recommitted to the Committee on Claims.

EMELIE WITZENBACHER

The Clerk called the next bill, H. R. 7681, for the relief of Emelie Witzenbacher.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Mrs. Emelie Witzenbacher, of Cincinnati, Ohio, the sum of $1,500 for personal injuries sustained by her when she was tripped and forcibly thrown to the ground by a tightly stretched, unmarked, and unguarded line stretched across the intersection of Fairmount Avenue and Blaine Road, in Cincinnati, Ohio, by workmen employed by the Work Projects Administration who were excavating in order to install a new curbing. This sum, which represents expenses incident to medical care necessitated by the said accident, and $1,000 for personal injuries, shall constitute payment in full for all claims arising from said accident: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

With the following committee amendments:

Line 6, strike out the sign and figures "$1,500" and insert in lieu thereof "$1,000 in full settlement of all claims against the United States."

Line 7, after the word "her", insert "on October 31, 1938."

Line 11, strike out the words "Work Projects" and insert in lieu thereof "Works Progress."

Page 2, lines 1, 2, 3, 4, and 5, strike out the language "This sum, which represents expenses incident to medical care necessitated by the said accident, and $1,000 for personal injuries, shall constitute payment in full for all claims arising from said accident."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

RELIEF OF CERTAIN DISBURSING OFFICERS OF DIVISION OF DISBURSEMENT, TREASURY DEPARTMENT

The Clerk called the next bill, H. R. 7851, for the relief of certain disbursing officers of the Division of Disbursement, Treasury Department.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Comptroller General of the United States is hereby authorized and directed to credit the accounts of the following disbursing officers, Division of Disbursement, Treasury Department, with the amounts set opposite their names and symbols: G. F. Allen, symbol 95–981, $161.55; W. F. Cramer, symbol 39–02–71, $174.40; J. J. Gallagher, symbol 63–01–30, $5,744.66; P. J. Larkin, symbol 37–01–30, $11,406.58; and J. W. Yates, Jr., symbol 31–01–30, $4,484.36; said amounts being public funds for which they are accountable and which comprise payments made to employees of the Resettlement Administration and/or the Farm Security Administration, Department of Agriculture, and which have been disallowed by the Acting Comptroller General of the United States as a result of certain irregularities: *Provided*, That no part of the amounts so credited shall be later charged against the certifying officers of the Resettlement Administration and/or the Farm Security Administration who certified the vouchers upon which such payments were made.

With the following committee amendments:

Page 1, line 7, strike out the sign and figures "$161.55" and insert in lieu thereof "$61.10."

Page 1, lines 7 and 8, strike out the language "W. F. Cramer, symbol 39–02–71, $174.40."

Page 1, line 9, strike out the sign and figures "$5,744.66" and insert in lieu thereof "$5,513.47."

Page 1, line 10, strike out the sign and figures "$11,406.58" and insert in lieu thereof "$11,113.24."

Page 1, line 11, strike out the sign and figures "$4,484.36" and insert in lieu thereof "$2,445.72."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

LEESBURG WELDING & GARAGE CO.

The Clerk called the next bill, H. R. 8191, for the relief of the Leesburg Welding & Garage Co.

The SPEAKER pro tempore (Mr. WARREN). Is there objection?

There was no objection.

Mr. COSTELLO. Mr. Speaker, I ask unanimous consent that the bill S. 2289 be substituted for the House bill.

There being no objection, the Clerk read the Senate bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to the Leesburg Welding & Garage Co., of Leesburg, Fla., the sum of $1,017.08, in full satisfaction of its claim against the United States for payment for certain materials furnished and services rendered, at the request of officials of the Works Progress Administration, in connection with the Venetian Garden project, official project No. 65–35–295, in Leesburg, Fla., during the period November 1, 1936, to February 15, 1937: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

Mr. COSTELLO. Mr. Speaker, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. COSTELLO: Strike out all after the enacting clause and insert:

"That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to the Leesburg Welding & Garage Co., of Leesburg, Fla., the sum of $1,017.08, in full satisfaction of its claims against the United States for payment for certain materials furnished and services rendered, at the request of officials of the Works Progress Administration, in connection with the Venetian Garden project, official project No. 65–35–295, in Leesburg, Fla., during the period November 1, 1936, to February 15, 1937: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000."

The amendment was agreed to.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

A House bill (H. R. 8191) was laid on the table.

LUTHER HADEN

The Clerk called the next bill, H. R. 8743, for the relief of Luther Haden.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Luther Haden, of Columbus, Ga., the sum of $2,500 in full satisfaction of all claims against the United States for personal injuries sustained by him when an explosion occurred in the Muscogee County Jail, Columbus, Ga., on October 21, 1938, while he was confined there as a Federal prisoner.

With the following committee amendments:

Line 6, strike out the sign and figures "$2,500" and insert in lieu thereof "$1,500."

At the end of the bill add:

"*Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

LEONARD A. SHELTON

The Clerk called the next bill, H. R. 9130, for the relief of Leonard A. Shelton.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Leonard A. Shelton, the sum of $10,000 in full settlement of claim against the United States Government on account of permanent injuries received by his minor son, Fred Shelton, by the explosion of a dynamite cap picked up by the boy in a gravel pit on his father's farm near Lewisville, Denton County, Tex., on August 12, 1936, said dynamite cap having been left carelessly in the pit by Works Progress Administration workers on Works Progress Administration project numbered 3213, being a farm-to-market project: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or agents, attorney or attorneys, on account of services rendered in connection with said claim. It shall be unlawful for any agent or agents, attorney or attorneys, to exact, collect, withhold, or receive any sum of the amount appropriated in this act in excess of 10 percent thereof on account of services rendered in connection with said claim, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

With the following committee amendments:

Page 1, line 5, after the name "Shelton", insert "as legal guardian of his minor son, Fred Shelton."

Page 1, line 6, strike out the sign and figures "$10,000" and insert in lieu thereof "$4,062.50."

Line 6, strike out the word "claim" and insert "claims."

Line 8, strike out "his minor son" and insert "the said."

Beginning with the word "*Provided*", on page 2, line 3, strike out the remaining language of the bill and insert in lieu thereof—"*Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon the conviction thereof shall be fined in any sum not exceeding $1,000."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

The title was amended so as to read: "A bill for the relief of Fred Shelton."

EDWARD F. HIGGINS

The Clerk called the next bill, H. R. 9520, for the relief of Edward F. Higgins, postmaster, Great Neck, N. Y.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Postmaster General and the General Accounting Office be, and they are hereby, authorized and directed to credit the account of Edward F. Higgins, postmaster at Great Neck, N. Y., from the appropriation for "Pay of letter carriers, City Delivery Service, 1939," the sum of $1,453.23, representing the net amount paid to Joseph A. Alexsey, as compensation exclusive of retirement deductions, for services in the United States Postal Service during the period from July 1, 1938, to March 31, 1939, which amount stands as a charge against the account of the postmaster at Great Neck, N. Y., due to lack of citizenship at that time of Joseph Alexsey: *Provided*, That the amount credited in the retirement fund to the account of Joseph Alexsey, based upon the period of his services between July 1, 1938, and March 31, 1939, shall remain or be restored to his credit being charged to the appropriation for "Pay of letter carriers, City Delivery Service, 1939," and the time involved shall be considered as allowable service for retirement purposes.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

MRS. J. W. MARKS

The Clerk called the next business, Senate Joint Resolution 133, to confer jurisdiction on the Court of Claims or the District Court of the United States for the Northern District of

Georgia to hear, determine, and render judgment upon the claim of Mrs. J. W. Marks, of Stephens County, Ga.

There being no objection, the Clerk read the bill, as follows:

Whereas Mrs. J. W. Marks claims that by deed dated 24th day of June 1925 she purchased a certain tract of land from one Melzinia Scott and had her deed recorded June 24, 1925, in book No. 16, page 28; and

Whereas she and her predecessors in title had been in possession of this land for 20 years and that thereafter, sometime in the spring of 1938, the United States Government entered upon said property, basing its title and claim of right thereto upon a deed made by the said Scott made subsequent to the time he had deeded said land to the said Mrs. J. W. Marks: Therefore be it

Resolved, etc., That jurisdiction is hereby conferred upon the Court of Claims or the District Court of the United States for the Northern District of Georgia to hear, determine, and render judgment upon the claim of Mrs. J. W. Marks to the property referred to and described in a deed by Melzinia Scott to Mrs. J. W. Marks dated June 24, 1925, and recorded in office of clerk, Superior Court of Stephens County, Ga., June 24, 1925, in deed book No. 16, page 28, and to hear, determine, and render judgment on any claim for damages that she may have arising by virtue of the Government of the United States or any of its agents entering upon said property, taking possession thereof or in any way trespassing thereon, and award sufficient relief in the premises as under law and evidence may be shown. Such claim may be instituted at any time within 2 years after the passage of this joint resolution, notwithstanding the lapse of time, or any statute of limitations.

SEC. 2. Proceeding in any suit before the Court of Claims or in the District Court of the United States for the Northern District of Georgia under this joint resolution and appeals therefrom, and payment of any judgment thereon, shall be had as in any other case of which the Court of Claims or the District Court of the United States for the Northern District of Georgia might have jurisdiction.

With the following committee amendments:

Page 1, paragraph 3, line 1, after the word "Whereas", insert "it is alleged that."

Page 2, line 11, insert a comma after the word "judgment" and the words "if any."

Page 2, line 12, after the word "may", insert "be found to."

The committee amendments were agreed to.

Mr. COSTELLO. Mr. Speaker, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. COSTELLO: "Strike out the preamble."

The amendment was agreed to.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

WILLIAM BOYER

The Clerk called the next bill, S. 919, for the relief of William Boyer.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. COSTELLO and Mr. HANCOCK objected; and, under the rule, the bill was recommitted to the Committee on Claims.

J. H. WOOTTON

The Clerk called the next bill, S. 993, for the relief of J. H. Wootton.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Comptroller General of the United States be, and he is hereby, authorized and directed to settle and adjust the claim of J. H. Wootton against the United States and the claim of the United States against J. H. Wootton involving mileage for the use of his personally owned automobile for transportation from Washington, D. C., to San Francisco, Calif., in 1934, and the return trip in 1935, upon the basis of the estimated cost by rail for the personal transportation of Mr. Wootton and without regard to section 209 of the act of June 30, 1932 (47 Stat. 405).

SEC. 2. There is hereby appropriated, out of any money in the Treasury not otherwise appropriated, the sum of $21.14, or so much thereof as may be necessary, to pay the amount found due J. H. Wootton.

SEC. 3. Any amount so found due the claimant pursuant to this act may be applied in satisfaction of any income-tax indebtedness outstanding and unpaid at that time.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

EDMUND S. DENNIS

The Clerk called the next bill, S. 1531, for the relief of Edmund S. Dennis.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Edmund S. Dennis, of Richmond, Va., the sum of $176.80, in full satisfaction of his claim against the United States Government for expenses incurred by reason of accident with a Civilian Conservation Corps car on March 26, 1936: *Provided,* That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

CITIZENS STATE BANK

The Clerk called the next bill, S. 1810, for the relief of the Citizens State Bank of Marianna, Fla.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. COSTELLO. Mr. Speaker, I object.

There being no further objection, the Clerk read the bill, as follows:

Be it enacted, etc., That all claims of the United States against the Citizens State Bank of Marianna, Fla., in the amount of $692.09, such sum representing five checks fraudulently negotiated by forged endorsements to such Citizens State Bank by an agent of the United States Seed Loan Department, and such checks having been cleared through the usual channels and charged back to the Treasurer of the United States by the General Accounting Office, shall be held and considered to have been satisfied as of the date of the enactment of this act: *Provided,* That the Comptroller General of the United States is authorized and directed to credit the account of the Treasurer of the United States with the sum of $692.09, representing the total amount of checks Nos. 35862, 37109, 41815, 5829, and 28808.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

NILE SHAW AND EDGAR C. BARDIN

The Clerk called the next bill, S. 2018, for the relief of Nile Shaw and Edgar C. Bardin.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Nile Shaw, of Whitefish, Mont., the sum of $3,626.50, and to Edgar C. Bardin, of Whitefish, Mont., the sum of $3,107.35, in full satisfaction of their respective claims against the United States for reimbursement of expenses incurred by them, and for damages for personal injuries and property damage sustained by them, as a result of the automobile in which they were riding having been struck by a Civilian Conservation Corps truck on United States Highway No. 2, near Coram, Mont., on July 14, 1938: *Provided,* That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

With the following committee amendments:

Page 1, line 3, strike out the word "is" and insert in lieu thereof "be, and he is hereby."

Line 6, strike out the sign and figures "$3,626.50" and insert in lieu thereof "$2,000."

Line 7, strike out the sign and figures "$3,107.35" and insert in lieu thereof "$2,000."

The committee amendments were agreed to.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

BELL GROCERY CO.

The Clerk called the next bill, S. 2529, for the relief of the Bell Grocery Co.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. REES of Kansas and Mr. HANCOCK objected; and, under the rule, the bill was recommitted to the Committee on Claims.

MARJORIE BUCHEK

The Clerk called the next bill, S. 2560, for the relief of Marjorie Buchek.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Marjorie Buchek the sum of $250 in full settlement for injuries suffered by her in an automobile accident on June 16, 1937, the responsibility for which has been placed on the driver of a Government truck: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

With the following committee amendment:

Page 1, line 6, after the word "settlement", insert "of all claims against the United States."

The committee amendment was agreed to.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

INA JONES

The Clerk called the next bill, S. 2561, for the relief of Ina Jones.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, the sum of $1,000 to Ina Jones in full settlement for injuries suffered by her in an automobile accident, responsibility for which was placed on the driver of a Government truck, which accident occurred on June 16, 1937: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

With the following committee amendment:

Page 1, line 6, after the word "settlement", insert "of all claims against the United States."

The committee amendment was agreed to.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

MARY BOYD

The Clerk called the next bill, S. 2570, for the relief of Mary Boyd.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Mary Boyd, of Spokane, Wash., the sum of $5,000, in full satisfaction of her claim against the United States for the death of her son, Jess P. Boyd, as the result of an accident involving a Government truck operated by an enrollee of the Civilian Conservation Corps between Priest River and Coolin, Idaho, on October 15, 1938: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

With the following committee amendments:

Page 1, line 6, strike out "$5,000" and insert "$3,500."
Page 1, line 7, strike out "satisfaction of her claim" and insert "settlement of all claims."

The committee amendments were agreed to.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

LLOYD S. HARRIS

The Clerk called the next bill, S. 2595, for the relief of Lloyd S. Harris.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Lloyd S. Harris, of Shiprock, N. Mex., the sum of $700, in full satisfaction of all claims against the United States because of property losses sustained by said Lloyd S. Harris as a result of a fire which occurred in the Cove demonstration area of the Soil Conservation Service on December 10, 1938: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or agents, attorney or attorneys, on account of services rendered in connection with such claim. It shall be unlawful for any agent or agents, attorney or attorneys, to exact, collect, withhold, or receive any sum of the amount appropriated in this act in excess of 10 percent thereof on account of services rendered in connection with such claim, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

EDWARD J. BROGGI

The Clerk called the next bill, S. 2717, for the relief of Edward J. Broggi.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Edward J. Broggi, of Barre, Vt., the sum of $200 in full satisfaction of his claim against the United States for reimbursement for the value of his personal property lost as a result of a fire which destroyed the supply building at a Civilian Conservation Corps camp at Northfield, Vt., on January 27, 1935: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithtsanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

With the following committee amendments:

Page 1, line 3, strike out "is" and insert "be, and he is hereby."
Page 1, line 6, strike out "$200" and insert "$115.30."

The committee amendments were agreed to.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

JAMES GEORGE MAYFIELD

The Clerk called the next bill, S. 2799, for the relief of James George Mayfield.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That notwithstanding the provisions and limitations of sections 15 to 20, both inclusive, of the act entitled "An act to provide compensation for employees of the United States suffering injuries while in the performance of their duties, and for other purposes," approved September 7, 1916, as amended, the United States Employees' Compensation Commission be, and the same is hereby, authorized and directed to receive and consider, if filed within 6 months after the enactment of this act, the claim of James George Mayfield, of Springfield, Ill., for disability, alleged to have been caused by injuries sustained by him on August 3, 1937, while in the performance of his duties in the employment of the Bureau of Internal Revenue, Treasury Department.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

J. H. CHURCHWELL WHOLESALE CO.

The Clerk called the next bill, S. 2817, for the relief of J. H. Churchwell Wholesale Co., of Jacksonville, Fla.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to J. H. Churchwell Wholesale Co., of Jacksonville, Fla., the sum of $1,100, in full satisfaction of the claim of such company against the United States for remission of liquidated damages assessed against such company under the provisions of two contracts numbered ER–W–647–eng–38 and unnumbered contract (invitation No. 647–36–33) entered into by such company with the War Department under dates of September 12, 1935, and September 18, 1935, respectively, for the delivery of a

quantity of sheets and blankets to the United States District Engineers Office, Camp Roosevelt, Ocala, Fla.: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

BESSIE SHARRAH

The Clerk read the next bill, S. 2988, for the relief of Bessie Sharrah.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, the sum of $3,000 to Bessie Sharrah, of Tuscon, Ariz., in full settlement of her claim against the United States arising out of a collision between a United States Army truck and a vehicle driven by her husband, George F. Sharrah, and resulting in his death, on or about December 19, 1938: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

CLARENCE E. ENDERS AND GERTRUDE RAY ENDERS

The Clerk called the next bill, S. 3023, for the relief of Clarence E. Enders and Gertrude Ray Enders.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Clarence E. Enders, of Portland, Oreg., the sum of $528, and to Gertrude Ray Enders, of Portland, Oreg., the sum of $1,788.95, in full satisfaction of their respective claims against the United States for reimbursement of expenses incurred by them, and for compensation for personal injuries and property damage sustained by them, as a result of a collision between the automobile in which they were riding and a Civilian Conservation Corps truck on United States Highway No. 99, near Olympia, Wash., on October 30, 1938: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

TWILA SNYDER

The Clerk called the next bill, S. 3039, for the relief of Twila Snyder.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Twila Snyder, of Butte, Mont., the sum of $2,676 in full satisfaction of all claims against the United States for medical expenses incurred, and personal injuries sustained, by her as a result of the collision at the intersection of Twenty-first South Street and Twenty-first East Street, Salt Lake City, Utah, on September 28, 1936, of the truck in which she was riding with a War Department truck: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

I. M. COOK, J. J. ALLEN, AND THE RADIATOR SPECIALTY CO.

The Clerk called the next bill, S. 3351, for the relief of I. M. Cook, J. J. Allen, and the Radiator Specialty Co.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to I. M. Cook of Charlotte, N. C., the sum of $10,890.54; to J. J. Allen of Charlotte, N. C., the sum of $9,275.34; and to the Radiator Specialty Co. of Charlotte, N. C., the sum of $1,500, in full satisfaction of their respective claims against the United States for compensation for losses sustained by them by reason of a fire which destroyed a building, known as the Cook Body Co. building, in Charlotte, N. C., in December 1938; such fire having started from an oil stove in a part of such building which was occupied by the Works Progress Administration: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

CHARLES N. BARBER

The Clerk called the next bill, S. 3401, for the relief of Charles N. Barber, former United States property and disbursing officer, Vermont National Guard, and for other purposes.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That payments heretofore made for hospital and medical expenses incident to the injury of five enlisted men of Headquarters Company, One Hundred and Seventy-second Infantry, Vermont National Guard, on August 17, 1936, as the result of an automobile accident, and payments made to one of the injured enlisted men as pay subsequent to the termination of the encampment period, are hereby ratified and validated, and the Comptroller General of the United States is hereby authorized and directed to allow credit in the accounts of Maj. Charles N. Barber, former United States property and disbursing officer, Vermont National Guard, for and on account of all such payments.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

GEORGE O. ELLIOTT AND WINSLOW FARR SMITH

The Clerk called the next bill, S. 3424, for the relief of George O. Elliott and Winslow Farr Smith.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to George O. Elliott and Winslow Farr Smith, both of Salt Lake City, Utah, the sums of $1,000 and $2,000, respectively, in full satisfaction of their claims against the United States, such sums representing fines imposed upon and paid by said claimants on February 2, 1937, in a certain cause in the District Court of the United States in and for the District of Montana (No. 5833), the judgment in said cause having been reversed by the United States Circuit Court of Appeals for the Ninth Circuit (95 Fed. 2d 669) as to said claimants' codefendants (but not as to said claimants since they did not join in said appeal and said claimants having subsequently received a pardon from the President because of such reversal): *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

ETHEL G. HAMILTON

The Clerk called the next bill, S. 3436, for the relief of Ethel G. Hamilton.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That notwithstanding the provisions and limitations of sections 15 to 20, both inclusive, of the act entitled "An act to provide compensation for employees of the United States suffering injuries while in the performance of their duties, and for other purposes," approved September 7, 1916, as amended, the United States Employees' Compensation Commission be, and the same is hereby, authorized and directed to receive and consider the claim of Ethel G. Hamilton for disability alleged to have been incurred by her on or about November 11, 1937, while she was employed at the Veterans' Administration facility, Biloxi, Miss., and to deter-

mine said claim upon its merits under the provisions of said act: *Provided*, That no benefits shall accrue prior to the enactment of this act.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

EPES TRANSPORTATION CORPORATION

The Clerk called the next bill, S. 3502, for the relief of the Epes Transportation Corporation.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to the Epes Transportation Corporation, of Virginia, the sum of $6,537.95, in full satisfaction of all claims of such corporation against the United States, such sum representing taxes (with interest and penalty) paid to the United States by such corporation on account of certain cigarettes and tobacco products which were withdrawn from bonded warehouse in Winston-Salem, N. C., by such corporation for export to foreign consignees, but which were not exported due to the fact that such cigarettes and tobacco products were stolen from the trucks of such corporation en route to the intended exportation point: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

ALFRED G. BALLS

The Clerk called the next bill, S. 3706, for the relief of Alfred G. Balls.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Comptroller General of the United States be, and he is hereby, authorized and directed to credit the account of Alfred G. Balls, former special disbursing agent, Alaska Railroad, Anchorage, Alaska, in the amount of $1,995, which was paid by him to Phil O. Herriman as salary for services rendered the Alaska Railroad during the period July 1, 1933, to May 31, 1934, the said sum having been disallowed on account of failure to report this position on lists submitted to the Bureau of the Budget, in conformity with letter of the President, dated July 23, 1932.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

VETERANS' ADMINISTRATION

The Clerk called the next bill, S. 3749, to relieve certain employees of the Veterans' Administration from financial liability for certain overpayments and allow such credit therefor as is necessary in the accounts of certain disbursing officers, and for other purposes.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the employees responsible for the excess or erroneous payments represented by the sums (including interest accruals) herein stated be, and they are hereby, relieved of financial liability therefor and the Comptroller General is authorized and directed to allow credit in the settlement of the accounts of the following-named former disbursing officers of the Veterans' Administration and Guy F. Allen, chief disbursing officer, Treasury Department, in such amounts not exceeding the sums (including interest accruals) stated herein which have been, or hereafter may be, disallowed as may be necessary to relieve such disbursing officers of financial liability therefor: *Provided*, That this act shall not be construed to bar recovery of the amounts herein specified from the persons to whom and through whom such amounts have been paid:

First. J. B. Schommer, former disbursing officer, Veterans' Administration, Washington, D. C., in the sums of $3,654.84, symbol 99–220; $1,680.69, symbol 11–499; $75.21, symbol 11–501; $3,197.75, symbol 11–532; and $7,102.47, symbol 11–666, which amounts were expended during the period from July 1, 1929, through June 30, 1934.

Second. William H. Holmes, former disbursing officer, Veterans' Administration, Washington, D. C., in the sums of $162.70, symbol 11–465, and $6,853.73, symbol 11–348, which amounts were expended during the period from January 1, 1919, through June 30, 1929.

Third. Norma E. Hesterly, former disbursing officer, Veterans' Administration, Albuquerque, N. Mex., in the sum of $154.32, symbol 99–101, which amount was expended on September 16, 1931.

Fourth. C. A. Wood, former disbursing officer, Veterans' Administration, Atlanta, Ga., in the sum of $4,319.24, symbol 99–102, which amount was expended during the period from November 1, 1929, through June 30, 1933.

Fifth. D. H. Geiger, former disbursing officer, Veterans' Administration, Augusta, Ga., in the sum of $116.72, symbol 11–449, which amount was expended in June 1934.

Sixth. Warren A. Minnis, former disbursing officer, Veterans' Administration, Bay Pines, Fla., in the sum of $1,045.49, symbol 99–126, which amount was expended during the period from May 1 through May 31, 1931.

Seventh. H. H. Barraclough, former disbursing officer, Veterans' Administration, Boston, Mass., in the sum of $203.54, symbol 99–106, which amount was expended during the period from October 1, 1929, through July 31, 1933.

Eighth. Ivan Carrico, former disbursing officer, Veterans' Administration, Charleston, W. Va. (now Huntington), in the sum of $534.20, symbol 99–110, which amount was expended during the period September 10, 1930, through March 20, 1931.

Ninth. John W. Reynar, former disbursing officer, Veterans' Administration, Charlotte, N. C., in the sums of $1,906.51, symbol 99–111; and $100, symbol 11–374, which amounts were expended during the period from March 1, 1931, through August 31, 1933.

Tenth. Cary Dawson, former disbursing officer, Veterans' Administration, Cincinnati, Ohio (now Dayton, Ohio), in the sums of $439.25, symbol 99–113; and $60, symbol 11–400, which amounts were expended during the period from September 1, 1927, through April 16, 1935.

Eleventh. L. W. Looker, former disbursing officer, Veterans' Administration, Cleveland, Ohio, in the sum of $80.29, symbol 99–114, which amount was expended during the period from December 1, 1930, through July 29, 1931.

Twelfth. Charles S. Gawler, former disbursing officer, Veterans' Administration, Columbia, S. C., in the sums of $732.25, symbol 99–115; and $3,377.98, symbol 11–403, which amounts were expended during the period from May 11, 1927, through March 31, 1935.

Thirteenth. Lorena Duncan, former disbursing officer, Veterans' Administration, Dallas, Tex., in the sum of $531, symbol 99–116, which amount was expended during the period from March 1, 1928, through March 31, 1931.

Fourteenth. Roy E. Waters, former disbursing officer, Veterans' Administration, Dallas, Tex., in the sum of $12, symbol 11–519, which amount was expended on July 31, 1932.

Fifteenth. W. Weldon, former disbursing officer, Veterans' Administration, Hines, Ill., in the sums of $1,270.91, symbol 99–231; and $50.27, symbol 11–521, which amounts were expended during the period from March 1, 1931, through June 30, 1934.

Sixteenth. Noel Jeffrey, former disbursing officer, Veterans' Administration, Hines, Ill., in the sum of $311.26, symbol 99–227, which amount was expended on June 7, 1930.

Seventeenth. E. L. Hlinak, former disbursing officer, Veterans' Administration, Jefferson Barracks, Mo., in the sum of $265.62, symbol 99–152, which amount was expended during the period from May 1, 1931, through November 1, 1932.

Eighteenth. E. D. Duncan, former disbursing officer, Veterans' Administration, Little Rock, Ark., in the sum of $863.72, symbol 99–128, which amount was expended during the period from February 1, 1931, through July 31, 1931.

Nineteenth. N. B. Harrison, former disbursing officer, Veterans' Administration, Los Angeles, Calif., in the sum of $693.01, symbol 99–129, which amount was expended during the period from May 1 through May 31, 1931.

Twentieth. P. E. Haase, former disbursing officer, Veterans' Administration, Louisville, Ky., in the sum of $348.06, symbol 99–130, which amount was expended on April 17, 1931.

Twenty-first. Joseph F. Routhier, former disbursing officer, Veterans' Administration, Manila, P. I., in the sum of $281.36, symbol 99–207, which amount was expended during the period from January 1 through January 31, 1928.

Twenty-second. N. H. Cobbs, former disbursing officer, Veterans' Administration, Manila, P. I., in the sum of $66.43, symbol 99–217, which amount was expended during the period from January 1 through January 31, 1929.

Twenty-third. A. B. Gilman, former disbursing officer, Veterans' Administration, Manila, P. I., in the sum of $595.39, symbol 99–214, which amount was expended during the period from January 1, 1930, through March 31, 1931.

Twenty-fourth. T. H. Daley, former disbursing officer, Veterans' Administration, New Orleans, La., in the sum of $72.26, symbol 11–256, which amount was expended in March 1925.

Twenty-fifth. Don Iler, former disbursing officer, Veterans' Administration, New York, N. Y., in the sums of $1,439.37, symbol 99–138; and $192.85, symbol 11–333, which amounts were expended during the period from April 1, 1931, through October 15, 1934.

Twenty-sixth. Marvin L. Morris, former disbursing officer, Veterans' Administration, Oklahoma City, Okla., in the sum of $388.69, symbol 99–139, which amount was expended during the period from January 1 through January 31, 1931.

Twenty-seventh. P. J. Carney, former disbursing officer, Veterans' Administration, Philadelphia, Pa., in the sum of $640.75, symbol 99–141, which amount was expended during the period from December 1, 1928, through July 31, 1934.

Twenty-eighth. J. A. Walker, former disbursing officer, Veterans' Administration, Pittsburgh, Pa., in the sum of $621.84, symbol 99–210, which amount was expended on August 2, 1932.

Twenty-ninth. H. F. Heisey, former disbursing officer, Veterans' Administration, Richmond, Va. (now Roanoke), in the sum of $184.58, symbol 99–148, which amount was expended during the period from February 1, 1928, through March 31, 1931.

Thirtieth. M. B. Norvell, former disbursing officer, Veterans' Administration, San Antonio, Tex., in the sum of $378.97, symbol 99–222, which amount was expended during the period from April 1, 1931, through October 31, 1932.

Thirty-first. L. S. McCracken, former disbursing officer, Veterans' Administration, San Francisco, Calif., in the sum of $86, symbol 11–262, which amount was expended during the period from November 1, 1923, through May 31, 1924.

Thirty-second. H. S. Knapp, former disbursing officer, Veterans' Administration, Seattle, Wash., in the sum of $1,194.24, symbol 99–215, which amount was expended on April 23, 1931.

Thirty-third. J. William Yates, Jr., former disbursing officer, Veterans' Administration, Tuscaloosa, Ala., in the sum of $333.78, symbol 99–104, which amount was expended during the period from May 9, 1929, through July 31, 1931.

Thirty-fourth. Richard H. Zohm, former disbursing officer, Veterans' Administration, Wood, Wis., in the sums of $630.63, symbol 99–216; and $1,272.28, symbol 11–430, which amounts were expended for the period from January 1, 1918, through March 15, 1935.

Thirty-fifth. Guy F. Allen, chief disbursing officer, Treasury Department, Washington, D. C., in the sums of $40,585.11, symbols 99–280 to 99–292, inclusive; $65.36, symbol 89–888; $4,829.59, symbol 11–647; $9,010.88, symbol 11–561; $133.18, symbol 11–564; $160, symbol 11–566; $99, symbol 11–569; $858.90, symbol 11–571; $10, symbol 11–575; $111.67, symbol 11–583; and $82.36, symbol 11–559, which amounts were expended during the period from July 1, 1934, through July 31, 1938, and for which certifying officers are held financially liable.

SEC. 2. The Secretary of the Treasury is hereby authorized and directed to pay to C. A. Blackburn, finance officer, Veterans' Administration, Little Rock, Ark., the sum of $187.16, which amount was paid by him on November 7, 1936.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

CAPT. DAVID H. PASSELL AND FIRST LT. PAUL E. LAMASTER

The Clerk called the next bill, S. 3763, for the relief of Capt. David H. Passell and First Lt. Paul E. LaMaster.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Comptroller General of the United States be, and he is hereby, authorized and directed to credit in the accounts of Capt. David H. Passell, Finance Reserve, the sum of $1,158.21, less any amount subsequently recovered, public funds for which he is accountable, and which were stolen from First Lt. Paul E. LaMaster, Field Artillery Reserve, class "A" agent officer for the said Captain Passell, in a pay-roll robbery at the Twenty-six Hundred and Sixty-fourth Company, Civilian Conservation Corps, Camp Carroll, Mount Carroll, Ill., on March 31, 1939: *Provided*, That the said Lieutenant LaMaster is hereby relieved of pecuniary responsibility for the loss of the said public funds and the Comptroller General of the United States is authorized and directed to settle the final pay accounts of the said Lieutenant LaMaster without deduction for the loss of the said public funds.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

JERRY M'KINLEY THOMPSON

The Clerk called the next bill, S. 3769, for the relief of Jerry McKinley Thompson.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That Jerry McKinley Thompson, Portsmouth, N. H., is hereby released from any liability to the United States incurred by reason of the receipt by him, through a misunderstanding on his part, of dual compensation from the Post Office Department and the Department of the Navy during the period from June 16 to September 15, of each year from 1929 to 1937, inclusive, in contravention of section 6 of the act of May 10, 1916, as amended.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

REIMBURSEMENT OF CERTAIN OFFICERS AND ENLISTED MEN OF THE NAVY

The Clerk called the next bill, S. 3808, to provide for the reimbursement of certain officers and enlisted men or former officers and enlisted men of the United States Navy for personal property lost in the hurricane and flood at New London, Conn., on September 21, 1938.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay out of any money in the Treasury not otherwise appropriated, such sum or sums, amounting in the aggregate not to exceed $8,364.96 as may be required by the Secretary of the Navy to reimburse, under such regulations as he may prescribe, certain officers and enlisted men or former officers and enlisted men of the United States Navy for the value of personal property lost in the hurricane and flood at the submarine base, New London, Conn., on September 21, 1938: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with these claims, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

DIMITREOS BIZOS

The Clerk called the next bill, H. R. 3004, for the relief of Dimitreos Bizos.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That in the administration of the immigration and naturalization laws the Secretary of Labor is hereby authorized and directed to cancel the warrant of arrest and the order of deportation heretofore issued against Dimitreos Bizos. Hereafter, for the purposes of the immigration and naturalization laws, such alien shall be deemed to have been lawfully admitted for all purposes to the United States for permanent residence on August 13, 1924.

With the following committee amendment:

Page 1, after line 10, insert the following:

"Upon the enactment of this act the Secretary of State shall instruct the proper quota-control officer to deduct one number from the Greek quota for the first year that the said Greek quota is available."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

WELENTY SLUSARZ

The Clerk called the next bill, H. R. 8901, for the relief of Welenty Slusarz.

Mr. MOTT and Mr. HANCOCK objected; and, under the rule, the bill was recommitted to the Committee on Immigration and Naturalization.

KURT SCHENE

The Clerk called the next bill, H. R. 5103, for the relief of Kurt Schene.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That in the administration of the immigration and naturalization laws the Secretary of Labor is hereby authorized and directed to cancel the warrant of arrest and the order of deportation against Kurt Schene, and that he shall hereafter be deemed to have been lawfully admitted to the United States for permanent residence at New York, N. Y., August 31, 1924.

With the following committee amendment:

Page 1, after line 9, insert the following: "Upon the enactment of this Act the Secretary of State shall instruct the proper quota-control officer to deduct one number from the German quota for the first year that the said German quota is available.

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read a third time, and passed, and a motion to reconsider was laid on the table.

THADDEUS KIRCHLECHNER (THEODORE METSCH)

The Clerk called the next bill, H. R. 8293, to enable Thaddeus Kirchlechner (Theodore Metsch) to remain permanently in the United States.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That notwithstanding any provision of the immigration laws, Thaddeus Kirchlechner (Theodore Metsch), a native of Germany, admitted into the United States from Mexico during the year 1929, shall be permitted to remain in the United States permanently as though he had in all respects complied with the immigration laws upon entry, and that the residence in the United States of said Thaddeus Kirchlechner (Theodore Metsch) shall date from the approval of this act.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

KATHERINE M. DRIER

The Clerk called the next bill, S. 3097, for the relief of Katherine M. Drier.

Mr. GAVAGAN and Mr. SOMERS of New York objected; and, under the rule, the bill was recommitted to the Committee on War Claims.

MRS. ROSARIA TUMMINELLO CIMINO

The Clerk called the next bill, H. R. 9693, for the relief of Mrs. Rosaria Tumminello Cimino.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That Mrs. Rosaria Tumminello Cimino, of Cefalu, Province of Palermo, Italy, shall be admitted to the United States of America for permanent residence here notwithstanding any provision of the immigration laws of the United States now in effect. That upon the enactment of this act into law that the Secretary of State is directed to authorize the proper consul to issue proper visa to Mrs. Rosaria Tumminello Cimino without compliance with the usual requirements.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

DR. HENRY CLAY RISNER

The Clerk called the next bill, H. R. 3716, for the relief of Dr. Henry Clay Risner.

Mr. COSTELLO and Mr. HANCOCK objected; and, under the rule, the bill was recommitted to the Committee on War Claims.

ELIZABETH K. PEEPLES

The Clerk called the next bill, H. R. 9939, for the relief of Elizabeth K. Peeples.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

There was no objection.

Mr. COSTELLO. Mr. Speaker, I ask unanimous consent that a similar Senate bill, S. 4048, be submitted for the House bill.

There being no objection, the Clerk read the Senate bill, as follows:

Be it enacted, etc. That the Commissioners of the District of Columbia be, and they are hereby, authorized and directed to allow credit for retirement purposes to Elizabeth K. Peeples for all services rendered by her in the public schools of said District as a teacher, administrative principal, and director of the Community Center Department, for the period between September 1, 1920, and July 15, 1939, upon the payment by her into the teachers' retirement fund of the District of Columbia of such amount as may be determined by said Commissioners to be due such fund for said period with interest thereon at 4 percent per annum, compounded.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

A House bill (H. R. 9939) was laid on the table.

JOHN C. GIBBS

The Clerk called the next bill, H. R. 4628, for the relief of John C. Gibbs.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to John C. Gibbs, of Henderson County, N. C., the sum of $5,000 as full compensation for injuries sustained by said John C. Gibbs on or about the 17th day of July 1918, in Buncombe County, N. C., while working on the construction of the Azalia Hospital, now Oteen, N. C., and while being transported on a Government truck from his boarding place to his work, by being thrown from said truck and receiving serious injuries, from which he has suffered since that date.

With the following Committee amendment:

Page 1, line 6, strike out "$5,000" and insert "$1,000."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

WIDOW OF WILLIAM J. COCKE

The Clerk called the next bill, S. 1076, for the relief of the widow of the late William J. Cocke.

Mr. COSTELLO and Mr. HANCOCK objected; and, under the rule, the bill was recommitted to the Committee on War Claims.

J. J. GREENLEAF

The Clerk called the next bill, S. 527, for the relief of J. J. Greenleaf.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated and in full settlement of the balance due from the Government of the United States, to J. J. Greenleaf, of Richmond, Ky., the sum of $14,875 for services rendered to the Government of the United States by J. J. Greenleaf pursuant to his employment to represent the Government of the United States in certain litigation, which employment is evidenced by a letter addressed to him by the Honorable Homer S. Cummings, the Attorney General of the United States, on August 9, 1935, which employment was enlarged by letter of August 23, 1935, addressed to him by George C. Sweeney, Assistant Attorney General: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

With the following committee amendment:

Page 1, line 8, strike out "$14,875" and insert "$8,125."

The committee amendment was agreed to.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

EDWARD J. ROSS AND LEGAL GUARDIAN OF BETTY ROSS

The Clerk called the next bill, S. 2800, for the relief of Edward J. Ross, and the legal guardian of Betty Ross, a minor.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Edward J. Ross, of Cathlamet, Wash., the sum of $500, in full settlement of all his claims against the United States for expenses incurred as a result of injuries sustained by his minor child, Betty Ross, and to the legal guardian of Betty Ross, the sum of $1,000, in full settlement of all her claims against the United States for personal injuries sustained as a result of being struck by a Civilian Conservation Corps truck operating under supervision of the Forest Service on August 4, 1937: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

With the following committee amendments:

Page 1, line 7, strike out the word "his", and in line 8, after the word "incurred", insert "by him", and in line 10 strike out "$1,000" and insert "$2,000."

The committee amendments were agreed to.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

LESLIE EVERETT, DECEASED

The Clerk called the bill (S. 3280) for the relief of the estate of Leslie Everett, deceased.

There being no objection, the Clerk read the bill, as follows:

Be it enacted etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to the estate of Leslie Everett, deceased, formerly State highway foreman for Hickman County, Ky., the sum of $1,500, in full settlement of all claims against the United States for the death of Leslie Everett, who died September 11, 1938, as a result of injuries sustained on August 26, 1938, when the truck in which he was riding was struck by a truck operated by an employee of the Works Progress Administration on Highway No. 58 1½ miles east of Clinton, Ky.: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

With the following committee amendments:

Page 1, line 5, strike out "the estate" and insert "Ina May Everett, widow."

Page 1, line 9, after the word "of", insert "her husband, the said."

The committee amendments were agreed to.

The bill, as amended, was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider the vote by which the bill was passed was laid on the table.

The title was amended so as to read: "A bill for the relief of Ina May Everett."

CARL HURT

The Clerk called the bill (H. R. 2278) for the relief of Carl Hurt.

There being no objection, the Clerk read the bill, as follows:

Be it enacted etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Carl Hurt, the sum of $4,000 in full settlement of all claims against the Government for losses incurred by him as the result of injuries received from a rock blown from a quarry operated by the Public Works Administration on the Settle and Scottsville Highway, in Allen County, Ky., on February 27, 1936: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

With the following committee amendments:

Line 5, after the name "Hurt", insert "of Allen County, Ky."

Lines 6 and 7, strike out the word "Government" and insert in lieu thereof "United States."

Line 9, strike out the words "Public Works" and insert in lieu thereof "Works Progress."

The amendments were agreed to.

The bill, as amended, was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

FRANK SPEARS

The Clerk called the bill (H. R. 3992) for the relief of Frank Spears.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Frank Spears, of Pulaski County, Ark., the sum of $4,000, in full satisfaction of his claim against the United States for permanent personal injury sustained on February 21, 1928, from the explosion of a high-explosive shell in the immediate vicinity of Camp Pike Reservation, Ark.: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

JOHN SECREST HOME

The Clerk called the bill (H. R. 9987) to authorize the Attorney General to donate on behalf of the United States to H. S. Scott, D. W. Collins, Fred M. Gross, trustees, Ashland District Council, Boy Scouts of America, the log house known as the John Secrest home, located on the site of the Federal Correctional Institution near Ashland, Ky.

The SPEAKER pro tempore. Is there objection?

There was no objection.

Mr. COSTELLO. Mr. Speaker, I ask unanimous consent that Senate bill 4090 be substituted therefor.

The SPEAKER. Is there objection?

There was no objection.

The Clerk read the Senate bill, as follows:

Be it enacted, etc., That the Attorney General be, and he is hereby, authorized to donate on behalf of the United States to H. S. Scott, D. W. Collins, Fred M. Gross, trustees, Ashland District Council, Boy Scouts of America, that certain log house known as the Secrest house, located on the land comprising the site of the Federal Correctional Institution near Ashland, Ky., and formerly occupied by John Secrest, a pioneer in the Boy Scout movement and one of the first scoutmasters in that portion of Kentucky. The house having no value to the Government for institutional purposes, and the ground upon which it stands being needed for other buildings, it shall be removed within such reasonable time as the Attorney General shall fix, and at no expense to the Government.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

A House bill (H. R. 9987) was laid on the table.

HENRY J. WISE

The Clerk called the bill (H. R. 4815) for the relief of Henry J. Wise.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Henry J. Wise the sum of $400 in full settlement of all claims against the United States because of damages to his automobile and personal injuries sustained when a United States mail truck collided with his car on November 29, 1936, at St. Paul, Minn.

With the following committee amendments:

Line 6, strike out the figures "400" and insert in lieu thereof "378."

At the end of said bill, insert the following: "*Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000."

The committee amendments were agreed to.

The bill as amended was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

PAUL J. KOHANIK

The Clerk called the bill (H. R. 5314) for the relief of Paul J. Kohanik.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Paul J. Kohanik the sum of $69.85. Such sum shall be in full satisfaction of all claims against the United States for damages to claimant's automobile which was in a collision in the city of Minneapolis, Minn., on December 22, 1935, with an automobile driven by Enrollee Wield Wallace in the service of the Civilian Conservation Corps and owned by the United States Government: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or agents, attorney or attorneys, on account of services rendered in connection with said claim. It shall be unlawful for any agent or agents, attorney or attorneys, to exact, collect, withhold, or receive any sum of the amount appropriated in this act in excess of 10 percent thereof on account of services rendered in connection with said claim, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

With the following committee amendment:

Page 2, line 2, strike out the proviso and insert "*Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000."

The committee amendment was agreed to.

The bill as amended was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

J. L. FRETWELL

The Clerk called the bill (H. R. 6740) for the relief of the estate of J. L. Fretwell.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to the administrator of the estate of J. L. Fretwell the sum of $4,695. The payment of such sum shall be in full settlement of all claims against the United States for damages on account of the death of the said J. L. Fretwell who was killed on June 9, 1937, when the automobile in which

he was riding was in collision on the Hail Ridge public highway, Rabun County, Ga., with a truck owned by the Forest Service of the Department of Agriculture.

With the following committee amendments:

Lines 6 and 7, strike out the language "$4,695. The payment of such sum shall be" and insert in lieu thereof "$1,000."

At the end of the bill add: "*Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000."

The committee amendments were agreed to.

The bill as amended was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

THEODORE R. KING

The Clerk called the bill (H. R. 7416) for the relief of Theodore R. King.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the United States Employees' Compensation Commission be, and it is hereby, authorized and directed to determine the merits of the claim of Theodore R. King for injuries and disabilities alleged to have been sustained by him on January 16, 1937, while in the performance of his duties as special agent to collect cotton statistics in Baxter County, Ark., under the provisions of the act entitled "An act to provide compensation for employees of the United States suffering injuries while in the performance of their duties, and for other purposes," approved September 7, 1916, as amended, except that the time limitations in sections 15 to 20, inclusive, of said act shall be and are hereby waived: *Provided*, That claim hereunder shall be filed within 6 months after the approval of this act.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

ELIZABETH BUXTON HOSPITAL

The Clerk called the bill (H. R. 7668) for the relief of Elizabeth Buxton Hospital.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to the Elizabeth Buxton Hospital, of Newport News, Virginia, the sum of $155.30 in full settlement of all claims against the Government of the United States for services rendered to Keaston Church and Lacy Creighton Carrell, Jr., employees of the Fort Eustis National Youth Administration Camp, and hospitalization at the Elizabeth Buxton Hospital given Keaston Church from October 30, 1938, to November 7, 1938, and to Lacy Creighton Carrell, Jr., from November 6, 1938, to November 15, 1938: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or agents, attorney or attorneys, on account of services rendered in connection with said claim. It shall be unlawful for any agent or agents, attorney or attorneys, to exact, collect, withhold, or receive any sum of the amount appropriated in this act in excess of 10 percent thereof on account of services rendered in connection with said claim, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

With the following committee amendment:

Beginning with the word "*Provided*", on page 2, line 3, strike out the remaining language of the bill and insert in lieu thereof: "*Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000."

The amendment was agreed to.

The bill as amended was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

WILLIE PERRY

The Clerk called the next bill, H. R. 7957, for the relief of Willie Perry.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Willie Perry, a resident of Moro, Lee County, Ark., the sum of $5,200. Such sum shall be in full settlement of all claims of the said Willie Perry against the United States for damages sustained by him as a result of being struck on December 4, 1937, at a point about 6 or 7 miles west of Marianna, Ark., on United States Highway No. 79, by a vehicle in the service of the Land Utilization Division of the Farm Security Administration.

With the following committee amendments:

Line 3, strike out the word "is" and insert in lieu thereof "be, and he is hereby."

Line 6, strike out the language "$5,200. Such sum shall be" and insert in lieu thereof "$4,000."

Line 8, strike out the word "damages" and insert in lieu thereof "personal injuries."

At the end of the bill add: "*Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

THOMAS R. FOX

The Clerk called the next bill, H. R. 8217, for the relief of Thomas R. Fox.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is hereby directed to pay, out of any money in the Treasury not otherwise appropriated, to Thomas R. Fox, the sum of $6,448.62, in full settlement of any claim that he may have, growing out of his personal injuries occasioned by the negligence of the driver of a Soil Conservation Service automobile operated at the time by the Department of Agriculture, including medical expenses and hospitalization: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

With the following committee amendments:

Line 3, strike out the words "is hereby" and insert in lieu thereof "be, and he is hereby, authorized and."

Line 5, after the name "Fox", insert "of Paducah, Ky."

Line 5, strike out the sign and figures "$6,448.62" and insert in lieu thereof "$2,966.62."

Line 6, strike out the language "any claim that he may have," and insert in lieu thereof "all claims against the United States."

Lines 9 and 10, strike out the language "including medical expenses and hospitalization;" and insert in lieu thereof "on May 13, 1938."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

PETER CAIETTI

The Clerk called the next bill, H. R. 8246, for the relief of Peter Caietti.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, the sum of $500 to Peter Caietti, of Sacramento, Calif., in full settlement of all claims against the Government of the United States for personal damage and injury sustained by his minor son, Clyde, on November 2, 1933, when the car which said Peter Caietti was driving, and in which his son, Clyde, was an occupant, was struck by a truck owned by the United States Forest Service and operated by an employee of the Civilian Conservation Corps: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or agents, attorney or attorneys, on account of services rendered in connection with said claim. It shall be unlawful for any agent or agents, attorney or attorneys, to exact, collect, withhold, or receive any sum of the amount appropriated in this act in excess of 10 percent thereof on account of services rendered in connection with said

claim, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

With the following committee amendments:

Line 6, after the word "California", insert "as legal guardian of his minor son, Clyde Caietti."

Lines 8 and 9, strike out the language "his minor son, Clyde," and insert in lieu thereof "the said Clyde Caietti."

Lines 9 and 10, strike out the language "which said Peter Caietti was driving, and in which his son, Clyde," and insert in lieu thereof "in which the said Clyde Caietti."

Line 11, strike out "truck owned by the United" and insert in lieu thereof "Civilian Conservation Corps truck."

Page 2, line 1, strike out "States Forest Service" and insert in lieu thereof "under the jurisdiction of the National Park Service."

Beginning with the word *"Provided"* in line 2, strike out the remaining language of the bill and insert in lieu thereof: *"Provided,* That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

The title was amended so as to read: "A bill for the relief of Clyde Caietti, a minor."

DR. A. C. WADE

The Clerk called the next bill, H. R. 8504, for the relief of Dr. A. C. Wade.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Dr. A. C. Wade, Augusta, Ga., the sum of $2,500. The payment of such sum represents reimbursement for the loss sustained by the said Dr. A. C. Wade on account of the forfeiture to the United States of a bond conditioned upon the delivery in court of one Henry Anger. By reason of the nonappearance of the said Henry Anger, such bond was declared forfeited in the Augusta division of the United States District Court for the Southern District of Georgia on April 11, 1939, and the amount of the bond was subsequently paid by the said Dr. A. C. Wade. The said Dr. A. C. Wade expended several hundred dollars in attempting to apprehend the said Henry Anger, who is an alien, and, on the basis of evidence in the hands of the Federal Bureau of Investigation, appears to have left the United States.

With the following committee amendments:

Page 1, line 6, strike out the sign and figures "$2,500" and insert in lieu thereof "$1,000."

Page 2, at the end of the bill add: *"Provided,* That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000."

The amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

RUFUS K. SANDERLIN

The Clerk called the next bill, H. R. 8946, for the relief of Rufus K. Sanderlin.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Rufus K. Sanderlin, Fort Worth, Tex., the sum of $713.30. The payment of such sum shall be in full settlement of all claims of the said Rufus K. Sanderlin against the United States on account of personal injuries sustained by him on March 3, 1939, when his truck in which he was parked on the Randal Mill Road in Tarrant County, Tex., was struck by a truck in the service of the Works Progress Administration.

With the following committee amendment:

At the end of the bill add: *"Provided,* That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000."

The amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

THEODORE R. TROENDLE, FOR DAWSON SPRINGS CONSTRUCTION CO.

The Clerk called the next bill, H. R. 9934, to confer jurisdiction upon the United States District Court for the Western District of Kentucky to hear, determine, and render judgment upon the claim of Theodore R. Troendle, for the Dawson Springs Construction Co.

Mr. HANCOCK and Mr. MOTT objected; and the bill, under the rule, was recommitted to the Committee on Claims.

WILLIAM LAWRENCE TAN

The Clerk called the next bill, S. 3146, relating to the citizenship of William Lawrence Tan.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That for the purposes of section 5 of the act entitled "An act in reference to the expatriation of citizens and their protection abroad," approved March 2, 1907, as amended, William Lawrence Tan, of Honolulu, T. H., the minor child of Wilma Alberta Geary, a citizen of the United States whose American citizenship was resumed on March 30, 1935, notwithstanding that he is inadmissible for entry into the United States for permanent residence he shall not be deported.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

AGNES BRODAHL

The Clerk called the next bill, H. R. 1360, for the relief of Agnes Brodahl.

The SPEAKER pro tempore. Is there objection?

Mr. COSTELLO and Mr. HANCOCK objected; and the bill, under the rule, was recommitted to the Committee on War Claims.

GEORGE R. STRINGER

The Clerk called the next bill, H. R. 6210, for the relief of George R. Stringer.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to George R. Stringer, of Bloomingdale, Ind., the sum of $549.05, in full settlement of all claims against the United States for a payment to the postmaster at Roachdale, Ind., by said George R. Stringer for the purchase of war-savings stamps on June 25, 1918, which said amount was embezzled by the said postmaster, and said war-savings stamps were never delivered to said George R. Stringer: *Provided,* That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

ALLEN B. BOYER

The Clerk called the next bill, H. R. 8301, for the relief of Allen B. Boyer.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Allen B. Boyer, of rural route No. 3, Snohomish, Wash., the sum of $600, on account of the destruction by fire of 120 United States war-savings certificate stamps, issued in 1918, at Shreveport, La., to the said Allen B. Boyer, which stamps were in unregistered form due to the lack of registration facilities at the post office at Shreveport, La., at the time the stamps were presented for registration.

With the following committee amendment:

Beginning with the word "pay" in line 4 strike out the remainder of the line and all the remaining lines of the bill and insert in lieu thereof "redeem in favor of Allen B. Boyer, of rural route No. 3, Snohomish, Wash., certain war-savings certificate stamps, series of 1918, issued to him but later destroyed by fire, such redemption to be in the amount of $600."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

LOUISE THORNE

The Clerk called the next bill, S. 2969, for the relief of Louise Thorne.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That notwithstanding the provisions of the immigration laws, the Secretary of Labor is authorized and directed to permit Louise Thorne, the wife of a citizen of the United States, to remain permanently in the United States.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

MRS. HAMA TORII EMERSON

The Clerk called the next bill, H. R. 6820, for the relief of Mrs. Hama Torii Emerson.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That from and after the date of the approval of this act, Mrs. Hama Torii Emerson, who was admitted into the Territory of Hawaii on June 27, 1931, for a temporary stay and is the Japanese wife of a citizen of the United States, shall be deemed to have been lawfully admitted as an immigrant for permanent residence.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

KETCHUM, IDAHO

The Clerk called the next bill, S. 1251, for the relief of certain settlers in the town site of Ketchum, Idaho.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That if, within 3 years from the date of enactment of this act, it shall be shown to the satisfaction of the Secretary of the Interior that any lot in the town site of Ketchum, Idaho, as shown on the official plat thereof on file in the General Land Office, has been held in good faith in peaceful, adverse possession by a citizen of the United States, his ancestors or grantors, for more than 10 years next preceding the date of enactment of this act under claim or color of title, and that during such time valuable improvements have been placed on such lot, or taxes levied on such lot have been paid, the Secretary may, in his discretion and under such rules and regulations as he may prescribe, cause a patent for such lot to issue to such citizen, upon payment therefor of such price not less than the minimum provided in sections 2384 and 2385 of the United States Revised Statutes, as may be fixed by the Secretary, without requiring a showing of privity with any persons entitled to purchase the lot as a preemption under section 2383, United States Revised Statutes: *Provided*, That notice of intention to purchase the lot under the provisions of this act is posted for a period of 30 days in the land office for the district in which the town site is situated and is published once a week for 4 consecutive weeks in some newspaper designated by the Secretary and that no valid protest is filed against such purchase.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

ENTRYMEN ON CERTAIN INDIAN RESERVATIONS

The Clerk called the next bill, S. 3101, for the relief of certain purchasers of, and entrymen upon, opened lands of certain Indian reservations.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Interior is hereby authorized to reinstate any entry or purchase, in existence December 31, 1936, on the opened lands within the ceded areas of the Cheyenne River, Coeur d'Alene, Colville, Fort Berthold, Fort Peck, Pine Ridge, Rosebud, or Standing Rock Indian Reservations, or any of the Chippewa lands in Minnesota opened in accordance with the act of January 14, 1889 (25 Stat. 642), that has been canceled in toto for failure of the claimant thereof to make payment of the purchase money and interest due, or any such entry canceled in part by relinquishment, upon the filing by the claimant in the proper district land office within 60 days from the date of the enactment of this act, an application for reinstatement accompanied by the full amount of money due under governing laws: *Provided*, That all other requirements of the laws under which the entry or purchase was made have been complied with.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

THOMAS A. LAMBIE

The Clerk called the next bill, S. 2768, authorizing the naturalization of Thomas A. Lambie.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, notwithstanding any other provision of law, at any time within 1 year after the date of enactment of this act, Thomas A. Lambie, of Owings Mills, Md., may be naturalized as a citizen of the United States by taking the naturalization oath of allegiance before any court having jurisdiction of the naturalization of aliens.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

HENRY GIDEON SCHILLER

The Clerk called the next bill, S. 2775, for the relief of Henry Gideon Schiller.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That for the purposes of the immigration and naturalization laws Henry Gideon Schiller, St. Louis, Mo., shall be considered to have been lawfully admitted at Noyes, Minn., June —, 1931, to the United States for permanent residence.

Sec. 2. Upon the enactment of this act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the nonpreference category of the quota during the current quota year.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

DEXTER AND ELIZABETH SHIOMI

The Clerk called the next bill, S. 2909, for the relief of Dexter and Elizabeth Shiomi.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That in the administration of the immigration and naturalization laws the Secretary of Labor be, and is hereby, authorized and directed to record the lawful admittance for permanent residence of Dexter and Elizabeth Shiomi.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

ERNEST HERMANN SCHMIDT

The Clerk called the next bill, H. R. 9279, to enable Ernest Hermann Schmidt to remain permanently in the United States.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That notwithstanding any provision of the immigration laws Ernest Hermann Schmidt, a native of Germany, who entered the United States from Germany at New York, N. Y., on January 7, 1929, shall be permitted to remain in the United States permanently as though he had in all respects complied with the immigration laws upon entry, and that the residence in the United States of said Ernest Hermann Schmidt shall date from the approval of this act.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

FLORENCE SINCLAIR COOPER ET AL.

The Clerk called the next bill, S. 1789, to authorize the cancelation of deportation proceedings in the case of Florence Sinclair Cooper and daughter, Margaret Lavallie, and Philip P. Roy.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of Labor is hereby authorized and directed to cancel the deportation proceedings issued pursuant to sections 19 and 20 of the Immigration Act of February 5, 1917 (39 Stat. 889, 890; U. S. C., title 8, secs. 155 and 156), in the case of Florence Sinclair Cooper and daughter, Margaret Lavallie, and Philip P. Roy, any provision of existing law to the contrary notwithstanding. From and after the date of the approval of this act, Florence Sinclair Cooper, her daughter, Margaret Lavallie, and Philip P. Roy shall not again be subject to deportation by reason of the same facts upon which the outstanding proceedings rest.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

FRED S. HONDROS

The Clerk called the next bill, H. R. 6295, for the relief of Fred S. Hondros.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the United States Court for the Eastern District of North Carolina is hereby authorized and directed to restore citizenship to Fred S. Hondros.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

FIRE-LOSS CLAIMANTS

The Clerk called the next bill, H. R. 8666, for the relief of certain claimants on account of loss by fire for which the United States was adjudged liable.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to the owners of the following lands in Lake Landing Township, Hyde County, N. C., the following sums, in full settlement of all claims against the United States for damage and consequent loss sustained as a result of the forest fire or fires which burned land and timber of the Pamlico Timber Corporation, for damage for which the United States was held liable in the District Court of the United States for the Eastern District of North Carolina on August 2, 1937:

R. B. Stotesbury, 45 acres, $700; E. B. Bell, 62 acres, $1,138; Elizabeth W. O'Neal, 100 acres, $1,500; John H. C. Berry, 400 acres, $4,800; W. Warren Watson, 490 acres, $4,669; S. A. Long and L. A. Dudley, 900 acres, $3,600; Closs Gibbs and O. L. Williams, 4,200 acres, $1,500; Charles H. Swink, 60 acres, $525; Closs Gibbs, 40 acres, $400; D. S. McGowan, 10 acres, $80; J. G. Weston heirs, 2 acres, $37; W. T. Howard, 28 acres, $322; G. S. Emory, 55 acres, $550; Emory heirs, 7 acres, $120; J. W. Spence heirs, 90 acres, $900; George E. Davis, 33 acres, $370; W. M. Ross, 4 acres, $24; Mrs. H. T. Weston, 6 acres, $98; James McClaud heirs, 25 acres, $309; Mrs. B. H. Black, 25 acres, $125; Mrs. L. L. Boomer, 25 acres, $125; Julian S. Mann, 552 acres, $2,350; Julian S. Mann and Roper Lumber Co., 2,694 acres, $2,500; Elizabeth Pugh estate, 37 acres, $296; Mrs. B. A. Credle, 6 acres, $300; Philip Selby and others, 150 acres, $750; John Midyette, 2 acres, $50; State of North Carolina, 1,000 acres, $5,000; in all, $33,138.

SEC. 2. The Secretary of the Interior is authorized and directed, upon application filed within 2 years after the date of enactment of this act by any person not listed in section 1, to determine if such person suffered damage or loss on account of such fire or fires and to determine the amount of such damage. Upon such determination, the Secretary of the Interior shall certify the name and address of such person and the amount so found by him to the Secretary of the Treasury. The Secretary of the Treasury shall there upon pay to such person the amount so certified, but not more than $5,000 shall be paid under this section. Determinations by the Secretary of the Interior under this section shall be final and shall not be reviewable by any officer of the United States or by any court, and payment in accordance with the Secretary's certification shall be in full settlement of the claim with respect to which the certification is made.

SEC. 3. No part of the amount appropriated in this act for the payment of any one claim in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with such claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

With the following committee amendments:

Page 2, line 7, strike out the the language "490 acres, $4,669;" and insert in lieu thereof: "237 acres, $2,136; W. Warren Watson, J. S. Mann, et al., two-thirds undivided interest in 380 acres (253 acres), $2,533."

Page 3, beginning with the word "upon" in line 11, strike out all the language in lines 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, 15, and 16.

Page 3, line 10, after the word "damage", insert "and to report such determinations to the Congress."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

FANNY KARP

The Clerk called the next bill, H. R. 7143, for the relief of Fanny Karp.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That in the administration of the immigration and naturalization laws the Secretary of Labor is hereby authorized and directed to cancel the warrant of arrest and the order of deportation against Fanny Karp heretofore issued on the ground that admission to the United States had been fraudulently gained; and that she shall hereafter be deemed to have been lawfully admitted to the United States for permament residence at New York, N. Y.

With the following committee amendment:

Page 1, line 10, after the words "New York", insert:

"Upon the enactment of this act the Secretary of State shall instruct the proper quota-control officer to deduct one number from the Polish quota for the first year that the said Polish quota is available."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and, passed, and a motion to reconsider was laid on the table.

AMELIA MARIA CAVARZAN

The Clerk called the next bill, H. R. 7458, for the relief of Amelia Maria Cavarzan.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of Labor is hereby authorized and directed to cancel the order of arrest issued against Amelia Maria Cavarzan. This act shall not be deemed to create a record of the admission of the said Amelia Maria Cavarzan for immigration or naturalization purposes. The said Amelia Maria Cavarzan shall not hereafter be subject to a warrant of arrest or an order of deportation for the same cause or causes upon which the warrant of arrest was issued.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

JOHN NICHOLAS CHICOURAS

The Clerk called the next bill, S. 3412, for the relief of John Nicholas Chicouras.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That in the administration of the immigration and naturalization laws, John Nicholas Chicouras, of Aberdeen, Miss., shall be held and considered to have been legally admitted to the United States for permanent residence on November 25, 1925, and the Secretary of Labor is authorized and directed to permit said John Nicholas Chicouras to reenter the United States.

SEC. 2. Upon the enactment of this act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the nonpreference category of the quota during the current quota year.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

JOSEPH L. LIPSHER AND ESTHER MILA LIPSHER

The Clerk called the next bill, S. 2964, for the relief of Joseph L. Lipsher and Esther Mila Lipsher.

Mr. SCHAFER of Wisconsin and Mr. COSTELLO objected; and, under the rule, the bill was recommitted to the Committee on Immigration and Naturalization.

JOHN HORVATH

The Clerk called the next bill, S. 2995, for the relief of John Horvath.

Mr. MOTT and Mr. THOMAS of New Jersey objected; and, under the rule, the bill was recommitted to the Committee on Immigration and Naturalization.

SADAO TANAKA

The Clerk called the next bill, S. 3256, to enable Sadao Tanaka to remain permanently in the United States.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That notwithstanding any provision of the immigration laws, Sadao Tanaka, a native of Japan, admitted into the United States on November 14, 1932, for temporary residence, shall be permitted to remain in the United States permanently as though he had in all respects complied with the immigration laws upon entry, and that the residence in the United States of the said Sadao Tanaka shall date from the approval of this act.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

FULTON COMBS

The Clerk called the next bill, H. R. 2490, for the relief of Fulton Combs.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any funds in the Treasury not otherwise appropriated, to Fulton Combs, the sum of $2,500 for personal injury and property loss sustained by him in an accident and collision with a truck owned by the Civilian Conservation Corps, which occurred on Cutshin Creek, Leslie County, Ky., on September 3, 1936, at about 2:30 o'clock p. m., same to be in full settlement of all claims against the United States Government arising from or out of said accident.

With the following committee amendments:

Page 1, line 4, strike out the word "funds" and insert "money."

Line 5, after the name "Combs", insert a comma and the language "of Hazard County, Ky."

Line 6, strike out the language "$2,500 for personal injury and property loss" and insert in lieu thereof "$1,500 in full settlement of all claims against the United States for injuries and losses."

Line 10, strike out the comma after the word "postmeridian", and strike out the remaining language of the bill and insert in lieu thereof: "*Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000."

Mr. COSTELLO. Mr. Speaker, I offer an amendment to the committee amendment.

The Clerk read as follows:

Amendment offered by Mr. COSTELLO: On page 1, line 6, after the word "Hazard", insert "Perry."

The amendment to the committee amendment was agreed to.

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

THEO. J. THOMPSON

The Clerk called the next bill, H. R. 3009, for the relief of Theo. J. Thompson.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated and in full settlement against the Government, the sum of $500 to Theo. J. Thompson, father of June Thompson, a minor daughter, for personal injuries caused by the negligence of Works Progress Administration employees in November 1936 at Boyceville, Wis.: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or agents, attorney or attorneys, on account of services rendered in connection with said claim. It shall be unlawful for any agent or agents, attorney or attorneys, to exact, collect, withhold, or receive any sum of the amount appropriated in this act in excess of 10 percent thereof on account of services rendered in connection with said claim, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

With the following committee amendments:

Line 6, strike out the language "against the Government" and insert in lieu thereof "of all claims against the United States."

Line 6, strike out the sign and figures "$500" and insert in lieu thereof "$250."

Line 7, strike out the word "father" and insert in lieu thereof "as legal guardian."

Line 7, strike out the word "daughter."

Beginning with the word "*Provided*" in line 10, strike out the remaining language of the bill, and insert in lieu thereof: "*Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

The title was amended so as to read: "A bill for the relief of June Thompson, a minor."

ESTELLE M. CORBETT

The Clerk called the next bill, H. R. 7747, for the relief of Estelle M. Corbett.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Estelle M. Corbett, secretary to Hon. John Lesinski, Representative in the Congress of the United States from the Sixteenth District of Michigan, the sum of $2,500 in full settlement of all claims against the Government of the United States and the municipal government of the District of Columbia for personal injuries sustained by her on November 14, 1939, when she was struck near the intersection of First and B Streets SE., in the city of Washington, D. C., as the direct and proximate result of the negligent operation of a motor vehicle owned by the National Guard of the District of Columbia and operated by a member of that organization while in the performance of his duties as a member of said organization.

With the following committee amendment:

Strike out all after the enacting clause and insert:

"That there is hereby authorized and directed to be appropriated, from funds to the credit of the District of Columbia in the Treasury of the United States not otherwise appropriated, the sum of $1,850 to be paid to Estelle M. Corbett, of Detroit, Mich., in full settlement of all claims against the United States and the municipal government of the District of Columbia for personal injuries sustained by her on November 14, 1939, when she was struck near the intersection of First and B Streets SE., in the city of Washington, D. C., by a motor vehicle owned by the National Guard of the District of Columbia and operated by a member of that organization while in the performance of his duties as a member of said organization: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

MAY C. TAYLOR

The Clerk called the next bill, H. R. 8091, for the relief of May C. Taylor.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to May C. Taylor the sum of $497.50, in full settlement for salary due her for duties performed while employed by the Home Owners' Loan Corporation.

With the following committee amendment:

Strike out all after the enacting clause and insert the following:

"That the Home Owners' Loan Corporation is hereby authorized and directed to pay to May C. Taylor, of Newark, N. J., the sum of $497.50, in full settlement of all claims against the Home Owners' Loan Corporation for salary due her for duties performed while employed by the Home Owners' Loan Corporation: *Provided* That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim and the same shall be unlawful any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1000."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

EDNA S. GARDINER

The Clerk called the next bill, H. R. 8459, for the relief of Edna S. Gardiner.

There being no objection, the Clerk read the bill, as follows:

Be it enacted etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the

Treasury not otherwise appropriated, the sum of $5,000 for the relief of Edna S. Gardiner, widow of Frank K. Gardiner, who died as a result of being struck by a United States mail truck on September 1, 1939: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or agents, attorney or attorneys, on account of services rendered in connection with said claim. It shall be unlawful for any agent or agents, attorney or attorneys, to exact, collect, withhold, or receive any sum of the amount appropriated in this act in excess of 10 percent thereof on account of services rendered in connection with said claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined any sum not exceeding $1,000.

With the following committee amendments:

Line 5, strike out the sign and figures "$5,000" and insert in lieu thereof "$3,000."

Line 6, strike out the language "for the relief of" and insert in lieu thereof "to."

Line 6, strike out the words "widow of" and insert in lieu thereof "of Denver, Colo., in full settlement of all claims against the United States on account of the death of her husband,".

Beginning with the word "*Provided*", in line 8, strike out the remaining language of the bill and insert in lieu thereof: "*Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

RELIEF OF CERTAIN DISBURSING AGENTS AND CERTIFYING OFFICERS OF INDIAN SERVICE

The Clerk called the next bill, S. 3707, for the relief of certain disbursing agents and certifying officers of the Indian Service, the United States Veterans' Administration, and the Treasury Department.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Comptroller General of the United States be, and he is hereby, authorized and directed to allow credit to certifying officers of the Indian Service and in the accounts of L. E. Baumgarten (deceased), J. V. King, E. W. Jermark, and J. C. Cavill, disbursing agents of the Indian Service; Richard H. Zohm, disbursing agent for the United States Veterans' Administration; and G. F. Allen, chief disbursing officer of the Treasury Department, for certain payments disallowed in the accounts of the above-named officials which were made to and on account of P. D. Southworth, while serving as agricultural extension agent in the Indian Service during the period from March 1933 to February 1936, inclusive.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

M. E. M'GIVERN

The Clerk called the next bill, S. 3742, for the relief of M. E. McGivern.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to M. E. McGivern the sum of $465 in full settlement of all claims against the United States, including a claim for refund of the purchase price for the tract described as the southwest quarter northeast quarter of section 30, township 40 north, range 5 east of the fourth principal meridian, arising out of transactions relating to lands situated within the Lac du Flambeau Indian Reservation.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

RELEASING ALL INTEREST OF UNITED STATES IN CERTAIN LANDS IN CALIFORNIA

The Clerk called the next bill, H. R. 6752, to release all the interest of the United States in certain land constituting a portion of the right-of-way granted to the Central Pacific Railway Co. under the act of July 1, 1862, as amended and supplemented.

The SPEAKER pro tempore (Mr. GAVAGAN). Is there objection to the present consideration of the bill?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That all the right, title, and interest of the United States in and to the land hereinafter described (constituting a portion of the right of way granted by the United States to the Central Pacific Railway Co. under the act of July 1, 1862, as amended and supplemented), is hereby conveyed, relinquished, and released to the trustees of Summit Lodge, No. 54, Knights of Pythias, and to their successors in office. Such land is described as follows:

All that certain real property situated in the town of Truckee, county of Nevada, State of California, and more particularly described as follows, to wit:

Parcel No. 1: All that portion of lots 1, 2, and 3 of block "C," as per the official map of the town of Truckee, county of Nevada, State of California, described as follows:

Commencing at the southwest corner of lot 1 of block "C" according to the official or railroad map of said town of Truckee, thence easterly along the south line of said block sixty and eight-twelfths feet; thence northerly directly through lot 3 of said block and parallel with the sides of said lot thirty-seven and one-half feet; thence westerly sixty and eight-twelfths feet to a point on the west line of said lot 1 thirty-seven and one-half feet distant from the southwest corner of said lot; thence southerly thirty-seven and one-half feet to place of beginning.

Parcel No. 2: Lots 4 and 5 of block "C" and that portion of lots 1, 2, and 3 of the same block according to the official map of said town of Truckee, particularly described as follows:

Commencing at a point on the west line of said lot 1 thirty-seven and one-half feet from the southwest corner of said lot and block, thence easterly sixty and eight-twelfths feet to a point in lot 3 of said block thirty-seven and one-half feet from the south line of said lot and block; thence southerly thirty-seven and one-half feet from the south line of said lot and block sixty and eight-twelfths feet distant from the southwest corner of said block; thence easterly sixty-four and four-twelfths feet to the southeast corner of said block; thence northerly ninety feet to the northeast corner of said block; thence westerly one hundred and twenty-five feet to the northwest corner of said block; thence southerly fifty-two and one-half feet to the place of beginning.

Parcel No. 3: Commencing at a point at the intersection of the south line and the west line of said lot 5 of block "C" as above described, and being the southwest corner of said lot, thence in a general westerly direction along the south line of said lot 5 as projected six and seven-tenths feet; thence at a right angle northerly along a line parallel with the west line of said lot 5 eighty-seven and eight-tenths feet; thence at a right angle easterly six and seven-tenths feet to the westerly line of said lot 5; and thence southerly along the westerly line of said lot 5 eighty-seven and eight-tenths feet to the place of beginning.

With the following committee amendment:

Strike out all after the enacting clause and insert:

"That the conveyance by the Central Pacific Railway Co. to the trustees of Summit Lodge, No. 54, Knights of Pythias, involving certain land in the town of Truckee, Calif., hereinafter described, being a part of the right-of-way of the Central Pacific Railway Co. granted by an act of Congress approved July 1, 1862 (12 Stat. 489), and an act of Congress approved July 2, 1864 (13 Stat. 356), is hereby validated and confirmed with the same force and effect as if the land involved therein had been held by the company in fee simple absolute at the time of the making of the conveyance:

"Parcel No. 1: Beginning at the southwest corner of lot 1 of block 'C' as said lot and block are designated on that certain map filed by the Central Pacific Railroad Co. July 15, 1890, Nevada County records, said point of beginning being also at right angles northerly and distant ninety-seven and five-tenths feet from the center line of the Central Pacific Railway Co.'s originally located main track at engineer's station 770+95.0; thence, easterly parallel to and distant ninety-seven and five-tenths feet northerly at right angles from said center line of main track, along the south line of lots 1, 2, and 3 of said block 'C,' a distance of sixty and sixty-seven one-hundredths feet to a point; thence, at right angles, northerly from the last-described course thirty-seven and five-tenths feet to a point; thence, at right angles, westerly and parallel to said south line of lots 1, 2, and 3, a distance of sixty and sixty-seven one-hundredths feet to a point in the west line of said lot 1, a distance of thirty-seven and five-tenths feet to the point of beginning, containing an area of fifty-two one-thousandths of an acre, more or less.

"Parcel No. 2: Commencing at the southwest corner of lot 1 of block 'C' as said lot and block are designated on that certain map filed by the Central Pacific Raiload Co. July 15, 1890, Nevada County records; said point of commencement being at right angles northerly and distance ninety-seven and five-tenths feet from the center line of the Central Pacific Railway Co.'s originally located main track at engineer's station 770+95.0; thence easterly, parallel to and distant ninety-seven and five-tenths feet northerly at right angles, from said center line of main track along the south line of lots 1, 2, and 3 of said block 'C,' a distance of sixty and sixty-seven one-hundredths feet to the point of beginning of the parcel of land to be described; thence continuing along the south line of lots 3, 4, and 5 of said bock 'C,' sixty-four and thirty-three one-hundredths feet to the southeast corner of said lot 5; thence, at right angles, northerly from the last-described course along the east line of said lot 5, a distance of ninety feet to the northeast corner of said lot 5; thence, at right angles westerly from the last-described course along the north line of said lots 1, 2, 3, 4, and 5 of said block 'C,' one hundred and twenty-five feet to the northwest corner of said lot 1;

thence at right angles southerly from the last-described course along the west line of said lot 1, a distance of fifty-two and five-tenths feet to a point; thence at right angles easterly from the last-described course sixty and sixty-seven one-hundredths feet to a point; thence at right angles southerly from the last-described course thirty-seven and five-tenths feet to the point of beginning and containing an area of two hundred and six one-thousandths of an acre, more or less.

"Parcel No. 3: A strip of land six and seven-tenths feet wide, lying easterly of and adjacent to said lot 5 of said block 'C' and extending northerly from the easterly prolongation of the south line of said lot 5 of said block 'C,' eighty-seven and eight-tenths feet, containing an area of fourteen one-thousandths of an acre, more or less.

"*Provided,* That such validation and confirmation shall not diminish the right-of-way to a width of less than 50 feet on either side of the center of the main track or tracks of the Central Pacific Railway Co. as now established and maintained: *And provided further,* That there shall be reserved to the United States all oil, coal, or other minerals in the land and the right to prospect for, mine, and remove the same under such rules and regulations as the Secretary of the Interior may prescribe."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

SOPHRANIA HOLMES

The Clerk called the next bill, H. R. 1284, for the relief of Sophrania Holmes.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Sophrania Holmes, the sum of $3,000 in full settlement of all claims against the United States for personal injuries received as a result of a collision with a Civilian Conservation Corps truck and the private car in which Sophrania Holmes was a passenger on November 28, 1935, on Highway No. 63, in Jasper County, Tex.

With the following committee amendments:

Page 1, line 5, after the name "Holmes", insert a comma and the language "of Jasper County, Tex."

Line 6, strike out the sign and figures "$3,000" and insert in lieu thereof "$179."

At the end of the bill add: "*Provided,* That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

THOMAS MIRALIA AND BETTY MIRALIA

The Clerk called the next bill, H. R. 5116, for the relief of Thomas Miralia and Betty Miralia.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Thomas Miralia and Betty Miralia the sum of $3,073 in settlement of their claim against the United States for injuries resulting from a collision between an Army truck, and driven by Richard Stephens, an enrollee of the Civilian Conservation Corps, and a Graham sedan driven and owned by Thomas Miralia.

With the following committee amendments:

Page 1, line 6, strike out the language "$3,073 in settlement of their claim" and insert in lieu thereof "$1,170.80 in full settlement of all claims."

Line 7, after the word "collision", insert "on November 23, 1938."

Line 8, strike out the word "and" and insert in lieu thereof a comma.

At the end of the bill add: "*Provided,* That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

CLYDE E. MALLE

The Clerk called the next bill, H. R. 5562, for the relief of Clyde E. Malle.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is hereby authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Clyde E. Malle, of Philadelphia, Pa., the sum of $260 in full satisfaction of his claim against the United States for use of a play during March and April of 1936, which he prepared for the Works Progress Administration Federal theater project in Philadelphia, and for his services in preparing said play for presentation.

With the following committee amendments:

Page 1, line 3, after "Treasury", insert "be, and he."

Page 1, line 6, strike out "$260" and insert "$114.28."

Line 7, strike out "satisfaction of his claim" and insert "settlement of all claims."

Line 8, before "April" strike out "and", and after "April", insert "and June."

Page 2, after line 1 insert the following: "*Provided,* That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

SILAS YOUNG, LILLIAN BROWN, AND NATHANIEL BROWN

The Clerk called the next bill, H. R. 7302, for the relief of Silas Young, Lillian Brown, and Nathaniel Brown.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to N. H. Brown, Lenapah, Okla., the sum of $5,500; to Lillian Brown, Lenapah, Okla., the sum of $5,000; and to Silas Young, Lenapah, Okla., the sum of $5,000. The payment of such sums shall be in full settlement of all claims against the United States arising out of an accident on April 19, 1935, near Mingo, Okla., when a truck in the service of the Civilian Conservation Corps struck an automobile owned by the said Nathaniel Brown. Such accident resulted in personal injuries to the said Nathaniel Brown, Lillian Brown, and Silas Young, and in the demolition of such automobile.

With the following committee amendment:

Strike out all after the enacting clause and insert the following:

"That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, the sum of $750 to Lillian Brown, and the sum of $750 to Silas Young, both of Lenapah, Okla., in full settlement of all claims against the United States on account of personal injuries sustained by the said Lillian Brown and Silas Young arising out of an accident on April 19, 1935, near Mingo, Okla., when a truck in the service of the Civilian Conservation Corps collided with the automobile in which they were riding: *Provided,* That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

Mr. COSTELLO. Mr. Speaker, I offer an amendment to the title.

The Clerk read as follows:

Amendment offered by Mr. COSTELLO: Amend the title so as to read: "A bill for the relief of Lillian Brown and Silas Young."

The amendment to the title was agreed to.

A motion to reconsider was laid on the table.

PARENTS OF CHARLDEAN FINCH

The Clerk called the next bill, H. R. 7425, for the relief of the parents of Charldean Finch.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Noble Finch and Cardie Finch, of Atoka, Okla., the sum of $5,000. The payment of such sum shall

be in full settlement of all claims against the United States for damages sustained by the said Noble Finch and Cardie Finch as a result of damages sustained by them by reason of the death of their daughter, Charldean Finch, caused by injuries sustained when she was struck, at the intersection of C Street with United States Highway 69–75, in the city of Atoka, Okla., on May 11, 1939, by a truck in the service of the Civilian Conservation Corps.

With the following committee amendments:

Page 1, line 3, strike out "is" and insert "be, and he is hereby."
Line 6, strike out "$5,000. The payment of such sum shall be" and insert "$3,500."
Line 9, strike out "as a result of damages sustained by them."
Page 2, line 3, strike out "May" and insert "April."
After line 4 insert the following: "*Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

J. E. DAMBACH

The Clerk called the next bill, H. R. 7679, for the relief of J. E. Dambach.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, the sum of $1,423 to J. E. Dambach to compensate for doctor bills, medicine, and loss of time incurred as the result of a severe injury sustained by him while employed on the farm of George Wall, Evans City, Pa., by a blast of dynamite by Work Projects Administration workmen who were quarrying stone on the property of said George Wall.

With the following committee amendments:

Page 1, line 6, strike out "to compensate" and insert ", of Evans City, Pa., in full settlement of all claims against the United States."
Line 9, after "him", insert "on October 7, 1938."
Line 10, strike out "Wall" and insert "Wahl, Sr."
Page 2, line 1, strike out "Work Projects" and insert "Works Progress."
Line 3, strike out "Wall" and insert "Wahl, Sr.: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

CHARLES H. AMOS HANDLE CO.

The Clerk called the next bill, H. R. 8318, for the relief of the Charles H. Amos Handle Co.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to the Charles H. Amos Handle Co., of Stilwell, Okla., the sum of $1,840. The Comptroller General of the United States is authorized and directed to settle the accounts of the Finance Officer of the War Department under contract A9 fs ECW 610, dated December 30, 1936, on the basis of such payment, and to release the Charles H. Amos Handle Co. of any liability for liquidated damages to the United States arising out of such contract. Payment under this act shall be in settlement of all claims of the company against the United States under such contract. The company, by reason of circumstances beyond its control, was unable to complete delivery under the contract within the time specified, and no actual damage was sustained by the United States on account of the delay.

With the following committee amendment:

Strike out all after the enacting clause and insert the following:
"That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to the Charles H. Amos Handle Co., of Stilwell, Okla., the sum of $1,730.15. The Comptroller General of the United States is authorized and directed to release the Charles H. Amos Handle Co. of any liability for liquidated damages to the United States arising under contract A9–fs–ECW–610, dated December 30, 1936. Payment under this act shall be in full settlement of all claims of the company against the United States under such contract. The company, by reason of circumstances beyond its control, was unable to complete delivery under the contract within the time specified, and no actual damage was sustained by the United States on account of the delay: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

FORT HALL INDIAN IRRIGATION PROJECT, IDAHO

The Clerk called the next bill, H. R. 10033, to provide for the acquisition of flowage rights and the payment of certain damages in connection with the operation of the Fort Hall Indian irrigation project, Idaho.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury, upon receipt of advice from the Secretary of the Interior to the effect that an appropriate and properly executed easement has been obtained, be, and he is hereby, authorized and directed to pay, out of any money in the Treasury of the United States not otherwise appropriated, to Emory Poulson, or his heirs, an amount not exceeding $4,500: *Provided*, That the foregoing amount shall be in full settlement for any and all past and present damages to the lands or personal property of the above-named Emory Poulson in connection with the construction, operation, and maintenance of the Blackfoot Reservoir, Gray's Lake, and the conveyance channel from Gray's Lake to the Blackfoot Reservoir of the Fort Hall Indian irrigation project, Idaho, and in full payment for the easement obtained from said individual, covering the right to flood, impound, withdraw at will, water on, over and from all lands owned or possessed by said individual in connection with the future operation of said project; and the acceptance of said sum by the said Emory Poulson or his heirs shall act as a quittance of any and all rights or claims that may previously have existed against the United States by reason of such construction and operation of the said project: *Provided further*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or agents, attorney or attorneys, on account of services rendered in connection with such claim. It shall be unlawful for any agent or agents, attorney or attorneys, to exact, collect, withhold, or receive any sum of the amount appropriated in this act in excess of 10 percent thereof on account of services rendered in connection with said claim, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

With the following committee amendment:

Page 2, line 16, beginning with "That" strike out the remainder of line 16 and all down to and including line 3 on page 3, and insert the following: "That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

CERTAIN DISBURSING OFFICERS OF THE TREASURY DEPARTMENT, THE INTERIOR DEPARTMENT, AND THE ARMY

The Clerk called the next bill, H. R. 10034, for the relief of certain disbursing officers of the Treasury Department, the Department of the Interior, and the Army.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Comptroller General of the United States be, and he is hereby, authorized and directed to allow credit in the accounts of the following-named disbursing officers, without charge against the certifying officers of the Department of the Interior: *Provided*, That this act shall not be construed to bar recovery of the amounts herein specified from the persons to whom such amounts have been paid:

(1) Guy F. Allen, chief disbursing officer, Division of Disbursements, Treasury Department: September 1937 accounts, in the sum of $80.19, on vouchers 461425, 461426, 461427, 461429, and 461430; March 1935 accounts, in the sum of $9.30, on voucher 1101528; April 1935 accounts, in the sum of $4, on voucher 1365855; August 1935 accounts, in the sum of $32.78, on vouchers 321442 and 316741; February 1936 accounts, in the sum of $10.44, on voucher 1087731.

(2) Roy F. Lassly, former acting chief disbursing clerk, Department of the Interior: December 1933 accounts, in the sum of $10.30, on vouchers 9144 and 19269; November 1933 accounts, in the sum of 50 cents, on voucher 15246; January 1934 accounts, in the sum of $45.56, on vouchers 24021, 21881, and 23000; March 1934 accounts, in the sum of $38.10, on voucher 32646.

(3) J. L. Summers, deceased, former chief disbursing clerk, Division of Disbursement, Treasury Department: June 1934 accounts, in the sum of $177.72, on vouchers 18923 and 19403.

(4) Lieut. Col. E. C. Morton, Finance Department, United States Army: January 1935 accounts, in the sum of $26.89, on voucher 12531.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

PHILIP A. PENSTON

The Clerk called the next bill, H. R. 10035, to provide for the reimbursement of Philip A. Penston, pharmacist's mate, first class, United States Coast Guard, for the value of personal and household effects lost and destroyed during the hurricane of September 21, 1938, at New London, Conn.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

There was no objection.

Mr. COSTELLO. Mr. Speaker, I ask unanimous consent that a similar Senate bill, S. 4032, be considered in lieu of the House bill.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Philip A. Penston, pharmacist's mate, first class, United States Coast Guard, the sum of $1,267, in full satisfaction of his claim against the United States for the loss and destruction of his personal and household effects in the hurricane at New London, Conn., on September 21, 1938; it appearing that Philip A. Penston, having been transferred from Coast Guard headquarters to duty aboard the Coast Guard cutter *Mojave* at Miami, Fla., had, pursuant to his orders and prior to such hurricane, delivered his personal and household effects to a Coast Guard contractor for packing, crating, and shipment to Miami, that he had no control over such effects at the time of their loss and destruction, and that a Coast Guard Board of Investigation found that the amount appropriated by this act is reasonable and just: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

A House bill (H. R. 10035) was laid on the table.

JOHN A. KAMES

The Clerk called the next bill, H. R. 10036, for the relief of John A. Kames.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay to John A. Kames the sum of $475, out of any money in the Treasury not otherwise appropriated, as compensation for and in full satisfaction of all claims against the United States on account of the loss of certain personal property, belonging to the said Kames, while the latter was a prisoner in the United States penitentiary at Leavenworth, Kans., and while the said property was in the custody of the prison authorities: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or agents, attorney or attorneys, on account of services rendered in connection with said claim. It shall be unlawful for any agent or agents, attorney or attorneys, to exact, collect, withhold, or receive any sum of the amount appropriated in this act in excess of 10 percent thereof on account of services rendered in connection with said claim, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

With the following committee amendment:

On page 1, line 11, after *"Provided"*, strike out the remainder of the bill and insert the following:

"That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

EDWARD HAGENSON

The Clerk called the next bill, S. 182, for the relief of Edward Hagenson.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the provisions and limitations of sections 15 to 20, both inclusive, of the act entitled "An act to provide compensation for employees of the United States suffering injuries while in the performance of their duties, and for other purposes," approved September 7, 1916, as amended, are hereby waived in the case of Edward Hagenson, formerly employed by the Alaska Railroad; the general manager of the Alaska Railroad is authorized and directed to consider and act upon any claim filed with said railroad, within 1 year after the date of enactment of this act, by said Edward Hagenson for compensation under the provisions of such act of September 7, 1916, as amended, for disability due to silicosis. In the consideration of such claim, any such disability of said Edward Hagenson shall be held and considered to be directly attributable to injury received by him in the performance of his duties as an employee of said railroad.

With the following committee amendments:

Page 1, line 9, after the word "Railroad", insert "during the period 1932 to May 3, 1934."

Page 1, line 10, after the word "to", insert "hear."

Page 1, line 11, strike out the words "act upon" and insert in lieu thereof "determine."

Page 2, beginning with the word "In" in line 3, strike out the remaining language of the bill and insert in lieu thereof *"Provided*, That no benefits hereunder shall accrue prior to the enactment of this act."

The committee amendments were agreed to.

Mr. COSTELLO. Mr. Speaker, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. COSTELLO: On page 2, after the word "Hagenson", insert "or by his heirs, executors, or administrators."

The amendment was agreed to.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

C. F. COOLEY, ADMINISTRATOR

The Clerk called the next bill, S. 349, for the relief of C. F. Cooley, administrator of the estate of Charles F. Cooley, Jr.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to C. F. Cooley, administrator of the estate of Charles F. Cooley, Jr., the sum of $496.15, in full settlement of all claims against the United States for damages to an automobile owned by and used on official business by Charles F. Cooley, Jr., while he was employed as a Federal prohibition agent: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

MR. AND MRS. C. W. BLACK AND MARION RABREN

The Clerk called the next bill, S. 2704, for the relief of Mr. and Mrs. C. W. Black, and Marion Rabren.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the

Treasury not otherwise appropriated, to Mr. and Mrs. C. W. Black, rural route, Andalusia, Ala., the sum of $3,500, and to Marion Rabren, of Andalusia, Ala., the sum of $3,000, in full settlement of all their claims against the United States for the death of their son and daughter, respectively, who were killed on June 4, 1939, when the automobile in which they were riding was struck by a Civilian Conservation Corps truck on the Andalusia-Brewton Highway about 2 miles south of Andalusia, Ala.: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

A. A. RAMSAY

The Clerk called the next bill, S. 3021, for the relief of A. A. Ramsay.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, the sum of $50 to A. A. Ramsay, of Oracle, Ariz., in full settlement of his claim against the United States arising out of a collision with a Civilian Conservation Corps truck at Oracle, Ariz., on December 17, 1936: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

VELVIE W. SMITH AND THE LEGAL GUARDIAN OF GLENN RICHARD SMITH

The Clerk called the next bill, S. 3059, for the relief of Velvie W. Smith, and the legal guardian of Glenn Richard Smith.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Velvie W. Smith, of Huntington, W. Va., the sum of $150 and to the legal guardian of Glenn Richard Smith, of Huntington, W. Va., the sum of $5,000, in full satisfaction of all claims against the United States arising out of the death of Emley Mae Smith, who was killed when a Work Projects Administration truck ran off the highway and struck her on the right-of-way of the Baltimore & Ohio Railroad, in Huntington, W. Va., on October 9, 1939: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

RODGERS TILE CO.

The Clerk called the next bill, S. 3062, for the relief of the Rodgers Tile Co.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to the Rodgers Tile Co., of Seattle, Wash., the sum of $695.74, in full satisfaction of its claim against the United States for additional compensation for installing tile floor and wainscoting in the generator room of the powerhouse at Bonneville Dam, under contract No. W-649-eng-583, dated February 2, 1939: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any persons violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

THOMAS L. GARDNER

The Clerk called the next bill, S. 3111, for the relief of Thomas L. Gardner.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Thomas L. Gardner, of Belton, Mont., the sum of $75, in full satisfaction of his claim against the United States for reimbursement for the loss of a horse hired by the National Park Service for use in connection with emergency conservation work in Glacier National Park during the summer of 1935: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

WILLIAM A. WHEELER

The Clerk called the next bill, S. 3443, for the relief of William A. Wheeler.

Mr. HANCOCK and Mr. MOTT objected; and, under the rule, the bill was recommitted to the Committee on Claims.

REIMBURSEMENT OF CERTAIN PERSONNEL, UNITED STATES MARINE CORPS

The Clerk called the bill (S. 3456) to provide for the reimbursement of certain personnel or former personnel of the United States Marine Corps for the value of personal effects destroyed as a result of a fire at Raritan Arsenal, Metuchen, N. J., on October 10, 1938.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, such sum or sums, amounting in the aggregate not to exceed $294.05, as may be required by the Secretary of the Navy to reimburse, under such regulations as he may prescribe, certain personnel or former personnel of the United States Marine Corps for the value of personal effects destroyed as a result of a fire at Raritan Arsenal, Metuchen, N. J., on October 10, 1938: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with these claims, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

EARL P. COLLINS

The Clerk called the bill (S. 3587) for the relief of Earl P. Collins.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Earl P. Collins, of Brattleboro, Vt., the sum of $128.50, in full satisfaction of his claim against the United States for compensation for dental expenses and personal injuries incurred by Avis Collins, a minor daughter, as the result of a collision which occurred when the truck in which she was riding was struck by a United States Army truck operated by Richard Landus, a private, Quartermaster Corps, United States Army, in Greenfield, Mass., on August 29, 1939: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

VERNON C. BROWN AND F. L. COPELAND

The Clerk called the bill (S. 3597) for the relief of Vernon C. Brown and F. L. Copeland.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Vernon C. Brown the sum of $80.35 and to F. L. Copeland the sum of $227.75 in full settlement of their claims for personal injuries and loss of employment arising out of a collision between an automobile being driven by Vernon C. Brown and a truck owned by the Work Projects Administration and driven by Bryant Merryman on August 1, 1939, near Phoenix, Ariz.: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

HARRY D. GANN

The Clerk called the bill (S. 3649) for the relief of Harry D. Gann.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Harry D. Gann, of Reidsville, N. C., the sum of $2,462.64, in full settlement of all claims against the United States for hospitalization, medical services, and personal injuries sustained by his two minor sons as a result of an accident involving an Army airplane PB-2A, Air Corps, No. 35-45, near Reidsville, N. C., on September 3, 1938: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

GUY F. ALLEN

The Clerk called the bill (S. 3748) for the relief of Guy F. Allen, chief disbursing officer, Division of Disbursement, Treasury Department.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Comptroller General of the United States be, and he is hereby, authorized and directed to allow credit in the February 1937 account of Guy F. Allen, chief disbursing officer, Division of Disbursement, Treasury Department, without charge against the certifying officer of the Department of the Interior, for voucher 16-28071, $149.94.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

LAWRENCE T. POST, G. F. ALLEN, AND D. BUDDRUS

The Clerk called the bill (S. 3916) for the relief of Lawrence T. Post, G. F. Allen, and D. Buddrus.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Comptroller General of the United States be, and he is hereby, authorized and directed to allow credit to Dr. Lawrence T. Post, consultant in the Indian Service, and to allow credit in the accounts of G. F. Allen, chief disbursing officer, and D. Buddrus, formerly cashier and certifying officer of the Five Civilized Tribes Agency, Muskogee, Okla., for the amount of $94.56, representing per diem and travel expenses paid to said Lawrence T. Post for the period June 8 to June 21, 1938, inclusive.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

DAVID JACOBSON

The Clerk called the bill (H. R. 10086) for the relief of David Jacobson.

Mr. THOMAS of New Jersey and Mr. SPRINGER objected; and the bill was recommitted to the Committee on Immigration and Naturalization.

BONIFACIO SUSO

The Clerk called the bill (S. 2757) for the relief of Bonifacio Suso.

Mr. THOMAS of New Jersey and Mr. MOTT objected; and the bill was recommitted to the Committee on Immigration and Naturalization.

ANGELO CARLINO

The Clerk called the bill (H. R. 9033) for the relief of Angelo Carlino.

Mr. MOTT and Mr. SPRINGER objected; and the bill was recommitted to the Committee on Immigration and Naturalization.

LASZLO VADNAI AND HIS WIFE, CLARA

The Clerk called the next bill, H. R. 5559, for the relief of Laszlo Vadnai and his wife, Clara.

The SPEAKER. Is there objection?

Mr. THOMAS of New Jersey and Mr. SPRINGER objected; and the bill, under the rule, was recommitted to the Committee on Immigration and Naturalization.

DR. MICHEL KONNE AND PAULINE LUCIA KONNE

The Clerk called the next bill, H. R. 9938, for the relief of Dr. Michel Konne and Pauline Lucia Konne.

The SPEAKER. Is there objection?

Mr. MOTT and Mr. HANCOCK objected; and the bill, under the rule, was recommitted to the Committee on Immigration and Naturalization.

WIDOW OF DONALD D. ELLIOTT

The Clerk called the next bill, H. R. 8774, for the relief of the widow of Donald D. Elliott.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of War shall cause to be paid, out of funds appropriated for pay of the Army current at the time of payment, to the widow of Donald D. Elliott, late a master sergeant in the United States Army, who died on April 14, 1939, such sum as would otherwise have been paid to said widow as a death gratuity under the act of December 17, 1919 (41 Stat. 367), had the said Donald D. Elliott died while in a pay status and while holding the grade of master sergeant on the day of his death.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

TO AUTHORIZE ENLISTED MEN TO ACCEPT DECORATIONS

The Clerk called the next bill, H. R. 9854, to authorize certain officers and enlisted men of the United States Navy, the United States Marine Corps, the Naval Reserve, and the Marine Corps Reserve to accept such medals, orders, decorations, and presents as have been tendered them by foreign governments.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the following-named officers and enlisted men of the United States Navy, the United States Marine Corps, the Naval Reserve, and the Marine Corps Reserve, are hereby authorized to accept such medals, orders, decorations, and presents as have been tendered them by foreign governments:

United States Navy: Admiral Hugh Rodman, retired; Admiral Claude C. Bloch; Rear Admiral Edward C. Kalbfus; Vice Admiral Adolphus Andrews; Rear Admiral John W. Greenslade; Rear Admiral Ernest J. King; Rear Admiral William S. Pye; Rear Admiral Forde A. Todd; Rear Admiral Walter B. Woodson; Rear Admiral Arthur B. Cook; Rear Admiral Ross T. McIntire, Medical Corps; Rear Admiral Ben Moreell, Civil Engineer Corps; Rear Admiral Henry H. Hough, retired; Rear Admiral Russell Willson; Rear Admiral Lamar R. Leahy, retired; Rear Admiral Harry E. Yarnell, retired; Rear Admiral Hayne Ellis; Rear Admiral Milo F. Draemel; Rear Admiral Christian J. Peoples, Supply Corps; Capt. William O. Spears; Capt. Leo F. Welch; Capt. John S. McCain; Capt. Stephen B. McKinney; Capt. Riley F. McConnell; Capt. Newton H. White, Jr., retired; Capt. Jules James; Capt. Paul H. Bastedo; Capt. Charles H. Maddox; Capt. George L. Weyler; Capt. Francis S. Craven; Capt. Richmond K. Turner; Capt. William W. Wilson; Capt. Daniel J. Callaghan; Capt. Montgomery A. Stuart, Medical Corps; Capt. Lucius W. Johnson, Medical Corps; Capt. Emory D. Stanley, Supply Corps; Capt. Julius A. Furer, Construction Corps; Capt. Aaron S. Merrill; Capt. William H. Michael, Medical Corps; Capt. Elphege A. M. Gendreau, Medical Corps; Capt. DeWitt C. Ramsey; Capt. Sydney M. Krause; Commander William K. Harrill; Commander Theodore E. Chandler; Commander Frank E. Beatty; Commander Henry E. Thornhill; Commander Julian D. Wilson; Commander Leslie C. Stevens; Commander Ralph C. Alexander; Commander Ellis M. Zacharias; Commander Glenn B. Davis; Commander Hamilton V. Bryan; Commander Lloyd

J. Wiltse; Commander Paul W. Wilson, Medical Corps; Commander Paul S. Theiss; Commander James M. Shoemaker; Commander Frederick L. Benton, Medical Corps, retired; Commander Morton D. Willcuts, Medical Corps; Commander John N. Laycock, Civil Engineer Corps; Commander James T. Mathews, Civil Engineer Corps; Commander Edmund E. Brady, Jr., Construction Corps; Commander Franklin F. Lane, Medical Corps; Commander Andrew G. Bisset, Civil Engineer Corps; Commander Carl H. Cotter, Civil Engineer Corps; Commander Maurice M. Smith, Supply Corps; Commander Emmet P. Forrestel; Commander Herbert S. Bear, Civil Engineer Corps; Commander William W. Schneider, Civil Engineer Corps; Commander Guy B. McArthur, Medical Corps; Commander Erik G. Hakansson, Medical Corps; Lt. Comdr. Richard F. Whitehead; Lt. Comdr. Elliott B. Strauss; Lt. Comdr. Robert M. Morris; Lt. Comdr. Louis N. Miller; Lt. Comdr. Thomas B. Brittain; Lt. Comdr. Paul J. Halloran, Civil Engineer Corps; Lt. Comdr. Algert D. Alexis, Civil Engineer Corps; Lt. Comdr. William Vincent Astor, Naval Reserve; Lt. Comdr. William R. Brust, Naval Reserve; Lt. Comdr. Henry Nelson, Naval Reserve; Lt. Comdr. James D. Mooney, Naval Reserve; Lt. Comdr. Harold R. Parker; Lt. Alfred J. Bolton; Lt. (Jr. Gr.) Clarence A. Keller, Jr.; Lt. William A. Bernrieder, Naval Reserve; Lt. Thomas T. Hoopes, Naval Reserve; Lt. Albert E. Snow, Naval Reserve; Lt. (Jr. Gr.) John T. Miller, Naval Reserve; Lt. (Jr. Gr.) Carl O. Petersen, Naval Reserve; and Pharmacist's Mate Horace A. Thomson.

United States Marine Corps: Maj. Gen. James C. Breckinridge; Maj. Gen. William P. Upshur; Brig. Gen. Edward A. Ostermann; Brig. Gen. Ross E. Rowell; Col. Joseph C. Fegan; Colonel Arthur T. Marix, retired; Col. Thomas E. Watson; Lt. Col. William E. Riley; Lt. Col. Andrew E. Creesy; Lt. Col. William A. Worton; James Roosevelt, formerly lieutenant colonel, Marine Corps Reserve; Maj. Gregon A. Williams; Maj. Charles P. Gilchrist, retired; Capt. Taylor Branson; Capt. Harold D. Harris; and Private First Class Lloyd E. Stevenson.

With the following committee amendment:

Page 1, line 8, after the colon, add the following: "*Provided, however,* That no medal tendered by a nation now at war shall be accepted by any officer while such country remains in a state of war."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

MIJO STANISIC

The Clerk called the next bill, S. 2760, for the relief of Mijo Stanisic.

The SPEAKER. Is there objection?

Mr. MOTT and Mr. HANCOCK objected; and the bill, under the rule, was recommitted to the Committee on Immigration and Naturalization.

Mr. COSTELLO. Mr. Speaker, I move to dispense with further proceedings under the call of the calendar.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

A. S. TAIT

Mr. KENNEDY of Maryland. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 1435) for the relief of A. S. Tait, with a Senate amendment, and concur in the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment as follows:

Page 1, line 5, strike out "$1,500" and insert "$1,000."

The SPEAKER. Is there objection to the request of the gentleman from Maryland?

There was no objection.

The Senate amendment was agreed to.

A motion to reconsider was laid on the table.

ALFRED JOSEPH WRIGHT

Mr. KENNEDY of Maryland. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 2358), for the relief of Alfred Joseph Wright, with a Senate amendment, and agree to the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment, as follows:

Page 1, line 6, strike out "$650" and insert "$923."

The SPEAKER. Is there objection to the request of the gentleman from Maryland?

There was no objection.

The Senate amendment was agreed to.

A motion to reconsider was laid on the table.

GEORGE L. SHELDON

Mr. KENNEDY of Maryland. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 3171) for the relief of George L. Sheldon, with a Senate amendment, and agree to the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment, as follows:

Page 1, line 6, strike out "$3,500" and insert "$1,500."

The SPEAKER. Is there objection to the request of the gentleman from Maryland?

There was no objection.

The Senate amendment was agreed to.

A motion to reconsider was laid on the table.

DALE W. AND GLADYS M. GUISE ET AL.

Mr. KENNEDY of Maryland. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 3161) for the relief of the estate and minor children of Dale W. and Gladys M. Guise, Sally C. Guise, and Martha G. and Arnold E. Orner, with Senate amendments, and agree to the Senate amendments.

The Clerk read the title of the bill.

The Clerk read the Senate amendments, as follows:

Page 1, lines 5 and 6, strike out "to William Durboraw, Gettysburg, Pa., as administrator of the estate of" and insert "to the First National Bank of Gettysburg, Pa., as legal guardian of the three minor children of."

Page 1, lines 8 and 9, strike out "William Durboraw, administrator" and insert "First National Bank of Gettysburg, Pa."

Amend the title so as to read: "An act for the relief of the First National Bank of Gettysburg, Pa., as legal guardian of the three minor children of Dale W. Guise and Gladys M. Guise, both deceased, and Sally C. Guise, Martha G. and Arnold E. Orner."

The SPEAKER. Is there objection to the request of the gentleman from Maryland?

There was no objection.

The Senate amendments were agreed to.

A motion to reconsider was laid on the table.

BETTY LOU FRADY

Mr. KENNEDY of Maryland. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 5258) for the relief of Betty Lou Frady, with Senate amendments, and agree to the Senate amendments.

The SPEAKER. The Clerk will report the title of the bill and the Senate amendments.

The Clerk read the title of the bill.

The Clerk read the Senate amendments, as follows:

Page 1, line 7, strike out "$5,000" and insert "$3,000, and to W. L. Frady, of Weldon, Ark., the sum of $629.50."

Page 1, line 9, after "Frady", insert "and for expenses incurred by W. L. Frady."

Amend the title so as to read: "An act for the relief of the legal guardian of Betty Lou Frady and W. L. Frady."

The SPEAKER. Is there objection to the request of the gentleman from Maryland?

There was no objection.

The Senate amendments were agreed to, and a motion to reconsider was laid on the table.

The title was amended so as to read: "An act for the legal guardian of Betty Lou Frady and W. L. Frady."

CLIFFORD J. WILLIAMS

Mr. KENNEDY of Maryland. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H. R. 7843) for the relief of Clifford J. Williams, with Senate amendments, and concur in the Senate amendments.

The SPEAKER. The Clerk will report the title of the bill and the Senate amendments.

The Clerk read the title of the bill.

The Clerk read the Senate amendments, as follows:

Line 3, strike out "Postmaster General" and insert "Comptroller General of the United States."

Strike out lines 10 to 12, inclusive.

The SPEAKER. Is there objection to the request of the gentleman from Maryland?

There was no objection.

The Senate amendments were agreed to, and a motion to reconsider was laid on the table.

HANNAH S. BRAY ET AL.

Mr. KENNEDY of Maryland. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 7861) conferring jurisdiction upon the Court of Claims to hear, determine, and render judgment upon the claims of Hannah S. Bray, Jane Bickers, and Frances Bickers, with a Senate amendment, and concur in the Senate amendment.

The SPEAKER. The Clerk will report the title of the bill and the Senate amendment.

The Clerk read the title of the bill.

The Clerk read thc Senate amendment, as follows:

Amend the title so as to read: "A bill for the relief of Hannah S. Bray, Jane Bickers, and Frances Bickers."

The SPEAKER. Is there objection to the request of the gentleman from Maryland?

There was no objection.

The Senate amendment was agreed to, and a motion to reconsider was laid on the table.

ESTATE OF DR. B. L. PURSIFULL ET AL.

Mr. KENNEDY of Maryland. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H. R. 658) for the relief of the estate of Dr. B. L. Pursifull, Grace Pursifull, Eugene Pursifull, Ralph Pursifull, Bobby Pursifull, and Dora Little, with Senate amendments, disagree to the Senate amendments, and ask for a conference.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Maryland? [After a pause.] The Chair hears none and appoints the following conferees: Messrs. KENNEDY of Maryland, RAMSPECK, and THOMAS of New Jersey.

MRS. CLYDE THATCHER ET AL.

Mr. KENNEDY of Maryland. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H. R. 1288) for the relief of Mrs. Clyde Thatcher and her two minor children, Marjorie Thatcher and Bobby Thatcher, with Senate amendments, disagree to the Senate amendments, and ask for a conference.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Maryland? [After a pause.] The Chair hears none and appoints the following conferees: Messrs. KENNEDY of Maryland, RAMSPECK, and THOMAS of New Jersey.

RECORDING & COMPUTING MACHINES CO.

Mr. KENNEDY of Maryland. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H. R. 4031) to confer jurisdiction on the Court of Claims to hear, determine, and render judgment upon the claim or claims of the Recording & Computing Machines Co., of Dayton, Ohio, with Senate amendments, disagree to the Senate amendments, and ask for a conference.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Maryland? [After a pause.] The Chair hears none and appoints the following conferees: Messrs. KENNEDY of Maryland, RAMSPECK, and THOMAS of New Jersey.

MRS. GEORGE C. HAMILTON AND NANETTE ANDERSON

Mr. KENNEDY of Maryland. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H. R. 4561) for the relief of Mrs. George C. Hamilton and Nanette Anderson, with a Senate amendment, disagree to the Senate amendment, and ask for a conference.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Maryland? [After a pause.] The Chair hears none and appoints the following conferees: Messrs. KENNEDY of Maryland, RAMSPECK, and THOMAS of New Jersey.

WILLIAM T. J. RYAN

Mr. KENNEDY of Maryland. Mr. Speaker, I ask unanimous consent that the Committee on Claims be discharged from further consideration of the bill (S. 3288) for the relief of William T. J. Ryan, and that the bill be rereferred to the Committee on Military Affairs.

The SPEAKER. Is there objection to the request of the gentleman from Maryland?

There was no objection.

RECORDER OF DEEDS BUILDING, DISTRICT OF COLUMBIA

Mr. RANDOLPH. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H. R. 9114) authorizing advancements from the Federal Emergency Administration of Public Works for the construction of a recorder of deeds building in the District of Columbia, and for other purposes, with Senate amendments, and concur in the Senate amendments.

The SPEAKER. The Clerk will read the title of the bill and the Senate amendments.

The Clerk read the title of the bill.

The Clerk read the Senate amendments, as follows:

Page 1, lines 6 and 7, strike out "created by the National Industrial Recovery Act" and insert "or its successor."

Page 1, line 7, after "Administration", insert "or its successor."

Page 1, line 9, strike out "$500,000" and insert "$450,000."

Page 2, line 2, after "Administration", insert "or its successor."

Page 2, line 3, after "Administration", insert "or its successor."

Page 2, lines 3 and 4, strike out "the acquisition, purchase, construction, and establishment of."

Page 2, lines 6 and 7, strike out "where was formerly the old police court building" and insert "formerly used as the police court."

Page 2, line 9, strike out all after "1940", down to and including "Commission", in line 11.

Page 2, lines 13 and 14, after "Administration", insert "or its successor."

Page 2, line 20, strike out all after "Columbia" down to and including "and" in line 23.

Page 3, line 1, strike out all after "act" down to and including "statutes" in line 3.

Page 3, line 5, after "landscaping", insert "transportation or rental thereof."

Page 3, line 10, strike out all after "plant", down to and including "provided", in line 13.

Page 3, line 15, after "Works", insert "or its successor."

Page 3, line 18, after "thereon", insert "at such rate as is agreed upon by the Commissioners of the District and the Federal Emergency Administration of Public Works, or its successor."

Page 3, lines 22 and 23, after "reimbursement", insert "with interest."

Page 3, line 23, strike out "on" and insert "not later than."

Page 4, strike out lines 7 to 12, inclusive.

The Senate amendments were agreed to, and a motion to reconsider was laid on the table.

SPECIAL ORDER

The SPEAKER. Under a previous special order of the House, the gentleman from Georgia [Mr. COX] is recognized for 30 minutes.

Mr. COX. Mr. Speaker, the greatest concern of the Nation today and the most important problem before the Congress is the issue of national defense. Following our entry into the first World War, the Nation was shocked by the revelation that more than 500,000 young men examined under the first draft in 1917 were physically unfit for military service. That number constituted more than 16 percent of the number examined under the first draft. We were still more shocked by discovery that 25 percent of the young men tested were unable to read a newspaper printed in English or to write a letter home. But we may be shocked even more presently, literally, unless we take immediate steps to qualify the manhood of the Nation—physically, mentally, morally, and spiritually—for its defense.

I am reasonably convinced from previous statistics, that the census just taken will disclose the fact that we still have about 5,000,000 illiterates in the Nation, almost 5 percent of our total population, although Germany, with its Fascist dictator, has reduced the illiteracy of its population to 1 percent, as has also Denmark, Finland, and Norway, victims of fascism, and Switzerland, Scotland, Ireland, and England, whose fate now hangs in the balance.

It has been estimated that in dollars and cents, alone, the 5 percent illiteracy of the Republic costs us almost a billion

dollars a year. In terms of potential danger to our institutions, our national safety, and our security it is probably infinitely greater.

The Honorable James M. Beck, an erstwhile Member of this body, while serving in the capacity of solicitor for the Department of Justice, estimated that more than 50 radical newspapers are printed in 26 foreign languages in our land; and that the joint circulation of this radical press, combined with the radical publications of foreign lands, circulated in the United States, totaled not less than a million issues a day.

In testimony presented before the Senate Military Affairs Committee in 1919, it was shown that at that time thousands of young men of the age of 18 lacked a grade-school education; that many were illiterate, that many spoke English only poorly, conducting their daily intercourse largely in some foreign language, and that many of them would have been rejected for service in the Nation's defense forces, because of their physical, mental, and moral deficiencies—most of which, however, could have been cured or corrected by adequate compulsory manhood training.

However much we may condemn Hitler for his military activities, Mr. Speaker, however objectionable to us may be the deadly effectiveness of the "blitzkrieg," however much we may fear and repudiate the institutions of the Fascist state, we cannot deny that Hitler has awakened us from a deadly complacency, compelled us to revaluate the civilization that we have developed through the sacrifices of the fathers, and aroused us to a recognition of the dangers that lie ahead for representative democracy at the hands of Fascist dictators, proletarian commissars, or "fifth-column" radicals.

But we should not fear war at the hands of Fascist dictators at this time. We do not voluntarily need to enter the conflict that now rages in Europe, even though the totalitarians have reduced their opponents to only one. We can avoid this conflict. We can avoid it if our leaders are determined that we shall not thrust ourselves into it. We need not become involved if our leaders will but conduct themselves in accordance with the wishes of the great and overwhelming majority of the American people and keep within the restraints of international law.

But although I believe we shall not become involved in this war on European soil, I do believe that the day of war against communism is steadily approaching. Today affairs in Rumania reveal the possibility of sudden change. That so far as we may be properly concerned war will not be waged upon the battlefields of Europe. It will be waged on American soil, for silently, insidiously, and surreptitiously the evil forces of communism are assembling even as I speak. Momentum has been given to their daily advance by the opportunities accorded them to participate in the operation and direction of our Government, the Government they seek to destroy. They occupy high place in the councils of the Nation. They have been permitted to entrench themselves in every department of Government. They have been able to fill the ranks of Government service with their fellow travelers—kindred conspirators who await only a crisis to strike down the institutions we revere and to accomplish their hateful purpose of destruction.

I already have stated on a previous occasion that we are estopped from pleading surprise at the belated discovery of a "fifth column" in our midst. We have been told and repeatedly warned of its existence by the distinguished chairman of our Committee to Investigate Un-American Activities and by his distinguished colleagues. But we heeded them not. What greater warning do we need now? Do we need to hear the whistling of bombs or the shriek of sirens while "fifth columnists" guide an invader across the land?

Long ago when we recognized Russia we drew the Trojan horse into our gates. From its eviscerated interior deadly "fifth columnists" have poured forth to deride our institutions, to mock our customs, and to ridicule our faith in God. Through propaganda of every sort they seek to destroy our homes, our schools, our churches, and our Government. They have entrenched themselves in our schools, and by textbooks such as those of Harold O. Rugg and others like him they pour poisonous venom into the lifeblood of the Nation. Nothing is sacred to them. They are bent upon destruction. They are determined upon the plunder of our cultural assets.

We have witnessed the hysteria of war growing upon our people. The penumbra of war already appears in administrative practices more closely associated with the conduct of war than with the preservation of peace. Yet we need to fear treason, and the treachery of the "fifth column" ever more than Fascist invasion.

America must arm. America must arm for defense. Fascist dictators have aroused us to the weaknesses of the Republic. The President has requested an enlarged military, naval, and aerial armament. Congress has granted every request made by the President and acted favorably upon all his recommendations for an effective increase in the Nation's military equipment. So far we have seen only slight results. All our improved and increased armament is still potential. Perhaps it is too soon for us to expect results. We have but begun the industrial expansion and adjustment necessary to produce the equipment we need. And I cannot refrain from a brief mention of the fact that we have deprived ourselves of the services of one of America's great industrialists because he has patriotically resisted the effort to compel him to produce for other nations while he insists upon producing for America alone.

But America must do more than arm. We must do more than appropriate vast sums for the industrial expansion necessary to produce the machinery of war and for war machines themselves, important as all that may be. We must draft into defensive training the manhood of the Nation. We must do more. We must draft into defensive training the womanhood of the Nation also. In short, we must provide at once for the universal, compulsory training of the men and women of this Nation for defense. We must draft the manpower of the Nation for training in the construction and operation of the greatest mechanized armament the world ever has known. We must draft the womanhood of the Nation for training in all the collateral arts of military operations—hospitalization, military and civil dietary operations, operations for the equipment of personnel in the field, the conduct of many industrial processes behind the lines, the care of civilian populations, and the education and care of the children of the Nation if war should necessitate their concentration or relocation. For this training all the men and women of the Nation between the ages of 16 and 40 must be drafted for compulsory training. Slackers in the Nation must not be permitted to cast upon the courageous and the voluntarily self-sacrificing the burden of defense while they remain too busy reaping profits from the activities of defense to participate in its conduct. All alike must serve.

But we must do still more than that. We must provide at once for the young women of the Nation who are properly qualified and who voluntarily seek it, an institution similar to or comparable with our Military Academy and our Naval Academy at West Point and Annapolis, respectively. There are as many young women in the Nation who seek training in the defensive forces of the Nation as there are young men at present enrolled in our great academies at West Point and Annapolis. They are as much entitled to an opportunity to train themselves for all the collateral activities of defense as are the young men of the Nation now receiving military and naval training at the expense of the Republic. They should no longer be denied this opportunity. The Nation will need them to assume the same relative leadership in the conduct of the collateral activities of war as we expect of the young officers we graduate annually.

Upon the recommendation of the President, Congress in 1933 provided for the creation of the C. C. C., a corps of 300,000 unemployed young men. The President stated that the program he recommended for the enrollment of these young men in conservation camps throughout the Nation would conserve our precious natural resources, create future national wealth, and prove of great moral and spiritual value not only for the young men but for the whole country.

As organized, the C. C. C. furnished a form of employment, vocational training, and educational opportunity for the un-

employed youth of the Nation and helped them to contribute financial assistance to their families.

By the acts of 1937 and 1939, provision was made for the continuation of the program originally to 1940, and now 1943. In July 1939 the corps became a unit of the newly created Federal Security Agency. In the selection of the enrollees and in the work to which they were assigned, the War Department, the Labor Department, the Department of Agriculture, and the Interior Department all cooperated. The knowledge and machinery of the Army was used for the purpose of handling, caring for, enrolling, and preparing these young men for the work they were to do and for life in camp, although the enrollees did not engage in any military activities. Army officers, Regular and Reserve, were stationed in the camps to train the personnel in orderly and regular habits of self-discipline and work application.

Since only 11 percent of the enrollees of the C. C. C. had been graduated from high school, since only 38 percent, slightly more than one-third, had been graduated from elementary schools, and since many were unable to read or write, the educational program of the C. C. C. was based presumptively upon the combined program of making the enrollees better and more useful citizens and fitting them for some kind of job after their training period. Vocational training, therefore, including practical application in the field, was given prominent place in the program. But physical, cultural, health, and safety education was also included, the purpose being to build up the physique, to teach new habits of health, and to develop character. Presumptively these young men were given an education that was to make them better citizens.

Without any intent to disparage what has been accomplished by the C. C. C., without any intent to deprecate the purpose for which the C. C. C. was created, I doubt very much if the procedure adopted could have produced the results desired or whether the results desired have been realized.

It may, of course, be contended that the period of enrollment was too short to accomplish so much as was predicted or hoped for. It may be contended that the degree to which the experiment was successful compensates fully for the efforts made and the money spent. But, valid as such contentions might be, Mr. Speaker, I challenge the methods in effect in the camps as conducive to the results that reasonably should have been expected.

I contend that the spirit of the movement tended to militate against what should have been primary objectives. From the outset the psychological impression created in the minds of enrollees as well as their families was not that enrollees would be compelled to contribute even any effort for the benefits that were to be conferred upon them, but that as a matter of right they were entitled to this form of relief at the hands of Government. The psychological effect was not that of an opportunity created for improvement and development in the problems of citizenship, but rather relief in the form of food, clothing, shelter, and cash. The result in innumerable cases has been that instead of inculcating a spirit of self-reliance, self-confidence, respect for authority, an elevated morale, a spirit of civic duty and civic responsibility, we have inculcated a spirit of dependence and reliance upon Government as the giver of all good. Once the largess of Government was experienced enrollees sought, in thousands of instances, to return for more.

I do not complain of the small amount contributed by Government to these young men who were enrolled in the C. C. C. It was small enough, to be sure. They needed opportunity for improvement, and their families needed the cash allowance deducted from their compensation. But, I do complain of the spirit in which the enterprise was conducted. Instead of a spirit of civic duty and civic responsibility too many thousands of enrollees have emerged with an exhalted demand for civic rights. The attitude that Government owes every man support, a job, and protection has been but more deeply indoctrinated. It is a false psychology. It is a psychology foreign to the spirit of America; it is a psychology contrary to the development of free men in a representative democracy. It is not the spirit of our ancestors, of independent pioneers and sturdy frontiersmen. It is a weakening of the moral fiber of the manhood of the republic. It can culminate only in a nation of dependents with a vast percentage of the population dependent upon doles and relief and perpetual governmental support.

This is not the spirit of free enterprise, of free men, of independence. This is not the spirit of private ownership, of competitive enterprise, of inventive genius, of efficiency, of ambition. This is the deadly leveling of dependence upon Government, of governmental operation, of the communistic state. It is not the spirit of America.

Mr. Speaker, I propose a new philosophy for the enrollees of the C. C. C. and the N. Y. A. I propose that the young men and the young women of the Nation, beginning with those eligible for enrollment in the C. C. C. and continuing until the age of 40 shall be qualified by physical and educational training for all the duties of citizenship in the republic. Experience proves that we can qualify the men and women of this Nation physically; that we can correct physical deficiencies, that we can develop habits of healthful living. We have the medical skill and the medical genius to assure to every citizen of the Republic physical well-being and prolonged life.

Certainly we have the facilities to remove illiteracy—absolutely and completely. We have facilities to raise the standards of education in every department of our educational system. We can train men and women efficiently and effectively not merely for jobs but for jobs in which the safety of the Republic always will be insured. Had we adopted a different educational psychology when we created the C. C. C. there would be today a vast potential civilian army capable of adapting itself to the urgent demands of industry to produce the mechanized armament of modern warfare.

Instead of manhood discipline we substituted the psychology of adolescent inducement. We weakened; we did not strengthen the intellectual, the moral fiber of the citizens of the Republic. Condemn Hitler as we may, yet he has exhibited to the world a nation whose youth possess courage, capacity for tremendous physical endurance, eagerness to serve the nation, rigid discipline. If war comes upon us from Germany it will be this manhood of the German Reich with which we shall have to contend. Our policy concerning the C. C. C. has left us without a manhood power and strength that might have been ours.

Objection has been made to training young men in time of peace for duty in time of crises. Objection particularly was made against the training and education of the youth of the Nation under the guidance and direction of the officers of our Army. I have no fear of the training that the youth of the Nation might receive at the hands of the officer personnel of our Army. I do not fear to trust the youth of this Nation to men who have volunteered for service in the protection of the Nation from military aggression. I do fear to trust them into the hands of those who are afraid to fight for the preservation of the Nation, and whose political and social psychology is inimical to its welfare. It is my proposal to place the supervision of this new education for the young manhood and womanhood of the Nation under the power of Congress—representatives of the people. And if it be impossible under our present laws to have that supervision directly under the Congress it can be made effective indirectly.

I do not propose to disturb our present educational system in the least. Fundamentally, the education of our youth must remain a function of local government. My proposal does not conflict with that function. The details of adjustment can readily be worked out. Nor do I propose any interference with the system of higher education as it is now conducted in our universities and colleges—private or public. My proposal is simply to compel compliance with such compulsory training as the Congress may see fit to prescribe. Those who may be able to qualify through properly adjusted curricula or through the selection of courses designed to accomplish the purpose of the law will be accorded full credit for their accomplishments. Those who fail voluntarily to comply with the requirements of the law will be compelled to

comply under the principles of the compulsory service contemplated by the law.

The program I propose is designed to meet the present threat to the orderly progress of representative democratic civilization. For that purpose it necessarily must be compulsory for no volunteer method ever has proved adequate to our national needs, and today war is being conducted upon a magnitude never before conceived of.

It is my proposal that we create and develop a program of national defense in which the young men and women of this Nation will be qualified to defend themselves, their homes, their institutions, and the blessings that the civilization we now enjoy has conferred upon them. In this world conflict between totalitarianism and communism on the one hand and representative democratic government on the other we shall need to defend the institutions we revere and respect. This war has demonstrated that we must revise our concepts of national defense and of our methods of training for such defense. But we need even more than training for defense. We need an educational development of the womanhood and the manhood of this Nation that will preserve the ideals for which the fathers gave their lives.

Mr. Speaker, I propose to face boldly the present threat to the institutions of the Republic both from sources abroad and at home; both from without and within the gates of the Republic. I advocate and I strongly urge immediate legislation that will effecuate the defensive training under personnel loyal to the Republic of the young men and the young women of the Nation. [Applause.]

Mr. SMITH of Ohio. Will the gentleman yield?

Mr. COX. I yield to the gentleman from Ohio.

Mr. SMITH of Ohio. I should like to ask what assurance the gentleman can give to the Congress and the country if this program of compulsory military training of men and women is put into effect it will not be under the control of the very Trojan horses that the gentlemen so properly condemned?

Mr. COX. I have introduced a resolution which, if favorably considered by the House and Senate and passed, would have the effect of protecting the youth of this country and the Nation as a whole against the dangers that you and I see involved in the organization and training of our youth under people of the Sidney Hillman type.

Mr. SMITH of Ohio. If Sidney Hillman is in control, that element is in control of the Government now. If the program is put into force and effect, will they not have control of the drafting of the manhood and womanhood of this country?

Mr. COX. I pray not. As a matter of fact, I reluctantly reached the conclusion to support compulsory military training. I know it means a breaking down of one of our traditional policies; yet I find in that a hope of breaking down the encroachment of this group to which the gentleman refers.

[Here the gavel fell.]

EXTENSION OF REMARKS

Mr. ANDERSON of Missouri. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include therein a resolution adopted by the Twenty-fourth Ward Democratic Committee.

The SPEAKER. Is there objection to the request of the gentleman from Missouri [Mr. ANDERSON]?

There was no objection.

LIMITATION OF OPERATION OF STATUTES OF LIMITATIONS IN CERTAIN CASES

Mr. HOBBS. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 4828) to amend the law limiting the operation of statutes of limitations in certain cases, with Senate amendments thereto, and agree to the Senate amendments.

The Clerk read the title of the bill.

The Clerk read the Senate amendments, as follows:

Line 1, after "succeeding", insert "regular."
Line 11, strike out "regular or special."

The SPEAKER. Is there objection to the request of the gentleman from Alabama [Mr. HOBBS]?

Mr. DITTER. Mr. Speaker, reserving the right to object, I understand the request of the gentleman from Alabama has already been presented to the minority members of the Judiciary Committee and that they are in accord with the request he presently makes?

Mr. HOBBS. The majority members of the subcommittee which reported the bill, yes.

The SPEAKER. Is there objection to the request of the gentleman from Alabama [Mr. HOBBS]?

There was no objection.

The Senate amendments were agreed to.

A motion to reconsider was laid on the table.

CALL OF THE HOUSE

Mr. RANKIN. Mr. Speaker, I make the point of order there is not a quorum present.

The SPEAKER. Evidently there is not a quorum present.

Mr. RANKIN. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 163]

Alexander	Douglas	Kerr	Reed, Ill.
Andrews	Drewry	Kilburn	Rich
Arnold	Durham	Kirwan	Risk
Ball	Ellis	Kleberg	Robinson, Utah
Barden, N. C.	Fay	Kocialkowski	Robsion, Ky.
Barton, N. Y.	Flaherty	Kunkel	Rockefeller
Bates, Ky.	Flannery	Lambertson	Rogers, Okla.
Bates, Mass.	Folger	Lemke	Routzohn
Beam	Ford, Leland M.	Luce	Sabath
Bolles	Ford, Thomas F.	Lynch	Sandager
Bolton	Fries	McArdle	Satterfield
Bradley, Pa.	Fulmer	McCormack	Schaefer, Ill.
Brewster	Gamble	McDowell	Schuetz
Brown, Ohio	Gifford	McKeough	Schwert
Buck	Gore	McLaughlin	Scrugham
Buckley, N. Y.	Green	McLean	Seger
Burch	Hall, Edwin A.	McLeod	Shafer, Mich.
Burdick	Harness	Maas	Shanley
Burgin	Hart	Maciejewski	Sheridan
Byrne, N. Y.	Harter, Ohio	Magnuson	Smith, Wash.
Casey, Mass.	Hawks	Maloney	Spence
Celler	Healey	Mansfield	Steagall
Chapman	Hess	Martin, Ill.	Stearns, N. H.
Chiperfield	Holmes	Martin, Mass.	Sullivan
Clark	Hook	Mason	Sumners, Tex.
Cluett	Hope	Merritt	Sweeney
Coffee, Nebr.	Hull	Mills, Ark.	Terry
Cole, N. Y.	Jarrett	Mitchell	Thill
Connery	Jenkins, Ohio	Mouton	Thorkelson
Corbett	Jennings	Myers	Treadway
Creal	Jensen	Nelson	Voorhis, Calif.
Crosser	Johnson, Ind.	Norton	Wadsworth
Culkin	Johnson, Lyndon	O'Brien	Weaver
Cummings	Jones, Ohio	O'Leary	White, Idaho
Darrow	Jones, Tex.	Oliver	White, Ohio
Delaney	Kefauver	O'Neal	Whittington
Dies	Kelly	O'Toole	Wigglesworth
Dingell	Kennedy, Martin	Parsons	Woodrum, Va.
Disney	Kennedy, Michael	Pfeifer	
Dondero	Keogh	Reece, Tenn.	

The SPEAKER. Two hundred and seventy-three Members have answered to their names, a quorum.

Further proceedings under the call were dispensed with.

EXTENSION OF REMARKS

Mr. REED of New York. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and include therein some short editorials.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

SPECIAL ORDER

The SPEAKER. Under a previous special order, the gentleman from Oregon [Mr. PIERCE] is recognized for 30 minutes.

Mr. PIERCE. Mr. Speaker, I want you all to know that this point of order was not made at my request. However, I am thankful to face so many Members on this occasion, but following what I have to say there will be two speeches which will be well worth your while. The brilliant and eloquent gentleman from Mississippi [Mr. RANKIN] has 1 full hour

allotted to him, and he can yield for lots of questions, and he will be followed by an equally brilliant debater, the gentleman from Illinois [Mr. DIRKSEN]. When you listen to these two Representatives you will be repaid for coming out of your offices at this time. Nothing I have in this paper or nothing I may say is so clearly worth the time you spent in leaving your offices and coming here. Nevertheless, I am glad on this occasion to face so many of you, and if you are just patient I may yield back part of my time so I can turn the lions loose and see them perform in discussing, I imagine, the current political issues.

Before I address myself to the main subject of my remarks, may I say I am thankful that the party of Lincoln, Blaine, McKinley, and Theodore Roosevelt has at last thrown the mask away and presented the real issue of this campaign in nominating their leader? You across the aisle have made the issue plain and clear in nominating as your leader and candidate for the Presidency the outstanding utility man of the Nation, a man who really stands for something—for complete monopoly of electric-power distribution by the private utilities, with holding companies in absolute control. We can analyze it in this campaign and see whether the people of this country want to follow along that line and take him for a leader in the White House.

I am well aware that all of this may be brushed aside and the real issue of the campaign which is now so plain may not come up at all on account of the terrific strife across the Atlantic Ocean. When we think of our cousins over there fighting, suffering, and dying, just to see who will rule in the world, it seems terrible. That may be the issue in this campaign, and the utilities and the question of private or public power and everything else may be lost sight of in the discussion of the question of defense, the question of outlining where our lines of defense are going to be and what we are going to do in case of the conquest of Great Britain, if that country breaks as France has broken.

Mr. CASE of South Dakota. Mr. Speaker, will the gentleman yield?

Mr. PIERCE. I yield to the gentleman from South Dakota.

Mr. CASE of South Dakota. I was just wondering if the gentleman while defining the issues of this campaign is thinking of the senior Senator from Oregon, whom the Republicans also selected to head the ticket.

Mr. PIERCE. Our colleague the gentleman from South Dakota knows that is rather a tender point with me. I am personally a great friend and admirer of that candidate on the ticket. We in Oregon take great pride in his standing in the Senate and in the Nation. If you had turned the ticket around I could have found some good reasons, plenty of them, why it might prevail, but to put him in the shadow just simply to cover up the wrongdoings and wrong notions of the other candidate is not fair. You just put him on there to make your leading man more acceptable. He accepted, as a good soldier, to save his party.

Mr. THOMAS of New Jersey. Mr. Speaker, will the gentleman yield?

Mr. PIERCE. I yield to the gentleman from New Jersey.

Mr. THOMAS of New Jersey. I gather from what the gentleman from Oregon has said that he also means that Mr. Garner is in the shadow at the present time.

Mr. PIERCE. I realize that he has been; there is no question about that. Every Vice President accepts that place.

The gauntlet was thrown down at Philadelphia. Shall this country turn over solely to big business the function of delivering to the people a product that all must have? Shall these huge profits be reserved for the group in Wall Street? That is the issue of the campaign. Read the hearings of the House Committee on Interstate and Foreign Commerce held in 1935, when your standard bearer appeared, never dreaming of the Presidency, and opened up his heart and upheld the holding companies, with all their iniquities, 5, 6, 8, 10 blocks each on top of the other. They organized so they could divide up the spoils and not cut the rates for delivering a product that the people should rightly have at cost, namely, electricity. Do not forget that the oft-repeated statement made in this House is true, that the utilities—and by that I mean the private electric-power companies—are today capitalized and organized so as to earn dividends on more than $13,000,000,000, when we have the estimate of the Federal Power Commission that the total cost of their properties could not have exceeded half that. Therefore, they are playing for mighty stakes, $6,500,000,000 or more, perhaps. They want to freeze that capitalization the same as the railroad capitalization was frozen for the railroad companies by the Transportation Act of 1920.

Mr. HOFFMAN. Mr. Speaker, will the gentleman yield?

Mr. PIERCE. I yield to the gentleman from Michigan.

Mr. HOFFMAN. Did the gentleman say something about turning the Government over with the cream all skimmed off? I did not quite catch that. The gentleman said something about turning something back with the cream all off.

Mr. PIERCE. Yes.

Mr. HOFFMAN. What was that?

Mr. PIERCE. What I mean by that is that the utilities are raking off the profit in delivering and selling electricity to the people. That is a public necessity and should be delivered to the people at cost.

Mr. HOFFMAN. I thought the gentleman meant that the New Deal has skimmed the cream all off and left us that $45,000,000,000 debt.

Mr. PIERCE. Oh, no; I am not yielding on that point.

Mr. HOFFMAN. You have not anything else, but we have.

Mr. PIERCE. The one thing today that is an absolute necessity is electric power, and power should be delivered to the people at cost, and the cost is half or less than half of what is now charged in rates. The oft-repeated statement that a billion dollars—one thousand million dollars—more is being collected from the people than should be collected is a true statement. The line of demarcation, to my mind, between what should be private and what should be public property is what constitutes a natural monopoly. Electric current is a natural monopoly. There should be but one system delivering it in any town. Since it is a natural monopoly, it should be owned by the people. There should be only one power line delivering power in Los Angeles, Chicago, New York, or elsewhere, and that should belong to the people. You cannot regulate the private utilities, because they regulate the regulators. That is the issue of the campaign, and the gauntlet that you have thrown down at Philadelphia we will accept in 2 weeks in Chicago when we present our issues for the political campaign. I am hoping, sincerely hoping, that this clear-cut issue will not be overlooked if this terrible war is ended and we consider our national economic problems.

The paper I have written for my allotted time today is about a little town on the Columbia River, Cascade Locks, near the Bonneville Dam. The Bonneville Dam on the Columbia River is almost on a line between the district of the gentleman from Oregon [Mr. ANGELL] and my district. The dam and the power plant are in his district. The backed-up water is in my district for miles. This village, with less than 1,000 people, wanted to distribute Bonneville power to its citizens, and it found the way to do so. The people were resourceful, and the story is worth while. I shall read a part of it, and, inasmuch as you have been so patient with me, after I have read a bit of it and have brought out some of the points I am going to ask unanimous consent to put it in the RECORD, and than I shall yield to the lions and let them tear each other to pieces and we can enjoy seeing them perform.

The SPEAKER. Is there objection to the request of the gentleman from Oregon?

There was no objection.

CASCADE LOCKS BLAZES THE TRAIL—THE STORY OF AN OREGON MUNICIPAL ELECTRIC PLANT

Mr. PIERCE. Mr. Speaker, a periodical of national circulation recently commented on the outstanding results of the

activity and far-sightedness of a small community within and adjacent to a city of 686 people in the Oregon district which I have the honor to represent in Congress. That paragraph says:

Distribution of current from the Bonneville power project is demonstrating to the people within its radius the value of these great public undertakings which were initiated by the New Deal. Citizens of Cascade Locks, Oreg., where the current from Bonneville has just become available, are finding that their bills for electricity are between 30 and 40 percent less than they have been before.

Municipal operation of electric light and power facilities was begun in Cascade Locks less than a year ago. The determination and good judgment of the citizen leaders of the movement has resulted in the very unusual record for any new business or the benefit of students of public ownership and of other localities hoping to use the electric power generated at the great Government Bonneville Dam project on the Columbia River, I am reciting the steps in the development of the Cascade Locks system. This recital will, I am sure, be valuable to Members of Congress who pass on Bonneville legislation and as a guiding example as well as an inspiration to citizen groups in the Pacific Northwest contemplating some form of organization for the distribution of Bonneville power carried over Government transmission lines to city gates and to rural communities. These communities must, perforce, set up their own distribution systems to carry the current into homes, local industries, and business houses, and to the scattered farms, which add to the financial perplexity of publicly owned distribution systems.

TYPES OF DISTRIBUTION SYSTEMS

In Oregon public-ownership advocates have under consideration three different types of distribution systems. The first is straight municipal ownership, such as Cascade Locks established. This may extend beyond the city boundaries and serve outlying territory adjacent to the city. Second, rural electrification projects organized outside city boundaries and limited by Federal law to territory not already covered by private utility lines. Third, public-utility districts—P. U. D.'s—which may embrace city and country and must be set up, under the Oregon law, by an election. In the campaign preceding the election, the conflicting interests of city and country often weaken the cause of public operation and predetermine failure. It appears that the rural electrification program is the one which now appeals most strongly to the rural communities, as they may more easily set up projects which can later be brought into a unified system in connection with other R. E. A.'s, using a city system as a nucleus.

BONNEVILLE TRANSMISSION LINES AND RESERVATIONS

The first and third sessions of the Seventy-sixth Congress, spurred by the necessity of providing additional power for defense industries, and by the fact that the power now generated at Bonneville Dam has been almost entirely absorbed through contracts with existing private utilities, municipal plants, and the many public-utility districts in Washington, made appropriations specifically for transmission lines to carry Bonneville current eastward through Oregon and Washington. Previously, the high-powered transmission lines had been constructed westward to the population centers near tidewater, and into territory reaching toward large private power systems which may soon have urgent need for more current.

The Bonneville Act provided a reservation of 50 percent of the generated current for the use of public power districts. This was done in order to give such districts an opportunity to perfect organization which was made difficult in Oregon by certain weaknesses in the State organic act, but proceeding with great speed in the State of Washington. My bill, passed by this last Congress, extended the reservation period from January 1, 1941, to January 1, 1942. This offers an incentive to immediate action and allows an opportunity for amendment and revision of the Oregon P. U. D. Act during the next session of the Oregon Legislature, beginning in January 1941.

OREGON MUNICIPAL PLANTS SUCCESSFUL

This brief factual history of the Cascade Locks municipal plant is set forth step by step in order to make available a typical organizing experience which has been amazingly successful for a new venture undertaken against great odds. The statements are drawn from correspondence with the manager of the system, from its audited statements, and from newspaper clippings kept in my files during the progress of the undertaking.

The patrons of the municipal system at Cascade Locks are rejoicing over a reduction of 40 percent in light and power bills and a net income which has allowed the management to build up a sinking fund to buy its own bonds before maturity. The use of electrical equipment has been vastly increased, offering further proof of my theory that lowered rates result in selling larger quantities of electricity, actually producing greater income. On several occasions during the past few years I have presented to the House stories of remarkable accomplishments by public power plants at Milton, Oreg., in my district, at Eugene and Canby, Oreg., and at Tacoma, Wash. To this list I now add the inspiring narrative of results accomplished since its beginning on July 25, 1939, by the public power plant of the small city and community of Cascade Locks. This shows the course which may, and probably must be, followed by other communities.

BONNEVILLE'S FIRST MUNICIPAL CONTRACT—HOW IT CAME ABOUT

The Cascade Locks contract was the first contract for current negotiated and secured by the Administrator of the Bonneville project. The little city is located in the immediate vicinity of Bonneville Dam, and has had a remarkable growth since the construction at Bonneville was started. By the time the first generating units were completed and ready for operation, the people became interested in city-owned power distribution, and formed a citizens' committee which conducted a survey to determine the feasibility and practicability of such a project. This survey indicated material benefits which would accrue to the city. In Oregon, the State hydroelectric commission investigates the proposed P. U. D.'s and reports to the people on their feasibility. Cascade Locks petitioned this commission for a hearing. As a result of that petition the State commission reported in July 1938 as follows:

If the district could secure a distribution system of the quality contemplated in the estimate, at a cost of $35,000, and the estimated market could be obtained, the system could be operated at a profit.

The commission recommended, however, that the original proposed district of 45 square miles be reduced to 13 square miles, thus eliminating uninhabited portions. The proposed district then would have about 320 customers, would sell a total of 307,237 kilowatt-hours for an estimated revenue of $16,369.37, not including industrial users, because there were none. It was estimated that operating costs would be $7,175 annually, and that an immediate reduction of rates could be effected.

MUNICIPAL OWNERSHIP DETERMINED UPON

In the meantime the city council had cropped the P. U. D. proposal and had determined upon municipal ownership of the distribution system. It invited Mr. J. D. Ross, Bonneville Administrator, a competent engineer, and enthusiastic public power advocate to place a value on the West Coast Power Co. system in the area, and to employ a fiscal agent in disposing of any bonds which might be voted for the purchase of the property. Mr. Ross always took the position that public agencies proposing to engage in the power business should make fair offers for property of existing privately owned electric utilities, before entering into costly competition. The local private company served an area adjacent to the city, but there was not the difficulty sometimes experienced when public ownership unit boundaries differ largely from the boundaries of the private plants. Naturally, it is easier to negotiate a sale contract when the boundaries of the two agencies are the same. The private company which was, as is usual in Oregon, controlled by eastern holding companies, refused to give any answer to the proposal that they sell to the city of Cascade Locks their holdings in the Columbia Gorge. At this time, the franchise within the corporate limits of the city expired, and the city refused to grant a new one unless the company would sell their holdings or make reductions which would allow the people of the area to benefit by the low-cost power generated at Bonneville. Refusal by the company resulted in

the decision of the people to go into the power business for themselves. The citizens then gave a magical and truly electrical performance in the construction of a backbone of their distribution system throughout the city. Donning overalls, they built the complete system between 12 o'clock Saturday noon and 8 o'clock Monday morning. It is said that every citizen helped in some way toward this amazing accomplishment. This episode convinced the power company that the citizens meant business, and it started a campaign of discouragement, hampering the project at every turn, and adding to its organization expenses, but as the manager says:

> However, this was merely peanut money to what the utilities spent in trying to keep us out of business, and it is a dead mortal cinch that some electric users throughout the country paid the bill.

Finally the security owners sensed the situation and agreed to sell their property.

COURT BATTLE NECESSARY

A long-drawn-out legal battle was necessary to prove the legality of the citizens' going into business by way of a revenue-bond procedure, and to validate the bond issue. The case was finally determined by the Oregon Supreme Court in favor of the city. This important test case concerned the status of of the bond issue for the purchase of the power company's holdings. The proposal to finance the purchase by the issuance of revenue bonds sold at a private sale set a precedent for other cities. The case was what is known as an agreed case, without action. In this manner a friendly suit was instituted in the circuit court, with all parties agreed on the points to be decided. Preliminary to the suit, the city recorder refused to sign a paper authorizing the issuance of the bonds. The city immediately filed a suit against him to force him to sign. The points at issue were: First, Is the charter amendment and resolution valid and binding? Second, Is the issuance of revenue bonds legal in the State or Oregon for this purpose? Third, May the bonds be sold at a private sale?

The circuit court held that the city recorder could not be required to issue the bonds because they had not been advertised for sale under the Oregon bond law. The city took the position that the revenue certificates to be issued in the financing of the purchase of the private utility properties were not in the strictest sense of the word "bonds," and therefore should not come under the Oregon statute which provides that all such bonds must be offered at public sale. The city maintained that these certificates were just promises to pay out of the income of the system and had no general obligation status whatsoever and therefore should not be considered as bonds. The high court upheld the lower court, ruling that the bonds must be advertised for sale and must not be sold for less than 95 percent of their face value. It also held that the revenue certificates were not subject to the State constitutional provision limiting the bonded indebtedness of the city.

With the supreme court decision rendered, the city did not find itself immediately in the power business, as there were many details to be worked out in connection with the purchase and rehabilitation of a run-down system, appointment of a manager, rate schedules, acceptance of property easements, rights-of-way, and water rights. Things did, however, move fast and on July 25, 1939, the city took control of the west coast holdings, after 2 years of fight in which the city neither asked for, nor gave, quarter.

THE FINANCIAL TRANSACTION

The requirement that sale of bonds with which to finance construction of publicly owned distribution systems must be advertised was regarded by the public power enemies as a complete vindication of their action in insisting upon legislation requiring competitive bidding for public utility district bonds. Before the forced resort to competitive bidding, Cascade Locks had discussed a private sale of a $79,000 block of 4½ percent revenue bonds at a bid of 0.95. Every effort was then made by private power companies to discredit revenue bonds in the financing of such systems. Certain private financiers upheld the assertion that the revenue bonds would sell easily and be a good investment. They believed the city would never have to revert to general obligation bonds to meet their payments. The firm which had agreed to purchase these revenue bonds at a private sale later bid on the bonds offered at public sale.

The advertisement was for an issue of $79,000, approximately $44,000 of which was to be paid for the holdings of the private company, with $35,000 allocated for "a general overhauling and extension program of the present system, and for working capital and reserves for the new company." The issue was sold at a bid of 98½ to yield 4¼ percent, the bonds to mature serially over a period of 20 years, but callable after 3 years. Because of the public offering and bid there was not the usual 2½ percent financing fee necessary. The city did pay $1,100 to a fiscal agent who advised on all financial procedures. They state that the $1,100 was an excellent investment because it resulted in a saving of $9,000 on the purchase price. The total difference in cost was not great and the disadvantages of advertising were slight. Delays were overcome by the purposeful activity of the local public power proponents.

Because the financing situation is one of the most difficult which public power systems must face, I quote from a statement made by the manager, Mr. Jack A. Flancher, in refutation of false charges of private utility propagandists against another proposed public ownership system:

> We sold our bonds by a plan and system resolution, whereby all the moneys received by our utility are placed in funds for certain specified things. No banker, I believe, would buy revenue bonds without being pretty positive that he was going to get his money back. Our books have been kept in the strictest accordance with the rules laid down by the Federal Power Commission, and they are satisfied that we are handling our business in a businesslike manner and are showing a fairly substantial growth in business and following sound operating policies. We have put into a bond account each month a stipulated sum, which goes for retirement of bonds, and a certain percentage for rehabilitation so that our lines will be as good when the bonds are paid off as they are today. A certain percentage goes for reserve, so that if any time we should have some hard luck, we would have a good reserve to fall back on. In addition there is a percentage set up for depreciation and renewals. I think anyone will agree that this is just good, sound, business practice. Every month to date we have met all our obligations and have had some besides.

The manager refers to the Federal Power Commission, so it may be stated that the contracting parties, the private utility, and the city made a joint application to that Federal agency which made the routine procedure allowing the transfer from the company to the city.

THE DEBT LOAD IS LIGHT

There is one fact that cannot be too often emphasized, and that is the matter of contrasting debt-reduction policies of private and public power companies. I have pointed out through many detailed studies presented to this House in speeches that private utilities pyramid their debt structures by new issues, and are forced to hold rates high in order to pay interest and dividends on these debt structures. The policy of the publicly owned plants has always been more cautious, and has resulted in lower consumer rates because the debts have been amortized constantly. This has resulted in giving the public systems investments upon which they may realize richly in the future when the loan has been completely repaid and the rates reduced to a sum sufficient to carry maintenance costs. This is the most important consideration in connection with publicly owned plants.

Cascade Locks bought the private system, paying for it on a basis equal to $93.30 for every customer served. The total outstanding securities of the Cascade Locks property at the start was $154 per consumer, compared with the national private power company average of $511.60 per consumer. The average cost of all the municipal plants in the United States is $264 per consumer.

Eliminating the cost of the generating station, this initial customer figure of $154 is only slightly higher than the best of the older municipal plants in the country. If it were not for trail-blazing litigation and the barriers set up by the private companies, Cascade Locks would have started off on an equal footing with the very best of them. However, this slight customer debt difference is such a small item that 20 months of rate saving on the present basis will wipe it out. The people of Cascade Locks have secured a substantial rate reduction,

and, in addition, are building up a revenue-producing equity which will increase with time.

As a result of the wiser and more honest financial policies of the public plants, they have today in the United States, on the average, outstanding obligations amounting to only 35½ percent of their original costs, while the private companies have outstanding securities approximately 100 percent of their book cost.

The public plants have ever been the pathfinders and yardsticks. Bonneville as a yardstick has been the cause of reduced power rates in Oregon. No one can contemplate this situation without being convinced of the great advantage of the publicly owned plants, which are not obliged to carry the burden of the private holding companies, with their insatiable demands for tremendous funds, some of which are used for political manipulations in local, State, and Federal Governments. Private utility indebtedness, which they themselves have erected, is a barrier which makes it impossible for them to distribute advantageously the cheaply generated power of Bonneville Dam.

THE TEST OF SOUNDNESS

There is one simple test of financial soundness which can be applied to any earning statement and balance sheet. This test is the ratio of outstanding bonds and other fixed-interest securities to the annual gross earnings. A low ratio insures soundness and success. In the case of Cascade Locks, this ratio is 2.71 under a drastic rate cut which reduces revenues during the recuperative period and accordingly raises the ratio. This ratio will decrease in time. With 40 percent higher rates, all the private companies in the United States have a comparative ratio of 4 to 3. For the private companies adjacent to Cascade Locks this fixed-interest security ratio is as follows:

Northwestern Electric	4.08
Portland General Electric	5.45
Pacific Power & Light	6.10
Puget Sound Light & Power Co	7.74
Average of these 4 ratios	5.84

Translated into simpler language, this means that for every $1 of gross income Cascade Locks has $2.71 debt of fixed-interest securities outstanding. All the private companies in the country have an average of $4.30 debt for such securities—including preferred, but excluding common stock. The average northwest regional figure for private companies is $5.84 per $1 of gross income. Obviously, the smaller the amount of fixed-interest securities outstanding per dollar of income, the healthier the condition. This simple test eliminates all the so-called objections raised by utility propagandists. Any ratio below 3 for this type of plant is very conservative and sound.

OPERATING RESULTS—EARNINGS

I repeat that electric consumption always increases rapidly with substantial rate reductions. The Cascade Locks experience bears out the graphical prediction I made on this floor in a speech of July 27, 1937. The consumption at Cascade Locks rose so rapidly that the loss of revenue from the rate reductions was wiped out. After 11 months of operation the returns were about $6,000 ahead of the initial estimates. To date the city has met all of its contract obligations on time and has built up a surplus. The customer-use possibilities resulting from cheap power rates is just starting in this city.

The following figures show the results of 5 months of operation, up to December 31, 1939:

Gross revenue for 5 months	$12,156.31
Operating expenses	6,335.18
Net before depreciation	5,801.13
Depreciation	1,215.21
Net after depreciation	4,585.92
Interest charges	5,548.68
Net income available for taxes, amortization, and surplus	3,001.59

It will be noted that the operating expenses are only 52.28 percent of the gross revenue compared with a fair public-plant average of 56 percent. The Cascade Locks net revenue available for surplus was 24.7 percent of the gross. In 5 months $1,000 was paid on the bond issue, demonstrating that amortization on publicly owned plants can be started early. Before depreciation and amortization of debt discount, the debt service was covered 2.19 times, even under the drastic rate cut. From these net earnings the following reservations were made:

Debt reduction	$1,175.00
Bond-reserve account	655.00
Renewal-fund reserve	433.51
Transferred to earned surplus	738.07

Mr. THOMAS of New Jersey. Mr. Speaker, will the gentleman yield?

Mr. PIERCE. I yield.

Mr. THOMAS of New Jersey. Will the gentleman tell us whether the T. V. A. has verified all those figures?

Mr. PIERCE. These are not T. V. A. figures. These figures have been verified by myself from the reports to the Federal Commission and to our Utility Commission of Oregon. I am not talking about T. V. A. You are going to hear plenty of T. V. A. in this campaign——

Mr. THOMAS of New Jersey. The reason I asked that question——

Mr. PIERCE. That is going to be a real issue and we are going to find out whether we did pay Mr. Willkie $19,000,000 too much for the Tennessee properties a year ago, and who sold it to us and how we came to pay $19,000,000 more for that property than we ought to pay. You will hear plenty about T. V. A.

Mr. THOMAS of New Jersey. Mr. Speaker, will the gentleman yield further?

Mr. PIERCE. I am not going to yield further because I want to finish this statement.

A CONTINUOUS RECORD OF SUCCESS

News notes and captions in local and Portland papers afford a running account of successful management: "Cascade Locks Makes Money, Cuts Light Bills"; "More Power, Less Cost"; "City Light to Buy Back Six Bonds"; "City Light Finances Reported Good"; "City System Making Profits."'

It is a continuous record of making money and cutting electric bills through low-cost Bonneville power. It was this record of savings which led the city, after 3 months, to order a material reduction in rates. During those 3 months the city had sold 206,922 kilowatt-hours of electricity for $7,294.13. The first bond of the $79,000 issue had been acquired by the city, thus saving interest charges, and there was sufficient surplus to retire another bond. Like all expanding and flourishing businesses, they bought property in the heart of the city and moved into a small office building, properly equipped.

Customer consumption had in these first 3 months been increased over 40 percent, accounted for by the use of electric stoves, hot-water heaters, and other appliances which had previously been considered impossible luxuries. The operating costs, even of a new venture, were slightly lower than those of the former private utility owner.

The manager became the general adviser of the electric users, explaining to them the advantages of utilizing more power, telling them the actual cost per month for every type of appliance and emphasizing the savings under the new rates. A home with average lighting, radio, toaster, washer, and sewing machine, paid $1.80 under these new rates, as compared with $2.80 under the old plan. Electric ranges cost only $1.30 a month as compared to $3.45, and the cost of electric water heaters was reduced by half. It was arranged so that homes with inadequate wiring might be rewired, the cost paid back over a period of months, permitting the users to take immediate advantage of the low rates.

Since the earnings were accumulating in the bank and drawing no interest, the power committee of the city council decided to take $6,030 of the amount to buy in the last six serial $1,000 bonds. The bonds were placed in escrow so that at any time it was necessary to have this money returned to these funds the bonds might be sold and the money made available. They estimated that with the "dead" money put to use, the city light would make a saving of $4,962.50. Other

bonds had already been bought so the total withdrawn from interest payments became $8,000. Pretty shrewd financing for newcomers in the utility field.

RATES

When the City Council of Cascade Locks authorized Mayor Manchester to sign a contract with Administrator Ross of the Bonneville project to deliver to the city an initial 200 kilowatts of power, the city became the first regular electric customer of the Federal navigation and hydraulic project on the Columbia River. When the city operation was started, current was supplied from the Bonneville Dam under its regular tariffs as filed with the Federal Power Commission. These tariffs are available to every municipality within economic transmission distance of the Bonneville plant. Any municipality or public organization located contiguous to the Bonneville transmission lines can practically duplicate the results accomplished by Cascade Locks.

Within 3 months after taking over the plant the city made a drastic rate cut. Under private ownership, the residential rates were from 7 to 2 cents per kilowatt hour. The public ownership rates put into effect in the fall of 1939 started with 4½ cents and broke quickly to 1 cent and ½ cent. Within 6 months the average residential rate dropped from 4.9 to 3.1 cents per kilowatt hour, a reduction of over 36 percent in unit price. The community rate savings, at present rates, adopted in November 1939 will be about $7,000 per year on 512 average consumers or $13.70 per consumer per year. This rate saving already represents 14.7 percent of the purchase price, and it will increase. Within 6 months, under this new rate, the use of electric stoves increased amazingly. Where there were only three stoves on the line when the city took over, there are now over 60.

Commenting upon the first fruits following Cascade Locks' creation of a public-power system, the State Master of the Oregon Grange said:

> This is a remarkable demonstration of what can be done under public ownership. Cascade Locks is not faced with the job of making profits for stockholders but they do want, of course, to make sufficient profits to retire their upkeep cost and pay off their obligations. Farmers in Oregon generally would rejoice if they could be assured of getting a reduction in the rates anything like 37½ percent.

The present rate schedule is as follows:

	Cents
First 50 kilowatt-hours	4½
Next 50 kilowatt-hours	2
Next 200 kilowatt-hours	1
Excess kilowatt-hours	½

TAXES

Under the Oregon law, public utility districts must pay taxes the same as if privately owned. Rural electrification projects pay taxes in accordance with State laws, like all cooperatives. Under the Oregon law, they pay property taxes on their lines, and the State unemployment compensation tax. They are not subject to the license fee on business corporations because they issue no capital stock. They do, however, pay the annual corporation license fee, the minimum being $10. They are exempt only from the State income tax on business corporations. Municipal electric plants do not pay taxes, nor do municipal water and sewer systems; nor are city halls and other like public investments taxed. These are not the only properties which are tax-exempt in Oregon.

As a matter of fact, no private utility ever pays taxes. They do not send in money from Wall Street. They have no source of tax funds except the funds they take from the community. Actually, the community pays the taxes in its electric rate and the utility is the collector, charging a high fee for making the collection. The private utility at Cascade Locks had a valuation of $109,000. It paid taxes, amounting to about $3,000 annually, on a valuation of less than $50,000. This utility was allowed, under the Oregon law, to earn a net profit of 7 percent on the $109,000, above all expenses, including taxes.

The public power plant has saved the community, in 1 year, $7,000 in residential rates and has earned for that community a substantial sum toward a community investment which will pay dividends for all time. When the debt is paid out, in less than 20 years, the city will own a handsome property. It will own its distribution system, debt free, and be a money-maker for the community. The consumers of electric power are now paying taxes in their rates just as they did when the private company owned the property. I have covered this whole subject very fully in a speech of July 12, 1939, on Private Utility Expenditures.

PUBLIC OWNERSHIP IS RIGHT

The letterhead on which the facts about the Cascade Locks municipal power project was sent to me reads as follows:

> City light, Cascade Locks, Oreg.; Bonneville Dam Power; Nature's finest water; both municipally distributed.

Yes, this city not only owns its light and power; it owns its water system, sewer system, its streets, its schools, its libraries, and its public buildings. The State builds, owns, and maintains the roads which lead to that city. The Federal Government operates its post office—all the essentials of a satisfactory life are brought to the people through public ownership. It is reasonable to draw the public ownership line at the public utility which gives the most satisfaction and yields the greatest profits? Would it be right to forbid public operation of electric utilities just because an absentee investor or holding company of the Atlantic border demands the profits?

The community of Cascade Locks is certainly to be congratulated on its sound financial set-up, on the judgment exercised throughout its negotiations for acquiring the utility, on its patience through the legal struggle, and certainly upon the results accomplished in such a short period. The success has been especially noteworthy in the face of the barriers set up by private utility interests. From the beginning, its courageous mayor and council have taken the people into their confidence. Every step of the way has been explained and made clear. I am proud that such an enterprising community is in the Second Oregon district, which I represent in Congress. [Applause.]

SPECIAL ORDER

The SPEAKER. Under special order heretofore made the gentleman from Mississippi [Mr. RANKIN] is recognized for 1 hour.

Mr. ALLEN of Louisiana. Mr. Speaker, will the gentleman yield to me to propound a unanimous-consent request?

Mr. RANKIN. Yes.

EXTENSION OF REMARKS

Mr. ALLEN of Louisiana. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD in connection with an opinion on the Bridges bill.

The SPEAKER. Is there objection to the request of the gentleman from Louisiana?

There was no objection.

Mr. FISH. Mr. Speaker, will the gentleman from Mississippi yield to me?

Mr. RANKIN. I yield.

Mr. FISH. Mr. Speaker, I ask unanimous consent to extend my remarks by incorporating in the RECORD the Republican national platform for 1940, providing for a constructive program of Americanism, preparedness, peace, and prosperity.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. POWERS. Mr. Speaker, will the gentleman from Mississippi yield to me for the purpose of making a correction of the RECORD?

Mr. RANKIN. Yes.

CORRECTION OF VOTE

Mr. POWERS. Mr. Speaker, on roll call 43 I am listed as voting in the negative. I voted "yea," and I ask unanimous consent that the RECORD and Journal be corrected accordingly.

The SPEAKER. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

Mr. DITTER. Mr. Speaker, will the gentleman yield to me for a unanimous-consent request?

Mr. RANKIN. Yes.

EXTENSION OF REMARKS

Mr. DITTER. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include therein an address made by our colleague the gentleman from Indiana, Representative CHARLES A. HALLECK, placing in nomination the name of Wendell Lewis Willkie as the next President of the United States, before the Republican National Convention on June 27, 1940.

The SPEAKER. Is there objection?

There was no objection.

WILLKIE NOMINATED FOR PRESIDENT BY UTILITIES—REPUBLICAN PARTY "BLITZKRIEGED," FOLDS UP—POWER QUESTION MADE CHIEF ISSUE IN COMING CAMPAIGN

Mr. RANKIN. Mr. Speaker, it is not my desire to hurt the feelings, wound the sensibilities, or intensify the humiliation of the ex-Republicans in the House who saw their party fold up and disappear in Philadelphia, Pa., a few nights ago. [Laughter.]

If I might borrow from the lips of a great statesman, of a century past and gone, an apostrophe to liberty, revise it, and apply it to the Republican Party, I would say that in the historic city of Philadelphia, where the Republican Party raised its first voice, where its youth was nurtured and sustained, where it once stood, in the strength of its manhood and full of its original spirit, it made its last feeble stand a few nights ago by the side of that cradle in which its infancy was rocked, and it fell at last amid the proudest monuments of its former glory and on the very spot of its origin. [Applause.]

The Republican Party is now dead, decapitated, "blitzkrieged" by the Power Trust, the utility Fascisti, the most ruthless and the most corrupt combination of wealth and power this country has ever known. It is the greatest racket of modern times. It has gone further in its "fifth column" methods, in its violation of every law of God and man, to control legislatures, to corrupt courts, to intimidate Governors, to rule commissions, to control Congressmen, to subsidize the press, to deceive the public, to rob the users of electric energy, to plunder innocent purchasers through watered stocks, and now to "blitzkrieg" the Republican Party, than all the other debasing influences in this country combined. [Applause.] It is no longer the Republican Party; it is now the utility Fascisti. It has chosen as its standard bearer a leader of the Power Trust, the Mussolini of this utility Fascisti, who will now attempt to carry the Republican banner, formerly borne by Abraham Lincoln and William McKinley. I wonder how that is going to look to the honest, God-fearing, liberty-loving, conscientious Republicans from one end of this country to the other.

We are now informed by their new propaganda machine that this new leader who was nominated a few nights ago sprang forth upon the spur of the moment, and that the people demanded his nomination. What nonsense. About a year ago, or a little over, I made a short statement on this floor, which I ask the Clerk to read in my time, stating the date.

The SPEAKER. Without objection, the Clerk will read.

There was no objection.

The CLERK. In the House of Representatives, Tuesday, May 23, 1939:

Mr. RANKIN. Mr. Speaker, from the press reports we learn that there is a new candidate for President on the Republican ticket, Mr. Wendell L. Willkie, president of the Commonwealth & Southern, who has been referred to as the fashion plate of the Power Trust.

It is not surprising to find that the utilities now demand control of the Republican Party and that one of their moguls be selected as its candidate for the Presidency. It is a well-known rule of the game that he who pays the fiddler may call the tune.

Of course, if he is nominated, little will be said by the Republican press about his connection with the utilities.

He will probably be heralded as a friend of the farmer—the farmers' candidate.

There is one thing about it, if he should be nominated and elected, the country would then have a President who can teach the American farmers how to water the stock and shear the sheep. [Applause.]

[Applause and laughter.]

Mr. RANKIN. You have got him—or he has got you. [Laughter.]

Unless the Republicans now decide to hold a convention and nominate a candidate for President, your party is gone; the G. O. P. is dead.

Where were you Republicans who have been talking about the farmers during this "blitzkrieg"? I read your platform and I am going to refer to it. I read it twice. I read the one that you wrote, and then the one that was adopted after Wall Street had it corrected. There is not a word in that platform about rural electrification, the one thing in which the farmers are most interested. [Applause on the Republican side.] I note that the Wall Street wing of the Republicans applauded that statement, because you are opposed to rural electrification; you want to destroy rural electrification, the greatest thing that has yet been done for the American farmers.

You have made the issue; we gladly accept it. The power question is the major issue in this campaign. It is the greatest domestic issue now before the American people. We accept that challenge, and we will meet you in every State in the Union, and when we get through you will probably have Maine and Vermont left, but I doubt it.

Mr. THOMAS of New Jersey. Mr. Speaker, will the gentleman yield? Is the gentleman sure?

Mr. RANKIN. Oh, you may have a part of New Jersey left, but not all of it. I am sorry I cannot yield.

These peace-loving Republicans who left here a few days ago with a platform already prepared to keep this country out of war, and to guarantee that our boys should never be sent "to shed their blood on foreign soil," went to Philadelphia and introduced that plank, and even got it adopted by the platform committee, I believe; but, lo and behold, it did not suit Wall Street; it did not suit the House of Morgan; it did not suit somebody high up in the international financial circles, and they made you change it and adopt one that says nothing and means nothing.

I notice that after that platform was adopted and the candidate was nominated, it was stated that London was highly gratified; that it meant we were going into war as soon as the election was over. I tuned in on Berlin and heard that Germany was also gratified; so I began to wonder which side of the war we were going in on. But it finally dawned on me that Wall Street controlled both broadcasters that are feeding us the echoes from New York through both London and Berlin, as well as through Paris and Rome. They want to get us into the war, even if it is lost, in order to unload their losses onto this Government, as they did before—during the Mellon regime.

My distinguished friend, Senator MCNARY, who had come back home in utter disgust, was called up and pleaded with to take the place as next ex-candidate for Vice President on the Republican ticket. He finally consented, saying, "I'll be a good soldier." Which was like saying, "Yes; I'll be a pallbearer; it is a debt we all have to pay."

They said that would balance the ticket. I wonder if that is their idea of balancing the Budget? It reminds me of the old mess sergeant in the Army who stole all the funds and then made some hash out of dead mule. He said it was half-and-half hash; half chicken and half mule, because he said he used one chicken and one mule in making it. [Laughter.]

Mr. MCNARY could no more balance all the evils of the Power Trust that you are going to have to carry in this campaign than the now deceased Republican elephant could have hung to a horizontal bar by its eyebrows.

By the way, the Republican elephant died while this "blitzkrieg" was in session at Philadelphia. You know, they took the biggest elephant in America up to Philadelphia to show him off, but when he found out what was going on, as the old Negro said, "He up and died." Then they picked out one in

Pittsburgh, and he took the hint and died also. But that is all right; they will not need the elephant any more. They will have to use the octopus instead of the elephant as a campaign emblem—representing the Power Trust, that sprawls over the Nation like a huge octopus, and runs its loathsome tentacles into every home that uses electricity, into every business establishment, and into every factory that uses electric power. They should turn the pictures of Lincoln, McKinley, and Borah to the wall, and replace them with the pictures of Insull, Hopson, and Willkie.

We are glad to accept the issue. You have been making it a long time, but some of you evidently thought you would get away from it when you got to Philadelphia—from the way you booed the name of Willkie. We heard you; we knew your voices. We were like the Irishman was when the horsefly got after him and he thought it was a hornet. He said, "Ah, you have changed your suit, but I know your voice." [Laughter.] You booed like everything when his name was mentioned, but when the word came down from Wall Street, "You will either take him or you will not get any campaign funds," there was a different cry; you "first endured, then pitied, then embraced."

The old-line Republicans who have fought the battles throughout all these years were discarded, kicked out. Even that great able leader from the far West, ex-President Herbert Hoover, made one of the greatest speeches ever delivered before a Republican convention; and he did not hesitate to take the hide off of us where he thought it was due. Probably we deserved some of it, not all of it. Among other things, he urged you to "hold an election and not an auction."

Poor fellow; he evidently did not know that the auction had already been held. When he found it out he went fishing. [Laughter.]

The distinguished gentleman from Ohio, Senator Taft, my good personal friend, Senator Vandenberg, of Michigan, and Mr. Dewey, of New York—they were all thrown aside by this Power Trust Fascisti that had been organizing for more than a year to nominate your candidate. You have made the power question the chief issue in this campaign, and, as I said, we gladly accept it.

Franklin D. Roosevelt has done more for the power consumers of America than any other man who has ever been President of the United States, and if he will accept the nomination he will sweep the country in the November election. [Applause.]

Millions of farm homes are now electrified which would never have had electric lights even if it had not been for him. If this Willkie ticket should be elected we know what it would do. It would stop this program of rural electrification and those farms which we have not already reached would be forever left in the dark.

Do you know how this thing was done? The power interests are collecting in overcharges more than $1,000,000,000 a year from the light and power consumers, and this great Fascisti, known as the Power Trust, that is now dominating so many States in the Union, is attempting to get control of the Federal Government. The people you were sent here to represent are paying these overcharges—paying through the nose.

When you find a newspaper that is not subsidized, directly or indirectly, you will invariably find one that is now supporting the Democratic ticket and the Democratic candidates. All those telegrams that came into the convention were inspired or prepared by this outfit. It is the old trick, the same thing they did here when they were fighting the holding-company bill. They even had their hired henchmen to pack the galleries of your convention. They had people to send you telegrams who never heard of you or Willkie either one, to try to make you believe it was a spontaneous uprising; that the people were demanding this man, who, as I said, has been the front, the glamor boy, for the greatest, most powerful, and most corrupt combination of wealth and influence this Nation has ever seen.

Mr. McGRANERY. Mr. Speaker, will the gentleman yield?

Mr. RANKIN. I yield for a question.

Mr. McGRANERY. Did the gentleman observe that in the telegrams that were sent to the delegates at the Republican convention the same grammatical errors were in each of the telegrams, covering thousands?

Mr. RANKIN. Yes; I understand that is true. I understand the same words were spelled wrong in a whole series of telegrams. For instance, some would spell Willkie "W-i-l-c-h-k-e," the way his father used to spell it when he first came over from Germany.

This is the first candidate ever nominated for President by either party who never had a relative in the Revolutionary War and never had one on either side in the Civil War. Without such a combination as this he never could have been nominated in a single State in the Union, much less at a national convention.

Mr. SECCOMBE. The gentleman will remind the House that this gentleman served in the World War and is an ex-service man.

Mr. RANKIN. That is right. So did Mussolini. [Applause.] They were both fighting on our side then. But I am talking about what they have done since the war.

I want to show you where the money is coming from to pay for this propaganda—and I mean this in all seriousness.

I have fought this battle of the power consumers on this floor for more than 10 years.

Mr. THOMAS of New Jersey. Mr. Speaker, will the gentleman yield?

Mr. RANKIN. For a question only.

Mr. THOMAS of New Jersey. If I were going to run on the Democratic ticket——

Mr. RANKIN. Oh, that would be impossible. I did not yield for such a statement.

I have no personal feeling against Mr. Willkie. I know him. But I am opposed to the things for which he stands. I am opposed to the system he represents and that forced his nomination. I am opposed to this gigantic utility fascisti that is trying to dominate the American Government and the American people, that is wringing from them in ruthless overcharges hundreds of millions, yes, a billion dollars, a year for electric lights and power.

It is the estimate of every man to whom I have talked that the campaign for this nomination cost millions of dollars. Where did that money come from? Oh, you investigated the Long machine in Louisiana. You said as "honest Republicans" you demanded it. I am not against you personally because you are Republicans. I respect your integrity when you manifest it. But if you are sincere, you should demand an investigation of that affair at Philadelphia. You should demand such an investigation just as you demanded an investigation in Louisiana, in Georgia, and in other places. Why pass the Hatch Act to close the mouth of every Federal or State employee and then turn your party and your Government over to the hirelings of this supergovernment known as the Power Trust—the utility fascisti?

Why prosecute Hopson? Why prosecute one of these holding companies for using the mails to defraud in unloading their watered stock, and let the others escape? Why persecute one and sanctify another? As I stated, the money that goes into this campaign will be wrung from the power consumers from Maine to Mexico. As Woodrow Wilson said in connection with priming the old pump—

> We always notice that the water we pour in is the first to come out.

They know this slush fund will come back and that your constituents will pay it—through the nose.

I am going to show you what the people of each State pay, how they are overcharged, and I am not going to use the T. V. A. rates for comparison. I am going to use the rates of the Tacoma, Wash., system, which has about $26,000,000 invested. It has paid that down to where it now owes only about $4,000,000.

Tacoma has the lowest electric rates in the United States. They are gradually paying out. Yet Tacoma has the highest investment for the number of people served of any public power system in the whole country. I am going to use

Tacoma's rates, and I call the attention of you gentlemen from the various States to the overcharges your people are paying now. If this ticket should win, they would pay it from now on. The Commonwealth & Southern has been trying to destroy rural electrification by spite lines in the various States. Our rural electrification program, which this very outfit Mr. Willkie heads has been trying to destroy, and all its affiliates have been trying to destroy, would come to a standstill. Your farmers then might as well close the door so far as the future development of rural electrification is concerned—the greatest blessing that has ever been brought to the farmers of this Nation by any administration.

The Tacoma system pays a higher rate of taxes than is paid by the average private power company, and then makes a large cash contribution to the city.

This is not a power-producing company you are fooling with now—this Commonwealth & Southern. It is a holding company, a bleeding company, that sprawls from Michigan to Alabama. It reaches down and sucks the economic life blood out of the power consumers. It is absolutely useless, it exists in violation of the common law, and never could have existed in this country if the State of New Jersey had not broken over in 1889 and legalized them after they had been condemned by the British courts for a thousand years. Under the common law one corporation cannot hold stock in another. The President said of them in 1932 that they were useless holding companies whose officials raise their high salaries higher, which he branded as a form of "thievery within the law."

All the money to sustain them comes out of the masses of the American people, those who use electricity. Let us see how much this amounts to, let us see where it comes from, and, as I stated, I am comparing these rates with the Tacoma rates which we are trying to put into effect at Bonneville and Grand Coulee on the Columbia River.

ILLINOIS

Let us take first the State of Illinois. The distinguished gentleman from Illinois [Mr. DIRKSEN], I understand, is going to speak later today and I just wonder if he would mind explaining to the people of Illinois why it is that according to these Tacoma rates his people were overcharged $85,480,273 for their electric lights and power in the year 1938? In 1939 it was just as bad. What does this mean? They have reached down into the pockets of every man who turns an electric switch in Illinois. The laborer who plods his weary way home at night, seeking a bath, a change of clothes, so that he may spend the evening with his family in peace and quiet, is denied the use of those appliances that go to make his home comfortable and attractive, in order that the money may go to maintain this supergovernment that is today controlling a majority of the States of this Union directly or indirectly, and has now taken over what was left of the Republican Party.

There is also the little merchant down on the corner, struggling for a living, who already pays more kinds of taxes than almost any other man alive. He is robbed of more than 100 percent in overcharges every time he pays an electric bill in order that it may go to sustain this great supergovernment. I will put the rates in for every community in the State of Illinois later. They can generate power in Illinois with Illinois coal and distribute it without loss to the power consumers of that great State at the T. V. A. rates, or at the Tacoma rates, and make an adequate return on legitimate investments. Illinois is one of the States in which Mr. Willkie's Commonwealth & Southern operates.

PENNSYLVANIA

Let us turn to Pennsylvania, where this thing was perpetrated. We find that although Pennsylvania is rich in water power, although Pennsylvania is rich in coal, although Pennsylvania is rich in oil, although waterpower is being sold wholesale by one private company to another in Pennsylvania at cheaper rates than it is being sold wholesale in the Tennessee Valley, yet the people in Pennsylvania, according to these Tacoma rates, where they have such an enormous investment, were overcharged $105,004,244 for electric lights and power in 1938. Every man who turns a switch, every little industry, every merchant in Pennsylvania has it to pay.

MINNESOTA

I heard the voice of the Governor of Minnesota, and as I listened to him there came ringing down through the centuries the words of the greatest philosopher of all time:

> But man, proud man,
> Drest in a little brief authority,
> Most ignorant of what he's most assured,
> His glassy essence, like an angry ape,
> Plays such fantastic tricks before high heaven
> As make the angels weep.

He was describing the Governor of Minnesota in advance.

Let us see what is happening to Minnesota. In the State of Minnesota—I do not want to get you mixed up with Michigan, because Michigan is worse, if possible, than Minnesota—where you would not have had any rural power at all if it had not been for the Roosevelt administration. I wish you could read the mail I get from the farmers in Minnesota. The people of Minnesota were overcharged for electric lights and power, according to the Tacoma rates, where, as I said, they have the greatest investment for the amount of power produced of any public power system in America, the people of Minnesota, in 1938, paid tribute in the amount of $20,335,981 in overcharges for electric lights and power. That is even taking it from the farmers, because we Democrats have electrified thousands of farm homes in that State. If you had nominated a good Republican—I mean a good Republican—and he had been elected, he would probably have gone along with us, but they shut the door in your faces.

WISCONSIN

Let me say to my smiling genial friend from Wisconsin [Mr. SCHAFER] with whom we all commiserate, that in Wisconsin, where we have also built thousands of miles of rural power lines reaching those farmers out there without your help, you men on the Republican side before this "blitzkrieg" have opposed rural electrification, as a rule.

Mr. PITTENGER. Oh, no.

Mr. RANKIN. There are a few of you—possibly a dozen, who have gone along with us. I hope to find time to complete a volume which I have been writing to show the American people what electricity is worth, what it should cost them. I had hoped to make it short enough for them to read it, and write it in terms they can understand.

The people in Wisconsin in 1938 were overcharged $26,144,710.

Mr. SCHAFER of Wisconsin. Mr. Speaker, will the gentleman yield on Wisconsin?

Mr. RANKIN. For a question; yes.

Mr. SCHAFER of Wisconsin. The 1938 electric rates in Wisconsin were determined and regulated by the La Follette-progressive controlled Wisconsin Public Service Commission. The La Follette machine is a great cog of the New Deal political machine, so do not blame Willkie or the Republican Party, but blame your New Deal progressive division in Wisconsin if the people of Wisconsin have been overcharged. I believe the gentleman's figures are incorrect.

Mr. RANKIN. I thank the gentleman, because if it had not been for that it would probably have been $40,000,000. [Laughter.]

MICHIGAN

Now, let us see about Michigan. Wisconsin and Michigan are right close together. Let us see what the people of Michigan are overcharged. In 1938 the people of the State of Michigan were overcharged for electric lights and power $49,415,023. I do not suppose LA FOLLETTE did that, did he?

Mr. HOFFMAN. Mr. Speaker, will the gentleman yield?

Mr. RANKIN. For a question.

Mr. HOFFMAN. Will the gentleman put into that book the fact that the Michigan residents pay in $263 per capita and Mississippi $12 per capita?

Mr. RANKIN. No; I do not want to exaggerate.

Mr. HOFFMAN. Those are Government figures.

Mr. RANKIN. Oh, no. I do not think you are overcharged to that extent.

Mr. HOFFMAN. Yes, they are.

Mr. RANKIN. We are going to give you a chance to explain to the people at home. We have the radio now that reaches these victims, and we are going to lay these facts before them.

We are going to be on that radio from now on. We are going to give the American people the facts. [Applause.]

NEW YORK

Now, let us take the State of New York, and by the way, there are some things I would like to comment on, but I am afraid of my time. Let us take the State of New York where, with all the battles we have waged in that State, in 1938 the power consumers of the State of New York were overcharged $179,861,683, and yet there is the St. Lawrence, and there is the Niagara River, and other streams in that State; and, by the way, if they had got their power in New York State at the same rates they are getting it in Ontario, which is just across the river, power half of which belongs to the people of New York—if they had got their power at those rates they would have saved $176,683,082 a year. Do you know what that means? That means that the poor people in the State of New York, as in your States, are denied the use of enough electricity to really enjoy it.

I am trying to save you. You cannot hurt me. I know it is the threat of Wendell Willkie's crowd that they will destroy the T. V. A. They do not stand any more chance of destroying the T. V. A. as long as civilized America lasts, than Gov. Bob Taylor's gutta-percha dog did to catch an asbestos cat in hades. [Laughter and applause.]

We are getting our power today at what it is worth, while the people in your States are not. They are the ones who are paying these tremendous overcharges. For the first time, millions of farmers in this country are getting power with which to light their homes and to pump their water and to use their refrigerators, a luxury they never knew before and never would have known, at least during this generation, if it had not been for this administration; also vacuum cleaners, washing machines, and electric irons to lift from the shoulders of the housewives the tremendous burdens of drudgery under which they have struggled since the beginning of time, and this applies to the womenfolks of the toiling families in the congested cities just the same as it does on the farms.

MASSACHUSETTS

But let us take some more of these States. Let us come down to Massachusetts. Oh, I heard the voice of Massachusetts, with that old New England brogue, holler "Willkie" [laughter]; and I turned to the record and looked, and I found that the people in Massachusetts, a great State, one of the Original Thirteen States, were overcharged in 1938, $51,278,061, and I wondered if they knew.

What they hope to do is to subsidize the press and monopolize the radio and keep us from telling the American people the truth about what electricity is worth and how much they are being overcharged and what can be done to supply it to them at reasonable rates. But let us move out into the great tribute."

OHIO

Suppose we take Indiana. We find that out there in that great State of Indiana, where they are clamoring for rural electrification, where they are clamoring for cheaper electric rates, in 1938 they were overcharged $30,325,918. Have you seen the market today? That is the price of 40,000,000 bushels of wheat on today's market. That is the price of 50,000,000 bushels of corn on today's market. The people of Indiana are called upon to pay tribute, for which they get nothing in return, that amounts to hauling in 40,000,000 bushels of wheat, or 50,000,000 bushels of corn, piling it up in Indianapolis, and saying to the utilities, "Here is our annual Middle West.

INDIANA

Let us go a little further and take Ohio. Ah, some fellow from Ohio, one of our good friends, for whom I have great admiration, said the other day that Cincinnati had very cheap rates. Why? Because we were threatening to build a T. V. A. power line across the State of Ohio to supply the farmers of that State, and the people in Cincinnati were demanding to be hooked on, and for that reason the power company that serves Cincinnati reduced its rates to less than half of what they are charging in nearby towns.

We are publishing a rate book now which gives the rates in every community in America, and I am not guessing at this, because I have checked it within the last 3 days.

Let us see what Ohio is paying in overcharges. In 1938 the people of the State of Ohio paid in overcharges for electric lights and power $63,968,130. Sixty-three million dollars. The price of 100,000,000 bushels of corn, the price of 80,000,000 bushels of wheat—twice as much wheat as Ohio makes. I am trying to bring this home to you because I do not believe that you gentlemen realize what a stupendous robbery of the unprotected power consumers of America is now taking place.

Mr. ANDERSON of Missouri. Mr. Speaker, will the gentleman yield?

Mr. RANKIN. Yes; for a question.

Mr. ANDERSON of Missouri. Cincinnati. Is not that the home of their favorite son, whom the Republican Party repudiated the other day at Philadelphia?

Mr. RANKIN. You refer to Senator TAFT. No; the Republican Party is still with him, but the "blitzkrieg" got him. [Laughter.]

NEW JERSEY

Take the State of New Jersey. In New Jersey they were overcharged, in 1938, $55,574,610.

Mr. THOMAS of New Jersey. Mr. Speaker, will the gentleman yield?

Mr. RANKIN. For a question.

Mr. THOMAS of New Jersey. Will the gentleman also put in that book of his the overcharge by the most corrupt, inefficient, and un-American national administration that we have ever had——

Mr. RANKIN. Oh, no; he is not going to be elected—Mr. Willkie will never be elected—and that is unnecessary. And another thing, I am not going back to attack the Harding administration. [Laughter.]

Mr. PATRICK. Mr. Speaker, will the gentleman yield?

Mr. RANKIN. Yes; for a question.

Mr. PATRICK. To ask the gentleman if last year, when we all thought it was fantastic, if he did not on this floor state that Wendell Willkie was then seeking nomination for President?

Mr. RANKIN. Oh, yes; I read that into the RECORD today.

CONNECTICUT

Let us now take up the small State of Connecticut. In 1938 the people of Connecticut were overcharged $22,494,401. It is no wonder your industries are moving away—no wonder they are going to some places where they can get cheaper power.

IOWA

Let us take Iowa. Iowa ought to be one of the richest States in this Union, because it has about the richest land. The people of Iowa are clamoring for rural electrification. Last year they were overcharged $17,446,385, or the value of 30,000,000 bushels of corn, their greatest crop.

KANSAS

The people of Kansas were overcharged $13,209,420 for electricity in 1938. Do you think they want to continue to pay that tribute for all time?

KENTUCKY

The people of Kentucky were overcharged in 1938, according to these Tacoma rates, $11,520,461. Remember, the Tacoma plant paid more taxes, according to the power sold, than do the private power companies throughout the Nation.

Power can be produced in Kentucky with Kentucky coal, or Kentucky water power, and distributed at the Tacoma rates, without loss on legitimate investments.

LOUISIANA

The people of Louisiana were overcharged $7,818,538 in 1938. The same power company that wrings these enormous overcharges from the helpless consumers in Louisiana generates electricity with Louisiana gas, transmits it up into Arkansas, and sells it wholesale at 2.2 mills a kilowatt-hour. It could be distributed all over Louisiana at the T. V. A. rates, or at the Tacoma rates, without loss to legitimate investors.

MISSOURI

The people of Missouri paid overcharges for electric light and power in 1938 amounting to $26,520,299. The farmers in Missouri are begging for electricity. Although more of them are getting power as a result of rural electrification than ever before, there are still thousands who are getting none at all.

What does it all mean? It means that the American people are in bondage to the Power Trust, this huge octopus, this huge organization that dominated the other night in the nomination of a candidate for the Presidency, an organization that reaches out and takes from the American people, the helpless people of America, a dividend of a billion dollars a year in overcharges.

Mr. KEEFE. Mr. Speaker, will the gentleman yield?

Mr. RANKIN. For a question.

Mr. KEEFE. Is it not a fact that the rate-making authorities that establish the rates the gentleman contends represent overcharges are in the hands of public-utility commissions in practically all of these States?

Mr. RANKIN. And, as a rule, those State commissions are dominated by this same fascisti. [Applause on the Democratic side.]

Mr. KEEFE. Mr. Speaker, will the gentleman yield further?

Mr. RANKIN. Yes.

Mr. KEEFE. The gentleman has referred to the State of New York, which has been in the hands, first, of Alfred E. Smith, as Governor, then of Franklin D. Roosevelt, as Governor, and now of Herbert Lehman, as Governor—three Democratic administrations. Does the gentleman contend that the utility commissioners appointed by those Governors are also controlled by the Power Trust?

Mr. RANKIN. The gentleman can make it four Democratic administrations, because we will elect another one this year, and then when we get a Democratic Congress that will go with us we will develop the St. Lawrence and also establish an authority on the Niagara River that will protect the people of New York from these overcharges.

Mr. KEEFE. The gentleman does not contend we have not had a Democratic Congress since 1933, does he?

Mr. RANKIN. No; but I contend that we will have another one next year; probably a bigger majority than we have now. I like you gentlemen personally, and this applies especially to the distinguished gentleman from Wisconsin who just addressed me. I have said that the Republican Party in all its history had not sent a better crowd of young men to Congress than the ones who came in 2 years ago. You have ability; you have stamina; but you have muffed this one question, the power issue, and now you find yourselves with this anvil tied about your necks. You are not responsible for it; you did not nominate this candidate. My friend the gentleman from Wisconsin [Mr. KEEFE] did not nominate him, either. [Laughter.]

Mr. KEEFE. The gentleman has read some of the papers.

Mr. RANKIN. Yes; I knew in advance.

NEW HAMPSHIRE, MAINE, AND VERMONT

Now let us take some of these other States. Here is New Hampshire, one of the smallest States in the Union, overcharged $5,517,000; Maine overcharged $7,708,538; Vermont overcharged $3,622,074. Those States have natural waterpower. It is the only natural resource they have outside of the soil. New England has no coal; it has no oil; it has very little wood. This waterpower is about all you have left; yet this very outfit that today is trying to dominate America is robbing the people of New England of this great natural resource and denying it to the people of those States.

Mr. KEEFE. Will the gentleman yield?

Mr. RANKIN. I yield.

Mr. KEEFE. Will the gentleman tell us the overcharge in the State of Mississippi, if any?

Mr. RANKIN. Yes; the overcharges for 1938 in Mississippi amounted to $5,682,532, according to the Tacoma rates.

Mr. KEEFE. I thank the gentleman for that. Will the gentleman please answer this question—he did not answer my other one.

Mr. RANKIN. I want to finish this.

Mr. KEEFE. Will the gentleman please answer this: Can the gentleman tell us what he can do down in Mississippi any more than can be done in New York and all these other States to reduce that overcharge, and what is the gentleman doing to take care of his constituents in Mississippi?

Mr. RANKIN. Yes; I have taken care of the situation in my own district, but there are sections of the State that are less fortunate. This year the overcharges in my district will be entirely eliminated, saving the people of the district approximately $2,000,000. But the Commonwealth & Southern, which is running Mr. Willkie for President on this new ticket, owns the power facilities in the southeastern portion of Mississippi, where they charge outrageously high rates for their electricity.

We buy it wholesale, where I live, for 5 mills and distribute it at the standard T. V. A. yardstick rates. The Mississippi Power Co. buys it from another power company at 4.1 mills, but when they get through delivering it to the ultimate consumer they overcharge them about 100 percent or a little more.

Mr. KEEFE. Does the gentleman mean to say that the power company owns the Democratic Party in the State of Mississippi, in the State of New York, and in all of these other States, where they have had Democratic administrations under able leadership, and have stopped the possibility of cutting these overcharges?

Mr. RANKIN. No; the Power Trust does not own the Democratic Party in Mississippi. With their power to control the press, with the money they spend around these legislatures and around these local utility commissions, the only way we have ever found to combat them was through some form of public ownership that they cannot stick their fingers into. The only people in the State of Wisconsin, for instance, who are getting electricity at anything like what it is worth are in those municipalities which own their own plants and which Wendell Willkie cannot touch. [Applause.]

Our only hope for relief down there was the Tennessee River. When we came into power in 1933, this very Commonwealth & Southern was buying power from your party, from your administration at Muscle Shoals, at 2 mills per kilowatt-hour and selling it in sight of the dam at 10 cents per kilowatt-hour, or a spread of about 5,000 percent. Our municipalities now buy it at about 5 to 7 mills—from two and one-half to three and one-half times as much as the power company was paying then. But, instead of selling it to the consumers at a maximum of 10 cents a kilowatt-hour, they sell it at a maximum of 3 cents a kilowatt-hour and scale down to a minimum of 4 mills a kilowatt-hour, and at the same time the T. V. A. is paying for itself; we are paying for our power, and our distribution systems are paying their way out.

OTHER STATES

The overcharges in the State of Alabama in the year 1938, according to the Tacoma rates, were $10,386,684; in Arizona, $5,088,034; Arkansas, $6,906,584; California, $56,942,132—and if it had not been for the reduction of rates in California, brought about by the example set by the municipal system in Los Angeles, which gets its power from Boulder Dam, the overcharges in that State would amount to more than $100,000,000 a year.

In Colorado these overcharges in 1938 amounted to $10,257,341; Delaware, $2,464,079; Florida, $17,474,288; Georgia, $14,218,978; Idaho, $4,547,572; Maryland, $16,608,569; Montana, $6,123,079; Nebraska, $8,696,182; Nevada, $1,221,231; New Mexico, $2,362,775; North Carolina, $16,484,940; North Dakota, $3,044,298; Oklahoma, $15,464,689; Oregon, $9,107,187; Rhode Island, $9,710,671; South Carolina, $8,175,060; South Dakota, $3,729,167; Texas, $42,230,204; Utah, $6,100,458; Virginia, $14,239,162; Washington, $14,273,945; West Virginia, $13,548,099; Wyoming, $2,362,961.

Remember, that since the creation of the Tennessee Valley Authority, and the beginning of this administration's power program, we have forced reductions in light and power rates to the ultimate consumers throughout this country amounting to more than $600,000,000 a year. And yet, according to these Tacoma rates, which is perhaps the best example to be found in the United States of what electricity is really

worth, the American people paid overcharges in 1938 amounting to $1,130,300,000.

Our object is to continue these reductions to the 27,000,000 ultimate consumers of electricity in this country until we wipe those overcharges out. If the opposition should succeed, their object would be to wipe out the reductions we have already made, kill our rural electrification program, turn the water power of this Nation over to selfish interests, and forever shut the door of hope in the faces of the American people so far as justice in electric light and power rates are concerned.

Mr. Speaker, I am going to close. I feel very keenly on this subject. I have struggled here for more than 10 years to try to bring justice to the ultimate consumers of electricity in every State in the Union, and to take the blessings of rural electrification to the farmers in every community in America. In my own district I have succeeded, but I will never be satisfied until we succeed in every city, every town, and every rural community throughout this broad land.

I want to repeat that this is the outstanding domestic issue in the coming campaign. I said at the Chicago convention in 1932 that this power question would be the greatest issue before the American people for the next 25 years. Eight years have gone by. It is not only the paramount issue, but it has brought forth a new party and a new candidate for President.

If we are going to restore peace and prosperity to the American people, we must restore to them justice and stop this plundering of them through alleged legitimate means. The time has come when America is going to be looked to again for leadership among the nations of the earth. The peoples of the rest of the world are looking to us now, but we cannot assume that leadership, that moral and spiritual leadership for which the world is praying, if we tolerate corruption of this kind.

We must stamp it out. Let us say to all the American people and to the rest of the world: We are going to give our people the benefit of their great natural resources; we are going to make America a better, a brighter, a more decent, a more attractive, and a more prosperous place in which to live. We are going to restore moral and spiritual values in America, that our country may go down to the future holding high the torch and making light the way up which all other nations of the earth may follow into a new era of peace, happiness, progress, and prosperity for all mankind. [Applause, the Members rising.]

During the delivery of Mr. RANKINS' speech,

Mr. THOMAS of New Jersey. Mr. Speaker, I make a point of order that there is not a quorum present.

Mr. RANKIN. Mr. Speaker, I do not yield for that purpose.

The SPEAKER. The point of no quorum is a constitutional question at all times. Does the gentleman from New Jersey insist upon his point of order?

Mr. THOMAS of New Jersey. I do.

The SPEAKER. The Chair will count. [After counting.] One hundred and sixty-three Members are present, not a quorum.

Mr. CANNON of Missouri. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 164]

Alexander	Casey, Mass.	Ditter	Harness
Andresen, A. H.	Celler	Dondero	Hart
Andrews	Chapman	Douglas	Hawks
Arends	Chiperfield	Drewry	Healey
Ball	Clark	Durham	Hess
Barden, N. C.	Cluett	Ellis	Holmes
Barton, N. Y.	Coffee, Nebr.	Engel	Hook
Bates, Ky.	Cole, Md.	Fay	Hope
Bates, Mass.	Cole, N. Y.	Fish	Horton
Beam	Connery	Flaherty	Hull
Bolles	Corbett	Flannery	Jarrett
Bolton	Costello	Folger	Jenkins, Ohio
Bradley, Pa.	Creal	Ford, Leland M.	Jenks, N. H.
Brewster	Crosser	Ford, Thomas F.	Jennings
Brown, Ohio	Culkin	Gamble	Jensen
Buck	Cummings	Gifford	Johnson, Ind.
Buckley, N. Y.	Darrow	Goodwin	Jones, Tex.
Burch	Delaney	Green	Kelly
Burdick	Dies	Hall, Edwin A.	Kennedy, Martin
Byrne, N. Y.	Dingell	Halleck	Kennedy, Michael
Keogh	Mansfield	Rockefeller	Sumners, Tex.
Kerr	Martin, Ill.	Rogers, Okla.	Sweeney
Kilburn	Martin, Mass.	Routzohn	Taber
Kirwan	Mason	Sabath	Thill
Kleberg	Merritt	Sandager	Thorkelson
Kocialkowski	Mills, Ark.	Satterfield	Tinkham
Kunkel	Mouton	Schaefer, Ill.	Treadway
Lambertson	Myers	Schuetz	Voorhis, Calif.
Lea	Nelson	Schwert	Wadsworth
Lemke	Norton	Scrugham	Weaver
Luce	O'Brien	Seger	White, Idaho
Lynch	O'Leary	Shafer, Mich.	White, Ohio
McArdle	Oliver	Shanley	Whittington
McCormack	O'Neal	Sheridan	Wigglesworth
McDowell	Osmers	Simpson	Williams, Del.
McKeough	O'Toole	Smith, Ill.	Winter
McLean	Patton	Smith, Va.	Wood
McLeod	Pfeifer	Smith, Wash.	Woodrum, Va.
Maas	Reece, Tenn.	Spence	
Maciejewski	Rich	Steagall	
Magnuson	Risk	Stearns, N. H.	
Maloney	Robinson, Utah	Sullivan	

The SPEAKER. On this roll call 265 Members have answered to their names. A quorum is present.

On motion of Mr. CANNON of Missouri, further proceedings under the call were dispensed with.

The SPEAKER pro tempore. Under the special order of the House heretofore entered the gentleman from Oregon [Mr. ANGELL] is recognized for 5 minutes.

CONGRESS SHOULD STAY IN SESSION AND KEEP AT WORK

Mr. ANGELL. Mr. Speaker, since the crisis developed in the European war I have been one of those of the House who has advocated that the Congress remain in session until the emergency is over. I feel that the present situation is such that under no circumstances should the Congress now adjourn. It is conceded by everyone in and out of Congress that national defense is a paramount consideration. We find that we are wholly unprepared to engage in a military conflict, even here on our own shores. While we have a Navy that is modern and effective, it is not of sufficient strength to defend our own country and our possessions in both oceans and maintain the Monroe Doctrine against a combination of foreign nations which now is in the process of formation. The Congress is taking steps to remedy this defect. We have authorized and provided appropriations for the expansion of the Navy, air force and military forces that will be sufficient to defend this country against all comers. It will take, however, several years to carry into effect these authorizations. In the meantime, much legislation will be required and much detail work made necessary in order to insure that these immense sums appropriated shall be judiciously expended in carrying forward the objectives for which the funds were appropriated. The Congress cannot provide the legislation for the authorizations and appropriations, adjourn and go home without being derelict in its duty. It must be remembered that the Constitution of the United States vests in the Congress the authority to raise and support armies, to provide and maintain a Navy, to make rules for the government and regulation of the land and naval forces, to provide for organizing the Army and disciplining the militia, to levy taxes, and to appropriate money and to make all laws which shall be necesssary and proper for carrying into execution these powers. The Congress is vested with the sole power for providing for the national defense. It should, therefore, stay on the job and make sure that the national defense, which is so lacking at the present time, is restored to that point of efficiency that we may successfully defend ourselves against any attack from any source.

It would be, however, an ill-advised course of procedure for the Congress technically to remain in session and recess from time to time and fail to devote itself to a solution of the many problems confronting it. If we remain in session we should remain at work, as there is an immense amount of work to do which only the Congress can perform. First of all, we have many legislative problems having directly to do with the national defense which may be profitably considered at this time. In addition, we have numerous domestic problems which the Seventy-sixth Congress has failed to solve and which it should solve before adjourning. These can now be considered while Congress is in session. Among these may be mentioned the tax problem. The President has just

submitted to the Congress a recommendation that a tax measure be enacted having for its purpose the capturing of excess war profits. I am strongly of the opinion that this suggested recommendation is sound. We should not enact a program that will call into service the manpower of our country and at the same time permit those who remain out of the service to amass large profits from national-defense activities. There should be no new group of war millionaires come out of our defense program. Furthermore, the whole tax structure should be revamped to place it on a sound, scientific basis, broadening the base, reaching sources of revenue now untouched, and providing sufficient revenues which eventually will restore the country to a pay-as-you-go basis. True, this cannot be accomplished entirely at the present time, but a scientific, broad, far-reaching program may be inaugurated which will eventually bring about a balanced budget.

Also, other legislation which has been partially considered but not completed, may now profitably be considered. The amendments to the Hatch Act should be enacted into law before Congress adjourns. The newly nominated Republican candidate for the Presidency has signified his approval of this act and the administration which controls the legislative program of the Congress should see to it that this much-needed legislation is passed and approved by the President without further delay.

Amendments to the National Labor Relations Act are pending in the Senate. The Walter-Logan bill should be considered. We still have 10,000,000 unemployed. Aside from national-defense legislation, which will absorb some of these workmen in skilled labor, no other legislation has been enacted which offers relief. The Social Security Act as now administered has proven ineffective to accomplish its purpose. Large groups of our old people who are in want and should be taken care of in the social-security program are without relief. The taxing feature has not worked satisfactorily and the whole program needs revamping. These are only a few of the many matters of legislation to which the Congress could devote itself at this time.

As a part of my remarks I ask permission to include a poll recently taken by Edward J. Wall, director, American Opinion Forecasts, Inc., which shows that the Nation as a whole is in favor of Congress remaining in session during the emergency and devoting itself to the solution of these problems which now confront us.

The SPEAKER pro tempore. Without objection, it is so ordered.

There was no objection.

The poll is as follows:

(By Edward J. Wall, director, American Opinion Forecasts, Inc.)

NEW YORK, N. Y.—If a vote were taken today throughout the United States on whether Congress should adjourn or remain in session, the result would be more one-sided than any other vote ever recorded by our people. Eighty-five out of every one hundred men and women voters would say to Congress, "Stay in Washington!"

A poll just taken throughout the country shows an overwhelming demand from every section of this country that Congress remain in session. The question asked was, "Do you want Congress to stay right on the job in Washington because of present world conditions, or do you want Congress to adjourn as soon as possible, leaving everything to the President?" The emphatic answer—84.8 percent of men and women voters say "Stay on the job"; 15.2 percent of voters would say "Adjourn."

The figures are important not only because of what they express but also because the vote was taken while this question is being fought out in Washington, and the comments from those interviewed proved beyond all doubt the country is determined to keep Congress right in Washington. This table shows it:

	Men	Women	Total
	Percent	*Percent*	*Percent*
Stay on job	84.6	85	84.8
Adjourn	15.4	15	15.2
Total	100.0	100	100.0

Women and men would vote almost alike on this question; in fact the survey shows only one important difference and that is in the number of women expressing no opinion, approximately 10 out of every 100, while only 5½ men out of every 100 had no opinion. But among those men and women expressing their opinions there was a startling unanimity, a difference of less than 1 percent.

It is also interesting to note that the poll itself divides the country roughly into three sections, showing a marked difference of opinion. Dividing the country into these sections, this is the result:

	Stay	Adjourn
	Percent	*Percent*
North Central and New England States	87.7	12.3
Pacific and Mountain States	85.6	14.4
Southern States	79.3	20.7

While the South is about 4 to 1 against adjournment, there is a noticeable tendency there to leave the decision to the President.

If Congress follows the wishes of the people, it will stay right in Washington and in session. The present temper of the American people will approve no breathing spell and certainly no adjournment. A typical expression was "We need them now or never." Those favoring adjournment often volunteered that they wanted everything left to the President. This sentiment was particularly noted in the South, where nearly 21 percent of those voting were in favor of adjournment.

Except in the South, there was a striking unanimity of opinion as the following table, which includes the South, will show:

	Cities over 1,500,000	1,500,000 to 100,000	100,000 to 25,000	25,000 to 2,500	Under 2,500	Farms	Total
Stay on job	86.8	83.2	82.6	85.0	85.1	86.1	84.8
Adjourn	13.2	16.8	17.4	15.0	14.9	13.9	15.2

A critical analysis of the reports from which these figures are compiled discloses only one more significant fact, namely, that among women on the farm 1 in 8 have no opinion, while women throughout the country, excluding the farms, show 1 in 12, and among all men throughout the country only 1 in 20 have no opinion.

Mr. ANGELL. Mr. Speaker, Congress should not only remain in session during this emergency but it should devote itself to the job of saving America by solving our domestic problems as well as providing for national defense. The power to do this rests with the Congress alone. This is not a one-man government. All power over legislation is vested in the Congress by the Constitution. The Congress cannot delegate it. The people of America want the Congress to perform the duties vested in it. Only in totalitarian states can the executive assume these powers. We, the Members of Congress, are elected by the people of America to do this job. We cannot shirk our responsibility by adjourning and going home. There would then be only one elected official here to carry on. With Congress in session and at work we will be in a position to see that America is not only adequately armed for defense but that we may not be eased into war through the back door. [Applause.]

SPECIAL ORDER

The SPEAKER pro tempore. Under the special order of the House heretofore entered, the gentleman from Illinois [Mr. DIRKSEN] is recognized for 15 minutes.

Mr. DIRKSEN. Mr. Speaker, I ask unanimous consent that my time may be extended to 25 minutes.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. BENDER. Mr. Speaker, will the gentleman yield for a consent request?

Mr. DIRKSEN. I yield.

Mr. BENDER. Mr. Speaker, I ask unanimous consent that at the conclusion of the other special orders for the day I may address the House for 10 minutes.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Ohio?

There was no objection.

The SPEAKER pro tempore. The gentleman from Illinois is recognized for 25 minutes.

Mr. DIRKSEN. Mr. Speaker, I love the gentleman from Mississippi. He has had a tremendous influence upon the affairs of this country, and he begets the respect, the devotion, and the esteem of every Member of this House on both

sides. That esteem and devotion, however, are not proof against the fact that so often he is misguided and misdirected. I listen to him with genuine interest and frequently there occurs to me the story of the old lady who left a very lucrative place to take employment elsewhere. After 2 weeks she came back to her previous employer. Her former employer said: "What's the matter Mandy? Didn't you like your new place?" That new place, of course, where they did not feed so well but where there was lots of formality. Mandy said: "No, Missy, ah don't. They's too much shufflin' of dishes for the fewness of the victuals." And you know there is fewness of the victuals oftimes in what our good friend from Mississippi says.

I am rather amazed at the trepidation that he evidences today. I see for the first time, I think, since 1933, a resurgence of the faith on our side. I see shining countenances, and I see an evidence of confidence as we march like zealous crusaders in the direction of November 5, 1940. I see over on the Democratic side some long faces. I see that some of that old-time bravado and confidence have fallen away like rain slipping from the hillsides. I wonder why? I think of the language of the Scripture where are recorded these words: "Why are ye so fearful, O ye of little faith?" As we move in the direction of November I see an air of martyrdom over here. It recalls an old chromo picture that used to hang on the walls of the bedroom in a very humble home where I was born in the little town of Pekin, Ill. It showed the last Christian martyrs. It showed those old men with white beards and white robes supplicating divine Providence as the lions were trooping from their cells. As I recall the sentiment inscribed under that chromo it was: "Moratori salutamus"—meaning "We who are about to die, salute you." [Laughter.]

As we approach November 5, 1940, why all this fear? Why all the jitters today, all over one man by the name of Wendell Lewis Willkie, who was born humbly in the town of Elwood, Ind., 48 years ago? See what frantic scrambling there is today everywhere in the ranks of our beloved friends on this side of the aisle? When I see it I think of the difficulty they are experiencing in the War Department right now. Herebefore when they had something urgent they marked it "Rush," but finally great indifference set in upon the personnel. Later on they used the word "Expedite," and after that became a familiar term they had to find something else.

Later they put on the word "Urgent," and now I understand in the War Department they are using the word "Frantic" on a little slip that is attached to stationery and letters when they want expeditious action. So we see something of that frantic quality here today as we stand in the shadow of a great convention which was held over at Philadelphia.

Let me address myself for a moment to my genial and revered friend from Mississippi, because there recurs to me today the incidents of the 13th of June 1939. That is just a year ago. In fact, that day is significant, because Wendell Willkie was nominated just exactly 1 year and 2 weeks from that date.

But on that day, June 13, 1939, there was being considered a bill on the floor of this House which enlarged the authority of the Tennessee Valley Authority, and carried with it an appropriation of approximately $76,000,000. For what purpose? To pay Commonwealth & Southern at a discount for its securities because of the fact that the United States Government put the Commonwealth & Southern security holders either out of business or in despair of the last remnant of value that those securities possessed. Yes; $76,000,000 for Commonwealth & Southern.

We were fighting the bill over on our side, standing up like crusaders going down the avenue of consistency, even as we had done since 1933 when I first opposed the Tennessee Valley Authority, and even as I oppose it today.

But who was standing in the Well appealing for Wendell Willkie? My friend from Mississippi. [Applause.] Who was standing in the Well appealing for Wendell Willkie? Our friend the gentleman from Alabama [Mr. SPARKMAN]. Who was standing up here appealing for the approval of an agreement? Why, none other, as I remember, than the majority leader, who said:

> This is nothing more than an agreement openly arrived at between Mr. Willkie and the authorities of Tennessee Valley Authority, and it should be approved.

Mr. RANKIN. Will the gentleman yield?

Mr. DIRKSEN. I yield with the greatest of pleasure.

Mr. RANKIN. I may say to the gentleman from Illinois that I was not pleading for Wendell Willkie. I was pleading for him to get his hands off the necks of the people of Alabama, Mississippi, and other States.

Mr. DIRKSEN. Well, that is rather thin, I would say, because I was in attendance at the session on that day, and it looked so much like an appeal for the handiwork of the man who is now the crusader and the standard bearer of the Republican Party.

Having opposed him before, I for one am going to help hold up his hands by effort and prayer as he marches down the Avenue to victory on the 5th of November 1940. [Applause.]

Yes; what a singular thing it is! What great consternation and despair this man has suddenly occasioned, this man whose physical and mental magnetism somehow dissolves and melts the chilliness of despair and the frostiness of defeatism that has engulfed the country ever since the New Deal got started in 1933.

You say he is the product of a "blitzkrieg." Well, it is our "blitzkrieg" anyway. And when you mention fascism in connection with "blitzkrieg," and seek to put Wendell Willkie in that light, you mention also that we ought to investigate the Republican convention and see how it happened. Well, if it is not an evidence of fascism when a minority party convention must be investigated to see how we nominated our candidate, then I do not know the meaning of the term, and God save the country when that happens in the United States of America.

Do not put the brand of fascism or Hitlerism on Wendell Willkie. No. If there is to be any dirty work with the tarred stick, we could, in all humility, lift our eyes and look down in the direction of the other end of the Avenue and recite the names of hundreds who belong to the League of Peace and Freedom or the League for Freedom and Democracy, who have been identified with Trojan threats and communistic activities.

If there is any stone throwing to be done, we can do our share. I will take my stand with Willkie, whose only sin has been success through diligence and hard work, as against any subversive philosophy that bids fair to destroy all the things that we hold dear in this country today. He is American to the core.

But is it not amazing that a nomination of one humble citizen in Philadelphia, who used to earn a few bucks waiting on tables and drying dishes in the kitchens of restaurants in South Dakota, who worked in the harvest fields of Kansas, and who bummed from one place to another for a humble job, a man who was an artillery officer in the World War, in which he served actively on the front, should start all this row?

How strange that he should suddenly disturb the complacency of the New Deal Democratic waters from the Atlantic to the Pacific and from the Dominion to the Gulf? A "blitzkrieg"? Maybe so, but it is our "blitzkrieg." He is our leader, and we propose to stand behind him foursquare as we move to restore the confidence and faith to the American people. That is what is annoying you today. As one talks to chambermaids, taxi drivers, housewives, and men who work with their hands, professional men, and men who till the soil everywhere, they have been saying, "We would like to have this guy Willkie." That is really what disturbs you, and that is going to be the issue in 1940, and not this tripe about the Power Trust.

Now, Uncle John has been telling us about the rates and the Power Trust gage, and he measures them, of course, against a fictitious yardstick that has been contrived down in the Tennessee Valley Authority where about 30 percent of

the $505,000,000 cost of that public project will be allocated to power and the rest of it to navigation and flood control.

It is that kind of business that has catapulted Wendell Willkie into the thinking and into the conscience of the American people, because nobody pursuing private endeavor in this country can hold fast and stand up against that kind of governmental competition that is based upon a fictitious kind of formula, where about 70 percent of the invested value is first rubbed out, and then they take the remainder as a predicate upon which to found their rates. That is why Wendell Willkie was before the Committee on Military Affairs and that is why he said to them, "Gentlemen, I am a trustee. I am a trustee for hundreds of thousands of people and for over $1,500,000,000 of investment." That is why he had to plead his cause before that committee and ask to be bought out because he saw this juggernaut of government go along and crush every security holder for whom he was a trustee and whose modest investment he sought to protect against the Federal "blitzkrieg."

Yes, my friend from Mississippi, that is going to be the issue, not this fictitious issue of the so-called Power Trust. "Power Trust and Wall Street!" That is the cry. Well, drop over here to the House Library right in the corner of this Chamber and get a copy of Who's Who for 1929 and look up Franklin Delano Roosevelt. There you will find that at that time he was practicing law with Basil O'Connor, brother of our beloved one-time leader in this House, and there you will find that the firm of O'Connor & Roosevelt was doing business at 52 Wall Street. Yes; do not hang that onto Mr. Willkie, because we have the answer when that time comes. Moreover, that sort of demogogy is but a petty way to demean a great citizen.

Mr. HOFFMAN. Mr. Speaker, will the gentleman yield?

Mr. DIRKSEN. I yield to the gentleman from Michigan.

Mr. HOFFMAN. Was the Roosevelt commercial venture as successful as the Willkie one?

Mr. DIRKSEN. I want to allude for a moment now to what was said in the United States Senate by the distinguished Senator from Florida, who said, "Oh, if Mr. Willkie was for national defense, why did he not get behind T. V. A., which was an instrumentality of national defense? Why was he not pushing it away back in January of 1933, since he became president of Commonwealth & Southern?

Let us take a look at that smoke screen. Once upon a time they had a Senator in the United States Senate by the name of Chamberlain. He was a Democrat, and he was chairman of an investigating committee after the war that looked into all these defense properties to see what they had done down in the T. V. A. His report is right here, and I want to spike right here and now the things the genial Senator from Florida had to say regarding the effectiveness of this whole T. V. A. monstrosity with respect to national defense. Here it is:

> We built a power plant at Nitro, W. Va., for $70,000,000; a plant at Nashville, Tenn., for $90,000,000, and nitrate plants at Sheffield, Ala.; Muscle Shoals, Ala.; Toledo, Ohio; Perryville, Md.; and Cincinnati, Ohio, costing $116,000,000, and all of these produced not one pound of powder or nitrates for use in the war. After the war these plants were sold for a salvage value which was a crime against the American taxpayer.

That is the kind of a defense program they had at that time. Millions of dollars' worth of plants that never manufactured a dime's worth of powder despite that huge American investment. Then when we came along in 1933, out of the things that were left they wrote down from $65,000,000, as I recall, to $21,000,000 what remnants of value were there.

On that basis they started with another $505,000,000 to crush out the American people who had invested in the enterprises down there. This is the thing that the soul and the courage of Wendell Willkie rebels against and for which he will bring courage and confidence and resolution to the American people as we walk down the corridor of victory from here on out, and we restore America to the true American way of life. [Applause.]

Something has been said about his transfer of party allegiance. Mr. Speaker, day after tomorrow we will observe the birthday of this Republic. On the 4th of July 1776, redoubtable and pioneer souls gathered in Philadelphia and there, with a price on their heads, they affixed their signatures to a document called the Declaration of Independence. How happy and how felicitous it is that Wendell Willkie should be the nominee in that selfsame town 164 years later. When you go back and examine the Declaration of Independence, do not overlook those lines which speak of governments being instituted among men for control and to govern them properly, and that they are not changed for light and transient causes. Then they said that there comes a whole train of abuses by the king which makes it necessary to sever with the existing order and to set up an independent government. Those intrepid souls determined that a change was needed. The existing order of things must be changed. That Declaration of Independence is signed by Robert Morris, after whom was named the very hotel where the Illinois delegation had its headquarters during the convention.

It was signed by Benjamin Franklin. At the Ben Franklin Hotel, Gannett, Taft, and Willkie had their headquarters. It was signed by that stormy petrel, Samuel Adams. It was signed by a great many dissatisfied pioneers with resolute hearts, who said, "Obviously this thing is wrong. It has taxed our patience so far that now we must rebel and restore the faith of the fathers to this country and sever our ties with the king. We must build anew."

Now 164 years later comes Wendell Willkie. I heard him in the Press Club, when some cynical person hurled the words down from the mezzanine, "Why did you leave the Democratic Party?" He said, "I did not; they left me." [Applause.] Yes; that is the answer. Like the early patriots of Philadelphia who broke with tradition to bring freedom and a new Republic, so Wendell Willkie departs from the rigidities of tradition to bring a new faith, a new hope, and a new courage to the American scene.

Mr. PATRICK. Mr. Speaker, will the gentleman yield right there?

Mr. DIRKSEN. I yield to my distinguished friend from Alabama.

Mr. PATRICK. While the gentleman is shedding so much light here, will the gentleman, in the light of the appointment of Stimson and Knox, concede that Wendell Willkie, whether the party left him or not, is a better Republican today than he is a Democrat?

Mr. DIRKSEN. Who—Wendell Willkie?

Mr. PATRICK. Would not the gentleman say that he is a better Republican than he is a Democrat?

Mr. DIRKSEN. Oh, to my good friend from Alabama, with whom I have been out on the hustings, let me say that he is a great two-fisted American and that is enough for me. [Applause.]

Mr. PATRICK. Unfortunately, that is not the question.

Mr. DIRKSEN. When he is a great American he can fit anywhere.

Mr. PATRICK. I release the gentleman from the question.

Mr. McGRANERY. Mr. Speaker, will the gentleman yield?

Mr. DIRKSEN. I yield to my good friend from Pennsylvania.

Mr. McGRANERY. My distinguished friend from Illinois has said that the faces of the Democrats here express anxiety and consternation. I suppose their faces, like my own, do express some sort of surprise, and regardless of party lines, we Democrats have a deep affection for you decent Republicans on that side, and when 100 of the decent Republican Congressmen signed a round robin to stop Willkie, why this change? Are we going to hear from them who signed the petition? [Laughter and applause.]

Mr. DIRKSEN. I will say to my friend——

Mr. DITTER. Mr. Speaker, will the gentleman yield?

Mr. DIRKSEN. I yield, but I can answer. I will let my friend answer, although I have the answer too.

Mr. DITTER. I was about to make the observation that the information that my friend has here, like much of the information that he gives to the House from time to time, is neither factual nor real. It is one of those hypotheses of

the imagination upon which my friend here delights to found many of the observations that he usually makes.

Mr. McGRANERY. But my friend knows that we must rely on the press and the radio, and it was announced on the radio and written up in the press, and I think the gentleman from Wisconsin [Mr. KEEFE] will go along with me.

Mr. DIRKSEN. I will answer the gentleman. I know all about that petition that was gotten out and, as a matter of fact, there were only 8 names on it and not 100 [laughter], I have a copy in my office and I will be glad to bring it to you if you would like to see it. There is something garbled and fanciful about that kind of information. It is very much like much of the information that will go over the country in the course of the campaign.

Mr. DITTER. Mr. Speaker, will the gentleman yield for a further observation?

Mr. DIRKSEN. I would like to have a little more time.

Mr. BENDER. I shall be pleased, Mr. Speaker, to yield the gentleman 5 minutes of my time.

Mr. DIRKSEN. Mr. Speaker, I ask unanimous consent to proceed for an additional 10 minutes.

The SPEAKER pro tempore [Mr. COOPER]. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. DIRKSEN. May I admonish you and may I admonish the country that there will be much of that sort of thin information during the campaign. It reminds me a great deal of a chap who signed an application for an insurance policy and among the questions asked there were the questions: "How old was your mother when she died? Of what did she die? How old was your father when he died? Of what did he die?" Unfortunately his father had been hanged and he did not like to say that in the application. So after some study he wrote: "My mother was 60 when she passed away and she died of pneumonia. My father was 55, and he came to his end while participating in a public function when the platform gave way." [Laughter.] Now, that is the kind of beautiful information and misinformation that we are going to hear about in 1940. [Laughter and applause.]

Mr. McGRANERY. Mr. Speaker, will the gentleman yield?

Mr. DIRKSEN. I yield to the gentleman.

Mr. McGRANERY. The gentleman will admit, however, that whether the incident I have mentioned really happened or not, the newspapers and the radio carried full accounts of Members who are now here in the House saying that 100 Members of the House of Representatives had signed this paper to stop Willkie. I have not heard from any of the Members whose names have been mentioned in the paper, and I would like for them to deny what I have said, if it is not true.

Mr. DIRKSEN. They do not have to deny anything with which they have not been charged. I saw the statement in Philadelphia.

Mr. McGRANERY. Their names were in the papers.

Mr. DIRKSEN. And I know about it, and if you are now going to follow the old New Deal custom of believing everything you see in the newspapers, you should remember that old story.

Let me now say a word about the allegation that the Republican war chest will come from the Power Trust, from these "gouging rates" in all the States in the Union. I wonder why my good friend from Mississippi [Mr. RANKIN] did not give us the whole story about Commonwealth & Southern. Mr. Wendell Willkie has been running the show for 7 years, and what has happened? In the first place rates have been cut in half. Get up and deny that now, anyone who will.

Mr. PIERCE. Mr. Speaker, will the gentleman yield?

Mr. DIRKSEN. Does the gentleman want to deny that statement?

Mr. PIERCE. The rates came down when the T. V. A. came in, and never before.

Mr. DIRKSEN. And I suppose power consumption went up by 100 percent when the T. V. A. came in also, but the Commonwealth & Southern consumers are consuming twice as much power today as they were when Wendell Willkie took hold and reduced the rates. Let me say to my good friend from Oregon that it is because of Wendell Willkie that the humble folks of Tennessee can use electric curling irons today. It is because of him that electric toasters and electric ice boxes and electric facilities of all kinds have been brought into the most humble and obscure homes in Tennessee and elsewhere. Yes; take off your hat and salute a great American who has brought the use of electricity into the homes and to the firesides of humble people by the hundreds of thousands. Salute a great servant of the people who has steadily sought to enrich their lives by bringing to them the comforts of electricity.

Mr. PIERCE. Mr. Speaker, will the gentleman yield?

Mr. DIRKSEN. Yes.

Mr. PIERCE. Is it not true that every reduction has been made since 1933, since the T. V. A.?

Mr. DIRKSEN. Yes; since January 1933, when a good, two-fisted, red-blooded American who fairly exudes animal, physical, and mental magnetism, came up here before the committees of Congress and talked right into the teeth of Senators and Representatives and showed them that he knew what he was talking about. That is the kind of man who has the broad shoulders and the physique and the capacity to discharge honorably and well the responsibilities of the Presidency of the United States.

Mr. HOFFMAN. Mr. Speaker, will the gentleman yield?

Mr. DIRKSEN. Yes.

Mr. HOFFMAN. The gentleman from Pennsylvania [Mr. McGRANERY] was talking about the number of Republicans protesting against the nomination of Mr. Willkie. Was there anything wrong about that, and can the gentleman name eight men on the Democratic side who would have the hardihood to protest against anything that the White House ordered?

Mr. DIRKSEN. Hardly so; at least not publicly and with that crescendo that could be heard.

Mrs. ROGERS of Massachusetts. Mr. Speaker, will the gentleman yield?

Mr. DIRKSEN. Yes.

Mrs. ROGERS of Massachusetts. The gentleman spoke about the fact that Wendell Willkie was a captain of artillery. He did not state that Wendell L. Willkie entered the service as a private and rose to a captaincy of artillery. His courage and ability to lead were recognized in the war. And does it not seem to the gentleman very significant that the song of the convention was a hymn, God Bless America, and it seemed to the people there and to the people listening that God would bless America and that we have faith that Wendell Willkie will lead us out of the depression and give us work and bring us peace and prosperity and plenty.

Mr. DIRKSEN. Mr. Speaker, alluding for a moment to the subject of Willkie and war, as one who soldiered for 22 months as just an ordinary shavetail in field artillery, I am willing to go along with a captain of artillery who smelled the smoke of the 75-millimeter gun. I feel reasonably sure that when the opportunity comes, he will not make a visit to Charlottesville, Va., and stand up and, as the Chief Magistrate of the Nation so recently did, talk about one people ramming a stiletto into the back of another people, thereby offending the dignity of another nation, and bring about a condition of jitters among the people of America, who even now are importuning the Congress to stay on the job for fear the Chief Magistrate would take us into war. [Applause.]

Mr. COFFEE of Washington. Mr. Speaker, will the gentleman yield?

Mr. DIRKSEN. Yes.

Mr. COFFEE of Washington. The gentleman is such a good-natured partisan that all of us are fond of him, and have a profound affection for him.

Mr. DIRKSEN. And I am fond of the gentleman from Washington.

Mr. COFFEE of Washington. But I think the gentleman has made an innocent and an honest error in describing the year as 1933 in which Mr. Willkie first became connected with the Commonwealth & Southern. I think he will find that it was in 1930.

Mr. DIRKSEN. I think he became president or chairman of the board in January 1933.

Mr. COFFEE of Washington. But he first went as an official in 1930.

Mr. DIRKSEN. But I am talking about the time when he assumed real guiding authority of Commonwealth & Southern. That was in January 1933.

Mr. COFFEE of Washington. I was going to ask the gentleman this, if he saw any connection with the change in the market value of the stock of the Commonwealth & Southern and that date?

Mr. DIRKSEN. My friend is familiar with that old picture. My friend knows what ran that stock value down. My friend knows what kind of conniving was going on behind the scenes. My friend knows the easy and effective methods employed by government to pressure those who oppose its policies.

Mr. COFFEE of Washington. I am simply reading the figures given by the supporters of Senator TAFT at the Republican Convention.

Mr. DIRKSEN. You do not have to go that far. You can dig it right out of the files of the House of Representatives. In all of its putrescences it stinks right here on the doorstep of the House of Representatives.

Mr. EATON. Will the gentleman allow me to intervene in this love feast to quote Jim Farley's sentiments?

Mr. DIRKSEN. I think he ought to be quoted.

Mr. EATON. Mr. Farley has announced the real issue and he has joined Willkie. He says the issue is "What sets of forces, economic, and social, are to conduct our Government—the historic American processes"—that is the Republican way [laughter]—"or some new and somewhat foreign methods of concentrated control?" That is the New Deal way, and Jim is for the Republicans. [Laughter.]

Mr. DIRKSEN. Now, may I allude once more, just so that the RECORD will be straight, to one matter. Everybody in this House knows that we have a Federal Power Commission. I have crossed sabers with those gentlemen in the Appropriations Committee many times. Do you not know they are clothed with authority to regulate wholesale rates of power as power travels across interstate lines? Now, where is my friend the gentleman from Mississippi [Mr. RANKIN] to talk about the Power Trust and about fastening its greedy tentacles upon all State commissions? If that be true, then he must admit also that in the last 5 years it must have put its hooks into the Federal Power Commission's authority, or otherwise he must confess here and now that if there is anything wrong in that field it is due to the dereliction of an agency of government under the New Deal itself.

Yes; there is an answer for all things; and so may consternation prevail. We sympathize with our brethren over on the Democratic side. Somehow we gird up our loins with sword and buckler, and, like zealous crusaders, march into the shining sun with a resurgent faith, as we set Wendell Willkie in the White House. That will be done. His shining countenance is his own story as to whether he is a human sort of person. That warm smile is its own platform. Those searching eyes are the very epitome of courage. As he sallies forth to appear upon the rostrum from one end of the country to the other and the people partake of the magnetism and plain speech of this man without guile or equivocation, I think you can write the answer right now as to how the American people will respond on the 5th day of November 1940. [Applause.]

EXTENSION OF REMARKS

Mr. EDMISTON, by unanimous consent, was granted permission to extend his own remarks on the bill S. 134.

The SPEAKER pro tempore. Under special order heretofore entered, the gentleman from Ohio [Mr. BENDER] is recognized for 10 minutes.

THE REPUBLICAN CONVENTION

Mr. BENDER. Mr. Speaker, I will not consume the entire 10 minutes. I simply wanted to say a word or two in reply to the statements made by my good friend and neighbor the gentleman from Mississippi [Mr. RANKIN] regarding the Republican National Convention.

As you all know, I was a delegate from Ohio, and the 52 delegates from Ohio on the first ballot, as well as the last ballot, went for Senator ROBERT A. TAFT, whom we felt was as good a man as there was running for President of the United States. We were proud to stay with him from the beginning to the end. We Ohioans believe in Senator TAFT. I do not want anything that I say to be interpreted as in any way a reflection on Senator TAFT. As a matter of fact, Senator TAFT made a good, clean fight, and Senator TAFT I hope will sometime be President of the United States. [Applause.] But being a delegate and being on the floor of that convention I can say now that I never participated in a political meeting that was as free and uncontrolled as was the Republican Convention at Philadelphia.

We Taft people went to the convention pledged. In Ohio when you run as a candidate for delegate to a convention you must pledge yourself to that candidate and you must stay with him until you are released. Until the last ballot it looked as though Mr. TAFT had a chance, and we were proud to stay with him. But I want to say this, that never in my experience did I feel a surge of sentiment for a man as I felt the surge of sentiment for the man who was finally nominated coming from people in all walks of life from my State, not big people, not big financial people, but the common folks of my community. Thousands of telegrams, letters, and post cards came in to me, asking me to vote for Wendell Willkie when and if Senator TAFT would release me as a delegate to the convention. So that all of this conversation about this convention's being controlled in any way or being an auction as was referred to is nothing but pure hokum and bunk; and gentlemen who make such statements certainly were not present on the floor of the convention to see what was happening. Those delegates voted the way they wanted to vote. They were absolutely uncontrolled. Some of the big bosses in various other parts of the country did not go for Willkie. As a matter of fact not until the final vote was cast and until it was made unanimous did some of the gentlemen who were commonly referred to as party bosses and as the old-timers come along with Mr. Willkie.

I want to make reference to the statement that a hundred Congressmen signed an appeal against Mr. Willkie. If anybody can produce a petition signed by 25 Congressmen I will give him my salary from now until the end of the session. You cannot produce such a document. In fact, I am sure the gentleman from Illinois is correct when he says that fewer than 10 persons signed such a statement.

We went to the convention with our own ideas, each of us, from our own States; and we came out with a popular candidate, a man who captured the imagination of the American people, a man for whom there was a call to defeat this man in the White House who made so many promises to us 8 years ago and who walked out on every pledge he made in his platform of 1932. The people of America wanted a leader in whom they could believe, whom they could trust. They were sick unto death of this New Deal, and you will find when the votes are counted next November that Willkie will be victorious not only in the States of the North, but he will carry many of the Southern States as well, for I have heard the conversations of many outstanding Democrats here in Washington as I discussed with them the desire of their people back home. Do you not think the people of the South are sick and tired of this thing, as they are in the North, and the West, and the East? Of course they are. Talk to them, visit with them and you will understand why it is that people are looking for leadership and looking for a man who has the courage to attack, to face the foe, and to make the kind of campaign that the hour needs and calls for.

I hope Mr. Roosevelt is a candidate for a third term. I hope the Democrats will nominate him so that he will run on his

record; and I say to you that Wendell Willkie will take that record apart and show just exactly how this whole machinery has worked during the last 8 years.

In 1932 the Democratic candidate for the Presidency was Governor Franklin Delano Roosevelt. He came to the American people with a program which was to be put into effect with all possible speed to reestablish American institutions on the sound basis which they had occupied before 1929. In terms of vigorous denunciation, Candidate Roosevelt attacked Federal extravagance. He denounced the increase in our Federal bureaus. At Albany, N. Y., he told the Nation:

Let us have the courage to stop borrowing to meet continuing deficits. Stop the deficits. Let us have equal courage to reverse the policy of the Republican leaders and insist on a sound currency. Any government, like any family, can for a year spend a little more than it earns. But you and I know that a continuation of that habit means the poorhouse.

With pride in his own achievements, Candidate Roosevelt pointed to his work in New York and at Buffalo, N. Y., on October 18, 1932, he asked:

How does the credit of the State of New York compare with the credit of the other 47 States of the Union?

The answer he gave should be historic in the light of events since then, for he said:

This State has the best credit and the soundest structure of government finance of any State in the Union, and I am proud that in this period of depression we have come through with the best balanced budget of any State in the Union.

Three days later at St. Louis, Mr. Roosevelt declared that:

At the very top of the credit structure of the country, surpassing all other groups in moral and material importance, stand the obligations of the Federal Government. These are paramount because government is essential to all ordered economic life. When they go, everything goes. I believe these obligations are secure. They suffer only to the extent that government is permitted to be extravagant, wasteful, or ill managed. They suffer if the Federal Budget is not balanced, and particularly where the deficit of 1 year is not cleared up in the succeeding year.

Continuing, Mr. Roosevelt declared:

I called attention, in my address at Pittsburgh on Wednesday night, to the great importance of Federal Budget making as the foundation of the national credit. I pointed out that the Hoover administration had been responsible for deficit after deficit; that as one disastrous year succeeded another, no attempt was made to arrange the finances of the country so that at least the mounting loss of revenues might not be turned into a deficit for the next year. It is my pledge and promise that this dangerous kind of financing shall be stopped and that rigid governmental economy shall be forced by a stern and unremitting administration policy of living within our income.

On March 4, 1933, in his first inaugural address, President Roosevelt turned his attention to the serious problem of unemployment. Speaking directly to the Nation of putting people to work, he declared that the task—

Can be helped by insistence that the Federal, State, and local governments act forthwith on the demand that their costs be drastically reduced.

Six days later, talking to the Congress of the United States, President Roosevelt said:

For 3 long years the Federal Government has been on the road toward bankruptcy.

For the fiscal year 1931, the deficit was $462,000,000.

For the fiscal year 1932, it was $2,472,000,000.

For the fiscal year 1933, it will probably exceed $1,200,000,000.

For the fiscal year 1934, based on the appropriation bills passed by the last Congress and the estimated revenues, the deficit will probably exceed $1,000,000,000 unless immediate action is taken.

With the utmost seriousness, I point out to the Congress the profound effect of this fact upon our national economy. It has contributed to the recent collapse of our banking structure. It has accentuated the stagnation of the economic life of our people. It has added to the ranks of the unemployed.

Too often in recent history liberal governments have been wrecked on the rocks of loose fiscal policy. We must avoid this danger.

The record of performance, in the light of President Roosevelt's promises, seem almost unbelievable. The deficit for the year 1933 was more than $3,000,000,000. In 1934 it reached almost $4,000,000,000. In 1935 it amounted to $3,600,000,000. In 1936 it rose to $4,700,000,000. In 1937 it was almost $3,000,000,000. In 1938 it dropped to $1,400,000,000, but in 1939 it rocketed once more to $3,600,000,000.

The mounting public debt of the United States, which Mr. Roosevelt so bitterly decried in 1932 and 1933, moved from $19,487,976,000 in 1932 to $40,439,532,411 by 1939. If the accumulated deficit of $5,000,000,000 which Mr. Roosevelt found in 1933 was a fact of the utmost seriousness, adding to the ranks of our unemployed, contributing to the collapse of our banking structure, accentuating the stagnation of the economic life of our people, what must we say of the additional deficits that have been accumulated since he took office?

The record of promise and performance on the other major issues facing us is no less significant.

On December 31, 1932, 568,345 men and women were listed in the United States Civil Service. By June 30, 1939, the figure had mounted to 929,310. Today unofficial figures indicate that the number has mounted still closer to a million.

A series of alphabetical agencies, constituting the world's greatest bureaucracy, has been established. Into the daily conversation of the Nation have crept such new terms as:

A. A. A.—Agricultural Adjustment Administration.
C. A. A.—Civil Aeronautics Authority.
C. C. C.—Civilian Conservation Corps.
C. C. C.—Commodity Credit Corporation.
C. S. B.—Central Statistical Board.
E. C. W.—Emergency Conservation Work.
E. H. F. A.—Electric Home and Farm Authority.
E. I. B.—Export-Import Bank.
F. A. A.—Federal Alcohol Administration.
F. B. I.—Federal Bureau of Investigation.
F. B. V. E.—Federal Board for Vocation Education.
F. C. of T.—Federal Coordinator of Transportation.
F. D. I. C.—Federal Deposit Insurance Corporation.
F. E. R. A.—Federal Emergency Relief Administration.
F. F. M. C.—Federal Farm Mortgage Corporation.
F. H. A.—Federal Housing Administration.
F. H. L. B. B.—Federal Home Loan Bank Board.
F. I. C. B.—Federal Intermediate Credit Banks.
F. S. A.—Federal Security Administration.
F. S. C. C.—Federal Surplus Commodities Corporation.
F. S. L. D.—Federal Savings and Loan Division.
F. S. L. I. C.—Federal Savings and Loan Insurance Corporation.
F. S. R. C.—Federal Surplus Relief Corporation.
N. A.—National Archives.
N. B. C. C.—National Bituminous Coal Commission.
N. E. C.—National Emergency Council.
N. I. R. A.—National Industrial Recovery Administration.
N. L. R. B.—National Labor Relations Board.
N. R. A.—National Recovery Administration.
N. R. C.—National Resources Committee.
N. R. S.—National Reemployment Service.
N. Y. A.—National Youth Administration.
P. A.—Petroleum Administration.
P. C. C. A.—Production Credit Corporations and Associations.
P. I. R. A.—Prison Industries Reorganization Administration.
P. W. A.—Public Works Administration.
R. A.—Resettlement Administration.
R. E. A.—Rural Electrification Administration.
S. A. B.—Science Advisory Board.
S. E. C.—Securities and Exchange Commission.
S. S. B.—Social Security Board.
S. C. S.—Soil Conservation Service.
T. V. A.—Tennessee Valley Authority.
U. S. E. S.—United States Employment Service.
U. S. H. A.—United States Housing Authority.
U. S. T. B.—United States Travel Bureau.
W. P. A.—Works Progress Administration.

Since 1933, 70 agencies, most of them new, have begun the job of administering the Nation's affairs. At the top of many of them were people whose positions were identical with the "master minds" whom Mr. Roosevelt had himself denounced

only a few years ago. Billions of dollars have been expended by these agencies in their seizure of control of the Nation's industrial, commercial, and educational activities. Bureaucracy, whose tendency to dominate the national life had been so vigorously denounced, is now in full swing. Mr. Roosevelt's plea for "fewer commissions and more leadership" has been amended to read "more commissions and less leadership."

In still other spheres of action the promise and performance record reads like a fantastic contradiction.

Speaking of Government control of business, Mr. Roosevelt declared on May 7, 1933:

> It is wholly wrong to call the measures that we have taken Government control of farming, control of industry, and control of transportation. It is, rather, a partnership between Government and farming and industry and transportation, not partnership in profits, for the profits would still go to the citizens, but, rather, a partnership in planning and a partnership to see that the plans are carried out.

This was in the days when N. R. A. was in its beginning. Today that partnership has been abandoned. In its place the President of the United States has invoked the Presidential wrath upon "economic royalists," "predatory business," the "malefactors of great wealth." The cooperation and planning of N. R. A. days has given way to prosecutions for violations of the Sherman Antitrust Act. The partnership between Government and farming has become a partnership in which the Government partner dictates the terms of every agreement, decides every policy.

Addressing itself to the issues of Government in business, the Democratic Party in 1932 urged the "removal of Government from all fields of private enterprise except where necessary to develop public works and natural resources in the common interest."

Since 1932 the Federal Government, under President Roosevelt's leadership, has put Uncle Sam into direct competition with existing private business on a score of fronts. We have manufactured not only light and electric power in the Tennessee Valley Authority, but also clothing, bedding, and hosiery.

On the basic issue of our governmental structure, Mr. Roosevelt declared in 1930, "The preservation of 'home rule' by the States is not a cry of jealous commonwealths seeking their own aggrandizement at the expense of sister States. It is a fundamental necessity if we are to remain a truly united country."

Since 1930 things must have changed greatly in Mr. Roosevelt's view, for today the Federal Government has made of the States little more than cringing suppliants asking Federal favors wherever possible. Here is the record of promise and performance which we must analyze in 1940.

Mr. Roosevelt promised:

First. Reduced Federal expenditures.

Second. Mr. Roosevelt regarded a growing deficit in 1932 and 1933 as a tremendous burden upon employment.

Third. A marked decrease in the number of Federal commissions and agencies.

Fourth. Decrease in Government personnel.

Fifth. A pledge to utilize existing agencies and farm credit.

Sixth. A pledge of cooperation with business, farming, and industry.

Mr. Roosevelt gave us:

First. The greatest deficit this country has ever known.

Second. He has repudiated this conception entirely.

Third. The greatest increase in commissions and agencies this Nation has ever known.

Fourth. The largest increase in Government personnel in any 7-year period of our history.

Fifth. A complete negation of the Democratic platform of 1932.

Sixth. The bitterest crusade against businessmen, the most ruthless domination of agriculture this country has ever seen.

This is the record for all to read. The President argues that the contradictions in his program were necessary.

The Nation has witnessed the results of those contradictions. Those results are with us to stay; vast unemployment remaining at an absolutely static level since 1933; a tremendous increase in Government expenditure already being reflected in new tax burdens; a restless undercurrent of hatred rumbling through the population. These are the fruits of Mr. Roosevelt's contradictions.

If we are to enjoy a better harvest in the years to come, it is our task now to change our gardeners.

Mr. SCHAFER of Wisconsin. Mr. Speaker, will the gentleman yield?

Mr. BENDER. I yield.

Mr. SCHAFER of Wisconsin. I understand Roosevelt is getting cold feet; but if he should run he will be able to retire to his international banking business in Wall Street, the business he was in before he went to the White House.

Mr. BENDER. Why should he not get cold feet? When he was elected in 1932 there were some nine or ten millions out of work. Today there are ten millions out of work just as there were then, and our country, instead of having a debt of some $24,000,000,000 or $25,000,000,000 has a debt that is close to the $50,000,000,000 mark. This money is spent, and I say to you that when the American people appreciate the fact, as they will this year, in connection with the special tax levy, this special tax that became effective in part on July 1—and incidentally the Democratic majority in the House and the Democratic leadership here in Washington were so smart that they held off 60 percent of the tax so that it would not be payable until the 1st of next January—but when the American people realize and appreciate what this tremendous debt and these billions for defense is costing them, when they realize and appreciate as they will between now and November that the levy will be twenty-fold what it is now they will change administrations. When they come to a realization of the kind of problem that the American people of this generation and the next generation are faced with because of this fraud which was perpetrated on them in the campaign of 1932 and ever since, I am sure they will be anxious to vote for a man who is a producer, a man who will perform, a man who will give them the kind of relief and the kind of government that Roosevelt promised them in 1932. I am sure we will come out victorious in November, following the standard of Wendell Willkie for President. [Applause.]

Mr. CANNON of Missouri. Mr. Speaker, I ask unanimous consent to proceed for 15 minutes.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Missouri [Mr. CANNON]?

There was no objection.

Mr. CANNON of Missouri. I have been reading the Republican platform and wish to call attention to the plank on agriculture.

Mr. KITCHENS. Will the gentleman yield?

Mr. CANNON of Missouri. I yield to the gentleman from Arkansas.

Mr. KITCHENS. There is an article in Fortune by Wendell L. Willkie, and it appears in this month's Readers Digest, wherein Mr. Willkie says that the people know promises to one group will conflict with promises to another, and for that reason the American people are skeptical of political platforms. Would you understand by that that he does not expect the people to pay very much attention to any agricultural provisions of the Republican platform? It is headed "We, the People."

Mr. CANNON of Missouri. The tenor of his utterances have been so contrary to many statements in the platform that such a conclusion would be plausible.

Mr. Speaker, I have just read the Republican platform adopted at Philadelphia and I read the farm plank first. It might surprise platform makers if they knew how many of those who read platforms at all read the farm plank first.

I congratulate the party on the declaration of its position on agriculture. Heretofore in every platform I have ever read, of either the Republican Party or the Democratic Party,

fulsome promises have been made the farmer and every assurance has been given of the complete solution of the agricultural problem, and especially since 1920 the usual commitment has been to secure economic equality with labor and industry. But this platform promises nothing. It endorses nothing that is not already in effect and it pledges nothing that has not been or is now being tried. It is the easiest of fulfillment of any plank that could be drafted, because, if ever invoked, nothing would be required to carry it out except to sit still and leave things as they are. In other words, the agricultural plank in the 1940 platform proposes leaving things as they are. And the farm voter in Novemebr can take it or leave it.

It is true the third sentence starts off:

> The Republican Party will put into effect such governmental policies as will establish and maintain an equitable balance between labor, industry, and agriculture—

Now if they had stopped there, no finer commitment could have been made—no proposal that would more adequately and effectively solve the problems of the American farmer and bring prosperity to both the farmer and the country at large. But unfortunately that is not the commitment. Let us read on:

> The Republican Party will put into effect such governmental policies as will establish and maintain an equitable balance between labor, industry, and agriculture by expanding industrial and business activity, eliminating unemployment, lowering production costs, thereby creating increased consumer buying power for agriculture products.

Which means exactly nothing because we know by sad experience that none of these means are practicable or can possibly achieve equality between agriculture and other industries.

It is as if the platform had said:

> The Republican Party will establish and maintain an adequate Army and Navy.

A pledge all would heartily approve. But if when we read on we found that when completed the sentence read:

> The Republican Party will establish and maintain an adequate Army and Navy by developing the bow and arrow and the rowboat to their highest state of efficiency.

We find the pledge is worthless—just as the Republican pledge to establish farm equality is worthless.

But, Mr. Speaker, this is not a partisan speech. And as disappointing as the farm plank in the Republican platform is, the address of the official spokesman appearing in this morning's CONGRESSIONAL RECORD, summarizing the agricultural legislation of the Seventy-sixth Congress and the position of the Committee on Agriculture is just as disappointing—and for the same reason.

Both the Republican platform and the Committee on Agriculture are in accord. According to both everything has been done that needs to be done and the farm problem has been solved. And if we accept either or both, nothing remains to be done but to let present conditions take their course and take the farmer to perdition with them.

The long and carefully prepared address in today's RECORD lists six activities: Soil conservation, low interest rates, marketing agreements, rural electrification, commodity loans, and water uses, which he says amply provide all the legislative and administrative aids needed by the farmer. At least he proposes nothing additional. Since September hogs have dropped from 11 cents to less than 5 cents on the farm. Cotton is selling for less than a dime on the farm. And wheat in the last few weeks has dropped from $1.13 to 69 cents a bushel. And yet the Committee on Agriculture thinks the farmer farm problem is solved and the farmer should be grateful enough to vote the Democratic ticket in November. All this at a time when union wage scales and the price of industrial products have been steadily rising.

Mr. Speaker, soil conservation, low interest, marketing agreements, and all the rest are beneficial as far as they go. But the farmer can have all of them—he can have the best soil, and the lowest rate of interest, and a farm loan, and a free Government pond on his farm, but if he gets less for his products than it costs him to produce them and pays labor and industry a constantly increasing price for their products, it is only a question of time until the sheriff gets the farm. The only thing that will enable a tenant farmer to buy a farm, and the only thing that will enable an owner to hold his farm is a price for his products high enough to pay interest and taxes and cost of production. And it cannot be done with 5-cent hogs and 10-cent cotton and 59-cent wheat when he must pay labor, industry, and transportation more than he paid when he was getting $24 for hogs, 35 cents for cotton, and $2.40 for wheat.

But my friend justifies nickel hogs and dime cotton and says the farmer ought to be content with such prices because they are a little higher than they were in 1932, the lowest ebb of farm prices in the history of the world. Such a contention is too puerile to merit attention. No such argument was advanced against the bills to increase freight rates in the Interstate Commerce Act, fix the price of coal in the bituminous-coal bill, regulate the price of oil in the "hot oil" bill, fix retail prices in the fair-trade bill, fix wages in the wage and hour bill, enforce minimum wages in the Labor Relations Act or the numerous other excellent bills for the benefit of labor, industry, and transportation which have passed this House.

The speaker might with equal logic have compared present farm prices with the prices in 1832 or 1732 as 1932. The real question and the only question to be considered is whether farm prices are equitable, whether they are on a parity with other industries, whether the farmer receives as fair a price for what he sells and he must pay for what he buys. The farmer has been repeatedly promised parity prices by both parties. Congress itself has twice by solemn enactment laid down the principle that he is entitled to a parity price as a minimum. The question is not whether the farmer is getting 1932 prices. Nobody else is getting 1932 prices. The question is whether he is getting parity prices. Here is the report on that question received from the Department of Agriculture this morning:

Comparison of farm, market, and parity prices

Commodity	Unit	June 15, 1940			Current market price
		Parity price	Farm price	Farm price as percent of parity	
		Cents	*Cents*	*Percent*	*Cents*
Cotton	Pound	15.87	9.54	60.1	10.45
Corn	Bushel	82.20	63.50	77.3	65.00
Wheat	Bushel	113.20	67.40	59.5	75.50

U. S. Bureau of Agricultural Economics.

Let us compare these farm figures with like figures for labor and industry. The last wage scales available are for 1939. The disparity would be even greater for 1940.

Comparison of weekly earnings in building and construction, and of factory workers and parity wages

Occupation	1939 (June 1)				
	Wages per hour	Hours worked per week	Earnings per week	Earnings as percent of parity	Estimated parity earnings
Plumbers	1.526	37.9	$57.84	155.3	$37.24
Electricians	1.532	37.6	57.60	172.8	33.52
Stonemasons	1.544	38.8	59.91	165.1	36.28
Steamfitters	1.589	37.8	60.06	170.9	35.34
Carpenters	1.401	38.7	54.22	165.4	32.87
Painters	1.365	36.4	49.69	157.6	31.65
Bricklayers	1.662	38.4	63.82	147.1	43.36
Factory workers			24.34	142.0	17.14

U. S. Bureau of Labor Statistics.

The trend of costs of living during the decade is indicated in the following table from the May issue of the Monthly Labor Review:

Indexes of retail food costs in 51 large cities combined,[1] by commodity groups, March and February 1940 and March 1929

[1923–25=100]

Commodity group	1940		1929
	Mar. 12	Feb. 13	Mar. 15
All foods	77.1	78.1	101.4
Cereals and bakery products	88.7	88.7	98.2
Meats	88.3	87.8	118.6
Dairy products	81.3	82.7	105.2
Eggs	57.4	68.7	87.4
Fruits and vegetables	62.7	62.9	86.9
Fresh	61.3	61.5	84.7
Canned	75.0	75.0	97.1
Dried	63.7	63.6	101.3
Beverages	65.1	65.3	110.9
Fats and oils	60.3	60.7	93.8
Sugar	64.1	64.6	73.5

[1] Aggregate costs of 84 foods in each city prior to September 1939, and of 53 foods since that date, weighted to represent total purchases, have been combined for the United States with the use of population weights.
[2] Preliminary.

Official figures on parity of industrial income are not available, but the following table from Productivity, Wages, and National Income, published by the Brookings Institution, shows the relative income of 1938 to the income of 1919 which was at the peak of World War prices and far above parity:

Distribution of income in the manufacturing industry

	1919	1938	Percent of increase
Salaries	$2,776	$2,814	101.0
Cash dividends	1,353	1,905	140.7
Earnings on capital	1,893	2,111	111.5

In other words, labor and industry are from 101 percent to 172 percent above parity while agriculture is from 59 percent to 77 percent below parity, and yet the Committee on Agriculture considers the problem solved and no further legislation necessary.

Standardization of labor and industrial incomes and maintenance above parity are due solely to legislation, and fluctuation of agricultural income and depression below parity are the result of lack of legislation.

Farm prices have been slightly supported by the parity payments provided from appropriations provided by the Committee on Appropriations in the last two Congresses. How inadequate these makeshift measures meet the need is shown by the following tabulation issued by the University of Illinois based in its Bulletin No. 19, issued January 2, 1940, based on the United States Statistical Abstract of 1939:

Comparative increases in income directly due to legislation

Illinois	Railroad employee	Farmer
Average cash income for 1939	$1,520.96	$428.77
Average increase by congressional action	336.70	70.75
Total income for 1939	1,857.66	499.52

The farmer may have been a college graduate. The average railroad employee seldom goes beyond the high school. The railroad employee had nothing invested but a pair of overalls, and worked 30 hours a week without assistance from his family. The farmer had capital invested in land, buildings, machinery, and stock, and worked 98 hours a week, and every member of his family old enough to walk assisted him in earning the $499.52, which represented not only the wage from the combined family but the income on his investment as well. But the Committee on Agriculture considers itself munificent in providing the $70.75 a year.

[Here the gavel fell.]

Mr. CANNON of Missouri. Mr. Speaker, I ask unanimous consent to proceed for 5 additional minutes.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Missouri?

There was no objection.

Mr. DITTER. Mr. Speaker, will the gentleman yield now since he has additional time?

Mr. CANNON of Missouri. I yield to the gentleman from Pennsylvania.

Mr. DITTER. My distinguished friend here made an observation to the gentleman from Missouri with reference to the skeptical attitude of Mr. Willkie on the matter of platforms. I wondered whether my friend from Missouri might not concur with me that that skepticism is very largely due to the feeling of the American people which arises from their experience with the 1932 and 1936 platforms of the Democratic Party.

Mr. CANNON of Missouri. I think that if we examine the platforms of both parties from 1920 on down we will be rather inclined to take the position that a political platform is something to get in on and of little concern thereafter.

And, Mr. Speaker, this is the high-water mark. Farm prices are falling and wages and industrial prices are rising every day. The disparity every day becomes more pronounced. Here are five headlines from the same page of Sunday's Washington Star summarizing trends for the week:

Wheat prices slump 2 cents a bushel at Chicago; corn down 3 cents; rye declines more than a cent.

Cotton futures dip 1 to 8 points after early gains. Liquidation in July contract and hedging bring late slump.

Washington living costs losing, price average stays below levels for 1937 and 1938.

United States industry reaches highest midyear marks in decade.

District of Columbia bank clearings far above year ago during June, 6 months' volume largest for period since 1930.

And this trend will be accelerated. All authorities and commentators agree that the war in Europe cannot last beyond September. It may end any day. And when it does farm prices, as pitiable as they are, will crash in utter ruin unless legislation is provided to put a floor under farm prices, as has already been put under wages and industrial prices. This is not surmise. It is not speculation. The war must end, and when the war ends European markets will be closed to American products. Norwegian, Danish, Dutch, and Belgian imports ceased with German occupation. The Secretary of Agriculture has just issued the following bulletin:

UNITED STATES DEPARTMENT OF AGRICULTURE,
Washington, D. C., June 19, 1940.

FRANCE FIFTH BEST CUSTOMER FOR PRODUCTS OF UNITED STATES FARMS

If France should be cut off from American markets, the United States would lose its fifth best customer for farm products, the Office of Foreign Agricultural Relations of the Department of Agriculture said today. Farm products were nearly 30 percent of all United States exports to France in 1938 and over 17 percent in 1939. During both years France was fifth among world outlets for United States farm products and third in Europe, after the United Kingdom and the Netherlands.

The value of United States agricultural exports to France in different years and their percent of total farm exports in each year follows:

Year	Total value	Percent of total
1929	$103,041,000	6.2
1932	47,657,000	7.2
1935	53,355,000	7.1
1936	63,100,000	8.9
1937	60,357,000	7.6
1938	38,970,000	4.7
1939	30,818,000	4.7

The outstanding item in United States agricultural export trade with France is cotton. Cotton was about 70 percent of United States farm exports to France in 1939 and 63 percent in 1938.

Since the publication of this bulletin exports to France have practically ceased. And, regardless of who wins or loses, Europe will not afford a market for American products for years to come. The end approaches. And yet with that certainty staring us in the face, the Committee on Agriculture

makes the statement in this morning's RECORD complacently preening itself on present farm conditions and with no reference to any possible activity for the rest of the session.

Congress will remain in session the remainder of the summer. It will be useless to incorporate bombastic planks in the Chicago platform if we sit idly by and give no thought to the welfare of agriculture beyond that indicated in this speech.

More than 1,800 years ago the Master, with the twelve, as they plodded, hungry and thirsty, down the dusty roads of Judea came upon the fig tree and found thereon no fruit. And He gave utterance there to one of the greatest truths in all the pages of Holy Writ: "By their fruits shall ye know them." We judge political parties as we judge men—not by what they say, not by what they promise, not by their platform commitments, but by what they do.

In this supreme crisis in American history, the Committee on Agriculture should either meet to consider the situation or they should resign. The master is coming down the road along about the second Tuesday in November. And several luxuriant but barren fig trees on the committee might well take notice.

Mrs. ROGERS of Massachusetts. Mr. Speaker, will the gentleman yield?

Mr. CANNON of Missouri. I yield to the gentlewoman from Massachusetts.

Mrs. ROGERS of Massachusetts. Every Member with whom I have talked, on both sides of the House, both Democrats and Republicans, say that the overwhelming sentiment in their districts is that we remain here all summer, and as the gentleman knows, I have a resolution for remaining in session all the summer, and we certainly should be here in case of any eventuality.

Mr. CANNON of Missouri. I trust the lady favors taking advantage of the time while we are here, with nothing else to do, to handle this pressing question.

Mrs. ROGERS of Massachusetts. I do and I feel we should be here and not at home and that we should not adjourn.

Mr. CANNON of Missouri. Is the gentlewoman doing anything to meet the farm situation?

Mrs. ROGERS of Massachusetts. Always, I have been in favor of it, but I believe in staying in Washington and doing it from here. We can do more here than if we should adjourn and I am glad the gentleman stated Congress will not adjourn.

[Here the gavel fell.]

RESIGNATION FROM A COMMITTEE

The SPEAKER pro tempore laid before the House the following communication, which was read:

HON. WILLIAM B. BANKHEAD,
Speaker of the House of Representatives.

MY DEAR MR. SPEAKER: I hereby tender my resignation from the Committee on Invalid Pensions.

RALPH O. BREWSTER.

The SPEAKER pro tempore. Without objection, the resignation is accepted.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted as follows:

To Mr. THORKELSON, for 2 weeks, on account of official business.

To Mr. WHITE of Idaho, for an indefinite period, on account of official business.

SENATE BILLS AND JOINT RESOLUTIONS REFERRED

Bills and joint resolutions of the Senate of the following titles were taken from the Speaker's table and, under the rule, referred as follows:

S. 71. An act to repeal the act entitled "An act relating to Philippine currency reserves on deposit in the United States; to the Committee on Insular Affairs.

S. 253. An act to authorize the leasing of certain Indian lands subject to the approval of the Secretary of the Interior; to the Committee on Indian Affairs.

S. 820. An act providing for the granting of leave to certain employees of the United States to enable them to vote at elections; to the Committee on Civil Service.

S. 1433. An act to add certain lands to the Siuslaw National Forest in the State of Oregon; to the Committee on Agriculture.

S. 2171. An act for the relief of M. Seller & Co; to the Committee on Claims.

S. 2524. An act to incorporate The Military Order of the Purple Heart; to the Committee on the Judiciary.

S. 2758. An act for the relief of Wade Crawford, formerly superintendent of the Klamath Indian Agency; to the Committee on Claims.

S. 2880. An act conferring jurisdiction upon the Court of Claims to hear, determine, and render judgment on the claim of R. Brinskelle and Charlie Melcher; to the Committee on Claims.

S. 2930. An act to provide for reimbursement to the holders of cotton pool participation trust certificates, and for other purposes; to the Committee on Appropriations.

S. 2997. An act for the relief of the Greenlee County Board of Supervisors; to the Committee on Claims.

S. 3003. An act for the relief of Ralph C. Hardy, William W. Addis, C. H. Seaman, R. J. Polk, and E. F. Goudelock; to the Committee on Claims.

S. 3143. An act for the relief of Chandler V. Jensen; to the Committee on Claims.

S. 3248. An act to amend section 2, chapter 368, Forty-sixth Statutes at Large, page 1467, March 2, 1931, relating to extra compensation of inspectors and employees of the Immigration and Naturalization Service; to the Committee on Immigration and Naturalization.

S. 3361. An act for the relief of Aron Pitt and Cecilia Pitt; to the Committee on Immigration and Naturalization.

S. 3437. An act for the relief of the Franco-American Construction Co.; to the Committee on Claims.

S. 3497. An act to require the issuance by the General Accounting Office of a quarterly certificate of settlement of money accounts to United States property and disbursing officers, of the National Guard of the several States, Territories, and the District of Columbia; to the Committee on Expenditures in the Executive Departments.

S. 3539. An act for the relief of Thomas M. Barnes; to the Committee on Military Affairs.

S. 3582. An act relating to the status of certain natives and inhabitants of the Virgin Islands; to the Committee on Insular Affairs.

S. 3596. An act to enable Eva Sofia Bildstein and her minor son, Jorg Bildstein, to remain permanently in the United States; to the Committee on Immigration and Naturalization.

S. 3619. An act relating to changes in the administration of the National Guard of the United States bearing on Federal recognition, pay, allotment of funds, drill, training, etc.; to the Committee on Military Affairs.

S. 3703. An act for the relief of Vasil Dimitroff Techoff; to the Committee on Immigration and Naturalization.

S. 3710. An act for the relief of James H. Hearon; to the Committee on Claims.

S. 3720. An act to create and establish a Board of Funeral Directors and Embalmers for the District of Columbia and to prescribe its powers and duties; to the Committee on the District of Columbia.

S. 3741. An act for the relief of Charles P. Madsen; to the Committee on Claims.

S. 3795. An act to authorize the transportation of employees of the Alaska Road Commission, and to validate payments made for that and other purposes; to the Committee on Expenditures in the Executive Departments.

S. 3866. An act for the relief of George W. Coon; to the Committee on Claims.

S. 3870. An act to amend the act entitled "An act authorizing the Commissioners of the District of Columbia to furnish Potomac water without charge to charitable institutions, etc., in the District of Columbia," approved February 23, 1905; to the Committee on the District of Columbia.

S. 3879. An act to amend section 15 (g) of the Agricultural Marketing Act, as amended, relating to the definition of agricultural commodities; to the Committee on Agriculture.

S. 3934. An act authorizing the State of Michigan, acting through the International Bridge Authority of Michigan, to construct, maintain, and operate a toll bridge or series of bridges, causeways, and approaches thereto, across the St. Marys River, from a point in or near the city of Sault Ste. Marie, Mich., to a point in the Province of Ontario, Canada; to the Committee on Interstate and Foreign Commerce.

S. 3936. An act to extend the provisions of the act of May 22, 1934, known as the National Stolen Property Act; to the Committee on the Judiciary.

S. 3952. An act to provide relief for and to promote the interest of the landowners on the Uintah Indian irrigation project, Utah, and for other purposes; to the Committee on Indian Affairs.

S. 3962. An act for the relief of the Louis Puccinelli Bail Bond Co.; to the Committee on Claims.

S. 3974. An act to clarify section 3709 (U. S. C., 1934 ed., title 41, sec. 5); to the Committee on Expenditures in the Executive Departments.

S. 3975. An act granting to certain claimants the preference right to purchase certain public lands in the State of Florida; to the Committee on the Public Lands.

S. 3990. An act to transfer the essential language of section 518, title IV, of the Tariff Act of 1930, approved June 17, 1930, into the Judicial Code of the United States and to provide for its reenactment as part of said Judicial Code, to take effect the date of its passage, including the allowance to the judges of the United States Customs Court, Government counsel, and stenographic clerks as set forth therein for traveling expenses incurred for maintenance while absent from New York on official business, and to repeal all acts inconsistent therewith to the extent of such inconsistency, and for other purposes; to the Committee on Revision of the Laws.

S. 3993. An act to authorize employees of the United States to testify on behalf of the District of Columbia and employees of the District of Columbia to testify on behalf of the United States and of the District of Columbia without loss of salary or annual leave; to the Committee on the Judiciary.

S. 4007. An act to amend the Agricultural Adjustment Act of 1938, as amended, for the purposes of extending the marketing-quota provisions thereof to lettuce and to melons, and for other purposes; to the Committee on Agriculture.

S. 4008. An act to authorize the Reconstruction Finance Corporation to make loans for the development of deposits of strategic and critical minerals which in the opinion of the Corporation would be of value to the United States in time of war, and to authorize the Reconstruction Finance Corporation to make more adequate loans for mineral developmental purposes; to the Committee on Banking and Currency.

S. 4011. An act to authorize the Secretary of the Interior to accept payment of an annual equitable overhead charge in connection with the repayment contract between the United States and the Strawberry Water Users' Association of Payson, Utah, in full satisfaction of delinquent billings upon the basis of an annual fixed overhead charge, and for other purposes; to the Committee on Irrigation and Reclamation.

S. 4037. An act to confer jurisdiction upon the United States District Court for the Western District of Kentucky to hear, determine, and render judgment upon the claim of Theodore R. Troendle for the Dawson Springs Construction Co.; to the Committee on Claims.

S. 4042. An act to provide for the acquisition of flowage rights and the payment of certain damages in connection with the operation of the Fort Hall Indian irrigation project, Idaho; to the Committee on Claims.

S. 4045. An act to authorize the acceptance of donations of property for the Mammoth Cave National Park, in the State of Kentucky, and for other purposes; to the Committee on the Public Lands.

S. 4098. An act relating to claims for refund of processing and related taxes; to the Committee on Appropriations.

S. 4107. An act to transfer the jurisdiction of the Arlington Farm, Va., to the jurisdictions of the War Department and the Department of the Interior, and for other purposes; to the Committee on Agriculture.

S. 4137. An act relating to transportation of foreign mail by aircraft; to the Committee on the Post Office and Post Roads.

S. J. Res. 258. Joint resolution to provide for the use and disposition of the bequest of the late Justice Oliver Wendell Holmes to the United States, and for other purposes; to the Committee on the Library.

S. J. Res. 267. Joint resolution providing for the acquisition by the Railroad Retirement Board of data needed in carrying out the provisions of the Railroad Retirement Acts; to the Committee on Interstate and Foreign Commerce.

S. J. Res. 283. Joint resolution authorizing Col. Donald H. Connolly to hold the office of Administrator of Civil Aeronautics in the Department of Commerce; to the Committee on Interstate and Foreign Commerce.

ADJOURNMENT

Mr. KITCHENS. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; and accordingly (at 5 o'clock and 50 minutes p. m.), the House adjourned until tomorrow, Wednesday, July 3, 1940, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1811. A communication from the President of the United States, transmitting a letter from the Secretary of the Treasury transmitting, pursuant to the provisions of the act approved March 8, 1938 (52 Stat. 107), an act to maintain unimpaired the capital of the Commodity Credit Corporation at $100,000,000, and for other purposes, an appraisal of all the assets and liabilities of the said Corporation as of March 31, 1940; to the Committee on Banking and Currency.

1812. A letter from the acting president, Board of Commissioners of the District of Columbia, transmitting a suggestion for amendment to H. R. 10101; to the Committee on the Judiciary.

1813. A letter from the Secretary of War, transmitting a letter from the Chief of Engineers, United States Army, dated June 24, 1940, submitting a report, together with accompanying papers, on reexamination of Calumet Harbor and River, Ill. and Ind., requested by resolution of the Committee on Rivers and Harbors, House of Representatives, adopted July 28, 1939; to the Committee on Rivers and Harbors.

1814. A letter from the Chairman, Federal Communications Commission, transmitting a draft of a proposed bill to amend section 4 (f) of the Communications Act of 1934, as amended, to provide for extra compensation for overtime of inspectors in charge and radio inspectors of the Field Division of the Engineering Department of the Federal Communications Commission; to the Committee on Merchant Marine and Fisheries.

1815. A letter from the Archivist of the United States, transmitting recommendation for disposition of a list of papers by the Federal Works Agency, Work Projects Administration, May 27, 1940; to the Committee on the Disposition of Executive Papers.

1816. A letter from the Archivist of the United States, transmitting recommendation for disposition of a list of papers by the Federal Works Agency, Work Projects Administration, May 20, 1940; to the Committee on the Disposition of Executive Papers.

1817. A letter from the Archivist of the United States, transmitting recommendation for disposition of a list of papers by the Federal Security Agency, Social Security Board, May 24, 1940; to the Committee on the Disposition of Executive Papers.

1818. A letter from the Archivist of the United States, transmitting recommendation for disposition of lists of papers by the Federal Security Agency, Social Security Board, May

27, 1940; to the Committee on the Disposition of Executive Papers.

1819. A letter from the Archivist of the United States, transmitting recommendation for disposition of a list of papers by the Railroad Retirement Board, May 28, 1940; to the Committee on the Disposition of Executive Papers.

1820. A letter from the Archivist of the United States, transmitting recommendation for disposition of a list of papers by the Department of the Interior; to the Committee on the Disposition of Executive Papers.

1821. A letter from the Archivist of the United States, transmittitng recommendation for disposition of a list of papers by the Department of the Interior January 30, 1940; to the Committee on the Disposition of Executive Papers.

1822. A letter from the Archivist of the United States, transmitting recommendation for disposition of a list of papers by the Department of the Interior, March 11, 1940; to the Committee on the Disposition of Executive Papers.

1823. A letter from the Archivist of the United States, transmitting recommendation for disposition of lists of papers by the Federal Works Agency, Work Projects Administration, March 7, May 23, and May 31, 1940; to the Committee on the Disposition of Executive Papers.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII,

Mr. ROMJUE: Committee on the Post Office and Post Roads. H. R. 9851. A bill authorizing special arrangements in the transportation of mail within the Territory of Alaska; with amendment (Rept. No. 2736). Referred to the Committee of the Whole House on the state of the Union.

ADVERSE REPORTS

Under clause 2 of rule XIII,

Mr. BLOOM: Committee on Foreign Affairs. House Resolution 539. Resolution requesting the President to send information to the Committee on Foreign Affairs (Rept. No. 2737). Laid on the table.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. DIMOND:

H. R. 10159. A bill to amend the act entitled "An act to establish a civilian conservation corps, and for other purposes," approved June 28, 1937, as amended; to the Committee on Labor.

By Mr. JEFFRIES:

H. R. 10160. A bill to amend an act entitled "An act to establish a uniform system of bankruptcy throughout the United States," approved July 1, 1898, and an act amendatory thereof and supplementary thereto; to the Committee on the Judiciary.

By Mr. LEA:

H. R. 10161. A bill for the relief of the State of California; to the Committee on the Judiciary.

By Mr. RANDOLPH:

H. R. 10162. A bill to amend section 2 of the act of Congress entitled "An act for the suppression of prostitution in the District of Columbia," approved August 15, 1935; to the Committee on the District of Columbia.

By Mr. COLE of New York:

H. R. 10163. A bill to authorize the construction of flood-control works on the Oswego watershed, New York; to the Committee on Flood Control.

By Mr. COX:

H. J. Res. 577. Joint resolution providing for the coordination of the national-defense activities of the Federal Government in their application to the education, training, and apprentice training of civilian personnel for national-defense purposes; to the Committee on Military Affairs.

By Mr. McARDLE:

H. J. Res. 578. Joint resolution creating a committee to prevent profiteering in connection with the tax measure passed by Congress to finance the national-defense program; to the Committee on Rules.

By Mr. LEA:

H. J. Res. 579. Joint resolution proposing an amendment to the Constitution of the United States providing for the election of President and Vice President; to the Committee on Election of President, Vice President, and Representatives in Congress.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. CROWTHER:

H. R. 10164. A bill for the relief of Maj. Lyman S. Frasier; to the Committee on Military Affairs.

By Mr. FLAHERTY:

H. R. 10165. A bill for the relief of Thomas J. Harrington; to the Committee on Naval Affairs.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

8968. By Mr. CLASON: Petition of Georgianna Utter and others, requesting Congress to give the people the right to vote on whether or not citizens of the United States and aliens therein be drafted for military service outside of the Western Hemisphere or the Territorial possessions of the United States; to the Committee on Military Affairs.

8969. By Mr. COFFEE of Washington: Petition of the Western Psychological Association, signed by Prof. Ralph H. Gundlach, secretary, advising that on June 13, 1940, they urged passage of House bill 8957, the American standards' work and assistance bill, by Mr. COFFEE of Washington, and/or House bill 8615, by Mr. MARCANTONIO, of New York; to the Committee on Labor.

8970. By Mr. CROWTHER: Petition of Bernice J. Mycik, president of Harfa Singing Society of Amsterdam, N. Y., and 53 members of the society, approving the policies of President Roosevelt in respect to aid to the Allies; to the Committee on Foreign Affairs.

8971. By Mr. KRAMER: Resolution of the Hollywood Post of the American Legion, relative to universal military service; to the Committee on Military Affairs.

8972. By Mr. LAMBERTSON: Petition of R. O. Allen and 189 other residents of Topeka, Kans., appealing to Congress to remain in session and to keep America out of war, except to repel invasion, and to provide for adequate and immediate defense measures; to the Committee on Military Affairs.

8973. Also, petition of L. E. McLain and 14 other residents of Topeka, Kans., appealing to Congress to keep this country from entering another European war except to repel invasion, and urging adequate defense measures and advocating Congress remain in session; to the Committee on Military Affairs.

8974. Also, petition of Andrew L. Sowers and 81 other residents of Topeka, Kans., appealing to Congress to keep this country from entering another European war and expressing their approval of a strong national-defense policy; to the Committee on Military Affairs.

8975. By the SPEAKER: Petition of the Lions Club of Detroit, Tex., petitioning consideration of their resolution with reference to the national-defense program; to the Committee on Military Affairs.

8976. Also, petition of Radu Havlicek Lev, No. 41, C. S. A., Chicago, Ill., petitioning consideration of their resolution with reference to Work Projects Administration appropriation legislation; to the Committee on Appropriations.

8977. Also, petition of Radu Havlicek Lev, No. 41, C. S. A., Chicago, Ill., petitioning consideration of their resolution with reference to the Dies committee; to the Committee on Rules.

8978. Also, petition of Radu Havlicek Lev, No. 41, C. S. A., Chicago, Ill., petitioning consideration of their resolution with reference to agriculture legislation; to the Committee on Agriculture.

SENATE

WEDNESDAY, JULY 3, 1940

(Legislative day of Monday, July 1, 1940)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

Rev. Duncan Fraser, assistant rector, Church of the Epiphany, Washington, D. C., offered the following prayer:

Almighty and most gracious God, who in olden times hast declared Thy will and love for us through Thy law and prophets, and hast spoken to us through Thine only begotten Son: Grant us grace, we beseech Thee, to speak a good word for Thee, and ever glory in the privilege of being called Thy children. Through Jesus Christ, our Lord. Amen.

SENATOR FROM VERMONT

Mr. AUSTIN. Mr. President, I present the credentials of ERNEST W. GIBSON, formerly known as ERNEST W. GIBSON, Jr., as a Senator from the State of Vermont.

The VICE PRESIDENT. The credentials will be read.

The Chief Clerk read as follows:

To the PRESIDENT OF THE SENATE OF THE UNITED STATES:

This is to certify that, pursuant to the power vested in me by the Constitution of the United States and the laws of the State of Vermont, I, George D. Aiken, the Governor of said State, do hereby appoint ERNEST W. GIBSON, formerly known as ERNEST W. GIBSON, Jr., a Senator from said State to represent said State in the Senate of the United States until the vacancy therein, caused by the death of Ernest W. Gibson, is filled by election, as provided by law.

Witness: His Excellency, our Governor, George D. Aiken, and our seal hereto affixed at Montpelier, this 24th day of June, in the year of our Lord, 1940.

[SEAL] GEORGE D. AIKEN,
Governor.

By the Governor:

RAWSON C. MYRICK,
Secretary of State.

The VICE PRESIDENT. The credentials will be placed on file.

Mr. AUSTIN. Mr. President, the Senator-designate is present and ready to take the oath.

The VICE PRESIDENT. If the Senator-designate will present himself at the desk, the oath will be administered to him.

Mr. GIBSON, accompanied by Mr. AUSTIN, advanced to the Vice President's desk, and, the oath prescribed by law having been administered to him, he took his seat in the Senate.

THE JOURNAL

On request of Mr. HARRISON, and by unanimous consent, the reading of the Journal of the proceedings of the calendar day of Monday, July 1, 1940, was dispensed with, and the Journal was approved.

MESSAGES FROM THE PRESIDENT—APPROVAL OF BILLS AND JOINT RESOLUTION

Messages in writing from the President of the United States were communicated to the Senate by Mr. Latta, one of his secretaries, who also announced that the President had approved and signed the following bills and joint resolution:

On June 29, 1940:

S. 2047. An act to divest prize-fight films of their character as subjects of interstate or foreign commerce, and for other purposes;

S. 3927. An act to provide for the administration of the Washington National Airport, and for other purposes; and

S. J. Res. 260. Joint resolution to make emergency provision for the maintenance of essential vessels affected by the Neutrality Act of 1939, and for adjustment of obligations with respect to such vessels.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Calloway, one of its reading clerks, announced that the House had passed without amendment the following bills and joint resolution of the Senate:

S. 349. An act for the relief of C. F. Cooley, administrator of the estate of Charles F. Cooley, Jr.;

S. 993. An act for the relief of J. H. Wootton;

S. 1009. An act granting a pension to Bert W. Helmer;

S. 1251. An act for the relief of certain settlers in the town site of Ketchum, Idaho;

S. 1376. An act for the relief of Cothran Motors, Inc.;

S. 1531. An act for the relief of Edmund S. Dennis;

S. 1789. An act to authorize the cancelation of deportation proceedings in the case of Florence Sinclair Cooper and daughter, Margaret Lavallie, and Philip P. Roy;

S. 1810. An act for the relief of the Citizens State Bank of Marianna, Fla.;

S. 2111. An act to amend the act entitled "An act granting additional quarantine powers and imposing additional duties upon the Marine Hospital Service," approved February 15, 1893, as amended;

S. 2413. An act granting a pension to Arminda Bauman;

S. 2595. An act for the relief of Lloyd S. Harris;

S. 2704. An act for the relief of Mr. and Mrs. C. W. Black and Marion Rabren;

S. 2768. An act authorizing the naturalization of Thomas A. Lambie;

S. 2773. An act to authorize the payment of compensation to recess appointees in certain cases;

S. 2774. An act for the relief of Jose Mauri;

S. 2775. An act for the relief of Henry Gideon Schiller;

S. 2799. An act for the relief of James George Mayfield;

S. 2817. An act for the relief of J. H. Churchwell Wholesale Co., of Jacksonville, Fla.;

S. 2909. An act for the relief of Dexter and Elizabeth Shiomi;

S. 2915. An act relating to rentals in certain oil and gas leases issued under authority of the act of February 25, 1920, as amended, and for other purposes;

S. 2969. An act for the relief of Louise Thorne;

S. 2988. An act for the relief of Bessie Sharrah;

S. 3021. An act for the relief of A. A. Ramsay;

S. 3023. An act for the relief of Clarence E. Enders and Gertrude Ray Enders;

S. 3039. An act for the relief of Twila Snyder;

S. 3059. An act for the relief of Velvie W. Smith and the legal guardian of Glenn Richard Smith;

S. 3062. An act for the relief of the Rodgers Tile Co.;

S. 3101. An act for the relief of certain purchasers of, and entrymen upon, opened lands of certain Indian reservations;

S. 3111. An act for the relief of Thomas L. Gardner;

S. 3146. An act relating to the citizenship of William Lawrence Tan;

S. 3256. An act to enable Sadao Tanaka to remain permanently in the United States;

S. 3351. An act for the relief of I. M. Cook, J. J. Allen, and the Radiator Specialty Co.;

S. 3401. An act for the relief of Charles N. Barber, former United States property and disbursing officer, Vermont National Guard, and for other purposes;

S. 3412. An act for the relief of John Nicholas Chicouras;

S. 3424. An act for the relief of George O. Elliott and Winslow Farr Smith;

S. 3436. An act for the relief of Ethel G. Hamilton;

S. 3456. An act to provide for the reimbursement of certain personnel or former personnel of the United States Marine Corps for the value of personal effects destroyed as a result of a fire at Raritan Arsenal, Metuchen, N. J., on October 10, 1938;

S. 3502. An act for the relief of the Epes Transportation Corporation;

S. 3587. An act for the relief of Earl P. Collins;

S. 3597. An act for the relief of Vernon C. Brown and F. L. Copeland;

S. 3647. An act for the relief of the legal guardian of Paul Sanford, a minor;

S. 3649. An act for the relief of Harry D. Gann;

S. 3706. An act for the relief of Alfred G. Balls;

S. 3707. An act for the relief of certain disbursing agents and certifying officers of the Indian Service, the United States Veterans' Administration, and the Treasury Department;

S. 3742. An act for the relief of M. E. McGivern;

S. 3748. An act for the relief of Guy F. Allen, chief disbursing officer, Division of Disbursement, Treasury Department;

S. 3749. An act to relieve certain employees of the Veterans' Administration from financial liability for certain overpayments and allow such credit therefor as is necessary in the accounts of certain disbursing officers, and for other purposes;

S. 3763. An act for the relief of Capt. David H. Passell and First Lt. Paul E. LaMaster;

S. 3769. An act for the relief of Jerry McKinley Thompson;

S. 3780. An act authorizing Alabama Bridge Commission (an agency of the State of Alabama) to construct, maintain, and operate a toll bridge and causeway between Dauphin Island and the mainland at or near Cedar Point, within the State of Alabama;

S. 3794. An act for the relief of certain Navajo Indians, and for other purposes;

S. 3807. An act to extend the times for commencing and completing the construction of a bridge across the Missouri River at or near Arrow Rock, Mo.;

S. 3808. An act to provide for the reimbursement of certain officers and enlisted men or former officers and enlisted men of the United States Navy for personal property lost in the hurricane and flood at New London, Conn., on September 21, 1938;

S. 3899. An act to defray the cost of returning to the United States the remains, families, and effects of officers and employees dying abroad, and for other purposes;

S. 3916. An act for the relief of Lawrence T. Post, G. F. Allen, and D. Buddrus;

S. 3931. An act for the acquisition of Indian lands for the Parker Dam and Reservoir project, and for other purposes;

S. 3972. An act to authorize exchanges of lands within the Navajo Indian Reservation, Ariz.;

S. 3978. An act for the relief of certain former employees of the National Reemployment Service;

S. 4032. An act to provide for the reimbursement of Philip A. Penston, pharmacist's mate, first class, United States Coast Guard, for the value of personal and household effects lost and destroyed during the hurricane of September 21, 1938, at New London, Conn.;

S. 4048. An act for the relief of Elizabeth K. Peeples;

S. 4090. An act to authorize the Attorney General to donate on behalf of the United States to H. S. Scott, D. W. Collins, Fred M. Gross, trustees, Ashland District Council, Boy Scouts of America, the log house known as the John Secrest home, located on the site of the Federal Correctional Institution near Ashland, Ky.;

S. 4126. An act for the relief of Anne Howard Lay; and

S. J. Res. 222. Joint resolution granting the consent of Congress to the States of Maryland and West Virginia and the Commonwealths of Virginia and Pennsylvania and the District of Columbia as signatory bodies, to enter into a compact for the creation of a Potomac Valley Conservancy District and the establishment of the Interstate Commission on the Potomac River Basin.

The message also announced that the House had passed the following bills of the Senate, severally with an amendment, in which it requested the concurrence of the Senate:

S. 458. An act extending the benefits of the Emergency Officers' Retirement Act of May 24, 1928, to provisional, probationary, or temporary officers of the Army, Navy, Marine Corps, and Coast Guard who served during the World War;

S. 527. An act for the relief of J. J. Greenleaf;

S. 1114. An act to extend the jurisdiction of the United States District Court, Territory of Hawaii, over the Midway Islands, Wake Island, Johnston Island, Sand Island, Kingman Reef, Kure Island, Baker Island, Howland Island, Jarvis Island, Canton Island, Enderbury Island, and for other purposes;

S. 2289. An act for the relief of the Leesburg Welding & Garage Co.;

S. 2560. An act for the relief of Marjorie Buchek;

S. 2561. An act for the relief of Ina Jones;

S. 3550. An act to make unlawful the transportation of convict-made goods in interstate and foreign commerce;

S. 3929. An act to extend the times for commencing and completing the construction of a bridge across the Mississippi River at or near Memphis, Tenn.; and

S. 4097. An act to provide for the disposition of estates of American citizens who die abroad.

The message further announced that the House had passed the following bills and joint resolution, severally with amendments, in which it requested the concurrence of the Senate;

S. 29. An act to authorize the use of certain facilities of national parks and national monuments for elementary school purposes;

S. 134. An act providing for continuing retirement pay, under certain conditions, of officers and former officers of the Army, Navy, and Marine Corps of the United States, other than officers of the Regular Army, Navy, or Marine Corps, who incurred physical disability while in the service of the United States during the World War, and for other purposes;

S. 182. An act for the relief of Edward Hagenson;

S. 2018. An act for the relief of Nile Shaw and Edgar C. Bardin;

S. 2570. An act for the relief of Mary Boyd;

S. 2717. An act for the relief of Edward J. Broggi;

S. 2800. An act for the relief of Edward J. Ross, and the legal guardian of Betty Ross, a minor;

S. 3131. An act to extend the benefits of the United States Employees' Compensation Act to members of the Officers' Reserve Corps and of the Enlisted Reserve Corps of the Army who were physically injured in line of duty while performing active duty or engaged in authorized training between dates of February 28, 1925, and July 15, 1939, both inclusive, and for other purposes;

S. 3280. An act for the relief of the estate of Leslie Everett, deceased;

S. 3617. An act granting the consent and approval of Congress to an interstate compact relating to control and reduction of pollution in the Ohio River drainage basin;

S. 3676. An act to withdraw certain portions of land within the Hawaii National Park, and to transfer the same to the jurisdiction and control of the Secretary of War for military purposes; and

S. J. Res. 133. A joint resolution to confer jurisdiction on the Court of Claims or the District Court of the United States for the Northern District of Georgia to hear, determine, and render judgment upon the claim of Mrs. J. W. Marks, of Stephens County, Ga.

The message also announced that the House had severally agreed to the amendment of the Senate to the following bills of the House:

H. R. 1435. An act for the relief of A. S. Tait;

H. R. 2358. An act for the relief of Alfred Joseph Wright;

H. R. 3171. An act for the relief of George L. Sheldon;

H. R. 6424. An act to provide for the transportation and distribution of mails on motor-vehicle routes;

H. R. 7861. An act conferring jurisdiction upon the Court of Claims to hear, determine, and render judgment upon the claims of Hannah S. Bray, Jane Bickers, and Frances Bickers;

H. R. 8024. An act to provide for the leasing of restricted allotments of deceased Indians in certain circumstances, and for other purposes; and

H. R. 8499. An act relating to adoption of minors by Indians.

The message further announced that the House had severally agreed to the amendments of the Senate to the following bills of the House:

H. R. 3161. An act for the relief of the estate and minor children of Dale W. and Gladys M. Guise, Sally C. Guise, and Martha G. and Arnold E. Orner;

H. R. 4828. An act to amend the law limiting the operation of statutes of limitations in certain cases;

H. R. 5258. An act for the relief of Betty Lou Frady;

H. R. 6831. An act to authorize the Secretary of the Interior to lease certain of the public lands to the Metropolitan Water District of Southern California for the extraction of sodium chloride for water-conditioning purposes;

H. R. 7843. An act for the relief of Clifford J. Williams; and

H. R. 9114. An act authorizing advancements from the Federal Emergency Administration of Public Works for the construction of a recorder-of-deeds building in the District of Columbia, and for other purposes.

The message also announced that the House had disagreed to the amendment of the Senate to the bill (H. R. 6884) to encourage travel in the United States, and for other purposes, asked a conference with the Senate on the disagreeing votes of the two Houses thereon, and that Mr. LEA, Mr. BULWINKLE, and Mr. WOLVERTON of New Jersey were appointed managers on the part of the House at the conference.

The message further announced that the House had disagreed to the amendment of the Senate to the bill (H. R. 4561) for the relief of Mrs. George C. Hamilton and Nanette Anderson, asked a conference with the Senate on the disagreeing votes of the two Houses thereon, and that Mr. KENNEDY of Maryland, Mr. RAMSPECK, and Mr. THOMAS of New Jersey were appointed managers on the part of the House at the conference.

The message also announced that the House had severally disagreed to the amendments of the Senate to the following bills of the House, asked a conference with the Senate on the disagreeing votes of the two Houses thereon, and that Mr. KENNEDY of Maryland, Mr. RAMSPECK, and Mr. THOMAS of New Jersey were appointed managers on the part of the House at the conference:

H. R. 658. An act for the relief of the estate of Dr. B. L. Pursifull, Grace Pursifull, Eugene Pursifull, Ralph Pursifull, Bobby Pursifull, and Dora Little;

H. R. 1288. An act for the relief of Mrs. Clyde Thatcher and her two minor children, Marjorie Thatcher, and Bobby Thatcher; and

H. R. 4031. An act to confer jurisdiction on the Court of Claims to hear, determine, and render judgment upon the claim or claims of the Recording & Computing Machines Co., of Dayton, Ohio.

The message further announced that the House had passed the following bills, in which it requested the concurrence of the Senate:

H. R. 719. An act for the relief of Francis G. McDougall;

H. R. 1284. An act for the relief of Sophrania Holmes;

H. R. 1874. An act for the relief of Mrs. E. V. Maki;

H. R. 1999. An act to confer jurisdiction upon certain United States commissioners to try petty offenses committed on Federal reservations;

H. R. 2278. An act for the relief of Carl Hurt;

H. R. 2490. An act for the relief of Fulton Combs;

H. R. 3004. An act for the relief of Dimitreos Bizos;

H. R. 3009. An act for the relief of June Thompson, a minor;

H. R. 3768. An act for the relief of Louis J. Banderet;

H. R. 3992. An act for the relief of Frank Spears;

H. R. 4628. An act for the relief of John C. Gibbs;

H. R. 4815. An act for the relief of Henry J. Wise;

H. R. 4954. An act for the relief of Rosa Paone;

H. R. 5040. An act for the relief of Arthur Joseph Reiber, a minor;

H. R. 5103. An act for the relief of Kurt Schene;

H. R. 5116. An act for the relief of Thomas Miralia and Betty Miralia;

H. R. 5154. An act for the relief of Charles Kliewe;

H. R. 5254. An act for the relief of the captain and crew of the fishing boat *Unione No. 1;*

H. R. 5309. An act for the relief of Robert L. Taylor;

H. R. 5314. An act for the relief of Paul J. Kohanik;

H. R. 5400. An act for the relief of those rendering medical and hospital services to Evyline Vaughn;

H. R. 5562. An act for the relief of Clyde E. Malle;

H. R. 5863. An act for the relief of the estate of James A. Rivera;

H. R. 6108. An act for the relief of Regina Howell;

H. R. 6210. An act for the relief of George R. Stringer;

H. R. 6295. An act for the relief of Fred S. Hondros;

H. R. 6456. An act for the relief of John Toepel, Robert Scott, Widmer Smith, and Louis Knowlton;

H. R. 6639. An act for the relief of George F. Kermath;

H. R. 6699. An act for the relief of special tax school districts Nos. 2, 3, 4, and 5, Broward County, Fla.;

H. R. 6740. An act for the relief of the estate of J. L. Fretwell;

H. R. 6752. An act to release all the interest of the United States in certain land constituting a portion of the right-of-way granted to the Central Pacific Railway Co. under the act of July 1, 1862, as amended and supplemented;

H. R. 6820. An act for the relief of Mrs. Hama Torii Emerson;

H. R. 6842. An act for the relief of Rufus E. Farmer;

H. R. 7143. An act for the relief of Fanny Karp;

H. R. 7276. An act for the relief of Walter B. McDougall and Herbert Maier;

H. R. 7302. An act for the relief of Lillian Brown and Silas Young;

H. R. 7416. An act for the relief of Theodore R. King;

H. R. 7425. An act for the relief of the parents of Charldean Finch;

H. R. 7458. An act for the relief of Amelia Maria Cavarzan;

H. R. 7668. An act for the relief of Elizabeth Buxton Hospital;

H. R. 7679. An act for the relief of J. E. Dambach;

H. R. 7681. An act for the relief of Emelie Witzenbacher;

H. R. 7747. An act for the relief of Estelle M. Corbett;

H. R. 7851. An act for the relief of certain disbursing officers of the Division of Disbursement, Treasury Department;

H. R. 7910. An act for the relief of Betty Jane Bear Robe;

H. R. 7957. An act for the relief of Willie Perry;

H. R. 8028. An act for the relief of Zoe Hoyt Wagner and Io F. Hoyt;

H. R. 8091. An act for the relief of May C. Taylor;

H. R. 8217. An act for the relief of Thomas R. Fox;

H. R. 8246. An act for the relief of Clyde Caietti, a minor;

H. R. 8293. An act to enable Thaddeus Kirchlechner (Theodore Metsch) to remain permanently in the United States;

H. R. 8301. An act for the relief of Allen B. Boyer;

H. R. 8318. An act for the relief of the Charles H. Amos Handle Co.;

H. R. 8353. An act to change the designation of the Fort Marion National Monument, in the State of Florida, and for other purposes;

H. R. 8459. An act for the relief of Edna S. Gardiner;

H. R. 8504. An act for the relief of Dr. A. C. Wade;

H. R. 8646. An act to authorize the exchange of certain patented lands in the Death Valley National Monument for Government lands in the monument;

H. R. 8666. An act for the relief of certain claimants on account of loss by fire for which the United States was adjudged liable;

H. R. 8743. An act for the relief of Luther Haden;

H. R. 8774. An act for the relief of the widow of Donald D. Elliott;

H. R. 8922. An act relating to lands of the Klamath and Modoc Tribes and the Yahooskin Band of Snake Indians;

H. R. 8946. An act for the relief of Rufus K. Sanderlin;

H. R. 9116. An act designating building guards employed in buildings under the jurisdiction of the Federal Works Agency as United States Building Police, and for other purposes;

H. R. 9130. An act for the relief of Fred Shelton;

H. R. 9279. An act to enable Ernest Hermann Schmidt to remain permanently in the United States;

H. R. 9520. An act for the relief of Edward F. Higgins, postmaster, Great Neck, N. Y.;

H. R. 9561. An act granting the consent of Congress to the Minnesota Department of Highways and the counties of Benton and Stearns in Minnesota, to construct, maintain, and operate a free highway bridge across the Mississippi River at or near Sauk Rapids, Minn.;

H. R. 9693. An act for the relief of Mrs. Rosaria Tumminello Cimino;

H. R. 9732. An act relating to the issuance by the Secretary of the Interior of a patent to the State of Minnesota for certain lands in that State;

H. R. 9736. An act to amend section 355 of the Revised Statutes, as amended, to authorize the Attorney General to approve the title to low-value lands and interests in lands acquired by or on behalf of the United States subject to infirmities, and for other purposes;

H. R. 9828. An act to extend the times for commencing and completing the construction of bridges across the Monongahela River in Allegheny County, Pa.;

H. R. 9854. An act to authorize certain officers and enlisted men of the United States Navy, the United States Marine Corps, the Naval Reserve, and the Marine Corps Reserve to accept such medals, orders, decorations, and presents as have been tendered them by foreign governments;

H. R. 10025. An act granting pensions and increase of pensions to certain dependents of veterans of the Civil War;

H. R. 10033. An act to provide for the acquisition of flowage rights and the payment of certain damages in connection with the operation of the Fort Hall Indian irrigation project, Idaho;

H. R. 10034. An act for the relief of certain disbursing officers of the Treasury Department, the Department of the Interior, and the Army;

H. R. 10036. An act for the relief of John A. Kames;

H. R. 10080. An act to amend section 3493 of the Internal Revenue Code, formerly section 404 of the Sugar Act of 1937; and

H. R. 10094. An act to require the registration of certain organizations carrying on activities within the United States, and for other purposes.

COMMODITY CREDIT CORPORATION ASSETS AND LIABILITIES

The VICE PRESIDENT laid before the Senate a communication from the President of the United States, which, with the accompanying report, was referred to the Committee on Banking and Currency and ordered to be printed in the RECORD, as follows:

THE WHITE HOUSE,
Washington, July 1, 1940.

MY DEAR MR. PRESIDENT: I have the honor to transmit herewith for the information of the Congress a letter dated June 27, 1940, from the Secretary of the Treasury transmitting, pursuant to the provisions of the act approved March 8, 1938 (52 Stat. 107), an act to maintain unimpaired the capital of the Commodity Credit Corporation at $100,000,000 and for other purposes, an appraisal of all the assets and liabilities of the said Corporation as of March 31, 1940.

On the basis of such appraisal the Commodity Credit Corporation has been directed to deposit in the Treasury the sum of $43,756,731.01. During the fiscal year 1938 it was necessary for the Congress to appropriate $94,285,404.73 to maintain unimpaired the capital of the Commodity Credit Corporation and it was necessary for the Congress to appropriate for the fiscal year 1939, a further amount of $119,599,918.05 to maintain unimpaired the capital of the Corporation. There has been appropriated $213,885,322.78 for this purpose, and after giving effect to the recovery of $43,756,731.01 during the current fiscal year, the net expenditures for the last 3 years amount to $170,128,591.77.

The policy adopted by the Congress and incorporated in the act approved March 8, 1938, providing for an annual appraisal of the assets of the Commodity Credit Corporation makes it possible to include currently in each annual budget the expenditures necessary to support the program which that Corporation is engaged upon or the receipts which the Government receives from that activity.

Respectfully,

FRANKLIN D. ROOSEVELT.

HON. JOHN NANCE GARNER,
President of the Senate, Washington, D. C.
[Enclosure.]

REPORT OF RECONSTRUCTION FINANCE CORPORATION

The VICE PRESIDENT laid before the Senate a letter from the Chairman of the Reconstruction Finance Corporation, transmitting, pursuant to law, a report of the activities and expenditures of the Corporation for the month of May 1940, together with a statement of loan and other authorizations made during the month, showing the name, amount, and rate of interest or dividend in each case, which, with the accompanying report, was referred to the Committee on Banking and Currency.

LEASE OF BUILDINGS AND GROUNDS IN FOREIGN COUNTRIES

The VICE PRESIDENT laid before the Senate a letter from the Acting Secretary of the Treasury, transmitting a draft of proposed legislation to authorize the Secretary of the Treasury to lease for periods not exceeding 10 years, buildings, parts thereof, and grounds in foreign countries, which, with the accompanying paper, was referred to the Committee on Public Buildings and Grounds.

AMENDMENT OF COMMUNICATIONS ACT OF 1934

The VICE PRESIDENT laid before the Senate a letter from the Chairman of the Federal Communications Commission, transmitting a draft of proposed legislation to amend section 4 (f) of the Communications Act of 1934, as amended, to provide for extra compensation for overtime of inspectors in charge and radio inspectors of the Field Division of the Engineering Department of the Federal Communications Commission, which, with the accompanying paper, was referred to the Committee on Interstate Commerce.

DISPOSITION OF EXECUTIVE PAPERS

The VICE PRESIDENT laid before the Senate letters from the Archivist of the United States, transmitting, pursuant to law, lists of papers and documents on the files of the Department of the Interior (3); the Railroad Retirement Board; the Federal Security Agency, Social Security Board (2), and the Federal Works Agency, Work Projects Administration (3), which are not needed in the conduct of business and have no permanent value or historical interest, and requesting action looking to their disposition, which, with the accompanying papers, were referred to a Joint Select Committee on the Disposition of Papers in the Executive Departments.

The VICE PRESIDENT appointed Mr. BARKLEY and Mr. TOBEY members of the committee on the part of the Senate.

PETITIONS AND MEMORIALS

The VICE PRESIDENT laid before the Senate a resolution of the Civic Center Auxiliary Club, protesting against steps leading toward war and condemning any move which would lead to the sacrifice of American men on foreign soil, which was referred to the Committee on Foreign Relations.

He also laid before the Senate a telegram in the nature of a petition from Lewis Norton, of San Francisco, Calif., praying for the enactment of legislation to deport Harry Bridges, which was referred to the Committee on Immigration.

He also laid before the Senate a telegram in the nature of a memorial from the crew of the M. S. *Jeff Davis*, signed by R. J. Corbin, T. F. Blaney, and M. F. Crossby, committee, Houston, Tex., remonstrating against the enactment of House bill 9766, providing for the deportation of Harry Bridges, which was referred to the Committee on Immigration.

He also laid before the Senate a telegram in the nature of a petition from G. Wilhelm Kunze, national leader, German-American Bund, New York City, N. Y., requesting a hearing before a bill requiring registration of German-American Bund with the Department of Justice is acted upon, which was referred to the Committee on the Judiciary.

He also laid before the Senate a telegram in the nature of a memorial from George W. Russell, of Augusta, Maine, remonstrating against confirmation of the nominations of Henry L. Stimson to be Secretary of War and Frank Knox to be Secretary of the Navy, which was ordered to lie on the table.

He also laid before the Senate a letter in the nature of a petition from the United Business Men's Association of Philadelphia, Pa., praying that as much of the cost of the defense

program as possible be secured from current income, and also that as much of the money spent for relief as possible be used to aid in the defense work, which was ordered to lie on the table.

He also laid before the Senate a resolution of the board of directors of the Pennsylvania Grade Crude Oil Association, Oil City, Pa., pledging its full support to the national-defense program, which was ordered to lie on the table.

He also laid before the Senate a resolution adopted by the Paderewski Singing Society, of Amsterdam, N. Y., favoring President Roosevelt's policies with respect to aid to the Allies, which was ordered to lie on the table.

He also laid before the Senate resolutions of the Lions Clubs of Cameron and Detroit, Tex., and the convention of the Pennsylvania Association of Lions Clubs, at Oil City, Pa., favoring the adoption of an adequate national-defense program and the suppression of all subversive activities, which were ordered to lie on the table.

Mr. VANDENBERG presented a petition of sundry citizens of the State of Michigan, praying for the enactment of the so-called Townsend pension plan, which was referred to the Committee on Finance.

He also presented a petition of sundry citizens of the State of Michigan, praying that the United States keep out of war, which was referred to the Committee on Foreign Relations.

He also presented a petition of sundry citizens of Michigan, praying that Congress remain in session during the existing emergency, endorsing an adequate national-defense program, and the suppression of subversive activities, which was ordered to lie on the table.

Mr. WALSH presented a resolution of Quincy Local, No. 366, Oil Workers' International Union, of East Braintree, Mass., favoring the enactment of legislation to give the Housing Authority the right to carry on work in localities necessary for industrial workers engaged in the defense program, which was referred to the Committee on Education and Labor.

He also presented petitions numerously signed by sundry citizens of the State of Massachusetts, praying that all possible aid, short of war, be granted to the Allies, which were referred to the Committee on Foreign Relations.

He also presented a telegram in the nature of a petition from the local branch of the William Allen White Committee to Defend America, signed by Lawrence K. Miller, chairman, praying that all possible aid, short of war, be granted to the Allies, which was referred to the Committee on Foreign Relations.

He also presented resolutions adopted by the Beverly and Worcester (Mass.) Branches of the Committee to Defend America by Aiding the Allies, favoring granting all possible aid, short of war, to the Allies, which were referred to the Committee on Foreign Relations.

He also presented a resolution adopted by the United American Veterans, Massachusetts Department, Boston, Mass., stating "That the United American Veterans go on record as being in favor of some sort of a military training and education for all males between the ages of 18 and 45," and so forth, which was referred to the Committee on Military Affairs.

He also presented petitions of sundry citizens of Norfolk and Watertown, Mass., praying that the United States keep out of war, which were ordered to lie on the table.

He also presented resolutions of the Foreign Commerce Club of Boston, the Irish-American Progressive Association of Massachusetts, of Roxbury, and the Massachusetts Funeral Directors' Association, all in the State of Massachusetts, favoring the adoption of an adequate national-defense program, which were ordered to lie on the table.

He also presented resolutions of the Board of Aldermen of the city of Medford, the executive committee of the Republican Town Committee, of Saugus, and Belmont Post, No. 165, American Legion, of Belmont, all in the State of Massachusetts, favoring that Congress remain in session during the existing emergency, which were ordered to lie on the table.

He also presented a petition of sundry citizens of Springfield, Mass., praying that Congress remain in session during the present crisis, which was ordered to lie on the table.

He also presented resolutions of U. O. P. W. A., No. 2 (C. I. O.), protesting against amendment of the National Labor Relations Act and the bill to deport Harry Bridges, which were ordered to lie on the table.

He also presented a resolution of the Jewish War Veterans of the United States, Department of Massachusetts, favoring the preservation of liberty and democracy in the United States, which was ordered to lie on the table.

OUTLAWING OF SUBVERSIVE POLITICAL ORGANIZATIONS

Mr. KING. Mr. President, I ask unanimous consent to have inserted in the RECORD and appropriately referred a letter which I have received from the American Legion of Salt Lake City, Utah, Post No. 2, together with a resolution adopted by that splendid organization.

There being no objection, the letter and the resolution were referred to the Committee on the Judiciary and ordered to be printed in the RECORD, as follows:

THE AMERICAN LEGION, SALT LAKE POST, NO. 2,
Salt Lake City, Utah, June 21, 1940.

Hon. WILLIAM H. KING,
United States Senator, Senate Building, Washington, D. C.

DEAR SENATOR KING: We transmit herewith copy of resolution adopted by Salt Lake Post, No. 2, the American Legion, at its regular meeting held at Salt Lake City, Utah, on June 20, 1940, concerning certain legislation now pending before Congress outlawing the illegal and improper use of political organizations for subversive purposes. As there indicated, we trust you will give your full support to the adoption of such legislation.

We will appreciate your prompt acknowledgment of the enclosed resolution and an indication as to your attitude on the proposed legislation.

Very truly yours,

(Signed) B. K. FARNSWORTH,
Commander, Salt Lake Post, No. 2, the American Legion.
(Signed) WM. J. HIGBEE,
Adjutant, Salt Lake Post, No. 2, the American Legion.

Resolution adopted by Salt Lake Post, No. 2, the American Legion, at a regular meeting of the post held at Salt Lake City, Utah, on June 20, 1940

Salt Lake Post, No. 2, the American Legion, acting in conformity with the policy of the American Legion as indicated by resolutions adopted at its national convention assembled at Chicago, State of Illinois, September 25–28, 1939, inclusive, hereby requests the Members of the House of Representatives and the Members of the United States Senate from the State of Utah to support legislation now pending before the Congress of the United States having for its purpose the outlawing as political parties groups sponsored by or affiliated with any foreign power or foreign political regime.

We recognize the necessity at this time of guarding jealously the civil liberties of the citizens of the Republic. We believe it is better to suffer the evils of abuse of these civil liberties than to adopt a course of conduct which will impinge upon them even in the smallest degree. The protection of these civil liberties is an obligation of every citizen. In times of hysteria or public excitement any attempt to limit the free exercise of citizenship should be carefully examined.

However, it has been definitely and surely established that subversive groups in the United States have used, and are using, the privileges of citizenship in order to destroy our system of free government. It is, therefore, the duty of every citizen to prevent such illegal and wrongful devices and subterfuges to the end that the liberties of all loyal citizens may be protected and sustained. Liberty of conscience, freedom of press, freedom of assembly, freedom of speech, and the right of suffrage must not become implements of those who seek to destroy the American way of life.

There has been a notorious abuse and subversion of the right of suffrage. Communist, Nazi, and Fascist groups have used the disguise of political organization to further their nefarious objectives. They have not been, and are not now traditional political parties. They have used constitutional facilities for the purpose of destroying the Government of the United States and imposing upon this Nation a form or forms of government sponsored by tyrants and dictators of the Old World.

Political differences must and should exist in a free republic, and the spirit of any bona fide and loyal political groups to organize as a political party must always be protected. The use of party organization, however, for the purpose of destroying the government which gives this freedom of suffrage cannot be tolerated by loyal citizens.

Upon this basis and for these reasons, this petition is submitted with the hope that proposed legislation above-described will be adopted by the Congress of the United States.

(Signed) B. K. FARNSWORTH,
Commander, Salt Lake Post, No. 2.
(Signed) WM. J. HIGBEE,
Adjutant.

AMERICAN DECLARATION OF NATIONAL UNITY

Mr. AUSTIN. Mr. President, on behalf of the Senator from New Jersey [Mr. BARBOUR] I ask unanimous consent to have incorporated in the RECORD at this point and appropriately referred the American declaration of national unity by the Council Against Intolerance in America, of which the Senator from New Jersey is one of the co-chairmen.

There being no objection, the declaration was ordered to lie on the table and to be printed in the RECORD, as follows:

AMERICAN DECLARATION OF NATIONAL UNITY

Independence Day has greater significance this year than ever before. Always an occasion of rejoicing, it has become a festival of thanksgiving, a call to rededication, a symbol of hope.

For today, war and tyranny have overwhelmed many foreign nations; disloyal elements within our borders undermine national unity by fomenting racial hatred and religious bigotry; antidemocratic forces seek to abrogate civil, political, and economic liberties; dictatorships abroad and traitors at home assail the very ideals of freedom and equality on which this Nation was founded.

These ideals and the institutions derived from them, however, are no less precious to the American people today than in 1776. They are our treasured heritage, our most sacred trust. They still make life worth living. They are still worth defending. If need be, they are still worth dying for.

It is therefore fitting that on this fourth day of July 1940 we Americans renew the covenant of our forefathers, and reaffirm among ourselves and before all mankind:

That all men are created equal.

That the freedom of Americans—which assures liberty of conscience, of speech, of assembly and of the press—is vital to the defense of our country against foreign and domestic foes.

That the equality of Americans—which includes all races, creeds, and colors—recognizes the contributions of each to upbuilding the Nation, and makes loyalty to our country the only test of Christian or Jew, white or Negro, native or foreign-born.

That on these principles of freedom and equality, the American people stand united, and in defense of our national unity—whatever difficulties and dangers lie ahead—we, as did our forefathers, mutually pledge to each other our lives, our fortunes, and our sacred honor.

"WE THE AMERICANS"—PETITION

Mr. AUSTIN. Mr. President, also for the Senator from New Jersey [Mr. BARBOUR] I ask unanimous consent to have incorporated in the RECORD at this point and appropriately referred a petition presented by "We the Americans," a national organization for the protection of constitutional government, Philadelphia, Pa.

There being no objection, the petition was ordered to lie on the table and to be printed in the RECORD, as follows:

"WE THE AMERICANS," INC.,
Philadelphia, Pa., June 19, 1940.

A PETITION

To the Congress of the United States:

Whereas it is necessary that eternal vigilance be exercised by our representatives in the Congress of the United States in order that our American form of government may be preserved and to avoid the danger of unconstitutional actions by individual officials who might involve this country in a foreign war; and

Whereas the world situation is most critical and requires careful and sound reasoning by our representatives in the Congress: Now, therefore,

"We the Americans," a national organization for the protection of constitutional government, and for other purposes, hereby petitions the Congress of the United States to remain in continuous session for the duration of the war in Europe.

Respectfully submitted.

"WE THE AMERICANS," INC.,
By HERBERT J. KOEHLER, *President.*

Attest:

H. A. RENNER, *Secretary.*

NATIONAL DAY OF PRAYER—PETITION

Mr. AUSTIN. I present and ask to have printed in the RECORD and appropriately referred letter and resolution in the nature of a petition from the Lamoille County (Vt.) Ministers' Association.

There being no objection, the letter and resolution were ordered to lie on the table and to be printed in the RECORD, as follows:

THE SECOND CONGREGATIONAL CHURCH OF HYDE PARK, VT.,
June 22, 1940.

HON. FRANKLIN D. ROOSEVELT,
White House, Washington, D. C.

DEAR PRESIDENT ROOSEVELT: At a recent meeting of the Lamoille County (Vt.) Ministers' Association the following resolution was passed:

Resolved, That, in view of the present world situation, we hereby urge our President to proclaim a national day of prayer so that both our leaders and people may seek God's guidance and strength, and that His will may prevail.

We hope that this resolution may receive your thoughtful consideration.

Sincerely,

WILLIAM F. ROGERS,
Secretary, Lamoille County Ministers' Association.

REPORT OF NAVAL AFFAIRS COMMITTEE

Mr. WALSH, from the Committee on Naval Affairs, to which was referred the bill (S. 4165) to provide, in cooperation with the Port of New York Authority, for the construction in New York Harbor of a graving drydock large enough to accommodate the largest naval ships built or building, reported it with an amendment and submitted a report (No. 1943) thereon.

BILLS INTRODUCED

Bills were introduced, read the first time, and, by unanimous, consent, the second time, and referred as follows:

By Mr. OVERTON:

A bill (S. 4177) for the relief of the estate of Dr. John C. Fitzpatrick and Katherine H. Clagett, and for other purposes; to the Committee on Claims.

By Mr. GURNEY:

A bill (S. 4178) for the relief of the First National Steamship Co., the Second National Steamship Co., and the Third National Steamship Co.; to the Committee on Claims.

By Mr. WALSH:

A bill (S. 4179) to provide for the establishment of a National Physical Fitness Institute, and for other purposes; to the Committee on Education and Labor.

A bill (S. 4180) for the relief of James F. Desmond; to the Committee on Post Offices and Post Roads.

By Mr. SCHWELLENBACH:

A bill (S. 4181) to amend the National Housing Act, as amended; to the Committee on Education and Labor.

A bill (S. 4182) authorizing special arrangements in the transportation of mail within the Territory of Alaska; to the Committee on Post Offices and Post Roads.

HOUSE BILLS REFERRED OR PLACED ON CALENDAR

The following bills were severally read twice by their titles and referred, or ordered to be placed on the calendar, as indicated below:

H. R. 719. An act for the relief of Francis G. McDougall;

H. R. 1284. An act for the relief of Sophrania Holmes;

H. R. 1874. An act for the relief of Mrs. E. V. Maki;

H. R. 2278. An act for the relief of Carl Hurt;

H. R. 2490. An act for the relief of Fulton Combs;

H. R. 3009. An act for the relief of June Thompson, a minor;

H. R. 3768. An act for the relief of Louis J. Banderet;

H. R. 3992. An act for the relief of Frank Spears;

H. R. 4628. An act for the relief of John C. Gibbs;

H. R. 4815. An act for the relief of Henry J. Wise;

H. R. 5040. An act for the relief of Arthur Joseph Reiber, a minor;

H. R. 5116. An act for the relief of Thomas Miralia and Betty Miralia;

H. R. 5154. An act for the relief of Charles Kliewe;

H. R. 5254. An act for the relief of the captain and crew of the fishing boat *Unione No. 1*;

H. R. 5309. An act for the relief of Robert L. Taylor;

H. R. 5314. An act for the relief of Paul J. Kohanik;

H. R. 5400. An act for the relief of those rendering medical and hospital services to Evyline Vaughn;

H. R. 5562. An act for the relief of Clyde E. Malle;

H. R. 5863. An act for the relief of the estate of James A. Rivera;

H. R. 6108. An act for the relief of Regina Howell;

H. R. 6210. An act for the relief of George R. Stringer;

H. R. 6456. An act for the relief of John Toepel, Robert Scott, Widmer Smith, and Louis Knowlton;

H. R. 6639. An act for the relief of George F. Kermath;

H. R. 6699. An act for the relief of special tax school districts Nos. 2, 3, 4, and 5, Broward County, Fla.;

H. R. 6740. An act for the relief of the estate of J. L. Fretwell;

H. R. 6842. An act for the relief of Rufus E. Farmer;

H. R. 7276. An act for the relief of Walter B. McDougall and Herbert Maier;

H. R. 7302. An act for the relief of Lillian Brown and Silas Young;

H. R. 7416. An act for the relief of Theodore R. King;

H. R. 7425. An act for the relief of the parents of Charldean Finch;

H. R. 7668. An act for the relief of Elizabeth Buxton Hospital;

H. R. 7679. An act for the relief of J. E. Dambach;

H. R. 7681. An act for the relief of Emelie Witzenbacher;

H. R. 7747. An act for the relief of Estelle M. Corbett;

H. R. 7851. An act for the relief of certain disbursing officers of the Division of Disbursement, Treasury Department;

H. R. 7957. An act for the relief of Willie Perry;

H. R. 8028. An act for the relief of Zoe Hoyt Wagner and Io F. Hoyt;

H. R. 8091. An act for the relief of May C. Taylor;

H. R. 8217. An act for the relief of Thomas R. Fox;

H. R. 8246. An act for the relief of Clyde Caietti, a minor;

H. R. 8301. An act for the relief of Allen B. Boyer;

H. R. 8318. An act for the relief of the Charles H. Amos Handle Co.;

H. R. 8459. An act for the relief of Edna S. Gardiner;

H. R. 8504. An act for the relief of Dr. A. C. Wade;

H. R. 8666. An act for the relief of certain claimants on account of loss by fire for which the United States was adjudged liable;

H. R. 8743. An act for the relief of Luther Haden;

H. R. 8946. An act for the relief of Rufus K. Sanderlin;

H. R. 9130. An act for the relief of Fred Shelton;

H. R. 9520. An act for the relief of Edward F. Higgins, postmaster, Great Neck, N. Y.;

H. R. 10034. An act for the relief of certain disbursing officers of the Treasury Department, the Department of the Interior, and the Army; and

H. R. 10036. An act for the relief of John A. Kames; to the Committee on Claims.

H. R. 1999. An act to confer jurisdiction upon certain United States commissioners to try petty offenses committed on Federal reservations; and

H. R. 10094. An act to require the registration of certain organizations carrying on activities within the United States, and for other purposes; to the Committee on the Judiciary.

H. R. 3004. An act for the relief of Dimitreos Bizos;

H. R. 4954. An act for the relief of Rosa Paone;

H. R. 5103. An act for the relief of Kurt Schene;

H. R. 6295. An act for the relief of Fred S. Hondros;

H. R. 6820. An act for the relief of Mrs. Hama Torii Emerson;

H. R. 7143. An act for the relief of Fanny Karp;

H. R. 7458. An act for the relief of Amelia Maria Cavarzan;

H. R. 8293. An act to enable Thaddeus Kirchlechner (Theodore Metsch) to remain permanently in the United States;

H. R. 9279. An act to enable Ernest Hermann Schmidt to remain permanently in the United States; and

H. R. 9693. An act for the relief of Mrs. Rosaria Tumminello Cimino; to the Committee on Immigration.

H. R. 6752. An act to release all the interest of the United States in certain land constituting a portion of the right-of-way granted to the Central Pacific Railway Co. under the act of July 1, 1862, as amended and supplemented;

H. R. 8353. An act to change the designation of the Fort Marion National Monument, in the State of Florida, and for other purposes; and

H. R. 8646. An act to authorize the exchange of certain patented lands in the Death Valley National Monument for Government lands in the monument; to the Committee on Public Lands and Surveys.

H. R. 7910. An act for the relief of Betty Jane Bear Robe;

H. R. 8922. An act relating to lands of the Klamath and Modoc Tribes and the Yahooskin Band of Snake Indians; and

H. R. 10033. An act to provide for the acquisition of flowage rights and the payment of certain damages in connection with the operation of the Fort Hall Indian irrigation project, Idaho; to the Committee on Indian Affairs.

H. R. 9116. An act designating building guards employed in buildings under the jurisdiction of the Federal Works Agency as United States Building Police, and for other purposes; to the Committee on Public Buildings and Grounds.

H. R. 9561. An act granting the consent of Congress to the Minnesota Department of Highways and the counties of Benton and Stearns in Minnesota, to construct, maintain, and operate a free highway bridge across the Mississippi River at or near Sauk Rapids, Minn.; and

H. R. 9828. An act to extend the times for commencing and completing the construction of bridges across the Monongahela River, in Allegheny County, Pa.; to the Committee on Commerce.

H. R. 9854. An act to authorize certain officers and enlisted men of the United States Navy, the United States Marine Corps, the Naval Reserve, and the Marine Corps Reserve to accept such medals, orders, decorations, and presents as have been tendered them by foreign governments; to the Committee on Naval Affairs.

H. R. 10025. An act granting pensions and increase of pensions to certain dependents of veterans of the Civil War; to the Committee on Pensions.

H. R. 10080. An act to amend section 3493 of the Internal Revenue Code, formerly section 404 of the Sugar Act of 1937; to the Committee on Agriculture and Forestry.

H. R. 8774. An act for the relief of the widow of Donald D. Elliott; and

H. R. 9736. An act to amend section 355 of the Revised Statutes, as amended, to authorize the Attorney General to approve the title to low-value lands and interests in lands acquired by or on behalf of the United States subject to infirmities, and for other purposes; to the calendar.

AMENDMENT TO SECTION 355 OF REVISED STATUTES

Mr. KING submitted an amendment intended to be proposed by him, on behalf of the Committee on the Judiciary, to the bill (H. R. 9736) to amend section 355 of the Revised Statutes, as amended, to authorize the Attorney General to approve the title to low-valued lands and interests in lands acquired by or on behalf of the United States subject to infirmities, and for other purposes, which was ordered to lie on the table and to be printed.

FUNERAL EXPENSES OF THE LATE SENATOR GIBSON

Mr. AUSTIN submitted the following resolution (S. Res. 290), which was referred to the Committee to Audit and Control the Contingent Expenses of the Senate:

Resolved, That the Secretary of the Senate hereby is authorized and directed to pay from the contingent fund of the Senate the actual and necessary expenses incurred by the committee appointed by the Vice President in arranging for and attending the funeral of Hon. Ernest W. Gibson, late a Senator from the State of Vermont, upon vouchers to be approved by the Committee to Audit and Control the Contingent Expenses of the Senate.

FEDERAL-AID HIGHWAYS

The VICE PRESIDENT laid before the Senate the action of the House of Representatives disagreeing to the amendments of the Senate to the bill (H. R. 9575) to amend the Federal Aid Act, approved July 11, 1916, as amended and supplemented, and for other purposes, and requesting a conference with the Senate on the disagreeing votes of the two Houses thereon.

Mr. McKELLAR. I move that the Senate insist upon its amendments, agree to the request of the House for a conference, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to; and the Vice President appointed Mr. McKELLAR, Mr. HAYDEN, Mr. BAILEY, Mr. FRAZIER, and Mr. LA FOLLETTE conferees on the part of the Senate.

ADMISSION TO ST. ELIZABETHS HOSPITAL OF PERSONS DOMICILED IN VIRGIN ISLANDS

Mr. KING. Mr. President, some time ago the Senate passed the bill (H. R. 9576) relating to the admission to

St. Elizabeths Hospital of persons resident or domiciled in the Virgin Islands of the United States. Subsequently the provisions of that bill were incorporated in one of the appropriation bills. Therefore, it is not necessary that House bill 9576 be enacted. I, therefore, enter a motion to reconsider the vote by which the bill was passed and I ask unanimous consent that the House be requested to return the bill to the Senate.

The VICE PRESIDENT. The motion will be entered, and, without objection, the House will be requested to return the bill.

SENATOR M'NARY'S NOMINATION FOR THE VICE-PRESIDENCY

[Mr. CAPPER asked and obtained leave to have printed in the RECORD an editorial published in the Washington Post of June 29, 1940, commenting on the nomination of Senator MCNARY to be Republican candidate for Vice President, which appears in the Appendix.]

ARTICLE BY SENATOR GUFFEY ON THIRD TERM FOR PRESIDENT ROOSEVELT

[Mr. SCHWELLENBACH asked and obtained leave to have printed in the RECORD an article entitled "F. D. R. Must Run Again," written by Senator GUFFEY and published in the July issue of Current History, which appears in the Appendix.]

NEBRASKA'S CHALLENGE TO MAKE DEMOCRACY WORK—ADDRESS BY ROBERT LASCH

[Mr. NORRIS asked and obtained leave to have printed in the RECORD an address delivered by Robert Lasch, State editor of the Omaha World-Herald, on the subject Nebraska's Challenge To Make Democracy Work, which appears in the Appendix.]

ARTICLE BY REAR ADMIRAL YATES STIRLING ON UNITED STATES-BRITISH ACCORD WITH JAPAN

[Mr. VANDENBERG asked and obtained leave to have printed in the RECORD an article by Rear Admiral Yates Stirling, Jr., United States Navy, retired, on the subject United States-British Accord With Japan, which appears in the Appendix.]

CONFUSION IN DEFENSE—EDITORIAL FROM THE NEW YORK TIMES

[Mr. NYE asked and obtained leave to have printed in the RECORD an editorial from the New York Times of July 1, 1940, under the heading "Confusion in Defense," which appears in the Appendix.]

WILL WE DO IT?—EDITORIAL FROM SATURDAY EVENING POST

[Mr. NYE asked and obtained leave to have printed in the RECORD an editorial under the heading "Will We Do It?" published in the Saturday Evening Post of the issue of July 6, 1940, which appears in the Appendix.]

THE REPUBLICAN PLATFORM—EDITORIAL FROM HARTFORD TIMES

[Mr. MINTON asked and obtained leave to have printed in RECORD an editorial from the Hartford Times entitled "The Republican Platform," which appears in the Appendix.]

DANGER TO UNITED STATES FROM "SIXTH COLUMN"

[Mr. MURRAY asked and obtained leave to have printed in the RECORD an article published in the Daily Republic, of Mitchell, S. Dak., of June 20, 1940, entitled "Sixth, Not Fifth, Column Greatest Danger to United States, Reports Watwood," which appears in the Appendix.]

EDITORIAL FROM WAUSAU (WIS.) PILOT ON PROGRAM OF DEFENSE

[Mr. WILEY asked and obtained leave to have printed in the RECORD an editorial from the Wausau (Wis.) Pilot of the issue of June 20, 1940, under the heading "United States Program of Defense," which appears in the Appendix.]

EDITORIAL FROM MILWAUKEE JOURNAL ON "WHAT'S WRONG IN WASHINGTON"

[Mr. WILEY asked and obtained leave to have printed in the RECORD an editorial from the Milwaukee Journal of the issue of July 1, 1940, under the heading "What's Wrong in Washington," which appears in the Appendix.]

BOULDER DAM—CONFERENCE REPORT RECOMMITTED

The VICE PRESIDENT. When the Senate took a recess day before yesterday the pending business was the conference report, which is in charge of the Senator from Nevada [Mr. PITTMAN].

Mr. PITTMAN. I ask the Chair to lay the report before the Senate.

The VICE PRESIDENT laid before the Senate the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 9877) authorizing the Secretary of the Interior to promulgate and to put into effect charges for electrical energy generated at Boulder Dam providing for the application of revenues from said project, authorizing the operation of the Boulder Power Plant by the United States, directly or through agents, and for other purposes.

Mr. PITTMAN. Mr. President, I move that the conference report be recommitted to the committee of conference.

The VICE PRESIDENT. The question is on the motion of the Senator from Nevada.

The motion was agreed to.

MARY BOYD

The VICE PRESIDENT laid before the Senate the amendments of the House of Representatives to the bill (S. 2570) for the relief of Mary Boyd, which were, on page 1, line 6, to strike out "$5,000" and insert "$3,500", and on page 1, lines 6 and 7, to strike out "satisfaction of her claims" and insert "settlement of all claims."

Mr. SCHWELLENBACH. I move that the Senate concur in the House amendments.

The motion was agreed to.

TRANSPORTATION OF CONVICT GOODS

The VICE PRESIDENT laid before the Senate the amendment of the House of Representatives to the bill (S. 3550) to make unlawful the transportation of convict-made goods in interstate and foreign commerce.

Mr. ASHURST. I move the Senate disagree to the amendments of the House, ask for a conference with the House thereon, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to; and the Vice President appointed Mr. MCCARRAN, Mr. NEELY, and Mr. NORRIS conferees on the part of the Senate.

EDWARD HAGENSON

The VICE PRESIDENT laid before the Senate the amendments of the House of Representatives to the bill (S. 182) for the relief of Edward Hagenson, which were on page 1, line 9, after "Railroad", to insert "during the period 1932 to May 3, 1934"; on page 1, line 10, after "to", to insert "hear"; on page 1, line 11, to strike out "act upon" and insert "determine"; on page 2, line 1, after "Hagenson", to insert "or by his heirs, executors, or administrators"; and on page 2, line 3, to strike out all after "silicosis" down to and including "railroad" in line 6, and insert "*Provided*, That no benefits hereunder shall accrue prior to the enactment of this act."

Mr. ASHURST. I move that the Senate concur in the House amendments.

The motion was agreed to.

INTERSTATE COMPACT—OHIO RIVER DRAINAGE BASIN

The VICE PRESIDENT laid before the Senate the amendments of the House of Representatives to the bill (S. 3617) granting the consent and approval of Congress to an interstate compact relating to control and reduction of pollution in the Ohio River drainage basin, which were on page 12, after line 8, to insert:

SEC. 4. Nothing contained in this act or in the compact herein approved shall be construed as impairing or affecting the sovereignty of the United States or any of its rights or jurisdiction in and over the area or waters which are the subject of such compact.

And on page 12, line 9, to strike out "4" and insert "5."

Mr. BARKLEY. I move the Senate concur in the House amendments.

The motion was agreed to.

ESTATE OF LESLIE EVERETT, DECEASED

The VICE PRESIDENT laid before the Senate the amendments of the House of Representatives to the bill (S. 3280) for the relief of the estate of Leslie Everett, deceased, which

were on page 1, line 5, to strike out "the estate" and insert "Ina May Everett, widow"; on page 1, line 9, after "of", to insert "her husband, the said"; and to amend the title so as to read: "An act for the relief of Ina May Everett."

Mr. BARKLEY. I move the Senate concur in the House amendments.

The motion was agreed to.

RETIREMENT PAY OF CERTAIN OFFICERS AND FORMER OFFICERS

The VICE PRESIDENT laid before the Senate the amendments of the House of Representatives to the bill (S. 134) providing for continuing retirement pay, under certain conditions, of officers and former officers of the Army, Navy, and Marine Corps of the United States, other than officers of the Regular Army, Navy, or Marine Corps, who incurred physical disability while in the service of the United States during the World War, and for other purposes, which were on page 2, line 4, after "pay" to insert "and is shown to have been heretofore correctly rated"; on page 2, line 10, to strike out all after "*Provided,*" down to and including "1921" in line 12 and insert "That such person rendered active service as a commissioned officer within the period between April 6, 1917, and November 11, 1918"; on page 2, line 14, to strike out "directly" and insert "clearly shown by all of the evidence to have been"; on page 2, line 14, to strike out "during" and insert "by"; on page 2, line 17, to strike out all after "of" down to and including "evidence" in line 18 and insert "duty: *Provided further,* That the Administrator of Veterans' Affairs is hereby authorized and directed to adjudicate claims for emergency officers' retirement in accordance with the provisions of the act of May 24, 1928 (Public Law No. 506, 70th Cong.), subject to limitations contained in section 10 of the act of March 20, 1933 (Public Law No. 2, 73d Cong.), as modified by the provisions of this act, in any case where the disability resulted from injury or disease incurred in combat with an enemy of the United States, and where entitlement is established based upon such injury or disease the Administrator of Veterans' Affairs is hereby authorized to grant retirement with pay as provided in the said act of May 24, 1928, notwithstanding the failure of the person to file claim within the period required by said act of May 24, 1928"; and on page 2, line 19, to strike out all after "SEC. 2" down to and including "act" in line 22.

Mr. GEORGE. I move the Senate concur in the House amendments.

The motion was agreed to.

ESTATES OF AMERICAN CITIZENS WHO DIE ABROAD

The VICE PRESIDENT laid before the Senate the amendment of the House of Representatives to the bill (S. 4097) to provide for the disposition of estates of American citizens who die abroad, which was to strike out all after the enacting clause and insert:

That sections 1709, 1710, and 1711 of the Revised Statutes, as amended (U. S. C., title 22, secs. 75 and 77), are hereby amended to read as follows:

"1709. It shall be the duty of a consular officer, or, if no consular officer is present, a diplomatic officer, under such procedural regulations as the Secretary of State may prescribe—

"First. To take possession and to dispose of the personal estate left by any citizen of the United States, except a seaman who is a member of the crew of an American vessel, who shall die within or is domiciled at time of death within his jurisdiction: *Provided,* That such procedure is authorized by treaty provisions or permitted by the laws or authorities of the country wherein the death occurs, or the decedent is domiciled, or that such privilege is accorded by established usage: *Provided further,* That the decedent shall leave in the country where the death occurred or where he was domiciled, no legal representative, partner in trade, or trustee by him appointed to take care of his personal estate. A consular officer or, in his absence, a diplomatic officer shall act as the provisional conservator of the personal property within his jurisdiction of a deceased citizen of the United States but, unless authorized by treaty provisions, local law, or usage, he shall not act as administrator of such personal property. He shall render assistance in guarding, collecting, and transmitting the property to the United States to be disposed of according to the law of the decedent's domicile.

"Second. After having taken possession of the personal property, as provisional conservator, to inventory and carefully appraise the effects, article by article, with the assistance of two competent persons who, together with such officer, shall sign the inventory and annex thereto an appropriate certificate as to the accuracy of the appraised value of each article.

"Third. To collect the debts due to the decedent in his jurisdiction and pay from the estate the obligations owed there by the decedent.

"Fourth. To sell at auction, after reasonable public notice, unless the amount involved does not justify such expenditure, such part of the estate as shall be of a perishable nature, and after reasonable public notice and notice to next of kin if they can be ascertained by reasonable diligence such further part, if any, as shall be necessary for the payment of the decedent's debts incurred in such country, and funeral expenses, and expenses incident to the disposition of the estate. If, at the expiration of 1 year from the date of death (or for such additional period as may be required for final settlement of the estate) no claimant shall appear, the residue of the estate, with the exception of investments of bonds, shares of stocks, notes of indebtedness, jewelry or heirlooms, or other articles having a sentimental value, shall be sold.

"Fifth. To transmit to the General Accounting Office the proceeds of the sale (and any unsold effects, such as investments of bonds, shares of stocks, notes of indebtedness, jewelry or heirlooms, or other articles having a sentimental value), there to be held in trust for the legal claimant. If, however, at any time prior to such transmission, the decedent's legal representative should appear and demand the proceeds and effects in the officer's hands, he shall deliver them to such representative after having collected the prescribed fee therefor.

"The Comptroller General of the United States, or such member of the General Accounting Office as he may duly empower to act as his representative for the purpose, shall act as conservator of such parts of these estates as may be received by the General Accounting Office or are in its possession, and may, when deemed to be in the interest of the estate, sell such effects, including bonds, shares of stock, notes of indebtedness, jewelry, or other articles, which have heretofore or may hereafter be so received, and pay the expenses of such sale out of the proceeds: *Provided,* That application for such effects shall not have been made by the legal claimant within 6 years after their receipt. The Comptroller General is authorized, for and in behalf of the estate of the deceased, to receive any balances due to such estates, to draw therefor on banks, safe deposits, trust or loan companies, or other like institutions, to endorse all checks, bills of exchange, promissory notes, and other evidences of indebtedness due to such estates, and take such other action as may be deemed necessary for the conservation of such estates. The net proceeds of such sales, together with such other moneys as may be collected by him, shall be deposited into the Treasury to a fund in trust for the legal claimant and reported to the Secretary of State.

"If no claim to the effects the proceeds of which have been so deposited shall have been received from a legal claimant of the deceased within 6 years from the date of the receipt of the effects by the General Accounting Office, the funds so deposited, with any remaining unsold effects, less transmittal charges, shall be transmitted by that office to the proper officer of the State or Territory of the last domicile in the United States of the deceased citizen, if known, or if not, such funds shall be covered into the general fund of the Treasury as miscellaneous receipts on account of proceeds of deceased citizens, and any such remaining unsold effects shall be disposed of by the General Accounting Office in such manner as, in the judgment of the Comptroller General, is deemed appropriate, or they may be destroyed if considered no longer possessed of any value: *Provided,* That when the estate shall be valued in excess of $500, and no claim therefor has been presented to the General Accounting Office by a legal claimant within the period specified in this paragraph or the legal claimant is unknown, before disposition of the estate as provided herein, notice shall be given by publishing once a week for 4 consecutive weeks in a newspaper published in the county of the last known domicile of the deceased, in the United States, the expense thereof to be deducted from the proceeds of such estate, and any lawful claim received as the result of such advertisement shall be adjusted and settled as provided for herein.

"1710. For the information of the representative of the deceased, the consular officer, or, if no consular officer is present, a diplomatic officer, in the settlement of his estate shall immediately notify his death in one of the gazettes published in the consular district, and also to the Secretary of State, that the same may be notified in the State to which the deceased belonged; and he shall, as soon as may be, transmit to the Secretary of State an inventory of the effects of the deceased taken as before directed.

"1711. When a citizen of the United States dies in a foreign country and leaves, by any lawful testamentary disposition, special directions for the custody and management, by the consular officer, or in his absence a diplomatic officer, within whose jurisdiction the death occurred, of the personal property in the foreign country which he possessed at the time of death, such officer shall, so far as the laws of the foreign country permit, strictly observe such directions if not contrary to the laws of the United States. If such citizen has named, by any lawful testamentary disposition, any other person than a consular officer or diplomatic officer to take charge of and manage such property, it shall be the duty of the officer, whenever required by the person so named, to give his official aid in whatever way may be practicable to facilitate the proceedings of such person in the lawful execution of his trust, and,

so far as the laws of the country or treaty provisions permit, to protect the property of the deceased from any interference by the authorities of the country where such citizen died. To this end it shall be the duty of the consular officer, or if no consular officer is present a diplomatic officer, to safeguard the decedent's property by placing thereon his official seal and to break and remove such seal only upon the request of the person designated by the deceased to take charge of and manage his property."

Mr. PITTMAN. I move the Senate concur in the House amendment.

The motion was agreed to.

CLAIM OF MRS. J. W. MARKS

The VICE PRESIDENT laid before the Senate the amendments of the House of Representatives to the joint resolution (S. J. Res. 133) to confer jurisdiction on the Court of Claims or the District Court of the United States for the northern district of Georgia, to hear, determine, and render judgment upon the claim of Mrs. J. W. Marks, of Stephens County, Ga., which were on pages 1 and 2, to strike out the preamble; on page 2, line 11, after "judgment", to insert "if any,"; and on page 2, line 12, after "may", to insert "be found to."

Mr. GEORGE. I move the Senate concur in the House amendments.

The motion was agreed to.

EDWARD J. ROSS, LEGAL GUARDIAN OF BETTY ROSS

The VICE PRESIDENT laid before the Senate the amendments of the House of Representatives to the bill (S. 2800) for the relief of Edward J. Ross, and the legal guardian of Betty Ross, a minor, which were, on page 1, line 7, to strike out "his"; in line 8, after the word "incurred", to insert "by him"; and in line 10, to strike out "$1,000" and insert "$2,000."

Mr. SCHWELLENBACH. I move that the Senate concur in the amendments of the House.

The motion was agreed to.

MARJORIE BUCHEK

The VICE PRESIDENT laid before the Senate the amendment of the House of Representatives to the bill (S. 2560) for the relief of Marjorie Buchek, which was, on page 1, line 6, after the word "settlement", to insert "of all claims against the United States."

Mr. SHEPPARD. I move that the Senate concur in the amendment of the House.

The motion was agreed to.

INA JONES

The VICE PRESIDENT laid before the Senate the amendment of the House of Representatives to the bill (S. 2561) for the relief of Ina Jones, which was, on page 1, line 6, after the word "settlement", to insert "of all claims against the United States."

Mr. SHEPPARD. I move that the Senate concur in the amendment of the House.

The motion was agreed to.

EXTENSION OF JURISDICTION OF UNITED STATES DISTRICT COURT OVER CERTAIN TERRITORIES AND ISLANDS

The VICE PRESIDENT laid before the Senate the amendment of the House of Representatives to the bill (S. 1114) to extend the jurisdiction of the United States District Court, Territory of Hawaii, over the Midway Islands, Wake Island, Johnston Island, Sand Island, Kingman Reef, Kure Island, Baker Island, Howland Island, Jarvis Island, Canton Island, Enderbury Island, and for other purposes, which was, on page 1, line 8, to strike out all after "Island", where it appears the second time, down to and including "thereto" in line 6 of page 2.

Mr. PITTMAN. I move that the Senate concur in the amendment of the House.

The motion was agreed to.

SPEECHES AND LETTERS BY HON. HENRY F. ASHURST, OF ARIZONA, AND OTHER DATA

Mr. ASHURST. Mr. President, I ask unanimous consent to have printed in the RECORD several letters written by me, certain speeches I have delivered, and bills introduced by me which became laws.

There being no objection, the matters were ordered to be printed in the RECORD, as follows:

In the Senate Monday, April 8, 1940

TOWNSEND PLAN

Mr. ASHURST. Mr. President, will the Senator from California yield?

Mr. DOWNEY. I yield.

Mr. ASHURST. The able Senator said he would be delighted to speak a week. I am one of many Senators who would not be wearied if he did speak a week.

If the Senator will pardon me for a reference—it is hardly a question—I want to interject something into his speech.

OLD-AGE PENSION PLAN

A very able citizen, not residing in my State, wrote to me, "I understand you are going to support the Townsend old-age pension plan as it is to be introduced by Senator DOWNEY. I would like to know what you mean. Can you explain it?" The explanation I made to that citizen was to send him the bill, with the statement, "The bill itself is the strongest argument I can make for the bill." He was fair enough to reply, "Having read the bill, I am for it."

In this life we are beset by many perplexing things and frequently we are in doubt as to which way to turn. One of the rules of moral philosophy is that, in the effort to discover what is right and what is wrong, we should search for simplicity. Truth is generally to be identified by its extreme simplicity. A complicated matter, crisscrossed by many lines, difficult of discernment and of analysis, may be suspected. The very simplicity of the Senator's new Townsend bill indicates its truth and its strength.

If I am correct in my analysis of the bill, it does not cancel or stop any issue, rent, profit, or income any person receives. A person may be eligible for this pension at 60 years of age, provided he or she does not receive or earn any salary or wages. Am I correct in that?

Mr. DOWNEY. That is correct.

Mr. ASHURST. A boy 12 years of age could compute on the back of a postal card just how much each citizen owed and should pay the Government under the new Townsend old-age pension plan. Am I correct about that?

Mr. DOWNEY. That is correct.

Mr. ASHURST. Note the simplicity. Experts are sent from the Bureau of Internal Revenue each year so that we may forsooth have help in making out our income-tax returns. Under existing law the most well-intentioned man must have the aid of an expert in making out his return. That is what annoys and perplexes the citizen. The American citizen is glad to pay something to his Government, but he objects to the annoyance of being constantly beset by a number of perplexing questions he must answer, with the fear that he may be entrapped, notwithstanding he is trying to be fair.

I wish to commend to the Senate and to the country this new Townsend bill which the Senator from California [Mr. DOWNEY] has proposed. Senators will be amazed at its simplicity. I repeat, a 12-year-old boy with his pencil could compute on the back of a postal card how much any citizen owed the Government under the Townsend pay-as-you-go plan.

Moreover, in this bill Dr. Townsend has hit upon a truth which may ultimately prove to be the solution of this country's financial troubles. We may come to it, and I think we should. The suggestion is, no appropriation without a tax side by side with it to pay the appropriation.

Some wise man someday will drive through Congress a measure, or the American people will adopt a constitutional amendment, providing that there shall be no appropriation without a tax to accompany it. That will prove to be something which will aid the Government in meeting its bills in the future. It might prevent extreme inflation. Senators would find a pleasure in knowing that when they made an appropriation there would be a tax accompanying it. Am I correct in saying the new bill so provides?

Mr. DOWNEY. The Senator is correct.

Mr. ASHURST. I have studied the new Townsend old age pension plan to be proposed by the Senator from California, for more than 2 months. I have given it the best thought of which I have been capable, and I hope the House will send it to us; I suppose the House will have to originate it. I happened to know the Senator from California when he was a very young boy, and I inflicted a torrent of words on an occasion when he was present more than 35 years ago in a county courthouse in the West. I know that he is a very able lawyer, and his career at the bar demonstrates that he has practiced law with much success.

Let us assume a Senator whose salary is $10,000 a year; he and all other citizens would be entitled to deduct $3,000 as their exemption, which would leave $7,000 taxable at 2 percent, and his tax would be $140 a year.

There is not a Senator, not a Member of the House, in my judgment, who would not be delighted to make that contribution. The precedent set would be wholesome.

Mr. CLARK of Idaho. Mr. President, I may add further, if the Senator will yield, to say that this conception of a gross-income tax is not new. The State of the distinguished Senator from Indiana [Mr. MINTON] has a gross-income tax now and has had for some time.

Mr. SHIPSTEAD. Mr. President, will the Senator yield?

Mr. DOWNEY. I yield.

Mr. SHIPSTEAD. I might add that the State of Minnesota for more than 40 years has taxed its railroads on the basis of gross earnings, and many of our State taxes are earmarked for certain purposes.

Mr. DOWNEY. I cannot conclude my remarks, Mr. President, without discussing somewhat the experience I had with the Senator from Arizona [Mr. ASHURST], to which he adverted awhile ago, and I must say that it is partly the example of the distinguished Senator from Arizona that makes me want to talk another week upon this subject, though I feel compelled to restrict myself to an additional 15 minutes.

Like the Senator, I come from the great and boundless West. In my younger days I spent some time around a lonely mining camp near Winnemucca, which is out on the desert of Nevada, where the great boast of the prospectors and the people generally is that one of the great statesmen and speakers and philosophers of America was born there, to wit, the Senator from Arizona [Mr. ASHURST]. I have never told the Senator that before, but many times when I have been out in the lonely mining camps in the deserts of Nevada I have found the people there still talking of Senator ASHURST. Senator ASHURST was taken to Arizona when a mere child.

At one time, when I was about 17 or 18 years of age, when I had been expelled from a preparatory school, my father sent me out to labor in the world with a surveying crew, and one day I came into the town of Flagstaff, Ariz. And as I approached the courthouse I saw a great crowd surrounding the building and there was a great air of excitement. As I walked up to the steps to see what the occurrence was I heard a booming, vibrant voice coming out from the courtroom. I asked one of the bystanders what was up and he told me there was a famous murder case at trial and that a young district attorney, who was known as the silver-tongued orator of Coconino County, was making an address for the prosecution. Even then I was interested in oratory, so I decided to listen and finally wormed my way up into a crowded window, and I looked out into the courtroom where I could see the judge upon the bench, the unfortunate defendant, and the jury, and there addressing the jury was a great, broad-shouldered, fine-looking young man, I guess of 26 or 27, holding forth with powerful magnetic oratory. The first thing I heard him say, Mr. President, was this:

"Now, gentlemen of the jury, as I stated to you when I began this argument 1 week ago [laughter], I had 10 points to develop. I have now covered the first 2, and I am going to proceed to the third one. [Laughter.]"

I might say, Mr. President, that right there my surveying crew lost an employee, because I stayed to listen to all the points, and I lost nearly a month's salary.

When I was an amateur in the Senate several months ago, in my first session, there had been long and laborious arguments, and some of the columnists had been complaining because the Senators were taking up so much time, either stating what was obviously so, or worse, what was obviously not so, and I think our most distinguished orator, the Senator from Arizona, who combines a perfect facility of language with a great philosophy and a great poetical imagination, rose and said there and then that he believed that any Senator, without exception, should be able to say all that he had in his mind in the brief space of 15 minutes. That took me back to those Flagstaff days when I had heard him talking as a young lawyer.

Mr. ASHURST. Mr. President, I would be lacking in grace and would be either less than human or more than human if I did not thank the genial and able Senator from California, whom, as I said, I have known since his boyhood, and whom I am proud to call my friend.

EXTRACT FROM AN ARTICLE BY ALVA JOHNSTON IN THE SATURDAY EVENING POST, DECEMBER 25, 1937

Senator ASHURST has always had reverence for the elder Senator Lodge and for other scholars in politics, like President Theodore Roosevelt and the late Senator Bronson Cutting. He probably knows more quotations than the three of them together, but they knew Greek, and ASHURST doesn't. The Arizonian is not a Latin scholar, but he has memorized innumerable Latin quotations. All the Latin that he knows he knows by heart. It is almost as dangerous to misquote Latin as English in his presence. He is industrious and is vigilant about Arizona affairs. One of the points in his favor is that he has refused to practice law on the side. ASHURST regards that sort of thing as beneath his dignity; he thinks, also, it would interfere with his scholarly pursuits and with his diligence in Arizona's and the Nation's business. He could roll in wealth if he were willing to sell his name, for his prestige as chairman of the Senate Judiciary Committee could be made an important commercial asset.

WASHINGTON, D. C., *April 11, 1940.*

Gen. FRANK T. HINES,
Administrator, Veterans' Affairs, Washington, D. C.

DEAR GENERAL HINES: When H. R. 12175 was pending in the Senate of the Sixty-ninth Congress, I offered an amendment which was adopted by the Senate and became a part of Public Law No. 448.

My amendment provided for certain compensation to ex-service men suffering from tuberculosis of a "compensable degree," and, for the lack of a better description, has come to be known as the Ashurst amendment.

Will you please inform me as to the number of ex-service men now receiving compensation under the provisions of my amendment, and also please further advise me as to the gross sum of money (compensation) which to date has been paid to ex-service men under and by virtue of this Ashurst amendment and its subsequent amendments?

With high esteem, sincerely yours,

HENRY F. ASHURST.

VETERANS' ADMINISTRATION,
Washington, April 17, 1940.

Hon. HENRY F. ASHURST,
United States Senate, Washington, D. C.

MY DEAR SENATOR ASHURST: Reference is made to your letter of April 11, 1940, requesting information as to the total cost of paying a statutory $50 award to World War veterans suffering from a tuberculous disease of a compensable degree which has reached a condition of complete arrest.

There are now on the rolls approximately 41,400 veterans who are receiving a statutory award of $50 for arrested tuberculosis, and the total cost of this provision of the law to date is approximately $207,091,000.

Very truly yours,

FRANK T. HINES,
Administrator.

In the Senate, Thursday, January 4, 1934

TAX-EXEMPT SECURITIES

Mr. ASHURST. My proposed amendment strikes at an evil in our system of taxation which is already great, and if unchecked will grow—indeed has grown—to such magnitude as to threaten the existence of our institutions.

The existence of conditions that enable any municipality or political subdivision to issue tax-free securities directly permits a certain class of property owners to partake of the comforts and benefits of governments without bearing any share of the expense burden of government.

All private property should pay its just proportion of the expense of maintaining the Government.

The issuance of tax-exempt securities permits:

(1) A large portion of property to escape taxation, thereby causing great loss of revenue.

(2) It violates the sound tax principle of "ability to pay," and it unfairly discriminates among taxpayers.

(3) It discourages investment in new enterprises.

(4) It encourages extravagances of governmental agencies.

(5) It grants private subsidies and special privileges, obnoxious to our system.

(6) By withdrawing money from private enterprises it increases the rate of interest required for all enterprises not carried on by the Government, and thereby adds to the cost of living.

(7) It creates, and quite naturally, social unrest.

Vigor and vision are the supreme need of the hour, and unless we act with promptness on this subject, the National Government and some of the States will bog down and sink into the grasp of the all-smothering, all-destroying quicksands of insolvency.

In the Senate, March 30, 1938

SEA POWER

Mr. ASHURST. Mr. President, it was sea power that saved Rome from Greece.

It was sea power that saved Greece from Persia.

It was sea power that gave to the Phoenicians the command of the ancient maritime world. Sea power built up the far-flung commercial empire of Carthage. Sea power made Athens ruler of vast territories, and it was sea power that made the Rome of antiquity mistress of the civilized world. Rome could not have subsisted without her sea power, because nearly all her wheat came overseas.

When Spain had great sea power she dominated Christendom; and Spain's decline began when storms and British seamanship wrecked her great Armada.

The sea power of the American Colonies with the sea power of France won the American Revolution, and the naval blockade defeated the Confederacy.

During the World War the Allies would have starved had it not been for sea power.

In the Senate, June 15, 1940

TO AUTHORIZE LOANS FOR THE DEVELOPMENT OF STRATEGIC AND CRITICAL MINERALS—LOANS TO SMALL MINES

Mr. ASHURST. Mr. President, we should read history because we learn from reading history that we learn nothing from history. Let us for once, however, learn something from history. In times of antiquity when men went to battle, personal valor and esprit de corps usually turned the tide. In those far-off days, weapons were of iron, copper, zinc, sometimes of bronze, a composition of copper and tin; sometimes of brass, a combination of copper and zinc; sometimes a weapon was fashioned of hardwood, and often a spear head or arrow point was made from volcanic glass called obsidian; and now and then, forsooth, a shield was made from tough bull hide. Some armies used catapults to hurl stones and some armies were equipped with chariots with bladed wheels. Those days have gone. Chivalry, personal courage, physical prowess, and moral indignation then counted for much and frequently determined the destiny of nations. But, Mr. President, in recent years we have

learned that the valor of the brave is of little or no avail against mechanized armies or remorseless engines pointed at human hearts which are only flesh and blood. We have recently seen France, with a valor beyond the range of eulogy, walk the path of duty, death, and glory. Valor availed nothing against mechanized armies.

Mr. President, at this time I refer to the labors of the junior Senator from Utah [Mr. THOMAS] and the labors of the junior Senator from Montana [Mr. MURRAY] in the efforts they have put forth to procure for the Nation strategic, critical, and essential minerals. It will be remembered that during the World War we were required to depend upon importations from foreign countries for many strategic and critical minerals.

In a time of trouble we cannot depend upon supplies of strategic and critical minerals from foreign countries. The Creator in His beneficence and judgment has deposited in the hills of the United States nearly all, if not all, the minerals necessary for industry and for the defense of the United States if we will but develop them.

Mr. President, there has been talk of an adjournment of Congress. In the most perilous age of the world's history, when civilization is in deadly danger, there are men—they are not in the Senate, they are not in the House—who talk of adjourning, of running away and abandoning duties. Let me say to you, Mr. President, that those who vote to go home should be kept there. We cannot add to the efficiency and strength of the United States by running away and abandoning the duties we were elected, sworn, and paid to perform.

There is no remorse so inveterate, so keen, as that which comes from the consciousness that we abandoned duty in a day of national distress. There is no happiness more sustaining and unselfish than that derived from the consciousness that we performed our duty in a manner worthy of American Senators. Success, safety, and efficiency fly upon high and rapid wing; they must be seized as they pass by; once gone they may not be overtaken.

I have announced that I am a candidate for reelection to the Senate. I am opposed by able and worthy opponents. I have some fences in a bad state of disrepair; I should like to go home to repair them; but, Mr. President, I would be unworthy to be heard here for a moment if I placed the mending of my political fences and the care of my political fortunes above the success, safety, and efficiency of my country and above the preparation and rearmament for its defense.

If we are to assist the President of the United States in carrying out his program of preparedness, let us take steps toward acquiring the strategic and critical minerals so necessary to our national life. I refer particularly to manganese. We have an abundance of manganese if it is developed. During the World War the ship *Cyclops*, laden with manganese from Brazil, was sunk without trace with over 300 souls on board. Laden with manganese for the United States, she went down to the airless meadows of the cavernous deep. Nothing has been heard of her since.

Manganese, as every Senator knows, is used to "sweeten" pig iron and to make steel. I shall not tire the Senate by reciting the long list of the strategic and critical minerals necessary for our defense. It is not proposed to put the Government into the mining business. The Government, forsooth, cannot go out and discover a mine. It is not equipped to do so. The prospectors and miners of our country, if given an opportunity to obtain credit, will produce the necessary strategic and critical minerals.

In the Senate, July 28, 1939

TO AUTHORIZE LOANS FOR THE DEVELOPMENT OF STRATEGIC AND CRITICAL MINERALS—LOANS TO SMALL MINES

Mr. ASHURST. Mr. President, the amendment extends and enlarges the power of the Reconstruction Finance Corporation so that the Reconstruction Finance Corporation may make loans to small mines and prospectors. In the present situation the Reconstruction Finance Corporation may make loans only to facilitate the exploration and development of gold mines, silver mines, and tin mines.

The American prospector dwells in the future; he has faith in the future, and has faith in himself. He is willing that a couple of burros may be his companions. I wish I had the time, as I have the inclination, to pay a tribute to the burro; he conquered the desert. The prospector with his burro and a grubstake—the word "grubstake" is a definite, valid locution, it is known to the law—searches for minerals.

His grubstake arises from the fact that some friend, possibly some merchant or other person, advances to the prospector supplies, blankets, powder, and other equipment, with the understanding that as to what the prospector may discover in the way of minerals, the man furnishing the grubstake shall be entitled to whatever proportion of the "discovery" the contract calls for, and such a contract is valid.

Many able and thoughtful persons erroneously believe that any man may go out and through some happy stroke, without much effort, discover a rich mine. That might happen in the realm of fiction, but such experience is so rare in this practical world that no substantial dependence may be placed upon it. The development of a mine is like the gathering of waters to form a great river. The Mississippi River, for example, does not spring forth full panoplied like Minerva from the brow of Jove; it comes from a small alpine spring here, a slender stream there, snow melting on yonder hills, slender stream joining stream, multiplied again and again, swelling in volume as it flows, until it becomes a mighty river, fed originally by a multitude of meandering streams.

So it is with a great mine. The prospector goes forth with his grubstake; he finds what appears to him to be a good prospect; he finds "float." He stakes out his claim, he does "discovery work." With strong arm and unerring eye he directs the point of a miner's pick and develops his mining claim.

He may not have adequate means, and his backers may not have adequate means with which practically to develop the discovery, but if he can borrow $2,000, $3,000, or $5,000 he may develop his discovery. He may meet failure. But he is—I was going to say endowed, but I shall say he is endued with hope and zeal. He believes in the mineral resources of his country; he believes in his luck and, with courage and strength, he strikes the breast of the mountain and minerals gush forth—sometimes, not always. Small mines sometimes become great mines, and most great mines were once small mines.

Mr. President, the Government may not, in the nature of things, employ prospectors and direct prospecting. For the discovery of these critical and strategic minerals so important to industry and to national defense we cannot depend upon the Government; we must depend upon the initiative, the boldness, the energy, and the courage of the prospector.

LATTER-DAY SAINTS

[Remarks of Hon. HENRY F. ASHURST, of Arizona, Tuesday, November 11, 1919]

Mr. ASHURST. Mr. President, I am glad that the Senator from Utah, Mr. Smoot, has spoken as he has. It was time for such a speech. A matchless maker of epigrams said that when "once a lie or a counterfeit statement gets into circulation it is well-nigh impossible to overtake it"; and therefore I believe the Senator from Utah has done a service to his country in exposing this infamous slander which has been published broadcast against so many worthy people.

When I read the article I felt offended because there are in Arizona a large number of Mormon people, or people who belong to the Church of Jesus Christ of Latter-Day Saints; and I would be false to that principle of fair play for which I have always pretended that I stood if I failed at this time to say a word on the subject.

It may be that I do not understand fully the theology of the Mormon Church; but, Mr. President, the first church I ever attended was a Mormon church. When there was no other church within 100 miles of the lonely frontier cabin where my parents lived, we found solace and comfort in attending the Mormon church situated 9 miles distant. Our nearest—in fact, our only—neighbors for years were the Mormon people. Better neighbors no pioneer ever had. I am proud of the Mormon people. I am proud of the friendship that I have for them and that I believe they have for me, and I am able to say here in the Senate of the United States that their church has elevated many intellects and purified many hearts in my State.

As pioneers in a new country the Mormons are unrivaled. They are sober, industrious, frugal, honest. They are preeminently State builders; and today, if called upon to name a people who could most expeditiously transform a desert into splendid fields and farms, I would unhesitatingly choose the Mormon people. In many places where once the cacti lifted thorn arms into the brazen and heated air Mormon industry has reared temples, hospitals, homes, factories, and schools.

Moreover, I never saw a Mormon I. W. W.; but I have at some county courthouses in my State heard disgruntled, lazy, and indolent men who did not belong to the Mormon Church sit on the steps of the courthouse and curse the Government, while Mormon citizens were going into the same county courthouse to pay taxes without complaint.

Mr. OWEN. Mr. President——

Mr. ASHURST. I yield for a question.

Mr. OWEN. I should like to ask the Senator if it is not a tenet of the Mormons to teach and preach industry and thrift?

Mr. ASHURST. I am able to state that industry and thrift are amongst the foundation stones of the Mormon Church. Absolute and unquestioned obedience to law is a tenet of the Mormon Church. Respect for authority is one of the tenets of the Mormon Church. We need more of such people in these perilous times of the Republic; and, again, I would be false to every principle of justice and to every sentiment of gratitude if I failed to state at this time that when savage Indians galloped along by our pioneer homes, burning and murdering, plundering and scalping as they went, it was to the Mormon people that my defenseless but heroic parents went for refuge and defense.

Mr. President, I say the Senator from Utah has done well in "scotching" this falsehood, which has been given such wide circulation. I believe the American people are coming at last fully to understand the Mormon people. Their temples, schools, fields, homes, industry, frugality, their morality, and their patriotism testify for them in more eloquent terms than the Senator or I could speak. Then, again, observe their Representatives in the House and in the Senate. Look at the high class of public servants they send here. I ask that the Mormons be judged as a people, judged as a religion, by their fruits; and if they be judged by their fruits the verdict of the world will be in their favor.

It seems to me that the time should be welcomed in America when men shall not further be assailed because of their religion or lack of religion. Men ought not further be assailed or discriminated against because of their particular view of how to follow the Master. America was built up, and one of the reasons for the migrations from the old countries to these shores was that our

ancestors desired to find a place to build free and strong States where such ignoble sentiments as bigotry could not survive.

I do not forget that the splendid domain of Arizona, one of the imperial States of this Union, came into being largely through the brave exploits of the Mormon people. When Gen. Stephen Kearney was beleaguered near San Diego during the Mexican War, and it seemed as though the Mexicans were going to capture and annihilate him and his entire command, it was the Mormon battalion that marched all the long way from Iowa into Tucson, Ariz., and occupied in then Mexican territory a domain we now know as the Gadsden Purchase, which was purchased by our Government in 1854. When the commanding officer of the Mormon battalion, Lt. Col. St. George Cooke, entered the then Mexican town of Tucson and raised the American flag, he issued a pronunciamento, as follows:

"We do not war upon civilians. We make war against men in uniform only. The property of individuals will be held sacred. All civil rights will be upheld. Those who obey the law and conform to order will be protected."

The command remained there some days to refresh itself and then marched on to the relief of General Kearney who, as I said, was beleaguered and surrounded near San Diego.

So, Mr. President, the Mormon people, as pioneers, as State builders, as statesmen, as people of industry and patriotism in every department of life, compare well and favorably with the general mass of their fellow citizens. This much I should have said; more than this I need not say.

WASHINGTON, D. C., *January 22, 1940.*

Mr. FREDERIC E. FOX,
Flagstaff, Ariz.

DEAR MR. FOX: Your letter of January 15 received, advising that you are compiling a history of the five Babbitt brothers.

It is now more than 53 years since I first met the Babbitt brothers—David, George, Charles, William, and Edward. Within a short time after they settled in northern Arizona they, severally, established character as forward-looking, courageous, reliable citizens, and down through the years they contributed toward the upbuilding and the dramatic progress of Arizona.

When I was trying to earn $20 per month as a cowboy (I was overpaid) I rode scores of days and many hundreds of miles under the summer sun and winter stars with Bill Babbitt. Bill was a clean-spoken, chivalrous cowhand.

The thundering herd would sometimes stampede, and this caused some cowhands to let out profanity as they rode furiously and hard, but Bill was serene, and silent as he rode, and let out no profanity, even of the low, sweet, soft kind.

When the chuck wagon would break down or get lost, or the camp cook would turn cranky and there was nothing for supper but "wind pudding," Bill was patient and pleasant and endured all hardships with an almost royal humor.

Some years ago Bill went to that vast realm where kings and queens are probably counted as deuces and the American cowboys are probably counted as aces.

With kind regards.

Sincerely yours,

HENRY F. ASHURST.

THE F. B. I.

[Remarks of Hon. HENRY F. ASHURST, of Arizona, in the Senate of the United States, Thursday, April 25, 1940]

Mr. ASHURST. Mr. President, the speeches just delivered in the Senate regarding the F. B. I. are timely and pertinent.

Charging the able senior Senator from Nebraska [Mr. NORRIS] with attempting to smear somebody is about like charging Abe Lincoln with engaging in a similar endeavor.

Mr. NORRIS. Mr. President, will the Senator yield?

Mr. ASHURST. Certainly.

Mr. NORRIS. When Abraham Lincoln lived he was charged with that and everything else imaginable in the category of crime and ridicule.

Mr. ASHURST. No one believed it.

Mr. NORRIS. They do not now; they know better now; but many believed it then.

Mr. ASHURST. If the Senator will pardon me, no one believed it then.

Mr. President, it is not my function, certainly not my duty, to make any elaborate defense of the F. B. I. or of the Department of Justice. Some 1,600 men make up the personnel of the F. B. I. It would be impossible to imagine that out of 1,600 men there could be no weak member, no rotten bough. The greatest Wisdom, the greatest Mind, the greatest Good on earth, in choosing a cabinet found that He had a denying Peter, a doubting Thomas, and a bribe-taking Judas. Finite man will labor in vain to select men in large numbers without finding some weak one. Therefore, I do not doubt that out of 1,600 men there may be, and doubtless is, some unworthy man.

I speak now as a whole regarding the work of the F. B. I. I shall not even refer to the Detroit cases, because it is my habit never to discuss a matter pending in the courts. It was wise on the part of the speakers who preceded me not to descend into the details of those cases. It is proper in such circumstances to stand in awe of justice and let justice speak.

The members of the F. B. I.—that is, the Federal Bureau of Investigation—are trained men. In my service as a Senator I have made but one recommendation to the F. B. I. I did recommend that a young gentleman be appointed. He was given an examination and could not pass. I requested a reexamination. Still he did not pass. So, far from feeling any resentment against Mr. Hoover, I admire him rather for the strong and sterling way in which he disregarded what might be called a political endorsement.

The F. B. I. requires men of unusual types, sagacious, prudent; they must know when to speak and when to withhold speech. They must know what a criminal would do in certain circumstances. They must even know who would be likely to commit a crime of a particular nature. They must be trained to know what a suspected person will do in certain circumstances. In order to be a successful member of the force of the F. B. I., one must understand physics—that is, natural philosophy; one must understand psychology—that is, the science of human emotions—to an almost perfect degree.

The persons against whom the F. B. I. agents are operating constitute some of the boldest, most desperate, most cruel, and inveterate criminals ever known. Such criminally disposed or antisocial persons desire sensations, wines, high-powered cars, bright lights, ease, comfort, luxury, but lack the ability to earn these things. Therefore they seek to take them by indirection and in violation of the law.

As to communism, I suppose one has a right, under our Constitution, to preach communism. Communism cannot prevail, because it is contrary to the inborn, ineradicable sentiments of the human heart. Deep in the human instincts and enshrined in the hearts of all humans are three things that may not be repealed by any government or any law:

Something to possess. That desire cannot be repealed. Therefore communism will fail because it cannot wipe out the desire to possess something tangible; some property.

Something in which to believe.

Someone for whom to care.

These three things are invincible, and communism will attempt in vain to repeal them. They are part of human life and human destiny.

The Senator from Wisconsin [Mr. WILEY] opened the debate. I listened to him with care, as I listened, of course, with care to what was said by the Senator from Nebraska [Mr. NORRIS] and by the Senator from Florida [Mr. PEPPER]. I agree with them that a man charged with murder or any other crime should be tried strictly according to law. The only hope we have of maintaining this Government is to assure the accused person, no matter how lowly, how poor, how despised such person may be, that he will be tried by the same system of government, the same law, the same rule of evidence, and possibly by the same judge and the same system of jury selection under which the wealthiest, most eminent, most learned citizen would be tried.

Mr. President, more than a hundred years ago—yes; longer ago than that—an eminent orator—I leave it to some surer scholar to discover whom it was—said:

"If all the men who have fallen under American justice and have suffered the death penalty in America could be resurrected at the foot of the gallows and, after their resurrection, were to form a government, they would form a government of the same kind as the one under whose justice they fell."

There is no doubt about that, because it is the fairest system ever devised by man. Therefore, of course, it behooves us all to see to it that the civil liberty of citizens shall not be swept away, and that the lowliest and poorest citizen, the most meager in funds, shall be tried by the same law as the most opulent citizen.

It is a singular circumstance which, if it were not so poignant in its tragedy, would be ironical to the point of humor that when a cold-blooded, desperate, cruel, and inveterate gangster is arrested after spending a lifetime inveighing against the Constitution of the United States, after spending much of his ill-gotten gains in an attempt to subvert our system of government, the first thing that gangster does when brought into court is to appeal to this very Constitution for the preservation of his own liberty and for a fair trial. Sirs, the document he tried to destroy, the system against which he inveighed, and against which he bored from within, is the system to which in his day of trial and trouble he appeals for his freedom and his acquittal, if he is to have such. That statement shows the strength, the power, the beneficence, and the justice of the American system of government under our Constitution.

As to Mr. Hoover, let me say that he is a young man. So far as I know, he is a good man. He is not a great man, for no man is ever great until he has had much sorrow, humiliation, and disappointment. No man will be great, or can expect to be great, until he has had full measure of those chastening and refining influences. But measuring Mr. Hoover by his accomplishments—of course, he is not without error—measuring him by what has been done, the record seems good.

When Mr. Cummings was appointed Attorney General in 1933, I happen to know that tremendous pressure was brought to bear upon him to try to induce him not to retain Mr. Hoover as the Chief of the F. B. I. Mr. Cummings made an investigation, which lasted nearly a year, and at the conclusion of the investigation made by Mr. Cummings he determined—and I think wisely determined—to retain Mr. Hoover.

When Mr. Murphy succeeded Mr. Cummings, the same pressure was not brought to bear on Attorney General Murphy to release and discharge Mr. Hoover, but there was some opinion that it should be done. Attorney General Murphy retained Mr. Hoover as Chief of the F. B. I.

When Mr. Jackson succeeded Mr. Murphy as Attorney General—I do not now speak with authenticity or with any real degree of

accuracy—he considered the question, and after his investigation he also retained Mr. Hoover as the Director of the F. B. I.

It would be childlike in simplicity to pretend that in such a wide field, a field so pregnant with possibilities for mistakes, no mistake has been made. Whenever you find a public man who has made no mistakes you will find one who has been asleep. I say to my fellow Senators, when they go out into the field to begin their campaigns for reelection they will be charged with having made mistakes. Admit it, certainly, for it shows that you are active; you are trying to do something. Those in the graveyard and those who are asleep probably make no mistakes. I have no doubt, Mr. Hoover has made mistakes. I hope he has not made as many as I have made; but it should not frighten one to be accused of having made a mistake.

Mr. President, again referring to the men required in the F. B. I., some Senators may have a phonographic brain. I congratulate them if they have. It is not, however, conclusive evidence of mental strength to have a phonographic brain, one which can reproduce like a phonograph. While it happens to be no sure evidence of mental strength, the F. B. I. man must have it.

How many Senators have a photographic eye? I congratulate such as have. With the photographic eye, what you see in a flash is engraved on your mind forever. If you have such an eye, you are a remarkable man. The F. B. I. man must have both a photographic eye and a phonographic brain.

The F. B. I. man must be cool. He must be so deliberate and so cool that he even appears to be like a gangster in temperament. Gangsters are the coolest of all men. There is no excitement about them. The first thing they learn about gangster warfare is to keep cool. A false move and the game is over.

Mr. President, these men in the F. B. I., moreover, must be above reproach. They must have no social ambition; they must have no political ambition; and, above all, they must have no financial ambition. It is not easy to find men, certainly regiments of men, who can meet such a test, and that is the test they must meet, otherwise the inexorable law of efficiency soon will exclude them from their positions in the F. B. I.

As for Mr. Hoover, I have never had sip or sup with him. We are not social, fraternal, political companions or comrades, and when I speak of him, as I have done before, I do it because I believe I would exhibit a sort of cowardice, I would certainly exhibit a sort of timidity, if I did not lay before the Senate and the country these observations concerning impressions of the F. B. I. which have come to me down through the years.

I could tire the Senate by a long and detailed account of hundreds of cases which have been solved by the F. B. I., cases so startling in their nature, so remarkable, that one might imagine that the F. B. I. men themselves were endowed with some sort of telepathic sense, so remarkable and so startling have been their achievements.

BILLS AND RESOLUTIONS INTRODUCED BY SENATOR ASHURST THAT BECAME LAWS

IN THE SIXTY-THIRD CONGRESS

A bill authorizing the survey and sale of certain lands in Coconino County, Ariz., to the occupants thereof.

IN THE SIXTY-FOURTH CONGRESS

A bill for the relief of Warren E. Day.

A bill authorizing the adjustment of rights of settlers on a part of the Navajo Indian Reservation in the State of Arizona.

A bill to provide for the storing and cleansing of commonly called garbanzo.

A bill to provide for an auxiliary reclamation project in connection with the Yuma project, Arizona.

A bill to authorize the Secretary of the Interior to lease, for production of oil and gas, ceded lands of the Shoshone or Wind River Indian Reservation in the State of Wyoming.

A bill providing that Indian schools may be maintained without restriction as to annual rate of expenditure per pupil.

IN THE SIXTY-FIFTH CONGRESS

A bill to extend the time for cutting timber on the Coconino and Tusayan National Forests, Ariz.

A bill to establish the Grand Canyon National Park in the State of Arizona.

A joint resolution authorizing the assistant to the Secretary of the Interior to sign official papers and documents.

IN THE SIXTY-SEVENTH CONGRESS

A bill for the relief of Walter Runke.

A bill to amend the act entitled "An act authorizing the survey and sale of certain lands in Coconino County, Ariz., to the occupants thereof."

A bill to provide for the completion of the bridge across the Little Colorado River, near Leupp, Ariz.

IN THE SIXTY-EIGHTH CONGRESS

A bill to authorize the Secretary of the Interior to issue patent in fee simple to the board of regents of the University of Arizona for a certain described tract of land.

A bill authorizing the Secretary of War to grant a right-of-way over the Government levee at Yuma, Ariz.

IN THE SIXTY-NINTH CONGRESS

A bill for the relief of Eustacio B. Davison.

A bill (authorizing the withdrawal of certain public lands in Arizona for use as a municipal aviation field by the city of Tucson, Ariz.) to authorize the use by the city of Tucson, Ariz., of certain public land for a municipal aviation field.

A bill for the relief of Edgar K. Miller.

A bill for completion of the road from Tucson to Ajo via Indian Oasis, Ariz.

IN THE SEVENTIETH CONGRESS

A bill to authorize (appropriations for the survey, construction, and maintenance of highways on or adjacent to untaxed Indian lands) an appropriation for roads on Indian reservations.

A bill to authorize the use by the county of Yuma, Ariz., of certain public lands for a municipal aviation field.

A bill granting a pension to Lois I. Marshall, widow of Vice President Marshall.

A bill for the relief of William A. Light.

A bill authorizing the paving of the Federal strip known as International Street, adjacent to Nogales, Ariz.

A bill for the relief of William E. Thackrey.

A bill for the relief of C. R. Olberg.

A bill authorizing the Secretary of War to donate certain buildings in the city of Tucson, Ariz.

A bill authorizing the construction of a fence along the east boundary of the Papago Indian Reservation, Ariz.

A bill authorizing the Federal Power Commission to issue permits and licenses on Fort Apache and White Mountain Indian Reservations, Ariz.

A bill to authorize the construction of a telephone line from Flagstaff to Kayenta on the Western Navajo Indian Reservation, Ariz.

A bill authorizing the Secretary of the Interior to dispose of two bridges on the San Carlos Indian Reservation in Arizona.

IN THE SEVENTY-SECOND CONGRESS

A bill for the relief of Hamilton Grounds.

A bill to amend the United States mining laws applicable to the city of Prescott municipal watershed in the Prescott National Forest within the State of Arizona.

A resolution authorizing an investigation of the subject of the utilization of the water resources of the San Pedro River in Arizona.

IN THE SEVENTY-THIRD CONGRESS

A bill to amend the act of March 4, 1915, relative to desert-land entry.

A bill for the relief of A. E. Sholley.

A bill to provide for the selection of certain lands in the State of Arizona for the use of the University of Arizona.

A bill providing that no indictment shall be insufficient because of formal defects or because of presence of clerks or stenographers.

A bill to provide punishment for killing or assaulting Federal officers.

A bill to limit the operation of the statutes of limitations in certain criminal cases.

A bill to amend the act giving the Supreme Court authority to prescribe rules with respect to proceedings in criminal cases.

A bill to punish smuggling contraband articles into penal institutions, inciting riots therein, etc.

A bill to punish certain offenses committed against banks operating under laws of the United States or any member of the Federal Reserve System.

A bill to extend the provisions of the National Motor Vehicle Theft Act to other stolen property.

A bill giving Supreme Court authority to make and publish rules in civil actions at law.

A bill permitting employment of certain counsel in case of United States against Weirton Steel Co.

A bill permitting employment of certain counsel in cases of United States against Electro Metallurgical Co., New-Kanawha Power Co., and Union Carbide & Carbon Co.

A bill vesting courts with discretion relative to the forfeiture of vessels and aircraft seized for violations of law.

IN THE SEVENTY-FOURTH CONGRESS

A bill to amend an act entitled "An act to regulate the manner in which property shall be sold under orders and decrees of any United States courts."

A bill to prohibit the interstate transportation of prison-made products in certain cases.

A bill to authorize the acquisition of land on McNeil Island.

A resolution providing for the celebration on September 17, 1937, of the one hundred and fiftieth anniversary of the adoption of the Constitution of the United States of America by the Constitutional Convention.

A bill to amend an act entitled "An act to establish a uniform system of bankruptcy throughout the United States."

A bill limiting the operation of sections 109 and 113 of the Criminal Code and section 190 of the Revised Statutes of the United States with respect to counsel in certain cases.

A bill to amend the act entitled "An act forbidding the transportation of any person in interstate or foreign commerce kidnaped or otherwise unlawfully detained, and making such act a felony."

A bill to authorize and direct the Secretary of the Treasury to transfer certain moneys to "Funds of Federal Prisoners."

A bill to provide an official seal for the United States Veterans' Administration.

A bill to authorize the Attorney General to determine and pay certain claims against the Government for damage to person or property in sum not exceeding $500 in any one case.

A bill to amend section 103 of the Code of Criminal Procedure for the Canal Zone and section 542 of the Code of Civil Procedure for the Canal Zone.

A resolution to print additional copies of the revised annotated Constitution, and further to revise the same.

A bill to supplement the act of June 25, 1929, which authorized and directed the Attorney General to institute suit against the Northern Pacific Railway Co. and others.

A bill to amend an act entitled "An act to establish a uniform system of bankruptcy throughout the United States."

A bill for the relief of Lt. Robert A. J. English, United States Navy.

A bill to reenact and amend certain provisions of the various national liquor laws.

IN THE SEVENTY-FIFTH CONGRESS

A bill for the relief of Stanley A. Jerman, receiver for A. J. Peters Co., Inc.

A bill limiting the operation of sections 109 and 113 of the Criminal Code and section 190 of the Revised Statutes of the United States with respect to counsel in certain cases.

A bill to authorize the transfer to the Attorney General of a portion of the Fort Reno Quartermaster Depot Military Reservation, Okla.

A bill to amend the Criminal Code by providing punishment for impersonation of officers and employees of Government-owned and Government-controlled corporations.

A bill to amend the act authorizing the Attorney General to compromise suits on certain contracts of insurance.

A bill to authorize certain officers and employees of Federal penal and correctional institutions to administer oaths.

A bill to provide for the appointment of additional judges in certain United States courts. (Introduced by Senator ASHURST and Senator HATCH.)

A bill to authorize membership on behalf of the United States in the International Criminal Police Commission.

A bill to provide for the care and treatment of juvenile delinquents.

IN THE SEVENTY-SIXTH CONGRESS

A bill to amend section 224 of the Criminal Code so as to penalize the making of false claims for the loss of insured mail matter.

A bill to provide for the administration of the United States courts, and for other purposes.

A bill to provide for the confiscation of firearms in possession of persons convicted of felony and disposition thereof.

A bill to authorize the temporary appointment of a special judge for the district court of the Virgin Islands.

A bill to provide that records certified by the Court of Claims to the Supreme Court, in response to writs of certiorari, may include material portions of the evidence.

A bill to amend the act entitled "An act making appropriations for the naval service," so as to extend commissary privileges to civilian officers and employees of the United States at naval stations beyond the continental limits of the United States or in Alaska.

A bill to prohibit reproductions of official badges, identification cards, and other insignia.

A bill to extend the privilege of retirement for disability to judges appointed to hold office during good behavior.

A bill to provide that no statute of limitations shall apply to offenses punishable by death.

A bill to amend the Criminal Code in regard to obtaining money by false pretenses on the high seas.

A bill to limit the operation of sections 109 and 113 of the Criminal Code and section 190 of the Revised Statutes of the United States with respect to counsel in certain cases.

A bill relating to certain lands of the Papago Indian Reservation in Arizona.

A bill authorizing continuance of prison reorganization.

A bill to amend the Code of Law for the District of Columbia relating to murder in the first degree.

ORDER OF BUSINESS

The VICE PRESIDENT. There is no unfinished business now pending.

Mr. BARKLEY. Mr. President, it is not desired that the Senate take up the calendar at this time; and in view of the absence of a large number of Senators, I wish to say that, by agreement with the Senator from Oregon [Mr. MCNARY], the nominations of Mr. Knox and Mr. Stimson will not be taken up until next Monday. I make that announcement so that Members may be governed accordingly. My information is that the Committee on Naval Affairs has just voted to report favorably the nomination of Mr. Knox.

Mr. CONNALLY. Mr. President, does not the Senator think we ought to be prompt about our action on these nominations, one way or the other, in view of the prevailing emergency, and the fact that these nominations are for the heads of the War and Navy Departments, respectively?

Mr. BARKLEY. I am perfectly willing to act now, so far as I am concerned; but it has been suggested that a large number of Senators are absent.

Mr. CONNALLY. A large number of Senators ought to be here.

Mr. BARKLEY. Of course, the Senator will understand that when we recessed over the Republican convention there was a gentleman's understanding that no business of any importance would be taken up during the week. I try to carry out such understandings, though probably they ought not to be entered into.

Mr. CONNALLY. It seems to me that we have been reminded and we have proclaimed that there is an emergency. These gentlemen are nominated to be the head of the Army and the head of the Navy, and we sit around here and wait a week merely because somebody is absent.

Mr. BARKLEY. The committee waited a week before they took up the nominations. I suppose the Senate may be excused for waiting 3 or 4 days.

Mr. MCNARY. Mr. President, I merely wish to add that I am very happy over the decision of the able Senator from Kentucky. A number of Senators are absent, as they naturally would be on account of the Fourth of July. In anticipation of their absence I personally said to a great many of them that I was sure there would be no transaction of business this week.

I do not know of any great emergency calling for immediate action on the nominations of these able gentlemen. A postponement until Monday is not an undue delay; and I hope the Senator from Texas does not feel disturbed on that account.

What I rose to say was that next week, about the end of the week or a little after the middle of the week, I assume some of the Members of the Senate will want to travel to Chicago. I have been asked many times if we would have sessions during the whole of the week. I desire to suggest that probably it would be accommodating to the Members of the Senate who want to go to Chicago to attend the Democratic convention, if the Senate could recess about Thursday, or not later than Friday, in order that they may be there in time.

If we could come to more or less of an understanding on the subject now, it would be very much to the delight and convenience of Members of the Senate.

Mr. BARKLEY. I appreciate the suggestion of the Senator from Oregon. I think more time would necessarily be required than in the case of the Republican convention, because the distance to Chicago is greater than it is to Philadelphia.

Mr. MCNARY. Yes; that is what I had in mind.

Mr. BARKLEY. I think we might well understand that about Thursday we shall undertake to recess or adjourn for a period sufficiently long to enable the Chicago convention to nominate the next President of the United States.

Mr. KING. Mr. President, I assume that on Monday we shall take up for consideration the nominations of Mr. Stimson and Mr. Knox, and that disposition will be made of them at that time.

Mr. MCNARY. Mr. President, such an arrangement wholly conforms to my view and my pleasure. I think we should have one further understanding in the matter. Shall we meet 2 weeks from next Monday or shall we meet on the following Tuesday or Wednesday?

Mr. BARKLEY. We can determine that matter a little later. I am not prepared now to say.

Mr. CONNALLY. Mr. President, will the Senator further yield?

Mr. BARKLEY. I yield.

Mr. CONNALLY. Is it the understanding, then, that these nominations will be taken up next Monday?

Mr. BARKLEY. Monday; yes.

Mr. CONNALLY. I certainly hope they will be, because it seems that the Navy Department and the War Department ought to be quickly staffed. We ought to put them to work.

Mr. BARKLEY. I think most of the departments are at work.

The VICE PRESIDENT. What is the pleasure of the Senate?

AUTHORIZATION FOR COMMITTEE ON NAVAL AFFAIRS TO SUBMIT REPORTS

Mr. BARKLEY. I ask unanimous consent that the Committee on Naval Affairs be authorized to submit reports during the recess or adjournment of the Senate following today's session. I thought the committee would be ready to report the nomination of Mr. Knox before the taking of a recess by the Senate today, but the Senator from Massachusetts [Mr. WALSH] informs me that the committee will not be able to do so.

The VICE PRESIDENT. Is there objection to the request of the Senator from Kentucky that the Committee on Naval Affairs be authorized to submit reports during the recess or adjournment of the Senate? The Chair hears none.

EXECUTIVE SESSION

Mr. BARKLEY. I move that the Senate proceed to the consideration of executive business.

The motion was agreed to; and the Senate proceeded to the consideration of executive business.

EXECUTIVE MESSAGES REFERRED

The VICE PRESIDENT laid before the Senate messages from the President of the United States submitting sundry nominations, which were referred to the appropriate committees.

(For nominations this day received, see the end of Senate proceedings.)

EXECUTIVE REPORTS OF COMMITTEES

Mr. SHEPPARD, from the Committee on Military Affairs, reported favorably the nomination of Henry L. Stimson, of New York, to be Secretary of War.

Mr. McKELLAR, from the Committee on Post Offices and Post Roads, reported favorably the nominations of sundry postmasters.

The VICE PRESIDENT. If there be no further reports of committees, the clerk will state the nominations on the calendar.

POST-OFFICE NOMINATION RECOMMITTED

Mr. McKELLAR. Mr. President, I ask unanimous consent that the nomination of Harley G. Moorhead, recommended for appointment as postmaster at Omaha, Nebr., the first nomination on page 3 of the calendar, be recommitted to the Committee on Post Offices and Post Roads.

The VICE PRESIDENT. Without objection, it is so ordered.

POSTMASTERS

The legislative clerk proceeded to read sundry nominations of postmasters.

Mr. McKELLAR. I ask unanimous consent that the nominations of all the other postmasters on the calendar be confirmed en bloc.

The VICE PRESIDENT. Without objection, the remaining post-office nominations are confirmed en bloc.

LEGISLATIVE SESSION

Mr. BARKLEY. I move that the Senate resume the consideration of legislative business.

The motion was agreed to; and the Senate resumed the consideration of legislative business.

ORDER OF BUSINESS

Mr. CONNALLY. Mr. President, I desire to say to the Senator from Kentucky that my inquiry a moment ago about action on these nominations was not prompted by any pique or any desire to inconvenience absent Senators. My position is that we ought to stay here and attend to the public business. The country wants us to stay here and attend to these matters. These nominations either ought to be acted upon favorably or they ought to be rejected; and it ought to be done now, and not at some other time.

I think if we have nothing else to do we might go ahead with the revision of the tax laws. We are going to have to revise and reconstruct our tax laws, and we ought to do it now, while the people are willing. Six months from now they will have a different attitude toward this whole program.

I shall not object, because it would not do any good to object; but the country want us to stay here, and they are much more concerned with what we do here than with what we do somewhere else. If some Senators want to be absent, let them be excused and let us go ahead. Senators are elected to do business here, in this Chamber, and they ought to be here. [Manifestations of applause in the galleries.]

The VICE PRESIDENT. It is a violation of the rules of the Senate for the occupants of the galleries to manifest approval or disapproval. The Chair may add that while it is the duty of Senators to be here, it is not the duty of the citizenship of the country to interfere with the Senate by applauding in the galleries.

Mr. BARKLEY. Mr. President, the nomination of Mr. Stimson has been reported only today. It could not be taken up today, except by unanimous consent, as every Member of the Senate knows. Tomorrow will be the Fourth of July, and it has been immemorially the custom of the Senate to adjourn over the Fourth of July. So the nomination could not be taken up before Friday at the earliest.

The nomination of Mr. Knox has not even been reported to the Senate, and it could not be reported, except as I have gotten unanimous consent, until Friday, and it could not be taken up then except by unanimous consent. So that the delay in considering these two nominations from Friday until Monday I trust will not seriously interfere with the Navy and War Departments and will not cause our defense program to collapse entirely.

NOMINATION OF FRANK KNOX—REPORT OF NAVAL AFFAIRS COMMITTEE

As in executive session,

Mr. LUCAS subsequently, from the Committee on Naval Affairs, under authority previously granted on request of Mr. BARKLEY, reported favorably the nomination of Frank Knox, of Illinois, to be Secretary of the Navy.

ADJOURNMENT TO FRIDAY

Mr. BARKLEY. I move that the Senate adjourn until 12 o'clock noon on Friday next.

The motion was agreed to; and (at 12 o'clock and 23 minutes p. m.) the Senate adjourned until Friday, July 5, 1940, at 12 o'clock meridian.

NOMINATIONS

Executive nominations received by the Senate July 3 (legislative day of July 1), 1940

APPOINTMENT IN THE REGULAR ARMY

Lt. Col. Oscar James Gatchell, Ordnance Department, to be professor of natural and experimental philosophy at the United States Military Academy, with rank from August 1, 1940, vice Prof. Clifton C. Carter to be retired July 31 1940.

APPOINTMENTS BY TRANSFER IN THE REGULAR ARMY TO AIR CORPS

Second Lt. Oliver Burtis Taylor, Infantry, with rank from June 12, 1939, effective July 26, 1940.

PROMOTIONS IN THE REGULAR ARMY TO BE LIEUTENANT COLONEL

Maj. Joseph Lawton Collins, Infantry, from June 25, 1940.

TO BE MAJORS

Capt. Paul Edmund Burrows, Air Corps (temporary major, Air Corps), from June 25, 1940.

Capt. George Harold Brown, Air Corps (temporary major, Air Corps), from June 26, 1940.

PROMOTIONS IN THE REGULAR ARMY OF THE UNITED STATES, TO RANK FROM JULY 1, 1940, UNDER THE PROVISIONS OF SECTION 3 OF AN ACT OF CONGRESS APPROVED JULY 31, 1935, AS AMENDED BY AN ACT OF CONGRESS APPROVED JUNE 13, 1940

(Those officers whose names are preceded by the symbol (×) have been examined and found qualified for promotion; all others are subject to the examination required by law.)

TO BE COLONELS

×Lt. Col. Howell Marion Estes, Cavalry.
×Lt. Col. Edwin Noel Hardy, Quartermaster Corps.
×Lt. Col. Thomas Gibbes Morgan Oliphant, Field Artillery.

TO BE LIEUTENANT COLONELS

×Maj. Walter Francis Vander Hyden, Ordnance Department.
×Maj. Ira Adam Crump, Ordnance Department.
×Maj. Elbert Louis Ford, Ordnance Department.
×Maj. Scott Brewer Ritchie, Ordnance Department.
×Maj. John Tupper Cole, Cavalry.
Maj. George Sampson Beurket, Field Artillery.
×Maj. Stephen Huntting Sherrill, Signal Corps.
×Maj. Charles Hunter Gerhardt, Cavalry.
×Maj. Lincoln Ferris Daniels, Infantry.
×Maj. Frederick Augustus Irving, Infantry.
×Maj. Burnett Ralph Olmsted, Ordnance Department.
×Maj. Herbert Charles Holdridge, Adjutant General's Department.
×Maj. Matthew Bunker Ridgway, Infantry.
×Maj. Irvin Edward Doane, Infantry.
×Maj. Albert Cowper Smith, Cavalry.
×Maj. Richard Mars Wightman, Field Artillery.
×Maj. Percy Gamble Black, Field Artillery.
×Maj. Charles Walter Yuill, Infantry.
×Maj. William Willis Eagles, Infantry.
×Maj. Joel Grant Holmes, Ordnance Department.
×Maj. Albert Charles Stanford, Field Artillery.
×Maj. James Arthur Code, Jr., Signal Corps.
Maj. William Sackville, Coast Artillery Corps.
×Maj. Louis LeRoy Martin, Cavalry.
×Maj. John Allen Stewart, Field Artillery.
×Maj. William Kelly Harrison, Jr., Cavalry.
×Maj. Leroy Henry Lohmann, Coast Artillery Corps.
×Maj. Ernest Nason Harmon, Cavalry.
×Maj. Norman Daniel Cota, Infantry.
×Maj. Christian Gingrich Foltz, Coast Artillery Corps.
×Maj. Joseph Scranton Tate, Field Artillery.
×Maj. Robert Bundy Ransom, Infantry.
×Maj. Arthur McKinley Harper, Field Artillery.
×Maj. Carleton Coulter, Jr., Infantry.
×Maj. Aaron Bradshaw, Jr., Coast Artillery Corps.
×Maj. Robert Newton Kunz, Signal Corps.
×Maj. Charles Solomon Kilburn, Cavalry.
×Maj. Willis Richardson Slaughter, Ordnance Department.
Maj. George Hatton Weems, Infantry.
×Maj. Roy Lindsay Bowlin, Ordnance Department.
×Maj. Charles Radcliffe Johnson, Jr., Cavalry.
×Maj. William Claude McMahon, Infantry.
×Maj. Bertrand Morrow, Cavalry.
×Maj. Harry Russell Pierce, Coast Artillery Corps.
×Maj. Francis Michael Brennan, Infantry.
Maj. Lawrence Collamore Mitchell, Coast Artillery Corps.
×Maj. Milton Baldridge Halsey, Infantry.
Maj. Charles Love Mullins, Jr., Infantry.
×Maj. Sterling Alexander Wood, Infantry.
×Maj. Mark Wayne Clark, Infantry.
×Maj. Alexander Hunkins Campbell, Coast Artillery Corps.
×Maj. David Sheridan Rumbough, Field Artillery.
×Maj. Marvil Groves Armstrong, Coast Artillery Corps.
×Maj. Donovan Swanton, Infantry.
×Maj. Francis Atherton Macon, Jr., Adjutant General's Department.
×Maj. Laurence Bolton Keiser, Infantry.
×Maj. Homer Caffee Brown, Infantry.
×Maj. Clare Hibbs Armstrong, Coast Artillery Corps.
×Maj. Harris Marcy Melasky, Infantry.
×Maj. John Clement Whitcomb, Infantry.
×Maj. Wallace James Redner, Quartermaster Corps.
Maj. Paul Hancock Brown, Infantry.
×Maj. William Stuart Eley, Infantry.
×Maj. Joseph Pescia Sullivan, Quartermaster Corps.
×Maj. Clarke Kent Fales, Infantry.
×Maj. George Henry Zautner, Quartermaster Corps.
×Maj. Solomon Foote Clark, Field Artillery.
×Maj. Russell Gilbert Barkalow, Field Artillery.
×Maj. William Fred Riter, Quartermaster Corps.
×Maj. Herbert Warren Hardman, Quartermaster Corps.
×Maj. Joshua Dever Powers, Coast Artillery Corps.
×Maj. Frank Augustus Keating, Infantry.
×Maj. Richard David Daugherity, Finance Department.
×Maj. Joseph Clark Addington, Infantry.
×Maj. Allison Joseph Barnett, Infantry.
×Maj. Thomas Leroy Holland, Quartermaster Corps.
×Maj. John Andrew Porter, Quartermaster Corps.
×Maj. George Frederick Unmacht, Chemical Warfare Service.
×Maj. George Pollock Bush, Signal Corps.
×Maj. Thomas Otis Baker, Quartermaster Corps.
×Maj. William Settle Evans, Field Artillery.
×Maj. Clarence Longacre, Quartermaster Corps.
×Maj. Percival Simon Holmes, Quartermaster Corps.
×Maj. Clarence Lloyd Middleton, Quartermaster Corps.
×Maj. George Herbert Schumacher, Quartermaster Corps.
Maj. Walter Moody Tenney, Field Artillery.
Maj. Arthur Shelby Levinsohn, Quartermaster Corps.
Maj. Richard Bartholomew Moran, Signal Corps.
Maj. Arthur Oscar Walsh, Finance Department.
Maj. David McGoodwin Speed, Quartermaster Corps.
Maj. Harry Lauman Waggoner, Quartermaster Corps.
Maj. Joseph Dixon Hahn, Quartermaster Corps.
Maj. August Christian Jensen, Quartermaster Corps.
Maj. Walter Herbert Wells, Infantry.
Maj. Murray Benjamin Dilley, Signal Corps.
Maj. LeRoy Lutes, Coast Artillery Corps.
Maj. Royal Granville Jenks, Finance Department.
Maj. Richard Thomas Edwards, Quartermaster Corps.
Maj. Alexander Effray Whitworth, Signal Corps.
Maj. David Andrew Watt, Adjutant General's Department.
Maj. Welcome Porter Waltz, Infantry.
Maj. John Walter Crissy, Infantry.
Maj. Edwin Hugh Johnson, Infantry.
Maj. James Williston Callahan, Jr., Philippine Scouts.
Maj. Russel McKee Herrington, Corps of Engineers.
Maj. Lawrence Aloysius Quinn, Infantry.
Maj. Lewis Abram Pulling, Cavalry.
Maj. Dallas Royce Alfonte, Infantry.
Maj. Fred Matthew Fogle, Quartermaster Corps.
Maj. Charles Erwin Rayens, Infantry.
Maj. Charles Hudson Jones, Infantry.
Maj. Sidney Feagin Dunn, Field Artillery.
Maj. William Hones, Infantry.
Maj. Albert Charles Chesledon, Coast Artillery Corps.
Maj. Breckinridge Atwater Day, Field Artillery.
Maj. Joseph Kennedy, Field Artillery.
Maj. William Harold Joiner, Ordnance Department.
Maj. George David Shea, Field Artillery.
Maj. Donald Coe Hawley, Cavalry.
Maj. Gilmer Meriwether Bell, Infantry.
Maj. Jay Ward MacKelvie, Field Artillery.
Maj. Glenn Dewitt Hufford, Infantry.
Maj. Francis Truman Bonsteel, Cavalry.
Maj. Albert Alan Allen, Coast Artillery Corps.
Maj. Paul Revere Hudson, Infantry.
Maj. William Edwin Barott, Quartermaster Corps.
Maj. Frank Nelson, Cavalry.
Maj. George Ross Rede, Field Artillery.
Maj. Ralph Hall, Infantry.
Maj. John Homer Carriker, Field Artillery.
Maj. Benjamin Harrison Hensley, Infantry.
Maj. Jerome Pickett, Infantry.
Maj. William Samuel Rumbough, Signal Corps.
Maj. Frank Henry Barnhart, Cavalry.
Maj. Henry Theophil John Weishaar, Quartermaster Corps.
Maj. Henry Jeffrey Matchett, Infantry.
Maj. Vincent Staub Burton, Infantry.
Maj. John William Bulger, Infantry.
Maj. Roy Wright Voege, Infantry.
Maj. Vernon Lee Burge, Air Corps (temporary lieutenant colonel, Air Corps).
Maj. Crosby Nickerson Elliott, Quartermaster Corps.

Maj. Alton Wright Howard, Cavalry.
Maj. Frank Moore Child, Infantry.
Maj. Hurley Edward Fuller, Infantry.
Maj. Larry McHale, Field Artillery.
Maj. John Paul Horan, Infantry.
Maj. William Benjamin Wright, Jr., Air Corps (temporary lieutenant colonel, Air Corps).
Maj. Richard Whitney Carter, Cavalry.
Maj. Wendell Lowell Bevan, Field Artillery.
Maj. Kenneth Rowntree, Coast Artillery Corps.
Maj. David Leonard Neuman, Corps of Engineers.
Maj. Augustus Brown O'Connell, Infantry.
Maj. Hiram Gilbert Fry, Infantry.
Maj. George Archibald King, Cavalry.
Maj. Benjamin Bowering, Coast Artillery Corps.
Maj. Creighton Kerr, Coast Artillery Corps.
Maj. LeRoy Murray Edwards, Finance Department.
Maj. John Arthur McDonald, Quartermaster Corps.
Maj. Stephen Burdette Massey, Quartermaster Corps.
Maj. Henry Fred Grimm, Coast Artillery Corps.
Maj. Richard Terrell Guthrie, Field Artillery.
Maj. Henry Linsert, Chemical Warfare Service.
Maj. Ittai Albert Luke, Ordnance Department.
Maj. Alan Lockhart Campbell, Field Artillery.
Maj. Edwin Wolsey Grimmer, Infantry.
Maj. Donald Langley Dutton, Coast Artillery Corps.
Maj. Frederick Harold Leroy Ryder, Cavalry.
Maj. Lloyd Davidson Brown, Infantry.
Maj. Christiancy Pickett, Field Artillery.
Maj. Luis Felipe Cianchini, Infantry.
Maj. Roy Carter Hilton, Infantry.
Maj. John Cooper Adams, Field Artillery.

TO BE MAJORS

×Capt. Elmer Daniel Perrin, Air Corps (temporary major, Air Corps).
×Capt. Dale Vincent Gaffney, Air Corps (temporary major, Air Corps).
×Capt. Kenneth Bonner Wolfe, Air Corps (temporary major, Air Corps).
×Capt. Grant Heninger, Field Artillery.
×Capt. Stanley Powloski, Infantry.
×Capt. John Milton Harman, Corps of Engineers.
×Capt. Harry Lincoln Calvin, Quartermaster Corps.
×Capt. Henry Berbert, Corps of Engineers.
×Capt. Chester Carroll Hough, Corps of Engineers.
×Capt. Conrad Palmer Hardy, Corps of Engineers.
×Capt. Clifford Irving Hunn, Cavalry.
×Capt. Patrick Francis Craig, Chemical Warfare Service.
×Capt. Chester Howard Elmes, Quartermaster Corps.
×Capt. Edward Vanmeter Macatee, Quartermaster Corps.
×Capt. Dorr Hazlehurst, Infantry.
×Capt. John Vernon Hart, Air Corps (temporary major, Air Corps).
×Capt. Wilbur Fisk Browder, Quartermaster Corps.
×Capt. Richard Hartnett Magee, Air Corps (temporary major, Air Corps).
×Capt. Henry Harold Reily, Air Corps (temporary major, Air Corps).
×Capt. Henry DuPree, Infantry.
×Capt. John Caraway Arrowsmith, Corps of Engineers.
×Capt. Edward James Roxbury, Field Artillery.
×Capt. Donald Dakin Lamson, Coast Artillery Corps.
×Capt. Harvey Thomas Morgan, Infantry.
×Capt. Elsmere Joe Walters, Quartermaster Corps.
×Capt. Harry Edgar Hagan, Quartermaster Corps.
×Capt. Frank Osborn Dewey, Cavalry.
×Capt. Edward Milan Taylor, Field Artillery.
×Capt. Jesmond Dene Balmer, Field Artillery.
×Capt. Herschel David Baker, Field Artillery.
×Capt. Donald David FitzGerald, Air Corps (temporary major, Air Corps).
×Capt. Thomas Standifer Gunby, Field Artillery.
×Capt. Andrew Paul Sullivan, Coast Artillery Corps.
×Capt. Austin Walrath Martenstein, Air Corps (temporary major, Air Corps).
×Capt. Edwin Barton Bobzien, Air Corps (temporary major, Air Corps).
×Capt. John D. Corkille, Air Corps (temporary major, Air Corps).
×Capt. William Ross Mackinnon, Quartermaster Corps.
×Capt. DuVal Crump Watkins, Quartermaster Corps.
×Capt. Levi L. Beery, Air Corps (temporary major, Air Corps).
×Capt. Carlton Foster Bond, Air Corps (temporary major, Air Corps).
×Capt. Robert MacKenzie Shaw, Signal Corps.
×Capt. John DeForest Barker, Air Corps (temporary major, Air Corps).
×Capt. James Albert Durnford, Quartermaster Corps.
×Capt. Engmann August Andersen, Quartermaster Corps.
×Capt. Frank Griffin Marchman, Quartermaster Corps.
×Capt. Francis Hugh Antony McKeon, Infantry.
×Capt. Braxton DeGreves Butler, Quartermaster Corps.
×Capt. Clifford Augustus Smith, Quartermaster Corps.
×Capt. Warren Rice Carter, Air Corps (temporary major, Air Corps).
×Capt. Thomas Francis Sheehan, Cavalry.
×Capt. Thad Victor Foster, Air Corps (temporary major, Air Corps).
×Capt. Thomas Joseph Cross, Infantry.
×Capt. James Bayard Haley, Finance Department.
×Capt. Emerick Kutschko, Infantry.
×Capt. Marshall Eugene Darby, Ordnance Department.
×Capt. Peter Thomas Wolfe, Infantry.
×Capt. John Cyrus Gates, Quartermaster Corps.
×Capt. Harold Alling McGinnis, Air Corps (temporary major, Air Corps).
×Capt. Harry Arthur Halverson, Air Corps (temporary major, Air Corps).
×Capt. Charles Theodore Skow, Air Corps (temporary major, Air Corps).
×Capt. Morton Howard McKinnon, Air Corps (temporary major, Air Corps).
×Capt. Elmer Edward Adler, Air Corps (temporary major, Air Corps).
×Capt. Elmer Dane Pangburn, Quartermaster Corps.
×Capt. Nathan William Thomas, Quartermaster Corps.
×Capt. Walter Bernard Hough, Air Corps (temporary major, Air Corps).
×Capt. William Michael Lanagan, Air Corps (temporary major, Air Corps).
×Capt. George Platt Tourtellot, Air Corps (temporary major, Air Corps).
×Capt. George Hendricks Beverley, Air Corps (temporary major, Air Corps).
×Capt. Walter Kellsey Burgess, Air Corps (temporary major, Air Corps).
×Capt. Paul California Wilkins, Air Corps (temporary major, Air Corps).
×Capt. Bruno William Brooks, Quartermaster Corps.
×Capt. Gustavus Franzle Chapman, Quartermaster Corps.
×Capt. Norman Delroy Brophy, Air Corps (temporary major, Air Corps).
×Capt. Raymond Morrison, Air Corps (temporary major, Air Corps).
×Capt. Wallace Gordon Smith, Air Corps (temporary major, Air Corps).
×Capt. Charles Adam Horn, Air Corps (temporary major, Air Corps).
×Capt. Byron Elihu Gates, Air Corps (temporary major, Air Corps).
×Capt. Elmer Karl Pettibone, Quartermaster Corps.
×Capt. Thomas Hugh Young, Infantry.
×Capt. William Lewis Boyd, Air Corps (temporary major, Air Corps).
×Capt. Delmar Hall Dunton, Air Corps (temporary major, Air Corps).
×Capt. Orvil Arson Anderson, Air Corps (temporary major, Air Corps).
×Capt. Emile Tisdale Kennedy, Air Corps (temporary major, Air Corps).

×Capt. Robert Benjamin Hood, Field Artillery.
×Capt. Roy Milton Thoroughman, Infantry.
×Capt. Hugh Chester Downey, Air Corps (temporary major, Air Corps).
×Capt. John Joseph Powers, Quartermaster Corps.
×Capt. John Canning Wade, Corps of Engineers.
×Capt. George William Goddard, Air Corps (temporary major, Air Corps).
×Capt. Charles Wingate Reed, Ordnance Department.
×Capt. William John McCarthy, Coast Artillery Corps.
×Capt. Guy Kirksey, Air Corps (temporary major, Air Corps).
×Capt. Thomas Herbert Chapman, Air Corps (temporary major, Air Corps).
×Capt. Robert Van Thomas, Quartermaster Corps.
×Capt. Angier Hobbs Foster, Air Corps (temporary major, Air Corps).
×Capt. Edwin Sullivan, Air Corps (temporary major, Air Corps).
Capt. Carroll Ray Hutchins, Quartermaster Corps.
×Capt. John Raymond Drumm, Air Corps (temporary major, Air Corps).
×Capt. Oliver Kendall Robbins, Air Corps (temporary major, Air Corps).
×Capt. John Fidelis Connell, Finance Department.
×Capt. John Sherman Gullet, Air Corps (temporary major, Air Corps).
Capt. Walter Lenius Dencker, Philippine Scouts.
×Capt. Roy Judson Caperton, Finance Department.
×Capt. Paul Kellam, Infantry.
×Capt. Francis Camillus Beebee, Finance Department.
×Capt. John Raglan Glascock, Air Corps (temporary major, Air Corps).
×Capt. Isaac Devaus Van Meter, Quartermaster Corps.
×Capt. Ray L. Owens, Air Corps (temporary major, Air Corps).
×Capt. Charles Benjamin Leinbach, Field Artillery.
×Capt. Henry Leonard Kersh, Field Artillery.
×Capt. Lloyd Russell Garrison, Field Artillery.
×Capt. Raymond George Miller, Field Artillery.
×Capt. Clyde Milton Hallam, Field Artillery.
×Capt. Nicoll Fosdick Galbraith, Field Artillery.
×Capt. William Adrian Enos, Finance Department.
×Capt. Norman Joseph Eckert, Field Artillery.
×Capt. Hugh Cort, Field Artillery.
×Capt. George Vardeman McPike, Air Corps (temporary major, Air Corps).
×Capt. Jasper Ewing Brady, Jr., Infantry.
×Capt. George Good Cressey, Air Corps (temporary major, Air Corps).
×Capt. Clarence Edgar Crumrine, Air Corps (temporary major, Air Corps).
×Capt. Harry Kirsner, Quartermaster Corps.
×Capt. Russell Hay Cooper, Air Corps (temporary major, Air Corps).
×Capt. Gaylord Leon Phipps, Infantry.
×Capt. Henry Guy Woodward, Air Corps (temporary major, Air Corps).
×Capt. Clifford James Moore, Quartermaster Corps.
×Capt. John Ross Morgan, Air Corps (temporary major, Air Corps).
×Capt. Roscoe Caleb Wriston, Air Corps (temporary major, Air Corps).
×Capt. Charles Edwin Thomas, Jr., Air Corps (temporary major, Air Corps).
×Capt. Henry William Brandhorst, Infantry.
×Capt. Leonard Roberts Smith, Infantry.
×Capt. Stanley Noble Partridge, Quartermaster Corps.
×Capt. James Bumer Jordan, Air Corps (temporary major, Air Corps).
×Capt. Albin Nace Caldwell, Quartermaster Corps.
×Capt. John Hamilton Judd, Quartermaster Corps.
×Capt. Thomas Jefferson Ford, Chemical Warfare Service.
×Capt. Charles Richardson Smith, Quartermaster Corps.
×Capt. Raymond Edward Shum, Infantry.
Capt. Kenton Parkes Cooley, Infantry.
×Capt. Lester Erasmus Gruber, Finance Department.
×Capt. Fay Smith, Infantry.
×Capt. Alfred Nelson Taylor, Infantry.
×Capt. Jack Edmund Rycroft, Quartermaster Corps.
×Capt. Ben Robert Jacobs, Infantry.
×Capt. Jefferson Buckner Willis, Infantry.
×Capt. Clyde Girard Banks, Infantry.
Capt. Ivan Downes Yeaton, Field Artillery.
×Capt. Thomas Everett Winstead, Infantry.
×Capt. Harry Cullins, Infantry.
×Capt. Alfred Edwin McKenney, Infantry.
×Capt. Henry Bosard Ellison, Infantry.
×Capt. Joe Arthur Hinton, Infantry.
×Capt. William Paul Hayes, Infantry.
×Capt. Earl Monroe Miner, Infantry.
×Capt. Eugene Lemuel Miller, Infantry.
×Capt. Reuben Ellis Jenkins, Infantry.
×Capt. Patrick Francis Powers, Chemical Warfare Service.
×Capt. Howard E. Pulliam, Infantry.
×Capt. Millard Fillmore Willet Oliver, Finance Department.
×Capt. Thomas Alfred Northam, Infantry.
×Capt. James Robert Manees, Infantry.
×Capt. Roland Samuel Henderson, Infantry.
×Capt. James Cecilius White, Infantry.
×Capt. Norman Drysdale Gillet, Chemical Warfare Service.
×Capt. Jack Clemens Hodgson, Air Corps (temporary major, Air Corps).
Capt. Carlisle Clyde Dusenbury, Infantry.
Capt. James Lelend Bolt, Infantry.
Capt. Edwin Vivian Dunstan, Quartermaster Corps.
Capt. John Harvey Becque, Chemical Warfare Service.
Capt. Theodore Thomas Teague, Signal Corps.
Capt. Eugene Vincent Elder, Signal Corps.
Capt. Carter Weldon Clarke, Signal Corps.
Capt. Ralph Gordon Richards, Quartermaster Corps.
Capt. Paul LaRue Neal, Signal Corps.
Capt. Ray Guy Harris, Air Corps (temporary major, Air Corps).
Capt. Harry Earl Reed, Infantry.
Capt. Kameil Maertens, Infantry.
Capt. James Cole Shively, Air Corps (temporary major, Air Corps).
Capt. Clifford Smith, Quartermaster Corps.
Capt. Francis Harold Vanderwerker, Judge Advocate General's Department.
Capt. James Culver Cluck, Air Corps (temporary major, Air Corps).
Capt. Richard Geter Rogers, Quartermaster Corps.
Capt. Robert Taylor Strode, Field Artillery.
Capt. Harold Charles Raymond, Field Artillery.
Capt. Charles Herbert Day, Field Artillery.
Capt. Thomas Oscar Foreman, Field Artillery.
Capt. Harry Lee Watts, Jr., Field Artillery.
Capt. Harold Engerud, Cavalry.
Capt. Sidney Cushman Page, Finance Department.
Capt. Walter Talcott Wilsey, Quartermaster Corps.
Capt. Albert James Hastings, Field Artillery.
Capt. Seward Lincoln Mains, Jr., Field Artillery.
Capt. Herbert Glendonne Messer, Signal Corps.
Capt. Charles Kellogg McAlister, Finance Department.
Capt. Thomas Francis Keefe, Field Artillery.
Capt. Edward Harold Metzger, Field Artillery.
Capt. Clinton Steele Berrien, Field Artillery.
Capt. John Edward McCarthy, Infantry.
Capt. Keith Kirkman Tatom, Infantry.
Capt. Paul Revere Taylor, Infantry.
Capt. William Noel Amis, Air Corps (temporary major, Air Corps).
Capt. Alva Edison McConnell, Quartermaster Corps.
Capt. Harold Hibbard Carr, Air Corps (temporary major, Air Corps).
Capt. Carley Lawrence Marshall, Infantry.
Capt. Henderson Wilcox Allen, Philippine Scouts.
Capt. William Ernest Donegan, Infantry.

Capt. Rugus Benjamin Davidson, Air Corps (temporary major, Air Corps).
Capt. Stanley Milward Umstead, Air Corps (temporary major, Air Corps).
Capt. Robert Smith Williams, Quartermaster Corps.
Capt. Roland Birnn, Air Corps (temporary major, Air Corps).
Capt. Stanton Thomas Smith, Air Corps (temporary major, Air Corps).
Capt. Hubert Albert Stecker, Quartermaster Corps.
Capt. Stephen Edward Stancisko, Field Artillery.
Capt. Edward Vincent Freeman, Quartermaster Corps.
Capt. Norman Crawford Caum, Infantry.
Capt. Howard James Edmands, Philippine Scouts.
Capt. Earl Thomas McCullough, Quartermaster Corps.
Capt. Clarence Lee King, Infantry.
Capt. Evers Abbey, Air Corps (temporary major, Air Corps).
Capt. Otto Lucratus McDaniel, Field Artillery.
Capt. Allan Francis Sullivan, Infantry.
Capt. William Clarkson Huggins, Field Artillery.
Capt. Thomas Walter Roane, Infantry.
Capt. Herbert Hunter Harris, Infantry.
Capt. James Alva Murphey, Quartermaster Corps.
Capt. Herbert Edward Baker, Field Artillery.
Capt. William Daniel Schas, Infantry.
Capt. William Robert Schaefer, Field Artillery.
Capt. Moses Alexander, Finance Department.
Capt. Donald Dewey McCaskey, Infantry.
Capt. Allen Agee Goodwyn, Infantry.
Capt. Ralph Elmer Alexander, Infantry.
Capt. Robert Howard Wylie, Quartermaster Corps.
Capt. Albert Pierson, Infantry.
Capt. Sylvian Gaston Kindall, Infantry.
Capt. John Hancock Holder, Quartermaster Corps.
Capt. Joseph Popenjoy Bailey, Air Corps (temporary major, Air Corps).
Capt. Kenneth Campbell McGregor, Air Corps (temporary major, Air Corps).
Capt. Rafael Louis Salzmann, Infantry.
Capt. Riley Finley Ennis, Infantry.
Capt. Clarence Frost Horton, Air Corps (temporary major, Air Corps).
Capt. George Francis Wooley, Jr., Field Artillery.
Capt. Clarence Edward Jones, Quartermaster Corps.
Capt. John Joseph Johnson, Coast Artillery Corps.
Capt. Porter Tate Gregory, Coast Artillery Corps.
Capt. George Henry Bardsley, Ordnance Department.
Capt. Ray Edward Dingeman, Coast Artillery Corps.
Capt. Harry Albert Kuhn, Chemical Warfare Service.
Capt. Arthur Edmond Wilson, Coast Artillery Corps.
Capt. George Cobb Wynne, Quartermaster Corps.
Capt. George Franklin Nichols, Coast Artillery Corps.
Capt. Harry Frederick Meyers, Coast Artillery Corps.
Capt. Ola Aloysius Nelson, Coast Artillery Corps.
Capt. Thomas North, Field Artillery.
Capt. William Chauncey Hutt, Quartermaster Corps.
Capt. Arthur Nicholas Ziegler, Judge Advocate General's Department.
Capt. Henry Lee Kinnison, Jr., Cavalry.
Capt. Robert Homer Soule, Infantry.
Capt. Pardoe Martin, Air Corps (temporary major, Air Corps).
Capt. John Augustus Hunt, Quartermaster Corps.
Capt. Raymond Rudolph Brown, Air Corps (temporary major, Air Corps).
Capt. William Ernest Griffin, Coast Artillery Corps.
Capt. Edwin Charles Lickman, Infantry.
Capt. Rudolph George Schmidt, Quartermaster Corps.
Capt. Frank Willard Bullock, Signal Corps.
Capt. David Lyddall Hardee, Infantry.
Capt. Joseph Elmer Monhollan, Infantry.
Capt. Whitfield Putnam Shepard, Infantry.
Capt. Clifton Tredway Hunt, Corps of Engineers.
Capt. Helmuth Ernest Beine, Infantry.
Capt. Robert Sourlark Moore, Finance Department.
Capt. Aloysius Joseph Tagliabue, Infantry.
Capt. Cleon Lyle Williams, Infantry.
Capt. David Ray Nimocks, Infantry.
Capt. William Thrower Fitts, Jr., Infantry.
Capt. Fredrik Lorentsen Knudson, Jr., Infantry.
Capt. Jesse Thomas Harris, Infantry.
Capt. Crowell Edward Pease, Field Artillery.
Capt. Claude Bertram Avera, Quartermaster Corps.
Capt. Newton Wesley Jones, Field Artillery.
Capt. Elden Quincy Faust, Quartermaster Corps.
Capt. Lewis Mitchell McBride, Chemical Warfare Service.
Capt. Arthur Ellis Dewey, Quartermaster Corps.
Capt. Edwin Ray McReynolds, Air Corps (temporary major, Air Corps).
Capt. David Glenn Lingle, Air Corps (temporary major, Air Corps).
Capt. Harry Van Horn Ellis, Quartermaster Corps.
Capt. Robert Morris Webster, Air Corps (temporary major, Air Corps).
Capt. Ralph Hamilton Tate, Chemical Warfare Service.
Capt. Harold Spigelmyre, Quartermaster Corps.
Capt. Frank Harl Curtis, Infantry.
Capt. William Stanard Keller, Finance Department.
Capt. Thomas Harold Christian, Infantry.
Capt. Paul Revere Smith, Chemical Warfare Service.
Capt. Thearl Ward Essig, Infantry.
Capt. Frank Blanton Lindley, Infantry.
Capt. Carter Marion Kolb, Quartermaster Corps.
Capt. Harold Almon Gardyne, Finance Department.
Capt. Grover Adlai Summa, Finance Department.
Capt. Sam Purswell, Infantry.
Capt. Charles Backes, Air Corps (temporary major, Air Corps).
Capt. Jesse Earl Canary, Infantry.
Capt. Richard Evans Glasson Opie, Infantry.
Capt. John Weckerling, Infantry.
Capt. Forbie Hiram Privett, Infantry.
Capt. Sigmund Franklin Landers, Air Corps (temporary major, Air Corps).
Capt. Lawrence Eugene Heyduck, Field Artillery.
Capt. Milo Neil Clark, Air Corps (temporary major, Air Corps).
Capt. Lewis Peyton Jordan, Infantry.
Capt. Frederick Reinhold Undritz, Infantry.
Capt. Franklin Harwood Canlett, Field Artillery.
Capt. John DeLorme Eason, Infantry.
Capt. Richard Randolph Winslow, Infantry.
Capt. Charles Franklin Hudson, Infantry.
Capt. Harrison Gage Crocker, Air Corps (temporary major, Air Corps).
Capt. John Myres Rooks, Quartermaster Corps.
Capt. Frank Scott Frickelton, Quartermaster Corps.
Capt. Ole Gunnar Hoaas, Corps of Engineers.
Capt. Robert Stanley Beard, Quartermaster Corps.
Capt. Fernand George Dumont, Infantry.
Capt. Ned Schramm, Air Corps (temporary major, Air Corps).
Capt. Don McNeal, Air Corps (temporary major, Air Corps).
Capt. Victor Lafayette Robinson, Quartermaster Corps.
Capt. Milton Edward Wilson, Quartermaster Corps.
Capt. Jesse Anthony Madarasz, Air Corps (temporary major, Air Corps).
Capt. Edward Morris Robbins, Air Corps (temporary major, Air Corps).
Capt. James Weston Hammond, Air Corps (temporary major, Air Corps).
Capt. Leonard Francis Felio, Quartermaster Corps.
Capt. Robert Emmet Coughlin, Corps of Engineers.
Capt. Gaylord Burnam Kidwell, Quartermaster Corps.
Capt. Edwin Joseph McAllister, Infantry.
Capt. William James Daw, Signal Corps.
Capt. Otto Ellis, Field Artillery.
Capt. David Wood Griffiths, Corps of Engineers.
Capt. Arthur William Pence, Corps of Engineers.
Capt. Leslie Richard Groves, Jr., Corps of Engineers.

Capt. Frederic Bates Butler, Corps of Engineers.
Capt. Leverett Griggs Yoder, Corps of Engineers.
Capt. Harry Alexander Montgomery, Corps of Engineers.
Capt. Mark Mayo Boatner, Jr., Corps of Engineers.
Capt. David Ayres Depue Ogden, Corps of Engineers.
Capt. Karl Browne Schilling, Corps of Engineers.
Capt. Elmer Ellsworth Barnes, Corps of Engineers.
Capt. William Wesley Wanamaker, Corps of Engineers.
Capt. Beverly Carndine Snow, Corps of Engineers.
Capt. Richard Lee, Corps of Engineers.
Capt. Howard Louis Peckham, Corps of Engineers.
Capt. Charles Richard Bathurst, Corps of Engineers.
Capt. Wendell Phillips Trower, Corps of Engineers.
Capt. Robert Gilbert Lovett, Corps of Engineers.
Capt. Cornman Louis Hahn, Corps of Engineers.
Capt. Edwin Potter Lock, Jr., Corps of Engineers.
Capt. George Brooke McReynolds, Field Artillery.
Capt. Morris Williams Gilland, Corps of Engineers.
Capt. David Terrill Johnson, Corps of Engineers.
Capt. Randolph Piersol Williams, Air Corps (temporary major, Air Corps).
Capt. Arthur Joseph Sheridan, Corps of Engineers.
Capt. James George Christiansen, Corps of Engineers.
Capt. Benjamin Franklin Chadwick, Corps of Engineers.
Capt. Heath Twichell, Corps of Engineers.
Capt. Joseph Jones Twitty, Corps of Engineers.
Capt. Harrison Shaler, Ordnance Department.
Capt. Edmund Wilson Searby, Field Artillery.
Capt. Roger Manning Wicks, Field Artillery.
Capt. Robert Everett York, Corps of Engineers.
Capt. Chester Krum Harding, Corps of Engineers.
Capt. William Clarence Bennett, Jr., Corps of Engineers.
Capt. Claude Henry Chorpening, Corps of Engineers.
Capt. George Vernon Keyser, Field Artillery.
Capt. Frank Otto Bowman, Corps of Engineers.
Capt. Joseph Shirley Gorlinski, Corps of Engineers.
Capt. Albert Riani, Corps of Engineers.
Capt. Orville Ernest Walsh, Corps of Engineers.
Capt. Peter Paul Goerz, Corps of Engineers.
Capt. William Aylett Callaway, Infantry.
Capt. Howard Voorheis Canan, Corps of Engineers.
Capt. Vere Alfred Beers, Corps of Engineers.
Capt. Doswell Gullatt, Corps of Engineers.
Capt. John Bell Hughes, Corps of Engineers.
Capt. Lawrence Bradford Bixby, Field Artillery.
Capt. Harry Crawford, Field Artillery.
Capt. William Washington Webster, Field Artillery.
Capt. John Hamilton Hinds, Field Artillery.
Capt. John Marks Moore, Coast Artillery Corps.
Capt. George Gage Eddy, Ordnance Department.
Capt. Charles Edward Morrison, Cavalry.
Capt. William Powell Blair, Field Artillery.
Capt. William James Epes, Field Artillery.
Capt. John Hinton, Field Artillery.
Capt. Eric Spencer Molitor, Field Artillery.
Capt. Richard August Ericson, Coast Artillery Corps.
Capt. James Vincent Carroll, Field Artillery.
Capt. Arthur Emil Mickelsen, Signal Corps.
Capt. Paul Boyle Kelly, Coast Artillery Corps.
Capt. Ernest Calhoun Norman, Field Artillery.
Capt. Christian Knudsen, Cavalry.
Capt. William Bobbs Miller, Infantry.
Capt. Charles Rolland Gildart, Field Artillery.
Capt. Richard Carrick Babbitt, Infantry.
Capt. Francis Bassett Valentine, Air Corps (temporary major, Air Corps).
Capt. Charles Edward Hixon, Field Artillery.
Capt. Hammond McDougal Monroe, Infantry.
Capt. Bryan Evans, Field Artillery.
Capt. Bonner Frank Fellers, Coast Artillery Corps.
Capt. John William Middleton, Infantry.
Capt. Melton Adams Hatch, Coast Artillery Corps.
Capt. Kenneth Seymour Stice, Signal Corps.
Capt. Francis Andrew March 3d, Field Artillery.
Capt. George Maurice Badger, Coast Artillery Corps.
Capt. John Sheridan Winn, Jr., Field Artillery.
Capt. Marion Van Voorst, Signal Corps.
Capt. Frank Johnstone Cunningham, Coast Artillery Corps.
Capt. Thomas Tipton Thornburgh, Cavalry.
Capt. Hobart Reed Yeager, Air Corps (temporary major, Air Corps).
Capt. John Hiram Lewis, Jr., Field Artillery.
Capt. Gervais William Trichel, Ordnance Department.
Capt. Vincent John Conrad, Infantry.
Capt. Thomas William Munford, Coast Artillery Corps.
Capt. James Longstreet Whelchel, Quartermaster Corps.
Capt. David Adams Taylor, Cavalry.
Capt. Edward Ward Smith, Ordnance Department.
Capt. Ronald Austin Hicks, Air Corps (temporary major, Air Corps).
Capt. John Hadley Fonvielle, Coast Artillery Corps.
Capt. John Bartlett Sherman, Infantry.
Capt. Elmer Vaughan Stansbury, Cavalry.
Capt. Joe David Moss, Coast Artillery Corps.
Capt. John Joseph Breen, Ordnance Department.
Capt. Joseph Kittredge Baker, Cavalry.
Capt. Frederick Pearson, Infantry.
Capt. Charles Frederick Colson, Infantry.
Capt. Albert Walker Johnson, Judge Advocate General's Department.
Capt. Willard Ames Holbrook, Jr., Cavalry.
Capt. Auston Monroe Wilson, Jr., Coast Artillery Corps.
Capt. Samuel Powell Walker, Jr., Cavalry.
Capt. Robert Alwin Schow, Infantry.
Capt. John Harrison Stokes, Jr., Infantry.
Capt. Jesse Ellis Graham, Infantry.
Capt. Jerome David Cambre, Infantry.
Capt. Eustaquio Sabio Baclig, Philippine Scouts.
Capt. Burrowes Goldthwaite Stevens, Infantry.
Capt. Alexander Thomas McCone, Field Artillery.
Capt. Thomas Marham Brinkley, Infantry.
Capt. Reginald Worth Hubbell, Infantry.
Capt. Donald William Sawtelle, Cavalry.
Capt. Paul Wilkins Kendall, Infantry.
Capt. Charles Henry Moore, Jr., Infantry.
Capt. James Wentworth Freeman, Ordnance Department.
Capt. Alexander John Mackenzie, Infantry.
Capt. Wiley Vinton Carter, Signal Corps.
Capt. Ira Platt Swift, Cavalry.
Capt. Wilbur Eugene Dunkelberg, Infantry.
Capt. Arthur Pulsifer, Signal Corps.
Capt. Farrin Allen Hillard, Infantry.
Capt. Elliott Watkins, Infantry.
Capt. Francis James Gillespie, Infantry.
Capt. Jesse Lewis Gibney, Infantry.
Capt. Robert Hale Vesey, Infantry.
Capt. Clarence Miles Mendenhall, Jr., Coast Artillery Corps.
Capt. Kester Lovejoy Hastings, Quartermaster Corps.
Capt. George McKnight Williamson, Jr., Field Artillery.
Capt. Howard Waite Brimmer, Field Artillery.
Capt. Walter Joseph Muller, Infantry.
Capt. Harry Lovejoy Rogers, Jr., Infantry.
Capt. George Bryan Conrad, Field Artillery.
Capt. William Stephen Murray, Infantry.
Capt. Raymond Wainwright Odor, Infantry.
Capt. James Clyde Welch, Infantry.
Capt. Miner Welsh Bonwell, Infantry.
Capt. Joseph Magoffin Glasgow, Cavalry.
Capt. James Lawrence Keasler, Quartermaster Corps.
Capt. Richard Bryan Wheeler, Infantry.
Capt. Thomas Roswell Aaron, Infantry.
Capt. David Albert Newcomer, Corps of Engineers.
Capt. Alfred Maximilian Gruenther, Field Artillery.
Capt. Herbert Bernard Loper, Corps of Engineers.
Capt. Williston Birkhimer Palmer, Field Artillery.
Capt. Robert Gibbins Gard, Field Artillery.
Capt. Herbert Maury Jones, Field Artillery.
Capt. Orville Wells Martin, Field Artillery.
Capt. Forrest Eugene Cookson, Infantry.
Capt. Alexander Sharp Bennet, Field Artillery.

Capt. George Sheldon Price, Field Artillery.
Capt. Wyburn Dwight Brown, Field Artillery.
Capt. Robert Miller Montague, Field Artillery.
Capt. Charles Pollard Jones, Field Artillery.
Capt. Anthony Clement McAuliffe, Field Artillery.
Capt. Lester Francis Rhodes, Corps of Engineers.
Capt. Albert Rhett Stuart Barden, Field Artillery.
Capt. Don Gilmore Shingler, Corps of Engineers.
Capt. Harlan Nelson Hartness, Infantry.
Capt. Louis Brainard Ely, Field Artillery.
Capt. Julius Easton Slack, Field Artillery.
Capt. Bertram Francis Hayford, Field Artillery.
Capt. Ernest Aaron Bixby, Field Artillery.
Capt. Robert Rossiter Raymond, Jr., Field Artillery.
Capt. Harris Fulford Scherer, Adjutant General's Department.
Capt. Thomas Benoit Hedekin, Field Artillery.
Capt. Joseph Vincil Phelps, Field Artillery.
Capt. Charles Norton McFarland, Field Artillery.
Capt. Charles Alvin Pyle, Field Artillery.
Capt. John Ray Hardin, Corps of Engineers.
Capt. Maurice Place Chadwick, Signal Corps.
Capt. Foster Joseph Tate, Field Artillery.
Capt. Richard Tobin Bennison, Quartermaster Corps.
Capt. Henry John Dick Meyer, Field Artillery.
Capt. Elton Foster Hammond, Signal Corps.
Capt. Ernest Marion Brannon, Judge Advocate General's Department.
Capt. John Wyville Sheehy, Infantry.
Capt. John Joseph Burns, Field Artillery.
Capt. Leslie Edgar Jacoby, Field Artillery.
Capt. John Raikes Vance, Infantry.
Capt. Richard Powell Ovenshine, Infantry.
Capt. Edwin Virgil Kerr, Field Artillery.
Capt. Thomas McGregor, Field Artillery.
Capt. Harrison Howell Dodge Heiberg, Cavalry.
Capt. William Irwin Allen, Coast Artillery Corps.
Capt. James Edmund Parker, Air Corps (temporary major, Air Corps).
Capt. William Wesson Jervey, Signal Corps.
Capt. George Raymond Burgess, Coast Artillery Corps.
Capt. Edward Lynde Strohbehn, Field Artillery.
Capt. Maurice Keyes Kurtz, Field Artillery.
Capt. Leo Clement Paquet, Infantry.
Capt. Thomas Maurice Crawford, Infantry.
Capt. Eugene McGinley, Field Artillery.
Capt. Hugh Brownrigg Waddell, Cavalry.
Capt. Lester DeLong Flory, Coast Artillery Corps.
Capt. Isaac Haiden Ritchie, Coast Artillery Corps.
Capt. Augustine Francis Shea, Air Corps (temporary major, Air Corps).
Capt. Carlisle Visscher Allan, Infantry.
Capt. Marion Patton Echols, Field Artillery.
Capt. Francis Otis Wood, Field Artillery.
Capt. Hobart Hewett, Coast Artillery Corps.
Capt. Waldemar Sven Broberg, Ordnance Department.
Capt. James Holden Phillips, Cavalry.
Capt. Frederick Weed Drury, Cavalry.
Capt. Leander Dunbar Syme, Infantry.
Capt. Ellis Vern Williamson, Field Artillery.
Capt. Leroy Clark Wilson, Infantry.
Capt. Nathaniel Alanson Burnell 2d, Coast Artillery Corps.
Capt. John Bartlett Murphy, Field Artillery.
Capt. James Lowe Harbaugh, Jr., Judge Advocate General's Department.
Capt. Virgil Farrar Shaw, Cavalry.
Capt. Michael Gibson Smith, Field Artillery.
Capt. Syril Emerson Faine, Infantry.
Capt. Arthur Maxon Parsons, Infantry.
Capt. Harry Welling Barrick, Infantry.
Capt. Howard Rand Perry, Jr., Infantry.
Capt. Edward Hamilton Young, Judge Advocate General's Department.
Capt. Gerald St. Claire Mickle, Infantry.
Capt. Benjamin Randolph Farrar, Infantry.
Capt. Henry Ellis Sanderson, Field Artillery.
Capt. Hugh French Thomason Hoffman, Cavalry.
Capt. Walter Scott Winn, Jr., Infantry.
Capt. Willard Gordon Wyman, Cavalry.
Capt. John Leonard Whitelaw, Infantry.
Capt. Edward Henry Bowes, Infantry.
Capt. Edwin Malcolm Sutherland, Infantry.
Capt. Joseph Andrew Holly, Infantry.
Capt. William Douglas McNair, Field Artillery.
Capt. Charles Forrest Wilson, Coast Artillery Corps.
Capt. Robert Francis Carter, Quartermaster Corps.
Capt. Hugh Garnett Elliott, Field Artillery.
Capt. Nathan Farragut Twining, Air Corps (temporary major, Air Corps).
Capt. William John Crowe, Ordnance Department.
Capt. L. Hoyt Rockafellow, Infantry.
Capt. Roland William McNamee, Infantry.
Capt. John Carpenter Raaen, Ordnance Department.
Capt. Winfred George Skelton, Infantry.
Capt. Lambert Benel Cain, Infantry.
Capt. Edmund Bower Sebree, Infantry.
Capt. Merritt Brandon Booth, Infantry.
Capt. Raymond Clay Barlow, Infantry.
Capt. Frank Greene Davis, Infantry.
Capt. Emmett James Bean, Finance Department.
Capt. Donald Allen Fay, Infantry.
Capt. Charles Henry Noble, Cavalry.
Capt. Walter Towle O'Reilly, Field Artillery.
Capt. Kenneth Pierce, Infantry.
Capt. Charles Henry Bryan, Cavalry.
Capt. John Howell Collier, Cavalry.
Capt. Dean Luce, Coast Artillery Corps.
Capt. George Gordon Elms, Cavalry.
Capt. John Dimmick Armstrong, Infantry.
Capt. Ralph Francis Stearley, Air Corps (temporary major, Air Corps).
Capt. Donald Handley Nelson, Cavalry.
Capt. Edward Ora Hopkins, Field Artillery.
Capt. James Verne Cole, Infantry.
Capt. Clarence Archibeld Frank, Finance Department.
Capt. Frederick Bradstreet Dodge, Jr., Coast Artillery Corps.
Capt. Clarkson Deweese McNary, Infantry.
Capt. Bernard Abert Byrne, Infantry.
Capt. Warren Wilson Christian, Infantry.
Capt. Robert Barrett Hutchins, Infantry.
Capt. George Dewey Rodgers, Ordnance Department.
Capt. William Henry John Dunham, Coast Artillery Corps.
Capt. Irvin Alexander, Infantry.
Capt. John Harvey Madison, Coast Artillery Corps.
Capt. George Edward Bruner, Infantry.
Capt. Thomas Llewellyn Waters, Coast Artillery Corps.
Capt. Urban Niblo, Ordnance Department.
Capt. Kenneth Sharp Olson, Finance Department.
Capt. Robert Montgomery Springer, Judge Advocate General's Department.
Capt. Russell John Nelson, Infantry.
Capt. Charles Maine Wolff, Coast Artillery Corps.
Capt. Simon Foss, Infantry.
Capt. Edward Melvin Starr, Infantry.
Capt. Joseph Sladen Bradley, Infantry.
Capt. Arthur Launcelot Moore, Infantry.
Capt. Robert William Crichlow, Jr., Coast Artillery Corps.
Capt. Martin Anthony Fennell, Cavalry.
Capt. Ralph Harris Bassett, Ordnance Department.
Capt. Harold Allen Brown, Infantry.
Capt. Albert Sidney Johnston Stovall, Jr., Cavalry.
Capt. Donald Carson Hardin, Infantry.
Capt. Wayne Cliffton Zimmerman, Infantry.
Capt. John Thomas Keeley, Infantry.
Capt. Joseph Conrad Odell, Quartermaster Corps.
Capt. Josiah Toney Dalbey, Infantry.
Capt. Logan Osburn Shutt, Coast Artillery Corps.
Capt. Hilton Edward Heineke, Infantry.
Capt. Galen Magnus Taylor, Ordnance Department.
Capt. Daniel Philip Buckland, Cavalry.

Capt. Philip McIlvaine Whitney, Adjutant General's Department.
Capt. John Morris Works, Field Artillery.
Capt. Christian Hildebrand, Infantry.
Capt. Joseph Holleman Warren, Infantry.
Capt. Edgar Mortimer Gregory, Coast Artillery Corps.
Capt. John David Frederick, Infantry.
Capt. Richard Ray Coursey, Infantry.
Capt. Thomas Gordon Cranford, Jr., Quartermaster Corps.
Capt. William Robert McMaster, Infantry.
Capt. Joseph Alfred Cranston, Infantry.
Capt. Horace Speed, Jr., Quartermaster Corps.
Capt. Fred William Makinney, Quartermaster Corps.
Capt. William Benjamin Kean, Infantry.
Capt. Harold Robert Emery, Infantry.
Capt. David Sanderson McLean, Judge Advocate General's Department.
Capt. William Joseph Moroney, Infantry.
Capt. Russell Lowell Williamson, Air Corps (temporary major, Air Corps).
Capt. Howard Dohla Johnston, Infantry.
Capt. Franklin Leroy Rash, Infantry.
Capt. Edgar Harvey Snodgrass, Judge Advocate General's Department.
Capt. Claude Birkett Ferenbaugh, Infantry.
Capt. Adna Chaffee Hamilton, Infantry.
Capt. Harold Stuart Ruth, Infantry.
Capt. Sterling Eugene Whitesides, Jr., Chemical Warfare Service.
Capt. Lewis Stone Sorley, Jr., Infantry.
Capt. Albert Coady Wedemeyer, Infantry.
Capt. David Best Latimer, Finance Department.
Capt. Roswell Boyle Hart, Field Artillery.
Capt. Halvor Hegland Myrah, Coast Artillery Corps.
Capt. Frederick Brenton Porter, Field Artillery.
Capt. Bryan Sewall Halter, Infantry.
Capt. Charles Hardy Hart, Jr., Infantry.
Capt. Adolphus Rankin McConnell, Air Corps (temporary major, Air Corps).
Capt. George DeVere Barnes, Quartermaster Corps.
Capt. Paul Robert Menzies Miller, Field Artillery.
Capt. Albert Smith Rice, Ordnance Department.
Capt. Charles Leslie Keerans, Jr., Infantry.
Capt. Henry Spencer Evans, Quartermaster Corps.
Capt. Kenneth Newton Walker, Air Corps (temporary major, Air Corps).
Capt. Stanley Hunsicker Hunsicker, Quartermaster Corps.
Capt. Neal Henry McKay, Quartermaster Corps.
Capt. Oscar Leslie Rogers, Air Corps (temporary major, Air Corps).
Capt. Edgar Theodore Selzer, Air Corps (temporary major, Air Corps).
Capt. Albert Joseph Lubbe, Signal Corps.
Capt. John Bicknell Luscombe, Quartermaster Corps.
Capt. Edward Alton Hillery, Air Corps (temporary major, Air Corps).
Capt. Hugh Sydney Harpole, Quartermaster Corps.
Capt. Homer William Jones, Judge Advocate General's Department.
Capt. Everett Sanford Davis, Air Corps (temporary major, Air Corps).
Capt. Frank Egerton Powell, Quartermaster Corps.
Capt. Donald Reuben Goodrich, Air Corps (temporary major, Air Corps).
Capt. Ernest Walter Wilson, Finance Department.
Capt. Francis Hill Kuhn, Quartermaster Corps.
Capt. Claud Thomas Gunn, Finance Department.
Capt. Herbert Benjamin Wilcox, Infantry.
Capt. Otto Max Jank, Ordnance Department.
Capt. James Wilson Smith, Philippine Scouts.
Capt. Paul Americus Harris, Coast Artillery Corps.
Capt. Jefferson Cleveland Campbell, Field Artillery.
Capt. Hugh Franklin Conrey, Field Artillery.
Capt. Edwin Clark Maling, Chemical Warfare Service.
Capt. O. D. Wells, Infantry.
Capt. Frank Celestine Meade, Signal Corps.
Capt. Paul Wallace Cole, Coast Artillery Corps.
Capt. Charles Speir Lawrence, Quartermaster Corps.
Capt. John Corwin Shaw, Infantry.
Capt. Clarence Matthew Tomlinson, Infantry.
Capt. Julian Buckner Haddon, Air Corps (temporary major, Air Corps).
Capt. Claude Delorum Collins, Infantry.
Capt. William Eldridge Moore, Quartermaster Corps.
Capt. Clem Oliver Gunn, Coast Artillery Corps.
Capt. Wilber Russell Ellis, Quartermaster Corps.
Capt. Donald Weldon Brann, Infantry.
Capt. George Bernhard Anderson, Coast Artillery Corps.
Capt. Walter John Wolfe, Coast Artillery Corps.
Capt. Roswell Emory Round, Infantry.
Capt. Lester Frank Watson, Quartermaster Corps.
Capt. William Edwin Vecqueray, Quartermaster Corps.
Capt. Haynie McCormick, Air Corps (temporary major, Air Corps).
Capt. Albert Theodore Wilson, Infantry.
Capt. Cornelius Emmett O'Connor, Air Corps (temporary major, Air Corps).
Capt. Hartwell Matthew Elder, Quartermaster Corps.
Capt. Park Holland, Air Corps (temporary major, Air Corps).
Capt. John Gross, Field Artillery.
Capt. Thomas Russell Howard, Quartermaster Corps.
Capt. Samuel James Adams, Finance Department.
Capt. Albert Gillian Kelly, Adjutant General's Department.
Capt. Wayne McVeigh Pickels, Quartermaster Corps.
Capt. Owen Russell Marriott, Quartermaster Corps.
Capt. Frank Joseph Vida, Infantry.
Capt. Harold Patrick Henry, Quartermaster Corps.
Capt. Fred Pierce Van Duzee, Infantry.
Capt. Burns Beall, Infantry.
Capt. John Bartlett Hess, Finance Department.
Capt. Allen Francis Haynes, Infantry.
Capt. Harold Gaslin Sydenham, Infantry.
Capt. George Windle Read, Jr., Cavalry.
Capt. Francis Hudson Oxx, Corps of Engineers.
Capt. Thomas Henry Stanley, Corps of Engineers.
Capt. Donald Greeley White, Corps of Engineers.
Capt. William Weston Bessell, Jr., Corps of Engineers.
Capt. Charles George Holle, Corps of Engineers.
Capt. John Wylie Moreland, Corps of Engineers.
Capt. Wayne Stewart Moore, Corps of Engineers.
Capt. Henry Franklin Hannis, Corps of Engineers.
Capt. Edward Albert Routheau, Field Artillery.
Capt. Godfrey Douglas Adamson, Field Artillery.
Capt. Wilson Burnett Higgins, Corps of Engineers.
Capt. Frederic Lord Hayden, Coast Artillery Corps.
Capt. Warren Cressman Rutter, Coast Artillery Corps.
Capt. Harold Frank Handy, Field Artillery.
Capt. Richard Clare Partridge, Field Artillery.
Capt. Edward John McGaw, Field Artillery.
Capt. Harold Thomas Miller, Corps of Engineers.
Capt. Tyree Rivers Horn, Signal Corps.
Capt. Joseph Leo Langevin, Field Artillery.
Capt. William Hardy Hill, Field Artillery.
Capt. Louis Jacob Claterbos, Corps of Engineers.
Capt. Auguste Rhu Taylor, Judge Advocate General's Department.
Capt. James Kenneth Mitchell, Cavalry.
Capt. Frank Andrew Henning, Field Artillery.
Capt. Ewart Gladstone Plank, Corps of Engineers.
Capt. James Malcolm Lewis, Field Artillery.
Capt. Bernard Linn Robinson, Corps of Engineers.
Capt. John Robert Culleton, Field Artillery.
Capt. James Goodrich Renno, Coast Artillery Corps.
Capt. Charles Steinhart Whitmore, Field Artillery.
Capt. James Hobson Stratton, Corps of Engineers.
Capt. Lee Armstead Denson, Jr., Coast Artillery Corps.
Capt. Lawrence Granger Smith, Cavalry.
Capt. Edward Haviland Lastayo, Field Artillery.
Capt. George DeGraaf, Quartermaster Corps.

Capt. Lathrop Ray Bullene, Coast Artillery Corps.
Capt. James Alexander Samouce, Field Artillery.
Capt. William Wallace Ford, Field Artillery.
Capt. George Dewey Vanture, Field Artillery.
Capt. Pastor Martelino, Philippine Scouts.
Capt. Harry Earl Fisher, Corps of Engineers.
Capt. Donald Sylvester Burns, Corps of Engineers.
Capt. Donald James Leehey, Corps of Engineers.
Capt. Joseph Eugene Harriman, Coast Artillery Corps.
Capt. George Joseph Loupret, Coast Artillery Corps.
Capt. Thomas Arnett Roberts, Jr., Field Artillery.
Capt. Verne Donald Mudge, Cavalry.
Capt. John Loren Goff, Coast Artillery Corps.
Capt. Francis Henry Morse, Field Artillery.
Capt. Edward Macon Edmonson, Field Artillery.
Capt. William Gordon Holder, Coast Artillery Corps.
Capt. Halstead Clotworthy Fowler, Field Artillery.
Capt. Lyman Louis Lemnitzer, Coast Artillery Corps.
Capt. Leslie Burgess Downing, Field Artillery.
Capt. William Ignatius Brady, Coast Artillery Corps.
Capt. Eugene Martin Link, Field Artillery.
Capt. John States Seybold, Corps of Engineers.
Capt. William Harry Bartlett, Field Artillery.
Capt. Donald Breen Herron, Coast Artillery Corps.
Capt. Edward Clinton Gillette, Jr., Field Artillery.
Capt. Russell Owen Smith, Field Artillery.
Capt. Rex Van Den Corput, Jr., Signal Corps.
Capt. Homer Watson Kiefer, Field Artillery.
Capt. James Myron McMillin, Chemical Warfare Service.
Capt. Joseph Harris, Finance Department.
Capt. John George Howard, Field Artillery.
Capt. Robert Hugh Kreuter, Coast Artillery Corps.
Capt. Laurence Wood Bartlett, Coast Artillery Corps.
Capt. Donald Frank Stace, Air Corps (temporary major, Air Corps).
Capt. Reynolds Johnston Burt, Jr., Corps of Engineers.
Capt. John Dickerson Mitchell, Coast Artillery Corps.
Capt. Clarence Henry Schabacker, Quartermaster Corps.
Capt. Fred Lebbeus Hamilton, Quartermaster Corps.
Capt. John Francis Cassidy, Coast Artillery Corps.
Capt. John Foxhall Sturman, Jr., Coast Artillery Corps.
Capt. Joseph Jacob Billo, Infantry.
Capt. Clarence Clemens Clendenen, Cavalry.
Capt. William Carleton McFadden, Coast Artillery Corps.
Capt. Eugene Collum Johnston, Cavalry.
Capt. James Hess Walker, Cavalry.
Capt. Lyman Lincoln Judge, Cavalry.
Capt. Frank Needham Roberts, Infantry.
Capt. Francis Henry Lanahan, Jr., Signal Corps.
Capt. Lawrence Edward Schick, Cavalry.
Capt. Courtney Parker Young, Coast Artillery Corps.
Capt. Henry Chester Hine, Jr., Cavalry.
Capt. William Price Withers, Cavalry.
Capt. Frederick Robert Pitts, Cavalry.
Capt. Sherman Vitus Hasbrouck, Field Artillery.
Capt. Crump Garvin, Infantry.
Capt. Hamilton Peyton Ellis, Coast Artillery Corps.
Capt. Thomas Dresser White, Air Corps (temporary major, Air Corps).
Capt. Frederick Mixon Harris, Infantry.
Capt. Dwight Acker Rosebaum, Infantry.
Capt. Kenneth Gilpin Hoge, Cavalry.
Capt. Richard Candler Singer, Field Artillery.
Capt. Aladin James Hart, Cavalry.
Capt. William Richter Tomey, Infantry.
Capt. Joseph Honore Rousseau, Jr., Coast Artillery Corps.
Capt. Lawrence Joseph Carr, Air Corps (temporary major, Air Corps).
Capt. Maurice Wiley Daniel, Field Artillery.
Capt. Alexander Hamilton Perwein, Infantry.
Capt. Clovis Ethelbert Byers, Cavalry.
Capt. Oscar Raymond Johnston, Infantry.
Capt. George Andrew Rehm, Cavalry.
Capt. Edward Carl Engelhart, Coast Artillery Corps.

Capt. Charles Whitney West, Judge Advocate General's Department.
Capt. Park Brown Herrick, Field Artillery.
Capt. Herbert Carl Reuter, Coast Artillery Corps.
Capt. Harold Edward Smyser, Infantry.
Capt. Esher Claflin Burkart, Field Artillery.
Capt. Thomas Eginton Whitehead, Quartermaster Corps.
Capt. Alexander George, Cavalry.
Capt. Charles Kenon Gailey, Jr., Infantry.
Capt. Francis William Farrell, Field Artillery.
Capt. Wilmer Brinton Merritt, Coast Artillery Corps.
Capt. Harry Clark Wisehart, Air Corps (temporary major, Air Corps).
Capt. Charles Merton Adams, Jr., Infantry.
Capt. John Ferral McBlain, Air Corps (temporary major, Air Corps).
Capt. Richard Mead Costigan, Field Artillery.
Capt. Gustave Harold Vogel, Quartermaster Corps.
Capt. Basil Girard Thayer, Cavalry.
Capt. Edward Joseph Sullivan, Chemical Warfare Service.
Capt. James Perrine Barney, Jr., Field Artillery.
Capt. Wilbur Sturtevant Nye, Field Artillery.
Capt. Charles Harlan Swartz, Field Artillery.
Cajt. Leland Stuart Smith, Adjutant General's Department.
Capt. Carl Frederick Duffner, Infantry.
Capt. Millard Pierson, Field Artillery.
Capt. Harlan Thurston McCormick, Air Corps (temporary major, Air Corps).
Capt. Ray Olander Welch, Infantry.
Capt. John Lamont Davidson, Air Corps (temporary major, Air Corps).
Capt. Julian Erskine Raymond, Infantry.
Capt. George Honnen, Infantry.
Capt. Charles Porter Amazeen, Cavalry.
Capt. Edward Thomas Williams, Field Artillery.
Capt. Frank Thweatt Searcy, Infantry.
Capt. Alan Lockhart Fulton, Cavalry.
Capt. Terence John Tully, Signal Corps.
Capt. William Earl Crist, Infantry.
Capt. Claude Monroe McQuarrie, Infantry.
Capt. William Lemuel Mitchell, Infantry.
Capt. Escalus Emmert Elliott, Field Artillery.
Capt. Milton Cogswell Shattuck, Infantry.
Capt. Joseph Vincent de Paul Dillon, Judge Advocate General's Department.
Capt. Hayden Adriance Sears, Cavalry.
Capt. John Thomas Lynch, Quartermaster Corps.
Capt. John Black Reybold, Cavalry.
Capt. William Dickey Long, Infantry.
Capt. Henry Irving Hodes, Cavalry.
Capt. William Joel Tudor Yancey, Infantry.
Capt. Leon Eugene Lichtenwalter, Quartermaster Corps.
Capt. Sidney Rae Hinds, Infantry.
Capt. Halley Grey Maddox, Cavalry.
Capt. John English Nelson, Infantry.
Capt. Harold Todd Turnbull, Coast Artillery Corps.
Capt. Hugo Peoples Rush, Air Corps (temporary major, Air Corps).
Capt. John William Wofford, Cavalry.
Capt. Wray Bertrand Avera, Field Artillery.
Capt. Charles Fox Ivins, Infantry.
Capt. Walter Daniel Buie, Infantry.
Capt. John Taylor Ward, Cavalry.
Capt. John Elmer Reierson, Coast Artillery Corps.
Capt. Henry Jackson Hunt, Jr., Infantry.
Capt. George Huston Bare, Infantry.
Capt. Morris Haslett Marcus, Cavalry.
Capt. Frank Zea Pirkey, Corps of Engineers.
Capt. Karl William Hisgen, Field Artillery.
Capt. James Harry Marsh, Infantry.
Capt. Francis Warren Crary, Field Artillery.
Capt. John Baylis Cooley, Adjutant General's Department.
Capt. Selby Francis Little, Field Artillery.

Capt. Milo Glen Cary, Coast Artillery Corps.
Capt. Harold Joseph Conway, Ordnance Department.
Capt. Gustin MacAllister Nelson, Infantry.
Capt. Frank Joseph Spettel, Infantry.
Capt. Burwell Baylor Wilkes, Jr., Infantry.
Capt. John Barry Peirce, Infantry.
Capt. James Raymond Goodall, Coast Artillery Corps.
Capt. John Kenneth Sells, Cavalry.
Capt. Douglas Cameron, Cavalry.
Capt. Arthur Jennings Grimes, Infantry.
Capt. Walter Duval Webb, Jr., Field Artillery.
Capt. Ernest Starkey Moon, Air Corps (temporary major, Air Corps).
Capt. Chester Arthur Carlsten, Infantry.
Capt. Joseph Myles Williams, Cavalry.
Capt. Harold Arthur Doherty, Field Artillery.
Capt. Lewis Eugene Snell, Quartermaster Corps.
Capt. Arnold Hoyer Rich, Air Corps (temporary major, Air Corps).
Capt. Charles Dawson McAllister, Air Corps (temporary major, Air Corps).
Capt. Vincent Joseph Tanzola, Infantry.
Capt. Edward Albert Banning, Field Artillery.
Capt. Frederic deLannoy Comfort, Cavalry.
Capt. Henry Laurance Ingham, Field Artillery.
Capt. Percy Earle LeStourgeon, Infantry.
Capt. Caryl Rawson Hazeltine, Infantry.
Capt. Irvin Albert Robinson, Infantry.
Capt. Michael Henry Zwicker, Quartermaster Corps.
Capt. James Thorburn Cumberpatch, Air Corps (temporary major, Air Corps).
Capt. Leon Valentine Chaplin, Field Artillery.
Capt. Daniel Webster Kent, Infantry.
Capt. Harry Lynch, Signal Corps.
Capt. George Marion Davis, Infantry.
Capt. Fay Warren Lee, Field Artillery.
Capt. Melecio Manuel Santos, Philippine Scouts.
Capt. Narciso Lopez Manzano, Philippine Scouts.
Capt. Charles Emmett Cheever, Judge Advocate General's Department.
Capt. Harry Meyer, Corps of Engineers.
Capt. Peter Anthony Feringa, Corps of Engineers.
Capt. Edward Barber, Coast Artillery Corps.
Capt. Edward Hall Walter, Corps of Engineers.
Capt. David Albert Morris, Corps of Engineers.
Capt. Juan Segundo Moran, Philippine Scouts.
Capt. Richardson Selee, Corps of Engineers.
Capt. Don Waters Mayhue, Air Corps (temporary major, Air Corps).
Capt. Charles Harold Crim, Coast Artillery Corps.
Capt. John Harry, Coast Artillery Corps.
Capt. Harold Oakes Bixby, Signal Corps.
Capt. George Randall Scithers, Field Artillery.
Capt. John Henry Featherston, Coast Artillery Corps.
Capt. Charles Andrews Jones, Jr., Quartermaster Corps.
Capt. Hubert Stanffer Miller, Corps of Engineers.
Capt. Edward Harold Coe, Corps of Engineers.
Capt. Allan Eugene Smith, Field Artillery.
Capt. Daniel Burnett Knight, Infantry.
Capt. Paul MacKeen Martin, Cavalry.
Capt. Creswell Garrettson Blakeney, Field Artillery.
Capt. Louis Jeter Tatom, Signal Corps.
Capt. Louis Watkins Prentiss, Corps of Engineers.
Capt. William Edmund Waters, Field Artillery.
Capt. Joseph Kennard Bush, Infantry.
Capt. Orlando Clarendon Mood, Infantry.
Capt. Bert Nathan Bryan, Infantry.
Capt. Harvie Rogers Matthews, Infantry.
Capt. Louis Beman Rapp, Cavalry.
Capt. Edwards Matthews Quigley, Field Artillery.
Capt. James Breakenridge Clearwater, Field Artillery.
Capt. Luther Daniel Wallis, Infantry.
Capt. Wesley Tate Guest, Signal Corps.
Capt. Duncan Philip Frissell, Infantry.
Capt. Henry Hammond Duval, Coast Artillery Corps.
Capt. John William Dwyer, Coast Artillery Corps.
Capt. Alfred Vepsala, Field Artillery.
Capt. Edmund Clarence Langmead, Air Corps (temporary major, Air Corps).
Capt. Carroll Heiney Deitrick, Ordnance Department.
Capt. Lee W. Haney, Infantry.
Capt. David William Goodrich, Air Corps (temporary major, Air Corps).
Capt. Franklin Mitchell, Ordnance Department.
Capt. Wallace Ellsworth Niles, Ordnance Department.
Capt. Lewis Edward Weston Lepper, Quartermaster Corps.
Capt. Edward Harris Barr, Field Artillery.
Capt. James Roscoe Hamilton, Infantry.
Capt. Joe Robert Sherr, Signal Corps.
Capt. Henry Chester Jones, Infantry.
Capt. Louis Leopold Lesser, Field Artillery.
Capt. Walter Francis Jennings, Cavalry.
Capt. Henry Louis Love, Field Artillery.
Capt. Cranford Coleman Bryan Warden, Infantry.
Capt. William Dawes Williams, Field Artillery.
Capt. William Thomas Semmes Roberts, Infantry.
Capt. McDonald Donegan Weinert, Corps of Engineers.
Capt. John Walker Childs, Infantry.
Capt. Wilbert Engdahl Shallene, Field Artillery.
Capt. Wilmar Weston Dewitt, Infantry.
Capt. James Milliken Bevans, Air Corps (temporary major, Air Corps).
Capt. Floyd Raymond Brisack, Field Artillery.
Capt. Clarence Everett Jackson, Infantry.
Capt. Edward Joseph Walsh, Judge Advocate General's Department.
Capt. Haydn Purcell Roberts, Signal Corps.
Capt. Clifford Cleophas Duell, Field Artillery.
Capt. William Orville Collins, Infantry.
Capt. William Larwill Carr, Field Artillery.
Capt. Russell George Duff, Field Artillery.
Capt. Ross Clyde Brackney, Infantry.
Capt. Roy Prewett Huff, Field Artillery.
Capt. Paul Hanes Kemmer, Air Corps (temporary major, Air Corps).
Capt. Richard Sears, Field Artillery.
Capt. John James Baker, Infantry.
Capt. George Louis Boyle, Finance Department.
Capt. Robert Brice Johnston, Quartermaster Corps.
Capt. Paul Ainsworth Berkey, Field Artillery.
Capt. Dana Gray McBride, Cavalry.
Capt. Donald Boyer Phillips, Air Corps (temporary major, Air Corps).
Capt. William Wallace Robertson, Infantry.
Capt. William Peyton Campbell, Finance Department.
Capt. Harry Starkey Aldrich, Coast Artillery Corps.
Capt. Hugh Perry Adams, Field Artillery.
Capt. Cecil Elmore Archer, Air Corps (temporary major, Air Corps).
Capt. Thomas Edward Moore, Field Artillery.
Capt. Robert DuVal Waring, Field Artillery.
Capt. Stephen Yates McGiffert, Field Artillery.
Capt. John Otis Hyatt, Quartermaster Corps.
Capt. Louis Meline Merrick, Air Corps (temporary major, Air Corps).
Capt. Lee Roy Woods, Jr., Finance Department.
Capt. Rox Hunter Donaldson, Field Artillery.
Capt. Dudley Warren Watkins, Air Corps (temporary major, Air Corps).
Capt. Robert Edwards, Cavalry.
Capt. Arthur Nathaniel Willis, Cavalry.
Capt. Lyman Perley Whitten, Air Corps (temporary major, Air Corps).
Capt. Ray Henry Clark, Air Corps (temporary major, Air Corps).
Capt. Homer Wilbur Ferguson, Air Corps (temporary major, Air Corps).
Capt. James Richmond Simpson, Infantry.
Capt. Philip Schwartz, Ordnance Department.
Capt. Richard Brown Thornton, Quartermaster Corps.

Capt. Pacifico Castor Sevilla, Philippine Scouts.
Capt. Charles Nicholas Senn Ballou, Infantry.
Capt. Samuel Rubin, Coast Artillery Corps.
Capt. Walden Sharp Lewis, Infantry.
Capt. Andrew Julius Evans, Infantry.
Capt. Donald McKechnie Ashton, Infantry.
Capt. Edward Alfred Mueller, Quartermaster Corps.
Capt. Robert William Calvert Wimsatt, Air Corps (temporary major, Air Corps).
Capt. Amado Martelino, Philippine Scouts.
Capt. Victor Zalamea Gomez, Philippine Scouts.
Capt. Clayton Huddle Studebaker, Field Artillery.
Capt. Albert James Wick, Quartermaster Corps.
Capt. Raymond Taylor Tompkins, Field Artillery.
Capt. George Alfred Arnold Jones, Field Artillery.
Capt. George Evans Burritt, Field Artillery.
Capt. William Madison Mack, Signal Corps.
Capt. Robert Crane Hendley, Field Artillery.
Capt. Walter Jesse Klepinger, Field Artillery.
Capt. Grady David Epps, Infantry.
Capt. Frank Charles McConnell, Coast Artillery Corps.
Capt. Donald Fowler Fritch, Air Corps (temporary major, Air Corps).
Capt. James Madison Callicutt, Field Artillery.
Capt. Reginald Pond Lyman, Signal Corps.
Capt. John Sharpe Griffith, Air Corps (temporary major, Air Corps).
Capt. Pio Quevedo Caluya, Philippine Scouts.
Capt. George Work Marvin, Corps of Engineers.
Capt. Charles Joseph Barrett, Jr., Field Artillery.
Capt. Maxwell Davenport Taylor, Field Artillery.
Capt. Henry James Woodbury, Corps of Engineers.
Capt. Louis Jacob Rumaggi, Corps of Engineers.
Capt. Edmund Clayton Lynch, Air Corps (temporary major, Air Corps).
Capt. Francis Jennings Wilson, Corps of Engineers.
Capt. Alfred August Kessler, Jr., Air Corps (temporary major, Air Corps).
Capt. Paschal Neilson Strong, Jr., Corps of Engineers.
Capt. Cortlandt Van Rensselaer Schuyler, Coast Artillery Corps.
Capt. Lawrence Coy Leonard, Ordnance Department.
Capt. Mervin Eugene Gross, Air Corps (temporary major, Air Corps).
Capt. Robert Wayne Raynsford, Signal Corps.
Capt. LeRoy Judson Stewart, Field Artillery.
Capt. Edward Shelley Gibson, Infantry.
Capt. John Francis Uncles, Field Artillery.
Capt. Giles Richard Carpenter, Field Artillery.
Capt. David James Crawford, Ordnance Department.
Capt. William Field Sadtler, Ordnance Department.
Capt. Earl Foster Thomson, Cavalry.
Capt. Charles Newson Branham, Coast Artillery Corps.
Capt. Francis Borgia Kane, Coast Artillery Corps.
Capt. William Stevens Lawton, Coast Artillery Corps.
Capt. Albert Svihra, Judge Advocate General's Department.
Capt. Granger Anderson, Coast Artillery Corps.
Capt. Alfred Eugene Kastner, Field Artillery.
Capt. Edwin Paul Crandell, Cavalry.
Capt. Mark McClure, Field Artillery.
Capt. Benjamin Wiley Chidlaw, Air Corps (temporary major, Air Corps).
Capt. Myron Leedy, Ordnance Department.
Capt. Alba Carlton Spalding, Coast Artillery Corps.
Capt. Robert Landon Taylor, Field Artillery.
Capt. Stephen Cecil Lombard, Field Artillery.
Capt. Fred James Woods, Coast Artillery Corps.
Capt. Kenneth Francis Pughe, Infantry.
Capt. Robert Smith McClenaghan, Field Artillery.
Capt. Francis Xavier Mulvihill, Infantry.
Capt. Charles Hancock Reed, Cavalry.
Capt. Walter Russell Hensey, Jr., Field Artillery.
Capt. Orval Ray Cook, Air Corps (temporary major, Air Corps).
Capt. Perry McCoy Smith, Coast Artillery Corps.
Capt James Wrathall Spry, Air Corps (temporary major, Air Corps).
Capt. Gordon Sherman Armes, Cavalry.
Capt. Frederick William Hein, Infantry.
Capt. Charles Rufus Smith, Infantry.
Capt. Harold Alfred Meyer, Infantry.
Capt. Robert Earle Blair, Quartermaster Corps.
Capt. Harold Thomas Molloy, Field Artillery.
Capt. James Dunne O'Connell, Signal Corps.
Capt. Gilman Clifford Mudgett, Cavalry.
Capt. Numa Augustin Watson, Infantry.
Capt. Wesley Woodworth Yale, Cavalry.
Capt. Robert Wilkins Douglass, Jr., Air Corps (temporary major, Air Corps).
Capt. Oscar Louis Beal, Air Corps (temporary major, Air Corps).
Capt. Oliver Wendell Hughes, Infantry.
Capt. Robert Vincent Murphy, Infantry.
Capt. Melville Fuller Grant, Infantry.
Capt. James Edward Rees, Infantry.
Capt. James Robinson Pierce, Infantry.
Capt. Lemuel Mathewson, Field Artillery.
Capt. George Harold Carmouche, Infantry.
Capt, Thomas Varon Webb, Infantry.
Capt. George Edward Mitchell, Jr., Field Artillery.
Capt. William Henry Schildroth, Infantry.
Capt. George Arthur Taylor, Infantry.
Capt. Alfred Lawrence Price, Field Artillery.
Capt. Frank Llewellyn Beadle, Corps of Engineers.
Capt. Gilbert Hayden, Signal Corps.
Capt. Thomas Herbert Maddocks, Signal Corps.
Capt. David Marion Fowler, Infantry.
Capt. Edward Arthur Kleinman, Coast Artillery Corps.
Capt. Blackshear Morrison Bryan, Jr., Field Artillery.
Capt. John Lawson Ballantyne, Cavalry.
Capt. Hilbert Milton Wittkop, Air Corps (temporary major, Air Corps).
Capt. Donald Quitman Harris, Field Artillery.
Capt. John Percy Kennedy, Jr., Field Artillery.
Capt. Townsend Griffiss, Air Corps (temporary major, Air Corps).
Capt. William Andrew Wedemeyer, Field Artillery.
Capt. Edwin Carlo Greiner, Cavalry.
Capt. Oliver Perry Newman, Infantry.
Capt. Ronald Gorrie MacDonald, Infantry.
Capt. John Hughes Stodter, Cavalry.
Capt. Thomas Edward Lewis, Field Artillery.
Capt. Stewart Tiffany Vincent, Infantry.
Capt. Paul Henry Mahoney, Infantry.
Capt. James Clyde Fry, Infantry.
Capt. Austin Folger Gilmartin, Infantry.
Capt. James Harrison Dickie, Finance Department.
Capt. Charles Llewellyn Gorman, Quartermaster Corps.
Capt. Joseph Perry Catte, Infantry.
Capt. Albert Carroll Morgan, Infantry.
Capt. John LaValle Graves, Field Artillery.
Capt. Herbert William Kruger, Field Artillery.
Capt. William Earl Watters, Field Artillery.
Capt. Leo Henry Dawson, Air Corps (temporary major, Air Corps).
Capt. Milton John Smith, Air Corps (temporary major, Air Corps).
Capt. Carl Budd Wahle, Coast Artillery Corps.
Capt. Leonard Loyd Hilliard, Infantry.
Capt. Lester Vocke, Field Artillery.
Capt. James Fish, 3d, Infantry.
Capt. John Leon Dicks, Infantry.
Capt. Lester Mavity Rouch, Field Artillery.
Capt. Herman William Fairbrother, Infantry.
Capt. Thomas Edward Meyer, Field Artillery.
Capt. Thomas Jefferson Randolph, Cavalry.
Capt. Harry Edwin Magnuson, Quartermaster Corps.
Capt. LaRoy Sanders Graham, Infantry.

Capt. Francis Lavelle Ready, Cavalry.
Capt. David Hottenstein, Judge Advocate General's Department.
Capt. Ray Brooks Floyd, Infantry.
Capt. Ray Eugene Marshall, Infantry.
Capt. Harland Fremont Burgess, Infantry.
Capt. Karl Clifford Frank, Coast Artillery Corps.
Capt. Clyde Anderson Burcham, Cavalry.
Capt. Randall James Hogan, Ordnance Department.
Capt. Robert Nicholas Young, Infantry.
Capt. James Frederick Phillips, Air Corps (temporary major, Air Corps).
Capt. Douglas Valentine Johnson, Field Artillery.
Capt. Frederick Williams Watrous, Field Artillery.
Capt. Charles Elford Smith, Quartermaster Corps.
Capt. Raymond Edward Culbertson, Air Corps (temporary major, Air Corps).
Capt. Maynard Harper Carter, Infantry.
Capt. LeGrande Albert Diller, Infantry.
Capt. Robert Parker Hollis, Quartermaster Corps.
Capt. Isaac Davis White, Cavalry.
Capt. Louis Edward Roemer, Chemical Warfare Service.
Capt. Max Hosmer Gooler, Infantry.
Capt. Joseph Howard Harper, Infantry.
Capt. Newton Farragut McCurdey, Adjutant General's Department.
Capt. John Julius Dubbelde, Jr., Infantry.
Capt. Joe Ford Simmons, Coast Artillery Corps.
Capt. Clarence Turner Hulett, Infantry.
Capt. Daniel Powell Poteet, Field Artillery.
Capt. Ord Gariche Chrisman, Finance Department.
Capt. Gerson Kirkland Heiss, Ordnance Department.
Capt. Ransom George Amlong, Quartermaster Corps.
Capt. Paul Lawrence Martin, Field Artillery.
Capt. Walter Howard DeLange, Field Artillery.
Capt. Robert Kelsey Haskell, Ordnance Department.
Capt. Ralph Adel Snavely, Air Corps (temporary major, Air Corps).
Capt. Claude Armenius Thorp, Cavalry.
Capt. Rowland Reid Street, Infantry.
Capt. John Marquiss Whistler, Field Artillery.
Capt. James Howard Leusley, Field Artillery.
Capt. Aloysius Eugene O'Flaherty, Jr., Infantry.
Capt. Robert Boyd Williams, Air Corps (temporary major, Air Corps).
Capt. Glenn Hunter Palmer, Signal Corps.
Capt. Royal Bertrand Lord, Corps of Engineers.
Capt. Kenner Fisher Hertford, Corps of Engineers.
Capt. Steven Livesay Conner, Ordnance Department.
Capt. Miles Reber, Corps of Engineers.
Capt. Charles West Stewart, Jr., Corps of Engineers.
Capt. William Francis Merwin Longwell, Corps of Engineers.
Capt. John Rutherford Noyes, Corps of Engineers.
Capt. Lyle Rosenberg, Corps of Engineers.
Capt. William Randolph Winslow, Corps of Engineers.
Capt. William Newton Leaf, Corps of Engineers.
Capt. David Morris Dunne, Corps of Engineers.
Capt. Frank McAdams Albrecht, Corps of Engineers.
Capt. Theodore Morrison Osborne, Corps of Engineers.
Capt. Robert Farnsworth Hallock, Field Artillery.
Capt. Stuart Alfred Beckley, Field Artillery.
Capt. Harold David Kehm, Field Artillery.
Capt. John Wesley Warren, Air Corps (temporary major, Air Corps).
Capt. Einar Bernard Gjelsteen, Field Artillery.
Capt. William Elgie Carraway, Infantry.
Capt. John Mark Pesek, Infantry.
Capt. Herbert Bronson Enderton, Field Artillery.
Capt. John Battle Horton, Field Artillery.
Capt. Joseph Leander Hardin, Field Artillery.
Capt. Carter Bowie Magruder, Field Artillery.
Capt. William Joseph D'Espinosa, Ordnance Department.
Capt. Wilbur Ray Pierce, Field Artillery.
Capt. Donald Henry Galloway, Cavalry.
Capt. Howard William Serig, Signal Corps.
Capt. Patrick Weston Timberlake, Air Corps (temporary major, Air Corps).
Capt. Clyde Kenneth Rich, Air Corps (temporary major, Air Corps).
Capt. David Larr, Field Artillery.
Capt. Laurence Carbee Craigie, Air Corps (temporary major, Air Corps).
Capt. Philip Roy Dwyer, Infantry.
Capt. Allen Lloyd Keyes, Field Artillery.
Capt. Damon Mott Gunn, Judge Advocate General's Department.
Capt. Charles Metz Seebach, Infantry.
Capt. Harry McKenzie Roper, Field Artillery.
Capt. James Henry Workman, Field Artillery.
Capt. Charles Wesley Gettys, Coast Artillery Corps.
Capt. Henry James Pitt Harding, Infantry.
Capt. William Shepard Biddle, Cavalry.
Capt. George Francis Heaney, Jr., Coast Artillery Corps.
Capt. John Humphrey Evans, Infantry.
Capt. William Remsburgh Grove, Jr., Field Artillery.
Capt. George Lewis Dewey, Infantry.
Capt. James Frederick Torrence, Jr., Infantry.
Capt. Douglass Gordon Pamplin, Coast Artillery Corps.
Capt. Charles White Lawrence, Air Corps (temporary major, Air Corps).
Capt. Michael Buckley, Jr., Field Artillery.
Capt. Benjamin Stern, Signal Corps.
Capt. Wallace Evan Whitson, Air Corps (temporary major, Air Corps).
Capt. Rex Eugene Chandler, Field Artillery.
Capt. Russel J. Minty, Air Corps (temporary major, Air Corps).
Capt. Sheffield Edwards, Field Artillery.
Capt. John Roper Burnett, Coast Artillery Corps.
Capt. Raymond Stone, Jr., Adjutant General's Department.
Capt. John Joseph Binns, Field Artillery.
Capt. Walter Burnside, Cavalry.
Capt. James Francis Joseph Early, Air Corps (temporary major, Air Corps).
Capt. Howard John Vandersluis, Coast Artillery Corps.
Capt. Ulysses John Lincoln Peoples, Jr., Ordnance Department.
Capt. Richard Briggs Evans, Cavalry.
Capt. Alden Rudyard Crawford, Air Corps (temporary major, Air Corps).
Capt. Rochester Flower McEldowney, Field Artillery.
Capt. Thomas Merritt Lowe, Air Corps (temporary major, Air Corps).
Capt. Kevin O'Shea, Cavalry.
Capt. Carl Douglas Silverthorne, Cavalry.
Capt. Louis William Haskell, Field Artillery.
Capt. David Myron Schlatter, Air Corps (temporary major, Air Corps).
Capt. Charles Trovilla Myers, Air Corps (temporary major, Air Corps).
Capt. Eugene Ware Ridings, Infantry.
Capt. Charles Woodford Cowles, Field Artillery.
Capt. Kenneth Eugene Webber, Finance Department.
Capt. Alexander Davidson Reid, Infantry.
Capt. Leslie Page Holcomb, Air Corps (temporary major, Air Corps).
Capt. Charles Vinson Bromley, Jr., Cavalry.
Capt. John William Harmony, Infantry.
Capt. Philip Harrison Enslow, Field Artillery.
Capt. Ernest Byron Thompson, Coast Artillery Corps.
Capt. Elwyn Donald Post, Infantry.
Capt. Franklin Kress Gurley, Coast Artillery Corps.
Capt. Wilfrid Henry Hardy, Air Corps (temporary major, Air Corps).
Capt. Leslie Martin Grener, Cavalry.
Capt. Joseph Smith, Air Corps (temporary major, Air Corps).
Capt. Kenneth Shearer Sweeny, Field Artillery.
Capt. Joseph Harold Hicks, Air Corps (temporary major, Air Corps).

Capt. Guy Haines Stubbs, Coast Artillery Corps.
Capt. Ralph Christian Bing, Infantry.
Capt. Clinton John Harrold, Quartermaster Corps.
Capt. Russell Emerson Bates, Coast Artillery Corps.
Capt. Earl Shuman Gruver, Ordnance Department.
Capt. Warren Cole Stout, Field Artillery.
Capt. David Barbour Barton, Signal Corps.
Capt. William Augustus Davis Thomas, Field Artillery.
Capt. Eugene Lynch Harrison, Cavalry.
Capt. Bernard Aye Tormey, Field Artillery.
Capt. Joseph Ingham Greene, Infantry.
Capt. Valentine Roy Smith, Field Artillery.
Capt. Joseph Anthony Cella, Field Artillery.
Capt. James Boyce Carroll, Coast Artillery Corps.
Capt. John Ellsworth Adkins, Jr., Field Artillery.
Capt. Cecil Ward Nist, Infantry.
Capt. Robert Chaffee Oliver, Air Corps (temporary major, Air Corps).
Capt. James Eugene Bernard McInerney, Ordnance Department.
Capt. Francis Arthur Garrecht, Jr., Field Artillery.
Capt. Frank Dorn, Field Artillery.
Capt. Charles Edward Woodruff, Jr., Infantry.
Capt. Donald McLean, Coast Artillery Corps.
Capt. Paschal Hoover Ringsdorf, Field Artillery.
Capt. Stuart Lee Cowles, Field Artillery.
Capt. John Maurice Weikert, Air Corps (temporary major, Air Corps).
Capt. George Pierce Howell, Infantry.
Capt. Warren Alfred Robinson, Infantry.
Capt. John Hensel Pitzer, Coast Artillery Corps.
Capt. Dean Stanley Ellerthorpe, Coast Artillery Corps.
Capt. George Conrad Mergens, Infantry.
Capt. Horton Vail White, Infantry.
Capt. James Edward Bowen, Jr., Infantry.
Capt. Austin Curtis Cunkle, Infantry.
Capt. Francis Townsend Dodd, Field Artillery.
Capt. Charles Carlton Cavender, Adjutant General's Department.
Capt. George Stanley Smith, Field Artillery.
Capt. William Campbell Lucas, Field Artillery.
Capt. Harvey Keene Palmer, Jr., Field Artillery.
Capt. Wendell Gunner Johnson, Infantry.
Capt. Howard Edward Crane Breitung, Coast Artillery Corps.
Capt. Paul Kenneth Porch, Infantry.
Capt. John George Salsman, Air Corps (temporary major, Air Corps).
Capt. Lyman O'Dell Williams, Infantry.
Capt. Temple Graves Holland, Infantry.
Capt. Alejandro D. Garcia, Philippine Scouts.
Capt. Paul Cyril Serff, Infantry.
Capt. Lawrence Leroy Skinner, Infantry.
Capt. Edward Forstall Adams, Infantry.
Capt. Thomas Sherman Timberman, Infantry.
Capt. Cyril Quentin Marron, Infantry.
Capt. Robert Herman Krueger, Coast Artillery Corps.
Capt. Louis John Storck, Infantry.
Capt. Santiago Garcia Guevara, Philippine Scouts.
Capt. Donald Cameron Tredennick, Coast Artillery Corps.
Capt. David Sherman Babcock, Field Artillery.
Capt. James Jewett Carnes, Infantry.
Capt. Joseph Winfield Boone, Infantry.
Capt. Hugh Chauncey Johnson, Infantry.
Capt. James Michael Fitzmaurice, Air Corps (temporary major, Air Corps).
Capt. John Owen Colonna, Corps of Engineers.
Capt. Charles Calvin Higgins, Infantry.
Capt. George Craig Stewart, Infantry.
Capt. Louis Peter Leone, Infantry.
Capt. Robert Leroy Dulaney, Infantry.
Capt. James Clarke Carter, Infantry.
Capt. Robert McKee Smith, Ordnance Department.
Capt. Hoyt Sanford Vandenberg, Air Corps (temporary major, Air Corps).
Capt. Lawrence Varsi Castner, Infantry.
Capt. Henry Granville Fisher, Infantry.
Capt. Hal Clark Granberry, Infantry.
Capt. Ralph Mundon Neal, Cavalry.
Capt. Stewart Warren Towle, Jr., Air Corps (temporary major, Air Corps).
Capt. Edwin Britain Howard, Infantry.
Capt. John Paul Evans, Infantry.
Capt. William Harold Schaffer, Infantry.
Capt. Allen Dwight Raymond, Jr., Infantry.
Capt. Walter Cornelius White, Air Corps (temporary major, Air Corps).
Capt. Glen Clifford Jamison, Air Corps (temporary major, Air Corps).
Capt. James Robert Lindsay, Jr., Field Artillery.
Capt. Roy Madison Foster, Quartermaster Corps.
Capt. Jose Emilio Olivares, Philippine Scouts.
Capt. Wayne Latta Barker, Coast Artillery Corps.

APPOINTMENTS AND PROMOTIONS IN THE NAVY

MARINE CORPS

Maj. Curtis W. Legette to be a lieutenant colonel in the Marine Corps from the 1st day of July 1940.

Capt. James E. Jones to be a major in the Marine Corps from the 14th day of August 1939.

Capt. Charles F. Cresswell to be a major in the Marine Corps from the 14th day of August 1939.

Capt. Samuel K. Bird to be a major in the Marine Corps from the 1st day of November 1939.

Capt. Martin S. Rahiser to be a major in the Marine Corps from the 1st day of April 1940.

The following-named captains to be majors in the Marine Corps from the 1st day of July 1940:

Adolph Zuber	Francis H. Brink
Robert E. Hogaboom	James Snedeker

First Lt. Charles A. Miller to be a captain in the Marine Corps from the 1st day of July 1939.

The following-named first lieutenants to be captains in the Marine Corps from the 14th day of August 1939:

Ralph K. Rottet	Robert E. Hommell
Samuel R. Shaw	Frank C. Tharin
Robert S. Fairweather	Samuel F. Zeiler
Henry W. Buse, Jr.	

The following-named second lieutenants to be first lieutenants in the Marine Corps from the 3d day of June 1940:

Paul R. Byrum	Hewitt D. Adams
James C. Bennett	James R. Bromeyer

The following-named citizens to be second lieutenants in the Marine Corps from the 25th day of June 1940:

Virgil W. Banning, a citizen of North Dakota.
John H. Blue, a citizen of Louisiana.
William F. Frank, a citizen of Colorado.
Harry H. Gaver, Jr., a citizen of Maryland.
John W. Hughes, a citizen of Vermont.
Alan R. Miller, a citizen of the District of Columbia.
William E. Pierce, a citizen of Georgia.
Gene N. Schraeder, a citizen of Pennsylvania.
Homer W. Sharpenberg, a citizen of West Virginia.

POSTMASTERS

ALABAMA

Vera G. Howell to be postmaster at Greensboro, Ala., in place of V. G. Howell. Incumbent's commission expired January 22, 1939.

James A. Johnson to be postmaster at Tuskegee Institute, Ala., in place of J. B. Washington, deceased.

CALIFORNIA

May C. Baker to be postmaster at Paradise, Calif., in place of M. C. Baker. Incumbent's commission expired June 2, 1940.

Mark E. Geeting to be postmaster at Placentia, Calif., in place of Talbot Bielefeldt. Incumbent's commission expired May 22, 1940.

FLORIDA

James O. Parker to be postmaster at Mayo, Fla., in place of H. M. Edwards, transferred.

GEORGIA

Bernard Franklin to be postmaster at Calhoun, Ga., in place of B. Y. Dickey, deceased.

ILLINOIS

Chrystal W. Beckett to be postmaster at Golden, Ill., in place of C. W. Beckett. Incumbent's commission expired March 8, 1939.

INDIANA

Norman R. Billieu to be postmaster at Westport, Ind., in place of G. F. Bandeen. Incumbent's commission expired May 19, 1940.

IOWA

Charles J. Cash, Jr., to be postmaster at Anamosa, Iowa, in place of C. J. Cash, Jr. Incumbent's commission expired June 1, 1940.

Benjamin Roy Bogenrief to be postmaster at Hinton, Iowa, in place of B. R. Bogenrief. Incumbent's commission expired July 1, 1940.

Oliver Van Syoc to be postmaster at Milo, Iowa, in place of Oliver Van Syoc. Incumbent's commission expired July 1, 1940.

Cecilia R. Mead to be postmaster at Oto, Iowa, in place of L. W. McCleerey, removed.

KANSAS

Fairfax Barnes to be postmaster at Oswego, Kans., in place of J. C. Carpenter, deceased.

Paul E. Tubbs to be postmaster at Turon, Kans., in place of I. J. Collopy, deceased.

MASSACHUSETTS

Susan F. Twiss to be postmaster at Three Rivers, Mass., in place of S. F. Twiss. Incumbent's commission expired April 24, 1940.

MINNESOTA

Eric Lind to be postmaster at Chisago City, Minn., in place of Eric Lind. Incumbent's commission expired March 25, 1940.

MONTANA

Mary S. Smith to be postmaster at Hot Springs, Mont., in place of M. C. DeMers. Incumbent's commission expired May 22, 1938.

NEBRASKA

Weaver Jennings Holliday to be postmaster at Stuart, Nebr., in place of W. J. Holliday. Incumbent's commission expired June 1, 1940.

NEW JERSEY

John J. Sanders to be postmaster at Allentown, N. J., in place of J. J. Sanders. Incumbent's commission expired June 25, 1940.

Herbert Schneider to be postmaster at Riverside, N. J., in place of Herbert Schneider. Incumbent's commission expired June 16, 1940.

NEW YORK

Thomas F. English to be postmaster at Elmsford, N. Y., in place of T. F. English. Incumbent's commission expired January 20, 1940.

Americo Masucci to be postmaster at Sparkill, N. Y., in place of Americo Masucci. Incumbent's commission expired June 20, 1940.

NORTH CAROLINA

William F. Van Hoy to be postmaster at Yadkinville, N. C., in place of C. N. Dobbins. Incumbent's commission expired March 4, 1940.

NORTH DAKOTA

Ernest J. Collette to be postmaster at Grand Forks, N. Dak., in place of M. T. Ness. Incumbent's commission expired June 25, 1940.

Gladyce J. Schultz to be postmaster at Tappen, N. Dak., in place of J. M. Buck, removed.

PENNSYLVANIA

Charles R. Graham to be postmaster at Millmont, Pa., in place of C. G. Kleckner. Incumbent's commission expired July 1, 1940.

Harry F. Rieser to be postmaster at West Leesport, Pa., in place of C. B. Rothenberger. Incumbent's commission expired January 13, 1936.

Milton R. Luft to be postmaster at Wyomissing, Pa., in place of M. R. Luft. Incumbent's commission expired June 20, 1940.

SOUTH DAKOTA

Helen E. Becker, to be postmaster at Turton, S. Dak., in place of H. E. Becker. Incumbent's commission expired June 28, 1940.

James L. Simpson to be postmaster at Veblen, S. Dak., in place of J. L. Simpson. Incumbent's commission expired June 16, 1940.

TEXAS

Leon W. Rutland to be postmaster at Commerce, Tex., in place of D. N. Hargrave, deceased.

UTAH

David John Black to be postmaster at Blanding, Utah, in place of W. Z. Black, deceased.

VERMONT

William H. Lang to be postmaster at Beecher Falls, Vt. Office became Presidential July 1, 1939.

VIRGINIA

Louise J. Taylor to be postmaster at Beaverdam, Va., in place of L. J. Taylor. Incumbent's commission expired April 24, 1940.

Anne L. Bowman to be postmaster at Bonny Blue, Va., in place of L. M. Rayburn, resigned.

Walter E. Groves to be postmaster at Buckroe Beach, Va. Office became Presidential July 1, 1938.

Ashby W. Mayo to be postmaster at Scottsville, Va., in place of S. R. Gault, deceased.

WEST VIRGINIA

Grace Loving to be postmaster at Eccles, W. Va., in place of Levi Gay. Incumbent's commission expired January 23, 1940.

WISCONSIN

Quiren M. Groessl to be postmaster at Algoma, Wis., in place of Q. M. Groessl. Incumbent's commission expired May 19, 1940.

Nellie Drew to be postmaster at Footville, Wis., in place of Nellie Drew. Incumbent's commission expired July 1, 1940.

Harry L. Williams to be postmaster at Hazel Green, Wis., in place of H. L. Williams. Incumbent's commission expired June 25, 1940.

Charles V. Porter to be postmaster at Menomonie, Wis., in place of C. V. Porter. Incumbent's commission expired June 1, 1940.

Charles I. Nixon to be postmaster at Ontario, Wis., in place of Edward Stackman, retired.

Fred V. Stephan to be postmaster at Shullsburg, Wis., in place of F. V. Stephan. Incumbent's commission expired June 19, 1940.

CONFIRMATIONS

Executive nominations confirmed by the Senate July 3 (legislative day of July 1) 1940

POSTMASTERS

CALIFORNIA

Harry S. Sumners, Artesia.
Royal F. Hiebert, Central Valley.
Edith Irvin, Clearwater.
Ira H. Arbuckle, Clovis.
Velma Betty Doheney, Hynes.
Percy W. Helena, Los Altos.
Gertrude Ford, Pacific Palisades.
George F. Erwin, Sanitarium.
Josephine Zucca, Selby.
Hazel E. Avise, Walnut Creek.

IOWA

August C. Soer, Victor.

KANSAS

Edward F. Funke, Burns.
Rollie O. Tobias, Liberal.

MASSACHUSETTS

J. Walter Brown, Brimfield.

MICHIGAN

George W. Leonard, Delton.
Ferdinand J. Lange, Sebewaing.

MONTANA

Ora M. Freeman, Lima.
Thomas E. Devore, Whitehall.

NEBRASKA

George M. Gaskill, Albion.
Charles R. Larson, Bertrand.
Erwin E. Gardner, Curtis.
Richard M. Britt, Doniphan.
William Nelson, Spencer.

NEW YORK

Sidney A. Herzig, Beaver Falls.
Helen B. Brown, Gilbertsville.
Victor Vergata, Greenvale.
Glen H. Smith, Mexico.
Anna W. Cohan, Palmer.
Oren G. Hunter, Parish.
Thomas Q. Quinlan, Pavilion.
Clarence A. Lockwood, Schroon Lake.
Howard Bell, Woodstock.

NORTH CAROLINA

Oliver L. Hoffman, Mount Holly.
Leon A. Mann, Newport.
James C. Farris, Valdese.

NORTH DAKOTA

Sophie Ovedia Doyle, Belfield.
Kathryn I. Seaborn, Dickey.

OKLAHOMA

Oscar Speed, Sayre.

UTAH

Robert H. Barton, Layton.

VIRGINIA

Alden D. Rader, Stuarts Draft.

HOUSE OF REPRESENTATIVES

WEDNESDAY, JULY 3, 1940

The House met at 12 o'clock noon.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

O Light of God, fall on life's common ways where human lives are thronging in toil and weakness. Let understanding and courage come with the realization that religion is an experience of comfort, rest, and security; thus can discontent be driven out and the shadows of the future lifted; impress us that physical ease is not civilization. Inspire our people to take the Sermon on the Mount and translate its principles of honesty, purity, and unselfishness into good citizenship. Under God let the world of strife be shut out and the brotherhood of man shut in. O Master of the lonely way, show this drooping, bleeding world anew the wonders that make men free. Deepen in us the most earnest concern for peace, for suffering humanity, and for a passion for human freedom and for social justice. O crown us with conviction and not bigotry, with self-respect and not vanity, and with meekness and power. We pray that our strength may be as the strength of ten because our hearts are pure. Grant that any burdened one may bear patiently the cross of grief and pain. Let come the wisdom and the peace of God to dwell with our Speaker and the Congress. In the name of our ever-living Saviour. Amen.

The Journal of the proceedings of yesterday was read and approved.

MESSAGES FROM THE PRESIDENT

Sundry messages in writing from the President of the United States were communicated to the House by Mr. Latta, one of his secretaries, who also informed the House that on the following date the President approved and signed bills of the House of the following titles:

On July 2, 1940:

H. R. 1167. An act for the relief of the Black Hills Methodist Hospital, of Rapid City, S. Dak.;

H. R. 1846. An act for the relief of Malachy Ryan;

H. R. 2946. An act for the relief of Naoma Kinder, a minor;

H. R. 3925. An act for the relief of Evelyn L. Ratcliffe;

H. R. 4148. An act for the relief of Mary S. Arthur, as executrix of the estate of Richard M. Arthur, deceased;

H. R. 4185. An act to repatriate native-born women residents of the United States who have heretofore lost their citizenship by marriage to an alien;

H. R. 4412. An act for the relief of Beatrice Lois Rucker;

H. R. 5424. An act for the relief of Mrs. E. J. McCardle;

H. R. 5569. An act for the relief of Stuart Bastow;

H. R. 5823. An act for the relief of Morrissey Construction Co.;

H. R. 6207. An act to amend section 2810 (a), Internal Revenue Code, to exclude petroleum stills from the requirement of registration;

H. R. 6408. An act to extend the times for commencing and completing the construction of a dam and dike for preventing the flow of tidal waters into North Slough in Coos County, Oreg.;

H. R. 6443. An act to permit certain aliens whose childhood was spent in the United States, if eligible to citizenship, to become naturalized without filing declaration of intention;

H. R. 6686. An act for the relief of T. Jack Neal;

H. R. 6730. An act for the relief of Edward P. Glenn, Jr.;

H. R. 6737. An act for the relief of Clarence D. Green;

H. R. 7865. An act to amend the act for the regulation of the practice of dentistry in the District of Columbia, and for the protection of the people from empiricism in relation thereto, approved June 6, 1892, and acts amendatory thereof;

H. R. 7880. An act for relief of Edna Emery;

H. R. 7914. An act for the relief of Simon A. Brieger, as legal representative of the estate of Thomas Gerald Brieger, a deceased minor;

H. R. 8172. An act to amend section 5 of the act of Congress approved June 26, 1906, relative to the Alaska salmon fishery;

H. R. 8252. An act for the relief of John Owen;

H. R. 8285. An act to limit the importation of products made, produced, processed, or mined under process covered by unexpired valid United States patents, and for other purposes;

H. R. 8414. An act for the relief of Charles E. Molster, former disbursing clerk for the Department of Commerce and the National Recovery Administration; J. L. Summers, deceased, former chief disbursing clerk, Division of Disbursement, Treasury Department; and Guy F. Allen, chief disbursing officer, Division of Disbursement, Treasury Department;

H. R. 8910. An act providing for the extension of nonquota status to Frederick Beck;

H. R. 8919. An act to authorize the setting aside of an area within the Canal Zone to preserve and conserve its natural features for scientific study, for providing and maintaining facilities for such study, and for other purposes;

H. R. 9063. An act authorizing the Administrator of the Federal Works Agency to transfer certain property in San Francisco, Calif., to the city and county of San Francisco for street purposes;

H. R. 9299. An act to amend section 10 of chapter 5 of Public Act No. 436, Seventy-third Congress, approved June 19, 1934;

H. R. 9391. An act to amend section 40, National Defense Act, as amended, relating to the organization of the Reserve Officers' Training Corps, so as to provide for an exception with respect to the University of Alaska;

H. R. 9850. An act to expedite the strengthening of the national defense;

H. R. 9509. An act to extend the times for commencing and completing the construction of a bridge across the Ohio River at or near Shawneetown, Ill.;

H. R. 9594. An act to amend the Soil Conservation and Domestic Allotment Act, as amended, the Agricultural Adjustment Act of 1938, as amended, and for other purposes;

H. R. 9618. An act to extend the times for commencing and completing the construction of a bridge across the Susquehanna River at or near the city of Harrisburg, Pa.;

H. R. 9633. An act to enlarge and extend the power and jurisdiction of the Board of Education over degree-conferring institutions operating within the District of Columbia;

H. R. 9791. An act to amend the District of Columbia Unemployment Compensation Act;

H. R. 9804. An act to amend and clarify section 6, subsection 2, of the act approved June 1, 1938, known as "Juvenile Court Act of the District of Columbia," and for other purposes;

H. R. 9899. An act extending the jurisdiction of the Civil Aeronautics Authority over certain air-mail services, and for other purposes;

H. R. 9907. An act to provide for the recording and releasing of liens by entries on certificates of title for motor vehicles and trailers, and for other purposes;

H. R. 9920. An act authorizing the county of Lawrence, Ohio, to acquire and operate as a unit certain privately owned toll bridges across the Ohio River adjoining such county;

H. R. 9927. An act declaring a forfeiture of certain land heretofore granted by the United States to the board of commissioners of the Orleans Levee District, in the city of New Orleans, State of Louisiana, for levee and street purposes; and

H. R. 10009. An act to amend section 13 (d) of the Railroad Unemployment Insurance Act.

ORDER OF BUSINESS

Mr. RAYBURN. Mr. Speaker, I ask unanimous consent to proceed for 1 minute.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. RAYBURN. Mr. Speaker, I ask for this time in order to make a unanimous-consent request and to make an explanation.

It is the idea that when we adjourn today we will adjourn until tomorrow and before I take my seat I will make a unanimous-consent request that when we adjourn tomorrow we adjourn to meet on Monday next.

I understand the gentleman from New York [Mr. REED] desires to interrogate me.

Mr. REED of New York. I suggest that, for the benefit of those present who may have plans for over the week end, we might have some idea of the status of affairs for the coming week.

Mr. RAYBURN. For next week, of course, Monday is District of Columbia day. I do not know whether they have any legislation or not. When they get through, then the so-called Mexican claims bill will be taken up for completion. I think there remain 30 minutes of general debate on that bill, and then we will proceed to dispose of it.

The gentleman from Texas [Mr. MANSFIELD] informs me that they must come back for a separate vote on the so-called Mundt amendment to the stream-pollution bill. A great many Members—and I say this to both sides of the House—are talking to me about the Commodity Credit Corporation bill, or an increase in their power. Yesterday when the roll was called 273 Members answered. That is more than 150 Members short of the complete membership. I doubt very seriously, I will say to those who are interested in that matter, if it would be a wise thing to bring it up next week. I might say that when the minority leader was here and before we adjourned he and I spoke about the adjournment for next week over the Democratic convention. As I remember it, we were talking about adjourning on Thursday over to the following Monday week. Of course, that makes a very short week if we do that. There is another thing that is important, and this has not yet been determined, and I know a great many Members are tremendously interested in it. The people who have in charge the so-called Hatch bill have been very fine in not insisting on calling it up suddenly, but before we had the adjournment for the Republican convention it was tentatively agreed that it would come up next week. Whether or not, with 250 or 235 Members present, those in charge of that bill will want to call it up I do not know. I am committed to allow it to come up next week if they insist. However, I think it would be the better part of judgment if they allowed it to go over until after the convention, when the Members will be here.

Now, that is all I know of that may come up next week.

Mr. MICHENER. Mr. Speaker, will the gentleman yield?

Mr. RAYBURN. I yield.

Mr. MICHENER. My understanding was that the Hatch bill was to come up on next Tuesday.

Mr. RAYBURN. That has been the hope.

Mr. MICHENER. Then unless other arrangements are made, it will be called up on Tuesday?

Mr. RAYBURN. Yes; but I may say this: Unless we get through with the Mexican claims bill in time to take up Judge Mansfield's matter, which will be a question of only 1 hour if all the time is used, I would like to bring that up first on Tuesday. If it is insisted upon, I am willing for the Hatch bill to follow that.

Mr. MICHENER. As far as I am concerned, there are a great number on this side who are absent because there is nothing to do here. If the Hatch bill is to come up on Tuesday, they will be here and we would like an opportunity to notify them.

Mr. RAYBURN. I will say to the gentleman that by tomorrow, I hope, and certainly by Friday, it can be definitely determined whether the Hatch bill is coming up and the office of each Member will be notified if it is.

Mr. MICHENER. I thank the gentleman.

Mrs. ROGERS of Massachusetts. Mr. Speaker, will the gentleman yield?

Mr. RAYBURN. I yield.

Mrs. ROGERS of Massachusetts. There will be no effort made to adjourn Congress, will there?

Mr. RAYBURN. There will be an effort made to adjourn Congress over the Democratic convention the same as we did over the Republican convention.

Mrs. ROGERS of Massachusetts. But not to adjourn permanently, not a sine die adjournment?

Mr. RAYBURN. I have been home for 5 days, looked at my cattle, and looked over my crops. I am perfectly resigned to stay. I can warm this chair leather just as long as anybody and be perfectly satisfied about it. [Applause.]

Mrs. ROGERS of Massachusetts. There is a great international crisis and we should not adjourn sine die.

ADJOURNMENT OVER

Mr. RAYBURN. Mr. Speaker, I ask unanimous consent that when the House adjourns tomorrow it adjourn to meet on Monday next.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

NO LYNCHINGS IN AMERICA

Mr. HOBBS. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. HOBBS. Mr. Speaker, in this dark hour in the world's destiny, when the dogs of war are snarling, barking, or biting in almost every nation on earth, there is one and only one preeminent consideration in every mind—preparation for peace by national defense.

But I do not think it amiss to mention with pride, joy, and gratitude to Providence a victory upon another fighting front, in the war against crime.

There has been no lynching in the United States in 1940. The last lynching was on April 1, 1939. Four hundred and fifty-eight days have come and gone since then, without mob

violence. Four hundred and fifty-eight victory days. [Applause.]

Every Member of Congress, I am sure, feels as I do, that this achievement should be noted, not in self-satisfaction and restful complacency, but as a challenge to renewed and increased effort to keep our national escutcheon permanently clean of the stain of mob murder. [Applause.]

This fact is also certified in humble gratitude to Almighty God for His inspiration and leadership in this conquering struggle for righteousness.

We cannot be too oft reminded that lynching is, as it should be—definitely on the way out. In the first year for which accurate records were kept—1892—there were 231 persons lynched in the United States. In 1939 there was one. And he was a white man. I know that some authorities charge that there were three, but I have investigated each one of these three alleged lynchings and solemnly certify that there is no evidence to substantiate the charge in two of the three cases. In my speech on this floor on January 10, 1940, I gave the unvarnished facts. Suffice it to say now that one was a murder committed by two men. Every so-called antilynching bill has defined lynching as killing by a mob composed of three or more persons. Murder by two men is not lynching. In another of the three cases a body, long dead, was found. There was no evidence whatsoever of any mob violence. It may or may not have been a lynching. The third case unquestionably was a lynching by a mob composed of four or five men. The victim was white. But whether there was one or two or three lynchings in 1939, the record proves beyond the shadow of a doubt that this crime is being utterly eradicated. It is being eradicated by the only force that can eradicate it, namely, enlightened local influence. Local self-government has wrought this miracle.

It seems to me that even in times like these, when civilization is almost forgotten, when humanity is drowning in a sea of blood, and when every exertion should be bent toward keeping the gates of wrath from closing the way of hope, this record of achievement is worthy of the attention of Congress.

God bless America, and every effort that is being made to make her a better land in which to live.

God bless America, and rededicate us all, with renewed zeal and high hope, to the continuing fight for peace in America, as well as for America. [Applause.]

[Here the gavel fell.]

EXTENSION OF REMARKS

Mr. REED of New York. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include therein a short editorial.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

PERMISSION TO ADDRESS THE HOUSE

Mr. MITCHELL. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

[Mr. MITCHELL addressed the House. His remarks appear in the Appendix of the RECORD.]

EXTENSION OF REMARKS

Mr. CELLER. Mr. Speaker, I ask unanimous consent to extend my own remarks in three particulars: First, to insert in the RECORD a speech delivered by me over the radio on democracy and defense; second, to include my minority report on the bill H. R. 5939; and third, to extend my remarks by including a statement entitled "The Record Closes" by Ralph F. Burkheart. I am informed by the Government Printing Office that this will take 1¾ pages at a cost of $79.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. LUDLOW. Mr. Speaker, I ask unanimous consent to extend my own remarks in two particulars.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. HARE. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include therein a graduation address I made a number of years ago on the subject of universal empire.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. BOEHNE. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include therein three short tables from the Bureau of the Census, the Census of Manufactures, and the Department of Agriculture.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. BURDICK. Mr. Speaker, I rise for a double purpose: First, I ask unanimous consent to extend my own remarks in the RECORD and to include therein a survey of the historical work done by the W. P. A. in America; and, secondly, I desire to extend my remarks by including therein a speech by the Honorable Charles G. Binderup on the subject Will Democracy Survive?

The SPEAKER. Is there objection to the request of the gentleman from North Dakota?

There was no objection.

Mr. DIRKSEN. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include therein an address delivered by Phillip D. Reed, chairman of the board of the General Electric Co., before the United States Junior Chamber of Commerce.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

PERMISSION TO ADDRESS THE HOUSE

Mr. DONDERO. Mr. Speaker, I ask unanimous consent to address the House for 10 minutes today after the disposition of the special order that has been heretofore entered.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

EXTENSION OF REMARKS

Mr. SCHIFFLER. Mr. Speaker, I ask unanimous consent to revise and extend my own remarks in the RECORD and to include therein an editorial from a Grafton (W. Va.) newspaper.

The SPEAKER. Is there objection to the request of the gentleman from West Virginia [Mr. SCHIFFLER]?

There was no objection.

PERMISSION TO ADDRESS THE HOUSE

Mr. HINSHAW. Mr. Speaker, I ask unanimous consent to address the House for 10 minutes today following the address by the gentleman from California [Mr. DONDERO].

The SPEAKER. Is there objection to the request of the gentleman from California [Mr. HINSHAW]?

There was no objection.

COMPULSORY MILITARY TRAINING

Mr. HINSHAW. Mr. Speaker, I ask unanimous consent to proceed for 1 minute at this time.

The SPEAKER. Is there objection to the request of the gentleman from California [Mr. HINSHAW]?

There was no objection.

Mr. HINSHAW. Mr. Speaker, I understand that the Senate Committee on Military Affairs has been considering this morning the Burke-Wadsworth bill providing for compulsory military training and a selective draft for that purpose. If I may do so, I would like to direct the attention of the Members of the House to the thought that it may be advisable to include in either that bill, if possible, or in a companion bill, a means of providing a moratorium for the benefit of those who are going to be included in that training program. Many of these people are purchasing homes or are aiding their parents in the purchase of homes and they may have other indebtednesses which can hardly be supported by the proposed pay of $5 a month. I suggest that those who are in charge of this legislation give that matter earnest consideration in order to alleviate a very serious condition which may arise among those who may be so drafted.

[Here the gavel fell.]

PERMISSION TO ADDRESS THE HOUSE

Mr. HOFFMAN. Mr. Speaker, I ask unanimous consent that on Tuesday next, at the conclusion of business in order

for the day and after any other special orders heretofore entered, I may be permitted to address the House for 15 minutes.

The SPEAKER. Is there objection to the request of the gentleman from Michigan [Mr. HOFFMAN]?

There was no objection.

EXTENSION OF REMARKS

Mr. ANGELL. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include two editorials from local papers.

The SPEAKER. Is there objection to the request of the gentleman from Oregon [Mr. ANGELL]?

There was no objection.

PERMISSION TO ADDRESS THE HOUSE

Mr. BOLLES. Mr. Speaker, I ask unanimous consent to proceed for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Wisconsin [Mr. BOLLES]?

There was no objection.

Mr. BOLLES. Mr. Speaker, it is with poignant grief that I was absent yesterday afternoon and failed to listen to the language of the gentleman from Mississippi [Mr. RANKIN] when he traveled the labyrinthian maze of sequipedalian verbiage to an unknown destination.

It reminds me of the story of a Negro in Tupelo, Miss., who was going home one stormy night with a slab of white meat and a sack of hominy grits. There was much thunder and very little lightning. So he got off his mule, got down on his marrow bones, and he said, "O God, if it is all the same to you, give me more light and less noise." [Laughter and applause.]

Mr. BENDER. Mr. Speaker, at the conclusion of the special orders heretofore entered for today, I ask unanimous consent to proceed for 15 minutes.

The SPEAKER. Is there objection to the request of the gentleman from Ohio [Mr. BENDER]?

There was no objection.

FIFTIETH ANNIVERSARY OF THE ADMISSION OF THE STATE OF IDAHO INTO THE UNION

Mr. DWORSHAK. Mr. Speaker, I ask unanimous consent to proceed for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Idaho [Mr. DWORSHAK]?

There was no objection.

Mr. DWORSHAK. Mr. Speaker, 50 years ago today, on July 3, 1890, President Harrison signed the bill providing for the admission of the State of Idaho into the Union, adding a forty-third star to our flag. The Territory of Idaho had been created by act of Congress March 3, 1863.

Last evening I read with much interest the CONGRESSIONAL RECORDS of 50 years ago containing accounts of the discussions and debates incident to consideration of the statehood bills in both House and Senate. The Territory's population at that time was about 90,000, and a question was raised by some congressional opponents over provisions of the State constitution which had been adopted in November of 1889 relating to requirements for qualified electors.

The Honorable Fred T. Dubois, then Territorial Delegate from Idaho, after making an impressive presentation of factual information, declared:

> Idaho, in its material embodiment, is large enough, rich enough, and prolific enough to serve as a theater for the activities of a great American community for more centuries than mortal beings are warranted to think or dream about. Partly by her common inheritance in the beneficent forces of nature and partly by a bountiful endowment all her own, she is able to tender to the custodians of the national welfare every reasonable guaranty and prospect that she will be no laggard in the never-ceasing onward race.

The citizens of the Gem State today are celebrating this golden anniversary of statehood with pride in the achievements of those sturdy pioneers who gave us a heritage of true Americanism. Their inspiration has made it possible to keep faith with that pledge to the Union made 50 years ago.

Today Idaho has a population of about 565,000, but it has attained high rank by virtue of its rich mineral, timber, and agricultural resources. More recently there has been recognition of the importance of the vast recreational possibilities of her majestic mountains and streams, as well as her highly desirable climate, and increasing numbers of Americans annually visit this wonderland.

These material resources are essential, but far more valuable is the intelligent application of our human resources. The pioneers of a half century ago displayed vision and resourcefulness in laying the groundwork of a great Commonwealth. Considerable progress has been recorded, but much remains to be done in the wise utilization of our resources and in promoting the welfare of our citizens. The challenge to this and subsequent generations is to discharge their responsibilities of citizenship, to forge ahead to greater accomplishments, and to add luster to their legacy.

Today I have arranged to have a flag flown over the Capitol at Washington in commemoration of 50 years of statehood for Idaho and in tribute to those valiant Americans who made possible Idaho's admission into the Union. [Applause.]

VACATING PROCEEDINGS BY WHICH BILL PASSED

Mr. FADDIS. Mr. Speaker, I ask unanimous consent that the proceedings by which the bill S. 3926 passed the House yesterday be vacated and that further action on the bill be indefinitely postponed.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

EXTENSION OF REMARKS

Mr. KITCHENS. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and include therein a statement made by one Wendell L. Willkie in Fortune Magazine of April 1940.

The SPEAKER. Is there objection to the request of the gentleman from Arkansas?

There was no objection.

Mr. MURDOCK of Utah. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and include therein an address delivered by me on the Wagner Act and the amendments thereto.

The SPEAKER. Is there objection to the request of the gentleman from Utah?

There was no objection.

Mr. DIMOND. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and include therein a telegram and several excerpts from letters, congressional hearings, and judicial opinions.

The SPEAKER. Is there objection to the request of the Delegate from Alaska?

There was no objection.

Mr. FULMER asked and was given permission to extend his own remarks in the RECORD.

PATENTS FOR LANDS HELD UNDER COLOR OF TITLE—VETO MESSAGE FROM THE PRESIDENT OF THE UNITED STATES (H. DOC. NO. 863)

The SPEAKER laid before the House the following veto message from the President of the United States:

To the House of Representatives:

I return herewith, without my approval, H. R. 7736, entitled "A bill authorizing the Secretary of the Interior to issue patents for lands held under color of title."

The proposed legislation directs the Secretary of the Interior, upon payment of $1.25 per acre, to issue patents to public lands in Monroe County, Mich., which have been held in good faith and in peaceable, adverse possession by citizens of the United States and their ancestors or grantors for more than 20 years.

The Department of the Interior has advised me that the lands which would be affected by this legislation, if approved, are prospectively valuable for oil and gas. The proposed legislation does not provide for a reservation to the United States of the mineral deposits in the lands.

While the long-continued occupancy of these lands entitles the claimants to equitable consideration, I do not think the United States should issue patents to the lands, except with a reservation to it of the oil and gas and other mineral deposits

therein, together with the right to prospect for, mine and remove the same, under such rules and regulations as may be prescribed by the Secretary of the Interior.

FRANKLIN D. ROOSEVELT.

THE WHITE HOUSE, *July 3, 1940.*

The SPEAKER. The objections of the President will be spread at large upon the Journal.

Mr. DEROUEN. Mr. Speaker, I move that the message and the bill be referred to the Committee on the Public Lands and ordered to be printed.

Mr. MICHENER. Mr. Speaker, will the gentleman yield?

Mr. DEROUEN. I yield to the gentleman from Michigan.

Mr. MICHENER. Mr. Speaker, it is regrettable, indeed, that the President felt called upon to veto this bill. The equities are all with those few individuals, residents of Monroe County, Mich., who, through no fault of their own, will be called upon to pay toll because of an arbitrary general law which was never intended to apply to their lands.

I am a thorough believer in conservation and reserving to the Government its natural resources. This proposed law, however, does not conflict with this theory. I have not had an opportunity to study the reasons for the veto. However, the veto message just read indicates that there may be oil or minerals underlying the few acres of land in Monroe County covered by this bill. This is a possibility, and not a probability. Be that as it may, the Government presumed that it had patented these lands the same as the rest of Monroe County. If a few acres here and there, through technical mistake, were not formally conveyed to the occupants and owners, it does not seem right or just that the present occupants of these small parcels of land, sprinkled over several townships, should be prevented from ever acquiring title to their land. If the President's veto is adhered to, it will mean that the owners of these lost lands will never be able to acquire complete title. For instance, a farmer owns 100 acres of land in Monroe County. Possibly in the center of the farm somewhere, 2 or 3 acres have never been patented by the Government to the farmer or his predecessors. Therefore, there is no way whereby that farmer can ever completely own this small patch in the middle of his own farm. This affects his title, makes it impossible for him to give clear title to his farm, and makes it impossible for him to mortgage his farm to a Government loaning agency, for the sole reason that he cannot show perfect title from the Government.

I feel sure if the Members of the House and Senate could devote the time to this matter, and understood it as I understand it, the bill would be passed over the veto. However, I realize this is a small matter, not of national importance. I appreciate that it is practically impossible to pass a bill of this kind over the President's veto. In these circumstances, there is not much left to be done about it. The bill will go back to the committee and that ends the matter.

I shall, however, introduce a new bill, reserving the oil and mineral rights, as required in the veto message, and I hope that the bill so amended will meet with the approval of the President.

We must not forget that after consideration the Public Lands Committee of the House favorably reported the bill unanimously; that the House passed the bill unanimously; that the Senate Public Lands Committee favorably reported the bill unanimously; and that the Senate, after an explanation of the bill on the floor of the Senate, passed the bill unanimously. The objection raised by the President was not suggested by the representatives of the Department of the Interior either to the Public Lands Committee of the House or the like committee of the Senate.

By virtue of the privilege granted to me, I include herein excerpts from the report of the Committee on the Public Lands of the House:

More than 100 years ago Monroe County, Mich., was settled largely by the French. At the time of this settlement the Federal Government owned the land in Monroe County. These settlers, following the French custom, staked out their claims along the water fronts—either lake or stream. The claims were but a few rods wide on the water front and extended back, some of them, as far as 1½ miles, so that the settler's claim was a very narrow strip of land varying in depth up to 1½ miles and more.

In 1819 the Government surveyed much of this territory into townships and sections. These French claimants were already living on their claims and in possession of these long, narrow strips of land running back from the several water fronts in the county.

Congress granted to the owners of these front tracts a donation of an additional 40 arpents (about 1½ miles) in depth, upon submitting proof of their ownership of the front tracts and otherwise complying with the law.

A few of the then owners who were entitled to such benefits took possession of the land, but failed to submit the required proofs; that is, these original settlers neglected to do that which would perfect their title to this additional land.

The present occupants of these lands and their predecessors in title openly claimed and believed said lands to be their own. By reason of this failure to file said proof more than 100 years ago, there still remain small pieces and narrow strips of land throughout Monroe County—remnants of these old French claims—for which strips the Federal Government has apparently never issued patents. The boundaries and descriptions of these French claims have long since been abandoned and the township and section descriptions, as provided by the Government survey in 1819, are now followed in describing lands in Monroe County.

Abstractors' and county surveyors' maps were submitted to the committee indicating that there were at least 13 small pieces or parcels of this "lost land" in said county for which no patent has ever been issued by the Government. Some of these small pieces of land are right in the middle of a farm for the remainder of which the Government issued patents years ago.

The people of Monroe County are not migratory, and much of the county is still occupied by many of the descendants of these original French settlers. These people have lived on the land, improved it, paid the taxes, and believed that they had perfect title to the land down through generations.

In 1928, in preparing abstracts of title to land in the county, the above condition was first discovered. The Federal Government had parted with title to all so-called public lands in Michigan many years ago and in 1928 did not know that this unpatented land existed in Monroe County until the matter was called to the Government's attention by the Monroe County abstractors.

As a result of this condition, on February 16, 1929 (45 Stat. 1188), the Congress enacted a law providing for the issuance of patents on these lands in Michigan held under color of title. This law expired 5 years after its enactment.

At the time of the enactment of this law there was on the statute books the act of December 22, 1928 (45 Stat. 1069), providing for the sale of public lands that had been held under color of title, etc.

The bill H. R. 7736 is an exact copy of the act of February 16, 1929, and the only purpose of the bill is to extend the privileges granted under said act for an additional period of 5 years.

The act of February 16, 1929, was drafted in the Land Commissioner's Office in the Department of the Interior for the specific purpose of doing justice to these Michigan farmers.

* * * * * * *

Owners of land in Monroe County who attempted to mortgage their land to the Government, or sell it and guarantee perfect title, took advantage of the act of February 16, 1929, during the 5 years it was in force. Other landowners who had no occasion to investigate the title to the land—which they presumed they owned—did not get the benefits of the act of February 16, 1929. The proof before the committee was to the effect that these landowners who had occupied and cultivated this land for generations could not be convinced that they did not own the land and, therefore, that this was one of the reasons why all of them did not come in under the law and pay $1.25 an acre and the cost of making the showing to the Department of the Interior required by the law.

The committee was advised by a representative of the Department of the Interior that 5 persons have made application to secure patents to their land and in compliance with the instructions of the Department have filed application under the act of December 22, 1928 (45 Stat. 1069). Only one of these cases has reached the point of final decision before the Department. That is the case of Mrs. Anna Nickel (G. L. O. 07054) a widow, who is the owner, as she presumed, of 54.58 acres of land, her title originating in these French claims and for which no patent has ever been issued by the Government. Mrs. Nickel complied with the act of December 22, 1928, in every particular and pursued the course laid down by the Interior Department to a conclusion. The Department of the Interior under date of November 4, 1939, advised the attorney for Mrs. Nickel fully in the premises and concluded as follows:

"From the evidence presented it is believed that the applicant has made a sufficient showing to entitle her to a preference right to purchase the land applied for under the act of December 22, 1928. The lots have been appraised at the rate of $30 per acre, making a total appraised price for the two lots of $1,641.60.

"The applicant is hereby allowed 30 days from receipt of notice hereof within which to deposit the price of the land in this office, failing in which, or of other action or appeal, she will forfeit her right to the land under this application."

It will be observed that the Department ordered this woman to pay $1,641.60 to the Government within 30 days, or be foreclosed from even taking advantage of the act of December 22, 1928. The Department, however, has considerately granted a stay to Mrs. Nickel pending the outcome of this proposed legislation.

In these circumstances the Representative in Congress from the district in which this land is situated appealed to the Department of the Interior and, after conferences with the Department, introduced the bill H. R. 7736.

* * * * * * *

Hearings were held before the committee and a representative from the Department appeared and explained the position of the Department.

The committee is of the opinion that the bill should be enacted because:

1. The Federal Government is not asserting title to these "lost lands" to be affected by this legislation.

2. These small tracts of land dotting different farms throughout Monroe County are parts of parcels that have been claimed, occupied, improved, and on which the present occupants and their predecessors in title have paid taxes for more than 100 years. In short, these occupants presumed that they were the owners of said lands during all this time and in this belief the Government apparently supported them, or at least in no way questioned their title.

3. The apparent cause of the present title difficulty is undoubtedly due to an oversight on the part of the original claimants in that they failed to properly describe the land assigned to them by the Government and to file the formal proof in the proper land office and this, more than 100 years ago.

4. It would seem inequitable and unjust to compel occupants of the land like the widow Nickels to pay $30 an acre at this time in order to secure patents from the Government.

5. The act of December 22, 1928 (45 Stat. 1069), referred to in the recent letter from the Department of the Interior contemplates the purchase from the Government of land throughout the United States where the conditions are such, and the equities are such, that a present appraisement of the land will do justice to the Government and to the citizen.

6. The enactment of this law follows a precedent rather than establishing one. As a practical matter this bill places upon the statute books no new law, but does revive the act of February 16, 1929, for a period of 5 years.

It seems to me that the committee's position is sound, and justice requires that the relief provided in this proposed law should be given. This veto message is most unfortunate.

The SPEAKER. The question is on the motion of the gentleman from Louisiana.

The motion was agreed to.

A motion to reconsider was laid on the table.

AMENDMENT OF TARIFF ACT OF 1930—VETO MESSAGE FROM THE PRESIDENT OF THE UNITED STATES (H. DOC. NO. 864)

The SPEAKER laid before the House the following further veto message from the President of the United States:

To the House of Representatives:

I return herewith, without my approval, H. R. 6328, to amend the Tariff Act of 1930, as amended by section 34 (c) of the Customs Administrative Act of 1938 (U. S. C., 1934 ed., Supp. IV, title 19, sec. 1001, par. 1529 (a)).

The bill under consideration involves two separate subjects.

The first proposal is that paragraph 1529 (a) of the Tariff Act of 1930, as amended by section 34 (c) of the Customs Administrative Act of 1938, be further amended by inserting "1022" after the figure "1006." This would, in effect, restore to certain mats of cocoa fiber the classification for duty purposes which they were given until a recent court decision holding otherwise, and I have no objection to this proposal.

The second proposal is that no duties collected prior to June 26, 1938, under paragraph 1115 (b) of the Tariff Act of 1930, shall be refunded, unless the claimant establishes that he bore the burden of such duties. No reason appears discernible why one small group of claims should be singled out for the imposition of such a requirement when no such condition is exacted from claimants for refund of duties erroneously paid under any other paragraph of the Tariff Act. Moreover, the fixing of June 26, 1938, as the date back of which duties collected could not be refunded would result in discrimination as between shippers of the same commodities covered by this paragraph.

Since the effect of this proposal would be to introduce a palpable inequality of treatment as between claimants against the Government, I am impelled to disapprove the bill.

FRANKLIN D. ROOSEVELT.

THE WHITE HOUSE, *July 3, 1940.*

The SPEAKER. The objections of the President will be spread at large upon the Journal.

Mr. CULLEN. Mr. Speaker, I move that the message and the bill be referred to the Committee on Ways and Means and ordered printed.

The motion was agreed to, and a motion to reconsider was laid on the table.

ADOLPH ERNEST HELMS—VETO MESSAGE FROM THE PRESIDENT OF THE UNITED STATES (H. DOC. NO. 868)

The SPEAKER laid before the House the following further veto message from the President of the United States:

To the House of Representatives:

I return herewith, without my approval, the bill (H. R. 5156) for the relief of Adolph Ernest Helms.

This legislation would cancel pending deportation proceedings against Adolph Ernest Helms, a citizen and native of Germany, and admit him to permanent residence in the United States but would expressly provide that he may not become a naturalized citizen unless and until he leaves the United States and reenters in a lawful way.

This legislation is anomalous and different in its provisions from other bills of this type. It seems highly questionable whether a person who is to be considered ineligible to become a citizen of the United States, should, nevertheless, be admitted to permanent residence in this country. If a person is to be so admitted, he should be permitted to apply for naturalization if he so desires. If he is not regarded as a fit subject for naturalization, no reason is discernible why he should be admitted to permanent residence.

In view of the foregoing considerations, I am unable to approve this legislation in its present form.

FRANKLIN D. ROOSEVELT.

THE WHITE HOUSE, *July 3, 1940.*

The SPEAKER. The objections of the President will be spread at large upon the Journal.

Mr. DICKSTEIN. Mr. Speaker, I move that the bill and the message be referred to the Committee on Immigration and Naturalization and ordered printed.

The motion was agreed to.

A motion to reconsider was laid on the table.

SALOMON GEORG KAUFMAN—VETO MESSAGE FROM THE PRESIDENT OF THE UNITED STATES (H. DOC. NO. 865)

The SPEAKER laid before the House the following further veto message from the President of the United States:

To the House of Representatives:

I return herewith, without my approval, the bill H. R. 7563, which would provide that Salomon Georg Kaufman and his wife, formerly of Germany, and their child, a native of the Netherlands, shall be admitted to the United States for permanent residence, notwithstanding any provision of the immigration laws.

It will be observed that, unlike some other bills of this class, it does more than merely waive the requirements of the Quota Act but would also set aside the limitations of all immigration statutes in respect to this alien and his family. It does not seem to me to be advisable to grant an exception of such a broad scope in an instance, as is the case here, in which the proper administrative authorities have not had an opportunity to determine as to whether any member of this family would be barred by any substantive provision of the immigration laws other than the Quota Act.

In the light of these considerations, I find myself unable to approve this legislation in its present form.

FRANKLIN D. ROOSEVELT.

THE WHITE HOUSE, *July 3, 1940.*

The SPEAKER. The objections of the President will be spread at large upon the Journal.

Mr. DICKSTEIN. Mr. Speaker, I move that the bill and the message be referred to the Committee on Naturalization and Immigration and ordered to be printed.

The motion was agreed to.

A motion to reconsider was laid on the table.

C. B. REAGH—VETO MESSAGE FROM THE PRESIDENT OF THE UNITED STATES (H. DOC. NO. 867)

The SPEAKER laid before the House the following further veto message from the President of the United States:

To the House of Representatives:

I return herewith, without my approval, H. R. 2513, for the relief of C. B. Reagh.

It is the purpose of the bill to pay the sum of $500 to C. B. Reagh, of Belden, Miss., in settlement of his claims against the United States for losses sustained on account of personal injuries received by his minor son, Robert Reagh, when he was struck, on May 6, 1937, by a motor vehicle in the service of the Civilian Conservation Corps.

The record in this case indicates that, upon careful investigation by the War Department, it has determined that there was no negligence whatever on the part of the operator of the Government vehicle. The payment proposed, therefore, would be in the nature of a pure gratuity on the part of the Government.

FRANKLIN D. ROOSEVELT.

THE WHITE HOUSE, *July 3, 1940.*

The SPEAKER. The objections of the President will be spread at large upon the Journal.

Mr. RAMSPECK. Mr. Speaker, I move that the bill and message be referred to the Committee on Claims and ordered to be printed.

The motion was agreed to.

A motion to reconsider was laid on the table.

LESTER R. TAYLOR—VETO MESSAGE FROM THE PRESIDENT OF THE UNITED STATES (H. DOC. NO. 869)

The SPEAKER laid before the House the following further veto message from the President of the United States:

To the House of Representatives:

I return herewith, without my approval, H. R. 1178, for the relief of Lester R. Taylor.

It is the purpose of the bill to pay to Lester R. Taylor, of Sturgis, S. Dak., the sum of $792.68 in settlement of his claims against the United States for injuries, hospital care, and other expenses suffered and incurred when his son, Jerry Taylor, a minor, was struck by a Government truck operated in connection with the Civilian Conservation Corps on June 14, 1937.

The record in this case indicates that, upon careful investigation by the War Department, it has determined that there was no negligence whatever on the part of the operator of the Government vehicle. The payment proposed, therefore, would be in the nature of a pure gratuity on the part of the Government.

FRANKLIN D. ROOSEVELT.

THE WHITE HOUSE, *July 3, 1940.*

The SPEAKER. The objections of the President will be spread at large upon the Journal.

Mr. RAMSPECK. Mr. Speaker, I move that the bill and the message be referred to the Committee on Claims and ordered to be printed.

The motion was agreed to.

A motion to reconsider was laid on the table.

ANTHONY BORSELLINO—VETO MESSAGE FROM THE PRESIDENT OF THE UNITED STATES (H. DOC. NO. 866)

The SPEAKER laid before the House the following further veto message from the President of the United States:

To the House of Representatives:

I return herewith, without my approval, H. R. 6845, authorizing and directing the Secretary of the Treasury to pay out of any money in the Treasury not otherwise appropriated the sum of $3,500 to Anthony Borsellino, Washington, D. C., in full settlement of all claims against the United States for the death of his minor son, Joseph Borsellino, as a result of injuries received through the negligent operation of a truck belonging to the District of Columbia National Guard on June 23, 1933, at Third Street and Maine Avenue, Washington, D. C.

The truck in question was at the time of the accident in the custody of and under the control and operation of agents of the District of Columbia National Guard, and was on a mission directly connected with the business thereof, and not under the supervision of any agency of the War Department or on any mission connected with the business of the United States. In situations of this character affecting equipment issued to the National Guard of the several States it has been the general rule that claims for damages or for injuries incident to the equipment loaned to the several States are not proper charges against the funds of the United States but rather the responsibility of the individual States. Under this rule the District of Columbia National Guard would have the same status as any State National Guard.

Congress has recognized this principle by providing for the annual maintenance of the National Guard of the District of Columbia out of funds of the District.

While I do not feel justified in giving my approval to the legisation in its present form, I understand that the claim is a meritorious one, and I would have no objection, therefore, to legislation that would provide for its payment from District funds.

FRANKLIN D. ROOSEVELT.

THE WHITE HOUSE, *July 3, 1940.*

The SPEAKER. The objections of the President will be spread at large upon the Journal.

Mr. RAMSPECK. Mr. Speaker, I move that the bill and the message be referred to the Committee on Claims and ordered to be printed.

The motion was agreed to.

A motion to reconsider was laid on the table.

CALENDAR WEDNESDAY BUSINESS

The SPEAKER. This is calendar Wednesday. The Clerk will call the committees.

The Clerk called the Committee on Expenditures in the Executive Departments.

Mr. RAYBURN. Mr. Speaker, I ask unanimous consent that the further call of the committees may be dispensed with.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

The SPEAKER. Under the previous order of the House, the gentleman from Missouri [Mr. SHANNON] is recognized for 30 minutes.

THE FOURTH OF JULY

Mr. SHANNON. Mr. Speaker, this is to be a Fourth of July speech. I am afraid we have been getting out of the habit of remembering that there was a document known as the Declaration of Independence with which, and upon which, as a cornerstone, we began our national existence. I think that the most significant things we do in these later years upon the anniversary of the day that gave us freedom more than a century and a half ago is to shoot off skyrockets and Chinese firecrackers. We have almost forgotten what it was all about. I remember though in the days of my youth, back in my own home town, that we used to gather at the old fairgrounds at the edge of town and delegate some young man with a good voice to take book in hand and read every line of that immortal document and every signature to it, and I can recall the rapt attention of the good citizens of that day as they listened to its patriotic periods.

But I am afraid that a good deal of water—and much of it of a very muddy and snag-ridden variety—has passed under our national mill since those good old days. Thomas Jefferson, the great statesman who wrote that document and who peacefully extended the borders of our Nation toward the western ocean, has been almost forgotten, or remembered too often with a partisan sneer. Today, we are told, we are entering upon a new era—the old things must be ignored—we are facing a newer destiny—we have become a world power, they are telling us, and we must go forth and prove our power.

I do not read the destiny of America in any such terms. I recall the words of Jefferson with reference to the spirit which he infused into the Nation—that we represent the last word in a free and independent nation—that our Nation was founded in freedom and inspired with the hope of equality and happiness and liberty for all our people.

LET US TURN BACK THE PAGES

And so, today, let me turn back the pages of our history for a brief moment, and let us see if that high conception of our national ideals enunciated not only by Jefferson but by Washington and Franklin and Adams and Madison and Monroe, and by all of the great fathers of our Republic, was a mere illusion.

There comes to my mind at this moment another celebration of Independence Day that occurred a long time ago, and a speech that was made by the man who wrote the Declaration, then President of the Nation that he had helped to found. The occasion was the Fourth of July, 1806. A copy of the speech Jefferson made on that occasion has not been preserved, but in a letter that he wrote to his friend, Mr. Thomas Digges, extending him an invitation to be present at the celebration he forecasts the substance of his speech. It was a significant utterance and one that comes to us today as forcefully as if the speaker were here today in this hall. He said:

I will be happy to see you on the Fourth of July and to join with you in congratulations on the anniversary of the day which divorced us forever from the follies and crimes of Europe. We, too, shall encounter follies, but if great, they will be short, and if long, they will be righted. For Americans we have but one national birthday—the Fourth of July—the day upon which this Nation was born. That was America's first great holiday of liberty, and if it were ever possible for that fact to be forgotten which was our Nation's basic foundation, that day it will fall as other governments have in the past.

THE FOLLIES AND CRIMES OF WAR

Ponder those words of Jefferson's for a few minutes. He referred to the follies and crimes of Europe—meaning the wars of the Napoleonic era. He minced no words. Wars to him were really and literally crimes. But if he could designate the European wars of his day as crimes, what would he have said of the mechanized wars of this day? Then, at least, men fought with men in the open field and there was much to be said of courage and skill and even of the humanities of war. But what words could the author of the Declaration have found to voice his horror of the kind of warfare that is going on over there in Europe, where valiant is never the word, and where from the clouds high above and belching steel machines, death is hurled upon innocent old men, women, growing boys, babies in arms, nurses in hospitals, and children in the schools? If Jefferson saw follies and crimes over there in his day what would he have said of the shambles of European battlefields of today where the plea of humanity and mercy is never heeded and where the hope expressed by Jefferson in his declaration—the pursuit of happiness—is heard no more?

Let me at the outset make myself clear upon one subject that seems to be uppermost in the minds of our people today—that of war. I do hate war as a means of settling disputes between nations. The wars of today are not the wars of yesterday. If ever there was the word glory to be attached to feats of war—to courageous charges and heroic defenses—that word can no longer be applied to the mechanized slaughter that is going on over there in Europe today. The armies are helmeted robots. The artillery is composed of juggernaut tanks that roll over and crush human bodies, and of winged vessels, flying beyond reach in the air, that rain down bombs from the skies upon men and women and children, hospitals and churches, art galleries, and places of earthly beauty.

KEEP THAT WARFARE FROM AMERICA

Whatever glory of war ever existed has departed forever. The men who plan and conduct these new devastations they call wars are of a new and inhuman type. Courting no danger themselves, they scatter danger, destruction, death, disease, and famine across the fair fields of harmless and peaceful countries. It is purely a European system. It has no place here. We have no place there. [Applause.] The hope still clings to my heart that our America still believes in humanity, in religion, in comradeship, in freedom, and in the pursuit of happiness.

And that is all I wish to say in this Fourth of July speech about my personal opinions. I think they are well known. I have not tried to conceal them. But, lest my candor be misconstrued, I want to say and to say firmly and with deepest conviction that I consider it the duty of every American to keep that sort of warfare from our shores, and to do everything within our power to protect ourselves and our country from invasion and from every effort, no matter by whom, to transplant the despotic ideals that are responsible for conditions over there in Europe and Asia upon American soil or ever finding a foothold on the American Continent.

I believe that I can safely assert that such is my interpretation of Americanism, and that upon that doctrine I mean to take my stand and form my opinions. Let me see if I am warranted in believing that such is the destiny of our Republic and no other. At the risk of retreading old ground, let me bring to you again the voices of the men whom we have been taught to revere as the men who, in the words of Lincoln, "brought forth this Nation, conceived in liberty and dedicated to the proposition that all men are created equal."

"THE NEW DESTINY"—A SHAM CATCHWORD

I will be brief. The words that I will recall were few. They came from men who fought for our freedom, who sat down when we had obtained it and planned for a great Nation set upon firm foundations. They were words that were inspired and every occasion that brought them forth was an epoch in the life of America. The building of this Nation was no haphazard affair—its steps were carefully mapped out—its progress sincerely and devotedly planned. And we sit here today in the full enjoyment of national peace and happiness just because it was all done that way. So, let me say, that we should not be deceived by catchwords about a new destiny. Our destiny was mapped out for us long ago—the destiny of the world's greatest democracy—the destiny of a nation that became the refuge of the afflicted and the hope and the home of the stricken from every land.

We hold these truths to be self-evident—

Said that immortal Declaration—

that all men are created equal, that they are endowed by their Creator with certain unalienable rights, that among these are life, liberty, and the pursuit of happiness, that, to secure these rights, governments are instituted among men, deriving their just powers from the consent of the governed.

There is the cornerstone. Has it been uprooted by anything that is happening over there today—I mean uprooted here in our own country? Do we not believe still in every word of that fundamental doctrine of Americanism? Do you believe that such a doctrine is outmoded, or that our duty still is to protect here upon our shores and within our borders that doctrine in all its purity and not risk its annihilation in a barbarian warfare upon a foreign shore against men and machines that could understand not one word of the high humanities that Declaration inspires?

So let us resolve ever to defend our liberties and our precious Declaration of them with "millions for defense but not one cent for tribute" to any foreign despot or dictator of their machines of slaughter. Our duty is here. Washington told us so when our country was at its perilous crossroads and I hope that his words have not been forgotten, or his warning belittled by overzealous ambitions or misconception of national duty.

WASHINGTON'S WORDS RING TRUE TODAY

The name of American, which belongs to you in your national capacity—

Wrote Washington in that last warning he gave to the Nation he had served so well—

must always exalt the just pride of patriotism more than any appellation derived from local discriminations. With slight shades of difference, you have the same religion, manners, habits, and political principles. You have in a common cause fought and triumphed together. The independence and liberty you possess are the work of joint counsels and joint efforts, of common dangers,

sufferings, and successes. * * * The great rule of conduct for us, in regard to foreign nations, is, in extending our commercial relations, to have with them as little political connection as possible. * * * Europe has a set of primary interests which to us have none or a very remote relation. Hence, she must be engaged in frequent controversies, the causes of which are essentially foreign to our concerns. Hence, therefore, it must be unwise for us to implicate ourselves by artificial ties in the ordinary vicissitudes of her politics, or the ordinary combinations and collisions of her friendships or enmities.

I am aware that it has become the custom in some quarters to look upon these great words of our first President slightingly—as fitted to his period but outmoded in this era of destiny and expansion. We did forget them 20 years ago, and learned the bitter truth of every word that Washington uttered with the dead we left in Flanders and the wrecked lives that we brought back home, and the peace that we thought we had made to end all wars, with dire results we know today.

No; those words of Washington are not outmoded. They were beacons that lighted us down the decades that followed him. They were reiterated by Jefferson and Madison and Monroe. They inspired Lincoln in the hope that "such a nation, conceived in liberty and dedicated to the proposition that all men are created equal, shall long endure." They came to life again in the Monroe Doctrine, which breathed a warning to all European empires that this American Continent was not destined for their exploitations.

THE COMPASS WAS SET IN MONROE'S DAY

Let us recall on this liberty anniversary the words of that doctrine, uttered in Monroe's seventh annual Presidential message in 1824, which, in spite of partisan attack, is still firmly imbedded in the American policy. Monroe wrote, in the face of the threats of the unholy holy alliance that was scheming to establish foreign governments in South America, these calm and decisive words:

The occasion has been judged proper for asserting, as a principle in which the rights and interests of the United States are involved, that the American Continent, by the free and independent condition which they have assumed and maintain, are henceforth not to be considered as subjects for future colonization by any European powers. * * * In the wars of the European powers, in matters relating to themselves, we have never taken any part, nor does it comport with our policy to do so. It is only when our rights are invaded, or seriously menaced, that we resent injuries or preparations for our defense. * * * We owe it therefore to candor and to the amicable relations existing between the United States and those powers to declare that we should consider any attempt on their part to extend their system to any portion of this hemisphere as dangerous to our peace and safety.

Jefferson, at the time, wrote to Madison to the same effect, and even quoted from Washington's farewell warnings. He said:

The question presented by the letters you have sent me is the most momentous which has ever been offered to my contemplation since that of independence. That made us a nation—this sets our compass and points the course (the Monroe Doctrine) which we are to steer through the ocean of time opening on us. Our first and fundamental maxim should be never to entangle ourselves in the broils of Europe; our second, never to suffer Europe to meddle with cis-Atlantic affairs.

And now let me just append a statement of that good lawyer and careful Republican, Elihu Root, on this topic. In an address before the American Society of International Law he said:

As the particular occasions which called it forth (the Monroe Doctrine) have slipped back into history, the declaration itself has grown continually a more vital and insistent rule of conduct for each succeeding generation of Americans. Never for a moment have the responsible and instructed statesmen in charge of foreign affairs of the United States failed to consider themselves bound to insist upon its policy. Never has the public opinion of the people of the United States failed to support every just application of it as new occasion has arisen.

AMERICA NEED LOOK NO FURTHER

Now, there, my friends, is my Fourth of July speech. At the risk of being thought old-fashioned and retroactive, I have taken the occasion, in my own behalf, and in that of those I represent, to look back and steady my course in these perilous days by the lights of the statesmen whom I have been taught to revere as the founders and protectors of our democratic ideals. I do not think we have to look any further for a definition of true Americanism for sure guides to our duties in every present emergency than what we can find in these calm and dignified words that shaped the initial policies of our Nation, and that should still remain our beacon lights. Looking forward is always good counsel, but when we do so we should take a good long look back and see what we have passed through, what perils we have escaped, what the Republic really means, and what we must do to preserve it in its originality—the greatest democracy the world has ever known. Jefferson once said:

There were only two great democracies—France and the United States.

Today France is gone—a slave under an invader's heel. But America remains. Let it not be the last of the great democracies. [Applause.]

EXTENSION OF REMARKS

Mr. CURTIS. Mr. Speaker, I ask unanimous consent that my colleague the gentleman from South Dakota [Mr. MUNDT] may extend his remarks in the RECORD, and include therein an editorial.

The SPEAKER. Is there objection to the request of the gentleman from Nebraska?

There was no objection.

Mr. MICHENER. Mr. Speaker, I ask unanimous consent to include in the remarks I made today some excerpts from a committee report.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. BROOKS asked and was given permission to revise and extend his own remarks in the RECORD.

The SPEAKER pro tempore (Mr. DUNCAN). Under the previous order of the House, the gentleman from Michigan [Mr. DONDERO] is recognized for 15 minutes.

THE FOURTH OF JULY

Mr. DONDERO. Mr. Speaker, tomorrow morning we will celebrate the one hundred and sixty-fourth birthday of the signing of the Declaration of Independence of the United States. I wonder when we awaken tomorrow whether we will be thinking about the pleasures of the day or whether our memories will turn backward down through the years to the scene that took place at Independence Hall in the city of Philadelphia, to the men who were there and to the principles which they were giving to the world. If we are good Americans we will refresh our memories on what those men did July 4, 1776. Had their cause failed they would all have suffered an ignominious death. What courage and faith they had in the problem which lay before them. I wonder if we have the same faith and the same courage to espouse the cause which they gave to the world 164 years ago.

A few days ago with bared head and a reverent attitude, but with gratitude and pride for American citizenship, I stood within that cradle of American freedom at old Independence Hall in the city of Philadelphia, where the Declaration of Independence and the Constitution were signed.

In that chamber is the chair used by Washington as president of the Convention that created the Constitution—the little desk on which the Declaration of Independence and the Constitution were signed, the very inkwell and the chairs used by the delegates.

As one stands in that historic place, one visions the scene and the men who brought forth a new conception of government on this earth, namely, the right of man to govern himself. They labored to lift the weights from the shoulders of mankind. Failure meant death to every one of the 56 men who signed that immortal document, the Declaration of Independence.

We pay tribute to their memory and express our gratitude for the legacy of a free Republic which we received from them, by celebrating the one-hundred and sixty-fourth anniversary of the day on which they made their heroic decision to be free.

What faith and courage they must have had in their cause to draft and sign the birth certificate of our Republic. In

the light of this hour, I sometimes wonder if we have justified their courage and faith.

It is an old custom to bring gifts on a loved one's birthday. Believing that we all love and revere our country, what gifts do we bring to her on her natal day? That question prompts the asking of another. What gifts are appropriate on this day? Not money, not glory, not honor, not power; these are attributes that belong to her now.

What, then, should we bring, my fellow countrymen? We should bring ourselves, our loyalty, our patriotism, our services, and our love for this our native land. On this day of all days we should pledge anew our faith and dedicate ourselves to our country, for here is the last refuge of a free people.

These are the gifts we can bring to the land we call home. We can and we must insist that the alien and the stranger within our gates shall do likewise. As loyal citizens we can make sure that he who seeks the protection and generosity of our laws shall obey them or move out. So let us, on our Nation's birthday, bring gifts of loyalty, patriotism, and obedience, without which even this Government, great as it is, cannot long endure.

Members of the House, let me say in closing, may the clock of time never point to the hour or the day when Americans can no longer celebrate the birthday of our Republic.

God bless America,
It is our home, sweet home.

Breathes there a man
With soul so dead,
Who never to himself hath said,
This is my own, my native land?

[Applause.]

Mr. ANGELL. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and to include an address delivered by Dr. Francis E. Townsend.

The SPEAKER pro tempore (Mr. DUNCAN). Is there objection?

There was no objection.

The SPEAKER pro tempore. Under special order heretofore made, the Chair recognizes the gentleman from California [Mr. HINSHAW] for 10 minutes.

TORPEDO-BOAT SALE BAN

Mr. HINSHAW. Mr. Speaker, some weeks ago we were notified through the press that The Assistant Secretary of the Navy had been authorized by the Secretary of the Treasury, a very peculiar circumstance in itself, to sell certain nearly completed torpedo boats to Great Britain. An alert constituent of mine has sent to me a release by the Associated Press under date of June 24 purporting to be the text of the White House statement announcing that President Roosevelt had ordered a halt in the negotiations for the sale of 20 torpedo boats. That editorial goes on to state the law to which our friend and colleague the gentleman from South Dakota [Mr. CASE] had previously called our attention and which declares it a criminal offense to make this kind of sale. Further along in the editorial is the statement:

Lewis Compton, Acting Secretary of the Navy, also gave the President a memorandum in which he set forth five military advantages the Navy would have received if the proposed sale of the torpedo boats had been possible under the law. Military advantages to the Navy, the Acting Secretary said, included the following:

(1) The Navy would receive boats which would carry 21-inch standard United States Navy torpedoes instead of 18-inch torpedoes—a type of weapon obsolete in the United States Navy and not now in production, and with only a limited supply on hand.

Then it goes on to describe the fact that 21-inch torpedoes have a warhead of about double the weight of that carried by the smaller weapon, thus doubling the fire power.

In paragraph 5 of that statement it says:

Due to the fact that the 18-inch torpedo is obsolete in the United States Navy, and due to the further fact that there is a limited supply of his type of weapon on hand, it would be necessary, if we retained the boats with the 18-inch tubes, to retool up our already overloaded sources of supply for the standard 21-inch torpedo in order to manufacture reserve supplies of the 18-inch weapon.

Mr. Speaker, one thing that the Congress of the United States should ask the new Secretary of the Navy, who, I understand, will be Mr. Frank Knox, is to find out why it was that these ships were equipped with 18-inch-torpedo tubes in the first place, when 18-inch torpedoes were already obsolete. They certainly must have been obsolete at the time these boats were ordered, and if not, then they have only recently become so, because these boats have not been on order very long. It looks to me as though somebody ought to have himself looked into by this Congress for ordering 18-inch-torpedo equipment on these boats. The fact that Mr. Lewis Compton, Under Secretary of the Navy, has given that as an excuse for his proposal to sell these torpedo boats to Great Britain clearly indicates that someone is entirely incompetent, and that a thoroughgoing shake-up is not only highly desirable, but imperatively necessary in order to avoid the possibility of ordering perhaps 13½-inch guns for our new battleships when 16-inch shells are standard.

I shall not go further into this subject at this time, but it seems to me that somebody is very definitely in error, and somebody should be called to account for ever having ordered boats equipped with obsolete 18-inch torpedo tubes in the first place.

Mr. ROBSION of Kentucky. Mr. Speaker, will the gentleman yield?

Mr. HINSHAW. Certainly.

Mr. ROBSION of Kentucky. I would like, if I could, to get the exact date when these 20 boats were put on order.

Mr. HINSHAW. I would be glad to have that date myself, and also the circumstances surrounding the purchase.

Mr. ROBSION of Kentucky. I understand it was last year, after the war had started all over the world.

Mr. HINSHAW. I believe so.

Mr. ROBSION of Kentucky. Why were they ordering torpedo boats that were out of date?

Mr. HINSHAW. They ordered them with 18-inch torpedo tubes, when the standard size is 21 inches. I cannot figure that out, and I think the Congress is entitled to know the reason. If these are the Scott-Paine type boats I think I can figure out the answer, but we should have an investigation of the whole subject and no whitewash.

Mr. ROBSION of Kentucky. I am wondering how much more of our equipment recently placed on order is out of date like those torpedo boats.

Mr. HINSHAW. I would like to know that, too. I understand that our 37-millimeter antitank guns will not penetrate modern tank armor and that consequently the 228 of such guns that we have on hand are obsolete today, and yet we expect to obtain delivery on a considerable number in addition to that, over the next 6 months or so. There may be a number of these things that could well be looked into by the new Secretary of the Navy, and the new Secretary of War, in order to make certain that the equipment now on order shall not be obsolete before delivery.

I yield back the remainder of my time.

The statement follows:

STATEMENT ON TORPEDO BOAT SALE BAN

WASHINGTON, June 24.—The text of the White House statement announcing that President Roosevelt had ordered a halt in negotiations for sale of 20 torpedo boats was as follows:

The President today authorized the Navy Department to put an end to pending negotiations with the Electric Boat Co. by which the Department would have accepted deferred delivery on 20 experimental motor torpedo boats—boats which the British Government wanted to purchase, and which, if the negotiations had been successfully concluded, the Electric Boat Co. would have sold to the British.

The President's decision putting a stop to the negotiations, however, was reached by him as soon as he received an informal opinion prepared by the Attorney General. In this opinion the Attorney General advised the President that the sale and delivery of motor torpedo boats by an American builder to a belligerent government "would seem to be prohibited by section 3 of title V of the act of June 15, 1917," which provides:

"During a war in which the United States is a neutral nation it shall be unlawful to send out of the jurisdiction of the United States any vessel built as a vessel of war with any intent or under any agreement that such vessel shall be delivered to a belligerent nation or with the reasonable cause to believe that the said vessel shall or will be employed in the service of any such belligerent nation after its departure from the jurisdiction of the United States."

Lewis Compton, Acting Secretary of the Navy, also gave the President today a memorandum in which he set forth five military advan-

tages the Navy would have received if the proposed sale of the torpedo boats had been possible under the law. Military advantages to the Navy, the Acting Secretary said, included the following:

(1) The Navy would receive boats which will carry 21-inch standard United States Navy torpedoes instead of 18-inch torpedoes, a type of weapon obsolete in the United States Navy and not now in production and with only a limited supply on hand. The 21-inch torpedoes have a warhead of about double the weight of that carried by the smaller weapon, thus doubling the fire power. The range of the larger torpedoes is double that of the smaller ones and the speed of the 21-inch weapon is considerably greater than the 18-inch torpedo.

(2) By accepting deferred deliveries and reordering, the production not only of hulls but of engines will be accelerated, the production of engines being the bottleneck in a small boat-building program exactly as they are in the case of aircraft production.

(3) The Navy Department would be able to effect betterments and improvements both in hull design and engine performance.

(4) No appreciable amount of time would be lost, because during the 6 months it would take to construct the replacement boats the Navy would be engaged in running competitive tests on the English and American designed boats in order to determine an ultimate type for mass production. It would also require this length of time to develop tactical uses and doctrine as well as for the training of personnel.

(5) Due to the fact that the 18-inch torpedo is obsolete in the United States Navy and due to the further fact that there is a limited supply of this type of weapon on hand, it would be necessary, if we retained the boats with the 18-inch torpedo tubes, to retool up our already overloaded sources of supply for the standard 21-inch torpedo in order to manufacture reserve supplies of the 18-inch weapon.

Acting Secretary Compton said, in view of the Attorney General's opinion, the Navy Department had requested the President's authority to stop pending negotiations with the Electric Boat Co.

He declared, however, that the original action of the Navy Department, acceding to the request that the Navy accept deferred deliveries on the boats, "was in no way surreptitious and was predicated entirely on what was considered to be by those competent to judge to the miltiary advantage of the United States Navy."

Had it been possible under the law to carry out the original proposal, Mr. Compton insisted, the "original objectives sought in the experimental small-boat program" in no way would have been impaired.

The President concurred in the Attorney General's opinion.

The SPEAKER pro tempore. Under special order of the House heretofore entered, the gentleman from Ohio [Mr. BENDER] is recognized for 15 minutes.

AMERICAN FREEDOM—STILL OUR MOST PRECIOUS HERITAGE

Mr. BENDER. Mr. Speaker, the Fourth of July is the greatest national holiday in the American calendar. This is a magnificent day in the history of a civilization which has no equal anywhere on the face of the globe, for nothing can destroy the enthusiasm and hope which are synonymous with America.

In the last decade it has become fashionable for pseudo liberals to laugh at those of us who choose to "wave the flag." We have been derided and mimicked by young men who regard themselves as superior to the feeling of patriotism. Today this attitude is gone with the wind. On this Fourth of July no American, no matter what may be his political views, no matter what may be his racial origin, can prevent himself from being proud that he lives in the United States of America in the year 1940.

We have our problems; we have our troubles; and it would be a foolish man who sought to minimize their importance. For the last decade we have been passing through a series of tremendous economic catastrophes. They have taxed our strength. They have cost us billions in terms of dollars. No one knows how much they have cost us in terms of human suffering. Yet we know that the spirit of America has not wavered in the face of the blows we have received. There is still present in our land the courage, the bravery, the energy, and the loyalty which have made this Nation of ours the greatest in the records of human history.

Look about you in the world today. Everywhere we see darkness and chaos. In Asia savage warfare rages on unknown fronts. The soldiers of Japan make war upon those who are their brothers in blood, skin, and even in their basic cultures. In the Balkans farmers tend their flocks and look fearfully toward the skies for enemy bombers which may spring from the clouds without a moment's warning. Central Europe is a tinder box, which may burst into flame at any instant. In every town and hamlet of the British countryside young boys and girls are practicing the sickening art of gas drills. Old men and women time their speed in reaching the frightful protection of bombproof dugouts. The world has gone mad with fright. Men and women no longer reason across the seas in terms of human progress. They have abandoned all pretense of creating human values which will endure beyond the next day's newspaper. Everyone retains an attitude of tension, moving about like robots, refusing to think of what the morrow may bring.

It is a harrowing picture. And it is not enough that we in America say to ourselves, "Thank God that we live here in our own country." We are fortunate. We are grateful to Providence for the privilege of living within the protective arms of our great country. But we must learn from the experience of those less lucky than ourselves the lessons of preparedness.

This Fourth of July must be a day of rededication. It must be a day when all the citizens of America rise to their feet to reaffirm their loyalty to the traditions which have made this land of ours what it is. As we look across the seas we know what it is that we have retained in these United States which our fellow nations have lost. More than any other people on earth, we are free. We are free to think, to act, to speak, to write, to do as we choose to a greater extent than any other band of men living in our generation. Of course, we are bound by the necessities of life. We must work. We must earn our livelihoods. We must take orders—all of us, from the wealthiest landowner in the Nation to the humblest worker, must take our orders. In that sense, no man is free. But in the right of freedom of expression we are more wealthy than the owner of the richest factory in all Europe.

Both of our great political parties have accepted as basic certain fundamental principles. To Republicans and Democrats alike the Bill of Rights is sacred ground. So long as America remains worthy of its name those rights guaranteed by our Constitution will continue to remain inviolate. When once a political party challenges the validity of our basic freedom, this Nation will cease to be America. But, by the grace of God, we trust and pray that our people will never alter the human guaranties which form our most precious heritage—freedom for all men.

Our people face a danger on this Fourth of July in the year 1940. Everywhere in the world the poison of hatred which has fouled the air of Europe and Asia is pervading the atmosphere. True Americans must fight this disease. Whether it call itself fascism or communism, whether it take the form of Berlin or Leningrad, despotism and tyranny are still the same. They crush the human soul. They destroy books, art, music. And with the death of all that has been so painfully created by the minds of men since the dawn of culture there dies the spark of human kindness which makes life worth the living.

Here in our own Nation we have constructed a household reared upon freedom and anchored in the firm granite of tolerance—tolerance to all men who love our country, tolerance to all men who come to us seeking the right to live in peace and happiness. Live and let live in America means live and help live. Perhaps we are idealists in this great and abundant land. But our ideals are not the barren abstract ideals of the philosopher. We seek to practice them in the daily activities of our lives.

Those ideals are under fire today. Yet to me they remain the most noble element of our American civilization. We must labor to rebuild them, to reaffirm them, to train a new generation which will understand them and revere them as did our fathers and their fathers before them.

Education is the safeguard of democracy now and forever. It is our solemn duty to educate the rising generation to a realization of the meaning of true democracy. It is not enough to teach the glib externals of American citizenship. Our boys and girls may recite with quick fluency the names of the principal actors in the national drama. We must not—we dare not—stop at this if we are to preserve the democratic

system which we love. Our children and their children to follow them must understand the meaning of American idealism. It is our task to convince them that human life is not cheap; to make them understand that each of us, no matter what may be his color, his creed, or his origin, stands in the sight of America as a human being worthy of all that life has to offer. The right to life, liberty, and the pursuit of happiness must not be dismissed by our Nation if it is to remain the citadel of man's freedom when we are gone.

To the fathers and mothers of today there comes the opportunity to play a glorious role in the determination of the future. We are destined to aid the process of restoring the inspiration of American history. This generation, with its ever-present temptation to rely upon others for assistance, needs more Abraham Lincolns. We need young men and women who will see visions, who will discover new frontiers of science, thought, and invention.

The New Deal for the past 7 years and more has destroyed the incentive of our people. Republicans are not alone in their assertion that huge segments of our population have been pauperized by the program created at Washington. Social workers, who come into daily contact with thousands of families each year, will testify to the creation of a new attitude of shiftless indifference in thousands of young people. They have come to tell us, "Why look for work? I know I can't find any. I'll sit home and let the Government take care of me. If they refuse, we'll vote those who oppose us out of office and put in men who will do what we tell them."

There can be no future for a Nation afflicted with this mortal disease of self-destruction. Happily, there are in our country millions more who refuse to resign themselves to this fate. They know that if they take heart, if they will it, we shall once more become a nation of busy factories, tremendous industries, the America which we shall again rebuild.

On this Fourth of July there are idle hands in America. But there are brave and free minds too. There are minds which recall that the problems we face are problems made by men. We know that our factories are the most productive in the world; that our natural resources from the Atlantic to the Pacific are still the largest undeveloped reservoir known to man; that we can produce in abundance. Men have created the problem of unemployment, and those problems which men can create, men of good will and courage can solve.

We must be grateful on this holiday of our freedom that we in America have still the right to make our own decisions on the manner in which we shall meet our problems. No dictator seeks to direct our thoughts. No tyrant writes the editorials which all of us must read. We bend no knee to an arrogant overlord; our "good-byes" to our friends still mean "God be with you"— we need not hail the superman.

Perhaps someone in the infinite wisdom of a great genius might be able to solve every human problem with a stroke of the pen. Our Nation is committed to the belief that no one man may be trusted with such powers. We prefer to muddle through by our own free wits. A great student of government once wrote:

> It is better to govern oneself badly than to be governed well by a master. When the master governs well, all is good, but his successor may be evil, and freedom is at an end.

Americans, wherever they may be throughout the world, must rally to their flag on this Fourth of July. Our's is not the cause of oppression; it is not the love of conquest; it is not the will to hate. We have might; we have strength. Within our armies lies the potential force of a resolute nation of 130,000,000 men, women, boys, and girls who thrill to the sound of America. Our cannons can roar. Our planes can darken the skies with their wings. We glory in our power. But we do not thrust ourselves upon the earth like the ancient Colossus. Men need not fear us; for America knows her place in the sun.

Today, it is our duty to lead the world in reestablishing the lost hopes and ideals of the Bible.

The Fourth of July sounds no call to war in our ears. It brings us before the nations of the earth pleading with them to consecrate themselves once more, as one greater than ourselves consecrated Himself almost 2,000 years ago—to the Brotherhood of Man and the Fatherhood of God.

The world has forgotten tolerance, kindness, justice, and love today. In America, we must educate a generation which will grow to stalwart manhood courageously and honorably to teach the world these forgotten truths.

Let us thank these who founded this Nation for teaching us to be free men; men who are still able to think of freeing those of our brothers in other lands, the lessons of American liberty in a year of darkness.

JULY 4, 1940

Mr. PITTENGER. Mr. Speaker, I ask unanimous consent to address the House for 5 minutes.

The SPEAKER pro tempore. Is there objection?

There was no objection.

Mr. PITTENGER. Mr. Speaker, we have listened with a great deal of interest to the fine and able address of the gentleman from Ohio [Mr. BENDER].

Tomorrow marks the birthday of this great Republic. I want to say on this occasion, for I understand we will not be in session tomorrow, that with World War developments we must not forget the serious and critical condition in which this Republic finds itself at this period of time. Today after 7½ years of experiments, most of them borrowed from Moscow, Russia, we have an unemployment problem; we have other domestic problems that are more serious than any that have ever confronted this Government of ours during its entire history. Millions of men are out of work; millions of young people who have grown up within the last few years who, on account of wrong governmental policies, have been denied the opportunity that comes to a free people to earn wages and to make a living.

DOMESTIC PROBLEMS CRITICAL

I was reminded very forcibly of that fact when I had a visitor in my office this morning. The mother of a young unmarried man 32 years of age came in to plead with me to secure a job for this young man. The father is employed. Months and months have gone by during which period of time he has tried to find something to do. His case is typical of thousands—yes, millions—of people all over the length and breadth of this land.

UNEMPLOYMENT PROBLEM

I do not say it in a spirit of vindictiveness, but I say as a matter of fact, that all of the experiments and all of the waste of money for the past 7½ years by the administration have gone for nought as far as doing something for the American people is concerned, and we are now where we started over 7 years ago. If that policy is to continue, if the results of those experiments are to be adopted, they will increase the ranks of those who cannot find work and eventually wreck the bulwark of liberty which the people on July 4, 1776, pronounced and presented to the world.

DECLARATION OF INDEPENDENCE

It would do us all good to read the Declaration of Independence, written by Thomas Jefferson. I just give you a brief quotation. He said:

> We hold these truths to be self-evident, that all men are created equal; that they are endowed by their Creator with certain unalienable rights; that among these are life, liberty, and the pursuit of happiness. That to secure these rights, governments are instituted among men, deriving their just powers from the consent of the governed.

This declaration tomorrow will have a double meaning. First, it will be a challenge to those who have been in control of our Government for almost 8 years and whose record is one of failure. Second, it will be a challenge to the people of this country to think about World War conditions and think of the philosophy of the Old World which is about to prevail, which turns back the clock of history a few hundred years and reduces the peoples of Europe to the point where they are vassals and where the progress of mankind began. [Applause.]

DISLOYAL ELEMENTS THREATEN US

It has well been said, Mr. Speaker, that the dangers to America are from within and not from without. During past years we have had disloyal elements in this country. They have sought to undermine our system of government. They are opposed to the Declaration of Independence and its declaration in favor of human rights and freedom and all of the advantages that go to a free people. We have been designating this class of people who oppose American institutions as Communists. It has now become fashionable to refer to them as "fifth columnists." The name by which they are known makes no particular difference, but it is high time that people who believe in the Constitution of the United States declare themselves and act accordingly. We have had too much of Russia and Stalin and communism and less of the doctrines of Americanism. This new philosophy that the Government owns the people and that people should be regimented and reduced to a state of serfdom is an "ism" that may well be looked over carefully on the Fourth day of July.

With World War developments during the past year, our philosophy holds an added significance. We may soon become the last land which recognizes the supremacy of the individual. Time has settled many world-war questions which have greatly concerned the American people. However, it has not settled the question of national defense. For many years the pacifists have dominated in many quarters the thought and actions of our people. This great army of pacifists has advocated that we have no army for our protection and no navy for our defense. They have criticized those who would vote for appropriations to build airplanes and train pilots to man them, for appropriations to strengthen the Army and to expand the Navy.

WE NEED ADEQUATE NATIONAL DEFENSE

Over a period of years I have fought this false ideal and this false theory. I have said before, and I say now, that I do not subscribe to the silly doctrine of "peace at any price." My record shows that I have supported legislation that would help build adequate air forces, an adequate army and an adequate navy. I am proud of that record. I think that I express the hope of millions of my fellow countrymen when I say that an adequate defense program is the one great need at this time and that the best way for the United States to command the respect of foreign countries is to be prepared to defend its honor and its institutions, if we are ever attacked by enemies from abroad.

We are opposed to sending American soldiers to European battlefields, and people of good judgment do not believe that such a course will be necessary. A program of preparedness ought to make it unnecessary.

Let us make no mistake about the way we celebrate the birthday of our Nation, and let us freely admit that as the world changes from day to day those changes have their effect upon our country.

DAVID LAWRENCE ARTICLE

I have before me a "Newsgram" from the United States News under date of July 5. This is a paper published by David Lawrence, one of our outstanding political writers. This item calls attention to the fact that the war abroad may be over in the near future. It may be that there will be no Allies, and that the tendencies of today will become settled questions. What will be the attitude of our Government and our country toward a possible new order in Europe? This and many other questions are suggested by the item that I have before me. Will there be an economic war, and what policy will the leaders of our Nation take? I do not here enumerate the many suggested possibilities contained in this Newsgram, but I do say that it is a thought-provoking one. Now is the time for people in high official position to refrain from too much talk and do more thinking along constructive lines. I commend to you a reading of this document because July 4, 1940, marks a new date line in the history of America. For the first time since July 4, 1776, the foundations of our Government are threatened and the security and safety of our people stand to be questioned and menaced.

May the light of truth prevail and direct us along the lines that will lead to safety and to the preservation of our American institutions.

[Here the gavel fell.]

EXTENSION OF REMARKS

Mr. ANDERSON of Missouri. Mr. Speaker, I ask unanimous consent to extend my remarks and include an editorial from the St. Louis Post-Dispatch.

The SPEAKER pro tempore. Without objection, it is so ordered.

There was no objection.

Mr. SCHAFER of Wisconsin. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD by including an appropriate editorial from the July 1, 1940, issue of Father Coughlin's Social Justice, entitled "Aping John Bull."

The SPEAKER pro tempore. Is there objection?

There was no objection.

Mr. MARTIN of Iowa. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and include therein two articles from the Associated Press with reference to the resignation of Secretary of War Woodring.

The SPEAKER pro tempore. Is there objection?

There was no objection.

Mr. RANDOLPH. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include therewith a short article.

The SPEAKER pro tempore. Without objection, it is so ordered.

There was no objection.

Mr. DICKSTEIN. Mr. Speaker, I ask unanimous consent to extend my remarks by inserting the first speech I made on un-American activities, subversive activities, communism, fascism, and nazi-ism in this country in 1934.

The SPEAKER pro tempore. Without objection, it is so ordered.

There was no objection.

ENROLLED BILLS SIGNED

Mr. PARSONS, from the Committee on Enrolled Bills, reported that that committee had examined and found truly enrolled bills of the House of the following titles, which were thereupon signed by the Speaker:

H. R. 6831. An act to authorize the Secretary of the Interior to lease certain of the public lands to the Metropolitan Water District of Southern California for the extraction of sodium chloride for water-conditioning purposes;

H. R. 8024. An act to provide for the leasing of restricted allotments of deceased Indians in certain circumstances, and for other purposes;

H. R. 8499. An act relating to adoption of minors by Indians; and

H. R. 10106. An act to amend the District of Columbia Revenue Act of 1937, as amended.

ADJOURNMENT

Mr. CANNON of Florida. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 1 o'clock and 41 minutes p. m.) the House adjourned until tomorrow, Thursday, July 4, 1940, at 12 o'clock noon.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. BROOKS:

H. R. 10166. A bill to expedite the trial of all crimes of a disloyal character, and for other purposes; to the Committee on the Judiciary.

By Mr. HARRINGTON:

H. R. 10167. A bill to permit the American Legion to use certain Federal property during its convention at Milford, Iowa, from August 23 to 31, 1940; to the Committee on Public Buildings and Grounds.

By Mr. MOTT:

H. R. 10168. A bill to provide for the display of the American flag on every post office in the United States; to the Committee on the Post Office and Post Roads.

By Mr. HAVENNER:

H. J. Res. 580. Joint resolution to authorize the admission into the United States of a limited number of refugee children from Great Britain; to the Committee on Immigration and Naturalization.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. KRAMER:

H. R. 10169. A bill for the relief of Salomon Georg Kaufmann, his wife, Doris Kaufmann, nee Stern, and their child John Michael Peter Kaufmann; to the Committee on Immigration and Naturalization.

By Mr. MAY:

H. R. 10170. A bill for the relief of Malcolm Harris and Rosa M. Harris; to the Committee on Claims.

By Mrs. O'DAY:

H. R. 10171. A bill for the relief of Meier Langermann, his wife, Friederike, and son, Joseph; to the Committee on Immigration and Naturalization.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

8979. By Mr. SCHIFFLER: Petition of O. H. Meade, post commander, Bartlett Clemens Post, No. 37, the American Legion, Fairmont, W. Va., urging Congress to remain in session during the present emergency; to the Committee on Ways and Means.

8980. By Mr. THOMAS of New Jersey: Petition of Mrs. Alberta F. Gee, Wyckoff, N. J., containing the signatures of approximately 60 persons in Wyckoff and Midland Park, N. J., petitioning for an embargo on shipments of war materials to Japan; to the Committee on Foreign Affairs.

HOUSE OF REPRESENTATIVES

THURSDAY, JULY 4, 1940

The House met at 12 o'clock noon.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

O Thou, our everlasting portion and the Lord of lords, in these hallowed moments it is given us to realize the courage, the devotion, and the noble character of our forefathers. We pray Thee to give us the might of a growing faith in Thy providence, reminding us that "except the Lord build the house, they labor in vain who built it." We praise Thee for those champions of liberty, truth, and justice. May their spirits live today in the ideals of our Republic as they bow over us in sacred benediction. From the unseen heights of Thy throne Thou didst guide their broken columns as they struggled to bring order out of chaos, service out of selfishness, and freemen out of the throes of political tyranny. Oh, may our heroic past interpret to us our patriotic duty to redouble our devotion and our enthusiasm for our homeland. O Lord God, do Thou stand in the midst of all earthly scenes and direct the upward movements of this weary world. Oh, lead us all up the hills of time until Christendom conquers and civilization triumphs. In the name of the world's Redeemer we pray. Amen.

The Journal of the proceedings of yesterday was read and approved.

FOURTH OF JULY, 1940

Mr. LEWIS of Colorado. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. LEWIS of Colorado. Mr. Speaker, very rarely, I believe, has either branch of the Congress met on the Fourth of July. Today the House of Representatives has met, not to transact any business but merely to adjourn over until next Monday, in order to comply with the constitutional requirement that—

Neither House, during the session of Congress, shall, without the consent of the other, adjourn for more than 3 days.

But this brief session affords the opportunity to consider the significance of that fateful occasion 164 years ago which Independence Day commemorates.

The Declaration of Independence made that day was signed by men fully aware of the dangers which they incurred, of the peril that if their cause did not prevail each and all of them were doomed to a felon's or a traitor's death. I wonder how often we look over that great Declaration. It is worth while, I believe, to consider it very often, to weigh what it means to us and how much it meant to those who took their lives and their liberties in their hands to declare, preserve, and maintain independence and freedom for America. God grant that in the grim days ahead of us we may all prove worthy of the priceless heritage transmitted to us by the signers of the immortal Declaration.

Mr. Speaker, I ask unanimous consent to read at this point the Declaration of Independence.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. LEWIS of Colorado (reading):

IN CONGRESS, JULY 4, 1776.

THE UNANIMOUS DECLARATION OF THE THIRTEEN UNITED STATES OF AMERICA

When in the Course of human events, it becomes necessary for one people to dissolve the political bands which have connected them with another, and to assume among the powers of the earth, the separate and equal station to which the Laws of Nature and of Nature's God entitle them, a decent respect to the opinions of mankind requires that they should declare the causes which impel them to the separation.———We hold these truths to be self-evident, that all men are created equal, that they are endowed by their Creator with certain unalienable Rights, that among these are Life, Liberty and the pursuit of Happiness.—That to secure these rights, Governments are instituted among Men, deriving their just powers from the consent of the governed,—That whenever any Form of Government becomes destructive of these ends, it is the Right of the People to alter or to abolish it, and to institute new Government, laying its foundation on such principles and organizing its powers in such form, as to them shall seem most likely to effect their Safety and Happiness. Prudence, indeed, will dictate that Governments long established should not be changed for light and transient causes; and accordingly all experience hath shewn, that mankind are more disposed to suffer, while evils are sufferable, than to right themselves by abolishing the forms to which they are accustomed. But when a long train of abuses and usurpations, pursuing invariably the same Object evinces a design to reduce them under absolute Despotism, it is their right, it is their duty, to throw off such Government, and to provide new Guards for their future security.—Such has been the patient sufferance of these Colonies; and such is now the necessity which constrains them to alter their former Systems of Government. The history of the present King of Great Britain is a history of repeated injuries and usurpations, all having in direct object the establishment of an absolute Tyranny over these States. To prove this, let Facts be submitted to a candid world.———He has refused his Assent to Laws, the most wholesome and necessary for the public good.———He has forbidden his Governors to pass Laws of immediate and pressing importance, unless suspended in their operation till his Assent should be obtained; and when so suspended, he has utterly neglected to attend to them.———He has refused to pass other Laws for the accommodation of large districts of people, unless those people would relinquish the right of Representation in the Legislature, a right inestimable to them and formidable to tyrants only.———He has called together legislative bodies at places unusual, uncomfortable, and distant from the depository of their public Records, for the sole purpose of fatiguing them into compliance with his measures.———He has dissolved Representative Houses repeatedly, for opposing with manly firmness his invasions on the rights of the people.———He has refused for a long time, after such dissolutions, to cause others to be elected; whereby the Legislative powers, incapable of Annihilation, have returned to the People at large for their exercise; the State remaining in the mean time exposed to all the dangers of invasion from without, and convulsions within.——He has endeavoured to prevent the population of these States; for that purpose obstructing the Laws for Naturalization of Foreigners; refusing to pass others to encourage their migrations hither, and raising the conditions of new Appropriations of Lands.———He has obstructed the Administration of Justice, by refusing his Assent to Laws for establishing Judiciary powers———He has made Judges

dependent on his Will alone, for the tenure of their offices, and the amount and payment of their salaries.———He has erected a multitude of New Offices, and sent hither swarms of Officers to harass our people, and eat out their substance.———He has kept among us, in times of peace, Standing Armies without the Consent of our legislatures.———He has affected to render the Military independent of and superior to the Civil power.———He has combined with others to subject us to a jurisdiction foreign to our constitution, and unacknowledged by our laws; giving his Assent to their Acts of pretended Legislation:—For quartering large bodies of armed troops among us:—For protecting them, by a mock Trial, from punishment for any Murders which they should commit on the Inhabitants of these States:—For cutting off our Trade with all parts of the world:—For imposing Taxes on us without our Consent:—For depriving us in many cases, of the benefits of Trial by Jury:—For transporting us beyond Seas to be tried for pretended offenses:—For abolishing the free System of English Laws in a neighbouring Province, establishing therein an Arbitrary government, and enlarging its Boundaries so as to render it at once an example and fit instrument for introducing the same absolute rule into these Colonies:—For taking away our Charters, abolishing our most valuable Laws, and altering fundamentally the Forms of our Governments:—For suspending our own Legislatures, and declaring themselves invested with power to legislate for us in all cases whatsoever.—He has abdicated Government here, by declaring us out of his Protection and waging War against us.———He has plundered our seas, ravaged our Coasts, burnt our towns, and destroyed the lives of our people.———He is at this time transporting large Armies of foreign Mercenaries to compleat the works of death, desolation and tyranny, already begun with circumstances of Cruelty & perfidy scarcely paralleled in the most barbarous ages, and totally unworthy the Head of a civilized nation.———He has constrained our fellow Citizens taken Captive on the high Seas to bear Arms against their Country, to become the executioners of their friends and Brethren, or to fall themselves by their Hands.———He has excited domestic insurrections amongst us, and has endeavoured to bring on the inhabitants of our frontiers, the merciless Indian Savages, whose known rule of warfare, is an undistinguished destruction of all ages, sexes and conditions. In every stage of these Oppressions We have Petitioned for Redress in the most humble terms: Our repeated Petitions have been answered only by repeated injury. A Prince, whose character is thus marked by every act which may define a Tyrant, is unfit to be the ruler of a free people. Nor have We been wanting in attentions to our Brittish brethren. We have warned them from time to time of attempts by their legislature to extend an unwarrantable jurisdiction over us. We have reminded them of the circumstances of our emigration and settlement here. We have appealed to their native justice and magnanimity, and we have conjured them by the ties of our common kindred to disavow these usurpations, which, would inevitably interrupt our connections and correspondence They too have been deaf to the voice of justice and of consanguinity. We must, therefore, acquiesce in the necessity, which denounces our Separation, and hold them, as we hold the rest of mankind, Enemies in War, in Peace Friends.———

We, therefore, the Representatives of the United States of America, in General Congress, Assembled, appealing to the Supreme Judge of the world for the rectitude of our intentions, do, in the Name, and by Authority of the good People of these Colonies, solemnly publish and declare, That these United Colonies are, and of Right ought to be Free and Independent States; that they are Absolved from all Allegiance to the British Crown, and that all political connection between them and the State of Great Britain, is and ought to be totally dissolved; and that as Free and Independent States, they have full Power to levy War, conclude Peace, contract Alliances, establish Commerce, and to do all other Acts and Things which Independent States may of right do.———And for the support of this Declaration, with a firm reliance on the protection of divine Providence, we mutually pledge to each other our Lives, our Fortunes and our sacred Honor.

John Hancock, Button Gwinnett, Lyman Hall, George Walton, William Hooper, Joseph Hewes, John Penn, Edward Rutledge, Thomas Heyward, Jr., Thomas Lynch, Jr., Arthur Middleton, Samuel Chase, William Paca, Thomas Stone, Charles Carroll of Carrollton, George Wythe, Richard Henry Lee, Thomas Jefferson, Benjamin Harrison, Thomas Nelson, Jr., Francis Lightfoot Lee, Carter Braxton, Robert Morris, Benjamin Rush, Benjamin Franklin, John Morton, George Clymer, James Smith, George Taylor, James Wilson, George Ross, Caesar Rodney, George Read, Thomas McKean, William Floyd, Philip Livingston, Francis Lewis, Lewis Morris, Richard Stockton, John Witherspoon, Francis Hopkinson, John Hart, Abraham Clark, Josiah Bartlett, William Whipple, Samuel Adams, John Adams, Robert Treat Paine, Elbridge Gerry, Stephen Hopkins, William Ellery, Roger Sherman, Samuel Huntington, William Williams, Oliver Wolcott, Matthew Thornton.

Mr. Speaker, I ask unanimous consent to revise and extend my remarks and to include therein an editorial from today's New York Times entitled "Fourth of July—1940."

The SPEAKER. Without objection, it is so ordered.

There was no objection.

The editorial referred to follows:

FOURTH OF JULY—1940

The Fourth of July is a welcome holiday. It is also something else, and this year is a good year in which to recall what else it is. Let us try to put ourselves in the place of the men who voted in favor of the Declaration of Independence in July 1776.

By every calculation that a military man would take into account their position was desperate and their declaration rash. At the very moment when they were voting their "self-evident truths" there lay in or near New York Harbor a British expeditionary force of 110 warships and transports, carrying 25,000 well-equipped regular soldiers. To oppose this army, which had been ordered to knock the notion of independence out of American heads, General Washington had 15,000 militia, few of them with any soldierly training or experience, and nearly all of them accustomed to going home when they felt like it.

Still to come were the loss of Long Island and Manhattan, the retreat through the Jerseys, the horrible winter at Valley Forge, the treason of Benedict Arnold, and the more than one occasion when Washington contemplated retiring with his troops beyond the Alleghenies as the sole alternative to surrender. The men who drew up and signed the Declaration stood a fair chance of having to punctuate it with their worldly goods and their personal liberty, and perhaps to endorse it with their blood.

Under these circumstances the Declaration was not written for the edification of school children. It might easily have been a last will and testament. It was not made good without peril, suffering, and the willingness of humble soldiers of the line to go hungry, barefoot, cold, and ragged, and to risk wounds and death. When it was required of them, they died for liberty—and that was no figure of speech. They knew what liberty was because, as the Declaration recites, an "absolute tyranny" was trying to deprive them of it. It was as real to them as bread and butter. They had a passionate enthusiasm for it.

We are luckier than they were, and luckier than most present-day European countries, since no "absolute tyrant" is now occupying our territory or sending fleets and armies against us. We are luckier because we have more time. But let us remember that we may not have very much time. If we do not love liberty as much as they did, are not resolved to risk and sacrifice as much to keep it, do not despise tyrants as they did, the time may come when the words of the Declaration will be a bitter mockery.

Mr. MURDOCK of Arizona. Mr. Speaker, I ask unanimous consent to address the House for 5 minutes that I may make further comment on the remarkable document we have just heard read.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. MURDOCK of Arizona. Mr. Speaker, having just listened to that immortal state paper, the Declaration of Independence, it seems superfluous to say anything after the reading of this remarkable document. I know that all of us are thinking today of the work of the men of 164 years ago in the preparation of this great and significant statement and I have asked for this time that I might make a few observations which have occurred to me in my study of early American political history.

We have heard many contrasts between writers and writings. We have heard contrasts between certain famous documents. Sometimes it is the Declaration of Independence contrasted with a similar great state paper of the Old World; and what a rich field of study if we had time to go into it.

For instance, I would like nothing better than to make a little comparison of the American Declaration of Independence and the French Declaration of the Rights of Man. In their philosophy they are very similar. If they differ in any respects we must bear in mind the fact that the Frenchmen had 13 years more in which to study the matter, gathering much no doubt from Thomas Jefferson. You will recall that the French Declaration of the Rights of Man was formulated in the year 1789, a generation after Jefferson wrote this memorable paper in 1776.

Sometimes we contrast the Declaration of Independence with that of the supreme law of the land, and to contrast them we use certain terms as, for instance, we speak of the Declaration as a cornerstone and we speak of the Constitution as a foundation. That makes a good contrast. Sometimes we speak of the Declaration of Independence as the abstract of title to our American freedom. If that is a good figure to use, then we ought to speak of the Constitution of the United States as the title deed of American freedom.

I like to think of the Declaration of Independence as the forerunner, the prelude of the Constitution of the United

States. In our philosophy of government it is a cornerstone, but it is more than a cornerstone. It embodies and foreshadows those important constitutional principles of government which were later reversed and incorporated in the fundamental law of our land. So that if you read the governmental evils complained of in the Declaration with discerning eye, you can see what is not to be basic in our governmental structure, for the exact opposite is to be the American way.

The first part of the Declaration of Independence announced a philosophy of government which was indeed revolutionary for those days. The latter part of the Declaration, as we have just heard it read, is a bill of indictment against the evils of the government by the English King. Notice those indictments, and what the fathers pointed out as things that ought not to be done, as I said before, by reversing each item you will have a forecast of things that ought to be done and how they should be done. I cannot recall the exact words of these items or the exact order in which they were read to us, but will try to enumerate a few of them:

He has made judges dependent upon his will alone for the tenure of their office and the amount of payment of their salaries.

Reverse that and see what we are to have. We shall have quite the opposite under our new Constitution which is to be established later; a judicial system free and independent from such arbitrary executive control. And we have it. For our Federal judges we have life tenure, adequate salaries, removal only for misbehaviour, and that sort of thing.

He has dissolved legislative bodies repeatedly for opposing with manly firmness his invasion of people's rights.

The King of England not only dissolved the Parliament in an earlier time, but he dissolved colonial legislatures of the royal colonies. However, from this charge in the Declaration one may predict that when we create the Constitution, we shall say that the Executive shall not have the power to send the legislative body home. The same rule holds whether in the Nation or in a State. No Governor of a State has the right to dissolve a State legislature however much he may disagree with it or however much he may dislike it. No President of the United States, except in one circumstance, is given power to dissolve the national lawmaking body, no matter how he may disagree with it or dislike its action.

Again it said:

He has called representative bodies to meet at places inconvenient and distant from public depositories with the purpose of fatiguing them into compliance with his demands.

When we create a new Constitution, we shall have a specific place at which the legislative body of the Nation shall meet and at stated times, and not be dependent entirely upon the call of the Executive.

Again it is said:

He has endeavored to prevent the population of these States by raising the conditions of new appropriations of land.

The reversal of this policy has given our Nation by constitutional authority a most liberal immigration and naturalization policy, and coupled with that a generous land-grant policy by which the land-hungry people of the Old World have been able to spread from sea to shining sea—from the gray Atlantic to the sun-kissed Pacific—in conquering the wilderness as they marched toward the West.

Another indictment of the King's government was:

He has kept among us standing armies in times of peace.

In opposition to this it is an outstanding constitutional provision with us that no soldiers shall be quartered in private homes without the consent of the owners. Closely connected with this, Jefferson charges that the King has "pretended to make the military power superior to the civil power." Far different from this evil is the general constitutional provision through America, and the explicit constitutional mandate, that the civil power shall always be superior to the military power. It is one of the chief characteristics of American Government that the highest authorities in the land are civil rather than military officials.

We might go on at some length, but one more of Jefferson's indictments of the King's political evils and its constitutional remedy must suffice. Jefferson complained that the King had deprived Americans of the benefit of trial by jury. As in the preceding half dozen cases, exactly the opposite was established by constitutional law and the right of trial by jury was made a fixture in our judicial system.

These are only a few. There are many other respects in which the Declaration of Independence foreshadows what we were later to have in our basic law. [Applause.]

[Here the gavel fell.]

EXTENSION OF REMARKS

Mr. DARDEN of Virginia asked and was given permission to revise and extend his own remarks in the RECORD.

PERMISSION TO ADDRESS THE HOUSE

Mr. RANKIN. Mr. Speaker, I ask unanimous consent to address the House for 8 minutes.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi [Mr. RANKIN]?

Mr. LAMBERTSON. Mr. Speaker, reserving the right to object, if the request is for over 5 minutes I will object.

Mr. RANKIN. Mr. Speaker, I limit my request to 5 minutes.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi [Mr. RANKIN]?

There was no objection.

THE FOURTH OF JULY—STEPHEN FOSTER

Mr. RANKIN. Mr. Speaker, we always celebrate the Fourth of July as the birthday of the Nation and call attention to the fact that it is the anniversary of the deaths of three of our former Presidents—Thomas Jefferson and John Adams, both of whom died on July 4, 1826, and James Monroe, who died on July 4, 1831. We also recall the fact that it is the anniversary of the birth of former President Calvin Coolidge, who was born on July 4, 1872.

It is also the birthday of one of America's leading literary lights, Nathaniel Hawthorne, who was born, I believe, on July 4, 1804.

Another significant fact is that it is the anniversary of the birth of another leading American who will live perhaps as long as any of these, Stephen Foster, who wrote the popular songs of the Nation a hundred years ago, songs that stir the human heart today just as much as they did then, if not more.

Stephen Foster was born on the day Thomas Jefferson and John Adams died, July 4, 1826. More than any other man of his day, he shaped the thoughts of the American people through the songs he wrote, chief among which, I would say, are Suwannee River, My Old Kentucky Home, and Old Black Joe.

We praise the man who fights our battles; we honor the man who makes our laws; we remunerate the man who controls our finances; but, in my humble judgment, there is none who deserves more praise, more credit, or more commendation at the hands of enlightened humanity than he who touches the golden harp of song and stirs with love and hope the languid souls of listening men.

It could not be expressed better than in the words of our old friend, Edgar Guest, the present poet laureate of the common people, when he said that—

Music is the tonic of the tired and weary mind.
It is comfort for the lonely and it's pictures for the blind;
It is sympathy and laughter, it is faith, and mirth and prayer,
It is kindness in its brightest dress and is welcomed everywhere.

It strengthens hearts courageous, and it urges men along;
The tide of battle often has been altered by a song.
No race can live without it; it is heard from pole to pole.
For music is the utterance and expression of the soul.

We catch it by the cradle in the mother's lullaby,
The sweetest form of music that is heard beneath the sky.
The youth must sing at wooing, and the soldier on the field
Will march to death undaunted with music for a shield.

We sing our Nation's anthems, as a pledge that we are one;
We sing of future glories and of struggles we have won.
And our race goes bravely forward, head erect and clean and strong.
In the fellowship of music and the brotherhood of song.

[Applause.]

EXTENSION OF REMARKS

Mr. PITTENGER. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include therein a short editorial from the Christian Science Monitor, and I also ask unanimous consent to extend my own remarks in the RECORD and to include therein a portion of an article by Mark Sullivan in the Washington Post.

The SPEAKER. Is there objection to the request of the gentleman from Minnesota [Mr. PITTENGER]?

There was no objection.

Mr. CLEVENGER. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include an editorial from the Sunday Chicago Tribune.

The SPEAKER. Is there objection to the request of the gentleman from Ohio [Mr. CLEVENGER]?

There was no objection.

PERMISSION TO ADDRESS THE HOUSE

Mr. REED of New York. Mr. Speaker, I ask unanimous consent to proceed for 5 minutes.

The SPEAKER. Is there objection to the request of the gentleman from New York [Mr. REED]?

There was no objection.

Mr. REED of New York. Mr. Speaker, as I have sat here listening to the inspiring messages on this 4th day of July, for some reason or other I have felt an impulse to say just a few words on this occasion.

As I have sat here I have tried to visualize in my imagination what occurred in Philadelphia 164 years ago. I can see in my mind's eye old Independence Hall. I can see a great milling crowd, strange people, Quakers with their large hats, the Dutch, the Swedes, and other nationalities gathered around that old citadel of liberty. I can hear them on the street corners inquiring, "I wonder what they are doing in there; I wonder if they dare do it," and milling around there for hours during the critical moments wondering what was going to happen. I can see that small boy coming out of the front of that building.

Lifting my eyes I can see up in the belfry the old man, the grandfather of that boy, and as the boy comes out a great hush falls over that crowd. It is a tense moment in the history of the world. Then the boy cups his hands to his lips and shouts to the old man in the belfry: "Ring, Grandpa; ring for liberty!" Then I can see the old man grasping that rope and ringing that old bell, sending out its messages to humanity. Then the couriers start out through the swamps and the wilderness to the little lone cabins, carrying the message that the deed is done; independence has been declared.

Not long after that we see a pioneer going to his log cabin out through the woods and the swamps with his musket, the wife remaining home, later to melt up the pewter plates for bullets, act as nurse and as doctor and as defender of the home against prowling Indians.

Then as I sat here today I visualized Washington carrying on the great work; half-fed, half-starved soldiers fighting on and on, losing battle after battle but, eventually, winning the war.

What a glorious heritage is ours! What a wonderful thought it was when those men who escaped from tyranny to this country, finally after they had finished their log cabins, felt that great thought bursting upon their souls, "I am a man. I face the wilderness. I am 3,000 miles from tyranny. I am a man." And the next logical thought was "I am a free man," and they declared their freedom 164 years ago today.

Let us bow our heads in gratitude for that heritage. Let us leave nothing undone that will preserve that heritage unimpaired for future generations yet unborn. [Applause.] Thank you.

EXTENSION OF REMARKS

Mr. BROOKS. Mr. Speaker, I ask unanimous consent to extend my remarks and to include therein a short article by Mark Sullivan in the Washington Post.

The SPEAKER. Is there objection?

There was no objection.

Mr. GEARHART. Mr. Speaker, I ask unanimous consent to revise and extend my remarks in the Appendix and include therein an address delivered by Mr. Carl B. Robbins, president of the Commodity Credit Corporation.

The SPEAKER. Is there objection?

There was no objection.

By unanimous consent, Mr. MURDOCK of Arizona was granted permission to revise and extend his remarks.

INTERNATIONAL EXCHANGE

Mr. CASE of South Dakota. Mr. Speaker, I ask unanimous consent to proceed for 1 minute.

The SPEAKER. Is there objection?

There was no objection.

[Mr. CASE of South Dakota addressed the House. His remarks appear in the Appendix of the RECORD.]

EXTENSION OF REMARKS

Mr. SCHAFER of Wisconsin. Mr. Speaker, I ask unanimous consent to extend my own remarks on the Declaration of Independence and Uncle Sam's international banker and war-profiteer bottleneck through which the purchases of munitions, implements of war, and war supplies by foreign governments are required to pass.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. LAMBERTSON. Mr. Speaker, I ask unanimous consent to extend my remarks briefly in the Appendix.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. PATMAN. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include therein certain excerpts.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. DIMOND. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include therein a short editorial relating to national-defense work in the interior of Alaska.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. ANGELL. Mr. Speaker, I ask unanimous consent to extend my own remarks in the Appendix of the RECORD and to include short excerpts.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

SENATE ENROLLED BILLS SIGNED

The SPEAKER announced his signature to enrolled bills of the Senate of the following titles:

S. 349. An act for the relief of C. F. Cooley, administrator of the estate of Charles F. Cooley, Jr.;

S. 1009. An act granting a pension to Bert W. Helmer;

S. 1376. An act for the relief of Cothran Motors, Inc.;

S. 1789. An act to authorize the cancelation of deportation proceedings in the case of Florence Sinclair Cooper and daughter, Margaret Lavallie, and Philip P. Roy;

S. 2111. An act to amend the act entitled "An act granting additional quarantine powers and imposing additional duties upon the Marine Hospital Service," approved February 15, 1893, as amended;

S. 2413. An act granting a pension to Arminda Bauman;

S. 2704. An act for the relief of Mr. and Mrs. C. W. Black and Marion Rabren;

S. 2768. An act authorizing the naturalization of Thomas A. Lambie;

S. 2773. An act to authorize the payment of compensation to recess appointees in certain cases;

S. 2774. An act for the relief of Jose Mauri;

S. 2775. An act for the relief of Henry Gideon Schiller;

S. 2909. An act for the relief of Dexter and Elizabeth Shiomi;

S. 2915. An act relating to rentals in certain oil and gas leases issued under authority of the act of February 25, 1920, as amended, and for other purposes;

S. 2969. An act for the relief of Louise Thorne;

S. 3021. An act for the relief of A. A. Ramsay;

S. 3059. An act for the relief of Velvie W. Smith, and the legal guardian of Glenn Richard Smith;

S. 3062. An act for the relief of Rodgers Tile Co.;

S. 3101. An act for the relief of certain purchasers of, and entrymen upon, open lands of certain Indian reservations;

S. 3111. An act for the relief of Thomas L. Gardner;

S. 3146. An act relating to the citizenship of William Lawrence Tan;

S. 3256. An act to enable Sadao Tanaka to remain permanently in the United States;

S. 3412. An act for the relief of John Nicholas Chicouras;

S. 3436. An act for the relief of Ethel G. Hamilton;

S. 3456. An act to provide for the reimbursement of certain personnel or former personnel of the United States Marine Corps for the value of personal effects destroyed as a result of a fire at Raritan Arsenal, Metuchen, N. J., on October 10, 1938;

S. 3502. An act for the relief of the Epes Transportation Corporation;

S. 3587. An act for the relief of Earl P. Collins;

S. 3597. An act for the relief of Vernon C. Brown and F. L. Copeland;

S. 3647. An act for the relief of the legal guardian of Paul Sanford, a minor;

S. 3649. An act for the relief of Harry D. Gann;

S. 3706. An act for the relief of Alfred G. Balls;

S. 3707. An act for the relief of certain disbursing agents and certifying officers of the Indian Service, the United States Veterans' Administration, and the Treasury Department;

S. 3742. An act for the relief of M. E. McGivern;

S. 3748. An act for the relief of Guy F. Allen, chief disbursing officer, Division of Disbursement, Treasury Department;

S. 3769. An act for the relief of Jerry McKinley Thompson;

S. 3780. An act authorizing Alabama Bridge Commission (an agency of the State of Alabama) to construct, maintain, and operate a toll bridge and causeway between Dauphin Island and the mainland at or near Cedar Point, within the State of Alabama;

S. 3807. An act to extend the times for commencing and completing the construction of a bridge across the Missouri River at or near Arrow Rock, Mo.;

S. 3808. An act to provide for the reimbursement of certain officers and enlisted men or former officers and enlisted men of the United States Navy for personal property lost in the hurricane and flood at New London, Conn., on September 21, 1938;

S. 3899. An act to defray the cost of returning to the United States the remains, families, and effects of officers and employees dying abroad, and for other purposes;

S. 3916. An act for the relief of Lawrence T. Post, G. F. Allen, and D. Buddrus;

S. 3931. An act for the acquisition of Indian lands for the Parker Dam and Reservoir project, and for other purposes;

S. 3972. An act to authorize exchanges of lands within the Navajo Indian Reservation, Ariz.;

S. 3978. An act for the relief of certain former employees of the National Reemployment Service;

S. 4048. An act for the relief of Elizabeth K. Peeples;

S. 4090. An act to authorize the Attorney General to donate on behalf of the United States to H. S. Scott, D. W. Collins, Fred M. Gross, trustees, Ashland District Council, Boy Scouts of America, the log house known as the John Secrest home, located on the site of the Federal Correctional Institution near Ashland, Ky.; and

S. 4126. An act for the relief of Anne Howard Lay.

ADJOURNMENT

Mr. RANKIN. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 12 o'clock and 40 minutes p. m.) the House, under its previous order, adjourned until Monday, July 8, 1940, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1824. A letter from the Acting Postmaster General, transmitting a draft of a proposed bill for the relief of Albert Goldman and Charles Lovelius; to the Committee on Claims.

1825. A letter from the Acting Secretary of the Treasury, transmitting a draft of a proposed bill which would authorize the Secretary of the Treasury or any of his authorized representatives to lease buildings, parts of buildings, and grounds in foreign countries for periods not exceeding 10 years; to the Committee on Public Buildings and Grounds.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII,

Mr. BULWINKLE: Committee on Interstate and Foreign Commerce. Senate Joint Resolution 283. Joint resolution authorizing Col. Donald H. Connolly to hold the office of Administrator of Civil Aeronautics in the Department of Commerce; without amendment (Rept. No. 2738). Referred to the Committee of the Whole House on the state of the Union.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII,

Mr. DONDERO introduced a bill (H. R. 10172) for the relief of Elizabeth Squire; which was referred to the Committee on Foreign Affairs.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

8981. By Mr. CARTER: Resolution of the Democratic Veterans of California, recommending that the United States Government immediately throw some form of military protectorate over the French and Dutch possessions or islands; to the Committee on Foreign Affairs.

8982. By Mr. POLK: Petition of James Craver and 152 other American-spirited citizens of Owensville, Clermont County, Ohio, urging the Congress of the United States to think and speak of peace and to avoid all commitments which would involve us in war now raging in Europe and Asia; to the Committee on Foreign Affairs.

8983. By the SPEAKER: Petition of N. B. Hanna, Fife Lake, Mich., and others, petitioning consideration of their resolution with reference to House bill 8264, referred to as the General Welfare act; to the Committee on Ways and Means.

8984. Also, petition of the United Business Men's Association of Philadelphia, Pa., petitioning considering of their resolution with reference to the national-defense program cost; to the Committee on Ways and Means.

8985. Also, petition of the Lions International, Harrisburg, Pa., petitioning consideration of their resolution with reference to the national-defense program; to the Committee on Military Affairs.

8986. Also, petition of the Alabama Writers' Conclave, Troy, Ala., petitioning consideration of their resolution with reference to the national-defense program; to the Committee on Military Affairs.

SENATE

FRIDAY, JULY 5, 1940

The Reverend Duncan Fraser, assistant rector, Church of the Epiphany, Washington, D. C., offered the following prayer:

O Lord, Jesus Christ, who didst say unto Thine Apostles, "Peace I leave with you; My peace I give unto you": Regard not our sins but the faith of Thy people, and grant to this Nation that peace and unity which is according to Thy will. In Thine own name we ask it. Amen.

THE JOURNAL

On request of Mr. BARKLEY, and by unanimous consent, the reading of the Journal of the proceedings of the calendar day of Wednesday, July 3, 1940, was dispensed with, and the Journal was approved.

MESSAGES FROM THE PRESIDENT

Messages in writing from the President of the United States were communicated to the Senate by Mr. Latta, one of his secretaries.

MESSAGE FROM THE HOUSE—ENROLLED BILLS SIGNED

A message from the House of Representatives, by Mr. Chaffee, one of its reading clerks, announced that the Speaker had affixed his signature to the following enrolled bills, and they were signed by the Vice President:

S. 349. An act for the relief of C. F. Cooley, administrator of the estate of Charles F. Cooley, Jr.;

S. 1009. An act granting a pension to Bert W. Helmer;

S. 1376. An act for the relief of Cothran Motors, Inc.;

S. 1789. An act to authorize the cancelation of deportation proceedings in the case of Florence Sinclair Cooper and daughter, Margaret Lavallie, and Philip P. Roy;

S. 2111. An act to amend the act entitled "An act granting additional quarantine powers and imposing additional duties upon the Marine Hospital Service," approved February 15, 1893, as amended;

S. 2413. An act granting a pension to Arminda Bauman;

S. 2704. An act for the relief of Mr. and Mrs. C. W. Black and Marion Rabren;

S. 2768. An act authorizing the naturalization of Thomas A. Lambie;

S. 2773. An act to authorize the payment of compensation to recess appointees in certain cases;

S. 2774. An act for the relief of Jose Mauri;

S. 2775. An act for the relief of Henry Gideon Schiller;

S. 2909. An act for the relief of Dexter and Elizabeth Shiomi;

S. 2915. An act relating to rentals in certain oil and gas leases issued under authority of the act of February 25, 1920, as amended, and for other purposes;

S. 2969. An act for the relief of Louise Thorne;

S. 3021. An act for the relief of A. A. Ramsay;

S. 3059. An act for the relief of Velvie W. Smith, and the legal guardian of Glenn Richard Smith;

S. 3062. An act for the relief of Rodgers Tile Co.;

S. 3101. An act for the relief of certain purchasers of, and entrymen upon, open lands of certain Indian reservations;

S. 3111. An act for the relief of Thomas L. Gardner;

S. 3146. An act relating to the citizenship of William Lawrence Tan;

S. 3256. An act to enable Sadao Tanaka to remain permanently in the United States;

S. 3412. An act for the relief of John Nicholas Chicouras;

S. 3436. An act for the relief of Ethel G. Hamilton;

S. 3456. An act to provide for the reimbursement of certain personnel or former personnel of the United States Marine Corps for the value of personal effects destroyed as a result of a fire at Raritan Arsenal, Metuchen, N. J., on October 10, 1938;

S. 3502. An act for the relief of the Epes Transportation Corporation;

S. 3587. An act for the relief of Earl P. Collins;

S. 3597. An act for the relief of Vernon C. Brown and F. L. Copeland;

S. 3647. An act for the relief of the legal guardian of Paul Sanford, a minor;

S. 3649. An act for the relief of Harry D. Gann;

S. 3706. An act for the relief of Alfred G. Balls;

S. 3707. An act for the relief of certain disbursing agents and certifying officers of the Indian Service, the United States Veterans' Administration, and the Treasury Department;

S. 3742. An act for the relief of M. E. McGivern;

S. 3748. An act for the relief of Guy F. Allen, chief disbursing officer, Division of Disbursement, Treasury Department;

S. 3769. An act for the relief of Jerry McKinley Thompson;

S. 3780. An act authorizing Alabama Bridge Commission (an agency of the State of Alabama) to construct, maintain, and operate a toll bridge and causeway between Dauphin Island and the mainland at or near Cedar Point, within the State of Alabama;

S. 3807. An act to extend the times for commencing and completing the construction of a bridge across the Missouri River at or near Arrow Rock, Mo.;

S. 3808. An act to provide for the reimbursement of certain officers and enlisted men or former officers and enlisted men of the United States Navy for personal property lost in the hurricane and flood at New London, Conn., on September 21, 1938;

S. 3899. An act to defray the cost of returning to the United States the remains, families, and effects of officers and employees dying abroad, and for other purposes;

S. 3916. An act for the relief of Lawrence T. Post, G. F. Allen, and D. Buddrus;

S. 3931. An act for the acquisition of Indian lands for the Parker Dam and Reservoir project, and for other purposes;

S. 3972. An act to authorize exchanges of lands within the Navajo Indian Reservation, Ariz.;

S. 3978. An act for the relief of certain former employees of the National Reemployment Service;

S. 4048. An act for the relief of Elizabeth K. Peeples;

S. 4090. An act to authorize the Attorney General to donate on behalf of the United States to H. S. Scott, D. W. Collins, Fred M. Gross, trustees, Ashland District Council, Boy Scouts of America, the log house known as the John Secrest home, located on the site of the Federal Correctional Institution near Ashland, Ky.;

S. 4126. An act for the relief of Anne Howard Lay;

H. R. 6831. An act to authorize the Secretary of the Interior to lease certain of the public lands to the Metropolitan Water District of Southern California for the extraction of sodium chloride for water-conditioning purposes;

H. R. 8024. An act to provide for the leasing of restricted allotments of deceased Indians in certain circumstances, and for other purposes;

H. R. 8499. An act relating to adoption of minors by Indians; and

H. R. 10106. An act to amend the District of Columbia Revenue Act of 1937, as amended.

PETITIONS

Mr. HALE presented petitions of sundry citizens of the State of Maine, praying that all available resources of the United States for war purposes be placed at the disposal of Great Britain and France, which were referred to the Committee on Military Affairs.

RESOLUTIONS OF ASSOCIATED INDUSTRIES OF VERMONT

Mr. GIBSON. Mr. President, I present, for appropriate reference, resolutions adopted by the Associated Industries of Vermont at its annual meeting on June 20, 1940, at Woodstock, Vt., urging passage of the Smith amendments to the National Labor Relations Act, amendments to the Wages and Hours Act, and the Walter-Logan bill. I ask that the resolutions be printed in the RECORD.

There being no objection, the resolutions were referred to the Committee on Education and Labor and ordered to be printed in the RECORD, as follows:

INDUSTRY'S PLEDGE—ENDORSEMENT BY ASSOCIATED INDUSTRIES OF VERMONT

Industry recognizes the gravity of the defense problem which faces the Nation and the demands which will be made upon the skill and capacity of industry. It recognizes that the situation calls for the full power of America's genius in industrial management and mass production.

Therefore this association endorses the pledge of the National Association of Manufacturers of the knowledge and experience and the utmost energy of its members to the task ahead.

It commits itself to this effort, abhorring war and urging every possible effort to avoid it compatible with the national honor and safety.

It pledges continued opposition of industry to profiteering. No man or group should use the national emergency to serve his or its selfish ends.

Adopted June 20, 1940.

RESOLUTION

It is the sense of this meeting that Congress should remain in continuous session during the existing emergency and should give early consideration to Wagner Act changes, the Walter-Logan bill to impose standards on Government administrative agencies, for changes in the wage-hour law, and modification of all legislation which will tend to hinder or obstruct the capacity and efficiency of industry to provide the needs for adequate defense and national preparedness.

Adopted by Associated Industries of Vermont June 20, 1940.

WAGNER ACT AMENDMENTS

That the Associated Industries of Vermont endorse the action by the National Association of Manufacturers recommending Senate action during this session on the Smith bill amending the National Labor Relations Act and that the Senators from Vermont be advised of this endorsement.

Adopted June 20, 1940.

UNIVERSAL MILITARY TRAINING—RESOLUTION OF EX-MEMBERS OF SQUADRON A

Mr. GIBSON. Mr. President, I present a resolution adopted by the Association of Ex-Members of Squadron A, urging the adoption of universal compulsory military training in the United States. I ask that the resolution be printed in the RECORD and referred to the Committee on Military Affairs.

There being no objection, the resolution was referred to the Committee on Military Affairs and ordered to be printed in the RECORD, as follows:

To the Members of the Congress of the United States:

At a special meeting of the Association of Ex-Members of Squadron A held June 25, 1940, the following resolutions were unanimously adopted by the association, all of whose members have seen active service in the National Guard of the State of New York and many in the Spanish-American and World Wars:

"Whereas the nature of the present international conflict makes it imperative for this Nation to adopt immediately all necessary measures to strengthen its defenses; and

"Whereas every citizen must earn his right to citizenship and the freedom it affords by preparing without delay for national emergency service: Therefore, be it

"Resolved by the members of the Association of Ex-Members of Squadron A, at a special meeting held the 25th day of June 1940—

"First. That, pending the adoption of the principle of universal compulsory military training the initial protective force of the United States, consisting of the Regular Army and the National Guard, be brought to full strength and be fully equipped in accordance with the War Department tables of organization now in effect.

"Second. That the principle of universal compulsory military training be adopted and, in time of war, universal selective service, as the only measures that will suffice for the protection of the United States.

"Third. That all necessary governmental action appropriate to these ends be taken as early as possible.

"Fourth. That copies of these resolutions be sent to the President and the Congress of the United States."

KNOWLTON DURHAM,
President.
ABEL I. SMITH, *Secretary.*

BILLS INTRODUCED

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. ANDREWS:

S. 4183. A bill authorizing the naturalization of Luis Perez Perez; to the Committee on Immigration.

S. 4184. A bill extending for the taxable year 1939 the time within which employer contributions to State unemployment funds may be paid for the purpose of the credit provided by section 1601 of the Federal Unemployment Tax Act; to the Committee on Finance.

HOUSE BILL REFERRED

The VICE PRESIDENT laid before the Senate the bill (H. R. 9732) relating to the issuance by the Secretary of the Interior of a patent to the State of Minnesota for certain lands in that State, which was read twice by its title and referred to the Committee on Indian Affairs.

ADDITIONAL EXPENSES OF SPECIAL COMMITTEE INVESTIGATING CAMPAIGN EXPENDITURES

Mr. HILL (for Mr. GILLETTE) submitted the following resolution (S. Res. 291) which was referred to the Committee to Audit and Control the Contingent Expenses of the Senate:

Resolved, That the special committee authorized by Senate Resolution 212, Seventy-sixth Congress, to investigate the campaign expenditures of the various Presidential candidates, Vice Presidential candidates, and candidates for the United States Senate, and facts relating thereto, is authorized to expend from the contingent fund of the Senate $50,000 in addition to the amounts heretofore authorized for the same purpose.

AMERICA NEEDS PREPAREDNESS, NOT POLITICS—ADDRESS BY SENATOR BYRNES

[Mr. HARRISON asked and obtained leave to have printed in the RECORD a radio address on the subject America Needs Preparedness, Not Politics, delivered by Senator BYRNES on July 3, 1940, which appears in the Appendix.]

THE FUTURE IS OUR OWN—ADDRESS BY SECRETARY ICKES

[Mr. LUCAS asked and obtained leave to have printed in the RECORD an address delivered by Secretary of the Interior Ickes on July 4, 1940, at Washington's Fourth of July celebration, the subject being The Future Is Our Own, which appears in the Appendix.]

REPORT ON MUNICIPAL LIGHT PLANT ELECTION AT OELWEIN, IOWA

[Mr. NORRIS asked and obtained leave to have printed in the RECORD a report by the Municipal League of Oelwein, Iowa, on the municipal light plant election held there on April 25, 1940; and also a statement by Judson King, director of the National Popular Government League, on the activities of private electric light plants in the effort to control municipalities, which appear in the Appendix.]

ADDRESS BY RICHARD L. NEUBERGER ON LAND OF HOPE AND PROMISE

[Mr. CLARK of Idaho asked and obtained leave to have printed in the RECORD an address delivered by Richard L. Neuberger, of Portland, Oreg., on the subject Land of Hope and Promise, which appears in the Appendix.]

ORDER DISPENSING WITH CALL OF CALENDAR

The VICE PRESIDENT. Routine morning business is closed. The calendar, under rule VIII, is in order.

Mr. BARKLEY. Mr. President, I ask unanimous consent that the calling of the calendar be dispensed with.

The VICE PRESIDENT. Is there objection? The Chair hears none, and it is so ordered.

CORRECTION IN ENROLLMENT OF A SENATE BILL

Mr. PITTMAN. I submit a concurrent resolution for the purpose of correcting an enrolled bill. I ask that it be read, and that it then be considered.

The VICE PRESIDENT. The concurrent resolution will be read.

The legislative clerk read the concurrent resolution (S. Con. Res. 53), as follows:

Resolved by the Senate (the House of Representatives concurring), That the Secretary of the Senate be, and he is hereby, authorized and directed, in the enrollment of the bill (S. 1114) to extend the jurisdiction of the United States District Court, Territory of Hawaii, over the Midway Islands, Wake Island, Johnston Island, Sand Island, Kingman Reef, Kure Island, Baker Island, Howland Island, Jarvis Island, Canton Island, Enderbury Island, and for other purposes, to make the following changes, namely: On page 1, lines 7 and 8, of the engrossed bill, after "Howland Island", insert "and."

Amend the title so as to read: "An act to extend the jurisdiction of the United States District Court, Territory of Hawaii, over the Midway Islands, Wake Island, Johnston Island, Sand Island, Kingman Reef, Kure Island, Baker Island, Howland Island, and Jarvis Island, and for other purposes."

Mr. PITTMAN. Mr. President, I will simply state, for the benefit of the Senate, that the House, in amending the measure by striking out Canton Island and Enderbury Island, failed to strike them out in the title, and also in striking out those islands failed to include the word "and" before the words "Jarvis Island." The purpose of the concurrent resolution is to correct those errors.

The VICE PRESIDENT. Is there objection to the present consideration of the concurrent resolution?

There being no objection, the concurrent resolution was considered and agreed to.

EXECUTIVE SESSION

Mr. BARKLEY. I move that the Senate proceed to the consideration of executive business.

The motion was agreed to; and the Senate proceeded to the consideration of executive business.

EXECUTIVE MESSAGES REFERRED

The VICE PRESIDENT laid before the Senate messages from the President of the United States submitting a nomination and a convention, which were referred to the appropriate committees.

(For nomination this day received, see the end of Senate proceedings.)

EXECUTIVE REPORTS OF A COMMITTEE

Mr. McKELLAR, from the Committee on Post Offices and Post Roads, reported favorably the nominations of sundry postmasters.

The VICE PRESIDENT. If there be no further reports of committees, the clerk will state the nominations on the calendar.

NOMINATIONS PASSED OVER

Mr. BARKLEY. Mr. President, under the agreement heretofore made, the first nominations on the calendar will go over until Monday.

The VICE PRESIDENT. Is there objection? The Chair hears none, and it is so ordered.

POSTMASTERS

The legislative clerk proceeded to read sundry nominations of postmasters.

Mr. McKELLAR. I ask unanimous consent that the nominations of postmasters be confirmed en bloc.

The VICE PRESIDENT. Without objection, the nominations of postmasters are confirmed en bloc.

That concludes the calendar.

ADJOURNMENT TO MONDAY

Mr. BARKLEY. As in legislative session, I move that the Senate adjourn until 12 o'clock noon on Monday next.

The motion was agreed to; and (at 12 o'clock and 7 minutes p. m.) the Senate adjourned until Monday, July 8, 1940, at 12 o'clock meridian.

NOMINATION

Executive nomination received by the Senate July 5, 1940

GOVERNOR OF THE PANAMA CANAL

Col. Glen E. Edgerton, Corps of Engineers, United States Army, for appointment as Governor of the Panama Canal, provided for by the Panama Canal Act, approved August 24, 1912, Vice Brig. Gen. Clarence S. Ridley, United States Army, resigned.

CONFIRMATIONS

Executive nominations confirmed by the Senate July 5, 1940

POSTMASTERS

ARKANSAS

Harry D. Landers, Harrisburg.
Manila Mills, Lepanto.

CONNECTICUT

Wallace M. Hart, West Cornwall.

FLORIDA

Mildred A. Entwistle, Warrington.

HAWAII

Solomon C. Burke, Honokaa.

MARYLAND

Leonard Wilson, Millington.

OKLAHOMA

Virgie W. Ramsey, Allen.

PENNSYLVANIA

Christian S. Lichliter, Salisbury.

SOUTH CAROLINA

Wayne C. Johnson, Easley.

TEXAS

Raymond A. Stewart, Galveston.
Daniel B. Wood, Olney.

VIRGINIA

Ella A. Lambert, Amonate.
Mary Sue Clark, Catawba Sanatorium.

WASHINGTON

Roy E. Carey, Hartline.

WISCONSIN

Leo A. Eiden, Deer Park.
Walter H. Sprangers, Waldo.

SENATE

MONDAY, JULY 8, 1940

Rev. Duncan Fraser, assistant rector, Church of the Epiphany, Washington, D. C., offered the following prayer:

Almighty God, who hast brought us again to the beginning of a new week, and art always ready to bestow upon those who seek a new life in Thee: Grant, we beseech Thee, a new life to this Nation, that, setting aside every sin that doth so easily beset us, we may, with confidence, run the race that is set before us, united in our love of Thee, and in mutual service to one another. Through Jesus Christ our Lord. Amen.

THE JOURNAL

On request of Mr. BARKLEY, and by unanimous consent, the reading of the Journal of the proceedings of Friday, July 5, 1940, was dispensed with, and the Journal was approved.

CALL OF THE ROLL

Mr. MINTON. I suggest the absence of a quorum.

The VICE PRESIDENT. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Adams	Downey	Lodge	Schwellenbach
Andrews	Ellender	Lucas	Sheppard
Ashurst	Frazier	Lundeen	Shipstead
Austin	George	McCarran	Slattery
Bailey	Gerry	McKellar	Smathers
Barbour	Gibson	McNary	Smith
Barkley	Gillette	Maloney	Taft
Bilbo	Green	Mead	Thomas, Idaho
Bone	Guffey	Miller	Thomas, Okla.
Bridges	Gurney	Minton	Thomas, Utah
Bulow	Hale	Murray	Tobey
Burke	Harrison	Neely	Townsend
Byrd	Hatch	Norris	Tydings
Byrnes	Hayden	Nye	Vandenberg
Capper	Herring	O'Mahoney	Van Nuys
Caraway	Hill	Overton	Wagner
Chandler	Holman	Pepper	Walsh
Chavez	Holt	Pittman	Wheeler
Clark, Idaho	Hughes	Radcliffe	White
Clark, Mo.	Johnson, Calif.	Reed	Wiley
Connally	Johnson, Colo.	Reynolds	
Danaher	King	Russell	
Davis	La Follette	Schwartz	

Mr. MINTON. I announce that the Senator from Alabama [Mr. BANKHEAD], the Senator from Michigan [Mr. BROWN], the Senator from Ohio [Mr. DONAHEY], the Senator from Virginia [Mr. GLASS], the Senator from Oklahoma [Mr. LEE], the Senator from Tennessee [Mr. STEWART], and the Senator from Missouri [Mr. TRUMAN] are unavoidably detained from the Senate.

The VICE PRESIDENT. Eighty-nine Senators have answered to their names. A quorum is present.

MESSAGE FROM THE HOUSE—ENROLLED BILLS AND JOINT RESOLUTIONS SIGNED

A message from the House of Representatives, by Mr. Calloway, one of its reading clerks, announced that the Speaker had affixed his signature to the following bills and joint resolutions, and they were signed by the Vice President:

S. 134. An act providing for continuing retirement pay, under certain conditions, of officers and former officers of the Army, Navy, and Marine Corps of the United States, other than officers of the Regular Army, Navy, or Marine Corps, who incurred physical disability while in the service of the United States during the World War, and for other purposes;

S. 182. An act for the relief of Edward Hagenson;

S. 993. An act for the relief of J. H. Wootton;

S. 1251. An act for the relief of certain settlers in the town site of Ketchum, Idaho;

S. 1531. An act for the relief of Edmund S. Dennis;

S. 1810. An act for the relief of the Citizens State Bank of Marianna, Fla.;

S. 2560. An act for the relief of Marjorie Buchek;

S. 2561. An act for the relief of Ina Jones;

S. 2570. An act for the relief of Mary Boyd;

S. 2595. An act for the relief of Lloyd S. Harris;

S. 2799. An act for the relief of James George Mayfield;

S. 2800. An act for the relief of Edward J. Ross, and the legal guardian of Betty Ross, a minor;

S. 2817. An act for the relief of J. H. Churchwell Wholesale Co., of Jacksonville, Fla.;

S. 2988. An act for the relief of Bessie Sharrah;

S. 3023. An act for the relief of Clarence E. Enders and Gertrude Ray Enders;

S. 3039. An act for the relief of Twila Snyder;

S. 3280. An act for the relief of Ina May Everett;

S. 3351. An act for the relief of I. M. Cook, J. J. Allen, and the Radiator Specialty Co.;

S. 3401. An act for the relief of Charles N. Barber, former United States property and disbursing officer, Vermont National Guard, and for other purposes;

S. 3424. An act for the relief of George O. Elliott and Winslow Farr Smith;

S. 3617. An act granting the consent and approval of Congress to an interstate compact relating to control and reduction of pollution in the Ohio River drainage basin;

S. 3749. An act to relieve certain employees of the Veterans' Administration from financial liability for certain overpayments and allow such credit therefor as is necessary in the accounts of certain disbursing officers, and for other purposes;

S. 3763. An act for the relief of Capt. David H. Passell and First Lt. Paul E. LaMaster;

S. 3794. An act for the relief of certain Navajo Indians, and for other purposes;

S. 4032. An act to provide for the reimbursement of Philip A. Penston, pharmacist's mate, first-class, United States Coast Guard, for the value of personal and household effects lost and destroyed during the hurricane of September 21, 1938, at New London, Conn.;

S. 4097. An act to provide for the disposition of estates of American citizens who die abroad;

H. R. 1435. An act for the relief of A. S. Tait;

H. R. 2358. An act for the relief of Alfred Joseph Wright;

H. R. 3161. An act for the relief of the First National Bank of Gettysburg, Pa., as legal guardian of the three minor children of Dale W. Guise and Gladys M. Guise, both deceased, and Sally C. Guise, Martha G. and Arnold E. Orner;

H. R. 3171. An act for the relief of George L. Sheldon;

H. R. 4828. An act to amend the law limiting the operation of statutes of limitations in certain cases;

H. R. 5258. An act for the relief of the legal guardian of Betty Lou Frady and W. L. Frady;

H. R. 6424. An act to provide for the transportation and distribution of mails on motor-vehicle routes;

H. R. 7843. An act for the relief of Clifford J. Williams;

H. R. 7861. An act for the relief of Hannah S. Bray, Jane Bickers, and Frances Bickers;

H. R. 9114. An act authorizing advancements from the Federal Emergency Administration of Public Works for the construction of a recorder of deeds building in the District of Columbia, and for other purposes;

S. J. Res. 133. Joint resolution to confer jurisdiction on the Court of Claims or the District Court of the United States for the Northern District of Georgia to hear, determine, and render judgment upon the claim of Mrs. J. W. Marks, of Stephens County, Ga.; and

S. J. Res. 222. Joint resolution granting the consent of Congress to the States of Maryland and West Virginia and the Commonwealths of Virginia and Pennsylvania and the District of Columbia as signatory bodies, to enter into a compact for the creation of a Potomac Valley Conservancy District and the establishment of the Interstate Commission on the Potomac River Basin.

PETITIONS AND MEMORIALS

The VICE PRESIDENT laid before the Senate a telegram in the nature of a petition from the Muscle Shoals Defense League of America, signed by W. O. Graham, president, and Harry J. Frahn, secretary, Sheffield, Ala., praying that the principal offices and headquarters of the Tennessee Valley Authority be transferred from Knoxville, Tenn., to Sheffield, Ala., which was referred to the Committee on Agriculture and Forestry.

He also laid before the Senate a resolution of the Eureka Noe Valley Union Auxiliary Club, protesting against steps leading toward war and condemning any move which would lead to the sacrifice of American men on foreign soil, which was ordered to lie on the table.

He also laid before the Senate a petition of sundry citizens of Brooklyn, N. Y., praying that a day be set aside for prayer and repentance, which was ordered to lie on the table.

He also laid before the Senate a resolution of the National Retail Credit Association, San Antonio, Tex., pledging allegiance and support to the country and the flag, which was ordered to lie on the table.

He also laid before the Senate the memorial of the Constitutional Government League, of Seattle, Wash., signed by E. H. Rettig, president, remonstrating against confirmation of the nominations of Henry L. Stimson, to be Secretary of War, and Frank Knox, to be Secretary of the Navy, which was ordered to lie on the table.

He also laid before the Senate a memorial of sundry citizens of Brooklyn, N. Y., remonstrating against confirmation of the nominations of Henry L. Stimson to be Secretary of War, and Frank Knox to be Secretary of the Navy, which was ordered to lie on the table.

He also laid before the Senate a resolution of the Lions Club, of Elkhart, Kans., favoring the adoption of an adequate national-defense program and the suppression of all subversive activities, which was ordered to lie on the table.

Mr. LODGE presented memorials numerously signed by sundry citizens of the State of Massachusetts, remonstrating against involvement of the United States in foreign wars, which were referred to the Committee on Foreign Relations.

Mr. WALSH presented a resolution of Branch No. 9, National Association of Post Office Laborers, Boston, Mass., protesting against involvement of the United States in foreign wars, which was referred to the Committee on Foreign Relations.

He also presented memorials, numerously signed by sundry citizens of the State of Massachusetts, remonstrating against involvement of the United States in foreign wars, which were referred to the Committee on Foreign Relations.

Mr. TYDINGS presented a petition of sundry citizens of Sabillasville, Md., praying that Congress remain in session during the existing emergency, and endorsing an adequate national-defense program, which was referred to the Committee on Foreign Relations.

He also presented a resolution of the Bethesda-Chevy Chase Lions Club, Maryland, favoring the adoption of an adequate national-defense program and the suppression of all subversive activities, which was ordered to lie on the table.

Mr. VANDENBERG presented a petition of sundry citizens of the State of Michigan, praying that the United States keep out of war, which was ordered to lie on the table.

He also presented a petition of sundry citizens of Dowagiac, Mich., praying that Congress remain in session during the existing emergency, endorsing an adequate national-defense program, and the suppression of subversive activities, which was ordered to lie on the table.

NATIONAL PREPAREDNESS—RESOLUTIONS OF KOSCIUSKO (MISS.) ROTARY CLUB

Mr. BILBO presented resolutions of the Kosciusko (Miss.) Rotary Club, which were ordered to lie on the table and to be printed in the RECORD, as follows:

Whereas the membership of the Kosciusko Rotary Club of Kosciusko, Miss., feels that the people of this country and our National

Government are now experiencing the gravest crisis of our entire national life by reason of the threats of foreign aggression, the curtailment of our world trade and activities, and the suppression of our ideals of individual rights, liberty, and the pursuit of happiness; and

Whereas we feel that in this time of peril it is the solemn duty of every man, woman, and child of our great land to back and give support to our national administration in its efforts to place our country in a state of preparedness for any eventuality, that we may thereby be enabled to show to the whole world that we will not tolerate any curtailment or infringement upon the civil rights guaranteed to us by the law of the land and the Constitution of the United States of America: Be it therefore

Resolved, That by these resolutions we desire to go on record as according our entire support to our Government in its preparedness program and we pledge ourselves to render any assistance of which we may be capable in this great undertaking; be it further

Resolved, That we urge upon those in authority the fullest efforts toward stamping out any and all subversive elements within our territory which are opposed to our form of government or the abridgement of our national liberties; that we have no patience with any so-called "fifth column," communism, or any element which seeks the destruction of our present conception of government; that we believe such activities should be eliminated in their inception before they have an opportunity to take root and develop into a serious menace; be it further

Resolved, That in making adequate preparation we advocate the principle of military training for all able-bodied men of proper age in order that our country may at all times have an adequate reserve of manpower available, capable, and effective; be it further

Resolved, That in this time of peril it behooves every citizen to devote his full time and effort toward preparing our country for emergencies, and to that end we do not feel that the present wage and hour law, which restricts labor to a 40-hour-a-week schedule, is conducive toward preparedness and efficiency, and it is our thought that this law should be so changed or repealed so as to eliminate this objectionable feature; be it further

Resolved, That a copy of these resolutions be transmitted to the President of the United States and to each of our Senators and the Representative from this congressional district.

Adopted and passed this 19th day of June 1940.

RESOLUTION OF DANIEL BEALL POST, NO. 18, AMERICAN LEGION

Mr. BILBO presented a resolution of Daniel Beall Post, No. 18, American Legion, of Holmes County, Miss., which was ordered to lie on the table and to be printed in the RECORD, as follows:

Whereas the United States is faced with conditions fraught with the most serious eventualities of its history as a Nation; and

Whereas potential foes from within and from without threaten to undermine and eventually destroy our democratic form of government; and

Whereas such a government is the only one that guarantees protection and freedom to its individual citizens and an equal individual opportunity in life regardless of race, creed, or color; and

Whereas we cherish and hold sacred the principles upon which this Government is founded; and

Whereas the time has come when every person enjoying the benefits and protection of the United States of America should be required to make known his national loyalty and devotion: Now, therefore, be it

Resolved by Daniel Beall Post, No. 18, of the American Legion:

(1) That the President and Congress of the United States of America should now and immediately forego and forget any political party or personal consideration in plans for the development of an adequate national defense;

(2) That such laws should be immediately enacted and such steps taken as may be necessary to call to the services of the Nation in the development of an adequate national defense all industrial ability or facilities regardless of present or previous political differences or party lines;

(3) That immediate steps be taken to mobilize and equip with the most modern and adequate equipment an army, navy, and air force sufficient to meet any national emergency that may arise;

(4) That such steps be taken to coordinate all efforts to build up our national defense so as to eliminate all red tape and attain the highest possible speed, consistent with accuracy and good judgment;

(5) That any and all parts of the so-called Johnson Act which may in any way prohibit or hinder full support and aid to the allied nations in the way of equipment, munitions, or economic assistance by the United States be repealed;

(6) That immediate steps be taken to apprehend and mete out severe punishment to all persons in the United States of America guilty of national disloyalty, sabotage, or "fifth column" activities;

(7) That such a universal military training act be passed that will not only train the American youth for intelligent and efficient national defense but will develop in them a sincere loyalty and devotion to the United States of America;

(8) That this post cooperate in every way possible with those in authority in carrying out the provisions of this resolution; and

(9) That a copy of these resolutions be sent to Senators PAT HARRISON and T. G. BILBO, a copy to Congressman W. M. WHITTINGTON, a copy to National and State American Legion headquarters, and a copy to the Lexington Advertiser for publication.

These resolutions were submitted to and adopted by the Daniel Beall Post, No. 18, of the American Legion in regular session this, the 21st day of June 1940.

RESOLUTIONS OF CITIZENS OF WAKE COUNTY (N. C.) AND VICINITY

Mr. REYNOLDS presented resolutions adopted at a meeting of citizens of Wake County (N. C.) and vicinity, which were referred to the Committee on Foreign Relations and ordered to be printed in the RECORD, as follows:

Whereas the present European war has raised very difficult problems for the American Nation in both its foreign relations and in its domestic problems; and

Whereas under our democratic system of government it is proper and fitting that citizens of the United States make known to their President and to their representatives in Congress their attitude and desires in this crisis; and

Whereas, we, a group of citizens of Wake County (N. C.) and vicinity, are imbued with the patriotic desire to promote the welfare of our country and of the world at large: Be it

Resolved, That it is our belief and desire that our Government should pursue the following policies in the present emergency:

1. That every effort should be made to prevent our country's becoming a belligerent in the war, and that we ought not to send our men to fight in Europe or in European waters.

2. That it is the sentiment of this meeting that our country should immediately and vigorously prepare for its adequate defense against any enemy or combination of enemies.

3. That we approve our Government's efforts to promote the solidarity of the New World and favor something in the nature of a league of nations for the Western Hemisphere, which might later serve as a model for the remainder of the world.

4. That while meeting the threat from abroad we should not abandon and should continue efforts to improve the lot of the common man in this country.

5. That in the present critical situation we should make every effort to visualize clearly and to promote the interests of our own country, for we believe that, in the long run, we can thereby best serve the entire world.

6. That in our justifiable efforts to stamp out subversive movements in our country, we should take great care to preserve those rights and privileges which are guaranteed in our Bill of Rights and which are the heritage of every American citizen. We should do everything in our power to avoid sacrificing those very liberties we are seeking to protect.

7. That these resolutions are passed without reference to the current political campaign for we believe that loyalty and patriotism to our country are above parties and politics.

8. That copies of these resolutions be sent to the President of the United States and to the North Carolina Members of both Houses of Congress.

REPORTS OF COMMITTEES

Mr. TYDINGS, from the Committee on Territories and Insular Affairs, to which was referred the bill (S. 3940) to authorize the incorporated town of Sitka, Alaska, to purchase and enlarge certain public utilities and for such purpose to issue bonds in the sum of $200,000 in excess of present statutory debt limit, reported it with amendments and submitted a report (No. 1944) thereon.

Mr. WALSH, from the Committee on Naval Affairs, to which was referred the bill (S. 3008) to authorize the President of the United States to dispose of certain public vessels, and for other purposes, reported it with an amendment and submitted a report (No. 1945) thereon.

He also, from the same committee, to which were referred the following bills, reported them each with amendments and submitted reports thereon:

H. R. 10030. A bill increasing the number of naval aviators in the line of the Regular Army and Marine Corps, and for other purposes (Rept. No. 1947); and

H. R. 10100. A bill to establish the composition of the United States Navy, to authorize the construction of certain naval vessels, and for other purposes (Rept. No. 1946).

ASSISTANT CLERK, COMMITTEE ON MINES AND MINING

Mr. BYRNES. From the Committee to Audit and Control the Contingent Expenses of the Senate, I report back favorably, without amendment, Senate Resolution 287, submitted by the Senator from Pennsylvania [Mr. GUFFEY] on June 22, 1940, authorizing the employment of an assistant clerk by the Committee on Mines and Mining. I ask unanimous consent for its present consideration.

There being no objection, the resolution was considered and agreed to, as follows:

Resolved, That the Committee on Mines and Mining is hereby authorized to employ for the remainder of the Seventy-sixth Congress an assistant clerk, to be paid from the contingent fund of the Senate at the rate of $1,800 per annum.

FUNERAL EXPENSES OF THE LATE SENATOR GIBSON

Mr. BYRNES. From the Committee to Audit and Control the Contingent Expenses of the Senate, I report back favorably, without amendment, Senate Resolution 290, and ask unanimous consent for its present consideration.

There being no objection, the resolution (S. Res. 290), submitted by Mr. AUSTIN on July 3, 1940, was considered and agreed to, as follows:

Resolved, That the Secretary of the Senate hereby is authorized and directed to pay from the contingent fund of the Senate the actual and necessary expenses incurred by the committee appointed by the Vice President in arranging for and attending the funeral of Hon. Ernest W. Gibson, late a Senator from the State of Vermont, upon vouchers to be approved by the Committee to Audit and Control the Contingent Expenses of the Senate.

ADDITIONAL EXPENSES OF SPECIAL COMMITTEE INVESTIGATING CAMPAIGN EXPENDITURES

Mr. BYRNES. From the Committee to Audit and Control the Contingent Expenses of the Senate, I report back favorably, with an amendment, Senate Resolution 291, and ask unanimous consent for its present consideration.

There being no objection, the Senate proceeded to consider the resolution (S. Res. 291), submitted by Mr. HILL (for Mr. GILLETTE) on July 5, 1940.

The VICE PRESIDENT. The amendment reported by the committee will be stated.

The CHIEF CLERK. On page 1, line 6, it is proposed to strike out "$50,000" and insert in lieu thereof "$40,000."

The amendment was agreed to.

The resolution as amended was agreed to, as follows:

Resolved, That the special committee authorized by Senate Resolution 212, Seventy-sixth Congress, to investigate the campaign expenditures of the various Presidential candidates, Vice-Presidential candidates, and candidates for the United States Senate, and facts relating thereto, is authorized to expend from the contingent fund of the Senate $40,000 in addition to the amounts heretofore authorized for the same purpose.

BILLS INTRODUCED

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. BAILEY:

S. 4185. A bill for the relief of Lt. Col. Gordon Smith; to the Committee on Claims.

By Mr. CAPPER:

S. 4186. A bill for the relief of Anthony Borsellino; to the Committee on the District of Columbia.

By Mr. VANDENBERG:

S. 4187. A bill authorizing the Secretary of the Interior to issue patents for lands held under color of title; to the Committee on Public Lands and Surveys.

By Mr. GUFFEY:

S. 4188. A bill for the relief of George S. Wolbert, receiver of the Neafie & Levy Ship & Engine Building Co.; to the Committee on Claims.

By Mr. NEELY:

S. 4189. A bill to authorize the reconditioning and operation by the Maritime Commission of certain vessels in its laid-up fleet for the carrying to foreign ports of coal, wheat, lumber, and other commodities produced in the United States; to the Committee on Commerce.

S. 4190. A bill authorizing the Secretary of War to sell and convey to the town of Marmet, W. Va., two tracts of land to be used for municipal purposes; to the Committee on Military Affairs.

By Mr. CLARK of Idaho:

S. 4191. A bill to promote a program of water conservation and to facilitate the investigation of means and methods for the prevention or reduction of water losses caused by seepage from irrigation and canals, and for related purposes; to the Committee on Irrigation and Reclamation.

By Mr. MEAD:

S. 4192. A bill to authorize the construction of flood-control works on the Oswego Watershed, New York; to the Committee on Commerce.

CHANGE OF REFERENCE

On motion by Mr. WHEELER, the Committee on Agriculture and Forestry was discharged from the further consideration of the bill (S. 4171) for the establishment of the Fort Peck National Recreational Area, in the State of Montana, and for other purposes; and it was referred to the Committee on Public Lands and Surveys.

AMENDMENT OF RAILROAD UNEMPLOYMENT INSURANCE ACT—AMENDMENT

Mr. GURNEY submitted an amendment in the nature of a substitute intended to be proposed by him to the bill (S. 3920) to amend the Railroad Unemployment Insurance Act, approved June 25, 1938, as amended June 20, 1939, and for other purposes, which was ordered to lie on the table and to be printed.

AMENDMENT OF DISTRICT OF COLUMBIA REVENUE ACT OF 1939—INDEFINITE POSTPONEMENT OF A BILL

Mr. KING. Mr. President, recently the Senate passed the bill (S. 4161) to amend the District of Columbia Revenue Act of 1939, and about the same time the House passed an identical bill, which was transmitted to the Senate and subsequently passed by this body.

I am informed that the Senate bill has not been transmitted to the House of Representatives. I ask unanimous consent that the vote on the passage of Senate bill 4161 be reconsidered and that the bill be indefinitely postponed.

The VICE PRESIDENT. Without objection, it is so ordered.

COMMITTEE SERVICE

On motion of Mr. MCNARY, and by unanimous consent, it was

Ordered, That the Senator from New Hampshire [Mr. TOBEY] be excused from further service on the Committee on Claims and that he be assigned to service on the Committee on Territories and Insular Affairs; that the Senator from Wisconsin [Mr. WILEY] be excused from further service on the Committee on Agriculture and Forestry and that he be assigned to service on the Committee on Naval Affairs; and that the Senator from Vermont [Mr. GIBSON] be assigned to service on the Committees on Agriculture and Forestry, Civil Service, Claims, Commerce, and Library.

LEESBURG WELDING & GARAGE CO.

The VICE PRESIDENT laid before the Senate the amendment of the House of Representatives to the bill (S. 2289), for the relief of the Leesburg Welding & Garage Co., which was to strike out all after the enacting clause and insert:

That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to the Leesburg Welding & Garage Co., of Leesburg, Fla., the sum of $1,017.08, in full satisfaction of its claims against the United States for payment for certain materials furnished and services rendered, at the request of officials of the Works Progress Administration, in connection with the Venetian Garden project, official project No. 65-35-295, in Leesburg, Fla., during the period November 1, 1936, to February 15, 1937: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

Mr. ANDREWS. I move the Senate concur in the House amendment.

The motion was agreed to.

HAWAII NATIONAL PARK LAND

The VICE PRESIDENT laid before the Senate the amendments of the House of Representatives to the bill (S. 3676) to withdraw certain portions of land within the Hawaii National Park and to transfer the same to the jurisdiction and control of the Secretary of War for military purposes, which were, on page 1, line 3, after the word "That", to insert "within"; on page 2, line 15, to strike out all after "less" down to and including "and", in line 16, and insert "there shall be withdrawn"; on the same page, line 18, to strike out

"is"; and in line 19, after the word "war", to insert "so much thereof as may be agreed upon between the Secretaries of War and the Interior."

Mr. SHEPPARD. I move that the Senate concur in the amendments of the House.

The motion was agreed to.

BRIDGE ACROSS MISSISSIPPI RIVER NEAR MEMPHIS, TENN.

The VICE PRESIDENT laid before the Senate the amendment of the House of Representatives to the bill (S. 3929) to extend the times for commencing and completing the construction of a bridge across the Mississippi River at or near Memphis, Tenn.

Mr. McKELLAR. I move that the Senate disagree to the amendment of the House, ask a conference with the House on the disagreeing votes of the two Houses thereon, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to; and the Vice President appointed Mr. BAILEY, Mr. SHEPPARD, and Mr. MCNARY conferees on the part of the Senate.

EDWARD J. BROGGI

The VICE PRESIDENT laid before the Senate the amendments of the House of Representatives to the bill (S. 2717) for the relief of Edward J. Broggi, which were, on page 1, line 3, to strike out "is" and insert "be, and he is hereby", and in line 6, to strike out "$200" and insert "$115.30."

Mr. GIBSON. I move that the Senate concur in the amendments of the House.

The motion was agreed to.

KEEP OUT OF WAR—ADDRESS BY SENATOR WHEELER

[Mr. BONE asked and obtained leave to have printed in the RECORD an address delivered by Senator WHEELER before the American Anti-War Crusade of the Keep Out of War Congress, at the Auditorium Theater, Chicago, Ill., June 30, 1940, on the subject Keep Out of War, which appears in the Appendix.]

NATIONAL UNITY—ADDRESS BY SENATOR REYNOLDS

[Mr. REYNOLDS asked and obtained leave to have printed in the Appendix a radio address delivered by him on July 1, 1940, upon the subject of national unity, which appears in the Appendix.]

CHALLENGE TO THE FAITHFUL—ADDRESS BY SENATOR PEPPER

[Mr. HILL asked and obtained leave to have printed in the RECORD an address delivered by Senator PEPPER before the Interfaith Conference, in the Temple of Religion, New York World's Fair, on Sunday, June 30, 1940, which appears in the Appendix.]

STATEMENT CONCERNING BOOK WRITTEN BY JAMES H. R. CROMWELL

[Mr. SMATHERS asked and obtained leave to have printed in the RECORD a statement explaining certain statements appearing in a book written by James H. R. Cromwell, of New Jersey, which appears in the Appendix.]

WAR OR PEACE IN AMERICA?—ADDRESS BY JAMES D. MOONEY

[Mr. NYE asked and obtained leave to have printed in the RECORD an address by James D. Mooney, vice president of the General Motors Corporation, at the University Club, Cleveland, Ohio, on June 1, 1940, on the subject War or Peace in America? which appears in the Appendix.]

TOTALITARIANISM AND ADMINISTRATIVE ABSOLUTISM—ADDRESS BY JULIUS C. SMITH

[Mr. BAILEY asked and obtained leave to have printed in the RECORD an address by Julius C. Smith, member, special committee on administrative law, American Bar Association, at the University of Florida, Gainesville, Fla., before the Florida Law Institute, entitled "Totalitarianism and Administrative Absolutism," which appears in the Appendix.]

ADDRESS BY DR. RICHARD A. KAHN ON LOGAN-WALTER BILL

[Mr. BURKE asked and obtained leave to have printed in the RECORD an address delivered by Dr. Richard A. Kahn, of the Catholic University of America, on the so-called Logan-Walter bill, which appears in the Appendix.]

ARTICLE BY PROFESSOR BORCHARD ON STATE INDEMNITY FOR ERRORS OF CRIMINAL JUSTICE

[Mr. LA FOLLETTE asked and obtained leave to have printed in the RECORD an article by Edwin Borchard, professor of law, Yale University, entitled "State Indemnity for Errors of Criminal Justice," which appears in the Appendix.]

NEEDLESS NOTES—EDITORIAL FROM MINNEAPOLIS MORNING TRIBUNE

[Mr. NYE asked and obtained leave to have printed in the RECORD an editorial from the Minneapolis Morning Tribune of July 6, 1940, entitled "Needless Notes," which appears in the Appendix.]

THE WIDE HORIZON—ARTICLE FROM NEW YORK TIMES

[Mr. WILEY asked and obtained leave to have printed in the RECORD an article from the New York Times by G. H. Archambault, entitled "The Wide Horizon," which appears in the Appendix.]

WHAT PREPAREDNESS INVOLVES—EDITORIAL FROM MILWAUKEE JOURNAL

[Mr. WILEY asked and obtained leave to have printed in the RECORD an editorial from the Milwaukee Journal of July 6, 1940, entitled "What Preparedness Involves," which appears in the Appendix.]

ADJUSTMENT OF LIMITATIONS ON PROFITS OF CERTAIN CONTRACTORS

The VICE PRESIDENT laid before the Senate the amendments of the House of Representatives to the bill (S. 2464) to amend the act of March 27, 1934 (48 Stat. 505), as amended (49 Stat. 1926; 34 U. S. C., Supp. IV, 496; sec. 14 of Public, No. 18, 76th Cong.), to adjust the limitations on the profits of certain contractors with the United States," which were, on page 1, to strike out all after line 8 down to and including "thereof", in line 23 of page 2, and insert "net loss on all such contracts or subcontracts for the construction and/or manufacture of any complete naval vessel or portion thereof completed by the particular contractor or subcontractor within any income taxable year, such net loss shall be allowed as a credit in determining the excess profit, if any, during the next succeeding 4 income taxable years; that if there is a net loss, or a net profit less than 12 percent, as aforesaid on all such contracts or subcontracts for the construction and/or manufacture of any complete aircraft or portion thereof completed by the particular contractor or subcontractor within any income taxable year, such net loss or deficiency in profit shall be allowed as a credit in determining the excess profit, if any, during the next succeeding 4 income taxable years; and that the method of ascertaining the amount of excess profit initially fixed upon shall be determined on or before June 30, 1939, in the case of contracts or subcontracts for the construction and/or manufacture of any complete aircraft or portion thereof, and shall be determined on or before August 31, 1940, in the case of contracts or subcontracts for the construction and/or manufacture of any complete naval vessel or portion thereof"; and page 3, to strike out all of section 2.

Mr. WALSH. Mr. President, I move that the Senate agree to the amendments of the House with an amendment, which I send to the desk.

The VICE PRESIDENT. The amendment proposed by the Senator from Massachusetts to the amendments of the House of Representatives will be stated.

The CHIEF CLERK. It is proposed to strike out all after the enacting clause and in lieu thereof to insert:

That the first proviso of section 3 (b) of the act of March 27, 1934 (48 Stat. 505; 34 U. S. C. 496), as amended by the act of June 25, 1936 (49 Stat. 1926; 34 U. S. C., Supp. V, 496), and by section 14 of the act of April 3, 1939 (53 Stat. 560; 34 U. S. C., Supp. V, 496), and as made applicable to contracts for aircraft or any portion thereof for the Army by section 14 of such act of April 3, 1939, is hereby further amended to read as follows: "*Provided*, That if there is a net loss on all such contracts or subcontracts completed by the particular contractor or subcontractor within any income taxable year, such net loss shall be allowed as a credit in determining the excess profit, if any, during the next succeeding 4 income taxable years; and that the method of ascertaining the amount of excess profit initially fixed upon shall be determined on or before September 30, 1940."

SEC. 2. The provisions of this act shall be applicable to all contracts and subcontracts for aircraft or any portion thereof for the Army or the Navy entered into after the approval of this act; and for complete naval vessels or any portion thereof completed in any income taxable year after the approval of this act.

SEC. 3. Nothing herein shall be construed to repeal or modify the provisions of the act of June 28, 1940 (Public, No. 671, 76th Cong.), entitled "An act to expedite national defense, and for other purposes."

The VICE PRESIDENT. The question is on agreeing to the amendment offered by the Senator from Massachusetts to the amendments of the House of Representatives to Senate bill 2464.

Mr. WALSH. Mr. President, there has been a conflict in the law relating to the offsetting of losses in the income-tax returns of contractors for naval vessels and manufacturers of airplanes. This amendment proposes to put both the builders of naval vessels and the manufacturers of aircraft on the same basis. Briefly it permits the offsetting of losses over a period of 4 years and retains the limitation upon profits which has been fixed in recent legislation adopted by the Congress. The law as it now stands permits airplane manufacturers to offset their losses, as well as the deficiencies in profits fixed by law, over a period of 4 years with their gains over a period of 4 years. The present law, however, does not permit the builders of naval vessels to offset their deficiency in profits against their gains.

Mr. CONNALLY. Mr. President, will the Senator yield?

Mr. WALSH. I will yield in a moment. This provision would put both in the same position of offsetting only their losses over a period of 4 years. I now yield to the Senator from Texas.

Mr. CONNALLY. Does that mean losses from contracts other than Government contracts?

Mr. WALSH. No. The law is confined solely and alone to Government contracts. The manufacturers must make a special return on Government contracts because of the original Vinson-Trammell law, which fixed a limitation of 10 percent on profits to shipbuilders and 12 percent on profits to airplane manufacturers. The law this year has reduced that profit to 7 and 8 percent.

Mr. CONNALLY. What I mean is, can the shipbuilders offset, as against profits they make on naval vessels or vessels for the Maritime Commission, losses they have suffered on building for private parties?

Mr. WALSH. They cannot.

Mr. KING. Mr. President, will the Senator yield?

Mr. WALSH. Certainly.

Mr. KING. Is this a bill which has just come over from the House of Representatives?

Mr. WALSH. It is a Senate bill which has been amended by the House. The bill as amended by the House retains the old rates of profit of 10 and 12 percent. It was drafted before the Senate committee and the Senate approved, and the House later approved, a reduction in those rates to 7 and 8 percent.

Mr. KING. Is the Senator reporting the bill from the Committee on Finance or the Committee on Naval Affairs?

Mr. WALSH. The Committee on Naval Affairs.

Mr. KING. Ought not the bill to have gone before the Committee on Finance? That committee deals with the question of profits.

Mr. WALSH. Our jurisdiction comes from the fact that when the Vinson-Trammell bill was before the Congress in 1934, it for the first time put a limitation upon the profits of shipbuilders, partly due to the agitation in the Congress in favor of giving all shipbuilding contracts to the navy yards, and complaints made about the excess profits that shipbuilders were making. At that time a limit was placed upon the profits of shipbuilders. Later the law was extended to include airplane manufacturers; and that is the only law that puts any limitation upon the profits of anybody doing business of any kind with the Government. It is confined solely and alone to the returns which have been made since 1934 by shipbuilders and airplane manufacturers.

Mr. KING. It does not extend, then, in futuro? It relates to ex post facto transactions?

Mr. WALSH. No; the modification and change made in this bill applies only to future contracts, not to past ones; but the law has been in operation, with the old rates, since 1934.

Mr. KING. In view of the fact that we note in the press and elsewhere that demands are being made for general legislation under the terms of which encouragement may be given to private capital to invest in the industries which are necessary for war purposes, it seems to me there should be some measure analagous to the one to which the Senator refers. Does not the Senator think we ought to defer consideration of this matter until that whole subject is taken up, as it must be and will be within a short time, perhaps, by the Finance Committee?

Mr. WALSH. I think it would be very unfortunate if that were done, in view of the fact that a law has recently been enacted which reduces the profits that may be made. What this amendment proposes to do is to put both kinds of manufacturers in the same position. For some reason airplane manufacturers have not had applied to them the same principle that applies to shipbuilders.

Let me illustrate. Taking for purposes of illustration a $100,000,000 contract, and assuming the rate to be 10 percent under existing law if either an airplane manufacturer or a shipbuilder lost $10,000,000 one year and the next year made $20,000,000, they would not be required to pay into the Treasury any excess profits as the $10,000,000 loss in 1 year could be offset the next year. However, if each of these manufacturers made a profit of only $5,000,000 the first year and $20,000,000 the second year, the shipbuilder would have to turn into the Treasury as excess profits under the Vinson-Trammell Act $10,000,000, while the airplane manufacturer would have to turn in only $5,000,000, as the shipbuilder under existing law cannot set off deficiencies in profit.

This bill, with amendment, I now propose, treats both of them alike and permits them to offset their losses against their profits for a period of 4 years. It does not permit them to make claim for 10-percent gains if they do not make 10-percent gains.

Let me say that I am making this motion at the suggestion of and in cooperation with the House Committee on Naval Affairs, who drafted the amendment to the Senate bill before the reduction in rates was made. If this bill is enacted without the proposed amendment, leaving aside now the question of putting them on a parity, we shall go back to the 10- and 12-percent limitations on profits when we have already reduced them to 7 and 8 percent in certain cases.

Mr. KING. Mr. President, will the Senator yield?

Mr. WALSH. Yes.

Mr. KING. If this bill should be enacted into law, and the Finance Committee, in the consideration of this subject in its broad aspect, should make some change in its treatment of it, would there be any reactions or repercussions disadvantageous to the interests to which the Senator now refers?

Mr. WALSH. Not at all; and undoubtedly, if the world condition should become worse than it is, and we should become involved in the European war—which we all hope will not happen—there would be an extension of this bill or some form of profit limitation, in my opinion, to all contracts made by the Government, which has been urged and advocated.

Mr. BARKLEY. Mr. President, will the Senator yield?

Mr. WALSH. I yield to the Senator from Kentucky.

Mr. BARKLEY. There is some confusion in the minds of Senators—and that includes my own mind—with respect to the scope of this amendment. Is the emergency such as to make it unwise to let this matter go over until tomorrow morning, in order that Senators may look into it?

Mr. WALSH. I have no objection at all to that course; but I repeat that the sole purpose of this bill is to put both the manufacturer of airplanes and the private shipbuilder on an excess-profits-tax parity. A claim is being made, particularly by the manufacturers of airplanes, that we ought not to take away from them their allowances for deficiencies in profits; we ought to allow them to offset their deficiencies in

profits against their gains; but the Treasury Department is of the opinion that this is the wiser and better provision.

Mr. BARKLEY. I will say to the Senator from Massachusetts and also to the Senator from Utah that I do not see that this bill involves any infringement upon the jurisdiction of the Committee on Finance, because the bill deals merely with the matter of determining the profits to be made by airplane manufacturers and shipbuilders in determining what constitutes the 7 and 8 percent, respectively.

Mr. WALSH. And the limitation was originally adopted, in my opinion, because of agitation, when we were not building so rapidly and so numerously as now, to the effect that all ships and all airplanes ought to be built in Government-owned factories.

Mr. BARKLEY. I appreciate that.

Mr. WALSH. It was a concession to the group who were pressing that position that the limitation upon the profits of private shipbuilders was made.

Mr. BARKLEY. I understand that the law originally enacted provided for maximum profits of 10 percent and 12 percent.

Mr. WALSH. Ten percent for shipbuilders and 12 percent for airplane manufacturers.

Mr. BARKLEY. Now we have reduced those figures to 7 and 8 percent, respectively.

Mr. WALSH. Seven percent when the contract is awarded, upon a cost-plus-a-fixed-fee basis, and 8 percent when it is awarded, either upon a competitive basis or upon a fixed-price basis.

Mr. BARKLEY. That is, 7 percent when there is a negotiated cost-plus-a-fixed-fee contract, and 8 percent when there is a competitive or fixed-price contract.

Mr. WALSH. The Senator is correct.

Mr. BARKLEY. And the amendment offered by the Senator—which is offered here on the floor, and which none of us have had a chance to consider except by having it read—provides some of the details by which 7 and 8 percent profit may be determined, and also whether the manufacturers may claim offsets by reason of losses.

Mr. WALSH. That is correct.

Mr. BARKLEY. I understand that the 7 and 8 percent profits, respectively, apply only to Government contracts.

Mr. WALSH. Yes.

Mr. BARKLEY. They have no relationship to the profits that any concern may make for building airplanes or ships for private industry.

Mr. WALSH. That is correct.

Mr. BARKLEY. And any losses sustained because of private construction of ships or aircraft cannot be offset against gains made in the manufacture of Government ships or aircraft. Is that correct?

Mr. WALSH. The Senator is absolutely correct.

The difference between the two, under the amendment adopted by the House, may be illustrated, as follows: Assume that the first year both made $5,000,000; the second year both lost $10,000,000; the third year both made $20,000,000, and the fourth year both made $15,000,000. The aircraft manufacturer, because he is allowed to take deficiencies in profit as well as losses into consideration when computing excess profits under the Vinson-Trammell Act, would not be required to turn into the Treasury as excess profits any money, while the shipbuilder, under these conditions, would be required to turn in $5,000,000 as excess profits as he is not permitted to allow for deficiencies in profit.

The amendment proposed by me would put aircraft manufacturers and shipbuilders on the same basis and neither of them would be allowed to take into consideration deficiencies in profits when computing their excess-profits tax under the Vinson-Trammell Act.

Mr. BARKLEY. The matter is a little involved, and I suggest that it go over.

Mr. WALSH. The request is a perfectly proper one, and I am glad to comply with it.

Mr. HARRISON. Mr. President——

Mr. WALSH. I yield to the Senator from Mississippi.

Mr. HARRISON. I desire to ask the Senator from Massachusetts a question. I think this is a rather involved matter. Has inquiry been made of Mr. Knudsen as to its effect on the program for national defense?

Mr. WALSH. Yes; his representative appeared before the committee, not on this particular amendment but on the question of reducing the profits from 12 and 10 percent to 8 and 7 percent; and he was heard at length upon that matter.

Mr. HARRISON. Is it the Senator's opinion that this amendment will not slow up the national-defense program at all?

Mr. WALSH. That is our opinion. Of course, it is possible that there may be a little sulking by some shipbuilders, but we have no definite evidence to justify any such conclusion.

Mr. HARRISON. As the Senator knows, we have heard a great deal about excess-profits taxes; and I may say that I believe every Member of the Senate is strongly for an excess-profits tax. Senators may differ whether such a tax ought to be applied to the industries which, because of the national-defense program, will make excess profits, or whether it should be applied to every corporation and every individual that is making a normal profit and deriving no benefit from all this expenditure. In other words, it is a big question, and one on which the experts of the Treasury Department have not agreed; and, as I understand, the gentlemen who are in charge of the national-defense program do not wholly agree as to the amount of profit that is allowed by virtue of the provisions of existing law.

I thought the whole question should be studied as an entirety.

Mr. WALSH. I agree with the Senator. When the question of the general principle of an excess-profits tax is taken up, a review of the application of the tax should be studied, I agree, but I think it would be unfortunate if we did not amend the present law so as to make it apply equally to both airplane manufacturers and private shipyards.

Mr. HARRISON. I have merely this idea, that Congress is strongly for the national-defense program, and we do not want to go so far as to retard that program.

Mr. WALSH. I will say to the Senator that I think due regard and respect should be given to the opinions of those to whom he has referred, but so astute are some of these interests that without the general membership of the Congress knowing it the rate of profits to airplane manufacturers on naval planes was increased about a year ago from 10 percent to 12 percent. Members of the Committee on Naval Affairs were surprised to find that in some Army bill action was taken which resulted in an increase from 10 to 12 percent in the profits of airplane manufacturers of naval planes. The Navy authorities had no knowledge and have since reported that 10 percent was causing no trouble in placing orders.

We have been moved to the action now proposed by the fact that evidence was presented to us indicating that the profits of private shipbuilders and aircraft manufacturers varied, in the year 1938, from 14 percent to 28 percent. So we felt that the time had come, considering the tremendous amount of business these industries are getting from the Government, and the sentiment of the people against large munitions profits, to modify the limit of profits, in view of the further fact that we felt that the aircraft-manufacturing industry was no longer an infant industry, as it was thought to be in the days gone by.

I suggest that the Senator from Mississippi consider the matter discussed here and confer with me about it tomorrow.

Mr. HARRISON. The gentlemen in charge of this program would make a strong impression upon me if they would make their views known. I want to see the matter looked into carefully. Of course I do not want to see anyone gouged.

Mr. WALSH. So far as this amendment is concerned, that is finished, unless we repeal the law. The law today fixes the limitation of profit, as was stated by the Senator from Kentucky, at 7 percent in the case of certain types of contracts, and 8 percent in the case of other types of contracts. All the

amendment does is to put both these industries in the same position in reference to offsetting losses and gains against each other over a period of 4 years.

Mr. HARRISON. The Senator has consented to allow the matter to go over.

Mr. WALSH. I am very glad to do so.

The VICE PRESIDENT. Without objection, the matter will be passed over.

The routine morning business has been concluded. The calendar under rule VIII is in order.

ORDER DISPENSING WITH CALL OF CALENDAR

Mr. BARKLEY. Mr. President, I ask unanimous consent that the call of the calendar be dispensed with.

The VICE PRESIDENT. Is there objection? The Chair hears none, and it is so ordered.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Calloway, one of its reading clerks, announced that the House had passed without amendment each of the following bills of the Senate:

S. 3720. An act to create and establish a Board of Funeral Directors and Embalmers for the District of Columbia and to prescribe its powers and duties; and

S. 3870. An act to amend the act entitled "An act authorizing the Commissioners of the District of Columbia to furnish Potomac water without charge to charitable institutions, etc., in the District of Columbia," approved February 23, 1905.

The message also announced that the House had agreed to the amendments of the Senate to the bill (H. R. 7233) to amend the act entitled "An act to provide for the disposition, control, and use of surplus real property acquired by Federal agencies, and for other purposes," approved August 27, 1935 (Public, No. 351, 74th Cong.), and for other purposes.

The message further announced that the House insisted upon its amendments to the bill (S. 3550) to make unlawful the transportation of convict-made goods in interstate and foreign commerce, disagreed to by the Senate; agreed to the conference asked by the Senate on the disagreeing votes of the two Houses thereon; and that Mr. SUMNERS of Texas, Mr. HOBBS, Mr. SATTERFIELD, Mr. GUYER of Kansas, and Mr. HANCOCK were appointed managers on the part of the House at the conference.

The message informed the Senate that Mr. ROBINSON of Utah had been appointed a manager on the part of the House at the conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 9877) authorizing the Secretary of the Interior to promulgate and to put into effect charges for electrical energy generated at Boulder Dam, providing for the application of revenue from said project, authorizing the operation of the Boulder power plant by the United States directly or through agents, and for other purposes, vice Mr. WHITE of Idaho, resigned.

EXECUTIVE SESSION

Mr. BARKLEY. I move that the Senate proceed to consider executive business.

The motion was agreed to; and the Senate proceeded to the consideration of executive business.

EXECUTIVE REPORTS OF COMMITTEES

Mr. McKELLAR, from the Committee on Post Offices and Post Roads, reported favorably the nominations of sundry postmasters.

Mr. WAGNER, from the Committee on Banking and Currency, reported favorably the nomination of William H. Husband, of Ohio, to be a member of the Federal Home Loan Bank Board for a term of 6 years from July 22, 1940 (reappointment).

IN THE ARMY

Mr. SHEPPARD. Mr. President, from the Committee on Military Affairs, I report favorably sundry Army nominations, which were received by the Senate on the 3d instant. These nominations are entirely of routine character and total over 1,500 in number, and because of the large amount of printing involved, I ask unanimous consent for present consideration and confirmation.

The PRESIDENT pro tempore. Is there objection? The Chair hears none, and the nominations are confirmed en bloc.

Mr. SHEPPARD. Mr. President, I ask unanimous consent that the President may be at once advised of the confirmations and that these names be not again printed in the CONGRESSIONAL RECORD, but that proper reference be made to the pages on which the nominations appeared.

The PRESIDENT pro tempore. Is there objection? The Chair hears none, and the President will be immediately notified.

For Army nominations confirmed, see pages 9217, et seq., CONGRESSIONAL RECORD of July 3, 1940.)

HENRY L. STIMSON

The PRESIDENT pro tempore. If there be no further reports of committees, the clerk will state the first nomination on the calendar.

The legislative clerk read the nomination of Henry L. Stimson, of New York, to be Secretary of War.

Mr. SHEPPARD. Mr. President, when the President of the United States sent to the Senate the nomination of Hon. Henry L. Stimson to be Secretary of War, the nomination was referred to the Senate Committee on Military Affairs.

The Senate Committee on Military Affairs invited Mr. Stimson to appear before it in order to obtain his views on the national defense and in order that any member of that committee or any visiting Senator might ask him any questions deemed appropriate.

On the second day of this month Mr. Stimson appeared before the committee and made a statement on the national defense and on his conception of the position of Secretary of War, after which he was questioned by members of the committee and by other Senators, not members, whom the committee was pleased to see present.

Mr. Stimson stated at the outset that our Army exists to protect from attack the territory and the rights of the United States.

He stated that we have no desire for aggression and that no one wishes to send American troops beyond our borders unless such action is absolutely necessary to the protection of the United States.

He added that he did not believe that the United States could be safely protected by what he termed "a purely passive or defensive defense," that he did not believe we would be safe from invasion if we should sit down and wait for the enemy to attack our shores, and that our forefathers had no such belief. He contended that the purpose of the Monroe Doctrine was to preserve our land and our institutions from invasion by keeping potential enemies away from this hemisphere.

He called attention to the fact that the growth in the range of modern weapons has made it necessary continually to increase the distance which must intervene between our shores and a possible enemy; that our line of defense has been pushed far out into the Atlantic Ocean, embracing Puerto Rico, Bermuda, Newfoundland, and northeastern Canada, because a powerful enemy securing a base at any of these places could launch a devastating air attack on our eastern seaboard.

He emphasized the fact that all these outlying places, except Puerto Rico, are involved in the present war and might be demanded by Germany in the event of a German victory; that Newfoundland is not even a self-governing dominion but is a Crown colony of Great Britain, which Great Britain might be forced to surrender to a triumphant opponent.

Also he pointed out that Canada, a part of the British Empire and our immediate neighbor, would be liable to the attacks of a conqueror of Great Britain, thus making 3,000 miles of unarmed American boundary a potential threat of land invasion for our country.

It was his further statement that for the first time in modern history the world is confronted by a group of nations with a foreign policy of systematized aggression against more peaceful neighbors.

He described this condition as a new peril to the world of very grave proportions, as a violation of all the principles of international law, of all the traditions and principles, moral, legal, and economic which we cherish in America.

It was his assertion that it is not reasonable to anticipate that any peace patched up with this group of aggressive nations can be anything more than the briefest kind of truce; that every reader of the press has been warned by recent reports of the coming, sooner or later, of the forceful pressure of this group of nations upon the republics of this hemisphere.

Mr. Stimson said further that a military defeat of the United States by this group of nations would not have merely transient results; that the world has known many conquerors in its history who have passed away; that they have been overthrown by opponents from without or by revolution from within; that those conquerors were not armed with modern weapons and with a systematic method of holding down their conquered nations by the effective agencies of modern science; that Genghis Khan and Attila the Hun did not possess tanks, airplanes, or modern guns and could not enforce their rules on their victims by a secret police like the Gestapo; that the patriotic uprising of our American forefathers would not have been easily successful against a dictator possessing all the expensive tanks, airplanes, and artillery in the country, and who also had a monopoly of the country's system of communication.

And then he asserted what the whole country so gravely has realized within the last few weeks, namely, that we cannot afford to fail in our effort at defense.

He added with telling force that the modern conqueror, once he gets into power, will last for a long time.

He referred again to the unprecedented peril with which this country is faced. He said he was one of the many people who after the first World War labored earnestly for disarmament and for the establishment among the nations of a system which should be based upon a reign of law rather than of force; that he regarded it as a world tragedy that such efforts resulted in failure, but that the facts had to be faced, and that we must begin again at the foundation, namely, the defense of America and its traditions of law, order, and peace.

He expressed the belief that our Government has been wise in its determination to build up our national strength to a size and character unequaled in our history.

He stated that we all recognized the shortcomings of our present powers of defense; that the President has recommended and Congress has passed appropriations for a great increase in land armament and in the size of our existing fleet; that he was in hearty sympathy with those actions, but that the making of such appropriations does not ipso facto produce either the munitions or the fleet; that their creation can be accomplished only by the cooperation of many other factors and conditions.

To what he considered as two of these factors he referred in some detail, namely, the element of time and the element of national unity and determination.

The element of time, he said, was both vital and precarious, because the preparation of a great, unarmed democratic nation to meet the emergency of a possible war involves a total reorganization of its economy and the production of an enormous quantity of intricate munitions and armaments of a character with which its factories and businesses are unacquainted, this requiring an incredible amount of time. He observed that we got some inkling of this 23 years ago, but that the conditions governing the task today are entirely different from what they were then.

He proceeded to say that then we were able to train at our leisure and to arm ourselves at our leisure; that we purchased the arms which we actually used almost entirely from France and Britain; that during the time of our preparation we were protected by the overwhelming sea power of those two nations and by the unbroken defense line of France; that today the French defense line has been broken; that France has been conquered, and that the sea power of Great Britain seems to be trembling in the balance.

Continuing on this phase of the subject, he said that today the time which we will have for our rearmament is very largely dependent on the preservation of Great Britain's control of the North Atlantic; that under these conditions any assistance which we can safely give toward the preservation of that sea power in the North Atlantic is a step most important and vital to our own preparation for an effective system of defense; that the President and Congress recognized this fact when the former recommended and the latter enacted last autumn the repeal of the automatic arms embargo; that he believes the President and Congress are right and that he has publicly so stated on a number of occasions; that the situation today is much more critical than it was last autumn, and that the time which can be saved by the existence of British sea power is much more precious to us now than then.

Proceeding to the consideration of the second factor in his view vitally necessary to successful rearmament, he said that this second factor consisted in the arousal of a national spirit which will grasp the emergency and be willing to make the sacrifice and the effort involved in carrying out the program in the shortest possible time; and that the first and most effective step toward the arousal of such a spirit, as well as toward the carrying out of the program itself, would, in his opinion, be the prompt enactment of a statute establishing a system of selective compulsory training and service. He gave it as his view that such a statute is imperatively required at this moment to secure the men necessary to meet the required strength of our present peacetime Military Establishment; that there has been a practical failure of the ordinary methods of recruiting during the last 4½ months to bring the Regular Army to its peacetime strength; that this statute is also imperatively needed to raise the men necessary for the larger program of emergency defense, including the air force, which the President recently recommended and which Congress has already authorized.

He asserted that the passage of such a statute would at once bring home to every citizen the critical nature of the emergency which threatens us and the need of his own personal support in meeting it; that such a statute would profoundly benefit the morale of the Nation, would promote its unification in this time of danger, and thus would be a powerful stimulus toward speeding up the effort to rearm.

He alluded to the fact that he had been a close personal witness of such an effect by such a statute by reason of having become a member of the Seventy-seventh Division in the World War, a division which was raised in the city of New York under the Selective Service Act of 1917. He related that in point of racial origin that division was probably the most varied in the United States; that the battalion which he commanded in that division contained men of some 30 different racial stocks; that the growth of the spirit of national unity and of the common spirit of service which he personally witnessed in that division and which eventually made that division one of the most successful combatant units of the American Army in France has been an inspiration to him throughout his life.

Nearing the end of his opening statement Mr. Stimson said that he had given this outline of his views in order that his beliefs and the spirit he would try to put into the work of the national defense might be known.

He stated it was his belief that we are facing a grave national emergency fraught with the possibility of immediate peril.

Replying to charges by certain critics that he was a war monger or an interventionist, he said that for the last 12 years, ever since he became Secretary of State—in which position he served from 1929 to 1933—he had been continually active for peace between the nations and had devoted much of his time to the problem of peace.

He stated that, if confirmed, he would devote himself strictly and exclusively to the duties of Secretary of War.

Following his initial statement, Mr. Stimson was questioned at some length by members of the committee and by

visiting Senators, but the substance of his introductory discussion was not discredited.

I have given almost literally what Mr. Stimson said in his general statement before the committee, because it is my judgment that in this way the Senate can best obtain an intimate view of his attitude toward the national defense and the position of Secretary of War.

It is true that he is one of the most prominent members of the Republican Party and has served with marked distinction and outstanding efficiency as a Republican Secretary of War and as a Republican Secretary of State.

It is true that he possesses exceptional ability and a profound devotion to the principle of democracy.

It is not on these grounds alone, however, that his appointment should be confirmed.

For it is true that numbers of other men in both the great political parties have held positions equally exalted and are his equals in intellect and hold the principle of democracy in equal reverence.

The value and the significance of his appointment by a Democratic President in what may prove to be one of the most tragic periods in the annals of this Nation lie in the fact that it is notice to the world of the fundamental unity of the American people.

Such notice could not have come at a more appropriate time.

Franklin D. Roosevelt, in tendering Cabinet assignments to Henry L. Stimson and Frank Knox, members of a party not his own, in a crisis imperiling the America we know and love, has shown a steadfast and a true Americanism.

Henry L. Stimson and Frank Knox, in accepting these assignments under such conditions at the hands of a President belonging to a party not their own, have shown a similar loyalty to American ideals.

The defense of this Nation is the defense of human freedom.

In the cause of that defense all parties, factions, sections, creeds, and races become a brotherhood that will never surrender; a brotherhood that will never die.

Mr. VANDENBERG. Mr. President, I wish briefly to state the reasons which control my vote in connection with the confirmation of Hon. Henry L. Stimson as Secretary of War. The statement will clearly indicate why I sharply distinguish between the Stimson case and that of Col. Frank Knox, the nominee for Secretary of the Navy.

In both instances I specifically exclude from my verdict any political considerations. They would be unworthy of us in the crisis in which we find ourselves. I wish to deal solely with the life-and-death factors which relate to the imperative need that we shall keep the United States out of the war abroad and the effect which these nominations may have upon these factors. This objective transcends politics, friendship, or any other considerations. I may say parenthetically that Colonel Knox is one of my oldest and most deeply cherished friends—a citizen of indisputable devotion to his country.

I can confine myself to a discussion of the Stimson case because it will carry over an obvious conclusion in the Knox case insofar as the Stimson factors are involved.

Mr. Stimson, like Colonel Knox, is an eminent American with a brilliant record of previous public service. His patriotism, his conscience, his integrity, and his capacities are above reproach. His earnest devotion to what he believes to be the best welfare of his country in the present dark moment in its history ought to be unquestioned. He has my deepest respect. None of these things is in issue so far as I am concerned.

I am concerned solely with what Mr. Stimson's confirmation as Secretary of War implies in respect to the war policies of this Government. If the Stimson viewpoint is an interventionist viewpoint which would urge policies that do not stop "short of war"—as the favorite phrase describing our national objective has it—then a vote to confirm him in the presence of such proofs is a vote reflecting a congressional willingness to accept such ominous policies. We might be morally foreclosed from subsequently complaining against the event itself. We might, as a result, either shackle our own subsequent freedom of action or tragically mislead the European powers with which we deeply sympathize into reliance upon an ultimate aid which might not be forthcoming.

Speaking for myself, I am unable and unwilling to be put in the position of endorsing any policies which, in my own opinion, could invite, if not actually precipitate, our early entry into the European war. That, Mr. President, is precisely the situation which I face in the Senate at this moment.

I concede to the Chief Executive the normal right to select his own official family. It is scarcely to be expected that his selection would be the same as mine. But I am unable to consider the circumstances in the Stimson case as normal. I am unable to disassociate the Senate's action on a nominee for Secretary of War in this emergency from Senate endorsement of the peace or war policies of the nominee. He will succeed a Secretary of War who appears to have been separated from the Cabinet because he did not see eye to eye with the President regarding the way the War Department ought to be run and the way our foreign policy ought to function in connection with the Allied cause in Europe. Therefore it follows that the choice of his successor must be intended to harmonize with the mind of the Chief Executive and to personify the American attitudes which lie ahead. Thus it becomes vital to explore certain explicit statements made by Mr. Stimson in respect to foreign policy just 24 hours before he was appointed Secretary of War. The sequence is too striking to be ignored. If I cannot approve his statements, then, under the circumstances, I cannot approve his nomination.

I now come to the statements themselves.

By the courtesy of the Senate Military Affairs Committee, of which I do not have the honor to be a member, I was permitted to quiz Mr. Stimson about these statements when he appeared as a witness last Tuesday. I regret to say that he could not clear them up, at least, not to my own satisfaction; and, despite my clear and unequivocal sympathy with the victims of aggression abroad, I believe it is my duty to give our noninvolvement in the war abroad the benefit of every doubt.

Mind you, this has nothing to do with the question whether or not we should "help Britain short of entering the war ourselves," limited by our own defense needs, our own laws, and our international engagements. It does not involve our incorrigible purpose to enforce the Monroe Doctrine. Under the actions of Congress during the last 9 months, I accept these objections and go forward with them. But the question now pending goes infinitely further. It crowds its way into the deepest pits of war itself. It involves policies which, if adopted "immediately"—and Mr. Stimson's recommendation is that they be adopted "immediately"—would immediately threaten to bring the war to the United States and to fling us in. That is the point at which I cannot and shall not go along. Regardless of their sympathies and their willingness to give arm's length help to those with whom they sympathize, the American people want no actual American involvement in the war, unless the defense of our own homeland and its essential outposts is at stake. They certainly do not want it "immediately," and they certainly would overwhelmingly oppose any policies which would either invite any such calamity or hasten it by a single hour.

But what is Mr. Stimson's view? Just 24 hours before he was appointed Secretary of War—and the time element is utterly significant—Mr. Stimson publicly recommended that we shall immediately—

> Throw open all our ports to the British and French naval and merchant marine for all repairs and refueling and other services.

Mr. BARKLEY. Mr. President, will the Senator give the date of that statement?

Mr. VANDENBERG. It was the day before he was nominated to be Secretary of War.

Mr. BARKLEY. But what was the date?

Mr. VANDENBERG. I cannot give the Senator the exact date.

Mr. TAFT. He was nominated on the 20th of June, and I think the statement was made on the 18th of June.

Mr. VANDENBERG. On the 18th of June.

Mr. Stimson himself admits that this is an "unneutral act." That is his phrase. He questions, rather vaguely, in

his examination, whether it is or is not an act of war. Beyond certain well-defined and highly restricted permissions, it is clearly a violation of our own international engagements, if it contemplates any reality of aid, as it obviously does. In my own view, it would be a direct invitation to bring the war to "all our ports." I am opposed to any such invitation or result. I have no interest in arguing the intricacies and techniques of international law in this connection. I sympathize with those who say that we dare not rely upon international law when today's conquesting dictators have reduced it to a shambles. But this is not a question of our "reliance" on international law. It is a question of our own status, under our own previous interpretations of our own rights and obligations, if and when we, too, ignore and violate and abandon international law.

It is a practical question. What happens if we open "all our ports"—Mr. Stimson's phrase—to belligerent ships for all repairs and refueling and other services? It seems to me that under our own definitions we join the belligerents and we invite the consequences. In effect, we have gone to war.

If we are going into this war, Mr. President, let it be the deliberative judgment of the whole American Congress; and let it be total war—which, however, may God forbid.

Mr. HILL. Mr. President, will the Senator yield?

The PRESIDENT pro tempore. Does the Senator from Michigan yield to the Senator from Alabama?

Mr. VANDENBERG. I prefer to finish my statement, when I shall be very happy to yield to the Senator. But Mr. Stimson, in his testimony, was not even clear that any congressional function at all would be involved in the determination of this policy against which I complain; and he certainly did not dissent from accepting the hazard which I believe to be implicit in his proposition.

Even on the basis of his own thesis, namely, that he wants to keep British opposition to Hitler alive long enough to give us time to prepare ourselves for ultimate eventualities, if any—and that, by the way, is clearly to our self-interest—even on the basis of his own thesis it seems to me that his proposition is wrong, because, in practice, it would precipitate rather than postpone our own crisis. We certainly cannot keep out of this war by bringing it to "all our ports."

I call particular attention to the fact—and it is highly significant of the different attitude of Colonel Knox—that the pending nominee for Secretary of the Navy disagrees with the pending nominee for Secretary of War. I find Knox making this statement:

> I should think we would have to intern every British warship that comes into our ports.

While that is not literally true, since belligerent ships have certain extremely temporary and limited rights of sanctuary, yet it reflects the general viewpoint which I urge as our own necessity unless we are ready for war itself.

The menace—to us—in departing from basic insulations and detachments to keep America out of actual involvement in this fast-moving tragedy abroad is sternly demonstrated in another phase by paralleling Mr. Stimson's advice with the facts of this war during the fortnight since the advice was given. Mr. Stimson said we should immediately "throw open all our ports to the British and French naval and merchant marine." A few days later France collapsed. Then a few more days later the British attacked the French fleet in their north African port. It was one of the major battles of the war. Under the Stimson policy, that battle could have been fought in New York Harbor or any other American port.

Mr. Stimson presented a second proposition in that historic broadcast 24 hours before the President embraced him. He said we should send "planes and other munitions"—which, mind you, are unconditional contraband of war—to Britain and France "if necessary in our own ships and under convoy."

That, Mr. President, would mean the complete negation of our own existing law—and I mean the amended law upon which the President and a great congressional majority are standing in respect both to neutrality and to aid for the Allies short of war. It would strike down every principle upon which we have predicated our own detachment ever since hostilities began. It would load American ships, which are prohibited by our own law from any participation in such traffic, with American munitions, which are unconditional contraband in any language, and send them into foreign combat zones, where our own law prohibits them from going, convoyed by the American Navy, which obviously would be intended to resist attack. I can think of nothing more flagrantly provocative. Even if an enemy were scrupulously to observe all requirements of inquiry and search, it would clearly have the right of challenge and capture under the indicated circumstances; and the presence of an American naval convoy could imply only that the American Navy would resist the exercise of this right. That would be war—and we would be in it.

I can think of no way in which we could more deliberately ask for trouble, or be surer of just such an incident as would leave the American Congress with no real freedom of action and no alternative but to say "yes" when subsequently besought by the Executive for a declaration of war. I am unwilling and unable to put myself in any such position; and I do not believe the American people, despite their overwhelming sentiments and anxieties in behalf of what is known as the Allied cause, are willing to be put in any such position.

Again I call attention to the significant fact that the pending nominee for Secretary of the Navy disagrees with the pending nominee for Secretary of War upon this score. Colonel Knox is quoted as follows when speaking against convoys:

> It would mean war. A convoyed ship is subject to attack without criticism.

We are not afraid to fight. We are not too proud to fight. If any alien conqueror were to mistake our prudence for resignation and submission, he would be sadly disillusioned if the defense of the Americas becomes the stake. This is a totally different question. It confines itself to the maintenance of an American status which does not precipitate us against our conscious will into a present war which few among us, despite our sentiments, are willing to have America enter. Eternal and relentless vigilance is the price of our immunity and of our relative peace. There is a line we must not cross unless and until we are deliberately and consciously ready and willing to cross it in full force and with every resource at our command.

Mr. President, I have no idea that the presence of Mr. Stimson at his desk as Secretary of War would automatically precipitate eventualities. That is not the point. He has made it plain to the Senate committee that he, too, wishes, if possible, to avoid involving America in actual conflict overseas unless he conceives it to be essential to our national defense. I expressly exclude myself from any criticism which would define him as a warmonger. But I cannot accept his naive suggestion that his views on these subjects are of no moment because, as he says, it will be the President and not he who decides policies, and that he is only an administrator. He is also an advisor to the President, particularly intended and expected to give advice regarding war and defense. He will rightfully be a very persuasive adviser because of his high credentials. Therefore, his viewpoint on intervention becomes critically important. His state of mind becomes controlling. It is a symbol. I would not guess at his state of mind. I would not resolve my doubts against him in the presence of specific proof of willingness to go far beyond so-called methods short of war. That is the difference—at least respecting these specific issues—between this case and that of Colonel Knox. Mr. Stimson has given us the specific proof. He volunteered it to the American people over the radio 24 hours before he was suddenly chosen by the President to be Secretary of War. He does not shun methods that would swiftly take us into war. Indeed, in one vital instance he asks for these methods immediately.

The Stimson and Knox hearings were held simultaneously. I could not attend both. I do not know the full Knox record. My vote in his case will depend upon the disclosures in this debate. At least, however, as regards my specific objections to the Stimson policies, I can say that the Knox attitudes in these particular instances agree with my own, despite some of

his general interventionist enthusiasms in other directions. I am frank to say that the verdict of the distinguished chairman of the Naval Affairs Committee will have great weight with me upon this score because his general anti-intervention views entirely parallel my own.

But the Stimson case is different. It rests squarely upon indisputable evidence.

I cannot separate my vote on Mr. Stimson from a vote on what Mr. Stimson represents in this moment of desperate importance to the peace and security of the United States. I cannot give him a vote of confidence in what he thus represents. Therefore I cannot give him a vote of confirmation.

Mr. VANDENBERG subsequently said: Mr. President, when I was speaking earlier in the afternoon I referred to two particular propositions which Mr. Stimson has submitted by way of recommendations as to the national program he would pursue if he had his way. In each instance questions of international law are involved. I took the trouble to submit both questions to the greatest living American authority on the subject, John Bassett Moore. I have Mr. Moore's reply in memorandum form. I ask that it be printed in the RECORD, and I ask that it be placed immediately following my previous remarks upon this matter.

There being no objection, the memorandum was ordered to be printed in the RECORD, as follows:

SAGAPONACK, LONG ISLAND, N. Y., *July 5, 1940.*

The Honorable ARTHUR H. VANDENBERG,
United States Senate, Washington, D. C.

MY DEAR SENATOR VANDENBERG: I am availing myself of my first opportunity to answer your telegram of July 3. The first question concerning which you inquire is whether we could, without violating our duties as a neutral under international law, "throw open all our ports to the British and French Naval and Merchant Marine for all repairs and refueling and other services." Since your telegram was sent, this question seems to have been answered by the British so far as concerns French naval ships, with which, according to reports in the press, the British have been so dealing that they will not again reach the high seas, much less the ports of the United States. In other respects the question answers itself, unless the entire law of neutrality, as many persons here seem to desire, has also ceased to exist.

The question whether a country may, without violating its duties as a neutral, be at one and the same time both neutral and unneutral, or, in other words, be both a participant in the war and not a participant in it, by the simple process of calling itself neutral, hardly seems to be susceptible of serious discussion. Among the neutrality proclamations of the United States, that which was issued by President Grant on August 22, 1870, on the outbreak of war between France and the North German Confederation and its allies has been taken as a model. The full text of this proclamation is printed at pages 1007–1010, Volume 7 of my Digest of International Law. Among the things it prohibits is the "fitting out and arming, or attempting to fit out and arm, or procuring to be fitted out and armed, or knowingly being concerned in the furnishing, fitting out, or arming of any ship or vessel with intent that such ship or vessel shall be employed in the service of either of the said belligerents." These and analogous inhibitions are amplified and detailed in subsequent clauses of the proclamation.

Probably the duties of a neutral government were never better expressed than in the instructions which President Roosevelt, on the outbreak of war between Russia and Japan in 1904, caused to be issued to "all officials of the Government, civil, military, and naval," in which it was enjoined upon them "to abstain from either action or speech which can legitimately cause irritation to either of the combatants" and to this he added the following admonition:

"It is always unfortunate to bring Old World antipathies and jealousies into our life, or by speech or conduct to excite anger and resentment toward our Nation in friendly foreign lands; but in a Government employee, whose official position makes him in some sense the representative of the people, the mischief of such actions is greatly increased. A strong and self-confident nation should be peculiarly careful not only of the rights but of the susceptibility of its neighbors; and nowadays all the nations of the world are neighbors one to the other. Courtesy, moderation, and self-restraint should mark international, no less than private, intercourse."

So far as concerns the supply of arms and ammunition to a belligerent, international law has always permitted the private citizens of a neutral country to sell and ship them to a belligerent, subject to the exercise of the belligerent right to capture them on the high seas and condemn and appropriate them. The proclamation of President Grant, to which I have already referred, recited that, while the laws of the United States did not interfere with "the free expression of opinion and sympathy," or with the open manufacture or sale of arms or munitions as above stated, they nevertheless imposed "upon all persons who may be within their territory and jurisdiction the duty of an impartial neutrality" during the existence of the war to which the proclamation related.

In February 1936 Senator JOHNSON, of California, presented to the Committee on Foreign Relations a statement of mine which was published under the title "Pending Neutrality Proposals—Their False Conceptions and Misunderstandings." As it discusses generally the subject of neutrality and contains various passages directly bearing upon your present telegram, I enclose a copy of a reprint of it, which was made at the time for general circulation.

Sincerely yours,

JOHN BASSETT MOORE.

[Enclosure.]

Mr. HOLT. Mr. President, the appointment of Col. Henry L. Stimson is an unusual appointment at an unusual time. We all realize from its nature that the appointment of Colonel Stimson was made at a particular time for a particular purpose. It was not an appointment to fill a voluntary vacancy. It was an appointment to fill an enforced vacancy as the result of the firing of Gov. Harry Woodring.

Governor Woodring certainly was qualified by party affiliation to be in the Cabinet. Certainly he was loyal to the administration through 7 years of experience as an official. He is a former Governor of his State, and a man against whom I am sure no one—at least, on the floor of the Senate—has said a word of condemnation. In plain American language, he was fired. He was fired by the President of the United States for reasons which the President himself knows. His letter of resignation, which was not voluntary, was not made public because it was "too personal," according to the White House.

In the newspapers there appeared a statement attributed to Governor Woodring which I do not intend to discuss at any length. I, of course, cannot say that it is true, because I was not present when it is said to have been made, but it has not been denied by the Governor. This is the statement—it has been made on the floor of the Senate before, but I think it is worth while to put it in the RECORD here:

> There is a comparatively small clique of international financiers who want the United States to declare war and get into the European mess with everything we have, including our manpower. They don't like me because I am against stripping our own defenses for the sake of trying to stop Hitler 3,000 miles away. Eventually they will force me to resign.

Those are the very important words of a responsible member of the President's Cabinet, and to this day no denial of their truth has been made by anyone. Therefore one must come to the conclusion that Mr. Woodring was pushed out of the Cabinet because he would not take orders, because he would not "strip our own defenses for the sake of trying to stop Hitler 3,000 miles away," according to the press. He is quoted as saying that a small clique is interested in actual involvement, sending boys to Europe, and that he was not for that policy and that he would be fired.

Two weeks ago I said on the floor of the Senate that the difference was that Governor Woodring wanted to aid the Allies in everything short of war within the law, and that was not satisfactory to the administration, and therefore he was forced from the Cabinet; and the natural conclusion is that if he was forced from the Cabinet, his successor as Secretary of War would be one who would do what the administration wanted done. If not, why change?

WHY WAS WOODRING FIRED?

Why was Governor Woodring fired? He was fired because he would not "go along." Certainly the President would appoint someone who would "go along" with his viewpoint. That is just common-sense logic. It is not necessary to know anything behind the scenes to know that. We know the fact is that at this particular time the President wanted in his Cabinet those who would follow exclusively his viewpoint on foreign affairs. Colonel Knox said before the Naval Affairs Committee that he and the President had discussed the subject and they were in agreement. I do not know whether or not Colonel Stimson discussed it with the President; but the fact is that Harry Woodring was fired, and in his place was named Henry L. Stimson. Why was an interventionist named?

THE PRESIDENT AND THE SUPREME COURT

Of course, this is a minor point, and I do not intend to discuss it long; but shortly after I came to the Senate the President of the United States sent to the Senate a message in which he discussed the Supreme Court of the United States.

He was going to change the whole face of the Supreme Court. Now, let us be honest: He was going to "pack" the Supreme Court. How was he going to pack it? By replacing on the Supreme Court all those who had passed the age of 70. That was the way by which he would accomplish the change. Colonel Stimson is approximately 73. I am not saying that he is beyond the age of service; but the President of the United States, as an excuse for asking us to change the Supreme Court of the United States, made this statement in his message, and I quote him:

Modern complexities call also for a constant infusion of new blood in the courts, just as it is needed in executive functions of the Government and in private business.

May I repeat that?

Modern complexities call also for a constant infusion of new blood in the courts—

And this is the point I want you to get—

just as it is needed in executive functions of the Government and in private business.

Yet the President appoints a man who is beyond the age of 70, not in the place he mentioned in this message, but in the place that he uses as a comparison, where young blood is needed. Certainly the Secretary of War would be an executive function of government. Let me say that I do not agree with the President in regard to men 70 years of age; but it is quite unusual that he reverses himself to appoint Colonel Stimson in spite of this reason he advanced for his reorganization of the judiciary. This is what he said, and I again quote the President:

A lowered mental or physical vigor leads men to avoid an examination of complicated and changed conditions. Little by little, new facts become blurred through old glasses fitted, as it were, for the needs of another generation—

Those are the words of the President, speaking about those who have passed the age of 70, and let me again note that Colonel Stimson is approximately 73 years of age.

I continue with the quotation from the President:

Older men, assuming that the scene is the same as it was in the past, cease to explore or inquire into the present or the future.

And then he goes on to make this statement:

A constant and systematic addition of younger blood will vitalize the courts and better equip them to recognize and apply the essential concepts of justice in the light of the needs and the facts of an ever-changing world.

THE PRESIDENT REVERSES POSITION

But did the President follow that philosophy in the appointment of Colonel Stimson? No; he completely reversed himself; and at an unusual time, when we need the vigor and drive of which he speaks, he appoints a man far beyond the age of which he complained, and on account of which he wanted to change the entire judicial structure of the United States.

If the President was sincere when he made that statement, why does he today, by his appointment of this man, fly right in the face of the statement he made when he wanted to change the Supreme Court of the United States? He cannot be right both times. He can decide, in his own conscience, which time he was right; or is it just nice to be different, depending upon the circumstances that are involved?

As I say, however, that is a minor feature in the discussion of Colonel Stimson. There are very, very many more important things in this unusual appointment of Colonel Stimson. I shall discuss Colonel Stimson's record. Later on I shall tell you what President Roosevelt himself, when he was Governor of New York, said about Colonel Stimson. Was Colonel Stimson a different man then? We shall let the President decide which time he was telling the people the real truth about the colonel.

What is the record of Colonel Stimson? I shall not go back too far, because I might get back in the age of the "blurred glasses" of which the President speaks. But what is the record of Colonel Stimson on the World War? Let us see if he has been bellicose all his life. Let us see what his record has been relative to the involvement of America in wars abroad. Let us see what his viewpoint is on intervention, not today, but through 25 years of interest in involvement.

NATIONAL SECURITY LEAGUE

We all know of the work of the National Security League preceding the last World War. I think it was the thirty-first; this is the thirty-second world war; but in the last World War we found the National Security League of New York City becoming a very strong arm in propagandizing America for our involvement in that conflict in 1917. It was used and known by Wellington House, and by Masterman, and by Parker, and others, as a very important part in the propaganda drive to get America involved in the World War. Colonel Stimson was in the National Security League; so it is not just because of late conversion that Colonel Stimson has been interested in the involvement of American boys in the battles across the sea.

The activities of the National Security League have been recalled by many writers of the pre-war days. It was swamped with lavish contributions, according to Millis. Professor Peterson speaks of its use in getting the country ready for war spirit.

Mr. LUNDEEN. Mr. President, will the Senator yield?

Mr. HOLT. I yield.

Mr. LUNDEEN. I am wondering whether this is the National Security League the officers of which were recommended for prosecution by the House of Representatives after an investigation the report of which covered two large volumes. If my recollection serves me correctly, after an investigation by a congressional committee, there was a recommendation that the officials of that league be prosecuted.

Mr. HOLT. I would not be at all surprised. I cannot answer the Senator because I do not know, but I do know that Colonel Stimson was active and an active speaker for the National Security League in order to involve America in the war in 1917. At that time, no doubt, he said, "Help the Allies with everything short of manpower." No doubt he said that at that time, as he does today.

It is the same old call of 1916, and it means the same finish unless we are on guard. The same slogans brushed up are used; the same reasons for involvement are given. We are supposed to have short memories and forget.

The colonel was active for conscription in 1916, before America entered the World War. Before we went into the war Colonel Stimson was an active interventionist, and active for conscription, and asked for compulsory military training. The records of his speeches and comments so prove.

COUDERT AND STIMSON TRAVEL IN WEST

Here is an interesting point. I have discussed on the floor of the Senate who Frederic R. Coudert was. He was the man who recently called a meeting which was responsible for the Committee To Defend America by Aiding the Allies. Much of his record has been placed in the CONGRESSIONAL RECORD, and more will be, but I wish to remind those who are now listening to me that Frederic Coudert was the legal adviser of the British Embassy preceding our entrance and during the involvement of America in the World War. That is who Frederic Coudert was. Why do I mention that in connection with Colonel Stimson at this time? It is because of the fact that the New York Times records that Colonel Stimson and Frederic Coudert traveled over the western part of the United States to get America ready for the World War in 1917, and an examination of the files of the New York Times will so indicate.

Why did they travel in the western part of the United States? Why did Frederic Coudert, who was on the pay roll of the English Government, travel with Henry L. Stimson in the West preceding our entrance into the World War? Was it because Sir Gilbert Parker had reported to the English Government that the West was not ready for war "as yet," and that they needed a lot of work in the West in order to get the western part of the United States ready for actual involvement, for intervention in the war? Therefore we find Colonel Stimson traveling in the western part of the United

States before our entrance into the World War, with a representative of the British Government, one who today is very active in the United States for our intervention in this war. They were traveling in the West in order to get America interested in going into the World War, not in 1940, but in 1917.

Mr. President, those things are forgotten by many, but they show a trend. They show the record of a man who is today appointed in unusual circumstances, in an important time, to the Cabinet of the President of the United States.

ADVOCATED SENDING TROOPS

Do my colleagues realize that Colonel Henry Stimson, the man who was appointed by President Roosevelt to his Cabinet, advocated sending our American boys to Europe before we went into the war in 1917? Oh, it may be said that that is just a statement, but I ask Senators to refer to his speech before New York Uniyersity, prior to our declaration of war in 1917, and they will see that Colonel Stimson said, according to newspaper reports, at that time that it was—to quote him—"our duty to send troops abroad." That was before America actually was involved in that terrible and costly adventure in the wars of Europe. So again I say, Colonel Stimson's record is not one of peace, but is one of war. I shall amplify that as I proceed during the discussion of the nomination. But I think the Senate should have these facts in order to know the background of the man who, out of all the eligible and able people of this country, the President has appointed to be Secretary of War.

STIMSON AGAINST PEACE PROPOSAL

While I myself was young at the time, I have since brushed up my mind a little on the history of the time of the World War, but many of my colleagues will recall that in 1916 President Wilson advocated establishing peace in Europe. In December 1916 he caused a peace proposal to be sent by Secretary of State Lansing to the countries at war. President Wilson made that effort. But whom do we find opposing his peace proposal at that time? Do we find Colonel Stimson? Yes; we do find Colonel Stimson. The next day after President Wilson had initiated a peace objective in Europe to stop the conflict then raging, even before we were in the war, what was Colonel Stimson's viewpoint? I quote from the New York Times of December 22, 1916, and in so doing I wish to say that the New York Times in the article showed only three men who opposed President Wilson's trying to establish peace in Europe in 1916. Two of those three are now members of the Committee to Defend America by Aiding the Allies, and the third is Maurice Leon, who stated that we have an obligation to enter the present war. Colonel Stimson was one of these three men who objected.

Let me, for the CONGRESSIONAL RECORD, read the words of Colonel Stimson protesting against President Wilson's peace message in 1916. This is what Colonel Stimson said:

> I believe that the President has made a grave mistake. In his message he states: "The objects which the statesmen of the belligerents on both sides have in mind in this war are virtually the same." In other words, that there is no real issue in the war. I cannot conceive an error more profound.

This is Colonel Stimson speaking, not of this war, but he uses the same language as to this war that he used as to the war in 1917. This is what Colonel Stimson said:

> I do not believe there ever were issues more fundamental in any war of history.

Get that. That referred to the war of 1917. Is his judgment any better today?

> I do not believe there ever were issues more fundamental in any war of history.

Today he says this war has the same fundamental moral issues, of which he spoke in almost identical words in 1916. Then Colonel Stimson continued:

> Nor is there in the world a nation more deeply interested than America to have those issues rightly decided.

"Rightly decided." The President asked a peace conference; he wanted the countries to sit down around the table and discuss peace, but Colonel Stimson was against that; he wanted it rightly decided. In other words he wanted a war to the finish. No other conclusion can logically follow. Why would it not have been better to decide it rightly around a peace table 2 years before the final armistice? Then he said:

> There is no nation whose ideals, institutions, and interests would be more vitally affected than America if the "blood and iron" policy of Bismarck should become an established creed among the nations of the earth.

I ask Senators to read Colonel Stimson's viewpoint for intervention in this war and compare it with the statement he made in 1916, when he was opposing President Wilson, who was trying to get a peace conference and settle these issues, which were not settled at Versailles, and today are plaguing the nations of the world.

We all know that if the issue could have been settled around a peace table, thousands of lives, yes, millions, would have been saved, and the world would not have been suffering today the economic collapse it is now experiencing and has experienced for 10 years. But Colonel Stimson protested against President Wilson's efforts, because he said that we should decide it rightly, not by peace, but, by the logic of his statement, by war to the finish.

When he sits in the Cabinet of the President of the United States—and I do not think anyone doubts he will sit there, we know he will, we know that without question—the people will have a right to know the background of Colonel Stimson, and when he sits in the Cabinet of the President of the United States, will he be one who will protest against any peace offensive, and say that this war should go through until it is rightly decided, a war to the finish? He protested in 1916 against President Wilson's move and I have no doubt in the world that he wants this a war to the finish in 1940. I could continue to discuss that, but I have no desire to hold the Senate by any lengthy discussion of that point.

Colonel Stimson traveled through the West with a paid English representative in order to drum up sentiment in America in that war. Whether he did it sincerely, whether he did it honestly is not the question. The point is that he did travel through the west with a counselor of the English Embassy to get sentiment to involve America in the war in 1917, the war which caused thousands of American boys to be killed on the battlefields of Europe. Those boys from the United States, and thousands more are today suffering as the result of that war.

Yes, let us hurriedly dismiss that if we can. However, it was shown that Colonel Stimson was active for intervention by us then, 25 years ago; whether his purpose was sincere or insincere is not the question. His record shows that he favors intervention, his record shows he favors involvement, his record shows his interest in European affairs that involved America itself in the war.

STIMSON AND NICARAGUA

The next point I desire to discuss is that of Colonel Stimson and Nicaragua. Of course, some Senators feel that we should not bring these things up. Let those things be forgotten. This, however, is no time to let such things be forgotten, when perhaps the lives of American boys are at stake.

Here we are discussing whether we shall confirm an appointee to the Cabinet of the United States, a man who actually passes upon decisions of the President, or at least with whom the President consults with respect to such decisions. We all know that Colonel Stimson was sent to Nicaragua in 1927. Our activity in that country is one of the black marks in American history. What was Stimson sent there for? I quote from the CONGRESSIONAL RECORD of that time, volume 74, part 4, page 4530, as follows:

> Mr. FRENCH. Colonel Stimson, before he became Secretary of State, was sent to Nicaragua by President Coolidge to assist in working out some sort of stable government about 4 years ago. We are all familiar with that.

Yes, America is very familiar with Colonel Stimson setting up a stable government in Nicaragua in 1927 and thereafter. I regret to say our activity there is one of the extremely black marks of American history. Colonel Stimson, when he was

sent down in 1927, agreed to do what? What was agreed? Not that the Nicaraguan army or that Nicaraguan guards should be in charge of the elections in Nicaragua, but that the United States marines would be sent down there to see that elections were taken care of properly, and that the right government would be in control. That was the agreement with the government at that time. But Senators may say, "Of course, that had been done before." Of course it had. But Colonel Stimson acquiesced in it, and established the control of Nicaragua as truly as anything was established. And later when he became Secretary of State he continued the policy of keeping the United States marines in Nicaragua in order that the Nicaraguan people might have good government—good, depending upon the view of the administration; good, if the investments were protected.

Why do I mention these things, Because today we are confronted with the proposition that perhaps in South America, perhaps in Central America, there may be other revolutions similar to that in Nicaragua in those days. We hope not, but it is a possibility. Will Colonel Stimson again advocate the sending of United States marines to those countries in order that there might be stable government in South America and in Central America? His record shows that he favored such action.

Mr. President, it is not I who says these things, but the former majority leader of the Senate, the late Senator Joe Robinson, of Arkansas. On February 24, 1931, he placed a letter in the CONGRESSIONAL RECORD which read, in part, as follows:

Mr. Stimson is a partisan politician; otherwise he would not make the United States Government ridiculous in the eyes of the world by trying to blow hot and cold with one and the same breath.

Senator Robinson's words are "make the United States Government ridiculous in the eyes of the world." We know about Nicaragua and we know about the agreement that was entered into with respect to the elections there. I do not want to present my viewpoint about it at this time. Let us take the viewpoint of the chairman of the Foreign Relations Committee of the United States Senate and see what he said. Speaking in 1931, here is what the Senator from Nevada said:

I am talking about the Secretary—

Mr. President, in this statement the Senator from Nevada refers to the policy of Colonel Stimson. I shall not take the time of the Senate to read all of his remarks. However, I do wish to read a portion of them.

I am talking about the Secretary—

What Secretary? Colonel Stimson—

and I will now conclude. The troops did not go where American citizens were alone to protect them; they went where there were no American citizens and where there was nothing but fighting forces of the Chamorro Government, and those opposed to it, for the purpose of creating zones which had the effect, if they were not intended to have the effect, of absolutely protecting the revolutionary government of Chamorro.

That is what the Senator from Nevada [Mr. PITTMAN] said about the conduct of Colonel Stimson in Nicaragua; that troops were sent there not to protect American citizens but for what purpose?

For the purpose of creating zones which had the effect, if they were not intended to have the effect, of absolutely protecting the revolutionary government of Chamorro.

Today if there is any outstanding problem for America it is south of the border. And we are naming a man to the Cabinet who has this record with respect to Nicaragua. We know that our hope for good will in America is not imperialism or intervention such as that used in Nicaragua.

Senators may say that American investments were involved. Let me read a statement from the New Haven Journal Courier as follows:

According to the estimates rendered in answer to a request from Congressman COCHRAN, the American investment as of January 1, 1932, in Nicaragua was $15,648,700; the cost of maintenance of marines in that country since 1927, above the expense to maintain them here, had been $6,076,034. Thus, to safeguard American business investments, the United States Government has spent two-fifths of the total of those investments.

Did Colonel Stimson go to Nicaragua to establish American imperialism in Nicaragua and to force the collection of American bonds and American investments?

Mr. LUNDEEN. Mr. President——

The PRESIDING OFFICER (Mr. GILLETTE in the chair). Does the Senator from West Virginia yield to the Senator from Minnesota?

Mr. HOLT. I yield.

Mr. LUNDEEN. I wonder if the Senator would be willing to return to the statement he made concerning the National Security League and the connection that has with the discussion in the Senate today. Does the Senator connect Colonel Stimson with the National Security League?

Mr. HOLT. I did connect him with that league at that time; yes.

Mr. LUNDEEN. In what manner?

Mr. HOLT. He was a member of the National Security League at that time, and was one of its speakers in 1916.

Mr. LUNDEEN. He was a member of the league and one of its speakers?

Mr. HOLT. Yes. I wish I could repeat the words used by the late distinguished Senator from Wisconsin, the great Robert La Follette, in speaking of the National Security League. But if Senators want to see a group of typical dollar-a-year men they ought to check the National Security League as it was composed at that time.

Mr. LUNDEEN. Will the Senator permit me for a moment to refer to the hearings of the House of Representatives in 1918, on House Resolution 469 and House Resolution 476, beginning on December 19, 1918, and printed by the Government Printing Office? The hearings were held with respect to the National Security League before a special committee of the House of Representatives, Sixty-fifth Congress, third session, to investigate and make report as to the officers, membership, financial support, expenditures, general character, activities, and purposes of the National Security League, a corporation of New York, and of any associated organizations.

Then if the Senator will further permit——

Mr. HOLT. Yes; I shall be glad to.

Mr. LUNDEEN. I should like to insert here a list of their national officers, to be found on pages 4 and 5 of the hearings, 1918:

The PRESIDING OFFICER. Without objection, it is so ordered.

The list is as follows:

OFFICERS OF THE NATIONAL SECURITY LEAGUE

Officers of the National Security League as listed under the bylaws of that organization and recorded on pages 4–5 of the Hearings on the National Security League, 1918:

Honorary president: Joseph H. Choate.

Honorary vice president: Alton B. Parker.

President: Robert Bacon.

Vice presidents: S. Stanwood Menken, George Wharton Pepper, Erle Fisher Wood, George von L. Meyer, Willet M. Spooner, Luke E. Wright.

Secretary: Herbert Barry.

Treasurer: E. H. Clark.

Board of directors: Charles E. Lydecker (chairman), Franklin Q. Brown, H. H. Chamberlin, C. Willing Hare, W. C. Church, H. B. Harris, Chase Mellen, Lawrence Abbott.

Executive committee: S. Stanwood Menken, chairman; John F. Stevens, New York; Ralph D. Mershon, New York; William H. Wiley, New York; G. Creighton Webb, New York; Henry A. Wise Wood, New York; Raymond B. Price, New York; Arthur Woods, New York; Robert P. Perkins, New York; Robert L. Bacon, New York; Karl H. Behr, New York; Evan Hollister, New York; Alexander Laughlin, Pennsylvania; Percy H. Clark, Pennsylvania; George M. Brown, Missouri; D. J. Haff, Missouri; Philip B. Stewart, Colorado; Osborne A. Day, Connecticut; Guy Murchie, Massachusetts; August H. Vogel, Wisconsin; W. H. Hobbs, Michigan; John Grier Hibben, New Jersey.

Executive secretary: Henry L. West.

Branch director: Mrs. A. J. George.

Detailed information on some officers of the National Security League given on pages 4 and 5 of the committee report, 1919.

The officers of the league and their connections with large corporations are as significant as that of the large contributors to the National Security League.

S. Stanwood Menken, representative of large corporations and for many years attorney for the London Globe Insurance Co., London, England.

Alexander J. Hemphill, 140 Broadway, New York, chairman of the finance committee; director in over 20 large corporations,

among them the Guaranty Trust Co., Adams Express Co., American Security Co., California Railroad & Power Co., Fidelity & Casualty Co., the Electric Bond & Share Co., Hudson Manhattan Railroad Co., United States Gas & Electric Corporation, Utah Security Co., and many other corporations.

Franklin Q. Brown, director of National Security League, 33 Pine Street, New York; director in American Beet Sugar Co., American Light & Traction Co., Augusta-Aiken Railway & Electric Co., Columbia Railway, Gas & Electric Corporation; also director in Electric Properties Corporation, Lima Locomotive Works, and Pierre-Marquette Railway Co.

Robert Bacon, member of executive committee of the National Security League, one of the directors of the United States Steel Corporation, whose war profits are over $400,000,000 more than they were in the year 1914.

H. B. Harris, director in the National Security League, New York; director of the American-Russian Chamber of Commerce; director in the Haitian-American Corporation, and many others.

Frederick H. Coudert, New York, member of the executive committee of the National Security League; vice president of the Chapultepec Land Improvement Co., the Equitable Trust Co., Federation of the French Alliances in the United States, National Surety Co. of New York, Pennsylvania & Delaware Oil Co.

Franklin Remington, 233 Broadway, New York, secretary of the National Security League until recently; director of the Great Western Chemical Co., the Western Power Corporation, Employees Mutual Insurance Co., and many other large corporations.

CHICAGO OFFICERS—NATIONAL SECURITY LEAGUE

Following are the officers of the Chicago branch of the National Security League as listed on page 1258 of the hearings, January 29, 1919:

National officers: Honorary president, Elihu Root; honorary vice president, Alton B. Parker; president, Charles E. Lydecker.

Honorary officers: President, Hon. J. M. Dickinson; vice presidents, Col. George T. Buckingham, Charles L. Dering, Emil C. Wetten, Edward N. Hurley, Harry A. Wheeler, John J. Mitchell, Cyrus H. McCormick.

Active officers: President, Harry H. Merrick; vice presidents, John W. Thomas, Frederick D. Countiss, George W. Dixon, Irving Washington, Edgar A. Bancroft, James A. Patten, John F. Smulski, William Wrigley, Jr., William B. Austin, Franc E. Gardner; secretary, Homer J. Buckley; treasurer, R. J. McKay.

Finance committee: F. D. Countiss, chairman; John J. Mitchell, William Wrigley, Jr., Albert W. Harris, John J. Abbott, David A. Noyes, Frederick H. Rawson, Frank G. Hibbard, William C. Cummings, Albert H. Loeb.

Ways and means committee: Leonard A. Busby; Rufus C. Dawes; George W. Dixon; R. T. Crane, Jr.; D. F. Kelly; Cyrus H. McCormick; John S. Miller; John J. Mitchell; La Verne W. Noyes; John T. Stockton; B. E. Sunny; John W. Thomas; A. Stamford White; William Wrigley, Jr.

Executive committee, 1918–19: Chairman, Edgar A. Bancroft; vice chairman, John T. Stockton; Clifford Arrick; William B. Austin; Edgar A. Bancroft; Col. George T. Buckingham; Leonard A. Busby; Frederick W. Bentley; Homer J. Buckley; Otto C. Butz; Perkins B. Bass; Judge Bernard Barassa; Mrs. Joseph T. Bowen; Frederick D. Countiss; Rufus C. Dawes; George W. Dixon; Hon. J. M. Dickinson; Charles L. Dering; Marquis Eaton; J. J. Elias; Dorr E. Felt; Franc E. Gardner; Robert J. Graf; John M. Glenn; William Gardner Hale; Thomas D. Knight; D. F. Kelly; H. H. Latham; Peter H. Lambros; Nelson N. Lampert; Harry H. Merrick; R. J. McKay; John S. Miller; Cyrus H. McCormick; Amos C. Miller; Wilbur L. Messer; Joseph W. Moses; La Verne W. Noyes; Foster S. Nims; John W. O'Leary; Joseph E. Otis; Max Pam; John R. Palandech; Ernest W. Palmer; Gordon Ramsay; F. C. Rock; George M. Reynolds; Harrison B. Riley; John T. Stockton; John F. Smulski; John A. Spoor; Frank L. Shepard; B. E. Sunny; James F. Stepina; Frank H. Scott; Felix J. Streyckmans; John W. Thomas; Lucius Teter; Miss Harriet Vittum; Emil C. Wetten; Irving Washington; A. Stamford White; William Wrigley, Jr.

General committee: J. Ogden Armour, W. R. Abbott, Dr. Anthony Biankini, Hon. Jesse Baldwin, Abraham Bowers, Charles E. Byrne, Mrs. Jacob Bauer, C. A. Bonniwell, Rufus Chapin, Stanley Clague, R. L. Crampton, Miss Susannah Cocroft, Mrs. Frederick Countiss, Anton J. Cermak, Clarence Darrow, Hon. Harry P. Dolan, T. E. Donnelley, Mrs. Rufus C. Dawes, Bishop Samuel Fallows, George B. Foster, C. O. Frisbie, John Fitzpatrick, Robert C. Fay, Charles W. Folds, Mrs. B. A. Fessenden, V. A. Geringer, Edward E. Gore, B. H. Heide, Thomas Dean Holgate, John P. Hopkins, Peter Hoffman, Charles M. Hayes, Vincent Joswin, Harry P. Judson, Robert S. Iles, Samuel Insull, Rt. Rev. Francis Kelly, Frank G. Logan, E. F. Lapham, Carl R. Latham, Thoe. K. Long, Harry Lipsky, William R. Moss, George W. Miller, Edwin A. Munger, Frank A. Mitchell, George A. McKinlock, W. D. McJunkin, Arthur Meeker, Charles Munroe, George H. Mead, Miss Dixie Merrick, Rivers McNeill, Wilbur D. Nesbit, Bishop Thomas Nicholson, Victor Olander, Judge Harry Olson, George W. Perkins, J. L. Piotrowski, Joseph T. Ryerson, Dr. Martin M. Ritter, Julius Rosenwald, Robert Isham Randolph, Walter J. Raymer, Fred L. Rossbach, Robert C. Ross, Mrs. Raymond Robins, Roger C. Sullivan, Edward F. Swift, Col. Gordon Strong, Robert M. Sweitzer, Otto Schultz, John G. Shedd, Maj. Edgar B. Tolman, John R. Thompson, Dr. John Thompson, Fred W. Upham, Mrs. Fred W. Upham, Rev. E. J. Vattman, John Wilkie, Ninian Welch.

The list of contributors to the National Security League makes interesting reading also and may be found on pages 2051–2067 of the hearings and pages 4 and 5 of the committee report.

Mr. LUNDEEN. As can be seen by the volume I hold in my hand, the investigation assumed formidable proportions. There was quite an extensive hearing with respect to the National Security League in 1918 and 1919. When the investigation was concluded it was found that the league was grading Members of Congress according to their patriotism. Some were 90-percent patriots, some were 75-percent patriots, and some were only 15-percent patriots, and so forth.

Mr. HOLT. Their patriotism I assume depended on how many dollars had come from them.

Mr. LUNDEEN. I think that perhaps weighed heavily in the scale. At the end of the investigation—if the able Senator will indulge me a moment——

Mr. HOLT. Proceed.

Mr. LUNDEEN. On page 16 of the second volume we find these words:

NATIONAL SECURITY LEAGUE AND UNLIMITED WEALTH

The National Security League and like organizations in their political activities constitute a serious menace to representative government. Ordinarily their real purpose is concealed, and their appeal is made to the public on some principle in harmony with dominant sentiment. Usually, as in this instance, they have access to almost unlimited wealth—

Confirming the statement just made by the Senator from West Virginia—

and borrow respectability by the use, in honorary positions, of the names of men of national prominence. If their real purpose were apparent, the danger would be relieved.

Men in public life are given by them to understand that they must be subservient to the demands of such institutions; and, upon their failure to do so, they will be held up to public scorn and humiliation by false accusations. Under such circumstances the best-intentioned candidate for office realizes that he has one of two alternatives—he must be either subservient to the demands of these camouflaged organizations or be put on the defensive by false charges. Such activities on the part of organizations similar to the National Security League have a tendency to compel obedience to the wishes of special interests rather than obedience to a real concern for the welfare of the people. This condition is not at all fanciful, since its baneful effects have been fully demonstrated by the activities of the National Security League.

I am reading from a report made by distinguished Members of Congress—Ben Johnson; Pat Harrison, now a distinguished Senator, then a Member of the House; E. W. Saunders; T. H. Caraway, later a distinguished Senator; C. F. Reavis; and E. E. Browne.

Let me continue:

The fight made by the National Security League upon the loyalty of men of the highest patriotism was so glaringly unjust and so patently false that it failed of its purpose.

Mr. President, I am using the words of a committee of Members of Congress. These are not my words.

Mr. HOLT. Reference is made to the committee in which Colonel Stimson was very active, as I have previously stated.

Mr. LUNDEEN. Yes; as I understand it, Colonel Stimson was a member of the league and one of its prominent speakers. Let me read further:

But the failure was due to an error of judgment on the part of the league, and not because of the lack of vicious purpose.

Mr. KING. Mr. President, will the Senator yield?

Mr. HOLT. I yield.

Mr. KING. I think the Senator is in error. Colonel Stimson was not a member of the committee. The Senator from Minnesota is now reading what purports to be a report by a congressional committee of the House. Colonel Stimson was not a member of that committee.

Mr. HOLT. Colonel Stimson was not a member of the congressional committee, but he was active in the National Security League, to which reference is made by the congressional committee.

Mr. KING. I know, but the Senator from Minnesota is reading what purports to be a report by a congressional committee of the House.

Mr. LUNDEEN. That is true.

Mr. KING. The Senator from West Virginia interpolated the words "in which Colonel Stimson was very active." That would imply that Colonel Stimson was a member of the congressional committee.

Mr. HOLT. No; I do not mean that.

Mr. KING. Obviously the Senator did not mean it, but that was the implication.

Mr. HOLT. I mean the league which the committee is discussing as being a group of—why did not the committee simply say "scoundrels"?

Let the Senator from Minnesota proceed with the reading.

Mr. LUNDEEN. As I understand, the Senator maintains that Henry L. Stimson was a member of the National Security League.

Mr. HOLT. And one of its outstanding speakers.

Mr. LUNDEEN. And one of its outstanding speakers. It is true, as the Senator from Utah says, that Colonel Stimson was not a member of the congressional committee.

Mr. HOLT. That is correct.

Mr. LUNDEEN. Let me continue the reading:

In times of war, organizations avowing patriotism, such as the National Security League did, will receive many adherents and for that reason the league secured a membership of nearly 90,000 people throughout the United States. It was the duty of the league, therefore, to exercise the greatest care and caution in its publicity matter, where the good names of men were involved.

Section 1 of the Federal act, generally known as the Corrupt Practices Act, approved June 25, 1910, is as follows:

"The term 'political committee,' under the provisions of the act, shall include national committees of all political parties, the national congressional campaign committees of all political parties, and all committees, associations, or organizations which shall in two or more States influence the result, or attempt to influence the result, of an election at which Representatives in Congress are to be elected."

Sections 5 and 6 of the act, as amended by an act approved August 19, 1911, require that such political committees as are defined in section 1 shall file with the Clerk of the House of Representatives, at Washington, D. C., certain itemized statements which shall be verified by oath.

And now, Mr. President, follows the final statement of that congressional committee:

In the judgment of your committee the National Security League has violated the provisions of that act, the penalty for which is a fine of not more than $1,000, or imprisonment not longer than 1 year, or both.

THE INFAMOUS NATIONAL SECURITY LEAGUE

That was the judgment of the congressional committee upon the infamous National Security League. So far as I know, no prosecutions were begun. Perhaps the members of the league were too powerful to be prosecuted. However, the judgment of the committee was that they should be prosecuted and punished for violation of the laws of the United States.

I have some personal knowledge of this matter, because a certain plutocrat, Mr. Emerson McMillan, of 40 Wall Street, contributed more than $5,000 to send speakers into my congressional district in order to defeat me in 1918. The infamous and vicious National Security League—an organization unworthy of America, unworthy of our institutions, unworthy of our Constitution and our liberties—invaded our congressional districts with un-American, pro-European propaganda to defeat American-minded Americans who believed in the Washington, Jefferson, and Jackson foreign policy. Some of the men associated with it may be innocent. If so, they had better clear themselves of those who were really guilty, and who may have dragged them into the situation.

Mr. HOLT. Has the Senator ever heard of Colonel Stimson making any statement in condemnation of the League?

COL. HENRY L. STIMSON AN INTERVENTIONIST

Mr. LUNDEEN. I am not familiar with any such statement. Colonel Stimson seems to want to involve us in Europe, and he has earned the title of interventionist. That is enough for me. I cannot vote for intervention in the quarrels, real-estate titles, and boundaries disputes in Europe. Why leave our own to stand on foreign ground and battle for the fortunes of kings, emperors, and empires over there? We face unsolved problems in America which demand all our attention here. We may soon be menaced by real danger from within, unless we solve our own domestic problems in the near future.

Mr. HOLT. I thank the Senator from Minnesota.

The Senator from Minnesota spoke about Colonel Stimson having the title of "Interventionist." That is not his most famous title. Colonel Stimson is known as Col. Henry L. "Wrong Horse" Stimson. The title originated in the fact that he recognized the wrong revolutionary government in Central America. It was given to him while Col. Stimson was Secretary of State. So the title "Interventionist" is only his 1939–40 title. His real title is Col. Henry L. "Wrong Horse" Stimson.

I thank the Senator from Minnesota for bringing up the matter to which he has referred, because I was not familiar with it.

Coming back to the question of Nicaragua, as I have stated, Colonel Stimson was active in having the United States Marines in Nicaragua. What for? To protect $15,000,000 of investment of American money. It meant the lives of many American boys who were killed down there to protect an investment of $15,000,000.

What did the late J. Hamilton Lewis, a distinguished Senator from Illinois, have to say about the activity in Nicaragua? No one could equal the eloquence of the words of Senator Lewis, so I shall read them. This is what he said about a condition for which Colonel Stimson created the background. This is Senator Lewis of Illinois speaking:

I beg to call to the attention of the Senate the fact that there can be no justification tendered from any source within the spirit of our Constitution nor the principles of our Government, within the theory for which this America is established, to excuse, far less to justify, the theory upon which this Government has launched these American soldiers and sent down to distant foreign lands its young men—the heroic members of its marines, as pledges with their lives as additional security to private bankers, whose money, being lent upon an adventure in that country for excessive interest, under conditions of most exaggerated premiums—and this, our Nation, to lend the lives of its sons as this human pledge for the securing of this money. Thus we risk them where in the conflict they must die and be brought back in coffins to the bemoaning house of misery and agony of their homes. And as to the reason why they were in Nicaragua, and where they were set upon, it must be answered that it was by those who felt they were justified in repelling an aggression from strangers, our people, sir, up to the present time all we get from our Government as explanation—with the expiration of nearly 24 hours—is the fact that these men were engaged in repelling what they claim was an invasion or assault by those of Nicaragua who are charged in Nicaragua with being "irregulars."

Charged by whom? By those who advocated the policies of Colonel Stimson.

Let me continue, in the words of Senator Lewis:

In other words, let us be to the point—we, of the United States, have assumed to establish a political administration in a distant foreign country, in Central America, particularly in Nicaragua, in order that one political administration shall be maintained there as against its rivals, because our favorite, chosen as such, is under some pledge that it will guarantee the payment of the debts which have been incurred in Nicaragua in behalf of American private banking interests of the United States. We pledge the lives of our young men and of our soldiers as collection agencies in behalf of these private interests until these American young men are murdered, and their mangled bodies brought back to their loved ones, to whom the only reply America can make, when her American citizens are thus disposed of in such ruthless, cruel, and inhuman manner, is that they have lent their children to sustain an administration of a distant country in power, because the officials of that political power have promised to secure the return of money of private interests which has been lent within that land.

If these private bankers desire to lend their money to these countries, that is for them. Then let them take such steps to protect their securities as our American bankers are only permitted if they lend anywhere in the United States or Europe—to the courts of the country, or whatever source of help they may seek by private means. But let us end this using the children of America as extra pledges to the security of the private bankers, the forfeit of the pledge being the lives of these sons of our land. Mr. President, thereafter we may move once again toward reviving the friendship of South and Central America and thus justify the policy of the Monroe Doctrine and reestablish that friendship which we sought to extend them in the hope that reciprocity might avail, which in trade or in kindliness would greatly profit us.

Those were the words of Senator Lewis about sending marines to Nicaragua, an activity which was continued from 1929 to 1933 as a result of the policy of Colonel Stimson, who

went down there in 1927 as Ambassador Extraordinary, representing the executive branch of our Government, and of others preceding him.

SENATOR GLASS COMMENTS ON STIMSON

Now let me read something else said about Colonel Stimson. I want not the words of RUSH D. HOLT alone used, but I want the words of men who served in the Senate while Colonel Stimson was in charge of these matters. I have already read the words of the late Senator Lewis, of Illinois. Now let me read the words of the Senator from Virginia [Mr. GLASS], who is still a distinguished Member of the United States Senate. Here are the words of Senator GLASS about Secretary Stimson, the man whose nomination to the Cabinet of the President as Secretary of War we are now considering:

Mr. President, I wonder whether the Senators who have just spoken have not learned that our Secretary of State is a law unto himself.

The Secretary of State was Colonel Stimson.

It will be recalled that a few years ago the Senate, without a dissenting voice, passed a resolution expressing the conviction that the Secretary of State should discontinue his utterly lawless exercise of a function not appertaining in any sense or degree to that Department, the matter of approving or disapproving foreign loans.

I desire to emphasize what the senior Senator from Virginia [Mr. GLASS] said about Colonel Stimson when he referred to Secretary Stimson's "utterly lawless exercise of a function." If confirmed to the office to which he has been nominated, would he do that again?

I continue the words of the Senator from Virginia [Mr. GLASS] about Colonel Stimson:

He snapped his fingers in the face of the Senate, and the very next day promulgated additional so-called rules and regulations under which the State Department would continue exercising that lawless function, with the result that, with the approval of the State Department, the portfolios of banks from one end of this country to the other were filled with worthless foreign securities, which today are a tremendous contribution to the existing depression and the curtailment of credit under which we are suffering.

I think that is worth repeating. This is what the Senator from Virginia [Mr. GLASS] charged Colonel Stimson with doing while he was Secretary of State:

He snapped his fingers in the face of the Senate, and the very next day promulgated additional so-called rules and regulations under which the State Department would continue exercising that lawless function, with the result that, with the approval of the State Department, the portfolios of banks from one end of this country to the other were filled with worthless foreign securities.

Colonel Stimson, according to the Senator from Virginia, approved the selling in this country of worthless foreign securities which has been the cause of great loss to American investors.

Continuing the words of the Senator from Virginia:

I venture to predict right now that we may adopt by a unanimous vote of the Senate the proposal presented by the Senator from Arkansas, and somewhere in some appropriation act the Secretary of State will find a sum that will be available to him to use the marines already in Nicaragua for the purpose of controlling the election there. The Senate need not be surprised if that should occur.

The Senator from Virginia has said that while Colonel Stimson was a member of the Cabinet he took the law into his own hands and exercised a lawless function.

How do we know, if his nomination to be Secretary of War in the Cabinet were confirmed, that he would not again snap his fingers at the Senate and refuse to pay any attention to the law of the country? His record, according to the Senator from Virginia, is that he cares nothing for the law when it stands in his way. I do not make the statement, but the Senator from Virginia [Mr. GLASS] did make that statement that Colonel Stimson actually snapped his fingers in the face of the Senate and actually violated the law by a lawless exercise of the functions of Government.

APPROVED FOREIGN LOANS HERE

What is meant by approving the sale of foreign bonds? I think every community in America knows; thousands of American investors know. The New York Times, on the 7th day of June 1930, speaking about Stimson and foreign loans, said:

STIMSON APPROVES LOAN HERE

WASHINGTON, D. C., June 6.—Formal approval has been given by the State Department to the application of a syndicate of bankers, headed by J. P. Morgan & Co., to float in the United States about one-third of the $300,000,000 German reparations loan of 1930. The Department stated today that it would make no objection to the flotation of the American share of the loan, which on its face value is $100,000,000, although the actual dollar value is only about $83,000,000.

The Department of State approved the selling of $100,000,000 of German bonds. Who was in charge of the Department of State at that time? Col. Henry L. Stimson. Who was in charge of the syndicate that sold these bonds to the American people? J. P. Morgan & Co. Who, again, may I ask, was the Secretary of State that had charge of that matter? Henry L. Stimson, the man whom the President now wishes to have in his Cabinet.

Let me quote the words of the President himself in 1932 about the sale of these bonds in America. I quote his words because they show that the President is appointing to his Cabinet a man who, he knows, was in charge of the approval of the flotation of such foreign loans in this country. I quote the words of President Roosevelt at that time:

Many of the banks and most of their agents were complete novices in world finance and even in knowledge of foreign countries. Some legitimate loans were made, others to tottering governments as well as to every sort of unsound foreign enterprise. Whether or not some of these bankers knew all the facts, the public did not. A novice public sent billions of dollars into foreign countries. The banking houses were, and are, satisfied with the silence of the national administration for they got their commissions.

Who was silent? The State Department. Who was in charge of the State Department? Col. Henry L. Stimson. The present President of the United States indicted Colonel Stimson for remaining silent while foreign loans were being floated in America, and American investors were gouged to the extent of hundreds of millions of dollars.

I continue the quotation from President Roosevelt:

The foreign investment business became so general that even the best financial minds lost perspective; even supposedly reputable investment bankers cooperated with foreign interests to make suckers of American investors.

"Make suckers of American investors" when the American Department of State under Colonel Stimson approved the flotation of foreign loans in this country.

I desire to read further from President Roosevelt:

Unfortunately our national administration did not lift a finger to point out the dangers of any of these particularly vicious courses of financial exploitation.

Who "did not lift a finger" in the national administration? Who was in charge of the Department of State? Secretary Stimson. Did not President Roosevelt know it? He must have known it, yet in 1932 he said that they "did not lift a finger to point out the danger."

He says further about the administration of the Department of State at that time:

It knew the losses to come from unsound promotions and watered stock. It knew that many of the foreign loans were utterly unsound. It knew what the consequences might be from those investment trusts which were fictitious, speculative devices.

What was meant by "it"? Who was "it"? The national administration. Who was in charge of the foreign-loan department? The Department of State. Who was Secretary of State? Colonel Henry Stimson; and President Roosevelt said that it knew these things were being done but did not lift a single finger against them. That is the man whom we are proposing to confirm to the position of Secretary of War in the Cabinet of the President, who had said those things just noted. Was he wrong in condemning the sale of these worthless bonds? No; but is he wrong in naming to the Cabinet the man who was in charge of the Department of State that approved these foreign loans? I say yes.

Today would he raise his finger in objection if such a thing were involved? I feel that he would not.

ROOSEVELT COMMENT ON STIMSON

I have quoted what many Senators have said about Colonel Stimson; and I should like to have the attention of the Senate particularly on this point. I want the Senate to listen to what President Roosevelt himself said. This is not RUSH HOLT speaking about Colonel Stimson. This is Franklin D. Roosevelt speaking of Colonel Stimson, the man he is now naming Secretary of War; so the President cannot say that he did not know anything about him. This is what President Roosevelt said in 1930 in New York. This is the headline in the New York Times:

Roosevelt scores attack by Stimson as hyprocrisy.

Did you know that the President of the United States was appointing a hyprocrite as Secretary of War? I do not say that President Roosevelt in 1930 called Henry L. Stimson a hyprocrite. I do not know the need of a hypocrite in the Cabinet today, although the Cabinet has the most unusual collection of human beings that was ever established under one tent. [Laughter.]

Frankly, you may go to the Zoo and you cannot find as many species of different traits as you can find down there in Morgenthau, Hopkins, Ickes, others, and now Stimson. When Colonel Knox comes up for confirmation I intend to discuss what Colonel Knox thinks of the Cabinet. But may I repeat what President Roosevelt said:

Roosevelt scores attack by Stimson as hypocrisy.

The President knows Stimson is a hypocrite. He charged him in Brooklyn with being a hypocrite. Now he names him to the Cabinet. Of course, that is his appointment. It is not RUSH HOLT'S. He was not satisfied with accusing Stimson of hypocrisy in 1930; but after specifically referring to Henry L. Stimson as a hypocrite once, this is what he said the following night. I want the Senate to get this. Here is President Roosevelt, then Governor Roosevelt, speaking of Colonel Stimson and some of the other Cabinet members who were campaigning against Mr. Roosevelt's nomination as governor. He specifically refers to Colonel Stimson, and this is what he said; this is not RUSH HOLT, this is President Roosevelt speaking of his newly beloved Cabinet member:

They have shocked the conscience of the fair-minded and thoughtful people of this State.

May I repeat that? This is the man who is being named as Secretary of War by President Roosevelt, and this is what President Roosevelt says about him:

They have shocked the conscience of the fair-minded and thoughtful people of this State.

But Colonel Stimson has gone to the mourners' bench, and is now pure.

I am not through with what the President thinks of Colonel Stimson. This is not RUSH HOLT speaking. This is what the President said. You know, Colonel Stimson went up to New York to speak. That was when the President asked Cabinet members to show their credentials when they came into the State.

Perhaps the Senator from South Carolina [Mr. SMITH] knows about that speech, when the President asked Cabinet members to show their credentials, and asked what right they had to come into the State to defeat candidates; but I shall not discuss that subject here today. After calling Stimson a hypocrite, and after saying that he had shocked the conscience of the fair-minded and thoughtful people of the State—he did not want Henry Stimson up around New York; he wanted him back in Washington—this is what he said to Colonel Stimson:

Stay at your post in Washington, and bend your efforts and spend your time solving the problems which the whole Nation is facing under your administration.

Will Colonel Stimson stay in Washington now? He would not stay here when the President was after him the last time he was a member of the Cabinet.

Let me repeat that. This is Franklin D. Roosevelt speaking of Henry L. Stimson. He said to him then:

Stay at your post in Washington—

I am quoting him—

and bend your efforts and spend your time solving the problems which the whole Nation is facing under your administration.

He must not have done so, to cause the President to make that statement. But, leaving that point, I want to discuss another subject.

Mr. LUNDEEN. Mr. President——

Mr. HOLT. I yield to the Senator from Minnesota.

Mr. LUNDEEN. When the Senator referred to these various statements, I was wondering if perhaps we cannot afford to disregard all these statements in view of the overshadowing issue of intervention. On that issue—the issue of intervention—perhaps the two great minds merge.

Mr. HOLT. Well, I do not know. After what Colonel Knox said about the President, and then the President naming him to the Cabinet, there must be some issue on which their minds merge. I do not know what it is. I cannot answer that; but 2 weeks ago I told the Senate what Colonel Knox thought of the President, and then the President appointed him to that office. As I said then, certainly the President would not appoint to his Cabinet a man who would not tell the truth. If Colonel Knox said this about the President, it must be the truth; and, of course, he must have swallowed awfully hard at that time. [Laughter.]

I am going back now to 1934. I am trying to bring these things up to date as fast as I can, because, as I say, I do not want to hold the Senate unduly. I want to discuss Colonel Knox a little later on; but, speaking in 1934, we find this in the New York Times of November 27, 1934:

Stimson * * * agrees Anglo-American ties are stronger than treaties.

Then he goes ahead to say that we should have "mutual cooperation between England and the United States of America." In that phrase is the reason why Colonel Stimson has been named as Secretary of War. The President wants cooperation between England and the United States of America. That is what Colonel Stimson advocated in 1934, and has advocated for 25 years in this country. Cooperation in war as in peace is desired by some. Some men in this country are not quite sure that we are not still an English colony. Colonel Stimson goes to England to be dined and wined almost every year, and accepts distinguishing remarks from the Scottish Guards and other official groups, as the records will show; but I shall not discuss his English feeling, except to say that you can hardly pick up a book written on English-American relations, about parallel policy, about cooperation between England and the United States, that does not note that Stimson is one of the paramount Anglo spokesmen in the American continent. His whole record has been one of interest in the continuation of the influence of England. As late as the 12th day of June of this year the London Times, speaking editorially, named only two Republicans in its editorial praise of the President; and who were the two Republicans that the London Times named? Colonel Knox and Henry L. Stimson.

A week before the President of the United States appointed these two men to the Cabinet, the only two Republicans named by the London Times as being close friends of the English viewpoint were Colonel Knox and Henry L. Stimson. A week later they were appointed to the Cabinet. I referred to the matter on the floor of the Senate, and aroused the indignation of the Senator from Illinois [Mr. LUCAS]; and after watching the Chicago machine in action I must have said something pretty bad if it aroused his indignation, because he has shown no indignation toward the Chicago machine. I shall not discuss that subject at this time, however; I shall discuss it a little later; but he became very indignant because I said that England was satisfied with the appointment of Colonel Knox and Henry L. Stimson.

ENGLAND'S COMMENT ON STIMSON

I quote from the New York Herald Tribune of June 21. Certainly the Herald Tribune is not a pro-German newspaper. I have never heard it called such: but this is what it said.

This is from the Herald Tribune Bureau in London:

The appointment—

Now, get this: Colonel Stimson said he was not an interventionist. London thinks so. May I quote it?

LONDON, June 20.—The appointment of Henry L. Stimson and Col. Frank Knox in place of Harry H. Woodring and Charles Edison was welcomed here tonight as a sign that the United States policy was "crystallizing" in the direction of intervention.

I want to repeat that. It is said that Colonel Stimson is no interventionist. Here is the view from London on June 20 of this year:

The appointment of Henry L. Stimson and Col. Frank Knox in place of Harry H. Woodring and Charles Edison was welcomed here tonight as a sign that the United States policy was "crystallizing" in the direction of intervention.

" 'Crystallizing' in the direction of intervention!" Of course it was crystallizing, when the President of the United States goes out of the great Democratic Party into the great Republican Party and picks two men who, the London newspapers themselves say, are interventionists, and believe in intervention.

Let me continue this quotation. This is what the dispatch said. The British are not going to say anything about it. Why? Get this:

Further comment could not be obtained in responsible British circles, chiefly because they were reluctant to speak on American policy.

There is shrinking here from any pronouncement which might be considered as "propaganda," and almost all estimates of American policies nowadays might come under that head.

In other words, they said, "Boys, we like that appointment, but we cannot say anything about it publicly." That is what it meant. Get that. They are shrinking from any pronouncement which might be considered as propaganda, because they want America to think that England is leaving them alone. Lord Lothian said, "Nobody over here is spreading any English propaganda." The only two men who believed that there was no propaganda over here were the Senator from South Carolina and Lord Lothian.

This is what the article says. I am still quoting from London:

Mr. Stimson is regarded as the apostle of a strong foreign policy. He is the most experienced statesman in the Republican Party.

I have heard a lot about the Republicans, but I have never heard them insulted like that. This is what it says about going ahead:

Overriding everything else in importance, however, in the opinion of Americans here, is the fact that these two appointees are Republicans; that is to say, there are signs that a coalition administration is not out of the question and that foreign policy has become an agreed matter in the United States.

The Daily Mail says that President Roosevelt's employment of Colonel Stimson is "a warning that the United States really does mean business." What do they mean when they say that the United States really does mean business? Senators know what it means; we all know what it means. It means the business of sending American boys to Europe, regardless of the hypocrisy of those who are now saying we are not going to do so. They said the same thing before. They will do it again.

Do not fool yourselves. Unless this intervention foreign policy of America is stopped, we are going into this war, and Members of the Senate who are now saying that they will not vote for war will find an incident by which they can excuse their voting for war.

This is what the News Chronicle says in a headline:

Roosevelt moves for a more pro-Ally Ministry.

These are not American signs; these are English.

I read now from the Daily Herald:

Roosevelt puts pro-Ally champions into Cabinet.

Here is another one from the Daily Express. This is important:

United States will have war Cabinet; key jobs are given to friends of the Allies.

England seems to know what these appointments mean, even if some Members of the Senate do not.

This is what the Daily Express says:

United States will have war Cabinet. Key jobs are given to friends of the Allies.

Here is another one:

Hitler haters join United States Cabinet.

Those are not from United States papers; those are from the controlled English press. They know that it is a United States war Cabinet. But some men in the Senate in smug complacency excuse their own consciences by saying that these men are not interventionists. England admits they are. England admits its is a pro-war Cabinet, and calls it a coalition Cabinet.

It will be remembered that a few weeks ago Colonel Breckenridge, speaking over the air, in a debate, advocated war. Yes, he wanted to send the boys over, then and there. That will be recalled. Col. Henry Breckenridge wanted war. He seems to be satisfied with these nominations. This is what he said:

The nominations are magnificent.

This is a man who advocates a declaration of war, and a man who knows these men personally and knows them as individuals, and as officials and who speaks of their appointments as "magnificent." Of course, they are magnificent to Colonel Breckenridge and all those who want America to declare war, because they know that the record of Colonel Stimson for 25 years has been one of bellicosity, and one of intervention in activities outside of our borders. Of course, the appointments are magnificent to those men.

This is what he said further:

The issues today are above party, and these two men are proving the truth of it.

This article proceeds to say that it not only brought the applause of Colonel Breckenridge, but it brought the support of the lawyers representing J. Pierpont Morgan & Co., who are active for intervention, as the records show, and of many other interventionists. Every interventionist in the United States is for the confirmation of Knox and Stimson.

I should like to have any Member of the Senate name one interventionist who is not for the confirmation of Stimson and Knox to the Cabinet. [Pause.] I wait to see if there is anyone who knows an interventionist who is not for their confirmation. [Pause.] I do not know of any, and it seems that the Senate does not know of any. Yet it is said, "Oh, they do not mean intervention; not at all." Yet they have received the applause of the papers that want us in war; they have received the applause of the men who want us in war; they have received the applause of the foreign press which wants us in war; and they have received the support of the President of the United States, who is not and has not been neutral. They have had his support because the President wants a greater intervention policy in the United States.

The papers have said, as I stated a moment ago, that Governor Woodring would not go along in stripping our defenses in order that the Allies should be helped, and he was removed from office because of that, and today we find that the situation is that in his place is a man who is interested in doing anything necessary for England's victory even to the acts of war on our part.

I wish now to bring to the attention of the Senate what Colonel Stimson advocated on the 18th day of June this year. Part of it has already been stated, but I see no danger in repetition. This is what Colonel Stimson advocated 2 days before he was appointed Secretary of War:

First, we should repeal the provisions of our ill-starred so-called neutrality venture which has acted as a shackle to our true interests for over 5 years.

That is No. 1. He wants us to repeal the Neutrality Act. That means to allow American ships to go into the war zone and be sunk. That means allowing Americans in the war zones. Why? Others can answer as well as I can.

Second, we should throw open all of our ports to the British and French naval and merchant marine for all repairs and refueling and other services.

Anyone who knows anything about international law or has any common sense knows that opening the ports of a nation for the repair of vessels is a direct violation of international law and is considered an act of hostility. That is the second thing Colonel Stimson wants done.

Third, we should accelerate by every means in our power the sending of planes and other munitions to Britain and France on a scale which would be effective, sending them, if necessary, in our own ships and under convoy.

Everyone knows that is an act of war. He wants us to send munitions, which are contraband of war, in American ships, to the war zone in Europe. Then can it be said that he is not interested in intervention? Anyone who believes that Colonel Stimson is not interested in intervention must have something wrong with his mind, must have been affected with a New Deal disease which blinds many people after they are exposed to it.

He wants us to send American vessels to belligerent nations anywhere loaded with munitions of war. Can it be said that a man like that should be placed in the Cabinet when America wants to stay out of war? Then he wants to go to South America again. This is what he said:

Fourth, we should refrain from being fooled by the evident bluff of Hitler's so-called "fifth column" movements in South America.

Senators will remember his interest in Nicaragua. He wanted to go down there, and did go down there, and American marines paid with their lives because we wanted to go into South America and Central America.

Fifth, in order to assist the home front of Britain's defense we should open our lands as a refuge for the children and old people of Britain whose liability to suffering from air raids in Great Britain is a constant inducement to surrender to terms which she would otherwise resist.

I do not want these older people and children brought over here for that reason. I want them brought over here, if they are to be brought over, for their protection; because they did not make the war. Yet they will be the ones who will suffer as a result of it. He only wants these older people and children sent to America so that the morale of England will be upheld when some bomb drops and kills unfortunate children of the men fighting. There is an angle which has not been discussed. It is not that he is interested from the humanitarian standpoint in bringing these children out of England, where they will be killed, but he wants them brought out in order that it may bolster the morale of England. If we are to bring them out, I want to bring them out because I do not believe those children and elders should be killed.

Mr. CLARK of Missouri. Mr. President, will the Senator yield?

Mr. HOLT. I yield.

Mr. CLARK of Missouri. The Senator will recall that Colonel Stimson's New Haven speech was made before France had sued for peace. The Senator will also notice that in Colonel Stimson's New Haven speech he specifically mentioned that only children from Great Britain were to be evacuated. Does the Senator know of any reason why Colonel Stimson should have specified that only British children should be evacuated, and not French children, Belgian children, Dutch children, and other children who are sufferers from this terrible war?

Mr. HOLT. I thank the Senator from Missouri. I cannot see any difference. A child is a child to me, whether he is born in Germany, whether he is born in France, or whether he is born in Great Britain. I am not one who feels that it satisfies my conscience simply because I do not like the government of a certain country, to let children of that country stay in the country to be killed. I do not want to draw such a line as Colonel Stimson wants to draw between the children of Great Britain and those of other nations.

Mr. CLARK of Missouri. At the time Colonel Stimson made the New Haven speech France was still a combatant. Colonel Stimson proposed to evacuate English children and leave the French children to their fate.

Mr. HOLT. I thank the Senator. Of course, that would be the effect.

I have tried to show that Colonel Stimson has been an Anglomaniac for 25 years. He has been wined and dined by the British nobility for the last 20 years. If Senators do not believe so let them go to the papers and they will notice that whenever Colonel Stimson went to England those who want a more parallel policy with the United States were the ones who wined and dined him.

What I say is no indictment of his sincerity. What I have shown is that he is prejudiced, not that he is insincere.

His prejudice has been based on his interest in a particular country, and as he said, "It is more important than even treaties themselves."

I may add this about the children. Yes, the poor children of France were not only in danger of bombs being dropped on them, but they were in danger from tanks, in danger of actual infantry fire, and Colonel Stimson did not advocate bringing those little children of France over to America. But he wants to bring over the children of England. I repeat what he wrote, because I think it is significant of why Colonel Stimson wants to bring the children over from England. Here is his exact language:

In order to assist the home front of Britain's defense we should open our lands as a refuge for the children and old people of Britain whose liability to suffering from air raids in Great Britain is a constant inducement to surrender to terms which she would otherwise resist.

Just think of that. He does not propose to bring them over in order to save their lives, but bring them over because then they will not be in the way, so they will not stand in the way of maintaining a strong morale.

Then for Senators to stand on this floor, as they will, and say that Colonel Stimson is not for intervention is to fly in the face of his record for a quarter of a century. He had shown that bellicose attitude, as I have proved, preceding the World War. He showed it as Secretary of State, and he has shown it in this war. He was one of the most active for intervention.

Senators may say, "Of course, Colonel Stimson does not believe that we should go into war"; but this is what he said in speaking before the Foreign Relations Committee in 1939.

Senator JOHNSON of California. Now I am asking you the question, then, Would you consider that we should take part and join with Great Britain, France, and Russia in protecting them?

That is a direct question from the Senator from California, and here is what Colonel Stimson said:

Mr. STIMSON. Not unless the situation became dangerous enough so as to indicate that we would be the next victim. Then I would take part mighty quick. I would take part before they were beaten.
Senator JOHNSON of California. Take part with anybody?
Mr. STIMSON. I would get as many friends on the side that I was on as I could possibly, provided they could shoot straight.

He would take part before they were beaten. That is what he said in 1939. And certainly today there is only one last country between complete Hitler victory in Europe and what Colonel Stimson speaks of, and that is England. When is he going to take part? On his own word before the Foreign Relations Committee of the United States Senate he is going to take part before they are beaten. In other words, he is going to take part as soon as he feels it is possible for us to get into it.

And what does that mean? That means now. Do not fool yourselves, Senators. Do not try to fool yourselves in respect to this matter. Do not try to cover up your consciences on this matter. Colonel Stimson said he would take part before they are beaten, and there is no other time before they are beaten except right now. That is the reason for his appointment to the Cabinet.

FAVORS USE OF NAVY FOR ENGLAND

I quote from one of Colonel Stimson's letters which appears in the record of the hearings of 1939, as follows:

We cannot ignore the fact that at almost any moment an armed attack may be aimed by the Fascist group of powers against the

vital safety of any one of the two peace-loving nations upon which today rests in large part the safety of our own civilization—Great Britain and France.

Such an attack would almost inevitably involve both of those nations and from present appearances would be cooperated in by all three of the Fascist powers. In that event only one course could be depended on ultimately to save the present hard-earned civilization upon which our own national welfare rests.

Today the aggressive group is more powerful in the air and on the land than even France and Britain combined, and it is probably sufficiently strong at sea to pin down the British and French fleets to European waters, leaving exposed to the powerful Japanese fleet the whole western Pacific Ocean, including the eastern speaking dominions of Australia, New Zealand, and even western Canada, as well as the naval base at Singapore, which is the key to the protection of those regions.

What would he do? Let me quote what Colonel Stimson would do. He further said in his letter:

The defense against such joint action in Europe and Asia by the Fascist powers can only be securely accomplished by the common action of the naval power of the three large democracies, including the United States.

I want to make that clear, and I want to emphasize it. Colonel Stimson is going to fight Germany and the dictators. Here is what he said in his own words, not what he told somebody else, but in his own words:

The defense against such joint action in Europe and Asia by the Fascist powers can only be securely accomplished by the common action of the naval power of the three large democracies, including the United States.

So Senators can see that Colonel Stimson even a year ago advocated using our United States Navy to defeat Germany. And then to say that he is not an interventionist, to say that he is not for intervention, is idle. How in the world can we not be involved if we are going to use the United States Navy to whip Germany? We do not need a declaration of war if we try that. We will then be in it immediately. That is what the colonel said. He made clear that he felt that we should absolutely use our fleet, and let the European democracies have our bases. Then how can one say that he is not interested in intervention? Of course, one could continue at great length about Colonel Stimson's record preceding the World War, his record in South and Central America, his record as Secretary of State, his prejudicial leaning to one belligerent in this war, and his statements as the result of this war, besides his activities—they all point to one thing, and one thing alone, and that is intervention in this war. They point to it as clearly as anything could be pointed to.

Of course, the whole situation can be determined only by one thing, and that is by the viewpoint of the individual himself. The record shows that his attitude is one of intervention. The records shows that he was appointed—and time will prove this—as the result of his intervention policy. The President of the United States wanted a Secretary of War who would go along in anything that he wanted to do in the way of involvement in this war, and he could not obtain that promise, he could not obtain that assurance from Governor Woodring, who was then a member of his Cabinet, and had been for years, and so Governor Woodring was put out and in his place was placed an outstanding spokesman of intervention in this country, Colonel Stimson himself.

The whole record is here. America is establishing a war Cabinet. It is establishing a war Cabinet, and yet some individuals are trying to preach peace. They are preaching peace, perhaps, but their action is toward war. Today the Secretary of War has been given increased power, and that increased power will be used for involvement and intervention, and there is but one reason, and one alone, why the President of the United States left his party and went out to pick a man of another party; why he fired a member of his Cabinet, the first and only member of the President's Cabinet who has been fired. There is only one reason for such action, and one reason alone, and that is that America is on the way to war. And the only thing that will stop it is the common sense and good judgment of Congress, because the Cabinet is pro-war. As a British newspaper said, "The war Cabinet has been created."

Mr. President, these are not idle fears. This is not idle talk. The record will prove it. The memoirs of the future will prove that America is going interventionist, much to my regret. And when I say America is going interventionist, I say so not because of the statements of elected legislators, but of these appointees who advocate a policy of involvement, while preaching peace.

Therefore I feel that confirmation of the nomination of Colonel Stimson would be an attack against the peace and welfare of America, and I shall not vote for it.

Mr. AUSTIN. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Adams	Downey	Lodge	Schwellenbach
Andrews	Ellender	Lucas	Sheppard
Ashurst	Frazier	Lundeen	Shipstead
Austin	George	McCarran	Slattery
Bailey	Gerry	McKellar	Smathers
Barbour	Gibson	McNary	Smith
Barkley	Gillette	Maloney	Taft
Bilbo	Green	Mead	Thomas, Idaho
Bone	Guffey	Miller	Thomas, Okla.
Bridges	Gurney	Minton	Thomas, Utah
Bulow	Hale	Murray	Tobey
Burke	Harrison	Neely	Townsend
Byrd	Hatch	Norris	Tydings
Byrnes	Hayden	Nye	Vandenberg
Capper	Herring	O'Mahoney	Van Nuys
Caraway	Hill	Overton	Wagner
Chandler	Holman	Pepper	Walsh
Chavez	Holt	Pittman	Wheeler
Clark, Idaho	Hughes	Radcliffe	White
Clark, Mo.	Johnson, Calif.	Reed	Wiley
Connally	Johnson, Colo.	Reynolds	
Danaher	King	Russell	
Davis	La Follette	Schwartz	

The PRESIDING OFFICER. Eighty-nine Senators have answered to their names. A quorum is present.

GOVERNOR OF THE PANAMA CANAL

Mr. CLARK of Missouri. Mr. President, I ask unanimous consent that I may be allowed to report from the Committee on Interoceanic Canals the nomination of Col. Glen E. Edgerton, Corps of Engineers, United States Army, for appointment as Governor of the Panama Canal. I also ask for the immediate consideration of the nomination.

I should like to explain to the Senate that Gen. Clarence S. Ridley, who for the past several years has served with such distinction and efficiency as Governor of the Panama Canal, has been transferred to other duty; and Colonel Edgerton, who has been engineer of maintenance and Vice Governor of the Canal for the same period of time, has been appointed Governor in the stead of General Ridley. Inasmuch as the continuity of this office is of the very utmost importance, I ask unanimous consent to be permitted to make the report, and I also ask unanimous consent for its immediate consideration.

The PRESIDING OFFICER. Is there objection to the report being received? The Chair hears none, and the report is received. Is there objection to the consideration of the nomination? The Chair hears none, and the nominee is confirmed.

Mr. CLARK of Missouri. I ask unanimous consent that the President be immediately notified.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and the President will be immediately notified.

NATIONAL DEFENSE AND IMMIGRATION

Mr. REYNOLDS. Mr. President, yesterday I read one of the most impressive editorials I have had the opportunity to examine for some months past. I was greatly impressed by the editorial, because it expresses precisely my attitude in reference to international affairs insofar as our becoming involved in the present conflict in Europe is concerned.

At this time I shall not consume the time of the Senate by reading the entire editorial, but I respectfully commend it to the attention of Senators.

The editorial is entitled "The Third World War." It is from the pen of Mr. Maurer, the chief editorial writer of the New York Daily News, and was reprinted in the columns of the Washington Times-Herald of yesterday.

At this time I wish to bring to the attention of the Senate the closing paragraph of that very able editorial, which reads:

There appears to be no hope that the American people learned from their first World War experience that they cannot settle the problems of Europe. We appear to be on the verge of trying it once more.

Unfortunately, I interpolate.

The isolation cause seems to be almost as completely lost as the cause of France in this war. So the best the isolationists can hope for is that after a second World War misadventure the American people will learn and inwardly digest the lesson thereof, and that when the third World War comes along they will have sense enough to stay out of it.

Mr. President, I send the editorial to the desk, and ask that it be printed in the Appendix of the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. REYNOLDS. Mr. President, partially in pursuance of that editorial, I have before me a resolution. The resolution was sent to me by a committee on resolutions at a meeting held in Wake County, at the capital of my State, Raleigh, N. C., the home of my distinguished colleague the senior Senator from North Carolina [Mr. BAILEY]. At this time I wish to read this resolution in order that some understanding of the interest of the American people may be had by the Members of this body, particularly in reference to my State of North Carolina.

The resolution was sent to me several days ago. On receipt of the resolution I communicated with the signers thereof, and told them that it would be a very great pleasure for me to bring it to the attention of the Members of this body, and that it would be embodied in the CONGRESSIONAL RECORD. I ask, not that it be printed in the Appendix of the RECORD, but that it be printed in the body of the RECORD, under "Resolutions."

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. REYNOLDS. I wish to read the resolution.

Whereas the present European war has raised very difficult problems for the American Nation in both its foreign relations and in its domestic problems; and

Whereas under our democratic system of government it is proper and fitting that citizens of the United States make known to their President and to their Representatives in Congress their attitude and desires in this crisis; and

Whereas we, a group of citizens of Wake County and vicinity, N. C., are imbued with the patriotic desire to promote the welfare of our country and of the world at large: Be it

Resolved, That it is our belief and desire that our Government should pursue the following policies in the present emergency:

1. That every effort should be made to prevent our country's becoming a belligerent in the war, and that we ought not to send our men to fight in Europe or in European waters.

Mr. President, I desire to digress for a brief comment, if I may be permitted to say that while the greater number of the people of my State of North Carolina, and I believe of the Nation—though I may be in error as to that—are entirely in favor of the United States providing some form of aid to the Allies, but they are not desirous of pursuing such a course to the extent of precipitating any incident which might involve us in war. I believe that 90 percent of the people of North Carolina, and likewise 90 percent of the people of the Nation, particularly the mothers, are vigorously and violently opposed to sending their sons abroad to participate in the quarrels of Europe which have been proceeding for more than 300 years as the outcome of their warlike desires and of efforts to change and adjust territorial boundaries.

The second resolving clause reads as follows:

2. That it is the sentiment of this meeting that our country should immediately and vigorously prepare for its adequate defense against any enemy or combination of enemies.

I repeat that portion of clause 2 which reads:

prepare for its adequate defense against any enemy or combination of enemies.

I therefore am pleased to assume, from the wording and objective of the resolution, that North Carolinians and the American people generally, for that matter, are not desirous of arming with a view to attempting to bring about the conquest of any other country in the world, nor are they in favor of arming and preparing for the purpose of sending our sons abroad and carrying on in uniform in an effort to settle the quarrels of the Old World.

The third and fourth resolving clauses reads:

3. That we approve our Government's efforts to promote the solidarity of the New World and favor something in the nature of a league of nations for the Western Hemisphere, which might later serve as a model for the remainder of the world.

4. That while meeting the threat from abroad we should not abandon and should continue efforts to improve the lot of the common man in this country.

I digress there to say that I trust in the expenditure of the approximately $14,000,000,000, which we will have appropriated for building up the national defense and in providing armed forces, we will not in anywise, if it possibly can be avoided, interfere with the continued progress of the masses of this country or of the Nation as a whole, and that none of their rights will be interfered with under the program.

The fifth resolving clause reads:

5. That in the present critical situation we should make every effort to visualize clearly and to promote the interests of our own country, for we believe that, in the long run, we can thereby best serve the entire world.

I hope that the world will listen to that friendly and timely advice, because of all times, Mr. President, when we should give attention to our internal affairs and to the enemy within, now is the time.

The sixth resolving clause reads:

6. That in our justifiable efforts to stamp out subversive movements in our country we should take great care to preserve those rights and privileges which are guaranteed in our Bill of Rights and which are the heritage of every American citizen. We should do everything in our power to avoid sacrificing those very liberties we are seeking to protect.

I believe that we all are in high accord with the objectives of paragraph 6 of the resolution.

The seventh resolving clause reads:

7. That these resolutions are passed without reference to the current political campaign for we believe that loyalty and patriotism to our country are above parties and politics.

They should be. Our country should remain first and uppermost in the minds of the American people, particularly at this critical hour, regardless of any political controversy or oncoming campaign.

Finally the eighth resolving clause reads:

8. That copies of these resolutions be sent to the President of the United States and to the North Carolina Members of both Houses of Congress.

C. C. CRITTENDEN,
MRS. CHARLES G. DOAK,
WILLIAM JOSLIN,
MRS. O. F. MCCRARY,
ALLYN P. ROBINSON, JR.,
Committee on Resolutions.

All of whom are known to me as honorable, outstanding citizens of character, residing in the capital city of my State.

Signed by the committee on resolutions and dated July 1, 1940, Wake County Courthouse, where the meeting was held, Raleigh, N. C.

The number voting in favor of the resolution was 116; those voting "no" were 28.

Mr. President, I desire now to make some observations concerning another subject, namely, the enforcement of the immigration laws of the United States.

While the Immigration and Naturalization Service has been transferred, as we all know, from the Department of Labor to the Department of Justice, where, for many reasons, I am glad indeed it has been established, and the indications are that the lax and lenient practices of the former Department—that is to say, the Department of Labor—may be superseded by a more sound and constructive policy in the administration and enforcement of the immigration laws of the United States, it may be well to review some of the evils attending the administration of the law by the Labor Department if we are

to avoid the pitfalls which led to the condition which resulted in the transfer of this important function of the Government from one Department to the other by the President, with the approval of the Members of this body and of the other House, constituting the Congress of the United States. I think the President was justified, and is to be applauded for his action, in asking for the transfer of that important division of our Government to the Department of Justice, where, I believe, it will be more properly and more promptly administered in all respects than theretofore it was under the direction of the present Secretary of Labor.

In full realization of the fact that this country was settled by immigrants, including religious and political refugees from other lands, and that every generation of the American people from that of our founding fathers down to the present day has taken pride in the fact that we have been able to offer a haven of refuge for the oppressed people of the Old World, we should not overlook the fact that the era of expansion and development of our country along geographical lines may have drawn to a close and that henceforth the arrival of every new immigrant must be viewed with an increasing regard for the best interests of our country as a whole rather than the individual immigrant's desire to escape from the deplorable conditions abroad or to improve his economic condition by becoming a part of our national life.

In other words, Mr. President, for many years past there have been those who, upon reasonable grounds, have contended that from the evidence before them and from the experience of the past our immigration laws have been administered for the benefit of the applicant for admission to this country, for the benefit of the immigrant, for the benefit of the alien, and that, on the other hand and to the contrary, they have not been administered for the benefit of the country itself, which should have our first consideration, our first care and thought.

The people of the United States, through their chosen representatives in the Senate and the House of Representatives, came to the conclusion 20 years ago that the unrestricted immigration of aliens into this country should be terminated and in addition to a strengthening of the qualitative standards for the admission of aliens, which had previously existed, a quantitative restriction was imposed through the quota system. This system was greatly improved in 1924 through the enactment of the Immigration Act of that year, which not only established the national origins plan for the determination of immigration quotas, but also inaugurated the immigration visa system, under which the administration of the quotas was placed in the hands of American consular officers throughout the world, who were given the power to stop inadmissible immigrants at their foreign source and to stop all immigrants at their foreign source when the quotas become filled.

That, indeed, was a step in the right direction. At that time, Mr. President, if the Government had put its finger upon the question which interests us today—the question even of the admission of aliens into this country under the quotas—and for a given number of years had stopped the immigration of aliens into this country, we should not be bothered as we now are with the 11,000,000 unemployed, the 26,000,000 American citizens employed only part time, perhaps the expenditure involved now in maintaining 2,700,000 persons on the W. P. A. rolls, the upkeep of 300,000 young men in the C. C. C. camps, and perhaps at this hour we should not have before us the problem of providing employment for the 750,000 young boys and girls who are graduating from our high schools and colleges annually in this country, for whom we cannot find employment, and concerning whom it is said that only one out of every three within the next 3 to 5 years will be able to secure employment. That is a situation which I contend is disgraceful; a situation which should be remedied by now bringing about the enactment into law of a bill which I have introduced in the Senate of the United States, which would stop all immigration into this country for the next 10 years, or certainly until such time as every unemployed and employable American citizen is provided with an American job.

At the present time, as you know, Mr. President, we are concerned not only with unemployment but likewise with un-American, subversive interests in this country which are calling for legislation that will weed them out, deport those guilty of such actions, and curb their subversive activities.

It is unnecessary to recite the evils which led to the enactment of the 1924 act. They are recalled to most of us by the recollection of the races of vessels to American ports in an effort to unload their human cargoes before the quotas should be exhausted, or by the sad plight of aliens who had pulled up all stakes and severed all ties with their home countries in order to proceed to the United States, only to be found to be excludable upon arrival and inspection by the immigration authorities at a port of entry.

Mr. President, our immigration officials throughout the country as a whole, and the employees of the Immigration and Naturalization Service, are doing a great work. I have found that to be the fact at several of the ports which I have visited from time to time. Only last week I spent several days in New York, during which time I provided myself with the opportunity of visiting the Ellis Island Immigration Station. There I heard several boards examine and inquire into the cases of innumerable immigrants from foreign shores who had come here with the intention of remaining permanently. I was impressed with the care which the members of the respective boards gave to every single case. I was very pleasantly impressed with the fine consideration which they gave to the application of every immigrant who has been detained there pending final decision upon his case. To those men I desire to pay the tribute which I have just paid.

Mr. President, it was principally to prevent the hardships resulting in such cases under the old system that the present consular immigration visa system was inaugurated. It is well that that system was inaugurated, for the reasons I have just enumerated, in cases in which unfortunates in other lands seeking the freedom of this country would pull up stakes, sever all ties with the country of their birth, and come here only to find that perhaps they could not pass the physical and mental examination, or comply with the other requirements of our laws.

The immigration visa or immigration certificate system was considered and debated in Congress for nearly 100 years before it was finally enacted into law. It was not the product of snap judgment, nor was it the result of hastily conceived legislative action. It was the result of cool and deliberate thought, tempered with a sympathetic regard for aliens who might seek to transport themselves to this country without the necessary qualifications for admission, as I have just explained. It was the result of many trials and errors in dealing with the problem of immigration. No government ever conceived and produced a measure with greater care for the best interests of its own citizens and more sympathy for and understanding of the problems of immigrants.

Unfortunately, however, to the responsible heads of the Department of Labor the history of our immigration laws was an unlearned lesson. Through a misconstruction and a misapplication of the history and substance of the law, gross evils reared their ugly heads above the confusion and turmoil of that Department during the past 7 years, before the Immigration and Naturalization Service was transferred to the Department of Justice. Finally, in an effort to avert a national scandal, the President of the United States stepped in and stemmed the tide of nullification and nonenforcement of the law, which was running strongly against the preponderant and overwhelming sentiment of our people that something be done about enforcing our immigration laws, because only within the past several years have the American people become conscious of the violation of those laws in this country.

These are strong statements, but they do not exaggerate the facts, as I shall later show by written evidence. To be more specific, a few of the evils to which reference has been made may be mentioned.

Instead of enforcing the deportation laws of the United States without fear or favor, as any competent and efficient administrative officer should have done but those in office did not do, an alien-coddling policy was adopted by the Secre-

tary of Labor, under which warrants of deportation of alien criminals and law violators and undesirables were suspended in several thousand so-called hardship cases involving aliens who for the most part were wholly undesirable, but who had acquired certain family ties in this country after having succeeded in effecting illegal entrance, often by fraud and misrepresentation, and frequently by committing such infamous crimes as forgery and perjury.

In that connection, Mr. President, I desire to state that we had the subject of deportable aliens before this body in the form of what the Department of Labor was pleased to term "hardship cases." At that time, several years ago, I went to the Department of Labor; and there, without difficulty, I took from the files some several hundred cases that had been dubbed "hardship cases," descriptive of alien criminals whom the Secretary of Labor wanted to remain in this country despite the fact that they had violated our laws to the *n*th degree. I looked into those cases with some care, and consumed several days upon the floor of the Senate in bringing individual cases to the attention of the Members of the Senate. I found that in hundreds of cases which I recited upon the floor of the Senate the individuals concerned were perjurers and thieves and highwaymen, and had committed almost every crime specified upon the statute books of this country.

The records of some of those cases I have in my office today.

The failure to deport with firmness and promptness this motley horde of national gate crashers was the key which opened a veritable Pandora's box of other evils. Having been given the benefit of a suspension of deportation proceedings, thereby tasting the fruits of nonenforcement of our laws, the aliens, their families, friends, and attorneys, proceeded to request a slice of the cake of nullification. Thus the preexamination procedure was born.

Under this extralegal procedure an alien who had entered the United States in an illegal manner could be preexamined by the immigration authorities of the Immigration and Naturalization Service in order to ascertain in advance whether he would be admitted lawfully into this country should he condescend to depart for some country in the Western Hemisphere and apply for admission at a port of entry after having procured a suitable immigration visa from an American consular officer in such foreign country. Of course, a feeble effort to justify this procedure was made on the ground that it saved the taxpayers the expense of deporting such an alien from this country.

Mr. President, that is about the slimmest excuse I have ever heard of in my life, because if those several thousand criminal aliens who had entered this country illegally and who had violated viciously our laws had been deported at the expense of the American Government, the American Government certainly would have saved a large portion of the $17,000,000 which the taxpayers of the United States are paying annually to support the criminals who are crowding our penitentiaries and State penal institutions.

It was soon found, however, that no country of the Western Hemisphere wanted to take a chance on such aliens by admitting them in order that they could apply to our consular officers for immigration visas. What if the immigration visas should be refused? That was the question uppermost in the minds of those interested. Such country would be left holding the bag with a very undesirable alien inside of it. Canada particularly, to which most of such aliens found it to be most convenient for them to proceed, would take no such chance.

The Department of Labor was not to be deterred by such a small thing as this, however. They were already in this slimy business up to their knees, and they now plunged in up to their necks. They worked out an agreement—they preferred to call it an understanding, since international agreements are known in some quarters as treaties, and treaties require the advice and consent of the Senate of the United States in order to make them effective—under which they agreed or understood that each such alien Canada would admit for the purpose of applying at an American consular office in that country for an immigration visa would be guaranteed a return to the United States. In other words, these undesirable aliens would go there upon the advice of the Secretary of Labor and seek readmission into this country by way of a visa to be issued by Canada; and if Canada could not, in view of the smell of the criminal alien, admit him, then it was suggested that we would admit him here without embarrassment to Canada and without regard to their having to maintain him as we had maintained him for years. If the alien should be granted an immigration visa, he would be admitted lawfully as an immigrant; but if the immigration visa should be refused by the consular officer, the alien would be accepted back into the United States without an immigration visa and would resume the status he had in this country prior to his departure.

The aliens who went to Canada to obtain immigration visas from American consular officers in that country obviously were immigrants under our law. They had admitted their immigrant status by applying for immigration visas. Their readmission into the United States was therefore illegal unless they presented valid immigration visas, since section 13 (a) of the Immigration Act of 1924—section 213a, title 8, United States Code Annotated, entitled "Persons not to be admitted"—specifically states that—

> No immigrant shall be admitted to the United States unless he (1) has an unexpired immigration visa or was born subsequent to the issuance of an immigration visa of the accompanying parent, (2) is of the nationality specified in the visa in the immigration visa, (3) is a nonquota immigrant if specified in the visa in the immigration visa as such, and (4) is otherwise admissible under the immigration laws.

In addition to violating subdivision (1) of section 13 (a), subdivision (4) of that section was also violated in such cases, since the reason for the failure of an immigrant to obtain the immigration visa from the American consular officer would more than likely have been that he was not admissible into the United States under the immigration laws. The Department of Labor had therefore reached the point of admitting, or promising to admit, aliens who not only were without the immigration visas required by law but who were ineligible to receive immigration visas because they were inadmissible to the United States under the various excluding provisions of the immigration laws relating to the undesirable classes.

Thus the cart came to be placed before the horse, and the admirable immigration visa system established by Congress in an effort to stop undesirable immigrants at their foreign source was so perverted that it was being used to stop the undesirable immigrants inside of the United States. Instead of applying for an immigration visa at an American consular office an alien had a better chance of getting into the United States, especially if he was inadmissible in a lawful manner, by entering illegally and availing himself of the questionable preexamination procedure.

It is known that in some cases aliens who had entered the United States unlawfully, or for a lawful temporary period after which they remained unlawfully, applied for the privileges of the preexamination procedure in order to evade not only the quota restrictions of our immigration laws but also the other qualitative restrictions of those laws. The preexamination procedure was an inducement to aliens to enter illegally in the hope of availing themselves of this nullification pie.

This can be better illustrated, however, by passing to the next step in this sordid procedure and considering the further startling evils to which such nonenforcement of the law had led, namely, the seventh proviso evil. Before proceeding with a discussion of the seventh proviso, on which I shall dwell at length finally, I wish again to make my position clear to this body and to the American people. When I employ the word "alien" I speak of the individual who comes from foreign shores to this country, who is not an American citizen, and who has been here year in and year out for many years, enjoying the fruits of this Nation, and the protection of its flag, but who has never been sufficiently interested to make application for American citizenship. In employing the word

"alien" I do not have in mind those fine men of high caliber or those excellent women of high standing who have preferred our country to their own. I have the greatest respect for those who come here from foreign shores, both men and women. I admire their ambition to become affiliated with our people and to become citizens of our country. In employing the word "alien" I speak only of those who have come here illegally and who have remained here illegally; those who arrived here legally and have remained illegally; those who came here legally or illegally and have remained here for years without ever attempting to make application for American citizenship, without showing that they are actually sincerely desirous of becoming a part of this great country which comprises more than 130,000,000 people. I realize that some of our finest men, some of our greatest patriots, statesmen, businessmen, and industrialists—men associated with the development of our country—have been of the number who volunteered to accept homes in our land, and to them we have extended our welcome, and to them we have provided our praise.

In this hour of great problems and trials and tribulations of the world I call to mind this subject, because the American people are interested in weeding out the alien criminals, the undesirables, and sending them back to the countries whence they came.

Of course, that provides us with another problem. In view of the fact that the totalitarian governments are anything but friendly to us—one of those totalitarian governments having swallowed Czechoslovakia, old Hungary, part of Poland, all of Holland and Belgium, and that Germany is now joined by Italy, and that the axis powers now control France—I dare say that we would now experience great difficulty in prevailing successfully upon the dictators of those countries to receive back their nationals whom we have found to be undesirables and criminals, as probably they were before they ever reached these shores.

So there is a problem which must be met, perhaps, by the Congress. Why? Because with thousands upon thousands of aliens, noncitizens, criminals, and undesirables roaming the land, we do not have the facilities or the space in our Federal penitentiaries to house them. The Commissioner of Immigration and Naturalization stated before a Senate Committee on Immigration several years ago that statistics in the possession of his department revealed that more than 20,000 alien criminals were roaming the country from the Atlantic to the Pacific.

Mr. President, if, as I hope, under the direction of the able Attorney General of the United States, those who are cooperating with him in the particular division of the Government shall be successful in rounding up these undesirables who are participating in subversive activities, alien criminals, then there must be some place to put them. What shall we do with them? I have, offhand, a suggestion that we provide detention camps for them in the vicinity of certain Federal institutions, where are now located the necessary administrative forces. Perhaps these alien criminals would be so obnoxious and so undesirable to the people of the respective States wherein the Federal institutions referred to are located that possibly detention camps might have to be provided on islands outside continental United States. Certainly no one in this country wants to be associated with alien criminals. Certainly no one in this country wants to continue to pay taxes for the maintenance of criminal nationals of other countries. Certainly we should no longer coddle alien criminals whom we have coddled for years. Certainly we, as a nation, looking to our own preservation and benefit, should no longer put up with these subversive individuals who are attempting to destroy our Government. Certainly we should not permit alien criminals and other aliens who are interested in sabotage and espionage to remain in our midst. They are not entitled to the same consideration to which criminal citizens are entitled. Alien criminals, those who would destroy our Government, are not entitled to imprisonment within the confines of the continental United States, and therefore I suggest that we inaugurate and construct detention camps on islands outside continental United States.

Mr. President, I want to go further in explaining to the Members of this body and to the American people, through the columns of the CONGRESSIONAL RECORD, my attitude in reference to this matter. Some of the closest friends I have are American citizens of foreign birth who made application for American citizenship and have become American citizens. I am proud and happy to state that I know of no better citizenry anywhere in the broad expanse of our great country than personal friends of mine who have become American citizens and who have become great leaders. In addition to them, I call to mind without difficulty innumerable other persons with whom I have the honor to have an acquaintanceship, who were once aliens but now are among the finest citizens we have. Let it be known that there is no distinction, and no distinction shall in my mind ever be drawn, and no distinction should ever be countenanced, between the American citizens who have become citizens by their desire and request, and those of us who fortunately were born within the shadows of the great hills of our own country.

Mr. President, I know personally innumerable persons who came from foreign shores who are now making application for American citizenship. For one I say that with open arms I shall welcome them to citizenship in our land. But I do not want to permit to remain here alien criminals who have come here illegally, and who have remained here illegally; and this is the time of all times to interest ourselves in their deportation to their respective lands, or to have them placed in detention camps. Now is the time to do that, in view of the interest we have displayed in reference to national unity and national defense.

I may add in passing that foreigners who have made application for American citizenship are more anxious than anyone else that we weed out the alien criminal. Why? The answer is a perfectly natural one. Because when they obtain American citizenship they do not want reflection to be cast upon them by undesirables from their native lands or from any other foreign lands.

I have received hundreds of communications as the result of broadcasts made by me over the radio, from those who have made application for American citizenship, and they are more desirous than American citizens themselves to see that this house is cleansed, so that there will not be the slightest reflection cast upon them. I congratulate them upon their attitude, and I think they are entirely right in taking that position.

THE SEVENTH-PROVISO BILL

Mr. President, the seventh-proviso evil is quite important to discuss in order that the Department of Justice may escape the pitfalls that await them unless they know what was done by the Labor Department under the seventh proviso. It so happened that in preexamining an alien in order to advise him whether it would be worth his while to go out of the United States and seek an immigration visa with which to apply for lawful admission as an immigrant, it was sometimes found that there were grounds of exclusion existing in the alien's case, which would preclude him from obtaining an immigration visa from an American consular officer, and which would likewise preclude such an alien from being lawfully admitted even if he should succeed in deceiving the consular officer and obtain an immigration visa in an irregular manner.

The best justification for the pre-examination—our cart-before-the-horse procedure—if, indeed, there could be any justification at all for it, would seem to have been that it enabled the immigration authorities to weed out the undesirable elements among our illegally resident alien population and deport them. But that was not the fact, as the pre-examination procedure was not established with any idea or intent that the alien concerned would be deported. The pre-examination idea was conceived with a view to making examination of the immigrant applicant upon his native shores

before coming to the United States. It was a procedure for getting an alien lawfully into our country if possible, and not one for getting undesirable aliens out. It was a procedure designed wholly for the benefit of the alien, and not for the benefit of the country. National self-interest majestically yielded to the individual interests of aliens and their representatives, friends, and attorneys in the United States. The statutes themselves were curried with a fine-toothed comb in an effort to find any loophole which would be large enough to take in all the undesirable classes of deportable aliens. Some legal light—I do not know who he was—found what is known as the seventh proviso in section 3 of the Immigration Act of February 5, 1917. He dressed it up in a brand-new skirt of interpretation and put it to work in these cases.

The seventh proviso, which follows the list of excluded classes of aliens enumerated in section 3 of the act mentioned, reads as follows:

Provided further, That aliens returning after a temporary absence to an unrelinquished United States domicile of 7 consecutive years may be admitted in the discretion of the Secretary of Labor and under such conditions as he may prescribe.

In other words, an alien who had resided in this country for 7 years consecutively and who went out of the country and then attempted to come back, might be admitted in the discretion of the Secretary of Labor and under such conditions as the Secretary of Labor might then prescribe for his admission.

Mr. President, why could not this provision of law be so construed as to make it applicable to aliens who had resided in the United States illegally for 7 years? That is what the Department of Labor then began to consider. The seventh proviso provided that one who had lived here for 7 years—I believe the authors of the proviso had in mind an alien living here legally for 7 consecutive years—might be readmitted to the country. The Labor Department, in order to keep criminal aliens here—and if they could not be kept here, if they were deported, to send them to Canada and bring them back here—did what? It put one of its legal scouts to work scurrying the statutes of the country to ascertain how alien criminals could be kept here, so that they might continue to be supported by the taxpayers of the country. The legal scout found the seventh proviso. That legal scout, with his keen snout for a loophole to evade the immigration laws of the United States, particularly the seventh proviso of the law of 1917, said, "It is my opinion that this proviso can be so interpreted and construed as to readmit to this country one who has resided here for 7 years, regardless of whether or not he entered legally."

So, Mr. President, if the seventh proviso could be so construed, it would confer upon the Secretary of Labor the discretionary power—illegal, I say—to admit such aliens under any conditions she might deem or dream to be appropriate. It matters not that for a period of more than 15 years since its enactment this proviso had been construed, as I construed it a moment ago, to apply only to aliens who had established a lawful domicile in the United States. Such lawful domicile could not be established unless the alien had entered our borders legally. While there was, of course, no doubt that Congress had in mind a lawful domicile when the proviso was enacted, still Congress neglected so to state, and thus the application of the proviso to an unlawful domicile was inaugurated.

There are no court decisions holding that this proviso relates to a domicile unlawfully acquired. Why should there be any? On the other hand, if the immigration authorities decide that such is the proper construction of the law, how will any case ever get into the courts? Surely no alien will contest such a ruling in his favor. American citizens who are interested in the enforcement of our immigration laws have no right to intervene in such matters in order to see that the laws are properly construed and enforced. There are some court decisions to the effect that domicile in the United States cannot be predicated upon an illegal entry. In the case of the *United States* v. *Parisi* (24 Fed. Supp. 414) Federal Judge Chestnut stated that a—

Domicile within the United States cannot be properly based on an entry which is unlawful under the immigration laws.

In the case of *Kaplan* v. *Todd* (267 U. S. 228) the Supreme Court held that an alien could not be dwelling in the United States without having been lawfully admitted for permanent residence; but these cases also can be construed away if there is a will so to do, since there was no clear-cut issue in them regarding the true meaning and scope of the seventh proviso in section 3 of the Immigration Act of 1917, and since our legislators did not embody in that proviso words to the effect that a domicile of 7 years must of necessity have been obtained by an immigrant who had legally entered.

To me, Mr. President, it is utterly inconceivable that Congress could ever have intended that the seventh proviso would be applicable in the case of an alien who had entered the United States in an illegal manner, because he was ineligible to enter in a lawful manner, and that by hiding out for a period of 7 years he could become eligible for lawful entry in the discretion of the Secretary of Labor. Under the strained interpretation of the meaning and scope of the seventh proviso, the Department of Labor assumed the actual authority to deal with the cases of aliens illegally in the United States, who were ineligible under the law for entry in a lawful manner, and exercised the imaginary discretionary power to waive all kinds of grounds of exclusion in such cases in order that aliens might depart from the United States, procure suitable immigration visas somewhere else, and be admitted as immigrants for permanent residence, although under our laws they would not be admissible as permanent residents.

In some cases aliens who applied for preexamination were found to be excludable on one of the grounds mentioned in the law. They were told that they were not eligible for admission under the discretionary authority in the seventh proviso because they had not lived illegally in the United States for the necessary period of 7 consecutive years, but that if they kept on violating the law by remaining in the country illegally until the 7 years had passed they might come back and ask for seventh-proviso action in order to have all their sins washed away and their status purified by the seventh proviso. Such a perversion of our immigration laws by public servants sworn to enforce them can scarcely be conceived or realized.

However, in order to make the realization effective, reference may be made to the list—and I am coming to it—of more than 700 criminal aliens who were waived into the United States by the Department of Labor under the seventh proviso. Think of it. The Department of Labor, under the direction and in the discretion of the present Secretary of Labor, readmitted to this country 700 criminal aliens who had been apprehended, and whom we wanted to deport, but whom the Secretary of Labor did not want deported.

One of these aliens was previously deported from the United States because of his membership in the Communist Party. He reentered illegally, thereby committing a felony, for which he has never been prosecuted. The seventh proviso was invoked to wash him clean; he was sent to Mexico to procure an immigration visa. While his case was under consideration at an American consular office in that country he was readmitted into the United States without an immigration visa. He will, of course, be deportable under the Smith bill, which became the Registration Act of 1940 upon its approval by the President a few days ago and which provides for the registration and fingerprinting of aliens in the United States.

Mr. President, I was naturally highly elated when that bill was signed by the President of the United States and enacted into law, because for more than 5 years I have advocated in this body and also before the people of America by way of speeches on the platform and broadcasts over the radio measures which would enable this country to protect itself against certain influences by requiring the registration and fingerprinting of every noncitizen or alien as is done in other countries that have been more diligent about such matters than have we, but, unfortunately for me, I was never able to secure

favorable action upon my bill. When I learned that Mr. HOWARD SMITH, the able Member of the House of Representatives from the State of Virginia, had introduced a bill of that kind with other provisions I was elated, particularly when I learned that the bill would come through the Judiciary Committee over there, as it did here; and when it was enacted into law I was pleased because I knew that the very thing I had fought for upon the floor of the Senate and throughout the broad expanses of this Nation at last had been realized. I was happy, Mr. President, because I knew certainly that in this emergency, of all times, we needed to ascertain who were our friends and who were our enemies, where our noncitizens were residing, whence they came, when they came, how they came, where they landed, whether legally or illegally, and, if they landed legally, whether or not they remained and are now here legally. Now that that bill will soon go into operation by reason of the administrative portions thereof on September 1, I shall feel that my country has been made more safe.

In passing I might add that at the present time we on the Military Affairs Committee of the Senate are now holding public hearings upon a bill designed to bring about compulsory registration for military selective service; and I recall that the bill requires that every male individual in the confines of the United States and its Territories between the ages of 18 and 65, American citizen or alien, shall register for such selective training service. I hope that the paragraph or section requiring likewise aliens to register will not be eliminated upon the theory or the ground or the arguments that we already have a mandatory registration and fingerprinting law applying to them.

I recognize, as does the able senior Senator from Michigan [Mr. VANDENBERG], who does me the honor to listen so attentively, that the Smith bill is not a perfect bill; indeed, very few bills are perfect; and that in January there will be some suggestions by way of amendment through additional bills placed before the Members of this body for their attention designed to strengthen that law, for we know that aliens who are in this country illegally are not going voluntarily to present themselves at post offices or elsewhere for registration, knowing that the probabilities are that they will be forthwith deported. So additional legislation with a view to strengthening the Smith Act—and congratulations to Representative SMITH—will then be introduced.

Mr. President, some of the aliens on the list—and I have the information from the State Department at my request over the signature of an official of the State Department, so that there can be no question about it—have long been public charges in the United States and are still drawing relief at the expense of the taxpayers of this country. They are, of course, excludable under the law, but the excluding grounds in their cases have been waived by the Secretary of Labor under a perverted construction of the seventh proviso, as I have just explained. Other aliens on the list are afflicted with a loathsome or dangerous contagious disease; some have tuberculosis, which in itself is a ground of exclusion. But the great majority of the aliens are criminals of the worst type—thieves, embezzlers, smugglers, rapists, perjurers, forgerers, and the like. Are they any more desirable because they happen to have relatives in the United States?

They come in the same category and classification as thousands of alien criminals who have been kept in this country for years by the Secretary of Labor under the guise of classifying them as "hardship cases," which several years ago I brought to the attention of this body, as gathered from the files of the Department of Labor Immigration and Naturalization Division.

While the Federal Bureau of Investigation is, on the one hand, engaged in tracking down criminals in this country, it is fervently to be hoped that the Immigration and Naturalization Service, on the other hand, will stop setting aside our immigration and deportation laws in order to let more alien criminals into this country. We already have enough of them; we already have too many of them; and we will find certainly within a few years that we have too many, and then we will prick up our ears and think about this thing as concretely and as enthusiastically as we did a few days ago about the registration and fingerprinting measure, although a short time prior to its enactment many people doubted that we would be so cruel as to fingerprint the poor little aliens in our midst, when many of these poor little aliens were all the time boring from within while we remained the big sap of the world, as we have always remained insofar as aliens of this character are concerned.

Mr. President, both these arms or hands of the Government are now under one head, the Attorney General of the United States, Mr. Jackson, the chief law officer of the executive branch of the Government. If he is unable to reverse the interpretation of the seventh proviso adopted by the Labor Department, he is, at least, able to exercise his discretion more circumspectly and to prevent the abuse of that discretion which has marked the administration of the law by the Department of Labor.

Mr. President, it is understood that the pre-examination procedure of the Department of Labor has been discontinued by the Department of Justice. At least, I recall having observed an article in one of the local newspapers several days ago in reference to that by way of an interview which came from the Attorney General.

The Smith bill, as I said a moment ago, made this step necessary upon its enactment, since the second paragraph in section 30, title III, of that bill, which became the Registration Act of 1940, as mentioned a moment ago, when it was approved by the President on June 28, 1940, reads as follows:

> Any alien seeking to enter the United States who does not present a visa (except in emergency cases defined by the Secretary of State), a reentry permit, or a border-crossing identification card shall be excluded from admission to the United States.

It will no longer be, by any stretch of the imagination, legally permissible for the Immigration and Naturalization Service to do what? To promise to accept an illegally resident alien back into the United States without a visa, as was promised prior to the admission of aliens back into the United States by the present Secretary of Labor.

Mr. President, in reference to that subject, let me say that I had heard of this violation, as I claim, of our immigration laws by our Secretary of Labor. I had heard that our present Secretary of Labor had been misconstruing the seventh proviso of the Immigration Act of 1917 by permitting alien criminals to leave this country to go to Canada or Mexico and get a reentry visa and come back into this country, whereas if application initially had been made by them under the immigration laws they would not have been permitted to come here. I could not conceive of a high executive of the Government assuming to place upon the seventh proviso of that act the interpretation which was placed upon it by the Secretary of Labor. I was actually appalled when I learned what had been done, in the face of the fact that we have in this country more crime than is found in any other country upon the face of the earth; that we have in this country more alien criminals than are to be found in any other country upon the face of the earth; in the face of the fact that we have too many criminals of our own, without maintaining and coddling the alien criminals of other lands; but it was done. So I took up the matter with the Department of State.

Mr. KING. Mr. President, will the Senator yield?

Mr. REYNOLDS. Yes; I gladly yield.

Mr. KING. I was interested in the observation made by the Senator that the present Secretary of Labor permitted alien criminals who had come to the United States to go to Canada or to some other country, and then, I suppose, after they had obtained a passport or a visa, received them back into the United States.

Mr. REYNOLDS. Yes; permitted them to reenter. I will say to the able Senator from Utah, whom I know to be very much interested in this subject and its relation to subversive activities, that I am informed that it was understood that there was an agreement, or, rather, an understanding—because an agreement would have been considered a treaty, and

the Senate would have had to pass upon the treaty—that if the other countries concerned did not permit the aliens to come across their borders, we would take them back. In other words, there was an understanding to the effect that if the countries referred to would not permit visas to be issued to the criminals delivered to them to come back into this country, we would take them back, thus sparing embarrassment and expense to the countries to which they had gone.

Mr. KING. May I further inquire whether the crimes of which these persons were guilty were malum in se or merely malum prohibitum? I can conceive, possibly, of the Secretary of Labor permitting a person to leave the United States and afterward reenter it who had violated some act which was not malum in se, but was merely malum prohibitum; some ordinance or some act which did not involve moral turpitude.

Mr. REYNOLDS. Certainly, as the Senator knows, an alien coming into the United States illegally is classed as a felon. That is the classification under which such aliens fall.

In answer to the Senator's question, I desire now to bring to his attention the names of some of the aliens to whom I refer; and I shall recite the crimes of which they were convicted. I will say to the Senator that what I am about to bring to his attention is not hearsay. I did not want to make any statement in regard to what I had heard, or what somebody had told me which he had heard from somebody else; so I obtained this information officially from the State Department. I paid several personal visits to that Department; and in order to have my interest of an official nature in the form of a record, I directed a communication in confirmation of personal statements I had made and conversations I had had over the telephone.

Mr. KING. Then the Senator means that the persons who left the United States had been guilty of felonies, and that they went to some foreign country, obtained visas and came back again, notwithstanding the fact that they had been branded as criminals by reason of having committed felonies rather than violations of some unimportant regulation?

Mr. REYNOLDS. Quite so; and that was permitted to be done under what I claim to be a legal misinterpretation of the statute itself.

Mr. President, I have before me and I now read from a letter upon the letterhead of the Department of State, Washington, D. C. This letter is dated June 1, 1940. In the left-hand corner it says:

Address official communications to the Secretary of State, Washington, D. C.

In type directly beneath the seal:

In reply refer to VD 150.07/172.

MY DEAR SENATOR REYNOLDS: With further reference to your letter of April 29, 1940, I enclose herewith in accordance with your request a list of aliens whose admission into the United States has been authorized by the Secretary of Labor under the seventh proviso in section 3 of the Immigration Act of February 5, 1917.

With which I am confident the Senator from Utah is fully familiar, because I understand that the able Senator took a very active part in those matters when we were bringing about the enactment of that necessary legislation.

The grounds of exclusion which were waived in each case—

Mind you—

The grounds of exclusion which were waived in each case—

Waived by authority of the Secretary of Labor, I add—

are indicated opposite each name on the list and explained in the footnotes at the end of the list, which is cumulative to this date, and practically, although not entitrely, complete.

The file number of the Department of Labor in any of the cases listed will be furnished upon your request.

Sincerely yours,

For the Secretary of State:

BRECKENRIDGE LONG,
Assistant Secretary.

Enclosure:
List of aliens.

That is where we become vitally interested. We want to see what the Secretary of Labor has been doing. We are pointing out these things in order that the Department of Justice, under whose direction this law will be administered from now on, shall not encounter any hazards or pitfalls.

Here is the list. I read:

List of aliens whose admission into the United States has been authorized by the Secretary of Labor and the grounds of exclusion which have been waived in each case under the Department of Labor's interpretation of the discretionary authority contained in the seventh proviso in section 3 of the Immigration Act of February 5, 1917.

I repeat, and I emphasize, and I recall to the attention of the Senators who do me the honor to listen, that the crimes of those whose names I shall read, respectively and at length, were waived by the Secretary of Labor. They follow. I shall first read the alien's name, and then I shall read the grounds of exclusion, the grounds that were waived, and then I shall leave to the sound judgment of the American people whether or not I have been right during the past 5 years, from day to day and from week to week, in demanding that our representatives in the Government deport alien criminals who are trying to destroy our Government, the same alien criminals who unquestionably will indulge in sabotage and espionage.

LIST OF ALIENS WHOSE ADMISSION INTO THE UNITED STATES HAS BEEN AUTHORIZED BY THE SECRETARY OF LABOR AND THE GROUNDS OF EXCLUSION WHICH HAVE BEEN WAIVED IN EACH CASE UNDER THE DEPARTMENT OF LABOR'S INTERPRETATION OF THE DISCRETIONARY AUTHORITY CONTAINED IN THE SEVENTH PROVISO IN SECTION 3 OF THE IMMIGRATION ACT OF FEBRUARY 5, 1917

Nicola Palombella, perjury.[1]
Herman Juristicansky, perjury and forgery.[2]
Manuel Gonzalez, smuggling.
Stanislaw Hroncich, perjury.[1]
Francesco Adelfio, perjury.[1]
Matteo Manzi, perjury [1] and marriage license fraud.
Pietro Giacoponello, perjury [2] and forgery.[2]
Salvatore Barbarino, perjury.[1]
Peter Vogel, theft.
Solomon Bereshkofsky, perjury and forgery.[2]
Fred Busiad, perjury [1] and registration fraud.
Eugenio Zappa, perjury.[1]
Albin Anton Woit, perjury in deportation proceedings.
Vincenzo Cosentino, perjury.[1]
Giuseppe Campo, perjury and forgery.[2]
Bernardo Staffetta, perjury.[1]
Victor C. Da Silva, perjury.[2]
Antonio Prestigiacomo, perjury and forgery.[2]
Luigi Castagna, perjury and forgery.[2]
Anna S. Hoffman, perjury and forgery.[2]
Manlio Bandel, perjury.[1]
Nicolo Kanyer, perjury.[1]
Joseph Plisich, perjury.[1]
Leib Gittleman, perjury.[1]
Pietro Ferrandino, perjury.[1]
George Bugariu, perjury and forgery (reentry permit and naturalization frauds).
Harry E. Hussel, perjury.[2]
Francesco Sapienza, perjury.[2]
Demetrios Neohoritis, perjury (facts not stated).
Raphael Funk, perjury and forgery.[2]
Helen Reiner Burger, perjury and forgery.[2]
Henriette M. Kantor, perjury and forgery.[2]
Antonio Sgargliardich, perjury.[1]
Antonio Soares Carinha, perjury and forgery (reentry permit and naturalization frauds).
Stanislaw Matuszewski, perjury [2] and illiteracy.
Max Grossman, perjury.[2]
Antonio Aiello, perjury (immigration fraud).
Francesco Businelli, perjury.[2]
Giuseppe Sciacca, perjury.[1]
Gino Bearzatto, perjury.[1]
Wasyl Fedkiw, perjury.[1]
Angelo Oddo, perjury and incestuous marriage and cohabitation in the State of New York.
Angelo Innocenti, perjury.[1]
Bernard J. Springett, theft.
Richard Carl Rigge, perjury.[2]
Jose Victorio Garcia y Angelo, perjury and forgery.[2]
Nassif Mahfooz, perjury.[1]
Simche Storch, perjury.[1]
Julia de Marchi, forgery.[3]
Diego Lanza, perjury and forgery.[1]

[1] Naturalization fraud in obtaining first or second papers illegally while in United States illegally.
[2] Immigration visa fraud, followed by illegal entry and naturalization fraud in obtaining first or second papers, or both first and second papers.
[3] American passport fraudulently obtained and used to enter the United States illegally.

Lena G. Hendel, perjury.[3]
Hermann Kass, perjury.[1]
Katarzyna Kot, perjury.[1]
Walter Klein, perjury.[3]
Zofia Dzierwa, perjury and forgery.[3]
Vasileff Atanasoff, perjury (facts not stated).
Giuseppe Giovanni Giceli, perjury (reentry permit and naturalization frauds).
Josef Hirschowitz, perjury and forgery.[3]
Sergio Parco, perjury.[1]
Jacob Steiner, perjury.[1]
Giuseppe Sucato, perjury and forgery.[3]
Joan Feiesiu, perjury and forgery.[3]
Edith T. Cortese, theft.
Andrew Duda, perjury.[3]
Pietro di Giacinto, perjury and forgery (visa, reentry permit, and naturalization frauds).
Anton Kuvac, perjury.[3]
Giuseppe Lucarelli, perjury and forgery (visa, reentry permit, and naturalization frauds).
Alexander Szucs, perjury and forgery.[1]
Josel Urjeszewicz, perjury and forgery.[3]
Chaim Kaplan, perjury and forgery.[3]
Herman Frokers, perjury and forgery.[3]
Francesco Batignani, perjury.[1]
Charles F. Murchison, smuggling.
Giovanni Lubicich, perjury.[1]
Mauro Gallo, perjury and forgery.[3]
Ruben Bruck, perjury.[1]
Jacob Leibowitz, perjury and forgery.[3]
Desidero Mazzella, perjury.[1]
Abraham Kotler, perjury and forgery.[3]
Angeli Galliano, perjury (reentry permit and naturalization frauds).
Max Natenson, perjury and forgery.[3]
Giovanni Albano, perjury (facts not stated).
Antonio Cicotto, perjury.[1]
Carlo di Pinto, perjury and forgery (visa and immigration frauds).
Endrea Branoff, perjury.[1]
David Tucker, theft.
Corrado Rutigliano, perjury.[1]
Crazio Migliorata, perjury (reentry permit and naturalization frauds).
Evan Stoyanoff, theft (Dyer Act, automobile).
John Obradovic, perjury and forgery.[4]
Ernest O. Custer, theft.
Wojciech Puzio, perjury and forgery.[3]
August K. F. Koch, theft.
Pablo Uribe, perjury (immigration fraud).
Krystina Pyrcz, perjury and forgery.[3]
Giuseppe Belviso, perjury.[1]
Bernardo Canale, perjury and forgery.[4]
Edouard Vermeiren, theft.
Gertrude K. Greisel, perjury (visa and reentry permit frauds).
Marco A. G. Hroncich, perjury.[1]
Joseph Weber, perjury (facts not stated).
Silvio Pastine, perjury and conspiracy (registration and naturalization frauds).
Carmelina R. Zacchino, perjury.[3]
Giuseppe Panico, perjury.[1]
Perla Kaufman, forgery (visa and immigration frauds).
Joseph Belich, perjury.[1]
Mandel Sztern, perjury and forgery.[3]
Joseph Bedosti, perjury (reentry permit and naturalization frauds).
Chuna Ruben Apelbaum, perjury.[1]
Giogio Pecoraro, perjury and forgery.[1]
Herman Bukrinsky, perjury.[1]
Aaron Miller (Muller), perjury and forgery.[3]
Franco Varisco, perjury and forgery.[3]
Giuseppe Casola, perjury and forgery.[3]
Rodolfo Scopaz, perjury.[1]
Ramon de la Torre, burglary.
Daniel A. Sobreiro, perjury (registration fraud).
Kasryl Szatman, perjury.[1]
Zarko Popov, perjury and forgery.[3]
Crescenzo Albano, perjury and forgery.[3]
Sam Storch, perjury.[1]
Harry C. H. Gartner, perjury.[1]
Letterio Donato, perjury and subornation of perjury in registration fraud.
Giosue Cossaro, perjury.[1]
Sam Fatigati, perjury.[1]
Estelle Weiner, perjury and forgery.[3]
Harry Grundhand, perjury.[1]
Marco Gaglione, perjury.[1]

[1] Naturalization fraud in obtaining first or second papers illegally while in United States illegally.
[2] Immigration visa fraud, followed by illegal entry and naturalization fraud in obtaining first or second papers, or both first and second papers.
[3] American passport fraudulently obtained and used to enter the United States illegally.
[4] American passport fraudulently obtained and used to enter the United States illegally, followed by naturalization fraud in obtaining first or second papers, or both first and second papers.

Lorenz Rathje, bigamy.
Victor R. Stewart, theft.
Ezio de Vecchi, perjury.[1]
Giuseppe Patinella, perjury (reentry permit fraud).
Matija Sega, perjury.[2]
Joseph Sabbath (Urjasovicius), perjury (visa and immigration frauds).
Silvio Picarelli, perjury.[3]
Andrej Baran, perjury.[2]
August A. Meyer, perjury.[3]
Giovanni Hroncich, perjury.[1]
Ruth Winkelstein Radin, perjury.[1]
Mario Lamerba, perjury.[1]
Benny Schmukler, perjury and forgery.[2]
Joseph Dittiger, perjury.[1]
Polyxeni Tsoukalos, forgery (counterfeit visa fraud).
Francisco Camara, perjury and forgery.[2]
Sarah Gomez, perjury.[3]
Clemente Barros, perjury and forgery.[2]
Bojka Popova Milankov, perjury and forgery.[3]
George Bengarin, perjury (reentry permit and naturalization frauds).
Giovanni B. Toffolo, perjury and forgery.[2]
Berta Kraemer, perjury and forgery (visa and immigration frauds).
Joseph Herschmann, perjury and forgery (visa and immigration frauds).
Antonio Pravenzano, perjury and forgery.[3]
Eugene Zappa, perjury.[1]
Esther Klug Wiener, perjury (sec. 220, U. S. Code).
Leo Usher Ackerman, perjury.[2]
Alexander E. Barran, perjury (immigration and registration frauds).
Corrado Arradio, perjury and forgery (reentry permit and naturalization frauds).
Maria Covi, perjury.[3]
Giovanni Notaro, perjury and forgery.[2]
Antonio Giacoponello, perjury.[1]
Ivan Ivancev, perjury.[1]
Eric Schafer, perjury.[1]
John N. Chicouras, perjury.[1]
Patrick J. Reilly, perjury (registration and naturalization frauds).
Giovanni Caruso, perjury.[1]
Constantine F. Polis, obtaining money under false pretenses.
Joseph Veseliza, perjury.[2]
Giuseppe Tominovich, perjury.[1]
Edward Cereghino, perjury.[1]
Gitta Rubin Ferman, perjury.[2]
Oscar John Feldshau, perjury in United States Navy enlistment application.
Nicola Publiano, perjury (visa, passport, immigration, and naturalization frauds).
Stoyan Atanasoff, perjury.[3]
Gerhard H. Nordenbrook, theft.
Oswald Getruer, perjury in application for extension of temporary stay in United States.
Bessie H. Waldman, perjury.[1]
Henry Booth, theft.
Gaetano Pafumi, perjury.[1]
Adolf Bayko, perjury in Canadian naturalization and United States immigration proceedings.
Rachel Schildkraut, perjury (immigration visa fraud).
Paolo Scarola, perjury and forgery.[2]
Gerlando Mirasola, perjury and forgery.[3]
Johan Bodrog, perjury.[3]
Theodor Rosenberg, perjury.[2]
Benjamin Benjaminoff, perjury.[2]
Max Weinrib, perjury and forgery.[2]
Raimondo Bentivegna, perjury and forgery.[3]
Joseph Rosenwein, perjury (immigration visa fraud).
Bruno Pontello, perjury (facts not stated).
Efrajem Braun, perjury and forgery.[3]
Jozefa Braska, perjury, and previously deported (immigration visa fraud).
Juibert De Ruiter, fraud in connection with the illegal manufacture of liquors.
Louis Kotyuk, perjury and forgery.[3]
Mariano Mirti, perjury.[2]
Elijah Opatowski, perjury.[2]
Macek Lechtensztejn, perjury.[1]
Agata Szot, perjury.[3]
William H. Taylor, perjury.[3]
Thomas Sweeney, perjury and forgery (visa and immigration frauds).
Frederick V. Mauro, perjury (registration fraud).
Balini Recsanszki, perjury.[3]
William E. Tomlinson, perjury.[1]
Peter J. Straetmans, perjury (facts not stated).
Sebastian Romero, perjury (in deportation proceedings).

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Anton Rogovic, perjury.[1]
Refugio Munoz, previous deportation as a prostitute.
Robert E. Storm, perjury, several offenses, and likely become public charge.
Simon Peniowycz, perjury.[3]
Giuseppe Salvatore Prestia, perjury (registration fraud).
Magdalena Kulifay, perjury and forgery.[3]
Steven Moshluk, perjury (facts not stated).
Alfred J. Willis, theft.
Irene V. Cote, theft.
Carlo File, perjury.[1]
Serafim Carvelho, perjury.[1]
Joseph Vaselesky, repeated theft and other crimes.
Andrea Turco, perjury (facts not stated).
Francesco Castelli, perjury (reentry permit and naturalization frauds).
Adam Dzjamba, perjury and forgery.[3]
Domenico Zuccaro, perjury and forgery.[3]
Carmen R. de Garcia, perjury and forgery (immigration visa fraud).
Alessandro Mattioda, perjury and forgery (immigration visa fraud).
Marie K. Skadra, perjury.[3]
Francesco Paradino, perjury (immigration visa fraud).
Henry S. Harrington, theft.
Thomas E. Jones, perjury (previously excluded as a procurer of prostitutes).
Rudolf Breede, theft.
Salvatore di Martino, fraud and conspiracy in obtaining relief in United States.
Morris Goldberg, fraud and uttering counterfeit immigration visa.
Menta Goutis, illegal entry with immigration visa obtained by fraud and perjury.
Patrick F. de Coste, perjury.[1]
Angelo Calipano, perjury (reentry permit fraud).
Antonio Campos, perjury and forgery.[3]
Jose F. Pintasilgo, theft (convicted in New York of stealing gasoline from automobile).
Veronica Wojcik, perjury.[3]
Jack L. Knudsen, perjury and fraudulent claim to American citizenship in order to obtain employment.
Andrea Sosa, likely to become public charge.
Ascencion Salinas, perjury (registration fraud) and illiteracy.
Eulalio Moreno, perjury (registration fraud) and illiteracy.
Bernard S. A. Studentkowski, perjury (immigration and registration frauds).
Guglielmo Li Pera, forgery (uttering counterfeit immigration visa in entering illegally).
Anthony Alcamo, perjury (facts not stated).
Antonio D'Oliveira Faneco, perjury and forgery (immigration visa fraud).
Francis A. Quider, theft (2 convictions).
Elisa Del S. Lupini, perjury and forgery (immigration visa fraud).
Antonio de Miranda Vas, perjury and forgery (immigration visa fraud).
Marja Lemanski, perjury (immigration visa fraud).
Felicitas Morales, public charge.
Katerina Dubetz, perjury and forgery (immigration visa fraud).
Jan Grosko, theft.
William K. McDormand, theft.
Andrea Sosa, public charge.
Marie M. C. Beauvais, public charge.
Emil Milost, perjury (immigration, registration, and reentry permit frauds).
Giuseppe Chiarenza, perjury (immigration visa fraud).
Luz R. de Clemmons, perjury, likely become public charge (miscegenation).
Eugenio Pupo, perjury (immigration visa fraud).
Pietro D. Fantasia, perjury and forgery (immigration visa fraud).
Luigi Martini, perjury (immigration visa and reentry permit frauds).
Consuelo A. De La Cruz, perjury and forgery (immigration visa fraud).
Franciszek Machnik, perjury and forgery.[3]
Edwin W. Thomasson, perjury (marriage-license fraud).
Herman Feinman, perjury.[2]
Giuseppe Richeda, perjury (facts not stated).
Felice Musci, perjury (Canadian passport and immigration frauds).
Angelo Califano, perjury (facts not stated).
Charles J. Nahid, perjury (immigration visa and immigration port frauds).
Angela Nahid, perjury (immigration visa and immigration port frauds).
Domenico Monastieri, perjury.[2]
William Lypen, perjury (facts not stated).
W. Robert Montgomery, violation of New York State banking laws.
Alfredo Coppotelli, perjury and forgery (immigration frauds).

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William A. Vagt, rape.
Arthur Santangelo, larceny.
Nora Hennelly, forgery.[3]
Juan Basurto, theft and illiteracy.
Despina A. A. Kermetzoglous, perjury and forgery (immigration visa and immigration frauds).
John D. Higgins, public charge.
Fortunato Fiore, public charge and illiteracy.
Leon Vanooteghem, perjury (reentry permit frauds).
Joseph R. Dunn, public charge and assisted alien (passage paid by others).
Spyridon Petratos, previous attack of insanity, public charge, previously deported.
Concepcion Flores, theft.
Sara Rivera, public charge.
Alberta C. Olmedo, public charge.
Guilermo Gonzalez, theft.
Leonard David Abreau, theft.
Francesco V. Giuffre, perjury and forgery (reentry permit fraud).
Esperanza Q. de Morales, perjury (registration fraud).
John L. Pinchus, perjury (immigration visa and immigration frauds).
Ramon Gomez, illiteracy.
Mrs. Ramon Gomez, likely become public charge.
Frank A. Walden, perjury.[1]
Edith M. Nye, pauper, likely become public charge, and assisted alien (passage paid by others).
Sebas Guerra, physically defective and likely become public charge.
Carl A. R. Anderson, contributing to delinquency of minor.
Joseph Brajuha, perjury.[1]
Frank Kovach, perjury and forgery (immigration visa fraud).
Mary Pauline Kaufman, likely become public charge.
Alfred Thomas Kaufman, likely become public charge.
John L. O'Neill, perjury and forgery (immigration visa fraud).
Goldie Novossel, perjury and forgery.[3]
Isidro Ruiz, perjury (immigration fraud).
Nikola Miskov, perjury.[1]
Chana Brodsky, perjury and forgery (immigration visa fraud).
Calogero Bernardo, perjury and forgery (immigration, naturalization, and reentry permit frauds).
Guadalupe Martinez, likely become public charge.
Juan Martinez, likely become public charge.
Juan Raya, likely become public charge.
Mathilde Raya, likely become public charge.
Fernando Vela, likely become public charge.
Soledad Tapia, likely become public charge.
Anna Voelker, tuberculosis.
Abraham Mogolewski, perjury and forgery.[2]
Marya Chmura, perjury and forgery.[3]
Francesco Napoli, physically defective, illiterate, and likely become public charge.
Carlos De Jesus, perjury (reentry permit fraud).
Ila Dellow, theft.
Alice Rubenstein, perjury and forgery (immigration visa fraud).
Luigio Fior Dei Tos, perjury and forgery.[3]
Mary McCombe, perjury and forgery (immigration visa fraud).
Joseph Csanyi, perjury (immigration visa fraud).
Juan Rivas, illiterate.
Giuseppe Casola, perjury and forgery (immigration visa fraud, naturalization fraud), carrying concealed weapons, and violating State prohibition laws.
Antonio Gaudio, perjury (registration fraud).
Christophoros Divaris, perjury and forgery (registration and naturalization frauds).
Atanasio Rodriguez, illiteracy.
Gittel Mart, perjury (immigration visa fraud).
Guadelupe Contreras, bigamy.
Joao da C. Gomes, perjury in deportation proceedings.
Antonio Joaquim, perjury and forgery.[1]
Camille Letendre, physically defective and likely become public charge.
Ignacio Castillo, theft.
Bonifacia Archuleta, physically defective and likely become public charge.
Diego Leo, larceny, carrying concealed weapons, and failure to pay taxes.
Michele D. Gregorio, theft, perjury, and forgery (immigration visa fraud).
Manuel Sustaita, physically defective.
Faustino Sustaita, perjury in deportation proceedings.
Sabatini Leo, perjury and forgery.[2]
John Mann, perjury in deportation proceedings.
Juan Cabrera, perjury (immigration fraud).
Cristina Flores, perjury (immigration fraud), also likely become public charge.
Luigi D'Oria, perjury and forgery (immigration visa fraud).
J. A. Tetreault, theft.
Peter Borovina, likely become public charge.

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Joao M. de Oliveira, perjury (immigration visa fraud).
John Benedetto, perjury in registration proceedings.
Hercule Le May, likely become public charge.
Aubrey Canning, physically defective and likely become public charge.
Jose A. Garcia, likely become public charge.
Mary Fellius Garcia, likely become public charge.
Margarita Garcia, likely become public charge.
Santo C. Campana, public charge—on relief.
Juan Valdez, perjury in deportation proceedings (deported 3 times).
Theodore Steinberg, perjury (immigration visa fraud).
Chawa Chana Steinberg, perjury (immigration visa fraud).
Natalia W. de Armenta, likely become public charge.
Pedro de Armenta, likely become public charge.
Leopold A. Lindsay, perjury (convicted of claiming American citizenship in order to obtain employment.
Jose G. Goeloe, likely become public charge.
Jose M. Munoz, illiteracy.
Frank Ogrisseg, bigamy.
Claudio Leal, illiteracy.
Pas Leal, likely become public charge.
Eduard Silberg, perjury (immigration visa faud).
Guillermo Centurion, tuberculosis.
Weronika Urbanek, perjury and forgery (facts not recorded).
Gio B. Polo, perjury (immigration visa fraud).
James L. Campbell, perjury.[1]
Kamila Pigill, perjury and forgery.[3]
Peter Naum, perjury in deportation proceedings.
Marjorie C. Coulter, tuberculosis.
Giacomo Cichero, perjury in deportation proceedings.
Candelaria Bencomo, illiterate and likely become public charge.
Natalia Nunez de Navarrette, perjury in immigration proceedings.
Veronica Gricunas, perjury and forgery.[3]
John Logghe, perjury.[1]
Manuel Moncado, perjury in deportation proceedings (pardoned for burglary).
Aleksa Cvetoevic, perjury and forgery (reentry-permit fraud).
Giovanni Vitulli, forgery (facts not recorded).
Carmine Di Benedetto, perjury (registration and naturalization frauds).
Attilo Picano, perjury and forgery (immigration fraud.)
Mendl Leibick, perjury and forgery (immigration visa fraud).
Maria Stoika, forgery (passport and reentry-permit frauds).
Nicola Azzolini, perjury (reentry permit and naturalization frauds).
Felicitas Castoreno, perjury in deportation proceedings.
Joseph Ballen, perjury.[1]
Felippo Abela, contributing to the delinquency of a female minor child.
Lazor Rubinsznajder, perjury and forgery (immigration visa fraud).
Rene W. Bresett, tuberculosis.
Patrick Kane, illiteracy.
Giuseppe W. Palma, illiteracy.
Stefano C. Grano, perjury in deportation proceedings.
Pasquale Mastroianni, perjury.[1]
Arthur Andrade Angel, perjury (immigration fraud).
Salvador Bracamonte, likely become public charge.
Jan Kulik, perjury and forgery (immigration visa fraud).
Ursula Muniza, perjury and forgery.[3]
Salvatore Messina, perjury (registration fraud).
Helen B. Perry, mentally defective and likely become public charge.
Hersulano Espinoza, perjury and forgery (immigration visa fraud).
Alexander Sykes, larceny.
Felix Contreras, perjury (registration fraud) and illiteracy.
Mariannina d'Amore Bartolo, perjury (immigration visa fraud).
Giulio Cons, illiteracy.
Umberto Giovanni, perjury.[1]
Giovanni di Meglio, perjury (immigration, reentry permit, and naturalization frauds).
Luke Gannon, illiteracy.
Hans A. Bungel, larceny.
Lorn C. Sears, burglary.
Marcos Portillo, theft.
Clemente P. Falco, perjury and forgery.[3]
Ponciano Diaz, illiteracy.
Victoria R. de Puentes, perjury and forgery (immigration fraud).
Jeanne Langer, perjury and forgery (reentry permit fraud).
Cataldo Leo, perjury (immigration fraud).
Pranas Bulavas, perjury and forgery (immigration visa fraud).
Calogero Zaccaria, perjury.[1]
Nicola Tondo, perjury (registration fraud) and theft and assault and battery.
Dorothy M. Simpson, perjury in deportation proceedings.
Giuseppe Galano, perjury (immigration fraud).
George F. Hearne, perjury (false claim of American citizenship; sentenced to Atlanta Penitentiary for 1 year and 1 day).

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Manoel J. Ferreira, perjury (immigration visa fraud).
Mario de J. Corona, likely become public charge.
Bernard Healey, previous attack of insanity and immigration fraud.
Tomas N. Xavier, perjury (immigration fraud).
Johann Herold, reentry permit fraud.
Alice Doucette, perjury and forgery (immigration visa fraud).
Giuseppe Brucoli, perjury and forgery.
Elie Hadziangelou, perjury and forgery.[3]
Norena B. MacKinnon, tuberculosis.
Caterina Dezelich, perjury and forgery (immigration visa fraud).
Christophoros Divaris, perjury [1] and registration fraud; previously deported.
Minna Blumenstein Slutzkin, conviction under section 22 (b) of Immigration Act of 1924.
Heinrich Oehlke, perjury.[1]
Aleido Dominguez, perjury (immigration fraud).
Salvador Elizondo, perjury (registration fraud).
Jolin Furitano, perjury and forgery (facts not stated).
Erasmo Colozzi, illiteracy.
Alexander Adler, perjury.[1]
Harry Schlusberg, perjury and forgery.[3]
Antonio Rodrigues, perjury and forgery (immigration visa fraud).
Domenic Capaldi, perjury and forgery (immigration visa fraud).
Walerja Rijanowska, perjury and forgery (immigration visa fraud).
John Tichy, physically defective.
Niko Miskov, perjury.[1]
Enrico Kolich, perjury.[1]
Nicola Rinaldi, likely become public charge.
John Kopas, perjury and forgery.[3]
Romany H. Wertz, previous attack of insanity.
Eleanora Siwek, perjury and forgery.[3]
Sora-Rywa Mostczenik, perjury and forgery (immigration visa and deportation fraud).
Lilian S. Brownbill, public charge bond case.
Antonio J. da Silva, perjury and forgery (immigration visa fraud).
Vasilios Frondakis, likely become public charge.
Susanne Rosen, perjury (immigration visa fraud).
William May McCann, perjury (border-crossing fraud).
Ickas L. Vinikas, perjury and forgery (immigration visa fraud).
Giulio Cons, perjury (illiteracy previously waived for this alien).
Christian Canton, likely become public charge.
Francesco Di Donna, perjury.[1]
Winnifred T. Jordan, likely become public charge.
John Jordan, likely become public charge.
Tito Jiminez, physically defective and likely become public charge.
Francesco Perrotta, perjury (immigration visa and reentry-permit frauds).
Tomas S. Salinas, perjury (immigration visa fraud).
Manuel Taboada, perjury (registration fraud).
Cristina Giordano, perjury.[3]
Emilia M. M. Siordia, perjury and forgery (immigration fraud).
Antonio Corporales, perjury and forgery.[3]
Charles J. Nahid, perjury (two instances, one listed previously).
Leone Goffredo, physically defective and likely become public charge.
Juan Mendiola, burglary (conviction) and illiteracy.
Leonard C. Moffatt, theft.
Joaquim Gomes, perjury and forgery (immigration visa fraud).
Agatha M. Yakavonis, perjury and forgery.[3]
Jean C. Mummah, bigamy.
Steve Adamic, theft.
Civita Mazzella, likely become public charge.
Pearl Bennett, likely become public charge.
William F. Craig, likely become public charge.
Domenico Ronzetti, perjury in registry proceedings.
Maria Garcia, perjury (facts not stated).
Ernest H. Stahl, receiving stolen property.
Gaetano Scotti, bigamy.
Shulik Chertein, incest and likely public charge.
Enrico Paone, likely become public charge.
William F. Tap, likely become public charge.
Helena Wojtarowicz, perjury and forgery.[3]
Edwardo Paliotti, perjury (registration fraud).
Julia Bodle, perjury (deportation proceedings).
Paraska Powanda, perjury.[3]
Oke Elander, physically defective and likely become public charge.
Nicholas Pellegrini, perjury and forgery (immigration visa fraud).
Riccardo Figliolia, perjury (immigration fraud).
Victor Copp, bigamy.
Luigi Grancelli, perjury (immigration fraud).
Abraham J. Rosenfeld, perjury and forgery (immigation visa fraud).
Tillie Kopenhagen, perjury and forgery (immigration visa fraud).
Maria Mazzolini, perjury and forgery.[3]
Augusto de Miranda, perjury (immigration fraud).
Anselmo Cocco, perjury and forgery.[3]

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Anna D. Dickie, physically defective and likely become public charge.
Helen Moisides, perjury and forgery (visa fraud).
Bonfiglio Mosconi, perjury and forgery.[4]
Sebastiano Ambroggio, perjury (facts not stated).
Epaminondas Kapogiannis, perjury (facts not stated).
Marcelino Alba, perjury (registration fraud), conviction of breaking and entering, and illiteracy.
Eugenia S. de Palencia, perjury (registration fraud).
Bernardino Rossi, perjury.[3]
Joseph Dubois and two children, likely become public charges.
Kurt Benkivitz, subornation of perjury.
Carl Wilhelm Smolka, larceny and burglary (convicted five times).
Mary Z. Shargabian, bigamy.
Augustus L. St. James, previous attack of insanity (public-charge bond authorized).
Christ Jurkoff, perjury (facts not stated).
Henry J. Foley, larceny.
Lilian Wall, bigamy.
Pasquale Maiello, perjury and forgery.[3]
Giovanni Cusumano, perjury.[1]
Apostal Lushanovic, perjury (reentry-permit fraud) and bigamy.
Thomas Moore, perjury.[2]
Roberto de la Rosa, likely become public charge.
Joseph L. Plasse, larceny (conviction).
Nicholas Schneider, grand larceny (conviction).
Amerigo Domestico, perjury (reentry-permit and naturalization frauds).
Armando Agaccio, perjury (registration and naturalization frauds).
Aniello Amalfitano, naturalization fraud.
Gordon A. Campbell, fraud in registering as a voter in Florida.
Giovanno Strano, perjury (registration fraud).
Santos Marchan, likely become public charge.
Francisco J. Barboza, perjury and forgery.[3]
Dominic Sandrelli, theft and breaking and entering.
Eric F. Lerch, theft.
Milburn G. H. Shier, perjury and forgery (immigration-visa fraud).
Efthalia J. Saitas, reentry-permit fraud.
Edward Milnthorpe, perjury (immigration fraud).
Ramon Gomez, perjury and forgery (immigration visa fraud).
David J. Raymond, likely become public charge.
Carmelo Leotta, perjury (registration and naturalization frauds).
Antonio Lubich, perjury.[1]
Arron Shore, theft.
Encarnacion Torres, smuggling.
Maria C. Kwasny, perjury and forgery.[3]
Michele Juliana, perjury and forgery.[3]
Anna Ezykowicz, perjury and forgery.[3]
Giacomo Monastero, perjury and forgery.[3]
Jack F. Malta, larceny.
Felice Tarricone, perjury and forgery.[3]
Giuseppe Colantonio, perjury.[1]
Ernest Allard, perjury (immigration fraud).
Marianna Cinkala, perjury and forgery.[3]
Matteo M. Bursich, perjury.[1]
Timothy Healy, perjury (facts not stated).
Jeanne D. Breton, likely become public charge.
Joseph Bercok, perjury and forgery.[3]
Angelo Fort, perjury (reentry-permit and naturalization frauds).
Giulio Muttinelli, theft.
Giovanni Vallar, perjury.[1]
Giuseppe Lorusso, forgery.[3]
Antonio G. Rios, perjury (registration fraud).
Giuseppe Pinto, illiteracy.
Joseph Kvartek, perjury.[3]
Katharine Just, perjury and forgery.[3]
Pietro Marsala, forgery (uttering counterfeit immigration visa).
Jose P. Castaneda, illiteracy.
Ben Gold, forging head-tax refund certificate.
Francesco de Masi, perjury.[3]
George Zemlan, forgery.[3]
Nora Kickham, perjury and forgery.[3]
Jose Wheeler, criminal assault.
Eva M. Blackwell, public charge (has been on relief for years).
Ramon F. Gonzalez, perjury.[1]
Innocenzo Zanlunghi, perjury and forgery (reentry-permit fraud).
Maria Zanlunghi, perjury and forgery.[3]
Eleadoro Casanova, convicted of attempted burglary.
Jose Salinas, perjury (immigration fraud).
Anna C. Di Liberto, physically defective, likely become public charge, and forgery in immigration visa fraud.

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[4] American passport fraudulently obtained and used to enter the United States illegally, followed by naturalization fraud in obtaining first or second papers, or both first and second papers.

Nicholas Kusmanich, perjury and forgery (immigration visa and foreign-passport fraud).
Cenobio Herrera, prostitute procurer (previously deported).
Effie Hamil, perjury.[1]
Giuseppe Nacinovich, perjury.[1]
Teodoro Leon, burglary, perjury, and subornation of perjury.
Ladone Parascandalo, reentry permit and naturalization frauds.
Gaspare Giuliano, perjury and forgery.[3]
Angelo Vecchio, perjury (facts not stated).
Teodulo Flores, perjury (immigration fraud) and illiteracy.
Gabriel Gomez, larceny and likely become public charge.
Sebastiano Montecciolo, perjury and forgery.[2]
Mary S. Maddock, likely become public charge.
Joao Fernandes, perjury (reentry permit fraud).
Vincenzo Mutolo, perjury (facts not stated).
Felix B. Moreno, physically defective.
Manuel Trueira, perjury (reentry permit fraud).
Paul Stone (Stolnitzky), perjury, physically defective, and likely become public charge.
Alexander Arpajian, perjury (facts not stated).
Francesco Incorvaia, illiteracy.
Biagio Chiabrera, perjury.[1]
Hardenberg Bonjer, burglary (two convictions).
Giuseppe Mazzilli, perjury.[1]
Luigi Di Cesare, perjury.[1]
Leo Brousseau, perjury and forgery (immigration visa fraud).
Edgar Brousseau, perjury and forgery (immigration visa fraud).
Anna Kujawa, perjury.[3]
Aldo L. Mazzoni, theft and perjury.
Biagio Patrizio, perjury (immigration visa fraud).
Giuseppa Cecci, perjury and forgery.[3]
Michael Fedorko, forgery.[3]
Peitro Lorusso, forgery.[3]
Oscar S. Johnson, conspiracy and extortion.
Archibald Edward McClarty, theft.
Lawrence Arthur McClelland, rape.
James Theodore Johnson, aiding and abetting shoplifting.
Fernando Pini, perjury.[1]
Thomas Edward Coogan, perjury (visa fraud).
John L. Anthony, theft.
Francesco Collo, manslaughter.
George Arthur Ingoldby, perjury.[3]
Antonio Attisani, perjury and forgery.[2]
Daniel Harry Berliner, perjury.[3]
Carmelo Roman, perjury.[1]
Karl Eder, perjury.[1]
Friedrich Schlirf, perjury.[1]
Lipman Kufheiser, perjury.[1]
Lillian J. Flake, theft (two convictions).
Joseph Ichtertz, theft.
Szczepan Adamczyk, bigamy.
Shepsel Kushelewich, forgery (visa fraud).
Joseph Michaud, perjury and forgery (visa fraud).
Russell H. Martin, theft.
Frederich L. H. Amberger, embezzlement and manslaughter.
Anton Glavicich, perjury.[1]
Salvatore Mandala, perjury and forgery.[1]
Camille Neuenschwander, perjury.[1]
Peter Gluech, perjury.[2]
Sergio Di Terlizzi, perjury (visa fraud).
Leonard J. Martel, perjury (immigration fraud)
Herman Salinger, perjury and forgery.[2]
Joseph H. Kendal, perjury and forgery (visa fraud).
John Kulla, theft.
James Bush, perjury (visa fraud).
Zalel Strassler, perjury (visa fraud).
Carlos Santaniello, perjury.[3]
Anton Weir, perjury.[1]
Julja Sankowska Krause, perjury and forgery.[3]
Rozalja Blus, perjury and forgery.[3]
Santo Tedesco, perjury and forgery.[2]
Antonino Dinolfo, perjury and forgery.[2]
Giuseppe Casala, perjury and forgery.[2]
Giuseppe C. Tramontin, perjury.[1]
Angelo S. Scarola, perjury.[1]
Francesco Pafumi, perjury.[1]
Stasys Gaucas, perjury and forgery.[3]
Eugene Grach, perjury.[1]
Leo Eckermann, perjury and forgery.[3]
Carlo Resta, perjury.[2]
Joseph Ruttera, perjury.[2]
Calogero Sgaraglino, perjury and forgery.[3]
Becalel Arfa, perjury.[1]
Agapito Di Piro, perjury.[2]
Giovanni Notaro, perjury and forgery.[3]
Antonio Tercovich, perjury.[1]

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Isidor Katzenellenbogen, perjury and forgery (visa fraud); special act later passed by Congress to admit this alien.
Joseph Kirincich, perjury.[1]
Boris Ginsburg, perjury and forgery.[2]
Samuel Engler, perjury and forgery.[2]
Giorgio Buone, perjury and forgery.[2]
Michele Taglich, perjury and forgery.[4]
Salvatore Delvino, perjury and forgery.[4]
Mendelis Glikas, perjury.[2]
Domenico Tornabene, perjury.[1]
Desidero Palermo, perjury.[1]
Isidor Finkelstein, perjury.[3]
Domingo Alvarez Morais, sodomy, larceny, and receiving stolen goods.
Engelbert Preis, deported in 1923 as a Communist.

Mr. President, these aliens were indicted for virtually every crime on the statute books, including theft and smuggling. I call attention to the list at this time in order that the American people may know that under a misinterpretation of the seventh proviso, alien criminals, violators of our laws, were permitted to reenter the county.

Mr. HOLMAN. Mr. President——

Mr. REYNOLDS. I gladly yield to the Senator from Oregon.

Mr. HOLMAN. The Senator from North Carolina is well aware of the fact that I am in agreement with the aims and purposes of his work through the years on the immigration question. I wish to call to the attention of the Senate Order No. 1166, on the calendar, Senate Resolution 168, which provides for an investigation of the immigration of aliens into the United States. Repeatedly, I have tried to have this resolution considered, and repeatedly it has been objected to when reached on the unanimous Consent Calendar.

The question which now arises in my mind, and on which I should like to have the opinion of the able and patriotic Senator from North Carolina, is: Did the recent transfer of the Immigration Bureau from the Department of Labor to the Department of Justice obviate or make unnecessary the further consideration of this resolution to investigate the criminal aliens in the United States?

Mr. REYNOLDS. Certainly not.

Mr. HOLMAN. I wish to be advised whether the Senator believes the resolution should be brought up and the purpose of it still effectuated.

Mr. REYNOLDS. It certainly should be effectuated, and I think that Congress should make an appropriation in a sum sufficient to pay any expenses which might be incurred in making the full and complete and exhaustive investigation, to be conducted by the committee, which the Senator's resolution would initiate.

Mr. HOLMAN. An appropriation was authorized by the Committee to Audit and Control the Contingent Expenses of the Senate in the sum of $10,000, and I was not inclined to debate the amount. I was of the opinion that if we could get the investigation under way, it might be concluded within that figure, and if not, sufficient progress would be made to justify further appropriations. I serve notice, if I may, that at the first opportunity I shall call the resolution up for consideration.

Mr. REYNOLDS. I say unhesitatingly that merely by the presentation of the resolution itself the Senator has evidenced that he is far-sighted. He has unquestionably made a step in the right direction, which is forward. I believe that $10,000 would be sufficient to launch the investigation, and I am absolutely certain that after it had been launched under the direction of the able Senator from Oregon, Congress itself, as well as the American people, would realize that the things revealed as a result of the investigation were well worth the $10,000 expended, and that more would be appropriated later for the same purpose.

Of all times, now is the time when we should make an investigation of the immigration problem in general, first, because we have but recently passed a registration and fingerprinting act which is designed for the registration of all aliens in the United States, whether they entered legally or illegally, so that we may ascertain how many are here and where they are.

Mr. DIES, the able chairman of the special committee of the House, once stated in an interview in Chicago that he was of the opinion that there were 7,000,000 aliens in the United States. Mr. Houghteling, Commissioner of Immigration, stated that in his opinion there are about 3,600,000 in this country. No one knows how many there are, and we will not know how many there are after the administration of the Smith Act, because many hundreds of thousands no doubt will evade registration, knowing that upon apprehension, or submission, for that matter, action would be taken to deport them.

The second reason why the resolution should be adopted and an investigation begun at once is that there is pending before the Committee on Territories and Insular Affairs a bill which it is said is for the development of Alaska, that vast Territory of about 544,000 square miles, with a population of 58,000 people, about thirty-five or forty thousand of whom, as I recall, are Eskimos. Some interests wanted us to open up Alaska to 100,000 refugees so as to develop that Territory.

Mr. HUGHES. Mr. President, will the Senator yield?

Mr. REYNOLDS. I yield.

Mr. HUGHES. Does it not occur to the Senator that since we have transferred to another department the control of immigration, and also have considered measures, some of which have passed and some of which are pending, to regulate the entry of foreigners and their deportation, the Senate should wait until we see what effect those measures will have, and how they work, before we begin to investigate something which is already provided for?

Mr. REYNOLDS. I thank the Senator immensely for the inquiry, but I am distressed to have to disagree with him, for the reason that we have enacted about one one-hundredth as much legislation in reference to subversive activities, "fifth columns," limitation of immigration, and deportation of alien criminals as we should have enacted, or at least as I would have enacted had I a lone hand in bringing about the enactment of such laws.

For instance, let me say to the Senator that I have pending a bill which would stop all immigration into this country for the next 10 years, until such time as every American citizen who is employable has been employed. I insist upon the enactment of that bill for the benefit of American laboring men, 11,000,000 of whom are out of work at this time, 25,000,000 of whom are working only part time, 2,700,000 of whom are on W. P. A. and would like to be engaged in private industry; as well as for the benefit of 300,000 young men in the C. C. C. camps who would like to find remunerative employment outside, and 750,000 fine boys and girls who last June were graduated from our high schools, colleges, and universities, many thousands of whom cannot now find employment. That is one bill I want passed, and I have innumerable others, and I can think of more and more which should be passed for the benefit of this country.

Mr. HUGHES. Mr. President, will the Senator yield for another question?

Mr. REYNOLDS. I am very happy to have the Senator direct a question to me, and I shall, if possible, answer it.

Mr. HUGHES. I should like to ask the Senator whether, in view of present conditions and in view of our hope that many of our unemployed may obtain employment, he does not think a great many will be employed by industries which have become very busy because of national-defense preparations. Would not such a bill as the Senator mentions, which would shut off immigration from any nation, be rather dras-

[1] Naturalization fraud in obtaining first or second papers illegally while in United States illegally.
[2] Immigration visa fraud, followed by illegal entry and naturalization fraud in obtaining first or second papers, or both first and second papers.
[3] American passport fraudulently obtained and used to enter the United States illegally.
[4] American passport fraudulently obtained and used to enter the United States illegally, followed by naturalization fraud in obtaining first or second papers, or both first and second papers.

tic, and would it not be perhaps offensive to other countries with whom we desire to retain peaceful relations?

Mr. REYNOLDS. I do not think so at all, because other countries personally consider what is best for themselves, and they say, "To hell with any other country. What we are interested in is our own people and our own country."

Mr. CONNALLY. Mr. President——

The PRESIDING OFFICER. (Mr. CHANDLER in the chair). Does the Senator from North Carolina yield to the Senator from Texas?

Mr. REYNOLDS. I gladly yield.

Mr. CONNALLY. I am always interested in hearing the Senator from North Carolina speak on this subject, because he has such a fund of information and has given so much study to it. Does not the Senator think, however, that the recent legislation which Congress enacted, originating in the House of Representatives, but wholly rewritten in the Senate by the addition of requirements that all aliens in the United States shall be fingerprinted and registered, will go a great way toward solving some of our problems relating to aliens?

Mr. REYNOLDS. Unquestionably, and I say to the distinguished Senator that I am very happy he rose at this time, because I wanted the opportunity of extending to the people of Texas my congratulations upon their having sent him to the Senate of the United States, and I wish to say now from the floor of the Senate—and, inspired by the presence in the chair of the great representative from Kentucky, I trust my words will reach the ears of every man and every woman who is qualified to vote in the State of Texas—that it is my hope and my sincere desire that they will vote, in the coming election, for that champion of American rights, that great American patriot, the junior Senator from Texas, who has done as much for the American laboring man and the American people as any other man ever did, and who did as much for our national defense as any other Member of this body, or any other legislative body ever did, when he championed HOWARD SMITH'S bill, originating in the House of Representatives, and which came to the Judiciary Committee of this body, from which it was reported and then passed by the Senate. As a result of my personal interest in the people of Texas and the people of this Nation, I hope the people of Texas will send the junior Senator back to the Senate, so that he may continue to fight for the American people and the American Nation, for he is one who thinks first of the United States of America, and then, after they are provided for in his great charity, he thinks of the people of the whole world.

Mr. MINTON. Mr. President, will the Senator yield?

Mr. REYNOLDS. I yield.

Mr. MINTON. I merely wish to say to my friend the Senator from North Carolina that I am also running for the Senate this year. [Laughter.]

Mr. REYNOLDS. I know that my distinguished friend likewise supported the registration and fingerprinting bill, and I congratulate him, and I congratulate the people of his State, and, loving him as I do, having a deep and sincere affection and admiration for his courage and willingness always to see the light, I hope likewise that the grand people of the great State of Indiana will never turn their hearts from him. [Laughter.]

Mr. MINTON. I thank the Senator.

Mr. REYNOLDS. The Senator is certainly welcome. I shall expect the same treatment from the Senator from Indiana, and I shall expect the same from the Senator from Texas when 4 years from now I seek to be returned to the Senate of the United States. [Laughter.] I do not want those Senators to forget that.

I now yield again to the Senator from Texas.

Mr. CONNALLY. Mr. President, words fail me to express my gratitude for the accolade which the Senator from North Carolina has bestowed upon my distinguished friend the Senator from Indiana [Mr. MINTON] and also on my humble self. I wish to remind the Senator, however, that only today another subcommittee of the Committee on the Judiciary held a hearing on the so-called bund bill, requiring the registration with the Attorney General of all organizations having foreign affiliations or carrying on political or military activities, and wearing uniforms. Under that bill all organizations in that category must register with the Attorney General and file their bylaws and constitutions, if they have any, so that the United States Government may have an opportunity to check up on the activities of all so-called American institutions which have an American front and an alien background. I wanted the Senator from North Carolina to know that we are going right along in the same direction.

Mr. REYNOLDS. I am very happy to hear that, and I know that the American people will be glad to learn of it. We have too long coddled alien criminals and undesirables and those who are affiliated with subversive organizations.

I may say to the distinguished Senator from Texas in connection with and parallel with the bill which his committee is now considering, that about 3 weeks ago I submitted a resolution which would outlaw in this country the Communist Party, nazi bunds, and any organizations with Fascist tendencies.

In addition to that I submitted a resolution which would prohibit any labor-union organization from having as its agent or as an officer or as a representative, any alien or anyone who was a member of the Communist Party, the Nazi Bund, or any other similar organization, or any American citizen who had been convicted of a felony and was thereby deprived of American citizenship.

So, if I may be pardoned for using every-day parlance, the bill to which the Senator from Texas referred is "right up my alley." I want to see the measures I have sponsored passed. I have no pride of authorship, but if any of my measures can be passed I want to see them passed. But if some other bill, such as the Howard Smith fingerprinting bill, is considered, I shall support it as enthusiastically as I would support my own bills. I am trying to do my part to preserve America for Americans.

Mr. President, I have before me a very able address delivered by Mr. William Green, President of the American Federation of Labor. When I was in New York last week investigating subversive activities, the "fifth columns," Trojan horses, and looking over the alien enemies, and watching cases tried at Ellis Island Immigration Station, I was in the office of Mr. Herbert Moore. Mr. Moore is president of the Trans-Radio News Corporation. He was showing me around his place and how they gathered the news by ticker, and as I looked at one of the tickers there came over the wire in type-printed form an item to the effect that President William Green had made a statement in reference to those persons in our country who would destroy our form of government. It was a short paragraph. When I returned to Washington I sent for a copy of Mr. Green's statement, and I am glad I did. I read the entire text of his address and I was inspired and encouraged by it. He made it at the graduating exercises of the National Police Academy conducted by the Federal Bureau of Investigation. I shall read a portion relating to the particular subject which has been mentioned by the Senator from Texas [Mr. CONNALLY]. I read it not only for the reason that the Senator from Texas brought up the subject, but for the reason that I have introduced bills which would outlaw the Communist Party, the Nazi bund, which would prohibit the employment by the Government of aliens and members of the Communist Party or the Nazi bund. I know that the American Federation of Labor does not want Communists in its ranks.

Here is what Mr. Green said, and I was very happy to read it, but I was not surprised that Mr. Green had made such a statement, knowing him as I do and as I have for a number of years. I have always possessed a great admiration for him. This is what he said:

> There is no more room for criminals and racketeers in the labor movement of this country than there is in the police forces of our cities, States, and Nation.

William Green said that.

The American Federation of Labor is not a police organization; it is a fraternal body of trade unions. We do not have the facilities, the equipment, the staff, or the legal authority necessary to investigate, try, and punish wrongdoers who may have crept into our movement. That is the function of the police, the law-enforcement authorities, and the courts.

I call upon you, as representative police officials from every section of the Nation, to perform this function and stamp out racketeering wherever it may exist in union organizations just as fearlessly as you would stamp out racketeering in business or in any other walk of life.

As President of the American Federation of Labor, I assure you of the assistance and support in that endeavor of our State federations of labor in every State and of our central labor councils in more than 810 cities. These local organizations of ours are officered by a fine group of honorable American citizens. It would pay you to learn to know them better, for they will be glad to help you and cooperate with you in any public-spirited undertaking.

As a final word on this subject let me say this: If you meet a situation in the elimination of wrongdoing where you believe I can be of help to you, call on me promptly, and I assure you that I will do everything that lies within my power to further the cause of justice.

In these days of world upheaval there falls upon the law-enforcement branch of our Government a new and difficult duty. In addition to your regular job of keeping the peace, you, the police officials of our country, are now confronted with the novel problem—novel, at least, in America—of defending our Nation against traitors in our midst.

I hold these truths to be self-evident:

Listen, please, Senators—

1. That the various brands of totalitarianism which have engulfed Continental Europe—whether their label be Nazi, Communist, or Fascist—are hostile to America and to everything which Americans hold dear. They are contradictory to our form of government.

2. That these enemies of America have conquered free, democratic nations and instituted a reign of terror over almost an entire continent not alone by force of arms but by a carefully planned campaign of organized treachery.

Which I assert to be through the Trojan horses, which as enemies within various countries have been galloping everywhere over there, and also through "fifth columnists."

3. That here in America the totalitarian nations of Europe have established thriving branches and are encouraging their followers to weaken the morale of the United States in every way they can.

4. That such traitorous activities must be stopped by every legal means in the interests of national safety and national defense.

Toward this end, I advocate that the Communist Party and the Nazi bund in this country be outlawed by Congress.

All praise to William Green, president of the American Federation of Labor.

I claim no personal familiarity with police methods. I understand they have been thoroughly modernized. I have been informed that in addition to the first principles of persuasion—powerful as they may be—present-day crime detectors have acquired a full complement of scientific equipment and a wide range of psychological processes of deduction. There is no doubt in my mind or in anyone else's that these new developments in the field of law enforcement have been highly effective. And, I might add, in my opinion a large share of the credit for making police work so much more efficient in this country is due to my friend, J. Edgar Hoover, and the splendid record achieved by the Federal Bureau of Investigation under his direction.

Mr. Green is deserving of great and unstinted praise, for he has done more to provide inspiration for the youngsters of our country and done more to throw fear into the very souls, if they have any, of these criminals, than any other one man or aggregation of men we have ever had in our midst.

Mr. Green continues:

But when it comes to dealing with treachery and "fifth column" activities modern techniques will be of no use to the policeman unless he is backed by the full power of the law.

On May 1, in Moscow, the Communist Internationale issued a May Day manifesto for the instruction and enlightenment of Communist agents and followers in North and South America. This manifesto accused Great Britain, France, and the United States of "imperialism." It also urged Communists in the Americas to campaign for peace and for maintenance of civil liberties here.

Only a few hours later, Communist paraders in several American cities displayed brand-new placards carrying out the instructions from Moscow. The placards read "The Yanks are not coming," and "Defend civil liberties." There also were a few placards denouncing the F. B. I. The Communists were shrewd enough to soft-pedal the "imperialism" charge in this country. They emphasized it, however, in Cuba, in Central America, and in South America where such propaganda was calculated to inflame public opinion in our neighboring republics against the United States. And, lo and behold, the Nazi organizations in these countries worked, hand in glove with the Communists in spreading such false propaganda.

In the face of such evidence of treachery, I feel that we are inviting danger by permitting the Communist Party and the Nazi bund to continue to operate openly or secretly in this country against the interests of the United States.

All of us agree with William Green when he says that we should wipe from our portion of the North American Continent every Communist and Nazi organization.

Mr. Green continues:

The American Federation of Labor is a thoroughly American organization. We have never been hoodwinked by Communist, Nazi, or Fascist propaganda. We have never compromised with the foes of the United States, and we never will.

I say, thank God for that.

When the President of the United States asked us to support the transfer of the Bureau of Immigration and Naturalization from the Department of Labor to the Department of Justice so that the Government could deal with "fifth column" activities more effectively, we cheerfully gave our approval despite our standing policy of opposing any curtailment of the authority of the Department of Labor.

When the Congress of the United States recently adopted measures to purge Communists and Nazis from relief rolls and to keep an official check on the whereabouts and activities of resident aliens, the American Federation of Labor interposed no objections.

Mr. HUGHES. Mr. President, will the Senator yield?

Mr. REYNOLDS. I yield to my distinguished friend.

Mr. HUGHES. Did the Senator notice in one of yesterday's newspapers that a Communist petition in New York City had been signed by two members of the police force of New York City and by several other city officials?

Mr. REYNOLDS. I am appalled to know that. It is difficult for me to conceive of an American citizen, particularly one in an official capacity whose duty it is to provide protection to the American people in the neighborhood in which he resides, being a member of the Communist Party, which is opposed to everything for which our democratic form of government stands.

Mr. President, in connection with my discussion of the Nazis and the Communist Party, I ask unanimous consent to have printed in the RECORD at this point an editorial from the New York Daily Mirror of July 6, 1940, entitled "Time for 'Rough on Rats'—A Case of Smash or Be Smashed."

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

[From the New York Daily Mirror of July 6, 1940]

TIME FOR "ROUGH ON RATS"

It took a bomb to wake up this city to the dangers of the Communists, Fascists, and Nazis in America. It cost the lives of two able members of the bomb squad to convince the police department that alien-minded rats are a far greater menace than the "punks, pimps, and touts" that Mayor LaGuardia has pledged himself to exterminate. We hope that the skilled legal minds of District Attorneys Dewey, O'Dwyer, and Sullivan will turn to smashing these groups that fight with bombs on orders from Europe.

A CASE OF "SMASH OR BE SMASHED"

The bomb that rocked the fair and killed two, perhaps four, detectives, was the first that has killed anybody in 20 years in the New York area. Last time was in 1920, when a bomb exploded in front of the Wall Street offices of J. P. Morgan & Co., during noon rush hour and killed 33 people.

But bombs are only the crude and spectacular symptoms of a far deeper and greater danger to the American system of democracy.

Bombs are no more the most dangerous weapons of anarchy than Fourth of July fireworks are the most powerful weapons of democracy.

Like the bombs that exploded under the Nazi consulate and in the offices of the Daily Worker 2 weeks ago, the time bomb at the fair was certainly planted by some agent of an alien group.

It is quite possible that all three bombs were planted by the same person, and that the ones under the Nazis and in the lap of the Worker might easily have been planted by either Nazis or Communists. You note that neither of those two bombs actually killed anybody.

But they had served a more insidious purpose; they made Americans bomb conscious; they stirred up hates and fears and suspicions.

They created the kind of confusion that breeds riots; the class warfare, the strife between races which sapped the strength of France and left only disunity and treachery.

Very well, if they want to incite us to violence, let us vent our violence on them.

Smash every Communist, Fascist, and Nazi organization. Let this State take the lead in making membership in any of these organizations treasonable and punishable by death in time of war, by long imprisonment in time of peace.

Outlaw the bund and the Communist Party; the leaders of both organizations are now convicted criminals. It is fantastic to think that Communist Browder is permitted to run for President.

It is shocking to think that the Bund is permitted to keep publishing a paper which calls itself the Free American. It is shocking to think that the Communists are permitted to go on publishing the Daily Worker. Why should Americans permit destructive doctrines to be peddled on tax-paved streets, carried by tax-supported railroads? "Freedom of treason" is not in the Bill of Rights.

ALTERNATIVE: THE FATE OF FRANCE

The publications of all alien-financed or controlled groups should be driven from the country immediately.

Members of these groups should be driven from the country, on pain of prison if they remain.

There is an alternative: "Take it easy," as France did. But look what happened to France.

POSTMASTERS

Mr. BARKLEY. Mr. President, pending action on the nominations of Mr. Stimson and Colonel Knox, I ask unanimous consent that the nominations of postmasters on the calendar be confirmed en bloc.

The PRESIDING OFFICER. Without objection, the nominations of postmasters are confirmed en bloc.

RECESS

Mr. BARKLEY. Mr. President, I had hoped that we might dispose of the nomination under consideration today, but it is obvious that we cannot obtain a vote on it this afternoon. I hope that early tomorrow we may be able to conclude the consideration of Mr. Stimson's nomination, as well as that of Colonel Knox. Therefore, I now move that the Senate take a recess until 12 o'clock noon tomorrow. We shall proceed tomorrow in executive session.

The motion was agreed to; and (at 5 p. m.) the Senate took a recess until tomorrow, Tuesday, July 9, 1940, at 12 o'clock meridian.

CONFIRMATIONS

Executive nominations confirmed by the Senate July 8, 1940

PANAMA CANAL

Col. Glen E. Edgerton to be Governor of the Panama Canal.

APPOINTMENTS, PROMOTIONS, AND TRANSFERS IN THE REGULAR ARMY

(NOTE.—The nominations of persons named for appointment, promotion, or transfer in the Regular Army, which were received on the 3d instant, were confirmed en bloc, today. The names of the persons confirmed will be found in the CONGRESSIONAL RECORD of July 3, 1940, beginning on page 9217, under the caption "Nominations.")

POSTMASTERS

INDIANA

James C. McKillip, Charlestown.
Maurice C. Ingerman, Milton.

KANSAS

Edward Tacha, Jennings.

NEW YORK

William C. Sharp, Greenwich.
John R. Houck, Tully.

NORTH CAROLINA

Charles C. Potts, Highlands.
Thomas Mortimer Harris, Louisburg.
Walter P. Bridgers, Warsaw.

HOUSE OF REPRESENTATIVES

MONDAY, JULY 8, 1940

The House met at 12 o'clock noon, and was called to order by the Speaker.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

Father of mercies, teach us to love Thy sacred word, and may we find our Saviour there; joined in one spirit, let us ever walk with Him. We thank Thee that our times are in Thine hands. Let the wounds and the sufferings of Him who died that we might live admonish us and gently woo us on to God. Enable us to conserve all the powers we possess for the better and the nobler pursuits of life. Impress us that there are no errors in Thy eternal scheme, and that Thy goodness and mercy will follow us all our days. Under all circumstances, hearing the call of our country, inspire us to obey the voices of our better selves, so shall we have the approval of our fellows and hear the "Well done" of our Father in Heaven. We rejoice that beneath the spreading heavens there is a good God, and He who clothes the lilies and feeds the ravens will clothe and feed His people, too. In the name of the everlasting Christ. Amen.

The Journal of the proceedings of Thursday, July 4, 1940, was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Frazier, its legislative clerk, announced that the Senate insists upon its amendments to the bill (H. R. 9575) entitled "An act to amend the Federal Aid Act, approved July 11, 1916, as amended and supplemented, and for other purposes," disagreed to by the House; agrees to the conference asked by the House on the disagreeing votes of the two Houses thereon, and appoints Mr. MCKELLAR, Mr. HAYDEN, Mr. BAILEY, Mr. FRAZIER, and Mr. LA FOLLETTE to be the conferees on the part of the Senate.

The message also announced that the Senate disagrees to the amendment of the House to the bill (S. 3550) entitled "An act to make unlawful the transportation of convict-made goods in interstate and foreign commerce," requests a conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. MCCARRAN, Mr. NEELY, and Mr. NORRIS to be the conferees on the part of the Senate.

The message also announced that the Senate had passed a concurrent resolution of the following title, in which the concurrence of the House is requested:

S. Con. Res. 53. Concurrent resolution authorizing changes in the enrollment of Senate bill 1114, concerning jurisdiction over certain islands.

The message also announced that the Senate agrees to the amendments of the House to bills and joint resolution of the Senate of the following titles:

S. 134. An act providing for continuing retirement pay, under certain conditions, of officers and former officers of the Army, Navy, and Marine Corps of the United States, other than officers of the Regular Army, Navy, or Marine Corps, who incurred physical disability while in the service of the United States during the World War, and for other purposes;

S. 182. An act for the relief of Edward Hagenson;

S. 2560. An act for the relief of Marjorie Buchek;

S. 2561. An act for the relief of Ina Jones;

S. 2570. An act for the relief of Mary Boyd;

S. 2800. An act for the relief of Edward J. Ross, and the legal guardian of Betty Ross, a minor;

S. 3280. An act for the relief of the estate of Leslie Everett, deceased;

S. 3617. An act granting the consent and approval of Congress to an interstate compact relating to control and reduction of pollution in the Ohio River drainage basin;

S. 4097. An act to provide for the disposition of estates of American citizens who die abroad; and

S. J. Res. 133. Joint resolution to confer jurisdiction on the Court of Claims or the District Court of the United States for the Northern District of Georgia to hear, determine, and render judgment upon the claim of Mrs. J. W. Marks, of Stephens County, Ga.

The message also announced that the Senate had ordered that the Secretary be directed to request the House of Representatives to return to the Senate the bill (H. R. 9576) entitled "An act relating to the admission of St. Elizabeths Hospital of persons resident or domiciled in the Virgin Islands of the United States."

The message also announced that the Senate had resolved that the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 9877) entitled "An act authorizing the Secretary

of the Interior to promulgate and to put into effect charges for electrical energy generated at Boulder Dam, providing for the application of revenues from said project, authorizing the operation of the Boulder Power Plant by the United States directly or through agents, and for other purposes," be recommitted to the committee of conference.

The message also announced that the Vice President had appointed Mr. BARKLEY and Mr. TOBEY members of the joint select committee on the part of the Senate, as provided for in the act of February 16, 1889, as amended by the act of March 2, 1895, entitled "An act to authorize and provide for the disposition of useless papers in the executive departments," for the disposition of executive papers in the following departments and agencies:

1. Department of the Interior.
2. Federal Security Agency.
3. Federal Works Agency.
4. Railroad Retirement Board.

FURNISHING OF FACTUAL INFORMATION ON PREPAREDNESS FOR NATIONAL DEFENSE

Mr. THOMASON. Mr. Speaker, I offer a privileged resolution and ask for its immediate consideration.

The Clerk read the resolution, as follows:

House Resolution 542

Resolved, That the President of the United States is hereby requested, if not incompatible with the public interest, to furnish the House of Representatives at such time as may be convenient prior to the adjournment of the present session of Congress such factual information as may be definitely available showing administrative action on the program of preparedness for national defense.

Mr. THOMASON. Mr. Speaker, I ask for the reading of the report from the Committee on Military Affairs.

The SPEAKER. Is there objection?

Mr. MARTIN of Massachusetts. Mr. Speaker, reserving the right to object, what is the request?

Mr. THOMASON. Mr. Speaker, the resolution just read was offered some days ago in the House and referred to the Committee on Military Affairs. That committee, I believe by unanimous vote, has made an adverse report on it, as did the War Department, and in the absence of the chairman I have been asked to call this up.

Mr. MARTIN of Massachusetts. Who introduced the resolution?

Mr. THOMASON. I believe the gentleman from New York [Mr. HALL]. There is an adverse report from both the War and Navy Departments.

Mr. MARTIN of Massachusetts. I wonder if the gentleman from New York knows it is coming up at this time?

Mr. THOMASON. I assume he does, because the chairman of the Committee on Military Affairs is out of the city, and he asked me to present it at this time. The committee is asking that the resolution be tabled.

Mr. MARTIN of Massachusetts. Would the gentleman mind withdrawing his request for a few minutes?

Mr. THOMASON. Mr. Speaker, I withdraw the request for the moment.

DISPOSITION, CONTROL, AND USE OF SURPLUS REAL PROPERTY ACQUIRED BY FEDERAL AGENCIES

Mr. LANHAM. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H. R. 7233) to amend the act entitled "An act to amend the act entitled 'An act to provide for the disposition, control, and use of surplus real property acquired by Federal agencies, and for other purposes,' approved August 27, 1935 (Public, No. 351, 74th Cong.), and for other purposes," with Senate amendments thereto and agree to the Senate amendments.

The Clerk read the title of the bill.

The Clerk read the Senate amendments, as follows:

Page 1, line 3, strike out "an" and insert "the first section of the."

Page 1, line 8, strike out all after "amended" down to and including "or" in line 3, on page 2, and insert "by inserting, before the period at the end thereof, a colon and the following: '*Provided*, That if no bids which are satisfactory as to price and."

Page 2, line 10, strike out "At the end of the act add" and insert "Such act of August 27, 1935, is further amended by adding at the end thereof."

Page 2, line 12, strike out "is" and insert "are."

Page 2, line 13, strike out "amount" and insert "amounts."

Page 3, line 24, strike out "so."

Page 4, line 1, after "buildings" insert "of his determination as to whether such building is an historic building of national significance."

Page 4, line 3, strike out "building" and insert "building." "

Page 4, strike out lines 4 to 12, inclusive, and insert:

"SEC. 3. Sections 1 to 4, inclusive, of such act of August 27, 1935, are amended (a) by striking out the words 'Secretary of the Treasury' wherever they appear and inserting in lieu thereof the words 'Federal Works Administrator'; (b) by striking out the words 'Director of Procurement' wherever they appear and inserting in lieu thereof the words 'Commissioner of Public Buildings'; (c) by striking out the words 'Procurement Division' wherever they appear and inserting in lieu thereof the words 'Public Buildings Administration.' "

The SPEAKER. Is there objection to the request of the gentleman from Texas [Mr. LANHAM]?

Mr. MARTIN of Massachusetts. Reserving the right to object, will the gentleman tell us what the amendments are?

Mr. LANHAM. Mr. Speaker, this is a bill which has passed both the House and Senate and has to do with the disposition, control, and use of surplus real property acquired by Federal agencies. The amendments placed in the bill by the Senate are purely clerical and do not affect the purposes of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Texas [Mr. LANHAM]?

There was no objection.

The Senate amendments were agreed to.

A motion to reconsider was laid on the table.

FURNISHING OF FACTUAL INFORMATION ON PREPAREDNESS FOR NATIONAL DEFENSE

Mr. THOMASON. Mr. Speaker, I now move that House Resolution 542 be tabled.

Mr. RICH. Mr. Speaker, does not the committee want the country to know what the President has done with all the money that we have given him for war purposes in the last 4 or 5 years? It would seem strange to me if the public did not want to know.

Mr. THOMASON. That is not the question. This is a question of asking the President to disclose all war secrets, whatever they may be. It is not a question of checking up on the money. The committee has unanimously made this recommendation and also the War and Navy Departments.

Mr. ANDREWS. Mr. Speaker, the House unanimously adopted a bill, the so-called national-defense bill, to which an amendment was attached making it mandatory for the President to report on the whole matter at the beginning of any subsequent regular or special session. The Senate accepted the House amendment. In the opinion of the Military Affairs Committee that is all that should be practically required at this time.

Mr. RICH. It seems to me we ought to know what the President has been spending this money for. He says we are not prepared. The Nation ought to know when and where he spent seven, eight, or ten billion dollars. We ought to get something for our money.

Mr. THOMASON. That has nothing to do with this resolution.

Mr. RICH. It certainly has.

Mr. THOMASON. Mr. Speaker, I move that the resolution be tabled.

The motion was agreed to.

A motion to reconsider was laid on the table.

EXTENSION OF REMARKS

Mr. STEARNS of New Hampshire. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and include therein an editorial from the Keene Evening Sentinel, of Keene, N. H., with reference to New Hampshire's good friend and neighbor, Dr. PLUMLEY, of Vermont.

The SPEAKER. Is there objection to the request of the gentleman from New Hampshire?

There was no objection.

PERMISSION TO ADDRESS THE HOUSE

Mr. MURRAY. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

Mr. MURRAY. Mr. Speaker, I wish to address myself today to an analysis of why Congress is in session at this time.

Usually the session of Congress, before election, is terminated so that the Members may get home, build their political fences, and thus have a chance to tell their constituents why they should be reelected.

The fundamental reason why Congress is in session at this time is because the great majority of the people of this country want to be kept out of war. By having Congress in session and in possession of the power to control the declaration of war, the large majority of the people feel that Congress will heed the mandate of the people and really keep this country in peace.

This is a serious obligation to those of us who are old-fashioned enough to still believe that the "will of the people is the law of the land" and do not yet subscribe to the superman philosophy of the New Deal.

If the foregoing deduction as to why Congress is in session is correct, then, I ask in all seriousness, why should any political party hesitate to adopt a plank in its platform that is straightforward, honest, and sincere in regard to peace, as the Republican Party has already done?

Statesmanship is common sense and common justice. Common sense and common justice require that each and every one of us heed this most evident mandate of the people and work for peace and preparedness. By staying in session we hope to accomplish these objectives. [Applause.]

GOVERNMENT SPENDING

Mr. RICH. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. RICH. Mr. Speaker, there are still 365 days in a year, 24 hours in a day, 60 minutes in an hour, or 525,600 minutes in a year. The New Deal has not changed our calendar as yet. Last year the New Deal went in the red $3,741,249,136, the third largest deficit in the Nation's history in peacetime. This means that you are $7,118.07 in the red every minute. I just figured it out. The way the New Deal is starting to spend money in this year of the administration beginning July 1 under the guise of national defense is terrible. It is deceptive, it is dishonest, because all the money does not go for preparedness. It goes for New Deal folly, New Deal waste, and inefficiency. The New Deal is going to carry on the very things the New Deal has been advocating for 7 years—7 years of deficits.

The deficits

1933	$2,245,453,000
1934	3,255,393,000
1935	3,782,966,000
1936	4,952,929,000
1937	3,252,540,000
1938	1,449,626,000
1939	3,600,514,000
1940	3,741,249,000
	26,280,670,000

The most ruthless expenditure of money in the world's history—waste, extravagance, inefficiency. This waste will have to be paid by future generations. The administration wants you to believe the new tax bill is for national defense. It is for the waste of the past 7 years and you will have to have more taxes to pay for this waste and extravagance. What are you going to do to put 10,000,000 people back to work? Willkie will do it. [Applause.]

[Here the gavel fell.]

CITY OF DETROIT, MICH.

Mr. DONDERO. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. DONDERO. Mr. Speaker, if the figures which have just been presented to me by the Redford Record in regard to the census of the city of Detroit, Mich., are correct—and I have no reason to doubt their accuracy—a most unusual situation has presented itself. The city of Detroit has gained approximately 50,000 people in the last 10 years. Of these 50,000 people, 46,777 have moved into the twenty-second ward of that city, which is in my congressional district, the Seventeenth Congressional District of Michigan, which I have the honor to represent. More than 90 percent of the entire increase in the population of the fourth city of the United States has been due to people moving into my congressional district. The population of Detroit in 1930 was 1,568,662, and in 1940 it is 1,618,549, an increase of 49,887. This must testify to the splendid qualities, the advantages, and the desirability of that district, in which people can reside and have a happy home. [Applause.]

EXTENSION OF REMARKS

Mr. LEWIS of Ohio. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and include therein a petition signed by three residents of my district, and I further ask unanimous consent to extend my remarks in the RECORD and include therein separately a letter.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. CRAWFORD. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and include therein a brief statement I made over the radio last night.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. MUNDT. Mr. Speaker, I ask unanimous consent to extend my own remarks in two different places on the subject of pollution and to include therein sundry newspaper comments, letters, and statements received on the subject of pollution control.

The SPEAKER. Is there objection to the request of the gentleman from South Dakota?

There was no objection.

Mr. HOPE. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and include therein an article from the Christian Science Monitor.

The SPEAKER. Is there objection to the request of the gentleman from Kansas?

There was no objection.

Mr. GOODWIN. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and include therein a brief article appearing in the Cedar Rapids Gazette.

The SPEAKER. Is there objection to the request of the gentleman from Iowa?

There was no objection.

Mr. LECOMPTE. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and include therein a brief editorial on "fifth column" activities from the Oskaloosa (Iowa) Herald.

The SPEAKER. Is there objection to the request of the gentleman from Iowa?

There was no objection.

Mr. HOFFMAN. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and include therein a newspaper article.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. LUDLOW. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and include therein the text of a resolution I am introducing.

The SPEAKER. Is there objection to the request of the gentleman from Indiana?

There was no objection.

BOULDER DAM

The SPEAKER. The Chair wishes to make a statement with reference to a bill now pending in conference (H. R.

9877) commonly known as the Boulder Canyon Dam bill. It appears that the conferees are very anxious to try to reach an agreement on this matter. The gentleman from Idaho [Mr. WHITE] is absent. I have a telegram from him offering his resignation as a member of the committee of conference. In view of the circumstances, the Chair designates the gentleman from Utah [Mr. ROBINSON] as a conferee on the part of the House, and the resignation of the gentleman from Idaho [Mr. WHITE] is accepted. The Clerk will notify the Senate of the action of the Speaker of the House.

PAYMENTS TO STATE AND TERRITORIAL SOLDIERS' HOMES

Mr. SHAFER of Michigan. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 9875) to provide that payments made to States or Territories to aid in the maintenance of disabled veterans in State and Territorial homes shall be used solely for such purpose, and consider the same.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That the first paragraph of section 1 of the act entitled "An act to provide aid to State or Territorial homes for the support of disabled soldiers and sailors of the United States," approved August 27, 1888, as amended (U. S. C., 1934 ed., Supp. V, title 24, sec. 134), is amended by adding at the end thereof the following sentence: "All such payments shall be deposited in a special fund and shall be used solely to aid in the maintenance of disabled soldiers and sailors admitted to such homes."

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

REPUBLICAN PARTY LYNCHED!

Mr. RANKIN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

Mr. RANKIN. Mr. Speaker, several days ago the distinguished gentleman from Alabama [Mr. HOBBS] made a statement on this floor that I feel impelled to correct. He said there had not been a lynching in the United States during the year 1940.

I am sure the gentleman from Alabama was thoroughly sincere in making that statement, but I want to call his attention to the fact that we had one of the greatest demonstrations of mob violence in history when the Power Trust lynched the Republican Party at Philadelphia a few days ago. [Laughter and applause.]

EXTENSION OF REMARKS

Mr. WOODRUM of Virginia. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD by including an address by the Secretary of the Interior.

The SPEAKER. Is there objection to the request of the gentleman from Virginia?

There was no objection.

Mr. REES of Kansas. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and to include therein a short editorial.

The SPEAKER. Is there objection to the request of the gentleman from Kansas?

There was no objection.

Mr. SMITH of Illinois. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and to include two recent radio speeches.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

DISTRICT DAY

The SPEAKER. This is District of Columbia day.

FURNISHING OF POTOMAC WATER WITHOUT CHARGE TO CHARITABLE INSTITUTIONS

Mr. RANDOLPH. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (S. 3870) to amend the act entitled "An act authorizing the Commissioners of the District of Columbia to furnish Potomac water without charge to charitable institutions, and so forth, in the District of Columbia," approved February 23, 1905.

The Clerk read the title of the bill.

Mr. RICH. Mr. Speaker, reserving the right to object, what does this bill seek to do?

Mr. RANDOLPH. Mr. Speaker, in answer to the inquiry of the gentleman from Pennsylvania—and I was going to seek recognition to explain briefly the provisions of the measure—I will state that under the District of Columbia Code, as approved February 23, 1905, Potomac River water is furnished to churches free of charge. This bill would amend that act to include charitable institutions which do not have inmates. It is simply an amendment to that act. An organization such as the boys' clubs would be helped.

The SPEAKER. Is there objection to the request of the gentleman from West Virginia for the immediate consideration of the bill?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That the second sentence of the first section of the act entitled "An act authorizing the Commissioners of the District of Columbia to furnish Potomac water without charge to charitable institutions, etc., in the District of Columbia," approved February 23, 1905 (D. C. Code, title 20, sec. 1403), is amended by inserting therein after the word "churches" the following: "and to charitable institutions which do not have inmates."

Mr. RANDOLPH. Mr. Speaker, I ask for recognition on the bill.

Mr. Speaker, I do not desire to discuss the provisions of the pending legislation because, in answer to the inquiry of the gentleman from Pennsylvania, I explained that the measure is a very simple one and is meritorious, and I am sure the House will pass it. I take this time to say to the membership of the House that in connection with the figures just announced on the standings of various cities as to population, it is shown that Washington, D. C., or the District of Columbia, has had the largest percentage of increase in population in the last 10 years of any of the cities of the United States, and I do feel that regardless of the reasons for this increase [laughter] I believe all Members of this House, regardless of which side of the aisle they sit on, are in agreement that we desire to see the city of Washington as it grows in population also grow in beauty and strength and in the affection of the American people. I think it is highly important these days that the one-hundred-and-thirty-million-odd American men, women, and children of our Republic should increasingly realize that the Capital of the United States is a capital which serves as a center and as a means and as an expression of the thoughts of all the liberty-loving citizens of this Nation.

I call the attention of the Members today to the fact that we who represent various sections of the country are interested not alone in the increased population of our own States and of our own districts, as the gentleman from Michigan [Mr. DONDERO] has just called attention to in stating that his district has had a good increase, but here in the Nation's Capital, when there comes an increase in population, let us hope and let us trust and let us believe that the Capital continues as a finest expression of the faith of a great America. [Applause.]

Mr. RICH. Mr. Speaker, will the gentleman yield?

Mr. RANDOLPH. Yes.

Mr. RICH. I noticed this morning on I Street, between Fourteenth and Fifteenth Streets, that they are cutting down some very beautiful oak trees, from 30 to 40 or 50 years old. Of course, I realize they are going to widen the street and that they are cutting those trees down in order to facilitate the progress of automobiles. Sometimes I wonder whether we are not destroying a great deal of the beauty of Washington for a greater efficiency in commercialism. Who is responsible for this destruction of beautiful trees? The authorities of Washington should be very careful that they do not permit commercialism to enter into the city of Washington to the extent that it will destroy her beauty.

Mr. RANDOLPH. Mr. Speaker, the gentleman from Pennsylvania raises an important question. I do think that the

officials who govern the District of Columbia should carefully consider any changes made so that we may not mar the beauty here. At the same time we can bring about a proper utilization of our present facilities.

Mr. SHAFER of Michigan. Mr. Speaker, will the gentleman yield?

Mr. RANDOLPH. Yes.

Mr. SHAFER of Michigan. Could the gentleman inform the House just what is being done to stop the proposed underpass on Sixteenth Street and Massachusetts Avenue?

Mr. RANDOLPH. I am very glad the gentleman from Michigan has raised that question.

Mr. SHAFER of Michigan. Because in constructing that they are certainly going to ruin a great many trees, and I do not believe that it will facilitate the traffic very much.

Mr. RANDOLPH. I do not believe they will facilitate traffic very much by an underpass there, and requests have been made that the Commissioners give these people a thorough hearing.

The SPEAKER. Is there objection to the present consideration of the bill?

There was no objection.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

BOARD OF FUNERAL DIRECTORS AND EMBALMERS

Mr. RANDOLPH. Mr. Speaker, I ask unanimous consent for the present consideration of the bill (S. 3720) to create and establish a Board of Funeral Directors and Embalmers for the District of Columbia, and to prescribe its powers and duties.

The SPEAKER. Is there objection?

There was no objection.

The Senate bill is as follows:

Be it enacted, etc., That for the purpose of protecting the public health there is hereby created the Board of Funeral Directors and Embalmers of the District of Columbia.

DEFINITIONS

SEC. 2. As used in this act, the term—

(a) "Board" shall mean the Board of Funeral Directors and Embalmers of the District of Columbia created by this act.

(b) "Funeral director" shall be construed to mean a person who engages in the business or profession of directing or supervising funerals for profit, or the disposition of dead human bodies, or a person who uses, in connection with a business, the word or term "funeral director", "undertaker", "mortician", or any other word or term from which can be implied the business of funeral directing or the holding out to the public that one is a funeral director.

(c) "Embalmer" shall be construed to mean a person who, for preservation purposes, disinfects, or attempts to disinfect the dead human body or any part thereof, by the application of chemicals externally or by the injection of chemicals into such body, or any part thereof.

(d) "Funeral director and embalmer" shall be construed to mean any person who is qualified to act both as a funeral director and an embalmer and who is engaged in the business or profession of funeral directing, and the business or profession of embalming.

(e) "Funeral home" shall be construed to mean a place of business equipped for the care and preparation for burial or transportation of dead human bodies.

(f) "Commissioners" shall be construed to mean the Board of Commissioners of the District of Columbia.

(g) "Person" shall be construed to mean a natural person.

SEC. 3. There is hereby created the Board of Funeral Directors and Embalmers of the District of Columbia.

SEC. 4. The Commissioners of the District of Columbia shall appoint as members of said Board six persons who shall have been actively engaged at a place of business in the District of Columbia in the business or profession of funeral directing or embalming for a minimum of 5 consecutive years immediately preceding their appointment, a physician licensed to practice in the District of Columbia, and a representative from the faculty of any one of the medical schools located in the District of Columbia; each member of said Board shall be not less than 25 years of age, of good moral character, and a citizen of the United States. In addition thereto, the health officer of the District of Columbia or a member of the personnel of the Health Department of the District of Columbia designated by said health officer, shall serve, ex officio, as a member of said Board and shall also be secretary-treasurer of said Board and shall give bond for the faithful performance of his duties in such amount as the Board may deem necessary, but without added compensation for his services as such. The Commissioners shall appoint the first members of said Board within 30 days from the enactment of this act. Four members of the Board originally appointed by the Commissioners shall be appointed for a term of 1 year, and four members shall be appointed for a term of 2 years. Thereafter, the term of the members of said Board shall be for 2 years and until their successors are appointed by the Commissioners and have qualified. Members to fill vacancies shall be appointed by the Commissioners for the unexpired term. The Commissioners may remove any member of the Board at any time for neglect of duty or other just cause. The members of said Board shall serve without compensation.

SEC. 5. Each member of the Board, before entering upon his duties, shall take and subscribe to an oath before the secretary of the Board of Commissioners that he will faithfully and impartially discharge the duties of his office.

SEC. 6. (a) The Board shall meet in the District of Columbia at least once each year on the second Tuesday of the month of January of each year and may hold other meetings at such time as it deems necessary; and the time and place of said meetings shall be fixed and determined by the Board in its rules and regulations. At the January meeting, which shall be known as the annual meeting, the Board shall elect from among its members a president and a vice president. Five members of said Board shall constitute a quorum for the transaction of business at any meeting; if, however, such quorum shall not be present at any regularly called meeting, the members present may adjourn such meeting from time to time until such quorum is present. The Board is hereby authorized and empowered to make, and from time to time may alter, such rules and regulations, not inconsistent with the provisions of this act, subject to the approval of the Commissioners of the District of Columbia, as it deems necessary for the conduct of its business and for the proper execution and enforcement of the provisions of this act. The Board shall adopt a common seal and from time to time may alter the same if it is deemed proper; the courts of the District of Columbia shall take judicial notice of such seal.

(b) The Board shall keep a record of its proceedings. It shall keep a register of licensees and apprentices, showing the name of each licensee or apprentice, the name and location of his place of occupation or business, and other information considered advisable by the Board to effectuate the purpose of this act. The books and records of the Board shall be prima facie evidence of matters therein contained, shall constitute public records, and shall, at all reasonable times, be open for public inspection.

SEC. 7. (a) The secretary-treasurer shall perform such duties as the Board by its rules and regulations shall prescribe. The Board may appoint one or more inspectors whose duties shall be determined by the Board, and the salary and necessary expenses of such inspector or inspectors shall be paid out of the funds received by the Board and no part of such compensation shall be paid otherwise by the District of Columbia.

(b) The secretary-treasurer is hereby authorized and empowered to employ and fix the salary of such clerical assistants as he may, from time to time, deem necessary subject to the approval of the Board; the compensation of such employee or employees shall be paid out of the funds received by the Board and no part of such compensation shall be paid otherwise by the District of Columbia.

(c) The Commissioners of the District of Columbia shall provide, for the use of the Board, such office space as shall be reasonably necessary for carrying out the provisions and to effectuate the purposes of this act. The corporation counsel of the District of Columbia shall act as counsel for the Board but without added compensation for his services as such.

(d) The Board is hereby authorized and empowered to receive, and the Anatomical Board of the District of Columbia (32 Stat. 174, ch. 638, sec. 9) is hereby authorized to deliver, under the terms and conditions of the act creating said Anatomical Board of the District of Columbia, to said Board, a sufficient number of dead human bodies for the purpose of enabling said Board to conduct the examinations in funeral directing and embalming provided for in this act.

SEC. 8. The Board shall hold an examination in funeral directing and an examination in embalming not less frequently than once a year and at such other times as the Board may by rule or special order determine. The Board shall publish notice of the time and place of each examination not less than 30 days before the date of said examination in one or more daily newspapers of general circulation in the District of Columbia.

SEC. 9. On and after 60 days from the enactment of this act no person shall in the District of Columbia carry on the business or profession or discharge any of the duties of a funeral director or an embalmer, as defined in this act, unless there has been issued to him by the Board of Funeral Directors and Embalmers of the District of Columbia a license or licenses therefor in full force and effect at the time, and unless he shall have otherwise complied with the provisions of this act. Such license or licenses shall be signed by the president and the secretary-treasurer of the Board, to which license shall be affixed the seal of said Board, and such license or licenses shall be nontransferable and nonassignable; and such license or licenses shall be conspicuously displayed in the place of business conducted by the licensee or where the licensee is employed.

FUNERAL DIRECTORS

SEC. 10. Within 60 days from the enactment of this act, every person registered prior to the enactment of this act with the Health Department of the District of Columbia as an undertaker and actually engaged in such business at the time of the enactment of this act at a fixed place or establishment equipped as a funeral home and desiring to continue those activities of an undertaker defined in this act as funeral director shall furnish proof satisfactory to the Board that he was so registered and so engaged in such business. Such proof having been made to the satisfaction of the

Board, the Board shall cause the name of such person to be registered as a funeral director in a book provided for that purpose and kept by the secretary-treasurer of the Board, and upon the payment of a fee of $10 the Board shall issue to such person a license to engage in the business or profession of funeral directing in the District of Columbia. All licenses issued shall date from the 1st day of July in each year and expire on the 30th day of June following. Every license issued under the provisions of this section shall be renewed annually on or before the 1st day of July of each year upon the payment of an annual renewal fee of $10.

SEC. 11. After the enactment of this act any person desiring to engage in the District of Columbia in the business or profession of funeral directing, as defined in this act, who was not so engaged at the time of the enactment of this act, or any person so engaged at the time of the enactment of this act who failed to avail himself of the provisions of section 10 of this act, shall present himself before the Board for a license to practice funeral directing. Such person shall submit proof satisfactory to the Board that he is not less than 21 years of age, that he is of good moral character and free from any habits liable to interfere with the performance of his duties, and that he is a graduate from a recognized high school or its equivalent. Such person shall also submit proof satisfactory to the Board that he has had not less than 2 years' practical experience as an apprentice with a licensed funeral director in the District of Columbia and that he was registered as an apprentice with the Board of Funeral Directors and Embalmers of the District of Columbia at the time he started to serve his apprenticeship and that such apprenticeship was served in accordance with the provisions of section 13 of this act. Such person shall be examined by the Board as to the proper sanitation and disinfection of the clothing and bedding of persons dying from communicable diseases and the premises in which they died; as to laws of the District of Columbia relative to death certificates, removals, burials, burial permits, and interstate shipment of dead bodies; and as to the proper care, preparation for burial, and burial of dead human bodies, and such other subjects as the Board deems necessary and proper. Each such applicant for a license to engage in the business or profession of funeral directing shall submit formal application, supporting data, photograph, and shall pay an examination fee of $25 which, if the applicant passes or fails the examination herein authorized, shall not be returnable.

SEC. 12. When the Board shall find that the applicant for a license to practice the business or profession of funeral directing as defined in this act possesses the qualifications prescribed in this act, and when the applicant shall have passed the examination prescribed by the Board, the Board shall cause the name of such applicant to be registered in a book to be provided for that purpose and kept by the secretary-treasurer of the Board, and upon the payment of the license fee of $10, the Board shall issue to such person a license to engage in the business or profession of funeral directing in the District of Columbia. All licenses issued shall date from the 1st day of July in each year and expire on the 30th day of June following. Every license issued under the provisions of this section shall be renewed annually on or before the 1st day of July of each year upon the payment of an annual fee of $10.

SEC. 13. Before any person shall, in the District of Columbia, serve as an apprentice funeral director, such person shall register with the Board as such an apprentice of a funeral director licensed under the provisions of this act and actually engaged in the business or profession of funeral directing in the District of Columbia. The Board shall, by its rules and regulations, prescribe the manner in which such registration shall be made, and the duration thereof, the fee to be charged for such registration and any annual renewal thereof, which fee shall not exceed $5 per year, and the terms and conditions under which funeral director apprenticeships shall be served.

EMBALMERS

SEC. 14. Within 60 days from the enactment of this act every person registered, prior to the enactment of this act, with the Health Department of the District of Columbia as an undertaker and actually engaged in such business at the time of the enactment of this act at a fixed place or establishment equipped as a funeral home and desiring to continue those activities of an undertaker defined in this act as embalmer shall furnish proof satisfactory to the Board that he was so registered and so engaged in such business. Such proof having been made to the satisfaction of the Board, the Board shall cause the name of such person to be registered as an embalmer in a book to be provided for that purpose and kept by the secretary-treasurer of the Board, and upon the payment of a fee of $10 the Board shall issue to such person a license to engage in the business or profession of embalming in the District of Columbia. All licenses issued shall date from the 1st day of July in each year and expire on the 30th day of June following. Every license issued under the provisions of this section shall be renewed annually on or before the 1st day of July of each year upon the payment of an annual renewal fee of $10.

SEC. 15. After the enactment of this act any person desiring to engage, in the District of Columbia, in the business or profession of embalming as defined in this act, or any person so engaged at the time of the enactment of this act who failed to avail himself of the provisions of section 14 of this act, shall present himself before the Board for a license to practice embalming. Such person shall submit proof satisfactory to the Board that he is not less than 21 years of age and that he is of good moral character and free from any habits liable to interfere with the performance of his duties. Such person shall also submit proof that he is a graduate of a recognized high school or its equivalent; that he is a graduate of an approved college of embalming whose course of instruction is not less than 9 months, comprising not less than 840 hours of study; that he has had not less than 2 years of practical experience as an apprentice with a licensed embalmer in the District of Columbia; that he was registered as an apprentice with the Board of Funeral Directors and Embalmers at the time he started to serve his apprenticeship and that such apprenticeship was served in accordance with the provisions of section 17 of this act. Such person shall be examined by the Board, theoretically and practically, in anatomy, embalming, embalming fluids, sanitation, disinfection, the care and preparation of dead bodies for burial and the shipment of same, laws and regulations pertaining to communicable diseases, and such other subjects as the Board deems necessary and proper. Each applicant for a license to engage in the business or profession of embalming to be issued after examination shall submit formal application, supporting data, photograph, and shall pay an examination fee of $25, which, if the applicant passes or fails the examination herein authorized, shall not be returnable.

SEC. 16. When the Board shall find that the applicant for a license to practice the business or profession of embalming as defined in this act possesses the qualifications therefor prescribed in this act, and when the applicant shall have passed the examination prescribed by the Board, the Board shall cause the name of such applicant to be registered in a book to be provided for that purpose and kept by the secretary-treasurer of the Board, and upon the payment of the license fee of $10, the Board shall issue to such person a license to engage in the business or profession of embalming in the District of Columbia. All licenses issued shall date from the 1st day of July in each year and expire on the 30th day of June following. Every license issued under the provisions of this section shall be renewed annually on or before the 1st day of July of each year upon the payment of an annual fee of $10.

SEC. 17. Before any person shall, in the District of Columbia, serve as an apprentice embalmer, such person shall register with the Board as such an apprentice of an embalmer licensed under the provisions of this act and actually engaged in the business or profession of embalming in the District of Columbia. The Board shall, by its rules and regulations, prescribe the manner in which such registration shall be made, the duration thereof, the fee to be charged for such registration and any annual renewal thereof, which fee shall not exceed $5 per year, and the terms and conditions under which the embalmer apprenticeships shall be served.

SEC. 18. The Board may, subject to such terms and conditions as it may by its rules and regulations prescribe, grant nonresident privileges to funeral directors or embalmers licensed by any State or Territory of the United States, provided such State or Territory extends the same privileges to licensed funeral directors or embalmers of the District of Columbia. Such privileges shall not include the establishment of a place of business in the District of Columbia for the purpose of engaging in the business or profession of funeral directing or embalming nor the acceptance of employment as a funeral director or embalmer with a District of Columbia funeral director or embalmer until duly licensed in accordance with the provisions of this act.

SEC. 19. A funeral director or embalmer who desires to obtain a license without examination by virtue of a license issued to him by any State or Territory shall submit proof satisfactory to the Board that he is over 21 years of age and is of good moral character; that he was licensed to practice funeral directing or embalming in the jurisdiction whence he comes under conditions that would have permitted him to have obtained a license in the District of Columbia; that he practiced under authority of said license for not less than 5 consecutive years immediately preceding the date of application, and that he intends, if licensed by the Board of Funeral Directors and Embalmers, to engage in such business or profession in the District of Columbia. He also shall submit proof satisfactory to the Board that the jurisdiction whence he comes grants, without examination, to licentiates of the District of Columbia of the same class, licenses to practice funeral directing or embalming within its jurisdiction. Such proof having been made to the satisfaction of the Board, the Board shall cause the name of such person to be registered as a funeral director or embalmer, or both, in a book provided for that purpose and kept by the secretary-treasurer of the Board, and upon the payment of the fee of $10 per license shall issue a license or licenses to such person. Every license issued under the provisions of this section shall be renewed annually on or before the 1st day of July of each year upon the payment of an annual fee of $10.

SEC. 20. The Board is hereby authorized and empowered to investigate any alleged violation of the provisions of this act or any alleged violation or violations of the rules and regulations herein authorized to be promulgated by the Board; to summon alleged violators for hearing before the Board, to subpena witnesses or take the testimony of any person by deposition; to administer oaths to witnesses before the Board; to compel testimony of and from witnesses; to require the production of books, records, papers, and documents by subpena or otherwise; and to aid in the prosecution of any alleged violation of this act or of the rules and regulations herein authorized to be promulgated by the Board. In case of the refusal of any person to comply with any subpena issued hereunder or to testify to any matter regarding which he may lawfully be interrogated, the District Court of the United States for the District of Columbia, or any judge thereof, on application of any member of the Board, shall issue an order requiring such person to comply with such subpena and to testify

or either, and any failure to obey such order of the court may be punished by the court as a contempt thereof.

SEC. 21. All fees and charges payable under the provisions of this act shall be paid to the secretary-treasurer of the Board and by him deposited as directed by the Board. The Board shall pay from the fund thus established all of the expenses of the Board, including such as may be incident to investigation and criminal prosecution. Disbursements authorized by the Board shall be made by check signed by the secretary-treasurer of the Board. The Board is hereby empowered to refund any fee or charge, or portion thereof, erroneously paid or collected under this act. At the close of each fiscal year any and all funds of the Board in excess of the sum of $1,000 shall be paid into the Treasury of the United States to the credit of the District of Columbia. It shall be the duty of the auditor of the District of Columbia to audit the accounts of the Board at the end of each fiscal year and make a report thereof in writing to the Commissioners of the District of Columbia. The said auditor shall have free access to all books of accounts, papers, and records, of the said Board.

SEC. 22. The Board is hereby authorized and empowered to refuse to issue or to refuse to renew or to suspend or revoke any license or registration, after full hearing, for any one or more of the following reasons:

(a) Obtaining or attempting to obtain a license or registration by fraudulent misrepresentation.

(b) Conviction of a felony as shown by a certified copy of the record of the court of conviction.

(c) Violations of the laws and regulations of the District of Columbia relating to the burial or disposal of dead human bodies or the provisions of this act or of the rules and regulations promulgated under authority of this act.

(d) Upon proof satisfactory to the Board that a funeral director or an embalmer has employed someone not legally registered or licensed in any position or for any work for which a license or registration is herein required.

Before any license or registration shall be suspended or revoked for any of the reasons contained in this section the holder thereof shall be given notice in writing of the charge or charges against him and shall at a day specified in said notice, which shall be at least 5 days after the service thereof, be given a full hearing before the Board and the opportunity to produce testimony in his own behalf.

SEC. 23. Upon the revocation or suspension by the Board of any license issued by the Board, an appeal may be taken from such action of the Board to the District Court of the United States for the District of Columbia within 30 days from the day such license is formally revoked or suspended by the Board.

SEC. 24. The provisions of this act shall not apply to registered apprentices of a duly licensed funeral director or embalmer while serving their apprenticeships under and in accordance with the provisions of sections 13 and 17, respectively, of this act, or to any duly established and incorporated school of medicine in the District of Columbia, or to any officer or employee of the United States or the District of Columbia in the discharge of his official duties.

SEC. 25. Any person violating the provisions of this act shall upon conviction thereof be punished by a fine of not more than $500 or by imprisonment for not more than 1 year, or by both such fine and imprisonment.

SEC. 26. The Board shall report annually to the Commissioners on or before the third Monday in January its proceedings under the provisions of this act for the preceding fiscal year with recommendations for such further legislation as may be necessary.

SEC. 27. The word "he" and the derivatives thereof, wherever the same occurs in this act, shall be construed so as to include the word "she" and derivatives.

SEC. 28. If any section, subsection, sentence, clause, phrase, or requirement of this act is, for any reason, held to be unconstitutional, such decision shall not affect the validity of the remaining sections, subsections, sentences, clauses, phrases, or requirements thereof. The Congress of the United States hereby declares that it would have passed this act and each section, subsection, sentence, clause, phrase, and requirement thereof irrespective of the fact that any one or more sections, subsections, sentences, clauses, phrases, or requirements be declared unconstitutional or invalid.

SEC. 29. All acts or laws or any parts thereof inconsistent with the provisions of this act are hereby expressly repealed.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

Mr. RANDOLPH. Mr. Speaker, that concludes the District of Columbia for this afternoon.

MEXICAN CLAIMS

The SPEAKER. The unfinished business is the bill S. 326, the so-called Mexican claims bill.

Mr. BEAM. Mr. Speaker, I make the point of order that there is no quorum present.

The SPEAKER. The gentleman from Illinois makes the point of order that there is no quorum present. Evidently there is not.

Mr. BLOOM. Mr. Speaker, I move a call of the House.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 165]

Alexander	Darrow	Larrabee	Risk
Allen, Pa.	Dies	Luce	Rockefeller
Arnold	Dingell	McCormack	Sacks
Ball	Drewry	McGranery	Sandager
Barton, N. Y.	Durham	McLeod	Sasscer
Bates, Ky.	Ellis	Maas	Scrugham
Boland	Engel	Maciejewski	Seger
Bradley, Pa.	Evans	Magnuson	Sheridan
Buck	Ferguson	Mansfield	Smith, Va.
Burch	Fernandez	Marcantonio	Spence
Byron	Fitzpatrick	Martin, Ill.	Starnes, Ala.
Cannon, Fla.	Flannery	May	Stearns, N. H.
Casey, Mass.	Folger	Merritt	Sullivan
Celler	Ford, Leland M.	Mitchell	Thill
Chapman	Gifford	Monkiewicz	Thomas, N. J.
Clark	Green	Mouton	Thorkelson
Claypool	Harness	Nelson	Voorhis, Calif.
Cluett	Healey	Norton	White, Idaho
Creal	Hook	O'Connor	White, Ohio
Culkin	Jenkins, Ohio	O'Neal	Wood
Cummings	Keogh	Osmers	Youngdahl
D'Alesandro	Kilburn	O'Toole	
Darden, Va.	Kleberg	Peterson, Fla.	

The SPEAKER. Three hundred and forty-three Members have answered to their names. A quorum is present.

By unanimous consent, further proceedings under the call were dispensed with.

TRANSPORTATION OF CONVICT-MADE GOODS IN INTERSTATE AND FOREIGN COMMERCE

Mr. SUMNERS of Texas. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (S. 3550) to make unlawful the transportation of convict-made goods in interstate and foreign commerce, with House amendments, insist upon the House amendments, and agree to the conference asked by the Senate.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Texas? [After a pause.] The Chair hears none, and appoints the following conferees: Mr. SUMNERS of Texas, Mr. HOBBS, Mr. SATTERFIELD, Mr. GUYER of Kansas, and Mr. HANCOCK.

MEXICAN CLAIMS

Mr. BLOOM. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the state of the Union for the further consideration of the bill (S. 326) for the payment of awards and appraisals heretofore made in favor of citizens of the United States on claims presented under the General Claims Convention of September 8, 1923, United States and Mexico.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union for the further consideration of the bill S. 326, with Mr. RANKIN in the chair.

The Clerk read the title of the bill.

Mr. BLOOM. Mr. Chairman, may I ask the amount of time which has been consumed?

The CHAIRMAN. At the end of the debate on Monday, May 20, when this measure was under consideration, the gentleman from New York [Mr. BLOOM] had consumed 44 minutes and the gentleman from New York [Mr. FISH] had consumed 45 minutes. The gentleman from New York [Mr. BLOOM] has remaining 16 minutes and the gentleman from New York [Mr. FISH] has 15 minutes.

Mr. BLOOM. Mr. Chairman, I yield 5 minutes to the gentleman from Wisconsin [Mr. KEEFE].

Mr. KEEFE. Mr. Chairman, in the consideration of this so-called Mexican Claims Commission bill, S. 326, I want to state that there is not a single claim from the State of Wisconsin involved in this matter. I therefore have no personal interest in it, nor has any Representative from my State.

I was rather intrigued by the legal questions that arose out of this particular bill. When the debate was first had, I was inclined to be against the provisions of the bill and what it proposed to do. I want to state that after thorough examination of what the bill proposes and the law and facts behind

it, I have reached the conclusion that it would be an unconscionable thing to defeat this bill.

Now, let us see just exactly what it proposes to do. It appears from the record that there are 122 claimants whose claims have been litigated and passed upon, representing 112 individuals and 10 corporations, coming from 22 different States throughout the Union. These people all had claims that were valid against the Government of Mexico. I am going to cite the claim of the Illinois Central Railroad Co., because that is the largest. It represents the status of all these claims, and what may be said in reference to it may be said in reference to all of the other claims.

The Illinois Central Railroad Co. in 1921 contracted to sell to the Government of Mexico, which was then operating the Mexican railways, 91 second-hand locomotives, which they reconditioned and delivered to the Government of Mexico. The contract provided for this reconditioning of the locomotives and their delivery on the Mexican side of the border, and the Mexican Government agreed to a down payment of $1,000,000 and to pay the balance of the purchase price in payments of $50,000 per month, with interest.

The railroad company carried out the terms of its contract with the Government of Mexico. The Mexican Government made two monthly payments, leaving a balance of approximately $1,400,000, with interest.

After those first two monthly payments were made the international situation between this Government and Mexico became chaotic and payments were suspended. Between 1921 and 1923 the railroad company was actively engaged in negotiations seeking the payment of the balance of their claim against the Mexican Government. Those negotiations were in progress, and I have had the benefit of examination of the correspondence and letters—which time will not permit me to read at this time—showing the active character of those negotiations right up to the time this treaty was negotiated on September 8, 1923. That treaty required the Illinois Central Railroad Co. and all other claimants to file their claims with this Commission. I want to point out to those people who have been wibbly-wobbly on this particular bill that after a study of the entire situation I cannot see how any person can come to any conclusion but that this treaty compelled claimants having legitimate claims against the Government of Mexico to surrender those claims into the hands of the United States Government. The treaty itself provides in its interpretation by the State Department that no individual could prosecute or espouse his claim before this Commission, and that the claim had to be prosecuted and had to be espoused in the name of the Government itself as a diplomatic matter. In fact, the claims as docketed before the Commission itself were in the name of the Government of the United States in behalf of the respective claimants.

The Illinois Central was barred from further consideration of its claim in private negotiation with the Government of Mexico and duly filed its claim with the Commission. Its claim was fully espoused by the United States Government. The Commission passed upon its claim and awarded that claim to the railroad company as well as to these other claimants. It then became the claim of the United States Government, and the United States Government prevented the Illinois Central Railroad Co. and these other claimants from doing a single thing about the collection of their claims. As a matter of fact, the representatives of the Mexican Government came here and wanted to settle their claim with the Illinois Central Railroad Co., offered a check of $100,000 down payment on a new agreement, but they were prevented by an opinion of the State Department from making any settlement on that basis as the State Department itself claimed that this claim became the claim of the United States Government. I say that under those circumstances if you will examine the facts and the law relative to this suit and not be carried away by any false argument that this is the claim of a corporation, as I was perhaps when it first came up, you will find that common decency, common justice, and fair dealing require that these claimants can collect their money in no other way. They should be paid, and this bill should pass. [Applause.]

[Here the gavel fell.]

Mr. FISH. Mr. Chairman, I yield 5 minutes to the gentleman from Ohio [Mr. VORYS].

Mr. VORYS of Ohio. Mr. Chairman, we have been over this subject so often that it is an old story to some of us, but to some of you who perhaps have not paid close attention before certain things need to be said.

This bill creates a new precedent in the history of our country. For the first time in our history it is proposed that the United States Government shall pay the claims of its citizens against a foreign country. We are to pick out $3,000,000 of certain classes of Mexican claims and pay them in full, some of them with interest; whereas, we are to leave 850 claimants in other classes about whom nothing has been heard. Special claimants against Mexico under another treaty got 2.06 cents on the dollar. We make no such agreement with respect to the oil claims as this bill makes with respect to the claims that fall within its scope; nor do we give such preferential treatment to the claims against Panama where we have precisely the same sort of treaty. No such legislation has been passed to cover the Spanish claims amounting to $14,000,000; and Russian claims amounting to hundreds of millions of dollars have had no such treatment. The Brazilian claims have received no such treatment.

We are to do one of two things if this bill passes. Either we are setting up a special preferred class out of all of our citizens who have hundreds of millions of dollars due them from foreign governments, or we are saying to these American citizens that our Government will pay all of their claims. We should reject this theory altogether, for if we pass this bill we shall be adopting a precedent that will cost us billions of dollars.

The reason advanced for the establishment of such a precedent as this is because it is claimed these people were cut off from certain rights under this treaty, or by the State Department. One merely has to read the treaty, article IX, to find there is not a word in there that constitutes a legal obligation of our Government to pay these claims. There is no claim by the State Department that any legal obligation is created. If there were a legal obligation this legislation would not be necessary, because this is an authorization; and if authorization already existed we would not need to pass this authorization bill.

Mr. SHORT. Mr. Chairman, will the gentleman yield?

Mr. VORYS of Ohio. I yield.

Mr. SHORT. If this bill is enacted into law the citizens of the United States will be forced to pay an American railroad company for locomotives that were delivered to the Mexican Government.

Mr. VORYS of Ohio. That is correct.

Mr. SHORT. Is that a part of the good-neighbor policy?

Mr. VORYS of Ohio. That is the version of it that is suggested here.

Mr. ANDERSON of Missouri. Mr. Chairman, will the gentleman yield?

Mr. VORYS of Ohio. I yield.

Mr. ANDERSON of Missouri. Will the gentleman tell me why they waited 20 years to collect this bill or to file this claim?

Mr. VORYS of Ohio. As far as the Illinois Central Railroad is concerned, they have not slept on their rights. Understand, they have a just claim against the Government of Mexico and they tried to collect, just as thousands of other American citizens have just claims against the Government of Mexico. But there are thousands of others who have admittedly just claims against the Spanish Government. I have a constituent who has an admittedly just claim against the Spanish Government. The State Department uses its good offices to attempt to get the money for them as for other American citizens. But what is proposed here is that the State Department shall pay the debts of Mexico 100 cents on the dollar, when we all know that they are not worth 100 cents on the dollar.

Mr. KITCHENS. Mr. Chairman, will the gentleman yield?

Mr. VORYS of Ohio. I yield.

Mr. KITCHENS. Does the gentleman know whether the United States Government has collected the money with which to pay these debts?

Mr. VORYS of Ohio. Oh, they have not collected any money. If they collect the money, article IX of the treaty provides that they shall immediately pay these claimants.

Mr. KITCHENS. And until the money is collected there is no need for making the American people pay the debt, is there?

Mr. VORYS of Ohio. There certainly is not. There certainly is no justification for such procedure.

Mr. KITCHENS. So far as the gentleman knows, the Government of the United States is doing all it can to collect the money to pay these claims, is it not?

Mr. VORYS of Ohio. I would not say they were doing all they could. They are taking many steps, but I do not feel that our Government has used as much diplomatic pressure as it should. Our Government, however, is taking the same steps for these people that they take for all other claimants against foreign governments; and these people are in no different position legally from other claimants.

Everyone who has studied this matter concedes that there is no legal obligation. If there were, no legislation would be necessary. It is said that we have a moral obligation because we entered into this treaty and because these people were urged by the State Department not to proceed in direct action. We have exactly the same moral obligation to thousands of claimants who have claims against other governments, to 850 Mexican claimants who will not be taken care of in this legislation. We have no more moral obligation to this group than we have to many others.

Mr. KEEFE. Will the gentleman yield?

Mr. VORYS of Ohio. I yield to the gentleman from Wisconsin.

Mr. KEEFE. Is it not a fact that under the terms of this treaty a private claimant was absolutely prohibited from prosecuting his claim individually against the Mexican Government?

Mr. VORYS of Ohio. That is not the fact, and if the gentleman will read the testimony he will find that the Illinois Central had the power, after this treaty went into effect, to go ahead and carry out the settlement that was proposed, but the State Department said that they could not go ahead under the treaty. It is just as if a judge would say, "You can make a settlement out of court or you can insist on your rights in court, but you cannot do both." The testimony of the counsel for the Illinois Central Railroad Co. concedes it had the right to do one or the other. The fact that it chose to do one does not mean it did not have the right to proceed with a private settlement.

Mr. KEEFE. I hold in my hand copy of the letter from the State Department addressed to the agent of the Mexican Government who came here for the specific purpose of endeavoring to negotiate settlement with the Illinois Central Railroad Co., in which the State Department specifically states that they have no such power to make a settlement, that the claim had been turned over to the United States Government and any settlement that was made would have to be made through diplomatic channels. They were prevented from settling.

[Here the gavel fell.]

Mr. BLOOM. Mr. Chairman, I yield 4 minutes to the gentleman from Texas [Mr. THOMASON].

Mr. THOMASON. Mr. Chairman, I was interested in the statement made by the gentleman from Wisconsin [Mr. KEEFE] when he said that he had been vigorously opposing this bill until he studied it and investigated the facts, when he came to the very definite conclusion that the bill had merit. When I read the speech of the distinguished Senator from Vermont [Mr. AUSTIN] in the Senate of the United States I found he made exactly the same statement, that he had been opposing this bill until he studied it. I come now in this brief time allotted me to assert that any Member of this House who studies this bill carefully, together with the treaty upon which it is based, will give it his active support. I will even go further and say that but for the prejudice and the feeling that seems to have been developed in connection with the Illinois Central claim, this bill would have passed the House by unanimous consent.

The gentleman from Ohio [Mr. VORYS] says this would be establishing a dangerous precedent. In view of the history of this matter, and the fact that diplomatic relations between the United States and Mexico had been severed, and in view of the further fact that President Harding, acting through his able Secretary of State, Mr. Kellogg, and that very brilliant lawyer who was Under Secretary of State, Mr. Cotton, when they entered into this solemn treaty and agreement, if this Government now refuses to pay its honest debts, it would be setting a dangerous precedent. [Applause.]

Mr. Chairman, I happen to live in El Paso, on the Mexican border. I have more than 350 miles of the Mexican border along the Rio Grande in my district; therefore I speak with some personal knowledge of the situation. I hold no brief for the Illinois Central Railroad, because it has friends on this floor to speak for it. I am pleading for the 112 individuals, scattered throughout 22 States, whose claims have been approved by this Government and who have only their representatives here to speak for them. A large number of them live in my own city and district.

American citizens have been shot in my own city by stray bullets coming from Juarez when the revolution was going on there. American citizens residing in my district but doing business in Mexico have suffered physical injury in their revolutions down there, and also sustained heavy financial losses through no fault of their own. They were innocent of any wrongdoing. They sought redress; and our State Department, acting in conjunction with the Department of State of the Republic of Mexico, entered into a solemn agreement to settle these claims. Our citizens could not collect from the Mexican Government, and this method was their only recourse. The only thing in this world they could do was to come before this Commission and prove their claims, which they have done in a legal and proper way. This was an impartial commission appointed by President Harding and Secretary of State Kellogg. The awards were made after a fair and judicial hearing. This bill is both equitable and just.

The gentleman from Arkansas asked the question if we were not paying this money ourselves and then looking to Mexico for payment. Of course, we have not paid the more than $400,000 that has been allotted to Mexican citizens. But this is a treaty and solemn promise to adjudicate. Our citizens have no other recourse. Many of the individual claimants are getting old and in need of their money. They have waited for nearly 20 years, and this bill ought to pass.

[Here the gavel fell.]

Mr. FISH. Mr. Chairman, I yield the balance of the time on this side to myself.

Mr. Chairman, this is not a new proposal. This Mexican claims bill has been kicking around Congress for years and years. It would not have gotten this far if it had not been for one of the most efficient and astute lobbies that has been around the Congress of the United States in the last 20 years. The State Department itself says that this legislation would not be in accord with the program of the President. It is here simply because the Illinois Central has a claim for $2,000,000 out of the $3,000,000 involved in the bill. This lobby is backed by able Representatives in Illinois, some of whom have told me that this claim is lousy, but "we live on the Illinois Central Railroad and we have to support the bill. We do not think it has any merit to it whatever, but, of course, you understand our reasons."

Mr. McKEOUGH. Will the gentleman yield?

Mr. FISH. I yield to the gentleman from Illinois.

Mr. McKEOUGH. May I say that I live on the Illinois Central right-of-way and I am not going to support this bill.

Mr. FISH. The gentleman is a little more courageous than some others. Perhaps the gentleman does not have as many voters as some others have.

Mr. DIRKSEN. That is an unfair statement for the gentleman from New York to make, and he knows better than that.

Mr. FISH. I heard the gentleman's speech.

Mr. DIRKSEN. And I admitted that I live on the railroad.

Mr. FISH. I am not referring to the gentleman, I am referring to some Members who have told me in the very words that I used that they did not want to vote for it under any circumstances, but that the railroad runs through their district and it would be unwise politically if they did not.

Mr. DIRKSEN. Now will the gentleman yield for a question?

Mr. FISH. Yes; I yield for a brief question.

Mr. DIRKSEN. Is it not true that every bill that exceeds the Budget also carries with it that same stereotyped recommendation, that it is not in accord with the President's program?

Mr. FISH. I defy the gentleman to show one member of this administration, and of the State Department particularly, which is naturally vitally interested in the creation of such a vicious precedent, who will state that he is for it. There is not a member of the State Department who, under any circumstances, would dare to say that he is for this bill creating such a dangerous and vicious precedent, which opens wide the Treasury doors for future raids, not of $3,000,000 but of $300,000,000, and maybe $1,000,000,000, which we would be bound to pay if you ever permit the establishment of such a precedent. I again say there is not a man in the State Department from the Secretary down who would ever dare approve this kind of legislation.

Mr. ANDERSON of Missouri. Mr. Chairman, will the gentleman yield?

Mr. FISH. Yes; I yield for a brief question.

Mr. ANDERSON of Missouri. This bill is the same one that has been filed all along, is it not?

Mr. FISH. Identically. Its advocates did not dare bring this bill up 2 years ago in the closing days of the session, because Mr. Snell, the minority leader, knew what it was and was prepared to battle it to the end. It has a way of turning up at the end of a session, due, I presume, to the pressure of the lobby.

Mr. ANDERSON of Missouri. There is no change in the bill?

Mr. FISH. Not a word of change.

Mr. ANDERSON of Missouri. There is no change to make a man change his vote, unless he is looking for votes from the Illinois Central?

Mr. FISH. I have already given my views on that.

Let me quote now the words of a very distinguished Member of the Senate, the Senator from Colorado [Mr. ADAMS], who is utterly impartial and not affected by this bill. He does not live on the Mexican border line, and he does not have the Illinois Central running through his district. He made a very careful study of the whole proposition and analyzed it in every possible way. He had more time to analyze it than the gentleman from Wisconsin, our new Member, who just told us that he had changed his view. Senator ADAMS said this in the Senate:

> Mr. President, there is no obligation legally. There is no obligation morally. If the Senate of the United States wants to vote to give private claimants against the Mexican Government three or four million dollars, the Senate may take the responsibility for it; but, in my judgment, it is impossible to deduce from the terms of the convention or the operations of the Commission an obligation, legal or moral.

That statement was made by the distinguished Senator from Colorado, who studied the operations of the Commission and the wording of the convention.

The gentleman from Connecticut [Mr. SHANLEY], a member of the House Committee on Foreign Affairs, and a very distinguished member, too, would have liked to be here today to speak on this issue. In his absence, however, he has turned over to me certain papers, including letters from two of the most distinguished international lawyers in America, John Bassett Moore and Edwin M. Borchard, men whose names are known throughout the length and breadth of this land. He wrote them about this bill to find out what they thought of it. I hold here a letter from Edwin M. Borchard, the well-known professor of international law at Yale, addressed to the gentleman from Connecticut [Mr. SHANLEY]. It reads as follows:

> I have read the bill for the payment of claims against Mexico. I do not know whether it had already been enacted by the House.
>
> If it has not, I should think there were an infinite number of arguments against the passage of such a bill. The claimants are simply unfortunate in having Mexico as their debtor, but equally unfortunate are those American claimants who have Russia or Spain as their debtor. It seems to me that unless the Government wishes to exercise largesse and simply pay out money to get it into circulation, those Americans who have claims against Mexico are in no better position than those who have claims against other countries. In fact, in many respects they are less entitled to consideration.
>
> Their claims were decided under a protocol which dispensed with the local-remedy rule by which they were relieved of the obligation of showing that they had even attempted to apply for a local remedy. Many of these claims, therefore, I am confident, would not have standing in international law. The General Claims Commission merely sat as a reviewing body to review the legitimacy of a demand, just as if they were a superior Mexican court, not necessarily an international court. The precedent that this payment would establish, in view of the fact that there is no national quid pro quo, is, I think, somewhat unfortunate. The United States does not owe this money in equity but simply would step into the shoes of an insolvent debtor, Mexico, from whom the collection of these claims, is, at the moment, highly problematical.

Mr. ANDERSON of Missouri. Mr. Chairman, will the gentleman yield?

Mr. FISH. I yield to the gentleman from Missouri.

Mr. ANDERSON of Missouri. If a precedent is set by paying this claim, will it not cost the taxpayers of this Government hundreds of millions of dollars eventually?

Mr. FISH. The gentleman is unquestionably correct. Any Member of Congress has a perfect right to go home and try to defend himself after he votes for the payment of this $3,000,000 owed by the Mexican Government, but it is only the beginning. If we pay these claims and establish this precedent claimants will come to the Congress asking for not $3,000,000 but $300,000,000 and maybe $1,000,000,000 before we are through with it.

Mr. PITTENGER. Mr. Chairman, will the gentleman yield?

Mr. FISH. I yield to the gentleman from Minnesota.

Mr. PITTENGER. Did the gentleman hear the gentleman from Indiana [Mr. HALLECK] and the gentleman from Illinois [Mr. DIRKSEN] some time ago explain the purposes of this bill?

Mr. FISH. I have been on the committee that has had this bill under consideration for the last 10 years.

Mr. PITTENGER. They reached a conclusion absolutely opposite to that of the gentleman.

Mr. FISH. I have studied this matter a long time. I think it is unconscionable. This bill should never be here. In my opinion, it is nothing but a political racket. Further, I say it is a political steal and raid on the Treasury. I do not propose to go back to my district and try to defend my vote for giving certain people $3,000,000 owed them by the Government of Mexico. [Applause.]

Mr. PITTENGER. What is the answer of the gentleman from New York to the explanation of the gentleman from Indiana [Mr. HALLECK]?

[Here the gavel fell.]

Mr. BLOOM. Mr. Chairman, I yield the remaining time, which I believe is 5 minutes, to the gentleman from New York [Mr. WADSWORTH].

The CHAIRMAN. The gentleman from New York is recognized for 6 minutes.

Mr. WADSWORTH. Mr. Chairman, the gentleman from New York [Mr. FISH] has characterized this bill in pretty extreme terms and has assigned to some unnamed Members of the House of Representatives unworthy motives. I shall not indulge in that type of argument. Did I believe this bill to be a steal, I would most certainly not support it, and whether the Illinois Central runs through my district or not makes no difference whatsoever with respect to my opinion of this measure. Incidentally, it does not run through my dis-

trict, if that is of any importance whatsoever to the Members of the House here present. [Laughter.]

Much has been said here already about the establishment of a precedent, and allusions have been made to moneys confessedly owed to American citizens by the Government of Russia, to the failure of the Brazilian Government to back up its bonds—I think that is one of the cases mentioned—to the oil seizures in Mexico, and various other claims of one sort or another that American citizens might well bring against foreign governments, but in none of those cases was a treaty such as this treaty entered into between the United States Government and the foreign government.

Mr. VORYS of Ohio. Mr. Chairman, will the gentleman yield?

Mr. WADSWORTH. I yield.

Mr. VORYS of Ohio. The gentleman is mistaken in that statement. We had a similar provision in the old Mexican treaty of 1868; we had the same provision in a special treaty, and we have one in the treaty with Panama containing the same language as article IX, upon which the claims are based here.

Mr. WADSWORTH. The Panama case was not cited by the gentleman from Ohio in his speech. The cases which he did cite are not covered by treaties of this kind, and yet he says they are on all fours with this; they are not.

Now, Mr. Chairman, it is said that this treaty did not deprive any of these American claimants of their rights; that they could have gone ahead and pressed their claims against the Mexican Government as individual American citizens. A reading of a certain article of this treaty shows the complete inaccuracy of that statement. Article VIII of the convention provides that claims not so filed with the Commission should "be considered and treated as fully settled, barred, and thenceforth inadmissible." This crowded out every American claimant from individually presenting his claim. He had to come in under the United States Government tent. If he did not do so in 1 year or 6 months, whichever it was, after the reaching of this agreement, he was barred forever afterward from pressing his claim against the Mexican Government.

Now, a treaty is the supreme law of the land, and it is just as binding on an individual American citizen as it is upon the officials of the American Government. So these men were rendered absolutely helpless. They had to come under the Government tent. The Government of the United States, if the spirit of this thing is to be lived up to, became the creditor in its dealings with the Mexican Government, and the treaty provided for a balancing of the account between the two governments, not between the two sets of claimants, Americans on the one side and Mexicans upon the other.

As I read this thing, and I cannot pretend to be an authority on international law—I suspect that Mr. Borchard never read this treaty, judging by the letter which he wrote to the gentleman from Connecticut [Mr. SHANLEY] as read by the gentleman from New York [Mr. FISH]. He does not point out that this treaty stands out distinct as compared with the ordinary treaty for the arbitration of claims as between governments or as between the nationals of several governments. As I do study this thing I cannot escape the conclusion that in common fairness to the American citizens whose claims have been adjudged to be just, whose claims have been handled by the United States Government to the exclusion of their handling them themselves, which Government is to strike a balance with the Mexican Government, these American claims should be paid. These people have been waiting for years and years. No one on this floor will question the justness of their claims. The claim as a whole is lodged against the Mexican Government, and its prosecution is in the hands of the American Government. It is the duty of the American Government to collect. It is the only agency that is permitted to collect under the terms of this treaty. These individuals, be they the Illinois Central Railroad or John Smith, never can collect. It is only the Government of the United States that can collect, and in view of the power vested in the Government of the United States to perform this function, it seems that the time has come at last, if it shall ever come, when these poor Americans should be given decent treatment.

To my mind, this is not a steal, and I am not afraid to go back to the people who live in the Thirty-ninth Congressional District of New York and say why I voted for this bill. [Applause.]

[Here the gavel fell.]

The CHAIRMAN. The time of the gentleman from New York has expired. All time has expired, and the Clerk will read.

The Clerk read as follows:

Be it enacted, etc., That the principal amounts of all awards in favor of citizens of the United States against the United Mexican States heretofore made by the Commissions established by the General Claims Convention of September 8, 1923, United States and Mexico, and extensions thereof, on claims presented under said convention, plus interest stipulated in any such award and accruing up to the date of such award, and the principal amounts of all appraisals of such claims in favor of citizens of the United States heretofore made by the Commissioners appointed by the United States and Mexico for said purpose pursuant to the protocol of April 24, 1934, and agreed upon in their report, plus interest stipulated in any such appraisal and accruing up to the date of said report, shall be paid immediately by the Government of the United States to the person or persons entitled to the same, and that, appropriations for such payment of all such awards and agreed appraisals, out of any money in the Treasury not otherwise appropriated, be, and hereby are, authorized: *Provided*, That the Secretary of State shall certify to the Secretary of the Treasury all such awards and appraisals, whereupon the Secretary of the Treasury shall determine the amounts to be paid on each in conformity with this act, and shall designate the person or persons entitled to receive such payments: *Provided further*, That, when the person or persons entitled to receive any such payments have received same on any such award or appraisal, such person or persons will be deemed to have consented to all of the provisions of this act, and all of the rights and interests of such person or persons in and to such award or appraisal, and the respective claim to which it pertains, will be deemed to have been fully satisfied and paid, and said award or appraisal, and the claim to which same pertains, and all of the rights and interests of such person or persons in respect thereto, shall be held to have been assigned to the United States to be enforced by and on behalf of the United States against the United Mexican States: *And provided further*, That awards and appraisals authorized to be paid by this act shall be included in the final settlement between the Governments of the United States of America and the United Mexican States under the said convention of September 8, 1923; and the payment of any award or appraisal under this act shall not be construed as the satisfaction, in whole or in part, of any such award or appraisal, or as extinguishing or diminishing the liability of the United Mexican States for the satisfaction in full of such awards and appraisals, but shall be considered only as an advance by the United States until all of said awards and appraisals have been paid off and satisfied in full to the United States by the United Mexican States.

Mr. BEAM. Mr. Chairman, I offer the following motion, which I send to the desk.

The Clerk read as follows:

Mr. BEAM moves that the Committee do now rise and report the bill back to the House with the recommendation that the enacting clause be stricken.

Mr. BEAM. Mr. Chairman, great stress has been laid by the proponents of this measure upon the fact that when the Illinois Central Railroad and the other claimants submitted their claims to arbitration, as requested by the Government, they were foreclosed and estopped from trying to proceed with the collection of their respective claims. This, however, is not the fact, as supported by the evidence in the case; and in this regard I read from the testimony of Mr. Vernon Foster, general solicitor of the Illinois Central Railroad in respect to that question. I quote from his testimony appearing on page 37 of the hearings, which is as follows:

They said, "If you propose to do anything of that sort, you will have to do one of two things. You will have to waive your right to have any aid from the United States and abandon this claim before the Commission in its entirety, and we will consent to the petition being dismissed, or we will dismiss it in any event; or, as a corollary to that, if you do not do that, you will have to cease all private negotiations." Well, of course, having had this unfortunate experience before of having sent the locomotives down there and they made the one payment, we were faced with the thought they would try to make one payment again and then we would be forever barred.

In other words, the Government gave them the choice of pursuing their claim in their own capacity if they so desired, but from their prior experience it was obvious to them that as

an individual corporation they could not accomplish their purpose.

This thought is further suggested in the printed brief of Mr. O. M. Fitzhugh, attorney for H. G. Venable, claimant for the amount of $140,000. Speaking on the same proposition, the following appears in page 5 of his printed brief, which I quote:

> But the State Department of the American Government refused to approve such a settlement except on condition that the railroad company waive the right thereafter to have the aid of our Government on that claim if Mexico should default.

In other words, the Illinois Central Railroad and all the other claimants wanted to avail themselves of the power, prestige, and influence of the Government of the United States, and they were unwilling to proceed on their own prerogative.

Mr. LUTHER A. JOHNSON. Mr. Chairman, will the gentleman yield?

Mr. BEAM. No; I am sorry; I have not the time. Referring to the speech of the distinguished gentleman from New York [Mr. WADSWORTH], I desire to say that no proponent of the measure has denied the fact that 18 different appropriations aggregating $3,425,000 have been passed by the Congress of the United States in the prosecution of these claims in behalf of its citizens. No proponent of this measure has denied the fact that only 124 claims are involved in this pending bill, while 850 claims of the same type and character are foreclosed and denied. No one has disputed the fact that there are now pending against the Government of Mexico American claims, adjudicated and determined but still unsatisfied, aggregating between $300,000,000 and $400,000,000. Why should we pick out 124 privileged claims, giving them a preferred status, and say to the taxpayers of the Nation you have to pay for them. It is not fair, it is not just, it is not equitable.

Mr. Chairman, I cannot conceive by the broadest scope of the imagination anything more academic or more ironical than the Congress of the United States at this crucial period in the history of the world giving consideration to legislation of this character pregnant with probabilities so devastating and demoralizing to the economic well-being of America as are embodied and contained in this measure before you at the present time.

With brave and determined men fighting for the preservation of freedom and liberty for millions of people throughout the world; with the democracy of the world imperiled and our own peace and security perhaps in jeopardy; instead of devising ways and means of increasing and enlarging our national defense and rendering our country impregnable to any foreign attack, we take the time of the Congress of the United States in the closing days of the session in debating upon this measure, whose only design is to precipitate and bring about the most colossal raid upon the Treasury of the United States in the history of our Government.

When the Congress of the United States by the passage of this measure calls upon the taxpayers of the Nation to pay the bill for 95 locomotives sold by the Illinois Central Railroad to the Mexican Government, at a profit, and 123 other privileged claimants, I fear the ultimate result and consequences of this unwarranted and unjust taxation upon the morale of our citizens at this crucial period of our national history.

I beseech you in the name of the farmers of America, in behalf of the great mass of toilers throughout the land, and all patriotic citizens of our Nation, whose shoulders are now becoming weary with the tremendous tax burdens they are now bearing, and in the trying and uncertain days ahead, will be greatly enlarged and increased by appropriations necessary to preserve our national integrity and maintain our country at peace with the world.

In the name of the taxpayers of America, this bill must be defeated. [Applause.]

The CHAIRMAN. The time of the gentleman from Illinois has expired.

Mr. LUTHER A. JOHNSON. Mr. Chairman, I rise in opposition to the motion.

Mr. Chairman, the argument by some gentlemen opposing this bill, that it is a steal, is unworthy of the gentlemen who make the charge. It is a characterization sometimes used by those whose causes will not wash. This bill is not a steal, and the gentlemen who make those statements, if they knew the facts, if they had read and studied the provisions of this bill and the terms of the treaty upon which it is based, would not have the hardihood to look into the faces of the membership of this House and make such an unfounded, unjustified charge.

There has been some feeling generated in this debate. I have none myself. I am actuated solely by what I conceive to be right and wrong with reference to this bill. I do not have a single constituent who gets a dime of this money. If one will stop and lay aside his prejudice and passion, and calmly and dispassionately consider this resolution, he will reach but one conclusion, and that is that the bill is meritorious. It has twice passed the Senate of the United States. It has never been voted upon in the House.

Mr. PITTENGER. Mr. Chairman, will the gentleman yield?

Mr. LUTHER A. JOHNSON. I yield.

Mr. PITTENGER. I want to say that in the service I have had in the House of Representatives with the gentleman from Texas, I have never found him supporting bills that were not meritorious and entitled to support. [Applause.]

Mr. LUTHER A. JOHNSON. I thank the gentleman from Minnesota, and so far as the claim of the Illinois Central is concerned, which has been criticized because of its large amount, the gentleman who has just spoken knows that the smallest bill which ever passed this House was introduced by me in behalf of a poor old colored man for $5, and it was on account of his son who had died in the service of the Navy. It was necessary to pass a bill in order to get this $5 for the old man. The gentleman from Minnesota [Mr. PITTENGER] was a member of the Claims Committee who reported that bill. He knows there was no political influence involved. It was simply a question of right and wrong, just as is involved in this measure.

Mr. HALLECK. Mr. Chairman, will the gentleman yield?

Mr. LUTHER A. JOHNSON. I yield.

Mr. HALLECK. There were claims allowed in favor of Mexican citizens against our Government. Can the gentleman tell the membership whether or not the Government has paid those claims?

Mr. LUTHER A. JOHNSON. They have not been paid.

Mr. HALLECK. Does it not follow from that that the claims of American citizens against the Mexican Government that are here sought to be paid are the basis of the refusal or failure of our Government to pay the Mexican claimants?

Mr. LUTHER A. JOHNSON. The gentleman is right. There are two sets of claims. The claims of Mexican citizens against our Government and claims of our citizens against the Mexican Government. Under the Commission set up claims of citizens of both countries were to be passed upon by the Commission and the Government paying the larger sum would collect from the other country the difference between the aggregate awards of each group of citizens.

Mr. HALLECK. Will the gentleman yield further?

Mr. LUTHER A. JOHNSON. I yield.

Mr. HALLECK. Is it not fair to say that our Government has taken the claims of its citizens and used them to pay its obligation to Mexican citizens?

Mr. LUTHER A. JOHNSON. I think that is a fair conclusion.

Mr. COCHRAN. Mr. Chairman, will the gentleman yield?

Mr. LUTHER A. JOHNSON. I yield.

Mr. COCHRAN. Will the gentleman tell the House whether or not the agreement did not provide that the claims of one country should be deducted from the claims of the other?

Mr. LUTHER A. JOHNSON. Certainly.

Mr. COCHRAN. And then the other country should pay the balance?

Mr. LUTHER A. JOHNSON. That is true.

Mr. COCHRAN. Now, did not the Mexican Government owe more than the United States Government?

Mr. LUTHER A. JOHNSON. Surely.

Mr. COCHRAN. Well, does that not put it in a different light than was brought out by the gentleman from Indiana [Mr. HALLECK]?

Mr. LUTHER A. JOHNSON. No; the gentleman is mistaken. The terms of the treaty, as I interpret it, is this: That the Commission will hear the claims of both sets of claimants, and after those claims have been adjudicated, then each Government will pay to their citizens, and the Government that pays most will collect from the other Government the difference.

Mr. HOFFMAN. Will the gentleman yield?

Mr. LUTHER A. JOHNSON. I yield.

Mr. HOFFMAN. Does the gentleman know of any other instance where an agency trying to make collection assumed payment of the obligation before he had collected?

Mr. LUTHER A. JOHNSON. I say this treaty so provided. Whether there had ever been any other treaty in the world like it or not makes no difference; that is what this treaty provides, and this bill seeks to carry out the terms of that treaty.

Mr. COX. Mr. Chairman, will the gentleman yield?

Mr. LUTHER A. JOHNSON. I yield to the gentleman from Georgia.

Mr. COX. I would like to say that I have heard this bill criticized as "a steal." Because of that I took the pains to examine it rather thoroughly, and if I have competence and understanding to know what is right and just, then this bill is a righteous measure and ought to be adopted.

Mr. LUTHER A. JOHNSON. I thank the gentleman. The gentleman from Georgia [Mr. Cox] is one of the ablest Members of the House. He has a brilliant and analytical mind and is a fair-minded man. This is also true of the gentleman from Wisconsin [Mr. KEEFE], and the Senator from Vermont [Mr. AUSTIN], who were both first opposed to the bill, but after study of it were convinced that it was meritorious. And the same conclusion will be reached by anyone who will familiarize himself with the bill and the terms of the treaty upon which it is based, and will lay aside whatever passion and prejudice he may have. [Applause.]

[Here the gavel fell.]

The CHAIRMAN. All time has expired. The question is on the motion of the gentleman from Illinois [Mr. BEAM].

The question was taken; and on a division (demanded by Mr. BEAM) there were ayes 60 and noes 62.

Mr. BEAM. Mr. Chairman, I demand tellers.

Tellers were ordered, and the Chair appointed Mr. BLOOM and Mr. BEAM to act as tellers.

The Committee again divided; and the tellers reported there were ayes 68 and noes 93.

So the motion was rejected.

Mr. RICH. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. RICH: On page 2, line 6, after the word "States", insert "after these sums have been deposited with the United States Treasury by the Government of Mexico."

Mr. LUTHER A. JOHNSON. Mr. Chairman, I reserve a point of order against the amendment.

Mr. RICH. Mr. Chairman, I am interested in and willing to protect American interests in America, but I do not believe in going to the extent that if American interests invest their money in foreign countries, make deals with citizens of foreign countries to do certain things, the American Government and the American taxpayers back in my district have got to bail them out of a bad bargain and pay their bills. I do not think there is anything the American people would shudder at more than the thought that we were going to protect our American citizens in every deal they made with a citizen of another country, and say to them in this instance that they could go into Mexico, sell their goods, wares, and merchandise and if they could not collect, that we would protect them against loss and that Uncle Sam will pay the bill. What can be more ridiculous than that?

Mr. KEEFE. Mr. Chairman, will the gentleman yield?

Mr. RICH. I cannot yield for a minute, then I will yield to the distinguished gentleman from Wisconsin.

Mr. Chairman, if I were going to sell woolen goods to the people of Mexico I would expect my credit department to look into the standing of my prospective customers to the extent that I would know whether they were worth-while debtors. And if I shipped merchandise to them and was unable to get my money I am telling you I would not have the gall or the nerve to come back here and ask Congress to get my money from your taxpayers because I was not businessman enough to get it out of those fellows myself when I sold them the merchandise.

I do not believe the American Government, the American taxpayers, the American people are going to say to any railroad company or individual manufacturer in this country that he or it sells merchandise to the citizen of a foreign country and is unable to get his money the Government would do it for him, that Uncle Sam would go down into an empty Treasury deeper and deeper and heap that indebtedness on the backs of generations of children yet unborn—to pay the debts owed certain business concerns in this country who by their own efforts and judgment did not take the precautionary measures to get the money when they made the deal. It is not good business for Congress to do so.

Mr. ANDERSON of Missouri. Mr. Chairman, will the gentleman yield?

Mr. RICH. I yield, briefly.

Mr. ANDERSON of Missouri. This bill is simply an effort to force the American taxpayers to pay the bad debts of Mexico, is it not?

Mr. RICH. Yes; you are correct. It is ridiculous for our Government to pay the bad debts of any nation. It is ridiculous for this Government to pay the bad debts of foreign individuals. I agree with the gentleman from Missouri that we should not pay these debts until the Mexican Government places the money in Uncle Sam's Treasury. Then let the Treasury pay it out. That is one way to get the money.

Mr. KEEFE. Mr. Chairman, will the gentleman yield?

Mr. RICH. I yield to the gentleman from Wisconsin.

Mr. KEEFE. Is the gentleman aware of the fact that some of these claims do not fall within the category of ordinary commercial transactions but arise through acts of banditry and aggression committed by Mexicans upon American soil?

Mr. RICH. Most of them were committeed in Mexico. We are not responsible for the Mexican Government any more than we are responsible for the governments of Europe and what is going on in Europe today. I say, "Stay out of Europe, let them settle their own quarrels." I say, "Stay cut of Mexico and let Mexico run its Government and its business the way they think it ought to be run." It is none of our business how they run it as long as they do not interfere with our rights.

Mr. LEWIS of Ohio. Mr. Chairman, will the gentleman yield?

Mr. RICH. I yield to the gentleman from Ohio.

Mr. LEWIS of Ohio. Is it not a fact that the total of the claims adjudicated in favor of Mexican citizens under this treaty against the United States Government is only $400,000, approximately? Yet against that we are seeking to compel the Treasury of the United States to offset an obligation of more than $3,000,000.

Mr. RICH. The gentleman is absolutely right.

Mr. Chairman, I hope my amendment is adopted. The Members should support it, because there is no use trying to pay these claims with money that is not collected. Be just to our taxpayers. [Applause.]

[Here the gavel fell.]

Mr. MURDOCK of Arizona and Mr. DIRSKEN rose.

The CHAIRMAN. The Chair recognizes the gentleman from Arizona, a member of the committee, for 5 minutes.

Mr. MURDOCK of Arizona. Mr. Chairman, I heard the statement made a moment ago by the distinguished gentleman from Texas [Mr. LUTHER A. JOHNSON], that these claims

arise under a treaty and that the provisions of a treaty partake of the nature of constitutional provisions. This, therefore, is a sacred binding obligation upon us as Members of Congress to pass some such law to carry out this treaty. As Congressmen we took an oath to uphold the Constitution of the United States, and that is done on our part by the way we vote in this Chamber. Since treaties are a part of the Constitution, we cannot keep our oath of office and by our vote here ignore or go contrary to a treaty.

Mr. Chairman, I have heard a great deal said about merchandise being sold down in Mexico and later a claim presented to Uncle Sam in payment for it. I want to point out that the gentleman from Wisconsin and others were exactly right in saying that many of these claims in this bill arose by reason of acts of banditry. You will recall that only a generation ago bandits came into our country from Mexico and did a great deal of damage, causing loss of life and property on our side of the border. The gentleman from Texas [Mr. THOMASON] a moment ago told us how he stood on the top of a high building in El Paso and saw war and revolution going on across the border. In southern Arizona there are several cities on, or nearly astride, the international line. Therefore the same thing applies along the border of Arizona even to a greater degree than in Texas. The Southern Pacific Railroad tracks run right along the border at the town of Naco and at other places in Arizona and trains have been within the range of gunfire from Mexican troops fighting on the other side. This explains some of my numerous requests of the Appropriations Committee handling military items.

Hundreds of my people have come out of Mexico stripped of all their property. I have seen them come into the border towns of Douglas, Bisbee, Nogales, and other towns in Arizona, having previously spent a lifetime and fortune in building up property in Mexico. They were American citizens, mind you, and they lost all they had in revolutions in Mexico. As the gentleman from Texas said, some of these are included in this claim. It may be that all claims have not been adjudicated. It may be that there are others to be adjudicated, but I want to say that all of these border States have suffered. Perhaps I have about a dozen constituents involved in the pending bill. There ought to be more. I do know that hundreds of my constituents in the State of Arizona have had lawful claims for a quarter century against Mexico for the loss of property, which claims have not been settled.

We want the good-neighbor policy to prevail. Our Government through its State Department takes this course. It is not good business for us to say to Mexico, "We are going to give you all the concessions. Our businessmen will come in and develop your resources, then at any time you wish you can declare a revolution and take their property without protest." If we pass this bill and do this act of justice to American claimants on our side of the line, it will have a wholesome and salutary effect on our officials in their attitude toward our relations with our southern neighbor to cause them to see to it that when American capital is invested down there that capital will be duly protected.

Mr. Chairman, I am not speaking for any railroad. I do not live along the Illinois Central and I know very little about the railroad's claim. I am speaking, however, for American businessmen who make investments in Mexico in good faith. I feel they are entitled to full protection. I speak also for hundreds of people, mostly of a religious faith, who migrated to Mexico 30 or 40 years ago and were driven out some 25 years ago by the Mexicans in revolt. These are the people who ought to be considered, and I ask favorable consideration for the pending bill and a voting down of the pending amendment.

[Here the gavel fell.]

Mr. DIRKSEN. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, I want to reply to the argument of my philosophical and shrewd business friend the gentleman from Pennsylvania [Mr. RICH], who seeks to put these claims on the same basis as a straight commercial claim. The difficulty with that is, first of all, you have a different background, and, secondly, these are founded upon and are settled by the conclusions of a treaty.

If you will go back to that period between 1910 and 1920, you will find there were depredations on the border running from the Mexican side to our side. They had virtually suspended diplomatic relations. They were killing off people. All sorts of violence was taking place on the Mexican border, and one of the economic results was that the customs were suspended so that there were no moneys accruing to the Treasury of the United States as a result of customs fees. Taking this whole cumulative situation of violence on the Mexican border, they decided they could bring it all to an end, restore a happy and a felicitous feeling to both nations, and restore a resumption of intercourse between both nations by entering into a claims convention, and they concluded a treaty. All claims that came within the purview of that period of years was resolved by the provisions of this treaty under article IX, by which they are to ascertain the amount of money due Mexican citizens from our country and due our citizens from the Mexican side, offsetting one against the other, and then paying in gold, either in Washington, D. C., or in Mexico City, the difference. That is all there is to it. Since it is ascertained by a treaty, obviously, it departs entirely from the settlement of a strictly commercial transaction. That is the answer to my good friend the gentleman from Pennsylvania [Mr. RICH], and it is the best answer I know of as to why the amendment he proposes to the pending bill at present should be voted down by an overwhelming and emphatic majority.

Mr. SHANLEY. Mr. Chairman, I move to strike out the last word.

Mr. BLOOM. Mr. Chairman, I ask unanimous consent that all debate on this amendment close in 5 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from New York [Mr. BLOOM]?

Mr. ANDERSON of Missouri. Mr. Chairman, I object.

Mr. BLOOM. Mr. Chairman, I move that all debate close in 5 minutes.

The motion was agreed to.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Pennsylvania [Mr. RICH].

The question was taken; and on a division (demanded by Mr. RICH) there were—ayes 67, noes 67.

Mr. RICH. Mr. Chairman, I demand tellers. That is too close to be comfortable.

Tellers were ordered, and the Chairman appointed as tellers, Mr. RICH and Mr. BLOOM.

The Committee again divided, and the tellers reported that there were—ayes 92, noes 94.

So the amendment was rejected.

Mr. FISH. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, it seems to me that this bill has boiled down to a very simple proposition, whether the Congress of the United States wants by their votes to bail out the Government of Mexico and pay to our claimants money owed by the Republic of Mexico. If that is the desire of Congress, of course, they have a right to do it, and do it for any other foreign nation after they have put this bill through. The reason the State Department will not approve it is that they know this will create the most vicious and dangerous precedent that could possibly be established. They know that from now on there will be one raid after another—perhaps the word "steal" is a little bit too strong, but "raid" certainly is not—it will cause one raid after another upon the Treasury of the United States if we ever establish this precedent today by our votes. I again say that this bill would never have reached the House in the last 4 or 5 years if it had not been for this lobby—the most effective, the most efficient, the most tireless and industrious lobby that I have known anything about in 20 years. If a lobby can thrust this bill upon the House and have the House create this precedent, then Lord have mercy upon the Treasury of the United States, because the Congress will not. It creates by this raid a precedent that opens wide the Treasury doors to all future and past

claimants against foreign nations who will ask Congress to bail out all foreign nations and underwrite their debts.

Mr. ANDERSON of Missouri. Mr. Chairman, will the gentleman yield?

Mr. FISH. I yield to the gentleman from Missouri.

Mr. ANDERSON of Missouri. Is it not a fact that the lobbyists on this matter are so thick they lobby each other?

Mr. FISH. I do not want to go any further into that, because if I do I may say some unhappy things; but it is the worst bill I have known in 20 years that has come before the Congress for their votes and would establish a dangerous and ruinous precedent.

Mr. LUTHER A. JOHNSON. Mr. Chairman, will the gentleman yield?

Mr. FISH. I yield to my colleague on the committee.

Mr. LUTHER A. JOHNSON. Is it not true that this bill is sponsored by Senator MORRIS SHEPPARD and has twice passed the Senate and has never been voted upon in the House, and does the gentleman think that a lobby extends over both Chambers?

Mr. FISH. I do not think there is any limit whatever to that lobby. It may even extend beyond the Senate and the House, but so far as Senator SHEPPARD and the gentleman himself are concerned, I naturally have the highest regard for the gentleman's integrity and for that of Senator SHEPPARD, who are sponsoring this bill in the Senate and the House, but that does not mean that this lobby has not been working like a mole day in and day out, and night in and night out, to try to get this legislation up in Congress. They have worked in this way for 10 years and when I tried to stop it in the Committee on Foreign Affairs and asked for reconsideration of the snap vote of the committee because I was out of the committee room temporarily, in the Chairman's room at the time, I could not get it.

Now, what is it all about? Three million dollars that we are to pay to bail out Mexico. Two million dollars for the Illinois Central. For what? For a claim 30 years old, with whiskers on it. For what? For second-class or second-hand locomotives or engines; not brand-new engines, but second-hand engines. Now, after 30 years and the strenuous efforts by an expert lobby, we are supposed to put our stamp of approval on it. That is why it is here, and I am not going to challenge anybody's right to vote because that is what you are here to do. You are here to legislate any way you want to, and it will not hurt my opinion of any Member how he votes except I want the Members to know about this particular item for second-hand locomotives, 30 years old, that we are supposed to pay for in order to bail out for the Republic of Mexico, that has been spitting in our faces for years and refuses to arbitrate and, literally, attacks Secretary Hull in every effort he makes to get some settlement of the expropriated or seized lands in Mexico right at the present time. So the whole thing boils down to one thing: Are we to pay the debts of Mexico to our own citizens? I have as much sympathy for these claimants as any Member of the House, and they are generally just claims against Mexico, but not against the United States Treasury. I would like to see them paid as much as anybody in the House, but I do not propose to put my stamp of approval on creating any such vicious and dangerous precedent that would open wide the Treasury door this year and hereafter, not for $3,000,000, but for hundreds and hundreds of millions of dollars, and not one person in authority in the State Department approves or dares to approve any such ruinous principle as that laid down in this bill. [Applause.]

[Here the gavel fell.]

Mr. SMITH of Ohio. Mr. Chairman, I move to strike out the last word.

Mr. BLOOM. Mr. Chairman, I move that all debate on this section and all amendments thereto close in 10 minutes.

The motion was agreed to.

Mr. SMITH of Ohio. Mr. Chairman, boiled down to one simple little fact, this bill provides something like this: All the United States Government did in this transaction was to provide a means for the collecting of debts owing to United States nationals by Mexicans and the Mexican Government. You may call it a collecting agency if you wish. It is hardly that. I do not believe that the United States Government even meant to go that far in setting up this arrangement, but at any rate here is the basic and the underlying fact in this whole matter. There was no other way for the American citizens to collect their bills except an arrangement of this kind. The Government set this arrangement up and said, "We will do what we can to facilitate the collection of these debts from Mexico." That is all the obligation the Government of the United States had in this matter.

Mr. FISH. Mr. Chairman, will the gentleman yield?

Mr. SMITH of Ohio. I yield.

Mr. FISH. Is it not a fact that in all reason this claim that the Illinois Central is trying to collect was written off by the Illinois Central years ago, and we are just handing them out some velvet?

Mr. SMITH of Ohio. Practically speaking, probably so.

Mr. DIRKSEN. Where is the proof of that fact?

Mr. FISH. I know something about these claims.

Mr. DIRKSEN. The gentleman is just speculating without any information about it.

Mr. FISH. I knew about this claim 20 years ago.

Mr. BLOOM. I think that statement of the gentleman from New York [Mr. FISH] is unfair. The gentleman does not know whether it is written off or not.

Mr. SMITH of Ohio. Let us go a little bit further. Suppose I employed one of you here to collect accounts which I had outstanding and you failed to bring in any money. What would you tell me if I demanded that you pay out of your own pocket the sums which you tried to collect for me? You would tell me plenty, would you not?

But the proposal before us is even more absurd than this. As stated, it was only by the arrangement of setting up a claims commission under the jurisdiction of our Government that it was possible for our nationals to collect their accounts from Mexico. Fundamentally the purpose of this Commission was to collect from Mexico and to pay over to our citizens such sums as it collected. This was the sole and only function of this Commission. Then, having failed in making the desired collections, the United States claimants jump onto their own Government and ask our taxpayers to pay the sums this Commission failed to collect from Mexico.

How any Congressman who supports this measure can go back to his district and try to defend his action is hard for me to understand.

Mr. THOMASON. And when the treaty was agreed to, were not the claimants foreclosed from further asserting their claims directly against the Government of Mexico, and this is the only recourse they have?

Mr. SMITH of Ohio. The State Department informed me about 10 minutes ago that that is not their version of this.

Mr. VORYS of Ohio. And furthermore that is not the version of the Illinois Central Railroad, as shown by their own counsel, who said that they had a choice of two things. He said the State Department told him:

> You will have to waive your right to have any aid from the United States or abandon this claim before the Commission in its entirety, and we will consent to the petition being dismissed, or we will dismiss it in any event; or as a corollary to that, if you do not do that you will have to cease all private negotiations.

They had the choice of going ahead alone or with the Government.

Mr. SMITH of Ohio. The presumption was by all concerned when this arrangement was established, that the money would have to be paid first by the Mexicans and then handed over to our American citizens, and I do not think that can be denied.

Mr. LUTHER A. JOHNSON. Mr. Chairman, I rise in opposition to the pro forma amendment.

Mr. BLOOM. Mr. Chairman, before the gentleman begins will he yield to me?

Mr. LUTHER A. JOHNSON. Yes.

Mr. BLOOM. I would like to read something from the record to show that the statement made by the gentleman from Ohio [Mr. SMITH] is not exactly accurate according to the

opinion of the State Department. Before the Committee on Foreign Affairs the following colloquy occurred between Mr. Hackworth, the legal adviser of the State Department, and me:

Mr. BLOOM. Would you mind an interruption there? Of course, the Secretary of State, if this Commission should report this bill favorably, would approve of it. He does not disapprove of any action we take. He has no objection to us doing that?

Mr. HACKWORTH. Not at all.

Mr. BLOOM. There is no reason he has at the present time why we should not pass this bill favorably?

Mr. HACKWORTH. No, sir; not as I understand it.

Mr. Hackworth is the legal adviser of the State Department. He made the further statement at that time:

We have taken over the claims and are prosecuting them as Government claims on behalf of our nationals. The Government is the creditor.

Mr. LUTHER A. JOHNSON. Mr. Chairman, supplementing what the chairman of our committee, the gentleman from New York [Mr. BLOOM], has read from the hearings in respect to what Mr. Hackworth, legal adviser to the State Department, said concerning the claims becoming the claims of the Government rather than the claims of the individuals, I want to deny most emphatically the charge made by some that Secretary Hull made an adverse report on this resolution. Prior to the time that the Commission had gone out of existence, the State Department did report adversely, but Secretary Hull said that after the life of the Commission expired and after these claimants had had to wait for a great many years to collect their claims, he made no recommendation one way or the other with reference to it. Whereas prior to that time there had been an adverse report, I call attention to this further statement. Some of those speaking against the bill have said that the Illinois Central Railroad had the right to prosecute their claim, as they would like, but there is in the record a statement of the State Department that these claimants no longer have the claims; that they became the claims of the Government of the United States. The Illinois Central Railroad as such sought to have a settlement with the Government of Mexico. A representative of the road and a representative of the Mexican Government came to Washington, an offer of settlement having been made to the railroad by the Mexican Government, and they came to consult the State Department as to whether or not a settlement could be made between the road and the Mexican Government. The files of the State Department disclose a copy of a letter dated March 17, 1926, signed by Henry W. Anderson, agent of the United States, to Benito Flores, agent for the United Mexican States. He says, after conferring with the Secretary of State, that that could not be done; that the settlement could not be made with the Illinois Central Railroad and the Mexican Government, because the claims no longer were the claims of the individuals, but were the claims of the Government of the United States against the Mexican Government.

That is the milk in the coconut, and that is the real test of it, and this claim under that treaty became a claim of the Government, and under the treaty it is the duty of the Government to collect it and pay the claimants the awards made in their favor. All that we ask in this bill is to carry out the terms of the treaty, which is just and equitable, and the bill is not subject to the attacks that have been made upon it nor to the interpretations nor the insinuations that have been thrust against it. The bill simply does justice to the claimants, who have long been denied the money that is due them under awards made by a Government agency, and no one need fear voting for this bill and then facing their constituents, because when you vote for it you will only do what is right as between the Government of the United States and its citizens. To vote against the bill would be denying to these claimants the rights that are theirs, and it would be an unjust procedure upon the part of the Government to take away from the claimants the right to collect claims and then to deny them the money which is justly theirs, and which has been awarded them after due and legal process set up by our Government under the treaty with Mexico. [Applause.]

The CHAIRMAN. The time of the gentleman from Texas has expired. All time has expired. Under the rule the Committee will rise.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. RANKIN, Chairman of the Committee of the Whole House on the state of the Union, reported that that Committee has had under consideration the bill S. 326, and he reported the same back to the House.

The SPEAKER. Under the rule the previous question is ordered.

The question is on the third reading of the Senate bill.

The bill was ordered to be read a third time and was read the third time.

The SPEAKER. The question is on the passage of the bill.

Mr. FISH. Mr. Speaker, I have a motion to recommit.

The SPEAKER. Is the gentleman opposed to the bill?

Mr. FISH. I am, Mr. Speaker.

The SPEAKER. The Clerk will report the motion of the gentleman from New York.

The Clerk read as follows:

Mr. FISH moves to recommit the bill S. 326 to the Committee on Foreign Affairs with instructions to that committee to report the same back forthwith with the following amendment: "Page 2, line 6, after the word 'States', insert 'after these sums have been deposited with the United States Treasury by the Government of Mexico.' "

Mr. LUTHER A. JOHNSON. Mr. Speaker, I make a point of order.

The SPEAKER. The gentleman will state it.

Mr. LUTHER A. JOHNSON. An identical amendment was voted upon in Committee of the Whole, offered by the gentleman from Pennsylvania [Mr. RICH].

The SPEAKER. That was an amendment which was offered in Committee of the Whole, the Chair will state. The House takes no judicial notice of action in Committee of the Whole or the rejection of an amendment in the Committee. The point of order is overruled.

The question is on the motion of the gentleman from New York [Mr. FISH].

The question was taken; and on a division (demanded by Mr. FISH) there were—ayes 103, noes 88.

Mr. LUTHER A. JOHNSON. Mr. Speaker, I object to the vote on the ground that a quorum is not present, and I make the point of order that a quorum is not present.

The SPEAKER. The Chair will count. [After counting.] Two hundred and thiry-six Members are present, a quorum.

Mr. BLOOM. Mr. Speaker, I demand the yeas and nays.

The yeas and nays were ordered.

The question was taken; and there were—yeas 197, nays 125, not voting 109, as follows:

[Roll No. 166]

YEAS—197

Allen, La.	Cole, N. Y.	Gerlach	Kennedy, Michael
Andersen, H. Carl	Connery	Geyer, Calif.	Kerr
Anderson, Calif.	Cooley	Gibbs	Kinzer
Anderson, Mo.	Corbett	Goodwin	Kirwan
Angell	Costello	Graham	Kitchens
Barden, N. C.	Cravens	Gross	Kramer
Barry	Crawford	Guyer, Kans.	Kunkel
Bates, Mass.	Crosser	Hall, Edwin A.	Lambertson
Beam	Crowe	Hancock	Lanham
Beckworth	Crowther	Hare	Larrabee
Bender	Curtis	Hart	Leavy
Blackney	D'Alesandro	Hartley	Lemke
Boehne	Dunn	Healey	Lesinski
Bolles	Dworshak	Hennings	Lewis, Colo.
Bolton	Eaton	Hess	Lewis, Ohio
Bradley, Mich.	Edmiston	Hill	Lynch
Brewster	Ellis	Hoffman	McArdle
Brown, Ga.	Faddis	Houston	McDowell
Bryson	Fay	Hunter	McKeough
Buckler, Minn.	Fenton	Jacobsen	McLaughlin
Burgin	Ferguson	Jarrett	McMillan, Clara
Byrne, N. Y.	Fish	Jeffries	Mahon
Camp	Flaherty	Jenkins, Ohio	Mansfield
Carlson	Flannery	Jenks, N. H.	Mason
Case, S. Dak.	Ford, Thomas F.	Jennings	Mills, Ark.
Clason	Fulmer	Johnson, W. Va.	Monroney
Clevenger	Gamble	Jones, Ohio	Moser
Cochran	Garrett	Jonkman	Mott
Coffee, Nebr.	Gartner	Kean	Mundt
Coffee, Wash.	Gavagan	Kelly	Nichols
Cole, Md.	Gearhart	Kennedy, Md.	Norrell

O'Brien	Rodgers, Pa.	Smith, Maine	Vorys, Ohio
O'Day	Rogers, Mass.	Smith, Ohio	Wallgren
O'Leary	Rogers, Okla.	Smith, Wash.	Ward
Oliver	Romjue	Somers, N. Y.	Warren
Pace	Ryan	South	Welch
Patman	Sabath	Stearns, N. H.	Whelchel
Pearson	Sasscer	Stefan	Wigglesworth
Peterson, Ga.	Satterfield	Sullivan	Williams, Del.
Pfeifer	Schafer, Wis.	Sumner, Ill.	Williams, Mo.
Pierce	Schiffler	Sutphin	Winter
Plumley	Schwert	Sweeney	Wolcott
Polk	Seccombe	Sweet	Wolfenden, Pa.
Powers	Secrest	Tarver	Wolverton, N. J.
Rabaut	Shafer, Mich.	Tenerowicz	Woodruff, Mich.
Rankin	Shanley	Terry	Youngdahl
Reed, N. Y.	Shannon	Tibbott	Zimmerman
Rees, Kans.	Sheridan	Treadway	
Rich	Short	Van Zandt	
Richards	Smith, Conn.	Vinson, Ga.	

NAYS—125

Allen, Ill.	Gathings	Keefe	Reed, Ill.
Andresen, A. H.	Gehrmann	Kefauver	Robertson
Arends	Gilchrist	Keller	Robinson, Utah
Austin	Gillie	Kilday	Robsion, Ky.
Barnes	Gore	Kleberg	Routzohn
Bland	Gossett	Knutson	Rutherford
Bloom	Grant, Ala.	Kocialkowski	Schaefer, Ill.
Boykin	Grant, Ind.	Landis	Schuetz
Brooks	Gregory	LeCompte	Sheppard
Brown, Ohio	Griffith	McAndrews	Simpson
Bulwinkle	Gwynne	McCormack	Smith, Ill.
Burdick	Harrington	McGregor	Snyder
Byrns, Tenn.	Harter, N. Y.	McLean	Sparkman
Carter	Harter, Ohio	McMillan, John L.	Spence
Cartwright	Havenner	Maloney	Springer
Chiperfield	Hawks	Marshall	Steagall
Church	Hendricks	Martin, Iowa	Talle
Cooper	Hinshaw	Massingale	Thomas, Tex.
Courtney	Hobbs	Michener	Thomason
Cox	Holmes	Miller	Tinkham
Davis	Hope	Mills, La.	Tolan
Dempsey	Hull	Murdock, Ariz.	Vincent, Ky.
Dirksen	Izac	Murdock, Utah	Wadsworth
Disney	Jarman	Murray	Walter
Dondero	Jensen	Parsons	Weaver
Douglas	Johns	Patrick	West
Doxey	Johnson, Ill.	Patton	Wheat
Duncan	Johnson, Ind.	Pittenger	Whittington
Eberharter	Johnson, LutherA.	Poage	Woodrum, Va.
Elliott	Johnson, Lyndon	Ramspeck	
Flannagan	Johnson, Okla.	Rayburn	
Folger	Kee	Reece, Tenn.	

NOT VOTING—109

Alexander	Cullen	Hook	Osmers
Allen, Pa.	Cummings	Horton	O'Toole
Andrews	Darden, Va.	Jones, Tex.	Peterson, Fla.
Arnold	Darrow	Kennedy, Martin	Randolph
Ball	Delaney	Keogh	Risk
Barton, N. Y.	DeRouen	Kilburn	Rockefeller
Bates, Ky.	Dickstein	Lea	Sacks
Bell	Dies	Luce	Sandager
Boland	Dingell	Ludlow	Schulte
Boren	Ditter	McGehee	Scrugham
Bradley, Pa.	Doughton	McGranery	Seger
Buck	Drewry	McLeod	Smith, Va.
Buckley, N. Y.	Durham	Maas	Smith, W. Va.
Burch	Edelstein	Maciejewski	Starnes, Ala.
Byron	Elston	Magnuson	Sumners, Tex.
Caldwell	Engel	Marcantonio	Taber
Cannon, Fla.	Englebright	Martin, Ill.	Taylor
Cannon, Mo.	Evans	Martin, Mass.	Thill
Casey, Mass.	Fernandez	May	Thomas, N. J.
Celler	Fitzpatrick	Merritt	Thorkelson
Chapman	Ford, Leland M.	Mitchell	Voorhis, Calif.
Clark	Ford, Miss.	Monkiewicz	Vreeland
Claypool	Fries	Mouton	White, Idaho
Cluett	Gifford	Myers	White, Ohio
Collins	Green	Nelson	Wood
Colmer	Hall, Leonard W.	Norton	
Creal	Halleck	O'Connor	
Culkin	Harness	O'Neal	

So the motion to recommit was agreed to.

The Clerk announced the following pairs:

On this vote:

Mr. Maciejewski (for) with Mr. Ball (against).
Mr. Keogh (for) with Mr. Halleck (against).
Mr. Thill (for) with Mr. Martin of Illinois (against).
Mr. Kilburn (for) with Mr. Arnold (against).
Mr. Scrugham (for) with Mr. Monkiewicz (against).
Mr. Allen of Pennsylvania (for) with Mr. McGehee (against).
Mr. Osmers (for) with Mr. Cannon of Florida (against).

General pairs:

Mr. Cullen with Mr. Luce.
Mr. Drewry with Mr. Ditter.
Mr. Colmer with Mr. Gifford.
Mr. Darden of Virginia with Mr. Culkin.
Mr. Boland with Mr. McLeod.
Mr. O'Neal with Mr. Alexander.
Mr. Burch with Mr. Taber.
Mr. Clark with Mr. Maas.
Mr. May with Mr. Darrow.
Mr. Smith of Virginia with Mr. Harness.
Mr. Doughton with Mr. Martin of Massachusetts.
Mr. Starnes of Alabama with Mr. Rockefeller.
Mr. Fernandez with Mr. Thomas of New Jersey.
Mr. Durham with Mr. Elston.
Mr. Collins with Mr. Horton.
Mr. Martin J. Kennedy with Mr. Risk.
Mr. DeRouen with Mr. Engel.
Mr. Creal with Mr. Leonard W. Hall.
Mr. Cummings with Mr. Seger.
Mr. Nelson with Mr. Barton of New York.
Mr. Sumners of Texas with Mr. Vreeland.
Mr. Ludlow with Mr. Sandager.
Mr. Green with Mr. Andrews.
Mr. Ford of Mississippi with Mr. Thorkelson.
Mr. Fitzpatrick with Mr. Leland M. Ford.
Mr. Dies with Mr. Cluett.
Mr. Delaney with Mr. Englebright.
Mr. Dingell with Mr. White of Ohio.
Mr. Claypool with Mr. Bradley of Pennsylvania.
Mr. Randolph with Mr. Mouton.
Mr. Wood with Mr. Evans.
Mr. Bell with Mr. Merritt.
Mr. McGranery with Mr. Schulte.
Mr. Boren with Mr. Taylor.
Mr. Smith of West Virginia with Mr. Dickstein.
Mr. Edelstein with Mr. Fries.
Mr. Hook with Mr. Byron.
Mr. Cannon of Missouri with Mr. Magnuson.
Mr. Celler with Mr. Peterson of Florida.
Mr. Buckley of New York with Mr. Sachs.
Mr. Casey of Massachusetts with Mr. Lea.
Mr. O'Toole with Mr. Myers.
Mr. Chapman with Mr. Caldwell.
Mr. Buck with Mrs. Norton.
Mr. Jones of Texas with Mr. O'Connor.

Mr. KNUTSON. Mr. Speaker, I voted under a misapprehension. I desire to change my vote from "aye" to "no."

Mr. COLMER. Mr. Speaker, I was in the gallery and failed to get down to the Chamber in time.

The SPEAKER. The gentleman fails to qualify.

Mr. JOHNS. Mr. Speaker, I voted "aye." I wish to change my vote to "no."

The result of the vote was announced as above recorded.

Mr. BLOOM. Mr. Speaker, pursuant to the instruction of the House, I report back the bill, S. 326, with an amendment.

The SPEAKER. The Clerk will report the amendment.

The Clerk read as follows:

Page 2, line 6, after the word "States", insert the following: "after these sums have been deposited with the United States Treasury by the Government of Mexico."

The SPEAKER. The question is on agreeing to the amendment.

The amendment was agreed to.

The SPEAKER. The question is on the third reading of the amended bill.

The bill as amended was ordered to be read a third time and was read the third time.

The SPEAKER. The question is on the passage of the bill.

The bill was passed, and a motion to reconsider was laid on the table.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted, as follows:

To Mr. SCRUGHAM, for 1 week, on account of important business.

To Mr. PARSONS, indefinitely, on account of a death in the family.

ADMISSION TO ST. ELIZABETHS HOSPITAL OF PERSONS RESIDENT IN THE VIRGIN ISLANDS

The SPEAKER laid before the House the following request from the Senate of the United States:

That the Secretary be directed to request the House of Representatives to return to the Senate the bill (H. R. 9576) entitled "An act relating to the admission to St. Elizabeths Hospital of persons resident or domiciled in the Virgin Islands of the United States."

The SPEAKER. Without objection, the request will be granted.

There was no objection.

EXTENSION OF REMARKS

Mr. HARRINGTON. Mr. Speaker, I ask unanimous consent to extend my remarks and include therein a short statement by the Secretary of State.

The SPEAKER. Is there objection?

There was no objection.

By unanimous consent Mr. KILDAY and Mr. SHANLEY were granted permission to revise and extend their own remarks.

Mr. FLANNERY. Mr. Speaker, I ask unanimous consent to extend my remarks and include a poem written by a constituent and personal friend of mine, son of a distinguished publishing and literary family, Mr. John V. Heffernan.

The SPEAKER. Is there objection?

There was no objection.

Mr. BLOOM. Mr. Speaker, I ask unanimous consent to extend my remarks by inserting a radio address made by Mr. Fulton Lewis, Jr., at Philadelphia on the subject of July 4, 1776.

The SPEAKER. Is there objection?

There was no objection.

Mr. WOODRUFF of Michigan. Mr. Speaker, I ask unanimous consent to extend my own remarks and to include therein an editorial.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. MARSHALL asked and was given permission to extend his own remarks in the RECORD.

Mr. BRADLEY of Michigan. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include therein an editorial from the Detroit Free Press.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. BRADLEY of Michigan. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include therein a speech I made on the Fourth of July.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. JONES of Texas. Mr. Speaker, on July 1, I put an address in the RECORD but overlooked putting in the outline at the beginning. I ask unanimous consent that this may be inserted at the proper place in the printing of the speech in the permanent RECORD.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

ORDER OF BUSINESS

Mr. FISH. Mr. Speaker, may I inquire of the majority leader if he has any more business to transact today and if he will indicate the program for the week?

Mr. RAYBURN. There is no further business on the calendar for today.

On tomorrow the gentleman from Texas [Mr. MANSFIELD] will bring in a motion to instruct the conferees on the so-called stream-pollution bill. This will take about an hour. Following that we will take up the rule on the Hatch bill and proceed to the consideration of the rule and the bill. That is the program for the week.

ENROLLED BILLS AND JOINT RESOLUTIONS SIGNED

Mr. PARSONS, from the Committee on Enrolled Bills, reported that that committee had examined and found truly enrolled bills of the House of the following titles, which were thereupon signed by the Speaker:

H. R. 1435. An act for the relief of A. S. Tait;

H. R. 2358. An act for the relief of Alfred Joseph Wright;

H. R. 3161. An act for the relief of the First National Bank of Gettysburg, Pa., as legal guardian of the three minor children of Dale W. Guise and Gladys M. Guise, both deceased, and Sally C. Guise, Martha G. and Arnold E. Orner;

H. R. 3171. An act for the relief of George L. Sheldon;

H. R. 4828. An act to amend the law limiting the operation of statutes of limitations in certain cases;

H. R. 5258. An act for the relief of the legal guardian of Betty Lou Frady and W. L. Frady;

H. R. 6424. An act to provide for the transportation and distribution of mails on motor-vehicle routes;

H. R. 7843. An act for the relief of Clifford J. Williams;

H. R. 7861. An act for the relief of Hannah S. Bray, Jane Bickers, and Frances Bickers; and

H. R. 9114. An act authorizing advancements from the Federal Emergency Administration of Public Works for the construction of a recorder of deeds' building in the District of Columbia, and for other purposes.

The SPEAKER announced his signature to enrolled bills and joint resolutions of the Senate of the following titles:

S. 134. An act providing for continuing retirement pay, under certain conditions, of officers and former officers of the Army, Navy, and Marine Corps of the United States, other than officers of the Regular Army, Navy, or Marine Corps, who incurred physical disability while in the service of the United States during the World War, and for other purposes;

S. 182. An act for the relief of Edward Hagenson;

S. 993. An act for the relief of J. H. Wootton;

S. 1251. An act for the relief of certain settlers in the town site of Ketchum, Idaho;

S. 1531. An act for the relief of Edmund S. Dennis;

S. 1810. An act for the relief of the Citizens State Bank of Marianna, Fla.;

S. 2560. An act for the relief of Marjorie Buchek;

S. 2561. An act for the relief of Ina Jones;

S. 2570. An act for the relief of Mary Boyd;

S. 2595. An act for the relief of Lloyd S. Harris;

S. 2799. An act for the relief of James George Mayfield;

S. 2800. An act for the relief of Edward J. Ross, and the legal guardian of Betty Ross, a minor;

S. 2817. An act for the relief of J. H. Churchwell Wholesale Co., of Jacksonville, Fla.;

S. 2988. An act for the relief of Bessie Sharrah;

S. 3023. An act for the relief of Clarence E. Enders and Gertrude Ray Enders;

S. 3039. An act for the relief of Twila Snyder;

S. 3280. An act for the relief of Ina May Everett;

S. 3351. An act for the relief of I. M. Cook, J. J. Allen, and the Radiator Specialty Co.;

S. 3401. An act for the relief of Charles N. Barber, former United States property and disbursing officer, Vermont National Guard, and for other purposes;

S. 3424. An act for the relief of George O. Elliott and Winslow Farr Smith;

S. 3617. An act granting the consent and approval of Congress to an interstate compact relating to control and reduction of pollution in the Ohio River drainage basin;

S. 3749. An act to relieve certain employees of the Veterans' Administration from financial liability for certain overpayments and allow such credit therefor as is necessary in the accounts of certain disbursing officers, and for other purposes;

S. 3763. An act for the relief of Capt. David H. Passell and First Lt. Paul E. LaMaster;

S. 3794. An act for the relief of certain Navajo Indians, and for other purposes;

S. 4032. An act to provide for the reimbursement of Philip A. Penston, pharmacist's mate, first class, United States Coast Guard, for the value of personal and household effects lost and destroyed during the hurricane of September 21, 1938, at New London, Conn.;

S. 4097. An act to provide for the disposition of estates of American citizens who die abroad;

S. J. Res. 133. Joint resolution to confer jurisdiction on the Court of Claims or the District Court of the United States for the Northern District of Georgia to hear, determine, and render judgment upon the claim of Mrs. J. W. Marks, of Stephens County, Ga.; and

S. J. Res. 222. Joint resolution granting the consent of Congress to the States of Maryland and West Virginia and the Commonwealths of Virginia and Pennsylvania and the District of Columbia as signatory bodies to enter into a compact for the creation of a Potomac Valley Conservancy District and the establishment of the Interstate Commission on the Potomac River Basin.

BILLS PRESENTED TO THE PRESIDENT

Mr. PARSONS, from the Committee on Enrolled Bills, reported that that committee did on Saturday, July 6, 1940, present to the President, for his approval, bills of the House of the following titles:

H. R. 6831. An act to authorize the Secretary of the Interior to lease certain of the public lands to the Metropolitan Water District of Southern California for the extraction of sodium chloride for water-conditioning purposes;

H. R. 8024. An act to provide for the leasing of restricted allotments of deceased Indians in certain circumstances, and for other purposes;

H. R. 8499. An act relating to adoption of minors by Indians; and

H. R. 10106. An act to amend the District of Columbia Revenue Act of 1937, as amended.

ADJOURNMENT

Mr. RAYBURN. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 3 o'clock and 3 minutes p. m.) the House adjourned until tomorrow, Tuesday, July 9, 1940, at 12 o'clock noon.

COMMITTEE HEARINGS

COMMITTEE ON INTERSTATE AND FOREIGN COMMERCE

There will be a meeting of the Committee on Interstate and Foreign Commerce at 10 o'clock a. m., Tuesday, July 9, 1940. Business to be considered: Hearing on H. R. 9706, to amend Railroad Unemployment Insurance Act.

EXECUTIVE COMMUNICATIONS, ETC.

1826. Under clause 2 of rule XXIV a letter from the Acting Secretary of Agriculture, transmitting a copy of a proposed bill for the relief of former certifying and disbursing officers of the Department of the Interior, was taken from the Speaker's table and referred to the Committee on Claims.

ADVERSE REPORTS

Under clause 2 of rule XIII,

Mr. THOMASON: Committee on Military Affairs. House Resolution 542. Resolution requesting the President to transmit to the House a report with respect to the progress which is being made in carrying on the national-defense program (Rept. No. 2739). Laid on the table.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. DIMOND:

H. R. 10173. A bill authorizing a preliminary examination and survey of Salmon Creek in the vicinity of Juneau, Alaska; to the Committee on Flood Control.

By Mr. HILL:

H. R. 10174 (by request). A bill to provide funds for the national defense; to make intangible personal property to bear its fair share of taxes; to halt tax evasion by citizens of the several States who secrete wealth in other States in the form of intangible property; to accelerate the circulation of wealth and to encourage the employment of it in productive enterprise; to stimulate agricultural and industrial production and general business by supplying the people a wider distribution of wealth and an increase of mass purchasing power; to provide for the proper administration of this act; to provide penalties for the violation of this act; and for other purposes; to the Committee on Ways and Means.

By Mr. LANHAM:

H. R. 10175. A bill to authorize the Secretary of the Treasury to lease for periods not exceeding 10 years buildings, parts thereof, and grounds in foreign countries; to the Committee on Public Buildings and Grounds.

By Mr. MICHENER:

H. R. 10176. A bill authorizing the Secretary of the Interior to issue patents for lands held under color of title; to the Committee on the Public Lands.

By Mr. LUDLOW:

H. Con. Res. 85. Concurrent resolution to promote peace; to the Committee on Foreign Affairs.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. KRAMER:

H. R. 10177. A bill for the relief of Theodore Katzenstein; to the Committee on Immigration and Naturalization.

By Mr. RANDOLPH:

H. R. 10178. A bill for the relief of Arma Lee Hogan; to the Committee on Claims.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

8987. By Mr. CASE of South Dakota: Petition of Henry White Wing, president, Peter Thin Elk, secretary, and 350 other signers, adopting the resolutions proposed at a meeting of the Grass Mountain district of the Black Hills Claims and Treaty Council, on June 21, 1940, praying and appealing for exemption from the operations of the Wheeler-Howard Act, except as to sections 1, 2, 14, and 15; to the Committee on Indian Affairs.

8988. By Mr. CULLEN: Petition of the board of directors of the Brooklyn Real Estate Board, opposing Senate Joint Resolution 92, as amended May 15, 1940, as they feel that this measure represents an attempt to establish Federal title to all submerged lands now held or granted by the States; to the Committee on the Public lands.

8989. By Mr. FISH: Petition of 167 residents of the city of Poughkeepsie, Dutchess County, N. Y., to keep America out of war, that appropriations be made for the purchase of airplanes, submarines, and other modern defensive weapons only, and requesting that the Congress remain in session during the present emergency; to the Committee on Military Affairs.

8990. By Mr. GRAHAM: Petition of the Edith Cavell Post, No. 2, British Empire War Veterans Association of Beaver County, Pa., pledging our wordly possessions and our very lives in defense of our adopted country, the United States of America, and, to the end that her flag shall remain unsullied and her sacred institutions preserved for us and our posterity, we offer our aid and pledge our undivided support to the American Legion, the Veterans of Foreign Wars, and our Government, be it National, State, or local, in unearthing and exposing every form of Trojan horse or "fifth column" which may make any attempt to import into our country any brand of "ism" except Americanism; to the Committee on Military Affairs.

8991. By Mr. MICHAEL J. KENNEDY: Petition of the board of directors of the Brooklyn Real Estate Board, opposing Senate Joint Resolution 92, as amended May 15, 1940, which would establish Federal title to all submerged lands now held or granted by the States; to the Committee on the Public Lands.

8992. Also, petition of the United Hatters, Cap, and Millinery Workers International Union, representing 40,000 members residing throughout the country, urging the extension of every possible aid to the democratic forces abroad now defending ideals and institutions similar to our own, and also favoring the national-defense program; to the Committee on Foreign Affairs.

8993. Also, petition of the National Maritime Union of America, pledging its full support and cooperation in building the national defense of our country so that it will be second to none; to the Committee on Military Affairs.

8994. Also, petition of the Forty Plus Club of New York, expressing its wholehearted support of the national-defense

program and extending its facilities; to the Committee on Military Affairs.

8995. Also, petition of the Military Order of the Loyal Legion of the United States, commandery of the State of New York, expressing its full accord with the official program of the Federal Government for building up the national defense against external and internal threat to the security of our land; to the Committee on Military Affairs.

8996. Also, petition of the Empire State Travel Association, opposing the new regulation promulgated which makes it necessary for Canadian citizens entering the United States to have a passport and visa; to the Committee on Foreign Affairs.

8997. Also, petition of John Jacob Astor Unit, No. 26, of the Steuben Society of America, urging that Congress remain in session and that America be kept out of foreign entanglements; to the Committee on Ways and Means.

8998. By Mr. KEOGH: Petition of the Brooklyn Real Estate Board, Brooklyn, N. Y., opposing Senate Joint Resolution 92, as amended May 15, 1940; to the Committee on the Public Lands.

8999. Also, petition of the Conqueror Lodge, No. 559, Brooklyn, N. Y., Knights of Pythias, favoring immediate and full material aid to Great Britain and its Allies, short of war; to the Committee on Foreign Affairs.

9000. Also, petition of the Military Order of the Loyal Legion of the United States, commandery of the State of New York, New York City, favoring national defense against external and internal threat to the security of our land; to the Committee on Military Affairs.

9001. Also, petition of the Association of Ex-Members of Squadron A, New York City, favoring the adoption of the principle of universal compulsory military training; to the Committee on Military Affairs.

9002. By Mr. KRAMER: Resolution of the California Baby Chick Association relative to Senate bill 3227; to the Committee on Agriculture.

9003. Also, resolution of the board of directors, California State Chamber of Commerce, relative to preparation to meet any emergency which might arise out of current conditions in the world; to the Committee on Military Affairs.

9004. By Mr. MERRITT: Resolution of the Hill Post, No. 39, Catholic War Veterans, Brooklyn, N. Y., requesting that Senate bill 4132, to outlaw the Communist Party, be enacted, and that House Joint Resolution 555 be defeated; to the Committee on the Judiciary.

9005. Also, resolution of the American Committee for the Defense of Lithuania, Brooklyn, N. Y., requesting our Government to withdraw the recognition extended in November 1933 to the Soviet Union; that this committee appeals to the Government to protect our youth, citizens, and residents from the subversive activities and propaganda conducted by Communist newspapers, organizations, and agencies directed against our institutions; and, that we pledge our wholehearted moral and material aid and sympathy to the suffering peoples of Lithuania, Latvia, and Estonia; to the Committee on Foreign Affairs.

9006. Also, resolution of the Richmond Hill South Lions Club, New York, requesting Congress remain in session during this period of uncertain developments in Europe; to the Committee on Ways and Means.

9007. By Mr. PFEIFER: Petition of the Brooklyn Real Estate Board, Brooklyn, N. Y., opposing the adoption of Senate Joint Resolution 92, as amended May 15, 1940; to the Committee on the Public Lands.

9008. By Mr. SCHWERT: Resolution of the Board of Supervisors of Erie County, State of New York, pertaining to their desire to assist the Federal Government in hastening its preparedness program by making available for this purpose large tracts of land owned by the county of Erie; to the Committee on Military Affairs.

9009. By Mr. SUTPHIN: Petition of the Board of Chosen Freeholders of Monmouth County, N. J., urging that the residents of Monmouth County present a united front in supporting the Government of the United States in establishing an adequate defense and proper preparedness; to the Committee on Military Affairs.

9010. By Mr. THOMASON: Resolution of the Rotary Club of Van Horn, Tex., signed by John T. Heath, president, and Julius Sadowsky, secretary; to the Committee on Military Affairs.

9011. By the SPEAKER: Petition of Philipp Schubkegel, of Chicago, Ill., and others, petitioning consideration of their resolution with reference to foreign affairs; to the Committee on Foreign Affairs.

9012. Also, petition of the Third Judicial Circuit Bar Association, D. Brown, secretary, Phenix City, Ala., petitioning consideration of their resolution with reference to Walter-Logan bill; to the Committee on the Judiciary.

9013. Also, petition of the Free Economy Association of Portland, Oreg., J. D. Menzel, president, petitioning consideration of their resolution with reference to our monetary, land, and tax policies; to the Committee on Ways and Means.

9014. Also, petition of the International Association of Machinists, San Francisco Lodge, No. 68, California, petitioning consideration of their resolution with reference to the national-defense program; to the Committee on Military Affairs.

9015. Also, petition of the Pennsylvania Grade Crude Oil Association, Oil City, Pa., petitioning consideration of their resolution with reference to the national-defense program; to the Committee on Military Affairs.

9016. Also, petition of the Civic Center Auxiliary Club, petitioning consideration of their resolution with reference to foreign affairs; to the Committee on Foreign Affairs.

9017. Also, petition of the Alabama State Department, Disabled American Veterans, Birmingham, Ala., petitioning consideration of their resolution with reference to the national-defense program; to the Committee on Military Affairs.

9018. Also, petition of the General Ministerial Assembly of Church of God, Anderson, Ind., petitioning consideration of their resolution with reference to foreign affairs; to the Committee on Foreign Affairs.

9019. Also, petition of the National Retail Credit Association, St. Louis, A. H. Hert, secretary, petitioning consideration of their resolution with reference to the national-defense program; to the Committee on Military Affairs.

9020. Also, petition of the Lions Clubs, Elkhart, Kans., petitioning consideration of their resolution with reference to national-defense program; to the Committee on Military Affairs.